

VRG
VISTULA RETAIL GROUP

2Q23 results presentation

A MODERN GROUP WITH
TRADITIONS

August 25, 2023



VISTULA

BYTOM
SZTUKA KRAWIECTWA OD 1945

WÓLCZANKA

DENICLER
MILANO

W.KRUK
1 8 4 0



Disclaimer

This presentation (the "Presentation") was prepared by VRG S.A. (the "Company") with a due care. Still, it may contain certain inconsistencies or omissions. The Presentation does not contain a complete or thorough financial analysis of the Company and the Capital Group and does not present its standing or prospects in a comprehensive or in-depth manner. Therefore, anyone who intends to make an investment decision with respect to the Company should rely on the information disclosed in the official reports of the Company, published in accordance with the laws applicable to the Company. This Presentation was prepared for information purposes only and does not constitute an offer to buy or to sell any financial instruments.

The Presentation may contain 'forward-looking statements'. However, such statements cannot be treated as assurances or projections of any expected future results of the Company and the Capital Group. Any statements concerning expectations of future financial results cannot be understood as guarantees that any such results will actually be achieved in future. The expectations of the Management Board are based on their current knowledge and depend on many factors due to which the actual results achieved by the Company may differ materially from the results presented in this document. Many of those factors are beyond the awareness and control of the Company and the Capital Group or the Company's and Group's ability to foresee them.

Neither the Company, nor its directors, officers, advisors, nor representatives of any such persons are liable on account of any reason resulting from any use of this Presentation. Additionally, no information contained in this Presentation constitutes any representation or warranty of the Company, its officers or directors, advisors or representatives of any of the above persons. The Presentation and the forward-looking statements speak only as at the date of this Presentation. These may not be indicative of results or developments in future periods. The Company does not undertake any obligation to review, to confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise after the date of this Presentation.

01

Introduction



Key corporate events



2023-2025 strategy announcement

Publication of 2023-2025 Strategy of the Capital Group in June 2023, along with key goals regarding both segments of the Capital Group and sustainable development.

Dividend resolution

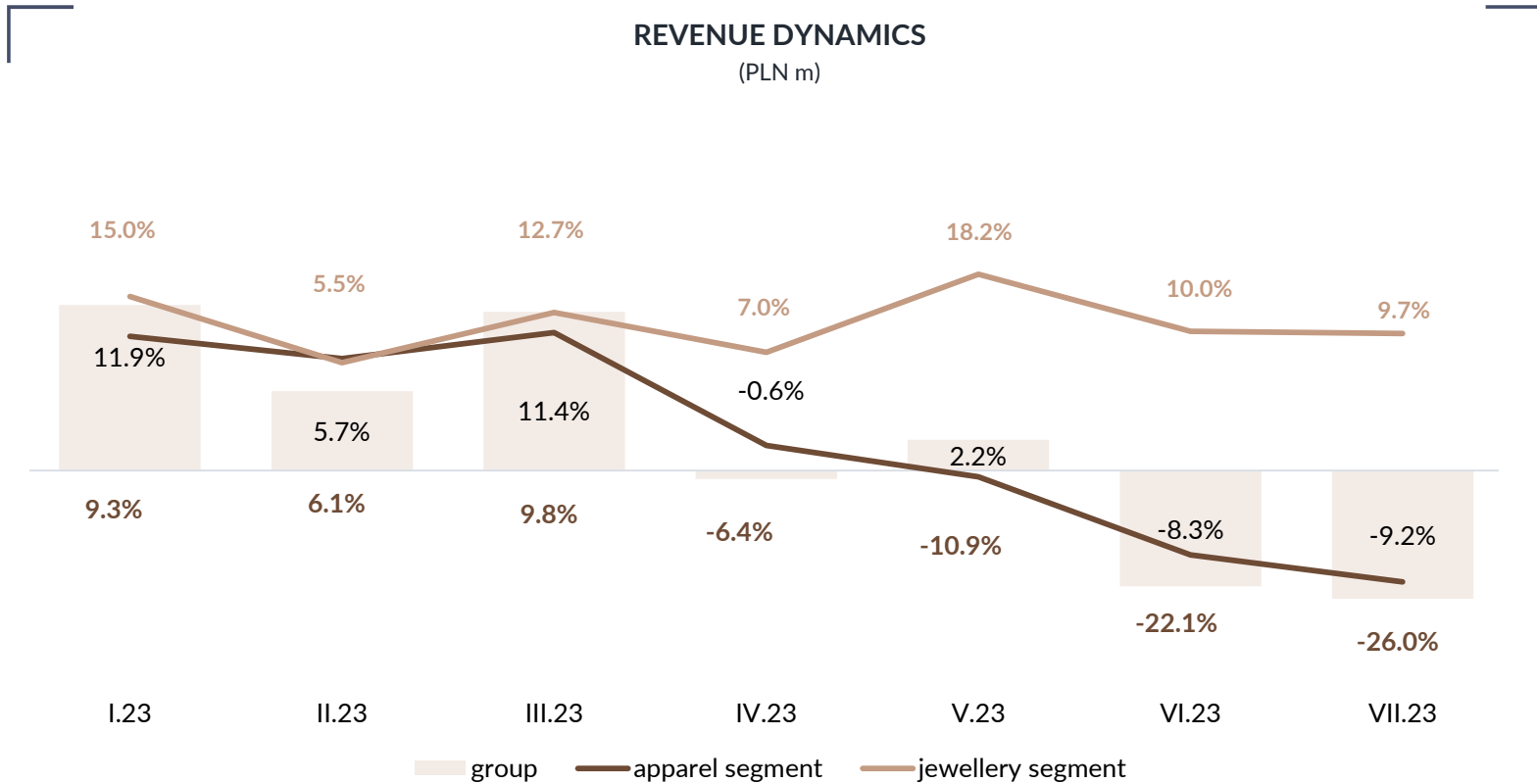
Ordinary General Meeting of VRG S.A. on June 28, 2023, approved dividend payment of PLN 0.2 per share (PLN 46.9m). Dividend day was set at September 20, and dividend payment date at December 15, 2023.



New ambassador campaign of W.KRUK

In June, the new W.KRUK ambassador collection with Martyna Wojciechowska had its debut, this time of perfumes and scarves. Freedom AIR, EARTH, FIRE and WATER are four compositions inspired by the elements.

More favourable revenue dynamics in jewellery than apparel segment



Jewellery segment

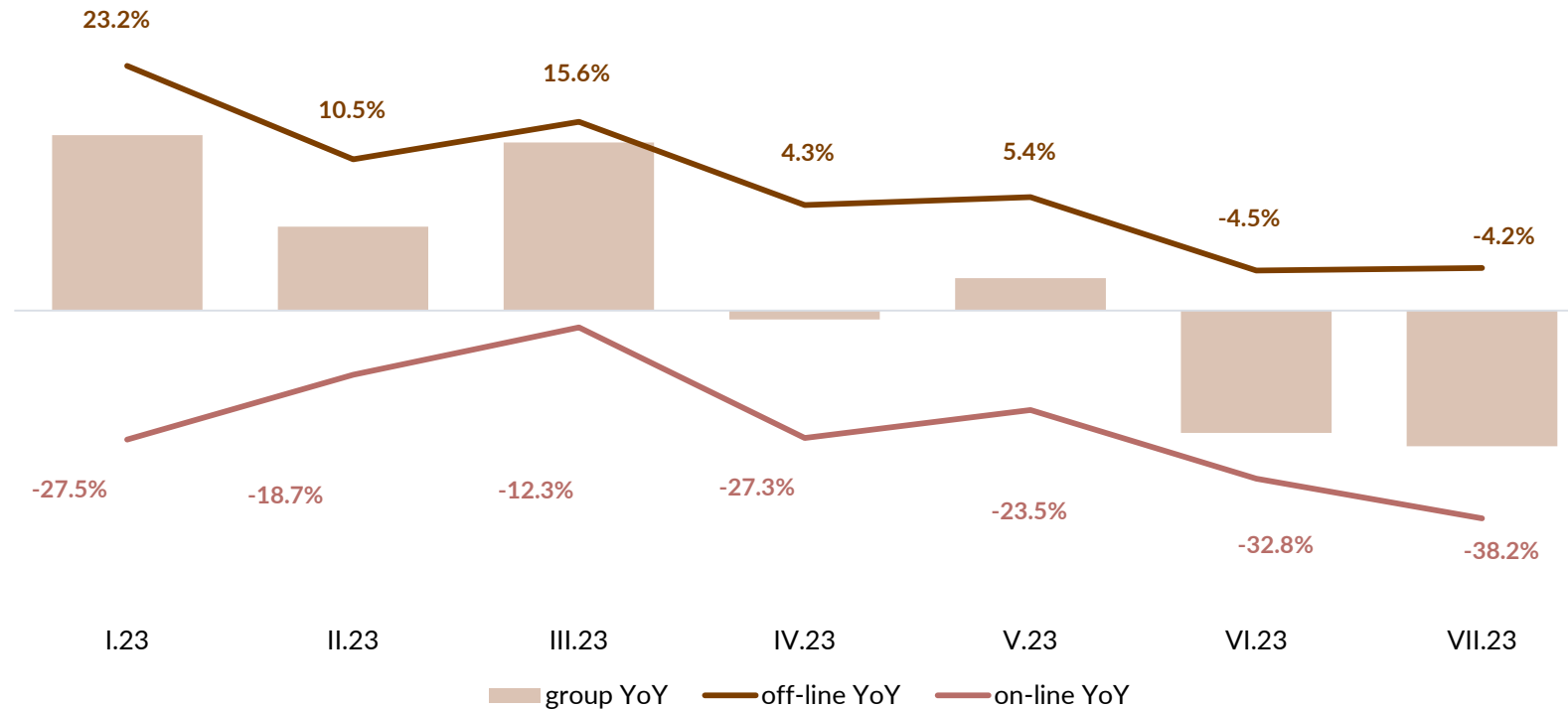
Favorable sales dynamics of the jewellery segment in each month from January 2023 to July 2023 built by network development and stable demand due to stable demand for jewellery and watches.

Apparel segment

Strong start to the year, but weakening of dynamics from April 2023 due to high base, less favorable macroeconomic situation and lower inventory levels.

Clients prefer to shop off-line than on-line

REVENUE DYNAMICS
(PLN m)



Stores

Positive sales dynamics in traditional stores in most months of the year. Sales supported by higher YoY prices.

Group

The Group's sales dynamics under the influence of macroeconomic situation and lower traffic in off-line and on-line stores. Favorable trends in the gross margin on sales.

E-stores

On-line revenues under the influence of slowdown in e-commerce.

Favourable trends in gross profit margin

GROSS PROFIT MARGIN ON SALES

	I.23	II.23	III.23	IV.23	V.23	VI.23	VII.23
gross profit margin	50.4%	51.2%	53.7%	56.2%	56.5%	56.6%	53.7%
YoY dynamics	-0.1 pp.	+0.6 pp.	+2.4 pp.	-0.5 pp.	-1.0 pp.	+1.4 pp.	+2.2 pp.

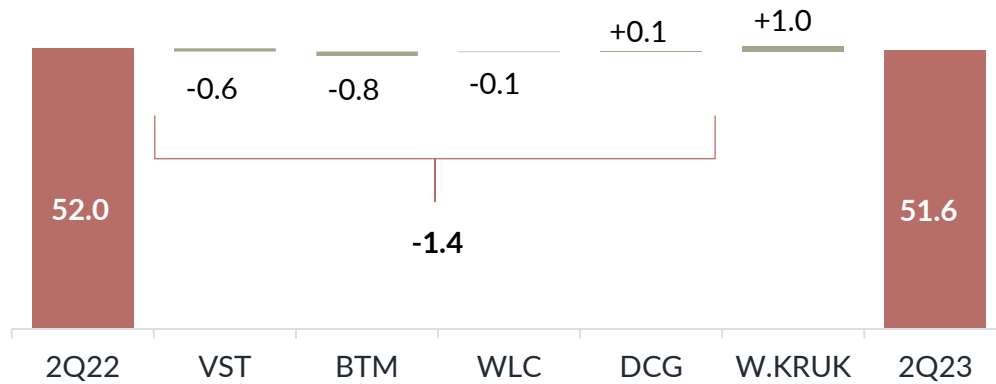
Group gross profit margin on sales above 50% in each month of 2023, thanks to improvement in apparel segment margin.



Stable floorspace

GROUP FLOORSPACE CHANGE YOY

(ths m2)



- Group floorspace stood at 51.6 ths m2 at the end of 2Q23, down 0.8% YoY.
- Apparel segment floorspace amounted to 39.0 ths m2, down 1.4 ths m2, -3.4% YoY, due to closing down of unprofitable stores.
- Floorspace of the jewellery segment increased by 1.0 ths m2 net, to 12.6 ths m2, +8.3% YoY.

GROUP FLOORSPACE CHANGE YOY

(ths m2)



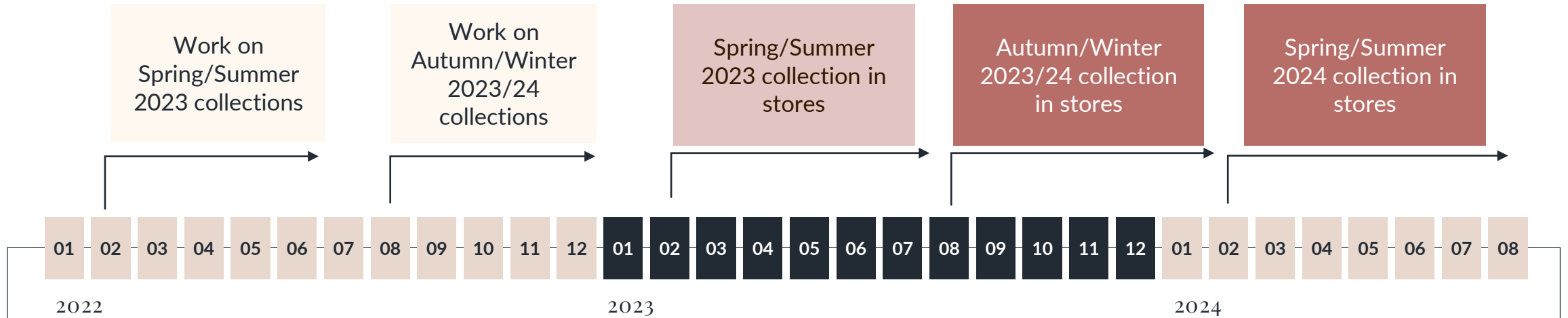
- Throughout the year, gross 4.0 ths m2 of floorspace were opened.
- Own stores floorspace reached 42.6 ths m2, 3.5% increase YoY, at the end of 2Q23.
- Franchise stores floorspace fell by 1.9 ths m2 to 9.0 ths m2, i.e. by 17.0% YoY at the end of 2Q23.

