

PERFORMANCE BY SEGMENT

| CCC [PLNm] | Q2 2022 (May–July 2022) | Q2 2023 (May–July 2023) | Δ Q2 2023– Q2 2022 | YOY |
|---|-------------------------------|-------------------------------|-----------------------|--------|
| Revenue | 1,181 | 1,037 | -144 | -12% |
| Gross profit | 612 | 576 | -36 | -6% |
| <i>gross margin [%]</i> | 51.8% | 55.5% | | 3.7pp |
| Selling and administrative costs | -539 | -489 | 50 | -9% |
| <i>cost ratio [%]</i> | 45.6% | 47.1% | | 1.5pp |
| Other income/expenses and impairment losses | -64 | 31 | 95 | |
| EBIT | 9 | 118 | 109 | |
| <i>EBIT margin [%]</i> | 0.8% | 11.4% | | 10.6pp |
| EBITDA | 119 | 220 | 101 | 85% |
| <i>EBITDA margin [%]</i> | 10.1% | 21.2% | | 11.1pp |
| Adjusted* EBITDA | 183 | 188 | 6 | 3% |
| <i>adjusted EBITDA margin [%]</i> | 15.5% | 18.2% | | 2.7pp |

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

- CCC segment's revenue down 12% yoy due to macroeconomic headwinds and last year's challenging base.
- Contribution of ccc.eu to the segment's revenue up to 28% (up by +8pp yoy and +3pp qoq) with sales up by 23% yoy.
- Gross margin up by close to 4pp due to, among others, continued working capital optimisation (inventories in the CCC segment down 34% yoy).
- Fourth consecutive quarter of decline in selling and administrative costs (in Q2 2023 down 9% yoy) – successful implementation of the cost reduction programme in an inflationary business environment.
- Solid EBIT and EBITDA margins at 11.4% and 21.2%, respectively.

| HalfPrice [PLNm] | Q2 2022 (May–July 2022) | Q2 2023 (May–July 2023) | Δ Q2 2023– Q2 2022 | YOY |
|---|-------------------------------|-------------------------------|-----------------------|--------|
| Revenue | 182 | 338 | 156 | 86% |
| Gross profit | 82 | 128 | 46 | 56% |
| <i>gross margin [%]</i> | 45.4% | 38.0% | | -7.4pp |
| Selling and administrative costs | -93 | -147 | -54 | 58% |
| <i>cost ratio [%]</i> | 51.2% | 43.4% | | -7.8pp |
| Other income/expenses and impairment losses | 2 | 1 | -2 | -76% |
| EBIT | -8 | -18 | -9 | |
| <i>EBIT margin [%]</i> | -4.6% | -5.2% | | -0.6pp |
| EBITDA | 12 | 6 | -6 | -49% |
| <i>EBITDA margin [%]</i> | 6.6% | 1.8% | | -4.8pp |
| Adjusted* EBITDA | 10 | 6 | -4 | -42% |
| <i>adjusted EBITDA margin [%]</i> | 5.4% | 1.7% | | -3.7pp |

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 86% yoy with a 49% yoy growth in retail space.
- Continued LFL sales growth (+31% yoy), mainly due to better conversion and higher average receipt value.
- Temporary decrease in HalfPrice’s gross margin mainly due to merchandise transfers from the Modivo Group – active use of CCC Group’s business model synergies to optimise working capital in the eobuwie and Modivo business lines.
- Cost ratio down by close to 8pp yoy – operating leverage contributing to margin improvement.

