PERFORMANCE BY SEGMENT

CCC [PLN million]	**Q2 2023 (May–July 2023)**	**Q2 2024 (May–July 2024)**	**∆ Q2 2024–Q2 2023**	**YOY**
Revenue	1,041	1,109	68	*7%*
Gross profit	570	663	93	*16%*
gross margin [%]	54.8%	59.8%		*5.0 pp*
Selling and administrative costs	-484	-474	10	*-2%*
cost ratio [%]	46.5%	42.7%		*-3.8 pp*
Other income/expenses and impairment losses	29	10	-18	*-64%*
EBIT	115	200	85	*74%*
EBIT margin [%]	11.1%	18.0%		*7.0 pp*
EBITDA	214	290	75	*35%*
EBITDA margin [%]	20.6%	26.1%		*5.5 pp*
Adjusted* EBITDA	185	279	94	*51%*
adjusted EBITDA margin [%]	17.8%	25.2%		*7.4 pp*

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

- The CCC segment’s revenue increased by 7% year on year (12% on a LFL basis), with retail space further optimised (down 2% year on year).
- CCC continued to see a sharp improvement in gross margin, which rose by 5pp year on year, marking the second consecutive quarter with a gross margin of approximately 60%. The margin improvement was driven primarily by: 1) improved product mix (a significant share of new collections and new globally recognisable brands added to the portfolio), 2) reduced discounting, and 3) renegotiated purchase terms for the new collection.
- Selling and administrative costs decreased by 2%, representing the eighth consecutive quarter of year-on-year cost reductions under the effective cost reduction programme in place.
- Operating profit increased by PLN 85 million, a 74% year-on-year rise. CCC’s EBITDA margin remained industry-leading at over 26%, up by more than 5pp year on year.

HalfPrice [PLN million]	**Q2 2023 (May–July 2023)**	**Q2 2024 (May–July 2024)**	**∆ Q2 2024–Q2 2023**	**YOY**
Revenue	338	414	77	*23%*
Gross profit	128	210	82	*64%*
gross margin [%]	37.8%	50.6%		*12.8pp*
Selling and administrative costs	-146	-165	-19	*13%*
cost ratio [%]	43.3%	39.9%		*-3.4pp*
Other income/expenses and impairment losses	1	-1	-1	
EBIT	-18	44	62	
EBIT margin [%]	-5.3%	10.6%		*15.9pp*
EBITDA	4	77	72	*1710%*
EBITDA margin [%]	1.3%	18.5%		*17.2pp*
Adjusted* EBITDA	3	77	74	*2108%*
adjusted EBITDA margin [%]	1.0%	18.6%		*17.6pp*

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 grew by 23%, in line with the expansion of its sales network.
- Gross margin surged by almost 13pp, primarily due to an enhanced and expanded product mix (including more favourable collection purchase terms compared with last year) and a conservative pricing policy.
- Selling and administrative costs rose in line with HalfPrice's strong growth, with costs rising significantly slower than revenue.
- Operating profit and EBITDA increased by PLN 62 million and PLN 72 million year on year, respectively. EBITDA margin improved sharply by over 17pp year on year, driven by strong gross margin expansion and tight cost discipline. HalfPrice's EBITDA margin over the last 12 months was 17.6%, up 10pp over the prior 12-month period, reflecting a fast-growing business line with industry-leading profitability in the off-price sector.

Modivo Group [PLN million]	**Q2 2023 (May–July 2023)**	**Q2 2024 (May–July 2024)**	**∆ Q2 2024–Q2 2023**	**YOY**
Revenue*	1025	1,033	8	*1%*
eobuwie.pl	*769*	*797*	28	*4%*
Modivo	*256*	*236*	-20	*-8%*
Gross profit	391	393	2	*0%*
gross margin [%]	*38.2%*	*38.1%*		*-0.1pp*
Selling and administrative costs	-418	-401	17	*-4%*
cost ratio [%]	*40.8%*	*38.8%*		*-1.9pp*
Other income/expenses and impairment losses	8	16	8	*93%*
EBIT	-19	8	26	
EBIT margin [%]	*-1.8%*	*0.8%*		*2.6pp*
EBITDA	5	36	31	*670%*
EBITDA margin [%]	*0.5%*	*3.5%*		*3.0pp*
Adjusted** EBITDA	-3	20	24	
adjusted EBITDA margin [%]	*-0.3%*	*1.9%*		*2.3pp*

* Revenue net of transactions completed with the CCC Group. The value of intragroup transactions in the period under review was PLN 32.5 million , compared with PLN 52.9 million in the same period last year.
** EBITDA adjusted for the balance of other income/expenses and impairment losses (including one-off items).

