

PERFORMANCE BY SEGMENT

CCC [PLNm]	Q1 2022 (Feb 2022 – Apr 2022)	Q1 2023 (Feb 2023 – Apr 2023)	Δ Q1 2023– Q1 2022	YOY
Revenue	820	850	30	4%
Gross profit	463	451	-12	-3%
<i>gross margin [%]</i>	56,5%	53,0%		-3,5 pp
Selling and administrative costs	-519	-499	20	-4%
<i>cost ratio [%]</i>	63,3%	58,7%		-4,6 pp
Other income/expenses and impairment losses	-29	14	43	
EBIT	-85	-34	51	60%
<i>EBIT margin [%]</i>	-10,4%	-4,0%		6,4 pp
EBITDA	27	82	55	204%
<i>EBITDA margin [%]</i>	3,3%	9,6%		6,4 pp
Adjusted* EBITDA	56	68	12	21%
<i>adjusted EBITDA margin [%]</i>	6,8%	8,0%		1,2 pp

* EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items)

- CCC segment's revenue up by 4% yoy with continued rightsizing of inventory levels (-27% yoy).
- Omnichannel sales/m² up by 5% yoy with the metric improved yoy for the ninth consecutive quarter.
- Growing contribution of ccc.eu to the segment's revenue (up by +6pp yoy to 24%) with sales up by 39% yoy.
- Gross margin down due to: 1) high sales of the discounted AW collection in February due to long winter, leading to very good resale levels and inventory structure, 2) launch of additional promotional mechanisms due to lower consumer purchasing power (drop in real wages) and unfavourable weather conditions for the resale of the SS collection (cool spring).
- Selling and administrative costs down 4% yoy despite higher sales (up 4%) and an inflationary business environment. Positive contribution of the implemented cost reduction programme.
- EBITDA tripling and solid EBITDA margin of circa 10% (up 6.4pp year yoy).

HalfPrice [PLNm]	Q1 2022 (Feb 2022 – Apr 2022)	Q1 2023 (Feb 2023 – Apr 2023)	Δ Q1 2023– Q1 2022	YOY
Revenue	119	252	133	112%
Gross profit	54	101	47	87%
<i>gross margin [%]</i>	45,4%	40,1%		-5,3 pp
Selling and administrative costs	-72	-117	-45	62%
<i>cost ratio [%]</i>	60,5%	46,4%		-14,1 pp
Other income/expenses and impairment losses	0	0	0	
EBIT	-18	-16	2	11%
<i>EBIT margin [%]</i>	-15,1%	-6,3%		8,8 pp
EBITDA	0	9	9	
<i>EBITDA margin [%]</i>	0,0%	3,6%		3,6 pp
Adjusted* EBITDA	0	9	9	
<i>adjusted EBITDA margin [%]</i>	0,0%	3,6%		3,6 pp

The figures in the table include the results of the Halfprice omnichannel segment

* EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items)

- HalfPrice’s revenue up 112% yoy with a 60% yoy growth in retail space.
- Continued growth in LFL sales (up by +26% yoy), mainly on the back of a 13% yoy increase in traffic.
- Decrease in gross margin mainly due to promotional mechanisms aimed at improving store turnover and reducing inventory. Gross margin in line with business assumptions for Q1 2023.
- Costs growing at a rate lower by almost a half compared with the revenue growth rate – contribution of operating leverage to improved profitability.
- Positive EBITDA in the seasonally weakest quarter of the year.

MODIVO Group [PLNm]	Q1 2022 (Feb 2022 – Apr 2022)	Q1 2023 (Feb 2023 – Apr 2023)	Δ Q1 2023– Q1 2022	YOY
Revenue*	918	1023	105	11%
eobuwie.pl	756	785	29	4%
Modivo	162	238	76	47%
Gross profit	387	397	10	3%
<i>gross margin [%]</i>	42,2%	38,8%		-3,4 pp
Selling and administrative costs	-343	-409	-66	19%
<i>cost ratio [%]</i>	37,4%	40,0%		2,6 pp
Other income/expenses and impairment losses	-1	-2	-1	
EBIT	43	-14	-57	
<i>EBIT margin [%]</i>	4,7%	-1,4%		-6,1 pp
EBITDA	61	11	-50	-82%
<i>EBITDA margin [%]</i>	6,6%	1,1%		-5,6 p.p
Adjusted** EBITDA	62	13	-49	-79%
<i>adjusted EBITDA margin [%]</i>	6,8%	1,3%		-5,5 pp

The figures in the table include the consolidated results of the MODIVO Group

*Revenue includes transactions with the CCC Group (current period: PLN 82.2m, comparative period: PLN 10.6m).

** EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items)

- Modivo Group's revenue up 11% yoy. Both Modivo (+47%) and eobuwie (+4%) contributed to the increase in sales. Sales in both business lines followed a positive trend in the quarter. Revenue in the multibrand e-commerce segment remains under pressure from the demanding competitive environment.
- Growing prominence of the Modivo business line in the Modivo Group (contribution to revenue up by 6pp yoy, to 23%), supported by the rollout of marketplace (marketplace share in Modivo.pl GMV at 10%).
- Gross margin down 3.4pp yoy due to: 1) weaker consumer purchasing power, 2) overstocking in the multibrand e-commerce segment, leading to 3) aggressive pricing and discount policies pursued by competitors.
- Selling and administrative costs up yoy due to revenue growth (variable costs) and market increase in unit costs of services and materials (including forwarding, packaging and performance marketing). Fixed cost base reduced mainly in the areas of brand image marketing (ATL), energy consumption and employment.
- Profitability in the multibrand e-commerce segment eroded by macro headwinds, fiercer competition and continued inventory balancing.
- EBIT and EBITDA up PLN 23m and PLN 26m qoq, respectively, during the seasonally weakest quarter.