02

Performance by
brands

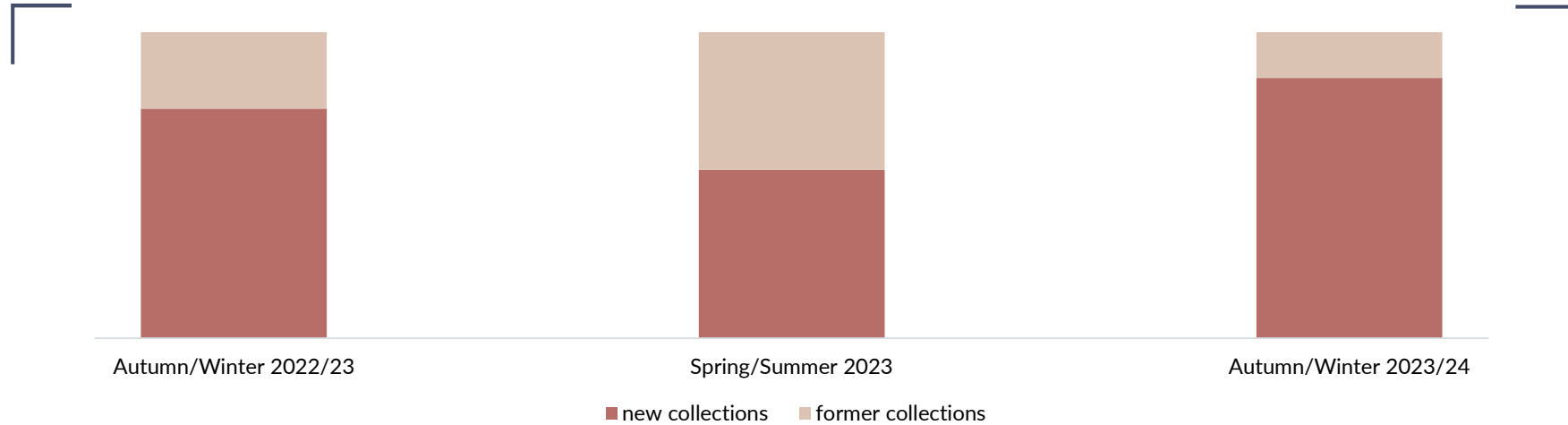


Apparel collections in transition



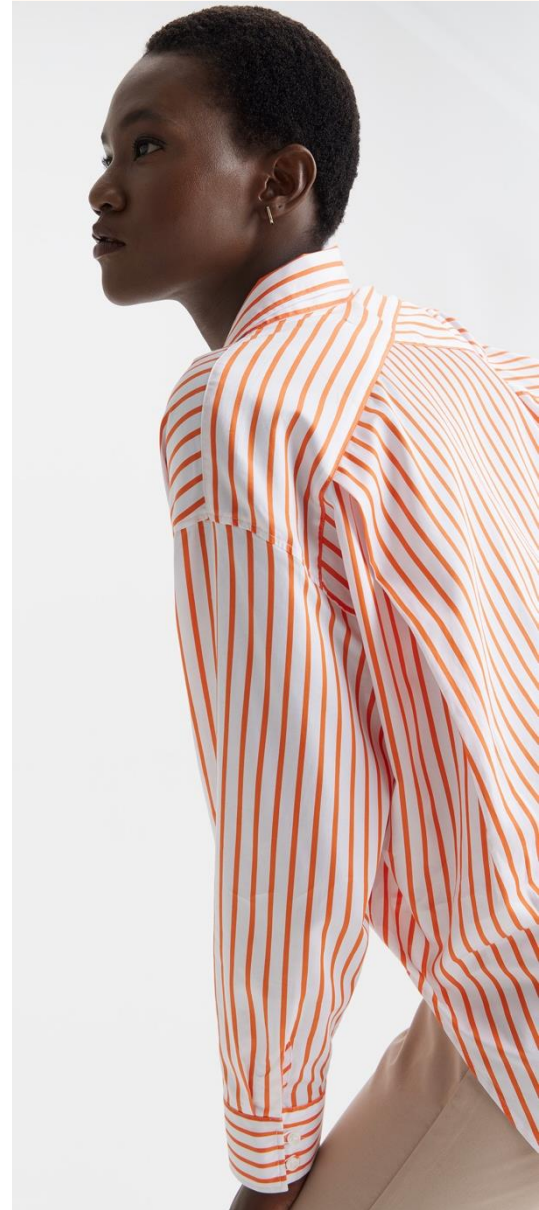
The first impact of changes in collections and modifications to brands' target groups announced in the strategy will be visible in Autumn/Winter 2023/24 collection. Changes should be fully visible in the Spring/Summer 2024 collections.

Structure of apparel collections the key to 2Q23 results



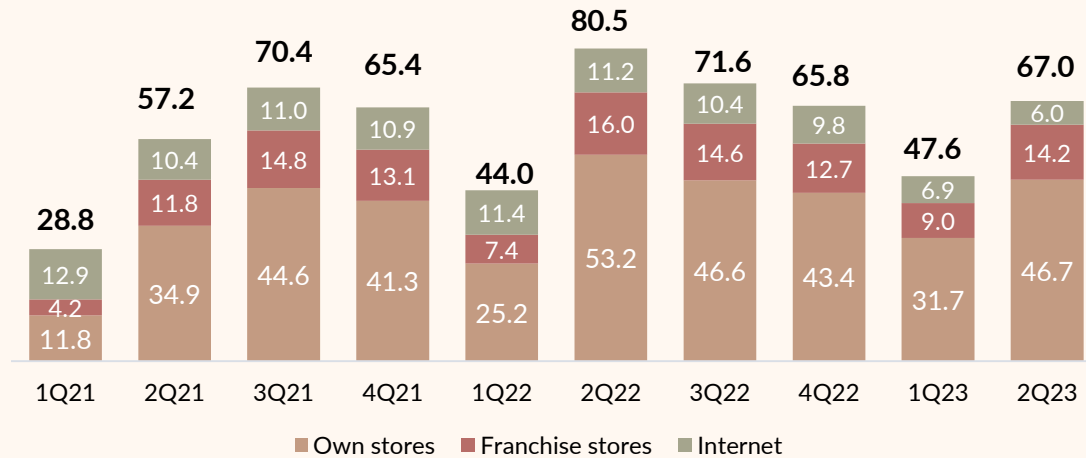
Due to lower YoY orders and plan to reduce inventories in the apparel segment, in Spring/Summer 2023 season share of former collections was higher than in previous seasons.

This action resulted in a decrease in inventories in the apparel segment, but had a negative impact on customers' interest in the offer.



Vistula: high base effect

VISTULA BRAND REVENUES
(PLN m)

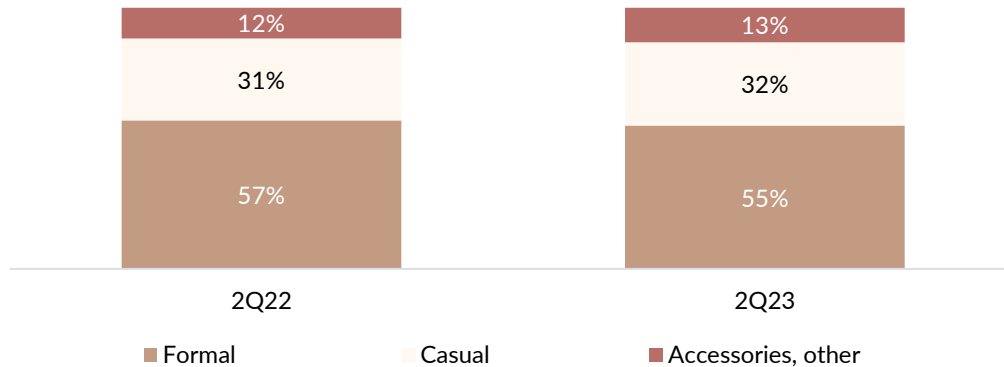


- Revenues in 2Q23 decreased by 16.8% YoY. 12.1% YoY fall in own stores due to lower traffic.
- Internet revenues decreased by 46.2% YoY, accounting for 9.0% of brand sales (-4.9pp).



Vistula: further growth of women's collection share

VISTULA BRAND REVENUE SPLIT



- Relatively stable sales structure broken down into formal and casual clothing. Impact of celebrations on sales was smaller than a year ago. Stable share of accessories in sales.
- Continuation of increase of Vistula WOMEN in sales structure - in 2Q23 at the level of c. 4% of sales from c. 1% in 2Q22.

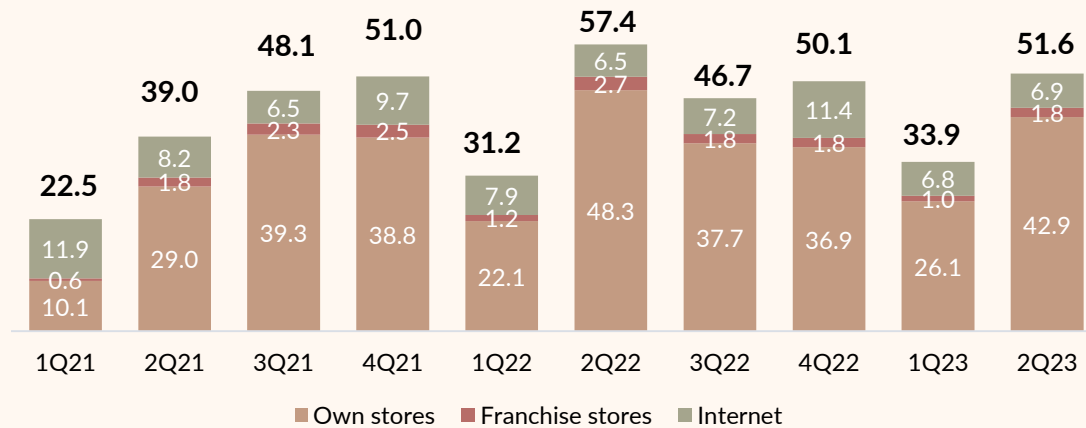
VISTULA BRAND EFFICIENCY

	2Q22	2Q23	YoY
Revenues (PLN/m2 per month)	1,454	1,242	-14.5%
Gross profit margin (%)	62.2%	61.4%	-0.9pp.
Cost of stores (PLN/m2 per month)	517	516	-0.2%
Store EBIT (PLN m)	21.4	13.3	-38.2%

- Revenues/ m2 lower YoY due to high base, increase in selling prices and lower traffic.
- High gross profit margin, slightly lower YoY due to high base and greater consumer price sensitivity.
- Stable store costs/m2: rising rentals, but falling commissions and depreciation (closing down of stores).

Bytom: growing on-line sales

BYTOM BRAND REVENUES
(PLN m)

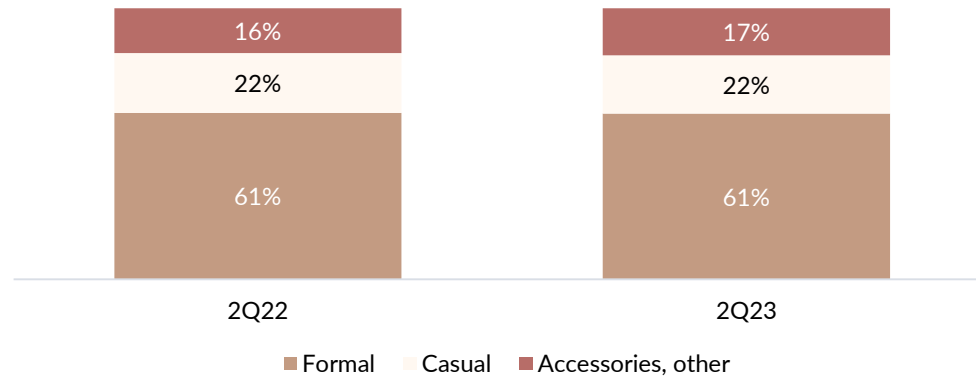


- Revenues in 2Q23 decreased by 10.2% YoY. 11.1% YoY fall in own stores, mainly due to lower traffic.
- Internet revenues grew 6.1% YoY, due to good reception of the Summer collection. These accounted for 13.4% of brand sales (-2.0pp).



Bytom: the most formal apparel brand

BYTOM BRAND REVENUE SPLIT



- Stable share of formal and good reception of the summer offer, especially in the on-line channel.
- Higher share of formal collection than in Vistula brand - further work on distinguishing the offer of both brands.

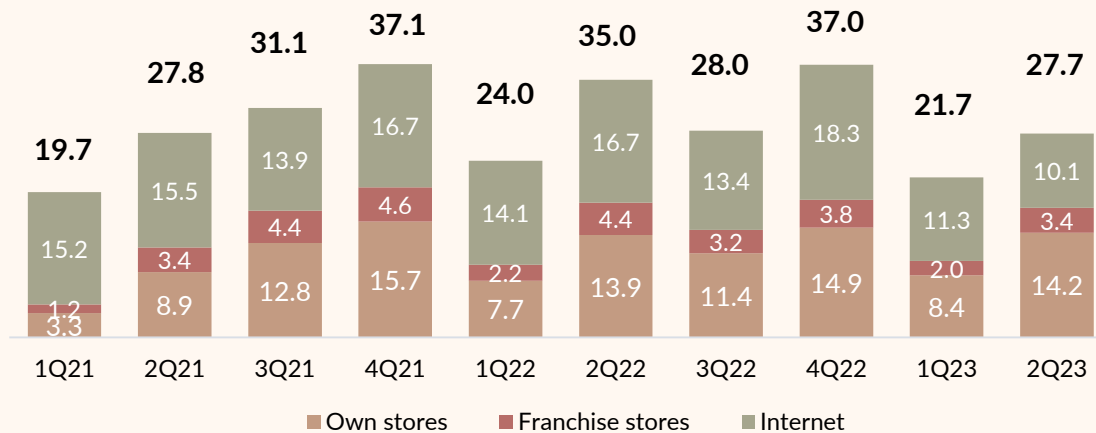
BYTOM BRAND EFFICIENCY

	2Q22	2Q23	YoY
Revenues (PLN/m2 per month)	1,295	1,239	-4.3%
Gross profit margin (%)	61.1%	62.2%	1.1pp.
Cost of stores (PLN/m2 per month)	499	535	7.1%
Store EBIT (PLN m)	13.0	9.8	-24.2%

- Revenues/ m2 lower YoY due to high base, increase in selling price and lower traffic.
- Growing gross profit margin YoY due to lower share of on-line sales channel.
- Cost of stores/m2 increased while revenues/m2 decreased due to increase in rentals and salaries, despite growth in depreciation and commissions/m2.

