CCC GROUP | CCC eobuwie.pl MODIVO HalfPrice

Results presentation
CCC Group

Q4 2022

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CCC GROUP | CCC eobuwie.pl MODIVO HalfPrice

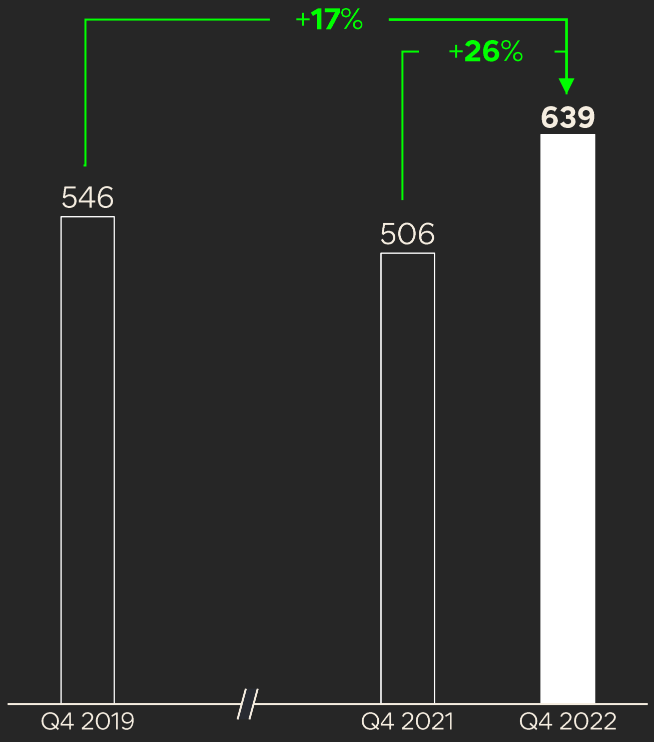
Key developments Q4 2022

1. Strong revenue growth posted by the Group even against a challenging base of last year
2. Eighth consecutive quarter of sales/m^2 growth and cost reduction delivered by CCC
3. Monetisation of investment in MODIVO marketplace
4. HalfPrice further strengthened robust profitability
5. Successful working capital optimisation in the CCC segment

photo:: **Gino Rossi**, AW22

Strengthening the omnichannel sales model

Sales/m^2 growth...



Omnichannel revenue/m^2

...driven by the growing contribution of online sales...

CCC.EU'S CONTRIBUTION TO SALES

30%

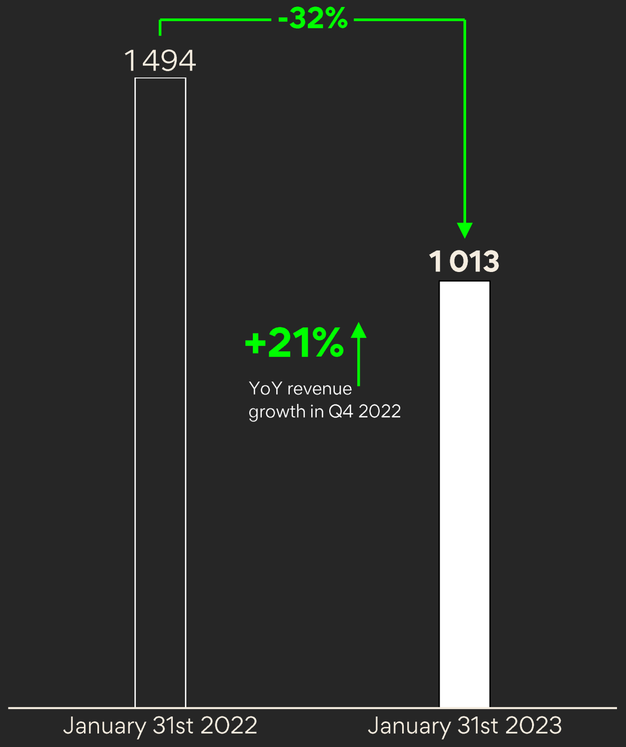
+ 10pp YoY

Online contribution to CCC segment's total sales

...led chiefly by the mobile app

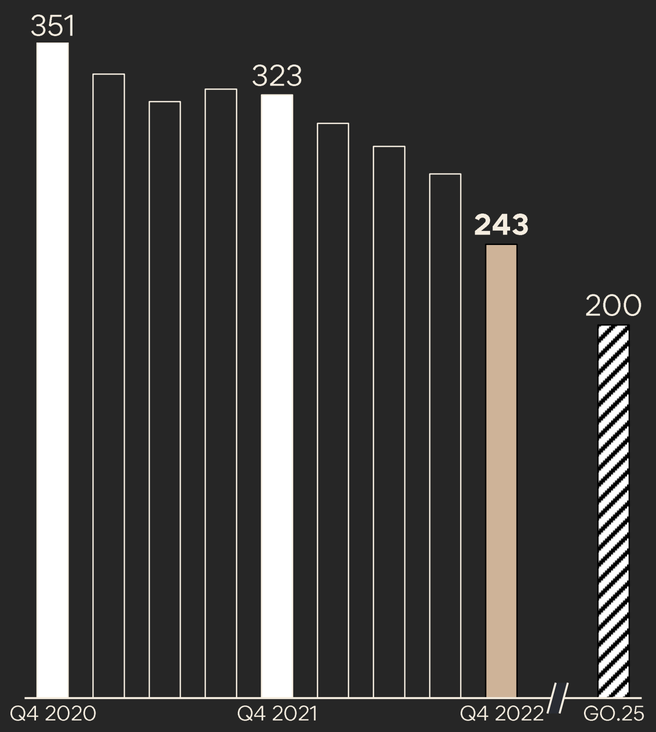
Successful working capital optimisation in the CCC segment

Sharp reduction in investment in inventory and increased sales...



Inventory in the CCC segment and revenue growth

...supporting the implementation of a turnover improvement plan



Inventory turnover period (days)

1. **High resale levels**
   - fashionable and quality product
   - enhanced merchandise visibility for customers (integrated stocks, interstore transfers)
   - maximising share of new collections in inventory
2. **Optimisation of new collection orders**
   - reduced number of colour options
   - focus on the fastest-moving categories
   - increased depth of replenishment orders
3. **Stocking process synchronised with the retail calendar**
   - phasing and sequencing of order deliveries to warehouses