| Modivo Group [PLNm] | Q2 2022 (May–July 2022) | Q2 2023 (May–July 2023) | Δ Q2 2023– Q2 2022 | YOY |
|---|-------------------------------|-------------------------------|-----------------------|--------|
| Revenue* | 984 | 1,026 | 42 | 4% |
| eobuwie.pl | 797 | 767 | -31 | -4% |
| Modivo | 187 | 260 | 73 | 39% |
| Gross profit | 407 | 391 | -16 | -4% |
| <i>gross margin [%]</i> | 41.3% | 38.1% | | -3.2pp |
| Selling and administrative costs | -379 | -430 | -51 | 13% |
| <i>cost ratio [%]</i> | 38.5% | 41.9% | | 3.4pp |
| Other income/expenses and impairment losses | -5 | 8 | 14 | |
| EBIT | 22 | -31 | -53 | |
| <i>EBIT margin [%]</i> | 2.3% | -3.0% | | -5.3pp |
| EBITDA | 40 | -5 | -45 | |
| <i>EBITDA margin [%]</i> | 4.1% | -0.5% | | -4.6pp |
| Adjusted** EBITDA | 45 | -13 | -59 | |
| <i>adjusted EBITDA margin [%]</i> | 4.6% | -1.3% | | -5.9pp |

* Revenue net of transactions completed with the CCC Group. The value of intragroup transactions in the period under review was PLN 53.0 million (PLN 18.2 million in the comparative period)

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

- Modivo Group’s revenue up by 4% yoy (Modivo +39%, eobuwie -4%). Revenue growth 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 25%), supported by the rollout of marketplace (the share of marketplace in Modivo.pl’s GMV at ~15%).
- Gross margin down 3.2pp yoy, with the decline reflecting: 1) falling 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 mainly as a result of: 1) revenue growth (variable costs), 2) costs of third-party services related to the technology transformation process coming to a close, 3) costs of operating the new hybrid stores (51% yoy increase in retail space). At the same time, the ratio of fixed costs to revenue in e-commerce reduced by 0.6pp yoy in Q2 2023, primarily on the back of lower personnel costs and a decrease in raw materials and consumables used (the effects of adjusting the organisation to the prevailing market conditions).
- Profitability in the multibrand e-commerce segment eroded by macro headwinds, fiercer competition and continued inventory balancing.

CCC GROUP'S FINANCIAL RESULTS

| CCC Group [PLNm] | Q2 2022 (May–July 2022) | Q2 2023 (May–July 2023) | Δ Q2 2023– Q2 2022 | YOY |
|---|-------------------------------|-------------------------------|-----------------------|--------|
| Revenue | 2,377 | 2,422 | 45 | 2% |
| Gross profit | 1,129 | 1,108 | -21 | -2% |
| <i>gross margin [%]</i> | 47.5% | 45.7% | | -1.8pp |
| Selling and administrative costs | -1,028 | -1,075 | -48 | 5% |
| <i>cost ratio [%]</i> | 43.2% | 44.4% | | 1.2pp |
| Other income/expenses and impairment losses | -71 | 39 | 110 | |
| EBIT | 31 | 72 | 41 | 131% |
| <i>EBIT margin [%]</i> | 1.3% | 3.0% | | 1.7pp |
| EBITDA | 179 | 221 | 42 | 23% |
| <i>EBITDA margin [%]</i> | 7.5% | 9.1% | | 1.6pp |
| Adjusted* EBITDA | 250 | 182 | -68 | -27% |
| <i>adjusted EBITDA margin [%]</i> | 10.5% | 7.5% | | -3.0pp |

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

- Group sales up by 2% yoy.
- Continued strong contribution of e-commerce to the Group's overall revenue (at 52%).
- Improved EBIT and EBITDA yoy. Positive effect of exchange differences

GROWTH OF CCC GROUP'S OFFLINE SALES CHANNELS

| | July 31st 2022 | July 31st 2023 | Δ July 31st 2023–July 31st 2022 | YOY |
|------------------------------------|----------------|----------------|---------------------------------------|-----|
| Area [m ²], including: | 685,081 | 752,593 | 67,512 | 10% |
| CCC | 533,520 | 527,550 | -5,970 | -1% |
| Eobuwie | 22,926 | 34,646 | 11,720 | 51% |
| HalfPrice | 127,899 | 190,397 | 62,498 | 49% |
| Number of stores, including: | 929 | 973 | 44 | 5% |
| CCC | 819 | 816 | -3 | 0% |
| Eobuwie | 33 | 48 | 15 | 45% |
| HalfPrice | 76 | 109 | 33 | 43% |

- CCC's retail space down 6 thousand m² yoy with store chain saturation maintained at a level matched to the market size and continued efforts to rightsize the average store area.
- 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 8 new stores opened in Q2 2023 and further to be added in 2023.