Wólczanka: off-line sales stronger than on-line

WÓLCZANKA BRAND REVENUES
(PLN m)

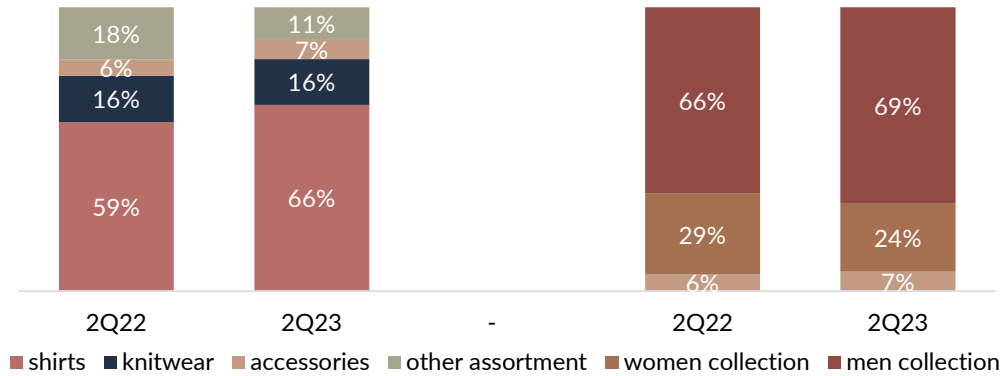


- Revenues in 2Q23 fell by 20.9% YoY. Revenues from own stores increased by 2.3% due to high customer interest in traditional shopping.
- Internet revenues decreased by 39.7% YoY, accounting for 36.4% of brand sales (-11.3pp.) due to limiting of promotions.



Wólczanka: shirts remain the largest category

WÓLCZANKA BRAND REVENUE SPLIT



- Very good sale of shirts, especially men's formal ones. Rebuilding of sales in shirt boutiques (return to the brand's roots).
- Women's collection accounts for 24% of the brand's sales and 40% of brand's on-line sales, which had a negative impact on overall value of on-line sales.
- Stable share of accessories in the sales structure.

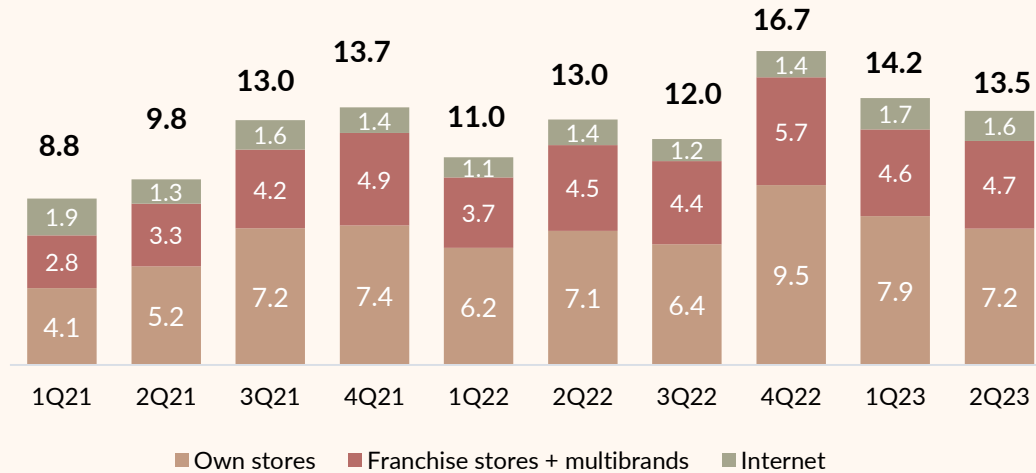
WÓLCZANKA BRAND EFFICIENCY

	2Q22	2Q23	YoY
Revenues (PLN/m2 per month)	2,527	2,072	-18.0%
Gross profit margin (%)	58.9%	61.8%	2.9pp.
Cost of stores (PLN/m2 per month)	968	926	-4.3%
Store EBIT (PLN m)	7.2	4.7	-34.2%

- Higher gross profit margin with lower YoY revenues/m2: swift introduction of new collections, limited discounts and lower on-line share.
- Fall in costs/m2 stronger than this of revenues/m2 due to higher costs of rentals, salaries and depreciation. Decrease in commissions/m2 along with the closing of franchise stores.

Deni Cler: demand for premium clothing continues

DENI CLER BRAND REVENUES
(PLN m)



- Revenues in 2Q23 increased by 3.6% YoY. Revenues from own stores increased by 1.6% due to strong demand for premium clothing.
- Internet revenues increased by 17.0% YoY, accounting for 11.8% of brand sales (+1.4pp).



Deni Cler: the highest gross profit margin on sales

DENI CLER BRAND REVENUE SPLIT



- Very good sales of the brand's main collection, in particular dresses, sweaters, outerwear and trousers.
- High share of premium accessories.
- Success of introducing a less formal offer in recent quarters.

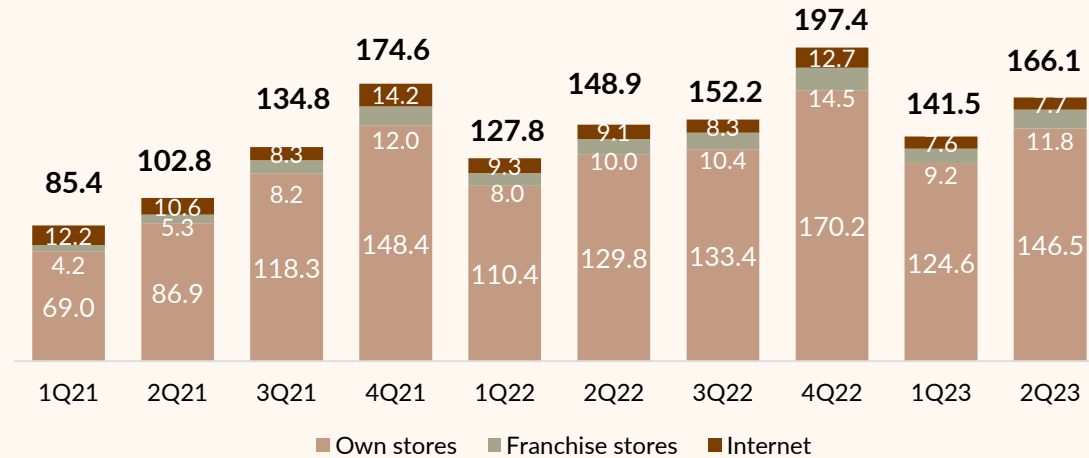
DENI CLER BRAND EFFICIENCY

	2Q22	2Q23	YoY
Revenues (PLN/m2 per month)	1,551	1,531	-1.3%
Gross profit margin (%)	66.6%	65.5%	-1.1pp.
Cost of stores (PLN/m2 per month)	590	643	9.0%
Store EBIT (PLN m)	3.7	3.2	-14.6%

- Stable revenues/m2 due to stronger increase in floorspace than in sales.
- The highest gross margin in the group, slightly lower YoY due to higher YoY promotions supporting traffic to stores.
- Growth in costs/m2 despite stabilization of revenues/m2. Rising rentals, salaries and depreciation. Stable YoY commissions/m2.

W.KRUK: revenue growth continues

W.KRUK RETAIL REVENUES
(PLN m)

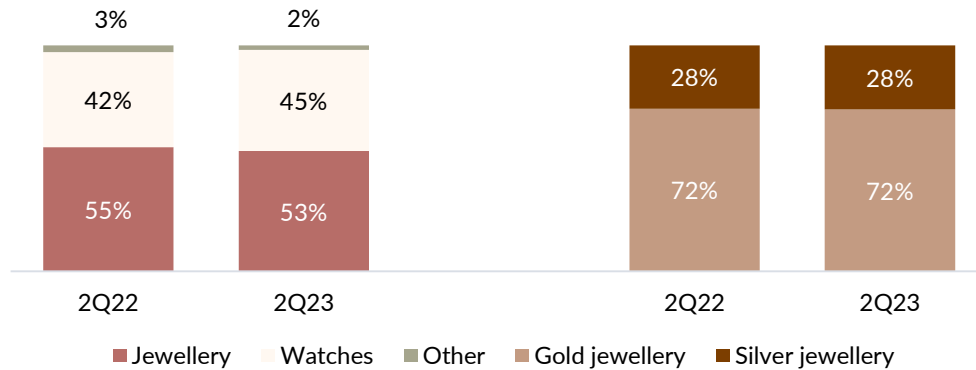


- Revenues in 2Q23 increased by 11.5% YoY. Revenues from traditional stores increased by 12.8% due to network development and higher average ticket.
- Internet revenues decreased by 15.5% YoY, accounting for 4.6% of brand sales (-1.5pp). Decreases as a result of shifting revenues between channels and limiting the scale of promotional campaigns.



W.KRUK: growth in store EBIT

W.KRUK BRAND REVENUE SPLIT



- Double-digit increase in sales of watches - a positive impact of development of the offer in this area. As a result, share of watches in revenues grew YoY.
- High single-digit sales growth dynamics in the jewellery section in 2Q23.
- Increase in revenues/ m2 in the quarter with simultaneous floorspace development.

W.KRUK BRAND EFFICIENCY

	2Q22	2Q23	YoY
Revenues (PLN/m2 per month)	4,275	4,381	2.5%
Gross profit margin (%)	52.8%	52.7%	-0.1pp.
Cost of stores (PLN/m2 per month)	1,053	1,103	4.7%
Store EBIT (PLN m)	41.9	45.7	9.2%

- Stable gross profit margin supported by lower discounts.
- Low single-digit growth in costs/m2, slightly higher than growth in revenues/m2: increase in rentals and commissions with stabilization of salaries and depreciation.
- As a result, the growing EBIT of stores.

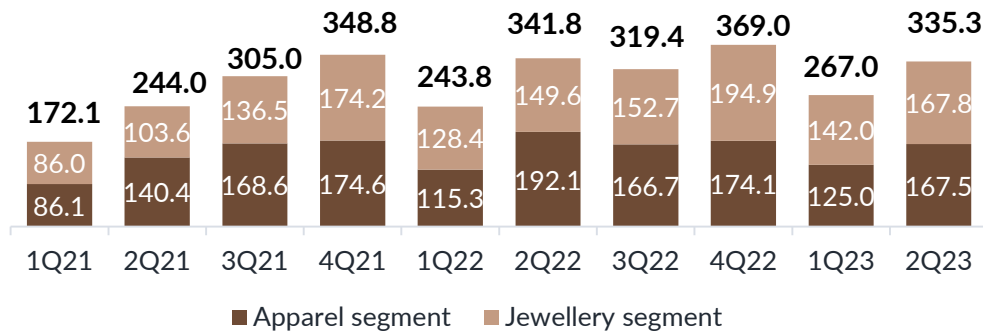
03

Group results



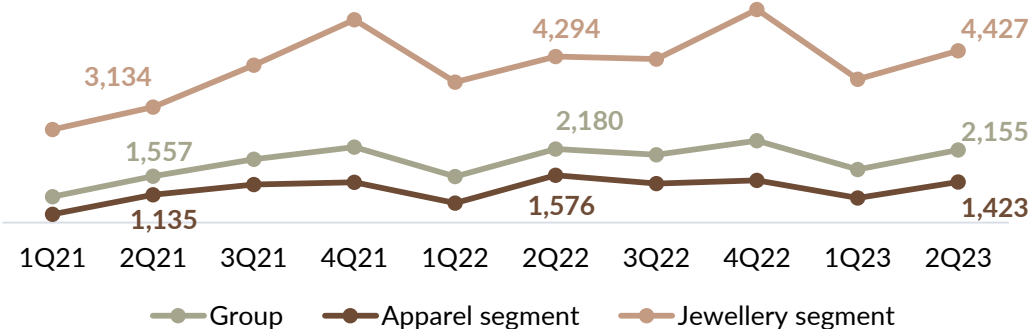
Favourable trends in revenues/m2 in jewellery segment

GROUP REVENUES
(PLN m)



- Group revenues in 2Q23 amounted to PLN 335.3m (-1.9% YoY), due to lower YoY interest in on-line shopping.
- In 2Q23, revenues of the apparel segment fell by 12.8% YoY, reaching PLN 167.5m.
- Revenues of the jewellery segment amounted to PLN 167.8m, up 12.3% YoY in 2Q23. Increase in share of jewellery segment from 43.8% in 2Q22 to 50.0% in 2Q23.

REVENUES PER M2
(PLN monthly)

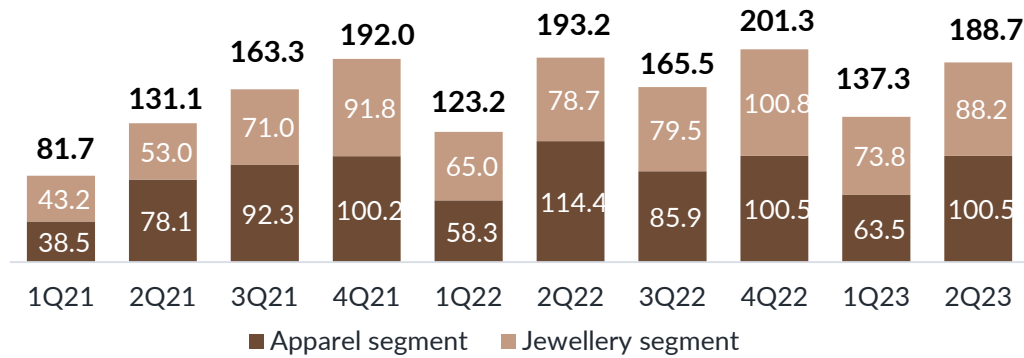


- In 2Q23 group revenues/ m2 reached PLN 2,155, -1.1% YoY.
- Sales/ m2 for the apparel segment amounted to PLN 1,423 in 2Q23, -9.7% YoY.
- Jewellery segment sales/ m2 reached PLN 4,427 in 2Q23, up 3.1% YoY.

