

## PERFORMANCE BY SEGMENT

CCC [PLNm]	Q3 2022 (August 2022– October 2022)	Q3 2023 (August 2023– October 2023)	Δ Q3 2023– Q3 2022	YOY
Revenue	1,139	1,048	-91	-8%
Gross profit	613	618	6	1%
<i>gross margin [%]</i>	53.8%	59.0%		5.2pp
Selling and administrative costs	-583	-486	97	-17%
<i>cost ratio [%]</i>	51.2%	46.4%		-4.8pp
Other income/expenses and impairment losses	-19	-28	-10	
EBIT	11	105	93	819%
<i>EBIT margin [%]</i>	1.0%	10.0%		9.0pp
EBITDA	122	208	87	71%
<i>EBITDA margin [%]</i>	10.7%	19.9%		9.2pp
Adjusted* EBITDA	140	237	96	69%
<i>adjusted EBITDA margin [%]</i>	12.3%	22.6%		10.3pp

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

- CCC segment's revenue down by 8% yoy with continued rightsizing of retail space (-2% yoy) and sales pattern distorted by unusual weather in September.
- Growing contribution of ccc.eu to the segment's revenue (up by 5pp yoy, to 24%) with sales up by 14% yoy.
- Gross margin up by over 5pp yoy, driven mainly by the initial price management and conservative discounting policy, as well as more favourable purchase terms of the new collection.
- Selling and administrative costs down by 17% despite an inflationary business environment, with cost ratio improving yoy for the fifth consecutive quarter. Positive contribution of the implemented cost reduction programme.
- Ninefold increase in EBIT and robust EBITDA margin maintained on a qoq basis.

HalfPrice [PLNm]	Q3 2022 (August 2022– October 2022)	Q3 2023 (August 2023– October 2023)	Δ Q3 2023– Q3 2022	YOY
Revenue	258	394	136	53%
Gross profit	130	175	44	34%
<i>gross margin [%]</i>	50.5%	44.3%		-6.2pp
Selling and administrative costs	-111	-157	-46	41%
<i>cost ratio [%]</i>	43.3%	40.0%		-3.3pp
Other income/expenses and impairment losses	1	1		
EBIT	19	18	-1	-5%
<i>EBIT margin [%]</i>	7.5%	4.7%		-2.8pp
EBITDA	41	41		
<i>EBITDA margin [%]</i>	15.8%	10.4%		-5.4pp
Adjusted* EBITDA	40	40		
<i>adjusted EBITDA margin [%]</i>	15.6%	10.1%		-5.5pp

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 by 53% supported by the consistent store chain expansion (+44% yoy) and continued increase in LFL sales.
- HalfPrice posting a solid gross margin, in line with strategic objectives. Margin limited by the delayed start of the AW season due to unfavourable weather.
- Change in selling and administrative costs linked to HalfPrice’s strong development profile. Cost growth significantly below revenue growth.
- EBITDA on the par with the previous year’s level and EBITDA margin maintained in strong double digits.

Modivo Group [PLNm]	Q3 2022 (August 2022– October 2022)	Q3 2023 (August 2023– October 2023)	Δ Q3 2023– Q3 2022	YOY
Revenue*	993	953	-40	-4%
eobuwie.pl	764	675	-89	-12%
Modivo	229	278	49	21%
Gross profit	409	362	-47	-12%
<i>gross margin [%]</i>	41.2%	37.9%		-3.2pp
Selling and administrative costs	-412	-414	-2	0%
<i>cost ratio [%]</i>	41.5%	43.5%		1.9pp
Other income/expenses and impairment losses	-2	-7	-5	
EBIT	-6	-60	-53	
<i>EBIT margin [%]</i>	-0.6%	-6.2%		-5.6pp
EBITDA	11	-31	-41	
<i>EBITDA margin [%]</i>	1.1%	-3.2%		-4.3pp
Adjusted** EBITDA	13	-24	-37	
<i>adjusted EBITDA margin [%]</i>	1.3%	-2.5%		-3.8pp