SELECTED ITEMS OF THE STATEMENT OF FINANCIAL POSITION

| Modivo Group [PLNm] | April 30th 2023 | July 31st 2023 | Δ July 31st 2023-April 30th 2023 | QOQ |
|--|-----------------|----------------|----------------------------------|------|
| Gross debt* | 918 | 958 | 41 | 4% |
| (-) Cash | 139 | 77 | -62 | -45% |
| Net debt, including: | 778 | 881 | 103 | 13% |
| Bonds convertible into Softbank shares | 664 | 698 | 35 | 5% |
| Net financial debt | 115 | 183 | 68 | 59% |

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

- The increase in debt mainly due to the capitalisation of interest on Softbank bonds, which represent the largest component in the debt structure.
- The decrease in cash attributable to lower use of financial instruments to reduce financing costs.
- Increased reliance by the Group on reverse factoring arrangements in connection with the ongoing process to contract orders for the coming seasons.

| CCC Group excluding MODIVO Group [PLNm] | April 30th 2023 | July 31st 2023 | Δ July 31st 2023-April 30th 2023 | QOQ |
|--|-----------------|----------------|----------------------------------|------|
| Gross debt | 1,348 | 1,130 | -218 | -16% |
| (-) Cash | 255 | 348 | 92 | 36% |
| Net debt | 1,093 | 782 | -311 | -28% |
| (-) Bonds issued to PFR* | 390 | 345 | -45 | -12% |
| (+/-) other adjustments** | 16 | 6 | -10 | -62% |
| Net financial debt | 718 | 443 | -275 | -38% |
| (+) Reverse factoring | 195 | 243 | 48 | 25% |
| (+) Bank guarantees | 117 | 124 | 7 | 6% |
| Net exposure | 1,029 | 809 | -220 | -21% |

* 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.

- Continued process to deleverage and achieve the lowest level of net financial debt and net financial exposure of the CCC Group (excluding the Modivo Group) since 2018.
- Quarter-on-quarter decrease in the use of credit facilities of the CCC Group (excluding the Modivo Group) due to the implementation of the working capital optimisation programme, continued cost-saving measures in the CCC segment, and the effect of the second tranche of funds paid to subscribe for CCC shares (PLN 293 million) in May.
- Increased use of reverse factoring products reflecting merchandise payments from the SS23 collection and contracts signed for the next AW23 season.

| Inventories * [PLNm] | July 31st 2022 | July 31st 2023 | Δ July 31st 2023–July 31st 2022 | YOY |
|----------------------|----------------|----------------|---------------------------------|------|
| CCC | 1,454 | 967 | -487 | -34% |
| HalfPrice | 220 | 429 | 209 | 95% |
| MODIVO Group | 1,253 | 1,193 | -59 | -5% |

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

- 34% yoy decrease in CCC segment’s inventory. Inventory cycle at about 204 days, having improved by 81 days yoy. Working capital optimisation programme in the CCC business line reflecting strategic assumptions.
- HalfPrice inventory increase (+95%) due to expansion of the retail chain. Expanded product range and improved inventory at HalfPrice as key drivers of LFL sales growth (+31%).
- Modivo Group’s inventory went down by PLN 253 million qoq (-5% yoy) due to the successful implementation of the working capital optimisation programme, which will be continued in the second half of 2023.