Stable gross profit on sales

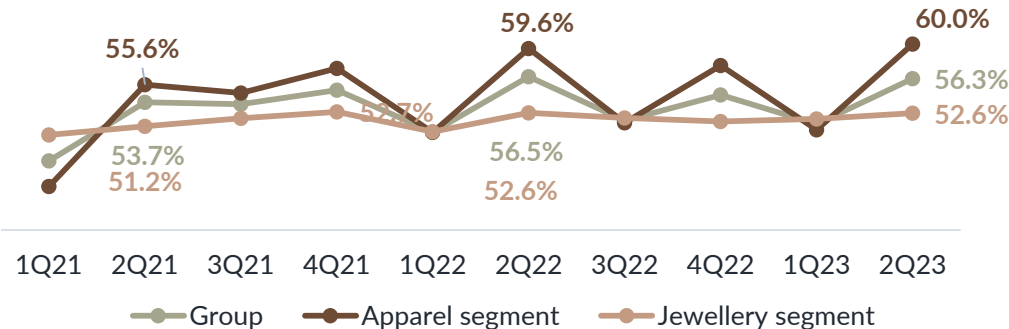
GROSS PROFIT ON SALES

(PLN m)



- Group gross profit on sales amounted to PLN 188.7m in 2Q23 (-2.3% YoY).
- In 2Q23 gross profit on sales in apparel segment reached PLN 100.5m, - 12.2% YoY due to lower revenues.
- Gross profit on sales in jewellery segment in 2Q23 amounted to PLN 88.2m,+12.0% YoY.

GROSS PROFIT ON SALES MARGIN

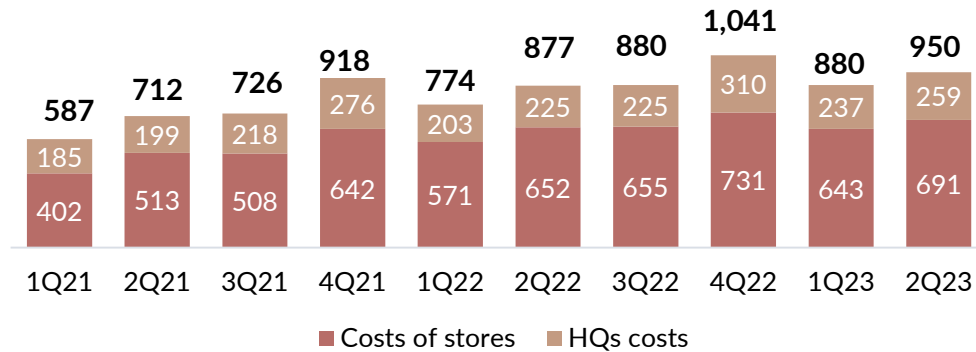


- In 2Q23, gross margin on sales amounted to 56.3% and was stable YoY.
- Apparel segment margin increased in 2Q23 by 0.4 pp. YoY to 60.0%, due to higher margins on new collections.
- Jewellery segment recorded a stable YoY gross margin in 2Q23 at the level of 52.6% with a stable share of watches.

Growth in jewellery segment EBIT

MONTHLY OPERATING COSTS PER M2

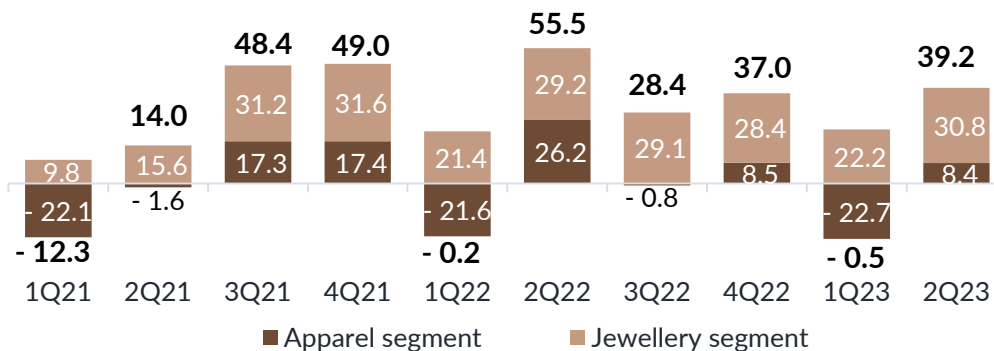
(PLN, IAS17)



- Group operating costs/m2 (IAS17) reached in 2Q23 PLN 950/m2 per month, up 8.3% YoY.
- Costs of stores at PLN 691/m2 (+6.0% YoY), while HQs costs/m2 at PLN 259/m2, +15.0% YoY (under IAS17), due to growing costs of traditional marketing.
- Under IAS17, apparel segment costs reached PLN 769/m2 in 2Q23, up 6.1% YoY, while the jewellery segment costs in 2Q23 amounted to PLN 1,512/m2 per month, up 7.2% YoY.

OPERATING PROFIT

(PLN m, IAS17)



- Group EBIT amounted to PLN 39.2m in 2Q23 under IAS17, down 29.4% YoY.
- In 2Q23, apparel segment's EBIT was at PLN 8.4m under IAS17, -68.0% YoY (PLN 11.0m EBIT under IFRS16) due to lower sales and rising costs.
- In 2Q23, jewellery segment's EBIT under IAS17 was PLN 30.8m, +5.3% YoY (PLN 32.2m under IFRS16).

Terminating of clothing production in our own factories

- According to 2023-2025 Corporate Strategy, the Group will no longer be involved in clothing production
- Rapid increase in labour and energy costs significantly worsened the financial situation of WSM Factory in 2022 and 2023
- WSM Factory has ceased its production activities. The bankruptcy proceedings of the Company are underway
- Real estate belonging to the Group will be rented or sold
- Termination of operations in Ostrowiec Świętokrzyski does not pose any threat to orders for VRG S.A. brands.

Bankruptcy does not require VRG S.A. to create additional provisions.

In 2022, WSM Factory Sp. z o. o. had an operating loss of PLN 0.3m and a net loss of PLN 0.9m with revenues of PLN 15.4m.

1Q22, 2Q22 results
WSM Factory Sp. z o.o.
consolidated via full-method

1Q23 results
WSM Factory Sp. z o.o.
consolidated via full-method

2Q23 results
WSM Factory Sp. z o.o.
consolidated via full-method by
the end of May 2023, later on
bankruptcy proceedings

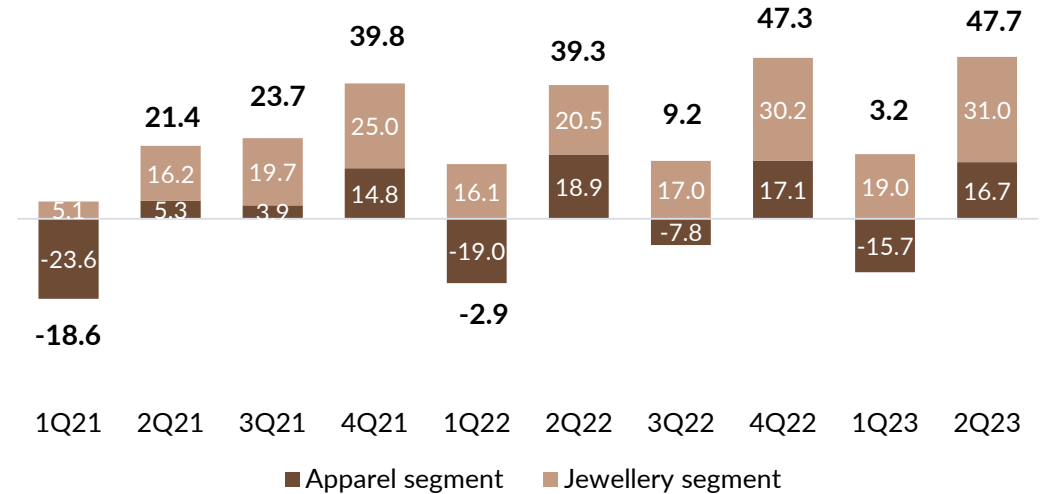
Growing net income in 2Q23

PLN m, IFRS16	2Q22	2Q23	YoY
Revenues	341.8	335.3	-1.9%
Gross profit on sales	193.2	188.7	-2.3%
<i>Gross profit on sales margin</i>	<i>56.5%</i>	<i>56.3%</i>	<i>-0.2pp.</i>
SG&A costs	132.8	143.7	8.2%
EBIT	60.2	43.3	-28.1%
<i>EBIT margin</i>	<i>17.6%</i>	<i>12.9%</i>	<i>-4.7pp.</i>
Net financial activity	-10.2	13.8	N/M
Net profit	39.3	47.7	21.2%
<i>Net margin</i>	<i>11.5%</i>	<i>14.2%</i>	<i>2.7pp.</i>

EBITDA	87.0	75.0	-13.9%
<i>EBITDA margin</i>	<i>25.5%</i>	<i>22.4%</i>	<i>-3.1pp.</i>

- Less favorable YoY result on other operating activities due to higher costs of liquidation of assets.
- More favourable YoY net financial activities due to:
 - IFRS16: PLN 14.4m of FX gains in 2Q23 vs -PLN 1.7m in 2Q22
 - IAS17: PLN 2.2m FX gains in 2Q23 vs -PLN 3.5m FX losses in 2Q22
 - interest under IFRS16: PLN 1.4m in 2Q23 vs. PLN 1.2m in 2Q22
 - PLN 2.2m profit due to termination of WSM Factory consolidation.

NET PROFIT (LOSS) BY SEGMENTS
(PLN m, IFRS16)



Contribution of apparel segment and jewellery segment to Group profit depends on operating result and, among other things, the level of FX differences, which are significant under IFRS16.

Lower EBIT, but higher net income in 1H23

PLN m, IFRS16	1H22	1H23	YoY
Revenues	585.5	602.3	2.9%
Gross profit on sales	316.4	326.1	3.1%
<i>Gross profit on sales margin</i>	<i>54.0%</i>	<i>54.1%</i>	<i>0.1pp.</i>
SG&A costs	250.1	276.4	10.5%
EBIT	65.2	48.0	-26.4%
<i>EBIT margin</i>	<i>11.1%</i>	<i>8.0%</i>	<i>-3.2pp.</i>
Net financial activity	-18.9	13.4	N/M
Net profit	36.4	50.9	39.8%
<i>Net margin</i>	<i>6.2%</i>	<i>8.5%</i>	<i>2.2pp.</i>
EBITDA	119.6	110.3	-7.8%
<i>EBITDA margin</i>	<i>20.4%</i>	<i>18.3%</i>	<i>-2.1pp.</i>

- Less favorable YoY result on other operating activities due to higher costs of liquidation of assets.
- More favourable YoY net financial activities due to:
 - IFRS16: PLN 15.3m of FX gains in 1H23 vs -PLN 5.7m in 1H22
 - IAS17: PLN 3.1m FX gains in 1H23 vs -PLN 6.1m FX losses in 1H22
 - interest under IFRS16: PLN 2.7m in 1H23 vs. PLN 2.5m in 1H22
 - PLN 2.2m profit due to termination of WSM Factory consolidation.



Fall in inventory in apparel segment

CHANGE IN INVENTORIES

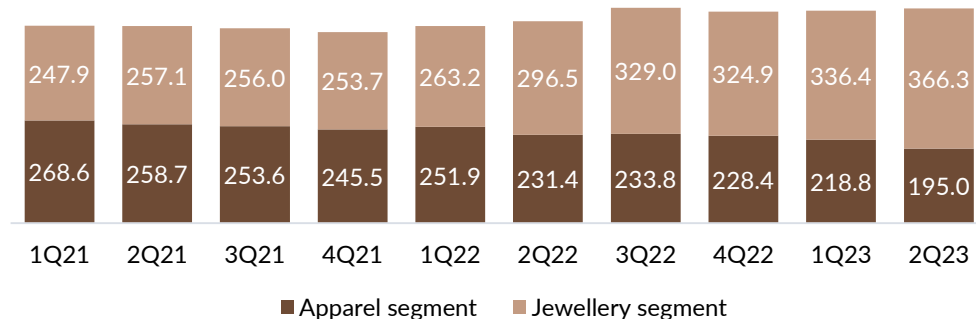
(PLN m)



- Inventories up 6.3% YoY to PLN 561.3m in 2Q23.
- Apparel segment inventory declines continued, with a 15.8% YoY fall due to order optimisation and further run-off of collections from earlier quarters.
- Jewellery segment inventories increased by 23.5% YoY due to expected network growth in 2023 and higher purchase cost (inflation and exchange rate).

INVENTORY BY SEGMENTS

(PLN m)

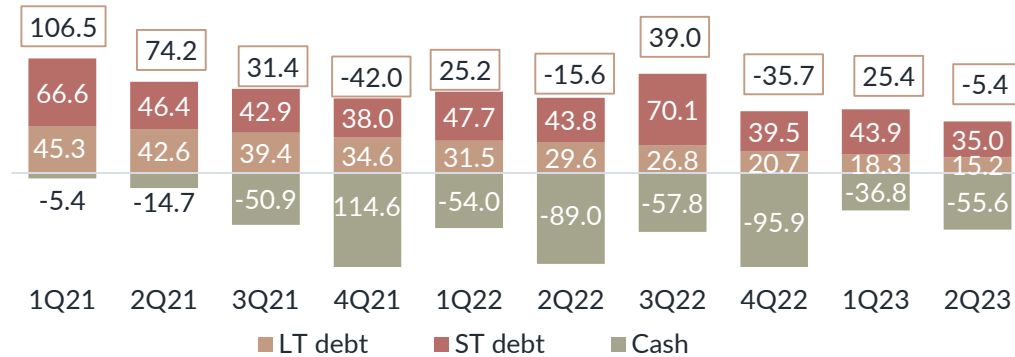


- Group inventories/ m2 at the end of 2Q23 amounted to PLN 10,876, +7.2% YoY.
- Apparel segment inventories per m2 amounted to PLN 4,998, down 12.8% YoY.
- Due to the characteristics of the industry, inventories per m2 in the jewellery segment amounted to PLN 29,077, an increase of 14.0% YoY (price increases, stocking up for openings further in 2023).