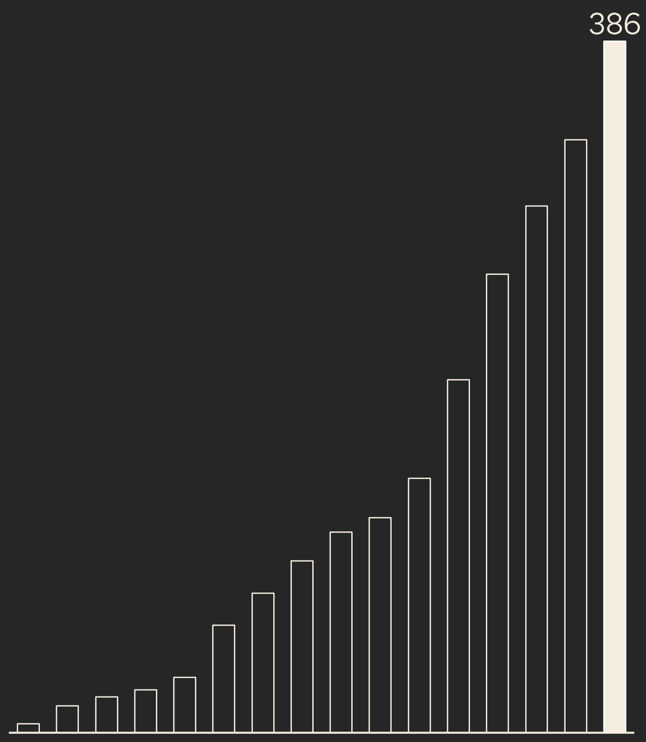
Key drivers of improved inventory turnover in the CCC segment

MODIVO marketplace as a new business scaling tool

Rapid growth of the service...

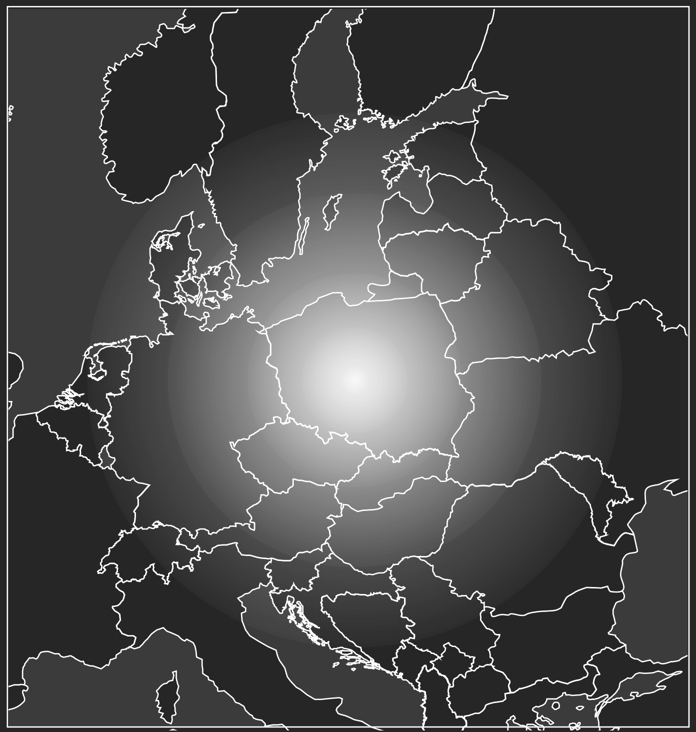
Total GMV (since the service launch)	PLN **8m**
Average weekly GMV growth (since the service launch)	**100%**

...supported by a surge in the number of new partners and products...

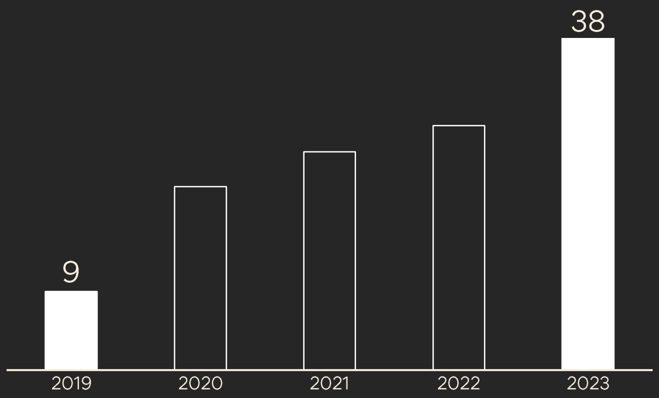


Number of registered sellers in the marketplace

...with potential for further expansion



Rollout of the hybrid store chain



Number of eobuwie and MODIVO hybrid stores

PLN 1,030

+6% YoY

REVENUE/M² Q4 2022

...and continued international expansion...

New hybrid stores opened in the Czech Republic and Romania

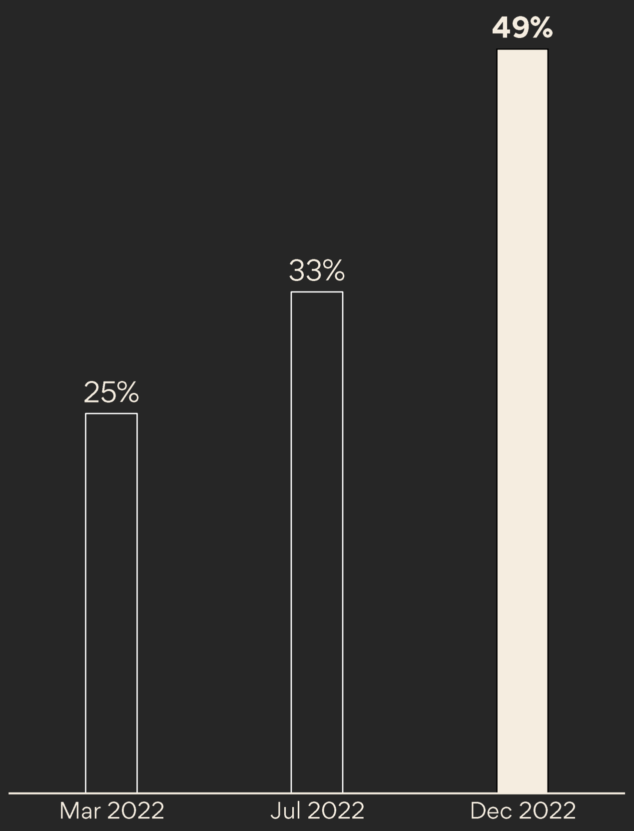
...supporting MODIVO Group's performance

PLN 5.0m

EBITDA
(retail) FY2022

x3 YoY

Growing HalfPrice brand awareness...