- In the second quarter, the Modivo Group's revenue was slightly higher year on year (eobuwie up 4% and Modivo down 8%). Excluding the effect of foreign exchange differences, revenue increased by 6% year on year (eobuwie up 9% and Modivo down 3%), with inventories down by 10% year on year. Sales growth for eobuwie.pl in Poland rose by 16%, with Poland being the largest market, accounting for approximately 40% of total revenue.
- Gross margin on a similar level yoy.. Gross profit from new collections, which make up the largest and growing share of sales, increased by approximately 9%. Margin growth limited by the resale of discounted older collections. Foreign exchange rate movements had a significant impact on the Modivo Group's gross margin in the second quarter, with the margin in local currencies up by 2.9pp year on year.
- Selling and administrative costs decreased by 4% year on year, marking the third consecutive quarter of year-on-year cost reductions under the strict cost control policy in place. Progress was made in cost savings across all areas, including logistics, marketing, retail (eobuwie zones at CCC), and fixed costs, including services (IT systems and support agreements).
- Operating profit increased by 26 million year on year and EBITDA margin rose by 3pp, primarily due to tight cost discipline.
- This was the second consecutive quarter of improved profitability for the Modivo Group, achieved amid the ongoing recovery in consumer purchasing power and a competitive market environment.

CCC GROUP'S FINANCIAL RESULTS

CCC Group [PLN million]	**Q2 2023 (May–July 2023)**	**Q2 2024 (May–July 2024)**	**Δ Q2 2024–Q2 2023**	**YOY**
Revenue	2424	2575	151	*6%*
Gross profit	1102	1273	171	*16%*
gross margin [%]	0.5	49.5%		*4.0pp*
Selling and administrative costs	-1060	-1 048	12	*-1%*
cost ratio [%]	43.7%	40.7%		*-3.0pp*
Other income/expenses and impairment losses	37	23	-14	*-37%*
EBIT	79	249	170	*214%*
EBIT margin [%]	3.3%	9.7%		*6.4pp*
EBITDA	224	401	178	*79%*
EBITDA margin [%]	9.2%	15,6%		*6.4pp*
Adjusted* EBITDA	186.6	378	191	*102%*
adjusted EBITDA margin [%]	7.7%	14.7%		*7.0pp*

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

- The Group's revenue increased by 6% year on year.
- Gross margin rose by nearly 4pp, driven by sharp improvements in CCC's and HalfPrice's margins (up by 5pp and 13pp, respectively).
- Selling and administrative costs decreased by 1% year on year, despite a 7% expansion in retail space. Each business line within the CCC Group demonstrated strong cost discipline, with a lower cost ratio year on year across all business lines.
- Operating profit more than tripled, and the EBITDA margin improved by over 6pp year on year.

GROWTH OF CCC GROUP'S OFFLINE SALES CHANNELS

	31 July 2023	**31 July 2024**	**Δ 31 July 2024–31 July 2023**	**YOY**
Floor area [m^2], including:	750,252	800,395	50,143	*7%*
CCC	527,550	516,284	-11,266	*-2%*
eobuwie	32,359	34,195	1,836	*6%*
HalfPrice	190,344	246,833	56,489	*30%*
Number of stores, including:	864	995	131	*15%*
CCC	816	797	-19	*-2%*
eobuwie	48	52	4	*8%*
HalfPrice	109	132	23	*21%*

- CCC reduced its retail space by 2% year on year as part of ongoing efforts to optimise its sales network's profitability.
- Four new Modivo/eobuwie hybrid stores were opened over the last 12 months.

- HalfPrice continued to expand, with 23 new stores added over the past year, including three in the second quarter of 2024 alone. The growth rate of HalfPrice stores is anticipated to accelerate significantly.