\* Revenue net of transactions completed with the CCC Group. The value of intragroup transactions in the period under review was PLN 73.5 million (PLN 16.7 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 down by 4% yoy (Modivo +21%, eobuwie -12%). Revenue in the multibrand e-commerce segment remains under pressure from the demanding competitive environment. Sales in Q3 2023 further affected by the still ongoing consumer power recovery and delayed start of the AW season due to unfavourable weather.
- Growing prominence of the Modivo business line in the Modivo Group (contribution to revenue up by 6pp yoy, to 29%), supported by the rollout of marketplace (the share of marketplace in Modivo.pl’s GMV at 16%).
- Gross margin down by about 3pp yoy on continued efforts to optimise the level and structure of inventory.
- Selling and administrative costs at a level comparable yoy despite persistent inflationary pressure on the variable cost per unit, increased investment in customer acquisition, brand recognition and awareness, as well as 47% retail space expansion for hybrid eobuwie stores. Cost growth reduced through consistent work on the fixed cost base, mainly by improving operational efficiency and optimising organisational structures.
- 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]	Q3 2022 (August 2022– October 2022)	Q3 2023 (August 2023– October 2023)	Δ Q3 2023– Q3 2022	YOY
Revenue	2,422	2,418	-4	0%
Gross profit	1,163	1,166	2	0%
<i>gross margin [%]</i>	48.0%	48.2%		0.2pp
Selling and administrative costs	-1118	-1071	47	-4%
<i>cost ratio [%]</i>	46.2%	44.3%		-1.9pp
Other income/expenses and impairment losses	-21	-35	-14	
EBIT	24	60	36	150%
<i>EBIT margin [%]</i>	1.0%	2.5%		1.5pp
EBITDA	171	213	43	25%
<i>EBITDA margin [%]</i>	7.1%	8.8%		1.8pp
Adjusted* EBITDA	192	248	57	30%
<i>adjusted EBITDA margin [%]</i>	7.9%	10.3%		2.4pp

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

- Sustained yoy level of the Group's revenue despite unusual weather in September distorting sales pattern across all business lines.
- Continued strong contribution of e-commerce to the Group's overall revenue (at 51%).
- Selling and administrative costs down by 4% yoy, with 11% retail space expansion. Tight cost discipline within each business line.
- The Group's EBIT more than doubling yoy and EBITDA margin improving by 1.8pp.

## GROWTH OF CCC GROUP'S OFFLINE SALES CHANNELS

	Oct 31 2022	Oct 31 2023	Δ Oct 31 2023– Oct 31 2022	YOY
Area [m <sup>2</sup> ], including:	700,901	779,940	79,039	11%
CCC	535,144	522,730	-12,414	-2%
eobuwie	24,127	35,561	11,434	47%
HalfPrice	141,630	221,649	80,019	56%
Number of stores, including:	944	978	34	4%
CCC	825	807	-18	-2%
eobuwie	35	50	15	43%
HalfPrice	84	121	37	44%

- Reduction of CCC's retail space by 2% yoy – continued efforts to optimise the chain's profitability.
- 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 rollout of HalfPrice – 12 new stores opened in Q3 2023.

## SELECTED ITEMS OF THE STATEMENT OF FINANCIAL POSITION

Modivo Group [PLNm]	Jul 31 2023	Oct 31 2023	Δ Oct 31 2023– Jul 31 2023	QOQ
Gross debt*	958	1,066	108	11%
(-) Cash	77	144	67	87%
(-) Convertible bonds issued to Softbank	698	734	36	5%
Net financial debt	183	188	5	3%
Reverse factoring	257	320	63	24%

\* 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 188 million.
- Increased use of reverse factoring products reflecting contracts signed for the upcoming AW23 season.

CCC Group excluding MODIVO Group [PLNm]	Jul 31 2023	Oct 31 2023	Δ Oct 31 2023– Jul 31 2023	QOQ
Gross debt	1,126	1,112	-14	-1%
(-) Cash	346	421	75	22%
Net debt	780	691	-89	-11%
(-) Bonds issued to PFR*	341	354	13	4%
(+/-) other adjustments **	3	-1	-4	
Net financial debt	442	337	-105	-24%
(+) Reverse factoring	240	219	-23	-9%
(+) Bank guarantees	124	132	8	7%
Net exposure	805	688	-120	-15%

\* 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.

- Fourth consecutive quarter of consistent debt reduction at CCC Group (excluding Modivo Group). Gross debt down by approximately 40% yoy.
- Qoq decrease in the use of credit facilities as a result of:
  - continued working capital optimisation,
  - renegotiation of business terms with suppliers,
  - PLN 93 million reduction in debt (credit facilities and bonds),
  - consistent implementation of savings schemes in the CCC segment.

Inventories * [PLNm]	Oct 31 2022	Oct 31 2023	Δ Oct 31 2023– Oct 31 2022	YOY
CCC	1,264	1,051	-213	-17%
HalfPrice	357	636	280	78%
Modivo Group	1,471	1,356	-114	-8%

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

- 17% yoy decrease in the CCC segment’s inventory. Inventory cycle at about 210 days, having improved by 73 days yoy. Working capital optimisation programme in the CCC business line reflecting strategic objectives.
- HalfPrice inventory increase (+78%) due to expansion of the chain. Expanded product range and improved inventory at HalfPrice as key drivers of LFL sales growth.
- Modivo Group’s inventory down by 8% yoy due to successful implementation of the working capital optimisation programme, which will be continued in Q4 2023. Inventory increase qoq due to the seasonality effect and stocking-up for the AW23 season. Modivo Group’s inventory optimisation process carried out as planned.