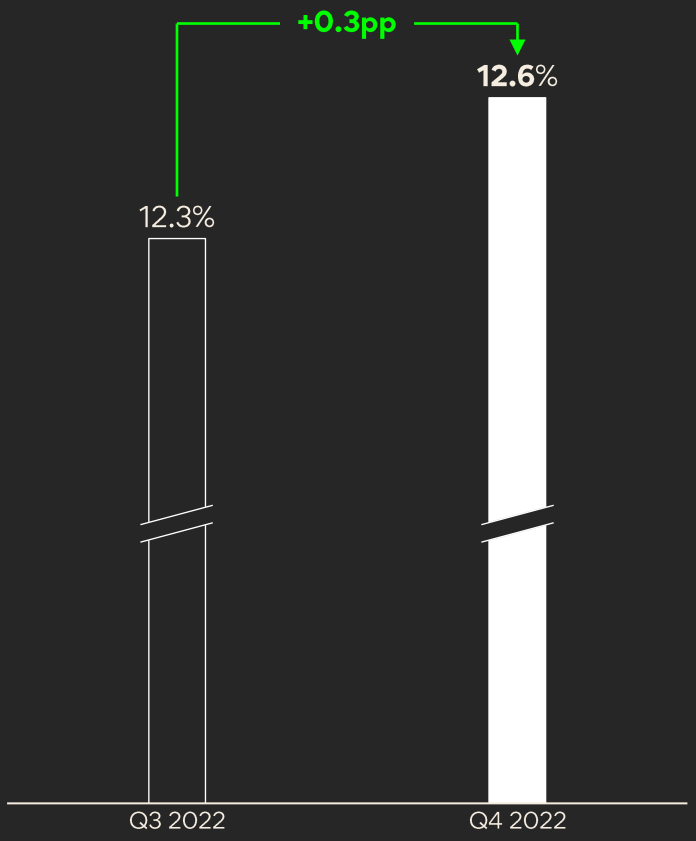
HalfPrice brand awareness
(in-house consumer research)

...supporting LFL sales growth...

+30%
LFL
(30 stores)

Q4 2022 LFL sales

...further strengthening the segment's robust profitability



EBITDA margin [%]

CCC Group's sustainability strategy execution

Commitment to helping people in need...

Give Your Shoes a Second Life rolled out across all CCC stores in Poland

...promoting the zero waste movement...

HalfPrice joins the sustainable returns initiative *EKOzwroty*

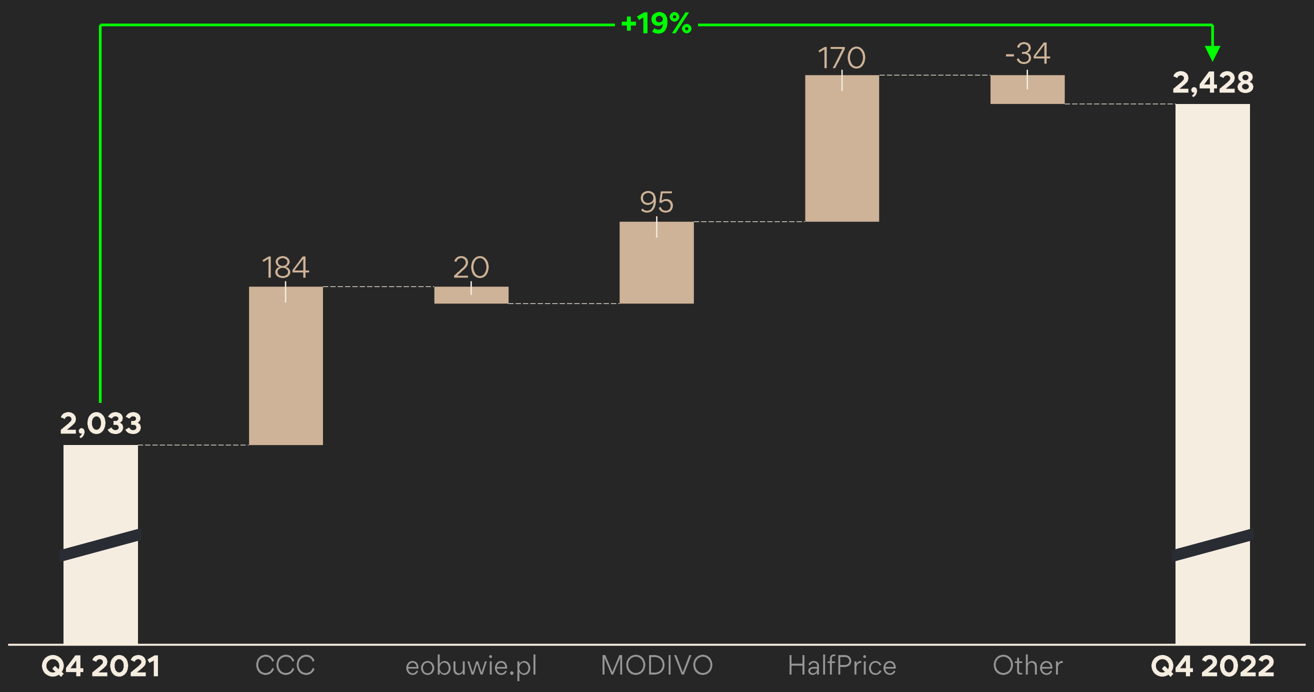
...and constantly refining market communication tools

CCC wins the Best ESG Report award

Preliminary Q4 2022 results

photo: **MODIVO** digital fitting room area

Strong revenue growth delivered by the CCC and HalfPrice segments…



	CCC	eobuwie.pl	MODIVO	HalfPrice
REVENUE GROWTH	21%	-2%	42%	148%
INVENTORY GROWTH	-32%	28%	58%	139%

Change in the CCC Group's revenue [PLNm]

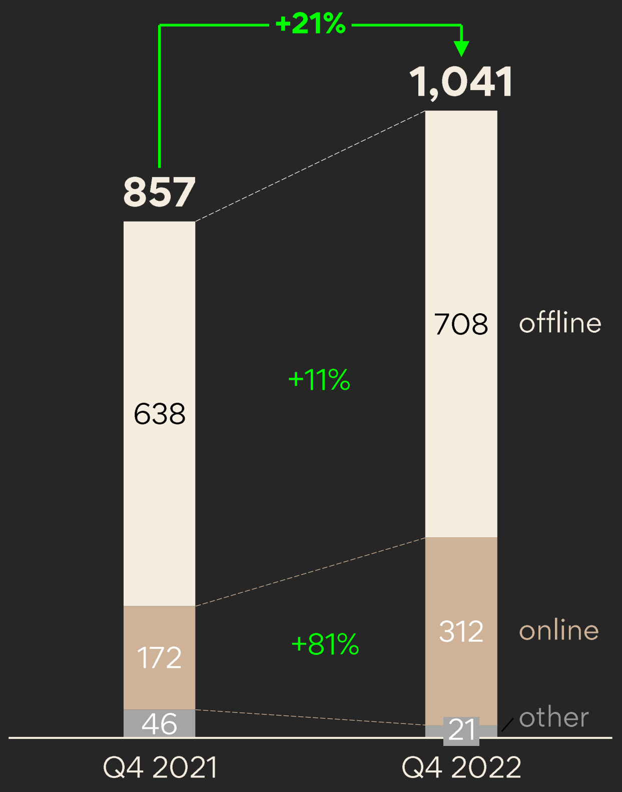
…with e-commerce contribution remaining strong

SHARE OF E-COMMERCE

56%

-2pp YoY

Revenue growth driven by ccc.eu...