CCC GROUP'S FINANCIAL RESULTS

CCC Group [PLNm]	Q1 2022 (Feb 2022 – Apr 2022)	Q1 2023 (Feb 2023 – Apr 2023)	Δ Q1 2023– Q1 2022	YOY
Revenue	1882	2065	183	10%
Gross profit	923	952	29	3%
<i>gross margin [%]</i>	49,0%	46,1%		-2,9 pp
Selling and administrative costs	-948	-1039	-91	10%
<i>cost ratio [%]</i>	50,4%	50,3%		-0,1 pp
Other income/expenses and impairment losses	-32	12	44	
EBIT	-57	-74	-17	-30%
<i>EBIT margin [%]</i>	-3,0%	-3,6%		-0,6 pp
EBITDA	89	89	0	0%
<i>EBITDA margin [%]</i>	4,7%	4,3%		-0,4 pp
Adjusted* EBITDA	121	77	-44	-36%
<i>adjusted EBITDA margin [%]</i>	6,4%	3,7%		-2,7 pp

* EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items)

- Group sales up by 10% yoy.
- Continued strong contribution of e-commerce to the Group's overall revenue (53%).
- Cost growth rate on a par with revenue growth.
- EBITDA unchanged year on year despite macro headwinds.

GROWTH OF THE CCC GROUP'S OFFLINE SALES CHANNELS

	Apr 30 2022	Apr 30 2023	Δ Apr 30 2023– Apr 30 2022	YOY
Area [m ²], including:	659 862	728 420	68 558	10%
CCC	527 684	527 723	39	0%
eobuwie	21 586	30 457	8 871	41%
HalfPrice	106 393	170 240	63 847	60%
Number of stores, including:	914	960	46	5%
CCC	811	817	6	1%
eobuwie	30	42	12	40%
HalfPrice	66	101	35	53%

- CCC's retail space stable yoy with store chain saturation maintained at a level matched to the market size and continued efforts to rightsize the average store space.
- Implementing the plan to expand eobuwie hybrid stores and eobuwie zones in CCC stores – expanding access to Reserve & Collect service and efficient returns management.
- Continued HalfPrice expansion with 10 new stores opened in Q1 2023 and further to be added in 2023.

SELECTED ITEMS OF THE STATEMENT OF FINANCIAL POSITION

Modivo Group [PLNm]	Jan 31 2023	Apr 30 2023	Δ Apr 30 2023– Jan 31 2023	QOQ
Gross debt*	860	915	55	6%
(-) cash	152	139	-13	-9%
(-) convertible bonds for Softbank	630	661	31	5%
Net financial debt	78	115	37	47%
Reverse factoring	159	319	160	101%

* excluding reverse factoring (reverse factoring included in the definition of a bank covenant applicable to Modivo S.A.)

- Predominant share in Modivo Group's debt of Modivo S.A. convertible bonds issued for Softbank. Qoq change in Modivo Group's debt due mainly to bond interest capitalisation.
- Modivo Group's net financial debt excluding the convertible bonds at PLN 115m.
- Increased use of reverse factoring products reflecting contracts signed for the next SS23 season.

CCC Group excluding MODIVO Group [PLNm]	Jan 31 2023	Apr 30 2023	Δ Apr 30 2023– Jan 31 2023	QOQ
Gross debt	1 666	1 347	-319	-19%
(-) cash	243	252	9	4%
Net debt	1 423	1 095	-328	-23%
(-) Bonds issued to PFR*	376	390	14	4%
(+/-) other adjustments **	12	16	4	33%
Net financial debt	1 058	721	-337	-32%
(+) reverse factoring	92	195	103	112%
(+) bank guarantees	120	117	-3	-3%
Net exposure	1 270	1 032	-238	-19%

* Debt under bonds issued to PFR is not included in covenants; in the financial statements, its amount is included in liabilities under borrowings and bonds and in other financial liabilities.

** For the purpose of calculating the *net exposure* covenant – adjustments for measurement of derivatives and SCN

- Qoq decrease in the use of credit facilities by the CCC Group (excluding the Modivo Group) reflecting continued working capital optimisation and savings schemes in the CCC segment.
- Inflow of a part of proceeds from subscription for CCC registered shares (PLN 212m) in April. The balance of proceeds from the issue of ordinary bearer shares is expected to be received in the first half of May.
- Increased use of reverse factoring products reflecting contracts signed for the next SS23 season.

Inventories * [PLNm]	Apr 30 2022	Apr 30 2023	Δ Apr 30 2023– Apr 30 2022	YOY
CCC	1457	1061	-396	-27%
HalfPrice	165	379	214	130%
MODIVO Group	1129	1442	313	28%

* Includes goods in transit, purchased on FOB basis (goods in sea transit).

- 27% yoy decrease in CCC segment's inventory, with sales growing by 4%. Inventory cycle at 216 days, down 73 days yoy. Working capital optimisation programme in the CCC business line reflecting strategic assumptions.
- Rapid improvement in CCC's inventory levels reflecting 1) high collection resale levels (priority given to working capital optimisation), 2) optimisation of new collection orders, and 3) synchronisation of the stocking process with the retail calendar.
- HalfPrice inventory increase (+129%) due to expansion of the chain. Expanded product range and improved inventory at HalfPrice as key drivers of LFL sales growth (up 26%).
- Modivo Group's inventory (up +28%) increased chiefly due to the fast growth of the Modivo business line and the challenging competitive and business environment (reduced consumer purchasing power). Qoq increase in Modivo Group's inventories due to seasonality – stocking up for SS23. Turnover and inventory rightsizing process launched by the Modivo Group expected to deliver results in H2 2023.