SELECTED ITEMS OF THE STATEMENT OF FINANCIAL POSITION

Modivo Group [PLN million]	30 April 2024	31 July 2024	Δ 31 July 2024–30 April 2024	QOQ
Gross debt*	1 ,015	1 ,110	95	*9%*
(-) Cash	141	136	-4	*-3%*
(-) Convertible bonds issued to Softbank	777	823	46	*6%*
Net financial debt	97	150	53	*55%*
Reverse factoring	319	274	-44	*-14%*

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

- A PLN 95 million quarter-on-quarter increase in gross debt was due to the capitalisation of interest on Softbank bonds (PLN 46 million) and increased utilisation of a line of credit (PLN 49 million), offset by a reduction in factoring utilisation (by PLN 45 million). The shift from factoring to the line of credit was due to seasonality: at the end of the first quarter of 2024, the Modivo Group had completed stocking up for the SS 2024 season, whereas at the end of the second quarter of 2024, it was still in the process of stocking up for AW 2024. Cash remained stable quarter on quarter.

CCC Group excluding MODIVO Group [PLN million]	30 April 2024	31 July 2024	Δ 31 July 2024–30 April 2024	QOQ
Gross debt	1, 225	1 ,325	101	*8%*
(-) Cash	254	198	-56	*-22%*
Net debt	971	1 ,127	157	*16%*
(-) Bonds issued to PFR*	357	345	-12	*-3%*
(+/-) other adjustments **	-11	-5	6	
Net financial debt	603	777	174	*29%*
(+) Reverse factoring	324	200	-124	*-38%*
(+) Bank guarantees	132	120	-12	*-9%*
Net exposure	1 ,058	1, 097	39	*4%*

* 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.

- The change in net debt was mainly driven by the accelerated stocking up for the AW 2024 season, which was key to driving strong sales of the collection at original prices.
- Following the signing of a new syndicate agreement on 31 July, new facilities were made available, and the amounts available under factoring and guarantee facilities were increased.

Inventories* [PLN million]	**31 July 2023**	**31 July 2024**	**Δ 31 July 2024–31 July 2023**	**YOY**
CCC	1,103	1,728	625	*57%*
HalfPrice	425	739	313	*74%*
Modivo Group	1,195	1,080	-114	*-10%*

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

- Inventories in the CCC segment increased by 57% year on year, driven primarily by a shift towards a higher share of high-margin licensed brands in the product portfolio. The remodelling of the offering necessitates building product exposure across the entire network and requires an initial investment in inventory for the first allocation. The inclusion of licensed brands in CCC's portfolio aligns with business objectives, particularly in enhancing gross margin. In addition, the increase in inventory within the CCC segment is driven by efforts to build an assortment that supports wholesale growth, accelerate stocking for the Back to School season, and expand retail space (approximately 30 net store openings planned for the second half of the year). The inventory level at the end of the second quarter was also influenced by the Group's response to global supply chain uncertainties, including advance ordering of merchandise to account for the extended transportation route from Asia to Europe (about 50% of the inventory increase consists of goods in sea transit, which are not yet available for sale but are recorded on the balance sheet). As at the end of the second quarter, the CCC business line's inventory level was deemed adequate for achieving business goals, with a well-structured age profile (almost 90% of inventory was from new collections).
- HalfPrice's inventory increased by 74% year on year to support a rapid expansion of its sales network, which is based on a proven and profitable business model. As at the end of the second quarter, HalfPrice's inventory level was aligned with plans to grow retail space through new store openings (25 out of 34 stores planned for this year will open in the second half of 2024) and to expand selected existing stores with the best business prospects. Also, HalfPrice's inventory is being grown through the introduction of new product categories and brands that have not been available to customers in the regions served by the company, which is crucial for maintaining a competitive edge and enhancing sales per square metre.
- The Modivo Group saw an 10% year-on-year decrease in inventories, with revenue slightly higher year on year and a 22-day improvement in turnover. The period marked the fifth consecutive quarter of inventory reduction on a year-on-year basis, reflecting continued optimisation of working capital through the resale of older collections and an increased share of new collections. The Group is well-prepared for the AW 2024 season, with deliveries of the new collection now twice as advanced compared with the previous year.