Change in CCC's revenue [PLNm]

...and cost discipline contributing to improved EBITDA in a challenging inflationary environment

GROSS MARGIN

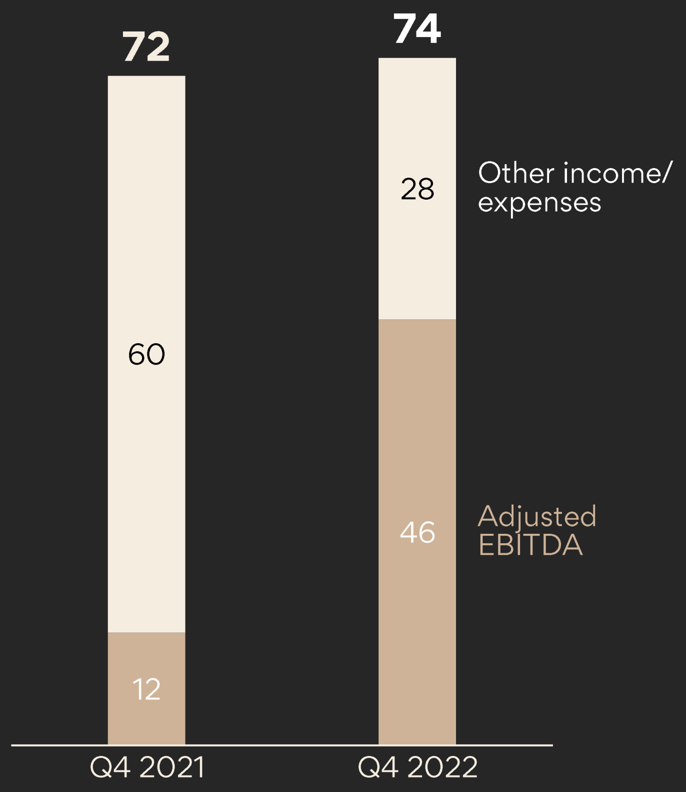
47,3%

-6.6pp YoY

SG&A

52,4%

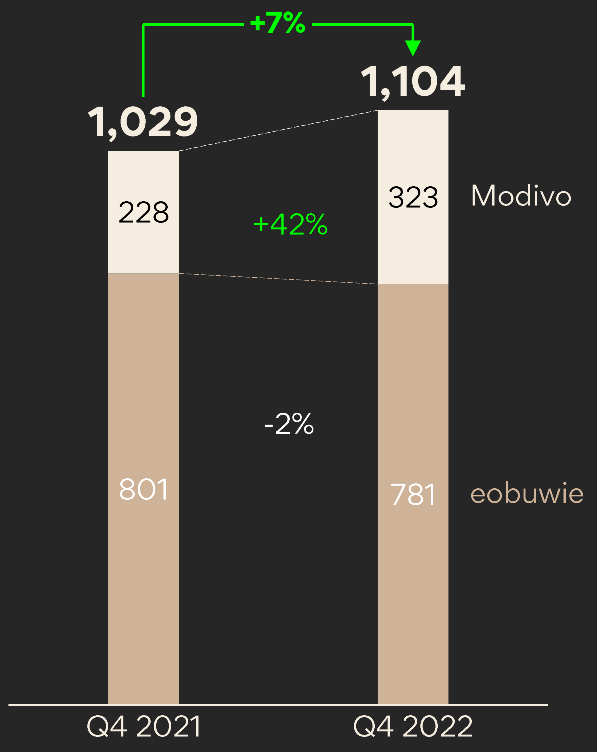
-13.3pp YoY



CCC's EBITDA [PLNm]

CCC's results cover the reportable segment 'CCC Omnichannel' and the reportable segment 'Other'

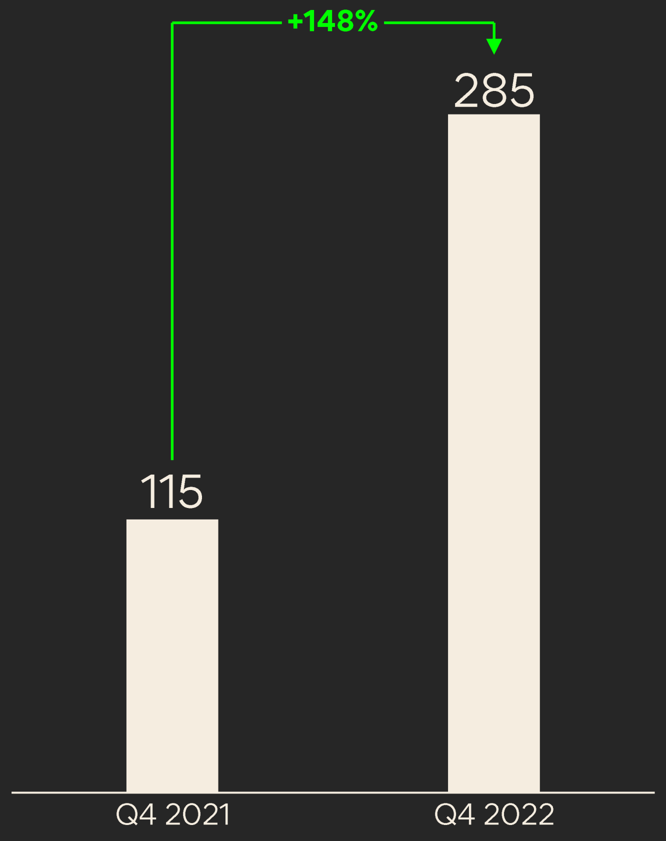
MODIVO Group’s results affected by a tough competitive environment



Change in MODIVO Group’s revenue [PLNm]

% OF REVENUE	Q4 2021	Q4 2022	YOY
Gross margin	**41,0%**	**37,8%**	**-3,2 p.p.**
eobuwie’s gross margin	41,1%	37,3%	-3,8 p.p.
Modivo’s gross margin	40,6%	39,1%	*-1,5 p.p.*
SG&A	**-36,6%**	**-41,1%**	**-4,5 p.p.**
Logistics	*-7,3%*	*-6,8%*	*0,5 p.p.*
Marketing	*-16,6%*	*-18,7%*	*-2.1pp*
Administrative and other	*-12,5%*	*-15,9%*	*-3.4pp*
Other expenses/income and impairment losses	*-0,2%*	*0,3%*	*0,5 p.p.*
EBIT	**4,4%**	**-3,3%**	**-7,7 p.p.**
EBITDA	**6,0%**	**-1,4%**	**-7,4 p.p.**

The strongest sales growth within the Group...



HalfPrice revenue [PLNm]

...and a surge in gross margin...