Net cash on the balance sheet

NET DEBT/(NET CASH)

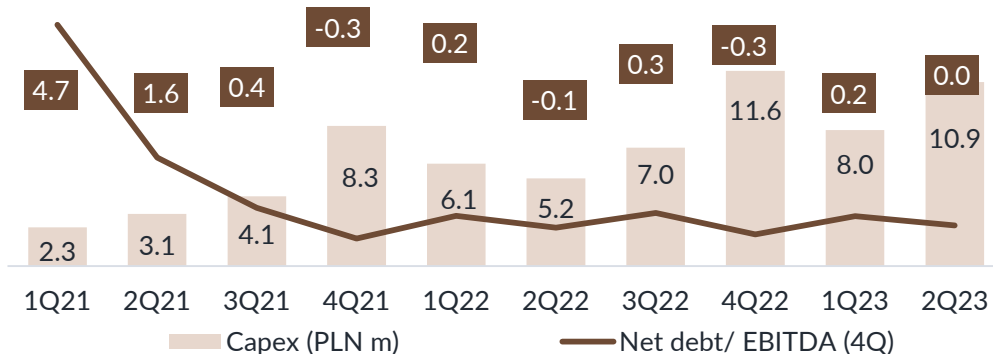
(PLN m, IAS17 plus reverse factoring)



- Long-term and short-term indebtedness shown together with reverse factoring and financial leases, yet excluding leases from IFRS16. Financial leases under IFRS16 at PLN 298.0m in 2Q23.
- Planned reduction of long-term debt. Usage of reverse factoring for supply chain financing reached PLN 4.0m in 2Q23.
- Group's net cash under IAS17 came in at PLN 5.4m at the end of 2Q23, compared to PLN 15.6m at the end of 2Q22.

CAPEX VS. NET DEBT/EBITDA

(IAS17)

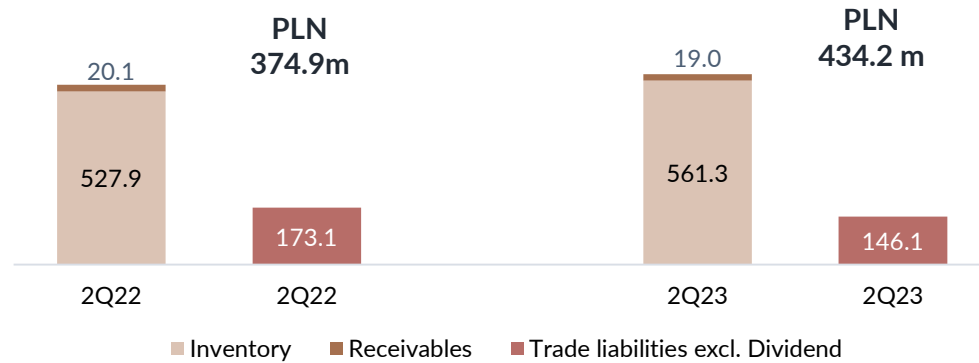


- Net debt/EBITDA (4Q, IAS17) at 0.0x – stable YoY due to long-term debt reduction.
- Excluding reverse factoring, the Group's net debt ratio would come at -0.1x.
- Higher YoY capital expenditure in 2Q23, due to carried out renovations and openings of new own stores (new concepts in the apparel segment, new W.KRUK stores).

Positive operating cash flows

NET WORKING CAPITAL

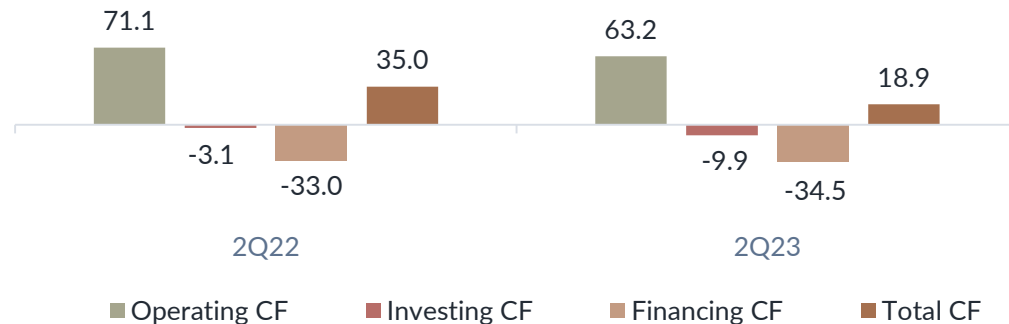
(PLN m)



- Inventories increasing YoY: decrease in the apparel segment, growth in the jewellery segment.
- YoY decrease in receivables due to lower YoY prepayments for collections.
- Slightly lower YoY liabilities due to increased inventory levels in the jewellery segment (faster rotation than in the apparel segment).

QUARTERLY CASH FLOWS

(PLN m)



- Positive operating cash flows, lower YoY due to a decrease in trade payables.
- Higher YoY level of capital expenditures - continuation of modernization of stores in both segments.
- Financial flows reflect a strong liquidity situation and consistent reduction of debt.

04

2023+ outlook



Strategic changes in apparel brands from Autumn/Winter 2023

VISTULA



- product and marketing offer addressed to a younger customer 25+,
- women's capsule collection - a wider range and availability in the sales network,
- growing share of clothing made of more responsible fabrics

BYTOM

SZTUKA KRAWIECTWA OD 1945



- modern version of formal clothing,
- extending the smart casual offer with assortment groups for everyday use,
- new premium quality in the product (Italian wool, cashmere and natural leather)

WÓLCZANKA



- clear division of assortment offer between store formats,
- shirt boutiques with an emphasis on a wide range of shirts, mainly for men and formal ones,
- large-scale stores - development of "total look" offer for younger customers

New concept of Vistula brand stores

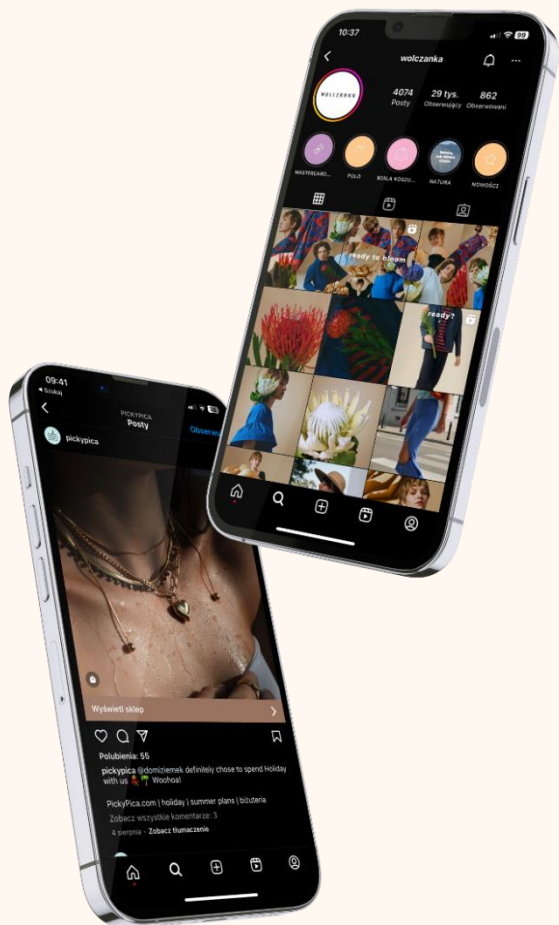


Plan: November 2023, Galeria Mokotów, 300 m2

Opening of the first
Vistula store in the
latest concept

KEY ELEMENTS:

- larger store size allowing for a better display of goods and comfort for customers when shopping
- colours and finishing materials reflecting space and quality
- division into women's and men's zones, including dressing rooms for women
- combination of classic and digital store windows



Modern marketing important for changes in brands

Focus on social media in both segments

Diversification of channels of reaching customers, precise targeting and increasing the number of materials in order to acquire new customers for each brand

Attractive and constantly refreshed marketing content showing new collections

Working with popular influencers and artists

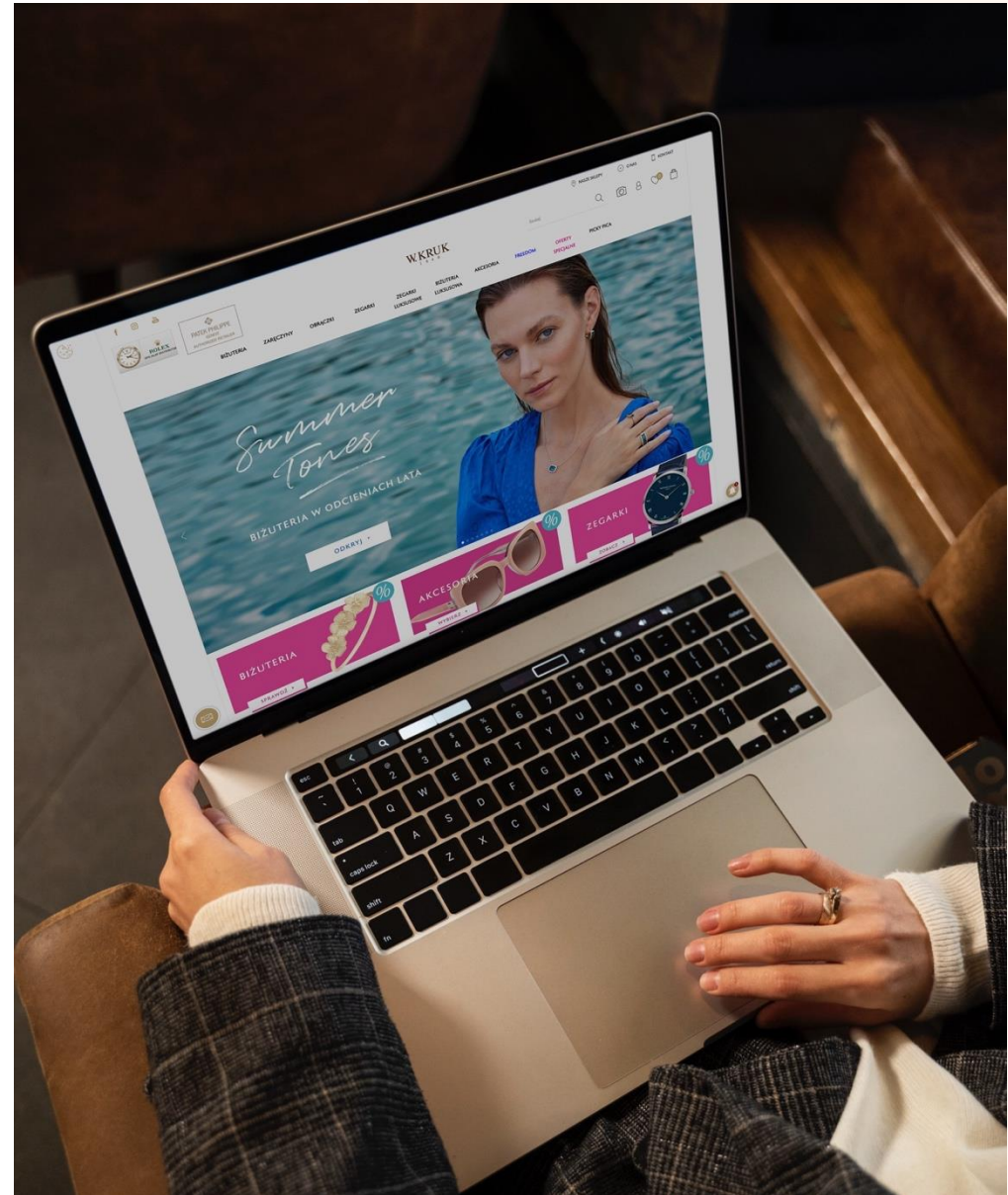


Large format outdoor advertising supporting the image of watches brands

Focus on on-line channel

Autumn/Winter 2023/24 collections offered in stores will be supported by further development of the on-line offer

- implementation of subsequent stages of functional and aesthetic improvements on websites and applications based on customer experience audits
- marketing automation – product recommendation, cross-selling, offer personalization
- “One Basket” project – full integration of store and on-line goods’ availability



Stores are an important element of contacts with W.KRUK customers



Another W.KRUK store with Rolex offer – CH Silesia, Katowice

The second store in Poland (after Westfield Mokotów) and one of the few in Europe designed and built in accordance with the latest Rolex concept.

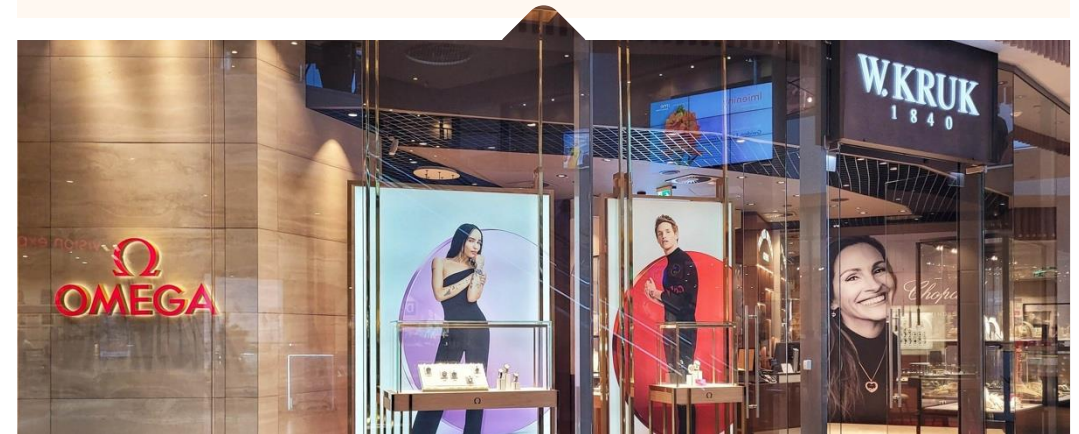
Refreshed and enlarged arrangement of store space:
185 m2 currently (55 m2 before reconstruction)

Opening: June 2023

Another W.KRUK store with Omega offer – CH Riviera, Gdynia

Modernization of the store within the shopping center.
A wide portfolio of luxury brands, enlarged
by Franck Muller watches brand.