GROSS MARGIN

43,6%

+3.7pp YoY

...supporting EBITDA margin

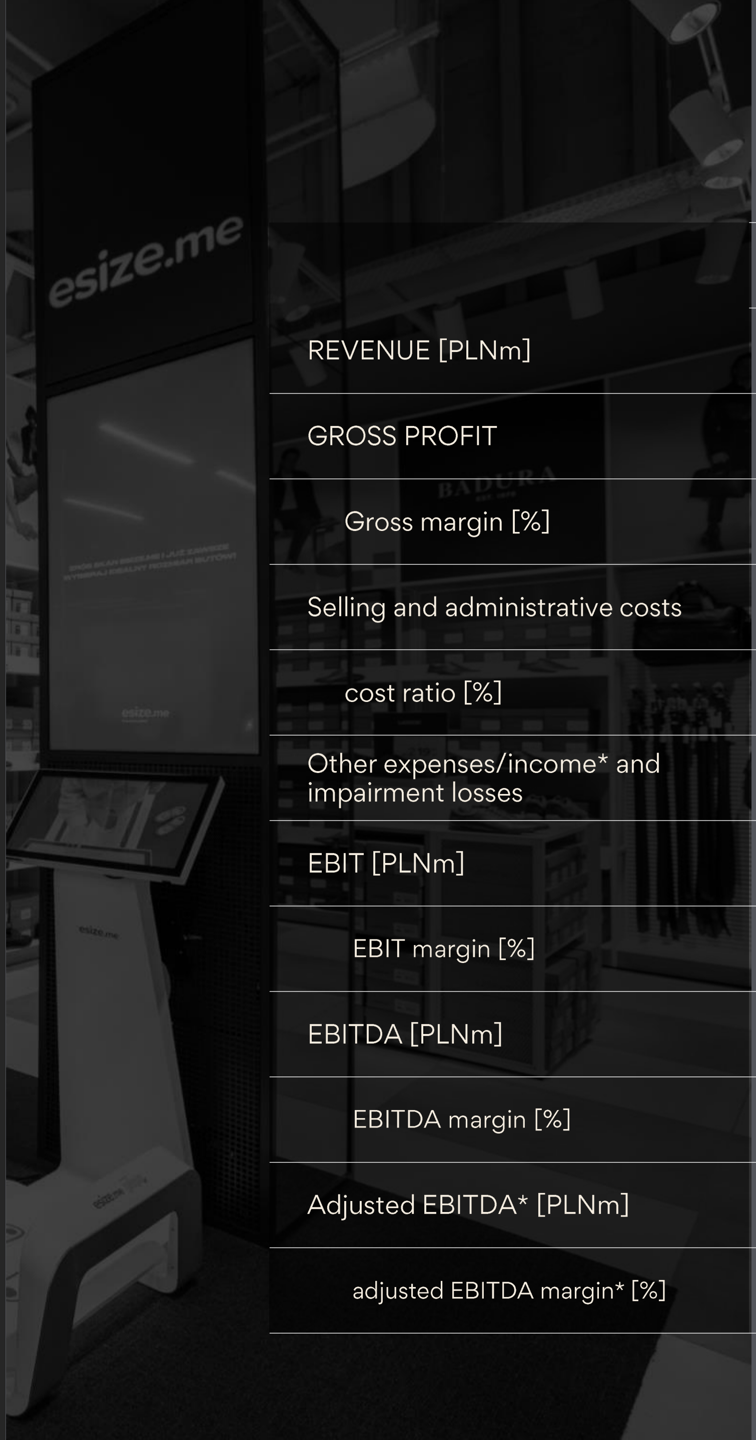
EBITDA MARGIN

12,6%

+42.9pp YoY

Revenue growth from last year's challenging base

Costs rising twice slower than revenue



	Q4		
	2021	2022	YoY
REVENUE [PLNm]	2033	2428	*19%*
GROSS PROFIT	944	1039	*10%*
Gross margin [%]	46,5%	42,8%	*-3,7 p.p.*
Selling and administrative costs	-1041	-1134	*9%*
cost ratio [%]	51,2%	46,7%	*-4,5 p.p.*
Other expenses/income* and impairment losses	50	38	*-23%*
EBIT [PLNm]	-46	-57	*N/A*
EBIT margin [%]	-2,3%	-2,3%	*0.0pp*
EBITDA [PLNm]	97	86	*-12%*
EBITDA margin [%]	4,8%	3,5%	*-1.3pp*
Adjusted EBITDA* [PLNm]	47	47	*1%*
adjusted EBITDA margin* [%]	2,3%	2,0%	*-0.3pp*

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

Stronger cash flows reported by the CCC segment, funding HalfPrice's growth needs...

...with the MODIVO Group's growth funded from internal sources

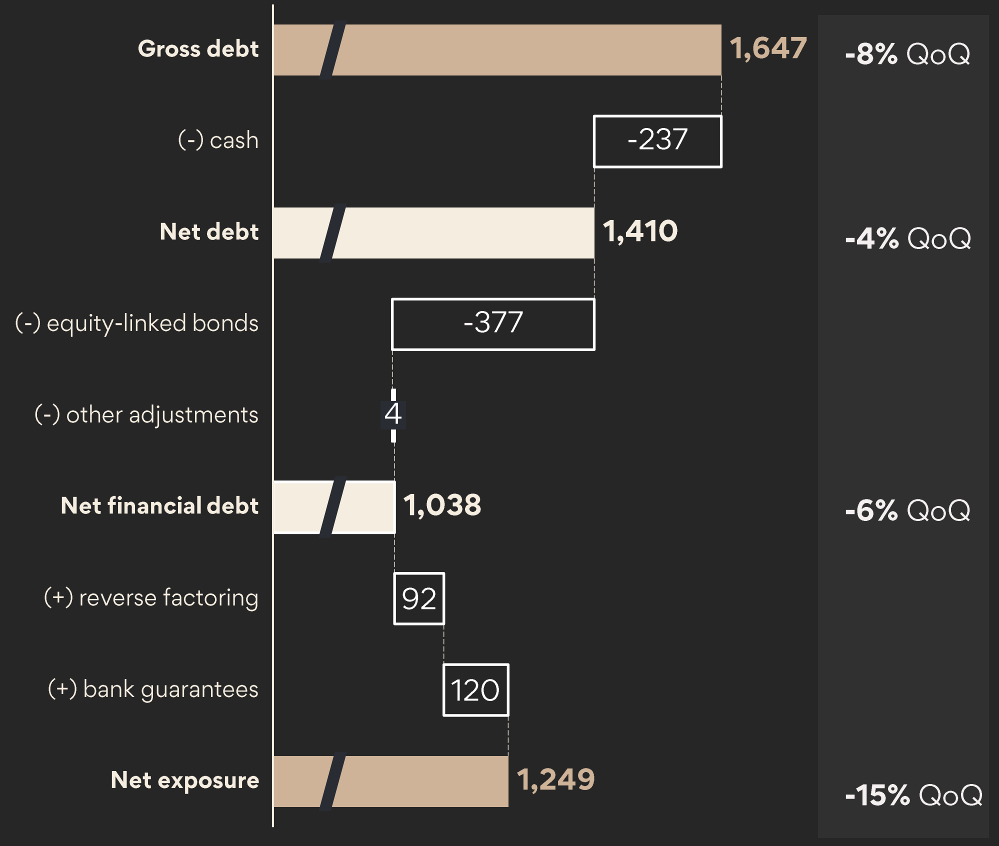
PLNm, FY2022 data		CCC	HalfPrice	MODIVO Group
P&L	Revenue	4 193	843	4 035
	EBITDA	321	81	95
Working capital	Change in inventories	453 *	-199	-331
	Change in receivables	73	12	46
	Change in liabilities	-331	71	144
Investing cash flows	CAPEX**	-139	-126	-201
	EBITDA + NWC + CAPEX	377	-161	-248
		SEPARATE		FINANCING

photo: **MODIVO**, digital fitting room

CCC's results cover the reportable segment 'CCC Omnichannel' and the reportable segment 'Other'

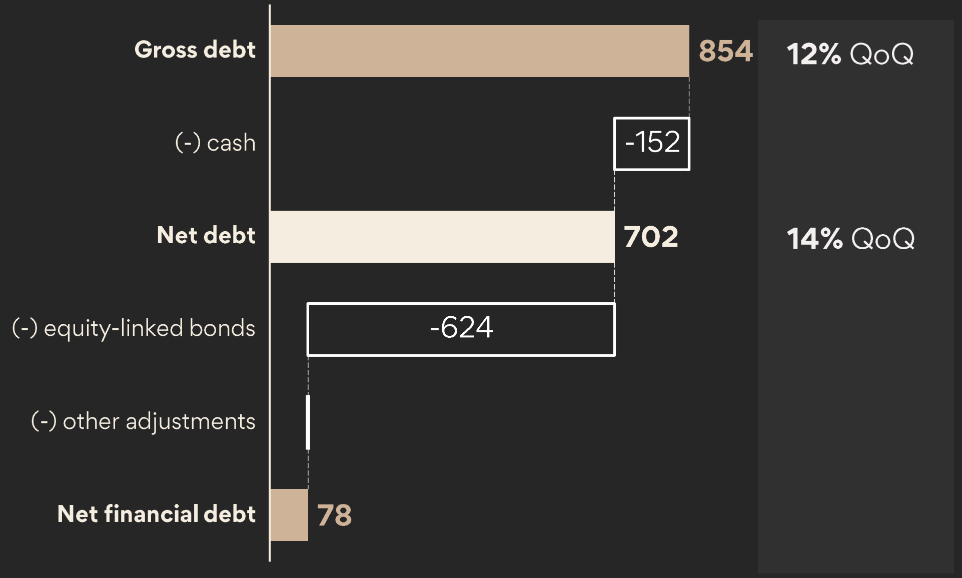
* Change in inventory on a cash basis, includes the effect of discontinued operations.
** Does not include fit-out costs (expenditures incurred by the lessor to fit out premises to the lessee's requirements).

CCC BU's debt reduced through working capital optimisation in the CCC business line...



CCC Business Unit's debt* [PLNm]

...with the MODIVO Group's debt structure dominated by convertible bonds



MODIVO Group's debt [PLNm]

* Includes the following segments: CCC, HalfPrice and DeeZee

Summary

photo: **eobuwie** hybrid store

Performance against 2022 key business targets

		TARGET			ACTUAL
		April 2022	November 2022		February 2023
CCC GROUP	Revenue [PLNm]	9 – 10	9.0 – 9.2	►	9.1
	Cost/revenue ratio [%]	44 – 46%	45 – 47%	►	47%
	Capex [PLNm]	450 – 500	420 – 470	►	440
CCC	CCC gross margin (retail+ecom) [%]	52 – 54%	53 – 55%	►	54%
MODIVO SA	YoY revenue growth [%]	–	15 – 20%	►	17%
	EBITDA margin [%]	–	2.5 – 4.0%	►	2.2%
	Capex [PLNm]	250 – 300	250 – 300	►	200
HalfPrice	Store rollout	~50	~40	►	41

2023 outlook – reversal of adverse market trends

photo: **Gino Rossi**, SS23

1. **CONSUMER**
   - Disinflation
   - No interest rate hikes
2. **COMPETITORS**
   - Balanced inventory levels
   - Less aggressive price competition
3. **PURCHASES**
   - Stabilisation of foreign exchange rates
   - Efficient supply chain
   - Lower freight costs
4. **COST BASE**
   - Normalisation of energy, material and service prices
   - Balancing of the labour market

GROWING FOOTWEAR MARKET **VALUE**

... WITH STABLE **SALES VOLUMES**

MODIVO Group – improved business efficiency in 2023

	IMPLEMENTED MEASURES	EXPECTED EFFECT (YoY)	
REVENUE	— Rollout of eobuwie hybrid stores in leading shopping malls (+10, including new capital cities) — Marketplace monetisation and scaling — Service development (marketing on platforms) — Further digital sales growth in fashion in CEE	+15-20%	
GROSS MARGIN	— Optimisation of inventory levels and structure — Discount policy easing (lower pressure from overstocking) — Expanding shares of CCC's own high-margin premium brands	+2-3pp	
COSTS	— Further cost reduction and progress towards operational excellence	-1-2pp	reduced cost ratio
WORKING CAPITAL	— Establishing a closer link between new order levels and inventory turnover — Increasing flexibility in purchasing and business terms with suppliers — Increasing supply chain efficiency	-40 days	improved inventory turnover

photo: **Gino Rossi**, AW22

Key facts Q4 2022

1. Strong **revenue growth recorded by the Group (+19% YoY)** from last year's high base **(+45%)**
2. **Growth** in omnichannel **sales**/m^2 **by 26%** with **costs down 3%** YoY in the CCC segment
3. **GMV of PLN 8m from** the MODIVO **marketplace** since launch – monetisation of investment in the partner programme
4. **Solid, double-digit EBITDA margin** delivered by HalfPrice **(12.6%)** – YoY growth of 42.9pp and QoQ growth of 0.3pp
5. **CCC** segment's **inventory down** PLN **480m** YoY with **turnover improved by 80 days** and successful working capital optimisation

Thank you!