Opening: June 2023



Further development in W.KRUK offering

SYSTEMATIC DEVELOPMENT OF THE POPULAR OFFER

- new jewellery collections in the mid-price segment, allowing for expansion of presence to smaller cities,
- new Picky Pica collection,
- a wide selection of popular and fashionable watches

AMBASSADORS' COLLECTIONS

In June, the new W.KRUK ambassador collection with Martyna Wojciechowska debuted, this time of perfumes and scarves. Freedom AIR, EARTH, FIRE and WATER are four compositions inspired by the elements.



DEVELOPMENT OF LUXURY OFFERING

- prestigious jewellery manufactures (so-called external brands) such as: BIRKS Bijoux, Chopard, Nanis, Marco Bicego, Pasquale Bruni, Hulchi Belluni and Recarlo,
- prestigious watches: Rolex, Patek Philippe, Tudor, Cartier, Hublot, Panerai, Franck Muller (the only distributor in Poland), Chopard, Jaeger-LeCoultre, Omega, Tag Heuer, Longines,
- a wide range of accessories: bags, wallets and cases as well as silk scarves and scarves and original W.KRUK perfumes.

In 2H23, the luxury offer will include: 1 new jewellery brand and 1 brand of watches. A new ambassador collection and a new collection of accessories will be added to the regular offer.

Growth of floorspace in both segments in 2023

		2022	2023 target	YoY
Apparel segment	stores	382	376	- 6
	m2	39,833	41,259	+ 4%
Jewellery segment	stores	152	160	+ 8
	m2	12,150	13,014	+ 7%
Total	stores	534	536	+ 2
	m2	51,983	54,273	4%

Planned capital expenditures in 2023 at the level of c. PLN 42m (both for openings and modernization).

Apparel segment

- new store concepts for Vistula and Wólczanka that meet the needs of the target customer and the market
- development of store space in the best shopping malls - an attractive presentation of the women's offer of Vistula and Wólczanka
- refurbishment of stores after years of investment spending suspended by pandemics

Jewellery segment

- new stores, expansion of the range of traditional stores,
- stores with an offer of luxury brands



2023 results dependent on 2H23

2023 targets

work on gross profit margin improvement in an inflationary environment

safe financial position

achieving higher YoY operating and net results (with the reversal of trends visible in July 2023)

Implementation of 2023-2025 Strategy
The Management Board of VRG monitors the sales and margin results of all brands on an ongoing basis and the implementation of the goals set out in the Strategy for 2023-2025.

Opportunities:
good reception of the new collections of the Group's brands, in particular apparel after changes in the brand IDs, and improved structure of the collections
better consumer sentiment (lower inflation, lower energy costs)
favourable US\$, EUR and CHF to PLN relations

Risks:
longer period needed for customers to get used to new brand IDs
continuation of unfavorable trends in consumption
the need to look for further savings

Continuation of dividend payments



VRG S.A. will pay PLN 46.9m, i.e. PLN 0.2 per share, from 2022 profits.

The dividend constitutes 50% of the group's profit for 2022 and a 5.9% gross dividend yield.

May 30, 2023 - recommendation of the Management Board regarding dividend from 2022 profits, in accordance with the dividend policy

June 28, 2023 - Resolution of the General Meeting of VRG S.A., approval of the dividend payment

September 20, 2023 - dividend day

December 15, 2023 - dividend payment day (set to minimise finance costs)

VRG

VISTULA RETAIL GROUP

05

Q&A



06

Back-up



New collections in all brands in 2Q23

VISTULA

Higher share
of women's collection
in sales.

BYTOM

SZTUKA KRAWIECTWA OD 1945

On-line
sales growth.

WÓLCZANKA

The highest share
of internet.

W. KRUK

1 8 4 0

The fastest
floorspace growth.



DENI CLER
MILANO

The highest gross
profit margin.



Vistula: executive summary

Autumn/Winter 2023 collection

- The Pre-Fall collection (announcing the Autumn season) is focused around the capsule wardrobe and advantages of thoughtfully creating your own wardrobe and style.
- The goal of the brand is to present how to create multifunctional and timeless outfits for many occasions using matching high-quality products.
- The women's and men's collections have been designed with the highest quality fabrics in a consistent colour palette, thanks to which completing sets becomes extremely intuitive.
- The Autumn collection is a tribute to the style and modern form of classic clothes. The collection will include suits that are the brand's DNA, top-quality knitted fabrics, jackets and coats.
- A wide range of products will be tailored to the needs and expectations of various customer groups. The collection will be promoted by two ambassadors, sports enthusiasts.



Fashion for men and women

Traditional tailoring and global trends – modern, original and individual style

Men's collection: VISTULA, and women's: VISTULA WOMAN

„Made to Measure” service available in selected brand's stores

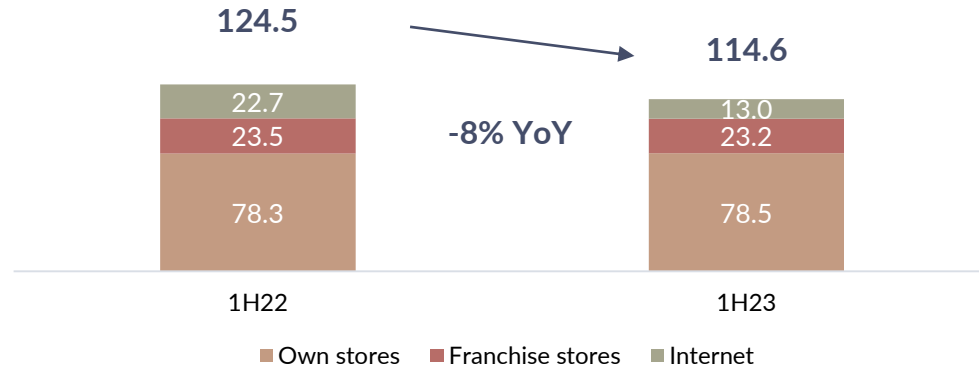
Network development

In 2Q23 number of the brand's stores fell by 1 net QoQ. Closing down affected franchise stores.

Vistula: 1H23 executive summary

VISTULA BRAND REVENUES

(PLN m)



- Revenues in 1H23 decreased by 7.9% YoY, due to stable YoY sales in own stores (+0.2% YoY) and in franchise stores (-1.3% YoY).
- Internet sales fell 42.8% YoY, coming up at 11.3% of brand's revenues (-6.9pp).

VISTULA BRAND EFFICIENCY

	1H22	1H23	YoY
Revenues (PLN/m2 per month)	1,123	1,070	-4.8%
Gross profit margin (%)	59.1%	57.2%	-1.9pp.
Cost of stores (PLN/m2 per month)	470	499	6.2%
Store EBIT (PLN m)	21.5	12.1	-43.8%

- Decrease in gross margin YoY due to promotional campaigns, especially in the on-line channel, due to the greater price sensitivity of the consumer.
- Growth in store costs/ m2 despite a decrease in sales/ m2 due to rising rents and wages. Depreciation decrease due to store closures.

Bytom: executive summary

Autumn/Winter 2023/24 collection

- The first edition of the collection was based on the idea of light layering. We have designed clothing that can be universally combined to create styles that ensure optimum comfort, perfectly suited to the occasion and weather conditions.
- The silhouettes are light and the colours are fresh. The color palette is dominated by light shades of beige, melange burgundy, gray and subdued blue, which are broken with navy blue and energizing cobalt.
- The new collection includes light tank tops, comfortable cotton sweatshirts and sweaters, suede jackets and shirts made of specially softened fabrics. The key element of the line are casual and formal suits with characteristic stitching, referring to the tradition of craft tailoring. They are made of fabrics from renowned European producers: quality cotton and high-twist wool.
- The next part of the collection revolves around the ginger colour - a borderline of orange and brown in a strong combination with navy blue and brightening beige. The whole set refers to the preppy style - university elegance, dominated by the classic colour and pattern as well as high quality. Sweaters, jeans and loafers were part of the style. Club jackets, checkered jackets, chinos, polo shirts, tank tops, sweaters, white shirts, leather loafers, suede derbies are indispensable elements of Bytom's Autumn wardrobe.



Fashion for men

A Polish brand with a tradition of tailoring craftsmanship dating back to 1945.

Tailor-made service available in selected brand stores, preserving the brand's traditional values.

Men's formal and smart casual fashion.

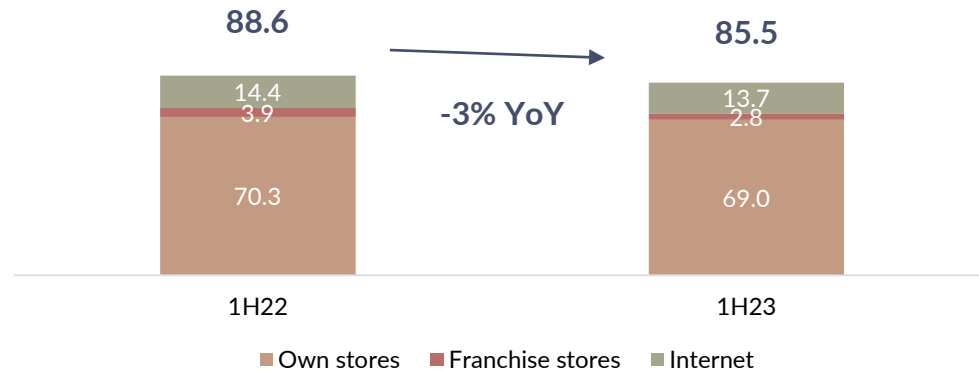
Network development

In 2Q23, the number of stores decreased by 3 stores net QoQ. Optimization of floorspace concerned own and franchise stores.

Bytom: 1H23 executive summary

BYTOM BRAND REVENUES

(PLN m)



- Revenues in 1H23 fell by 3.5% YoY. Despite stabilization in sales in own stores (-1.9% YoY), there was a 27.2% YoY decline in sales in franchise stores.
- Internet revenues decreased by 4.6% YoY, accounting for 16.0% of brand sales (-0.2pp).

BYTOM BRAND EFFICIENCY

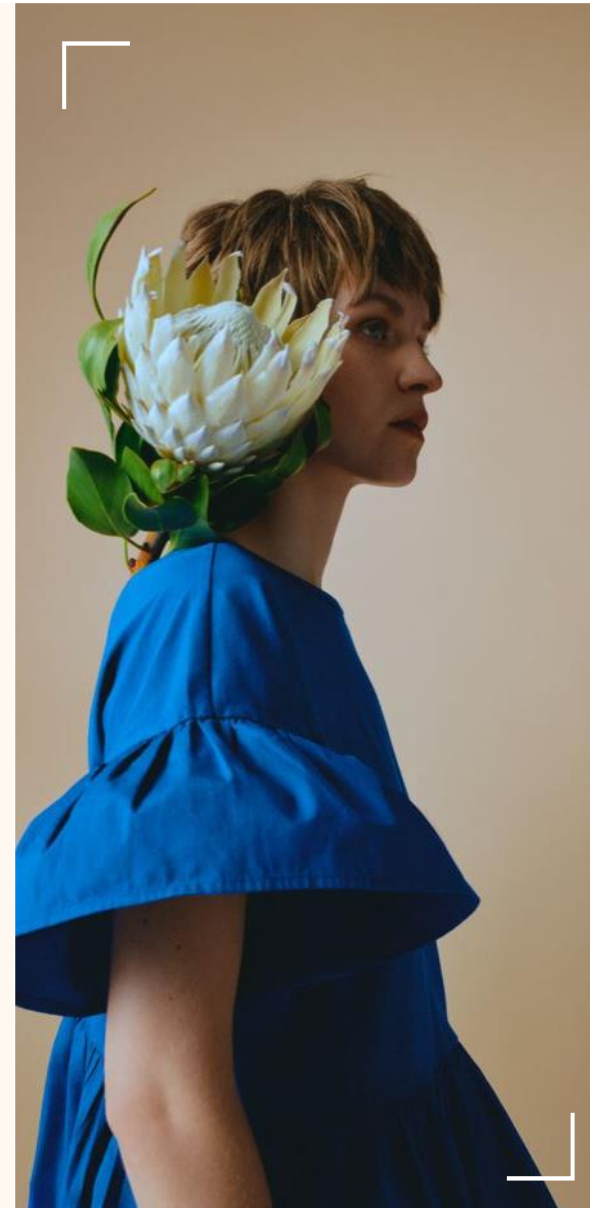
	1H22	1H23	YoY
Revenues (PLN/m2 per month)	992	1,016	2.4%
Gross profit margin (%)	58.5%	59.0%	0.5pp.
Cost of stores (PLN/m2 per month)	475	521	9.7%
Store EBIT (PLN m)	9.5	6.6	-30.1%

- Revenues/ m2 higher YoY due to lower floorspace.
- Growing gross margin YoY due to a more frugal discount policy.
- Costs of stores/m2 increased above revenue/m2 growth due to rising costs of rentals and salaries YoY. Lower YoY commissions and depreciation/m2 due to floorspace optimisation.

Wólczanka: executive summary

Autumn/Winter 2023/24 collection

- This season's capsule is based on naturalistic floral patterns. In various versions, we can find them on shirts, skirts and dresses. Cobalt and muted red are the leading colours. In addition to the floral print, we used them in uniform and smooth models.
- A strong accent of the women's collection in this capsule are dresses in cobalt blue and red. This season, the brand offers a variety of cuts: maxi, midi, with $\frac{3}{4}$ sleeves and even with open arms. The women's collection also includes new models of light, knitted trousers with flared legs, t-shirts in new designs and with extremely fashionable frills. T-shirts with a cutout on the back or matching knitted sweaters are also new. Shirts with a flower print can also be found on viscose and silk. These are the highest quality products.
- The men's collection also features a floral pattern, but adapted to men's preferences. This capsule was created from elements that create comfortable, urban outfits. The main colours of the collection can also be found in longsleeves, plain and striped t-shirts. The collection also includes long-sleeve knitwear, sweatshirts and transitional jackets for slightly cooler days and evenings.



Fashion for women and men

Polish network of boutiques and own and franchise stores with women's and men's clothing (total look).

The offer includes: shirts, sweaters, trousers, dresses, skirts, polo and t-shirts, jackets and accessories.

Development of the "total look" concept and large-format stores.