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Upcoming events:

March 14th–15th 2023
DM PKO BP conference
CEE Capital Markets, London

April 12th–14th 2023
Raiffeisen Centrobank AG Investor
Conference, Zuers

Questions and answers

photo: **SPRANDI**, AW22

Support material

Geographic availability of CCC Group stores

		EN	CZ	SK	RO	HU	BG	HR	AT	CH	UA	RU	GR	IT	SI	LT	Other B&M[1]	Other e-com[2]
CCC	B&M	✓	✓	✓	✓	✓	✓	✓			✓				✓	✓	✓	
	WEB	✓	✓	✓	✓	✓	✓	✓	✓		✓		✓		✓			
	APP	✓	✓	✓	✓	✓	✓		✓				✓					
eobuwie.pl	WEB	✓	✓	✓	✓	✓	✓	✓	✔	✓	✓		✓	✓	✓	✓		✓
	APP	✓	✓	✓	✓	✓	✓	✓	✔	✓	✓		✓	✓	✓	✓		✓
	B&M	✓	✓	✔														
MODIVO	WEB	✓	✓	✓	✓	✓	✓	✓	✔	+	✓		✓	✓	✔	✓		✓
	APP	✓	✓	✓	✓	✓	✓	✓			✓		✓	✓		✓		✓
	B&M	✓																
DeeZee	WEB	✓	✓	✓	✓	✓	+				✓				+	+		
	APP	+																
HalfPrice	B&M	✓	✓	✔	✔	✓		✓	✓						✔			
	WEB	✓	+	+		+			+									

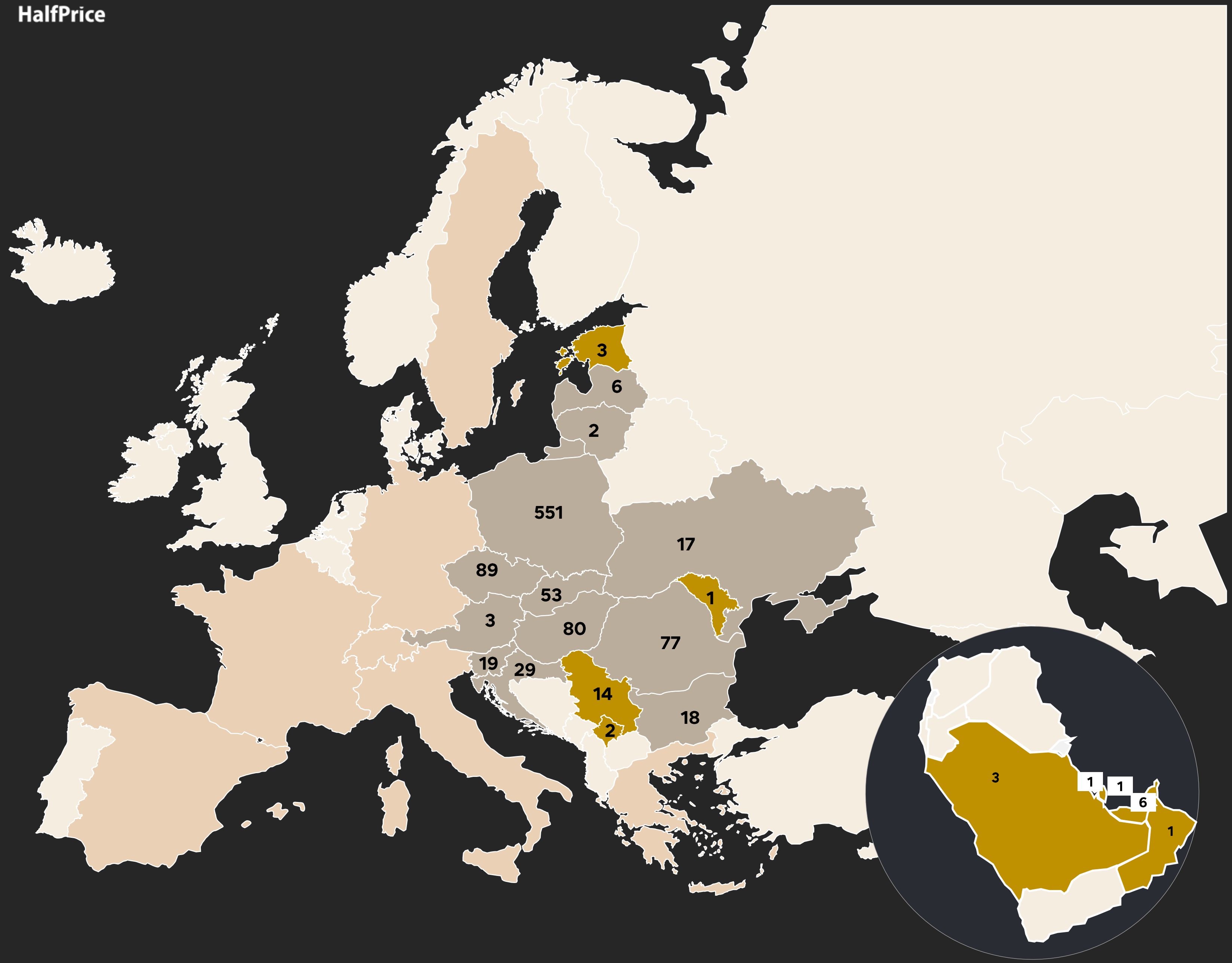
✓ Launch 2021 or earlier ✔ Launch 2022 + Next two quarters (Q1–Q2 2023)

1

2

CCC Group in 28 markets

- Offline & Online: 12 MARKETS
- Offline: 21 MARKETS
- Online: 19 MARKETS

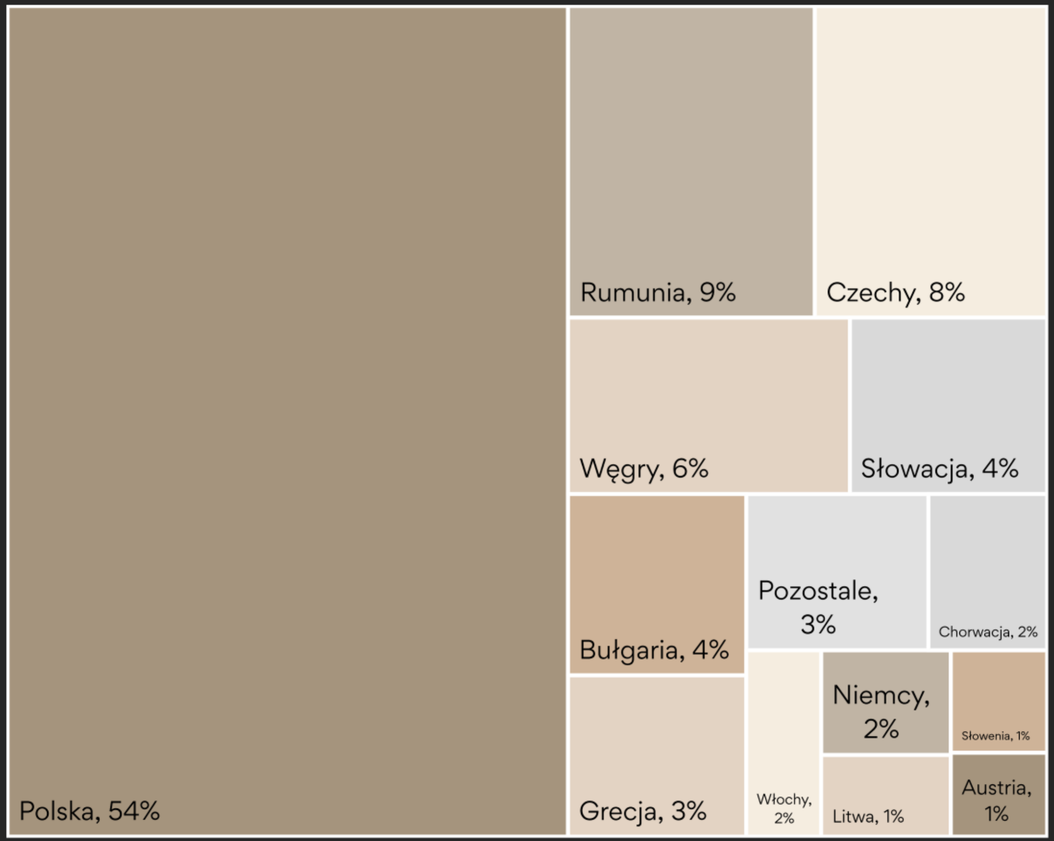


CCC Group's revenue Q3 2022

COUNTRY	REVENUE* [PLNm]	YoY
Poland	1,306	17%
Romania	216	33%
Czech Republic	203	30%
Hungary	139	-1%
Slovakia	98	10%
Bulgaria	91	50%
Greece	81	35%
Croatia	52	27%
Italy	39	32%
Italy	38	-23%
Lithuania	30	10%
Slovenia	28	44%
Austria	23	-15%
Other	80	55%
TOTAL	**2,377**	***17%***

* Excluding consolidation adjustment, revenue not allocated to segments

Contribution to the Group's revenue



Geographic availability of CCC Group stores

TYPE	COUNTRY	Jan 31 2021		Apr 30 2021		Jul 31 2021		Oct 31 2021		Jan 31 2022		Apr 30 2022		Jul 31 2022		Oct 31 2022	
		m²	number	m²	number	m²	number	m²	number	m²	number	m²	number	m²	number	m²	number
COMPANY-OWNED	**Poland**	309,493	463	300,175	455	294,324	450	287,198	446	**278,752**	**432**	**281,086**	**438**	**282,829**	**442**	**285,129**	**447**
	Czech Republic	53,988	90	53,875	89	53,097	87	53,582	86	53,264	86	**52,386**	**86**	**50,046**	**85**	**50,046**	**85**
	Hungary	57,537	80	57,297	79	54,513	78	54,980	79	54,035	79	**54,035**	**79**	**52,851**	**76**	**53,451**	**77**
	Austria	33,373	51	31,907	47	20,119	31	5,064	9	0	0	**0**	**0**	**0**	**0**	**0**	**0**
	Slovakia	35,628	56	36,404	57	34,856	55	36,198	55	34,896	53	**34,246**	**52**	**34,338**	**52**	**33,183**	**51**
	Croatia	20,800	31	20,287	29	20,287	29	21,525	30	21,015	29	**21,015**	**29**	**21,197**	**29**	**20,624**	**28**
	Russia	31,878	41	29,629	41	27,996	40	27,391	40	26,880	40			**0**	**0**	**0**	**0**
	Slovenia	17,013	20	14,508	18	14,508	18	13,830	17	13,830	17	**12,598**	**17**	**12,589**	**17**	**12,589**	**17**
	Bulgaria	12,048	18	11,651	17	11,651	17	11,651	17	11,651	17	**11,651**	**17**	**11,650**	**17**	**12,064**	**18**
	Serbia	11,496	15	11,031	14	11,031	14	11,056	14	11,056	14	**11,056**	**14**	**11,050**	**14**	**11,050**	**14**
	Romania	47,687	78	48,122	77	48,122	77	48,852	78	49,898	80	**49,590**	**79**	**48,420**	**76**	**48,928**	**77**
	Latvia													**4,249**	**6**	**4,249**	**6**
	Lithuania													**1,420**	**2**	**1,420**	**2**
	Estonia													**2,879**	**3**	**2,879**	**3**
CCC-owned TOTAL		**630,941**	**943**	**614,888**	**923**	**590,504**	**896**	**571,327**	**871**	**555,279**	**847**	**527,664**	**811**	**533,520**	**819**	**535,612**	**825**
FRANCHISE	Ukraine	12,848	19	12,336	18	12,336	18	12,371	18	11,613	17	**10,569**	**16**	**10,552**	**16**	**10,649**	**17**
	Latvia	4,559	7	4,559	7	4,559	7	4,559	7	4,559	7	**4,249**	**6**				
	Lithuania	2,020	3	2,020	3	2,020	3	2,020	3	2,020	3	**2,020**	**3**				
	Estonia	2,879	3	2,879	3	2,879	3	2,879	3	2,879	3	**2,879**	**3**				
	Moldova	740	1	740	1	740	1	740	1	740	1	**740**	**1**	**740**	**1**	**740**	**1**
	Kosovo	1,958	2	1,958	2	1,958	2	1,958	2	1,958	2	**1,958**	**2**	**1,958**	**2**	**1,958**	**2**
	Qatar	1,002	1	1,002	1	1,002	1	1,002	1	1,002	1	**1,002**	**1**	**1,002**	**1**	**1,002**	**1**
	UAE	4,853	5	4,853	5	4,853	5	5,302	6	5,302	6	**5,302**	**6**	**5,302**	**6**	**5,302**	**6**
	Saudi Arabia	1,876	2	2,420	3	2,420	3	2,420	3	2,420	3	**2,420**	**3**	**2,420**	**3**	**2,420**	**3**
	Bahrain	929	1	929	1	929	1	929	1	929	1	**929**	**1**	**929**	**1**	**929**	**1**
	Oman	1,223	1	1,223	1	1,223	1	1,223	1	1,223	1	**1,223**	**1**	**1,223**	**1**	**1,223**	**1**
CCC franchise TOTAL		**34,887**	**45**	**34,919**	**45**	**34,919**	**45**	**35,403**	**46**	**34,645**	**45**	**33,291**	**43**	**24,126**	**31**	**24,223**	**32**
eobuwie.pl		17,146	25	17,146	25	19,413	27	19,080	27	20,715	28	**21,586**	**30**	**22,926**	**33**	**23,705**	**35**
HalfPrice				1,256	1	31,375	22	51,246	33	84,810	50	**106,509**	**66**	**127,983**	**76**	**141,714**	**84**
Gino Rossi		1,889	16	1,050	9	186	1						**0**		**0**		**0**
TOTAL CCC		**684,863**	**1,029**	**669,259**	**1,003**	**641,478**	**946**	**677,056**	**977**	**689,275**	**970**	**689,050**	**950**	**708,555**	**959**	**725,254**	**976**

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