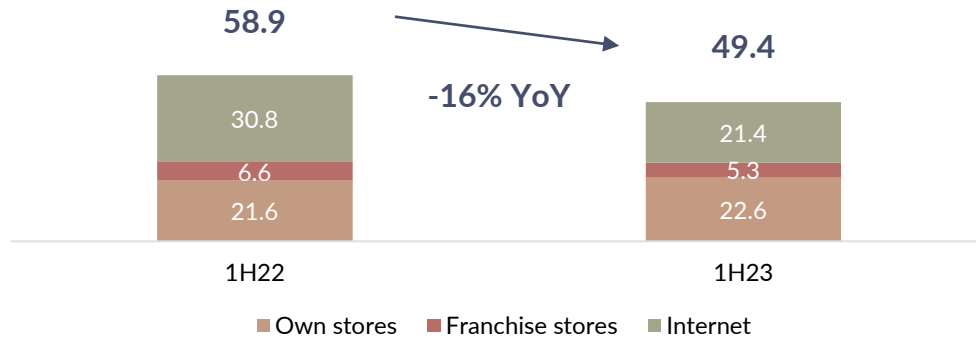
Network development

Decrease in the number of stores by 5 net QoQ. These were mainly franchise stores.

Wólczanka: 1H23 executive summary

WÓLCZANKA BRAND REVENUES

(PLN m)



- Revenues in 1H23 fell by 16.3% YoY. Revenues from own stores increased by 4.9% YoY, but revenues from franchise stores decreased by 18.4% YoY.
- Internet revenues decreased by 30.6% YoY, accounting for 43.3% of brand sales (-9.0pp.).

WÓLCZANKA BRAND EFFICIENCY

	1H22	1H23	YoY
Revenues (PLN/m2 per month)	2,115	1,818	-14.0%
Gross profit margin (%)	56.3%	58.6%	2.2pp.
Cost of stores (PLN/m2 per month)	900	899	-0.1%
Store EBIT (PLN m)	8.1	4.5	-44.8%

- Lower revenues/m2 YoY, but higher gross margin: quick introduction of new collections and limited discounts.
- Stabilization of costs/m2 due to higher costs of rentals, salaries and depreciation, but a decrease in commissions/m2 along with the closing of franchise stores.

Deni Cler: executive summary

Autumn/Winter 2023/24 collection

- In the Autumn/Winter 2023/24 season, the designers will take their clients on a journey around the world, staying in well-known hotels such as the Ritz, Sheraton and Waldorf Astoria.
- These places have their own style, they fascinate with the richness of interior design, where surrounded by marble and beautiful furniture you have to dress well and look interesting. The latest collection "LUSSO DISCRETO or QUIET LUXURY" charms with discreet elegance and nobility. It is a return to the Italian roots of the brand, where construction and fabric reign supreme.
- The brand will not forget about the production of clothes in a more sustainable way. High-quality wools, silks and top-shelf fabrics were used to produce the collection.
- As every season, the collection will be presented at a dedicated fashion show.



Women's fashion

Women's fashion brand established in Italy in 1971

Addressed to women over 35 who value high quality and elegance

Superior quality fabrics with superior accessories and designer cut

The brand cooperates with selected manufacturers and suppliers of fabrics from renowned Italian manufactories.

Network development

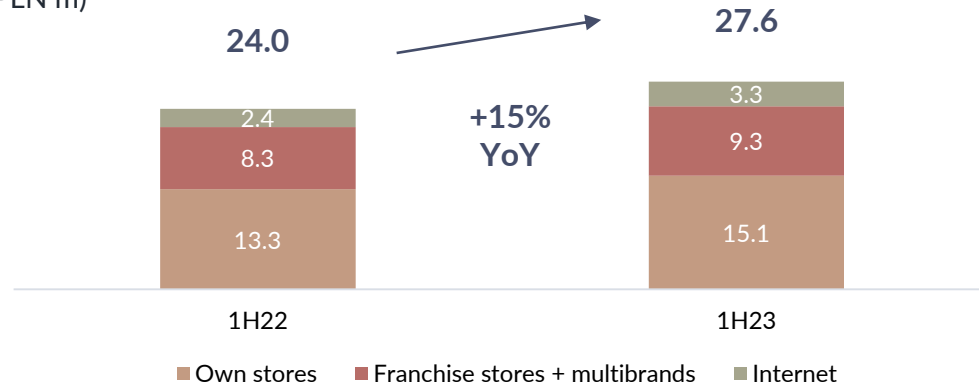
The net number of stores remained stable QoQ.

At the end of 2Q23, the brand's offer was available in 23 multi-brand stores (stable number QoQ).

Deni Cler: 1H23 executive summary

DENI CLER BRAND REVENUES

(PLN m)



- Revenues in 1H23 increased by 15.0% YoY. Revenues from own stores increased by 13.4% YoY, and revenues from franchise and multibrand stores increased by 12.0% YoY.
- Internet sales increased by 34.0% YoY, accounting for 11.8% of brand sales (+1.7pp.).

DENI CLER BRAND EFFICIENCY

	1H22	1H23	YoY
Revenues (PLN/m2 per month)	1,439	1,572	9.2%
Gross profit margin (%)	62.5%	63.2%	0.7pp.
Cost of stores (PLN/m2 per month)	576	637	10.7%
Store EBIT (PLN m)	5.4	6.3	15.7%

- Growing revenues/m2 due to favorable sales trends, especially in 1Q23.
- The highest gross margin in the group, slightly higher YoY due to lower YoY on-line share.
- Increase in costs/m2 is similar to revenues/m2 growth. Rising rentals, commissions, salaries and depreciation.

W.KRUK: executive summary

Novelties in collections

- In June, W.KRUK and Martyna Wojciechowska presented their own collection of perfumes and silk scarves. Freedom AIR, EARTH, FIRE and WATER are four compositions inspired by the elements.
- The idea of Freedom perfume is inclusive – it is gender neutral (unisex). The packaging was made of FSC-certified paper (the raw material used for their production comes from sustainable wood management). All perfume packaging is recyclable.
- The perfume collection was accompanied by the premiere of Freedom silk scarves. Four unique designs of Freedom silk scarves: AIR - symbolizes Everest, FIRE - Sahara, EARTH - Cape of Good Hope and WATER - Antarctica. The scarves were sewn in Milanówek, in Manufaktura Jedwab Polski.
- At the end of June, Picky Pica's summer jewellery collection called Holiday had its premiere, designed according to the hottest trend of this season: #barbiecore. Picky Pica implements a strategy of building the image of a fashion jewellery brand, e.g. collaborating with social media influencers.
- For the Fall, W.KRUK has planned another premiere of the ambassador collection and a number of new products, including more luxury brands.



The oldest jewellery brand in Poland

The jewellery offer includes gold and silver jewellery, diamonds, gemstones and original collections.

W.KRUK's offer also includes global watch brands, such as Rolex, Patek Philippe, Cartier, Tudor, Hublot, Franck Muller (sole distributor in Poland) Jaeger-LeCoultre, Chopard, Omega, Tag Heuer, Longines, Rado, Tissot, Certina and many more.

W.KRUK offer also includes perfumes and a collection of own label accessories: leather handbags, silk scarves, leather accessories.

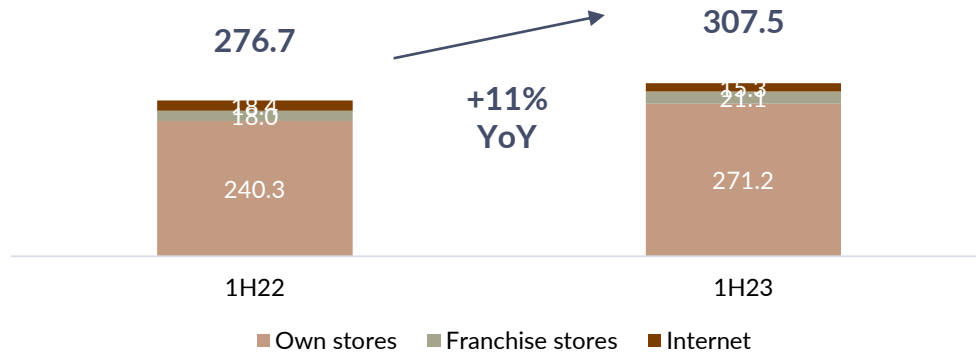
Network development

In 2Q23, the brand's net number of stores remained stable. Net, 1 franchise store was opened, and 1 own store was closed.

W.KRUK: 1H23 executive summary

W.KRUK BRAND REVENUES

(PLN m)



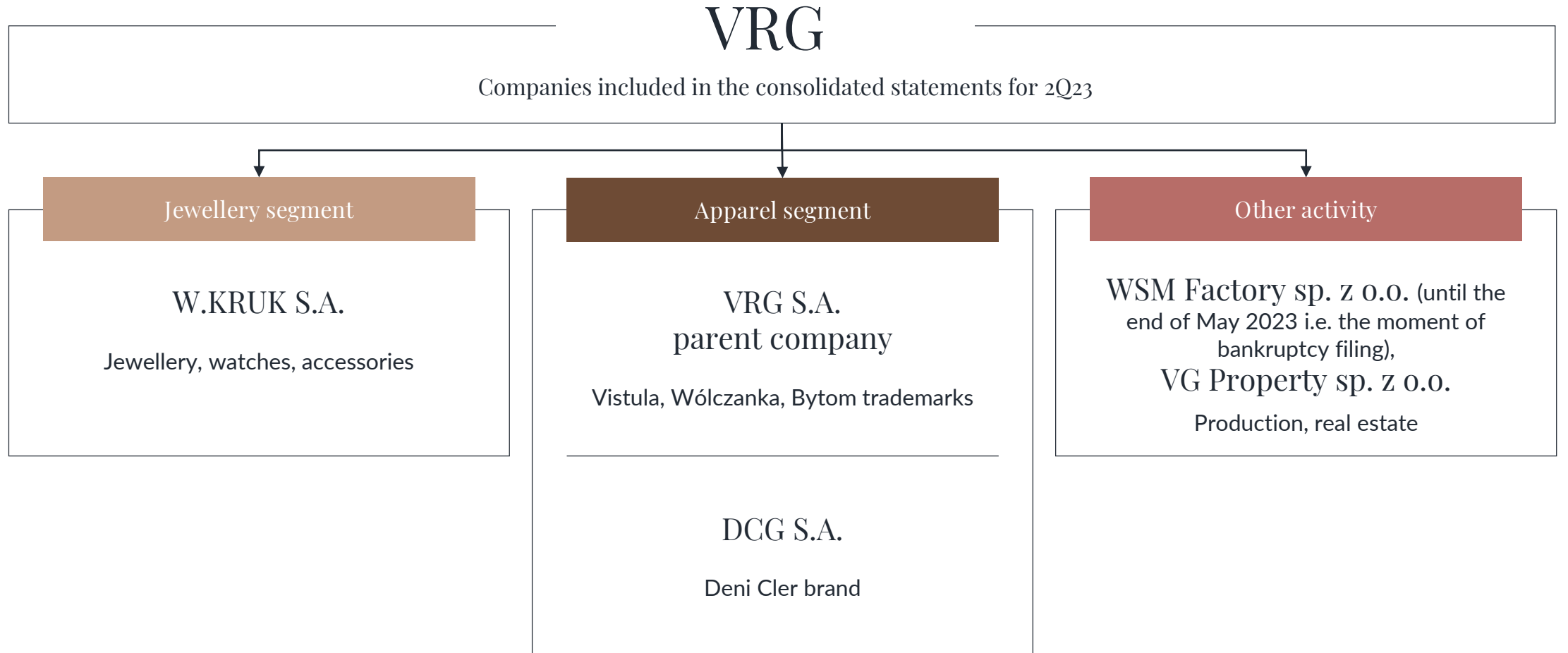
- Revenues in 1H23 increased by 11.1% YoY. Revenues from own stores increased by 12.9% YoY, and revenues from franchise stores increased by 16.9% YoY.
- Internet revenues decreased by 16.9% YoY, accounting for 5.0% of brand sales (-1.7pp).
- Increase in revenues/ m2 in the quarter along with floorspace development.

W.KRUK BRAND EFFICIENCY

	1H22	1H23	YoY
Revenues (PLN/m2 per month)	3,983	4,070	2.2%
Gross profit margin (%)	51.8%	52.4%	0.6pp.
Cost of stores (PLN/m2 per month)	1,021	1,065	4.3%
Store EBIT (PLN m)	72.5	80.7	11.3%

- Growing gross profit margin due to more frugal discount policy.
- Single-digit cost/m2 increase similar to revenues/m2 increase: increase in rentals, commissions, stabilization of salaries, but decrease in depreciation.
- As a result, double-digit EBIT growth of stores.

Changes in group structure



Continued optimisation of number of stores

Number of stores		1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23
Apparel segment	total	421	415	409	404	398	391	383	382	368	359
	franchise	135	135	131	127	126	123	119	116	104	92
Vistula	total	148	148	146	145	145	144	142	142	137	136
	franchise	64	64	63	61	62	62	61	61	55	51
Wólczanka	total	127	121	119	116	113	110	107	105	98	93
	franchise	53	53	51	48	47	45	43	41	36	30
Bytom	total	115	116	115	114	112	109	106	107	104	101
	franchise	10	11	11	12	11	10	9	8	7	5
Deni Cler	total	31	30	29	29	28	28	28	28	29	29
	franchise	8	7	6	6	6	6	6	6	6	6
Jewellery segment	total	140	142	143	146	148	148	152	152	157	157
	franchise	18	20	21	23	23	26	25	26	27	28
Total	total	561	557	552	550	546	539	535	534	525	516
	franchise	153	155	152	150	149	149	144	142	131	120

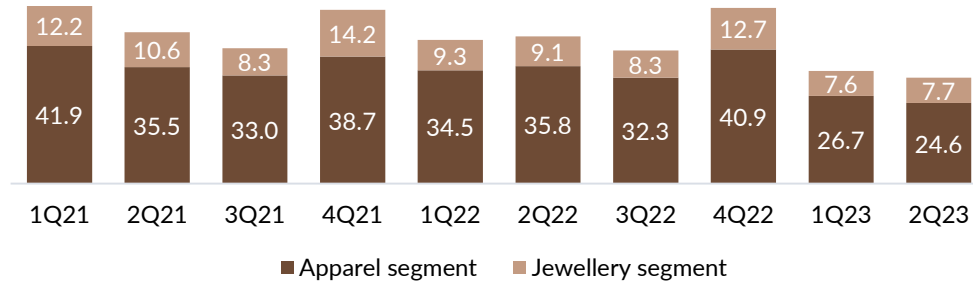
Stable YoY floorspace

M2 floorspace		1Q21	2Q21	3Q21	4Q21	1Q22	2Q22	3Q22	4Q22	1Q23	2Q23
Apparel segment	total	41,564	41,337	40,864	40,930	40,891	40,385	39,778	39,833	39,333	39,007
	franchise	9,789	9,794	9,577	9,462	9,425	9,236	9,019	8,798	7,962	7,175
Vistula	total	18,586	18,593	18,390	18,531	18,509	18,404	18,118	18,139	17,733	17,815
	franchise	6,525	6,532	6,435	6,298	6,374	6,341	6,256	6,224	5,640	5,212
Wólczanka	total	4,662	4,430	4,371	4,399	4,643	4,544	4,567	4,480	4,487	4,440
	franchise	1,625	1,625	1,567	1,499	1,459	1,392	1,355	1,287	1,126	996
Bytom	total	15,327	15,417	15,267	15,165	14,946	14,638	14,293	14,415	14,187	13,825
	franchise	1,045	1,135	1,135	1,225	1,153	1,063	968	848	757	527
Deni Cler	total	2,989	2,897	2,835	2,835	2,792	2,799	2,799	2,799	2,926	2,926
	franchise	594	502	440	440	440	440	440	440	440	440
Jewellery segment	total	10,918	11,060	11,173	11,394	11,650	11,630	12,262	12,150	12,574	12,597
	franchise	1,113	1,255	1,368	1,511	1,511	1,645	1,623	1,710	1,780	1,859
Total	total	52,482	52,397	52,038	52,324	52,541	52,016	52,039	51,983	51,907	51,604
	franchise	10,902	11,049	10,945	10,973	10,936	10,882	10,642	10,508	9,742	9,034

Own e-stores of five brands

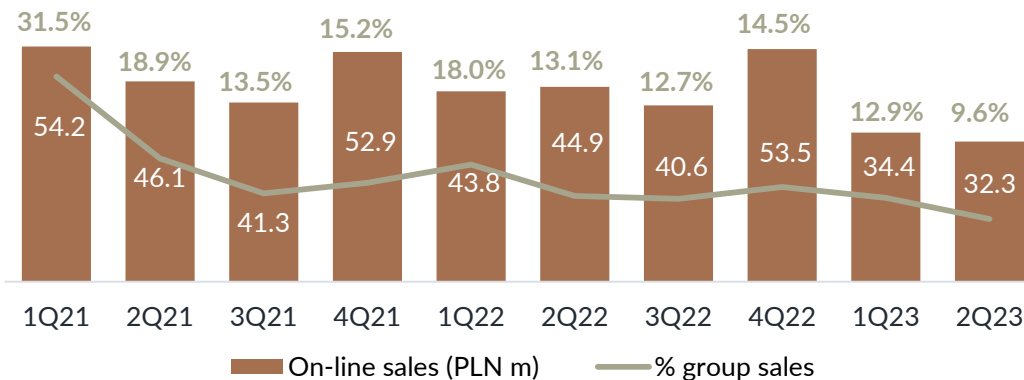
ON-LINE SALES BY SEGMENTS

(PLN m)



- We have own e-stores for all five retail brands. Our aim is to develop on-line stores of own brands (monoshops).
- Revenues and costs of on-line stores are allocated directly to the brands.
- E-commerce logistics for Vistula, Wólczanka and Bytom brand is conducted from the same distribution centre. W.KRUK has its own logistics warehouse.

GROUP ON-LINE SALES

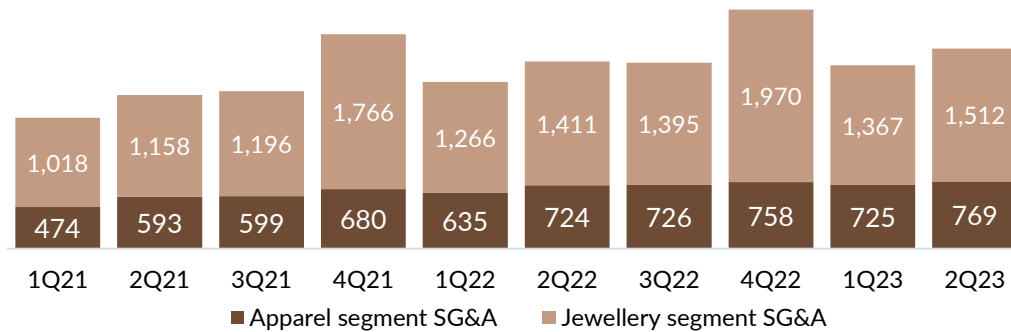


- In 2Q23 on-line sales amounted to PLN 32.3m, fall by 28.1% YoY, due to rebound in sales in traditional stores.
- As a result, share of internet in sales fell from 13.1% in 2Q22 to 9.6% in 2Q23.
- In addition to its own e-stores, the Group is developing cooperation of individual brands with external marketplaces, in particular Zalando.

Costs/ m2 under control

OPERATING COSTS MONTHLY/M2

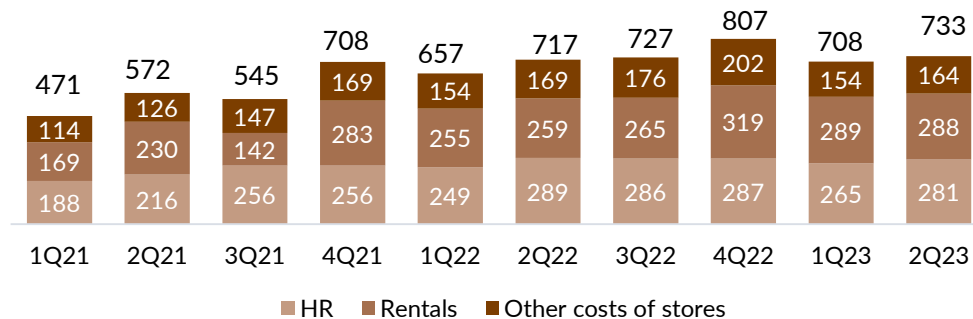
(PLN, excl. IFRS16)



- Differences in SG&A costs/ m2 between segments result from different business models.
- The jewellery segment is characterised by higher revenues and costs/m2 than these of the apparel segment.
- Segmental costs/m2 are calculated based on average working floorspace for each segment.

COSTS OF OWN STORES MONTHLY/M2

(PLN, excl. IFRS16)

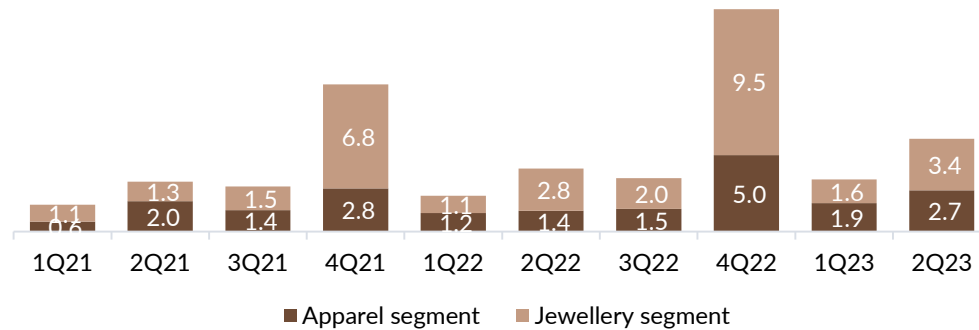


- Costs of stores encompass costs of own and franchise stores.
- Costs of own stores include rental costs, salaries and other costs of own stores.
- Costs of own stores/ m2 are calculated based on average working floorspace of own stores.
- Costs of franchise stores equal to commission for franchisees.

Increase in off-line marketing expenses

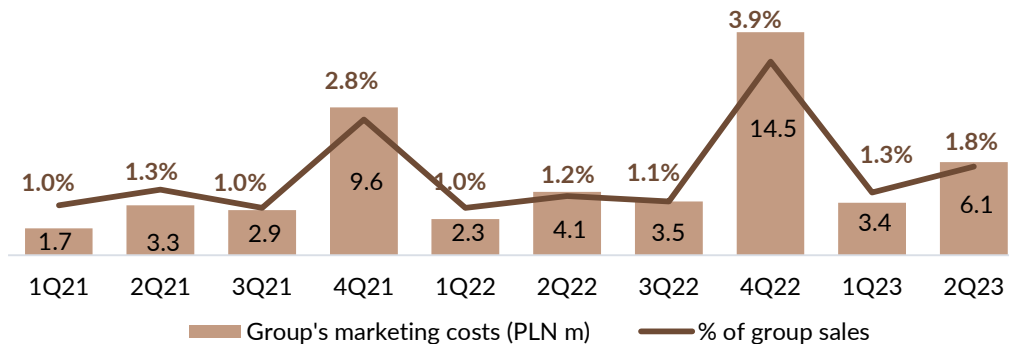
KOSZTY MARKETINGU OFF-LINE WG SEGMENTÓW

(PLN m)



- Off-line marketing costs are part of group selling costs.
- These encompass recurring advertising spending (catalogues, photoshoots) and nationwide marketing campaigns in editorial, internet and TV with celebrities.
- In 2Q23, marketing expenses amounted to PLN 6.1m, an increase of 47.2% YoY due to growth in both segments.

GROUP OFF-LINE MARKETING COSTS



- The apparel segment: off-line marketing outlays are related to campaigns, which typically cumulate in the second and/or fourth quarter.
- Off-line marketing costs within the jewellery segment historically cumulated in 4Q (seasonally best), before Christmas. These include TV advertisement.

Historical quarterly results, IFRS16

PLN m	3Q21	3Q22	YoY	4Q21	4Q22	YoY	1Q22	1Q23	YoY	2Q22	2Q23	YoY
Revenues	305.0	319.4	4.7%	348.8	369.0	5.8%	243.8	267.0	9.5%	341.8	335.3	-1,9%
Gross profit on sales	163.3	165.5	1,3%	192.0	201.3	4.8%	123.2	137.3	11.4%	193.2	188.7	-2,3%
Gross profit on sales margin	53.5%	51.8%	-1.7pp.	55.1%	54.5%	-0.5pp.	50.5%	51.4%	0.9pp.	56.5%	56.3%	-0,2pp.
SG&A costs	119.2	132.6	11.3%	139.4	157.1	12.7%	117.4	132.7	13.1%	132.8	143.7	8.2%
Net other operating line	-1.1	0.5		1.0	-2.1		-0.8	0.1		-0.2	-1.8	
EBIT	43.0	33.3	-22.5%	53.6	42.1	-21.5%	5.0	4.7	-5.7%	60.2	43.3	-28.1%
EBIT margin	14.1%	10.4%	-3.7pp.	15.4%	11.4%	-4.0pp.	2.1%	1.8%	-0.3pp.	17.6%	12.9%	-4.7pp.
Net financial line	-13.2	-21.6		-4.0	17.6		-8.7	-0.4		-10.2	13.8	
Pre-tax profit	29.8	11.7	-60.7%	49.6	59.7	20.3%	-3.7	4.3	N/M	50.0	59.3	18.7%
Taxes	-6.1	-2.5		-9.8	-12.3		-0.8	1.1		10.7	11.6	
Net income	23.7	9.2	-61.2%	39.8	47.3	19.0%	-2.9	3.2	N/M	39.3	47.7	21.2%
Net margin	7.8%	2.9%	-4.9pp.	11.4%	12.8%	1.4pp.	-1.2%	1.2%	2.4pp.	11.5%	14.2%	2.7pp.
EBITDA	67.7	60.6	-10.4%	79.7	70.1	-12.0%	32.6	35.3	8.5%	87.0	75.0	-13.9%
EBITDA margin	22.2%	19.0%	-3.2pp.	22.8%	19.0%	-3.8pp.	13.4%	13.2%	-0.2pp.	25.5%	22.4%	-3.1pp.

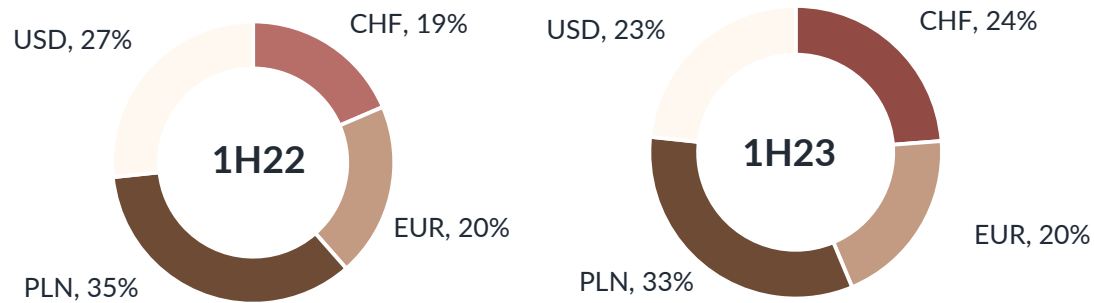
Results under IAS17

PLN m, IAS17	2Q22	2Q23	YoY	1H22	1H23	YoY
Revenues	341.8	335.3	-1.9%	585.5	602.3	2.9%
Gross profit on sales	193.2	188.7	-2.3%	316.4	326.1	3.1%
<i>Gross profit on sales margin</i>	<i>56.5%</i>	<i>56.3%</i>	<i>-0.2pp.</i>	<i>54.0%</i>	<i>54.1%</i>	<i>0.1pp.</i>
SG&A costs	137.5	147.8	7.5%	259.3	285.1	10.0%
EBIT	55.5	39.2	-29.4%	55.3	38.6	-30.1%
<i>EBIT margin</i>	<i>16.2%</i>	<i>11.7%</i>	<i>-4.5pp.</i>	<i>9.4%</i>	<i>6.4%</i>	<i>-3.0pp.</i>
Net financial line	-7.2	3.1		-10.8	3.0	
Net income	37.9	33.9	-10.7%	35.0	33.1	-5.3%
<i>Net margin</i>	<i>11.1%</i>	<i>10.1%</i>	<i>-1.0pp.</i>	<i>6.0%</i>	<i>5.5%</i>	<i>-0.5pp.</i>
EBITDA	60.7	44.7	-26.4%	66.2	49.4	-25.3%
<i>EBITDA margin</i>	<i>17.8%</i>	<i>13.3%</i>	<i>-4.4pp.</i>	<i>11.3%</i>	<i>8.2%</i>	<i>-3.1pp.</i>

FX risk exposure

PURCHASES BY CURRENCIES

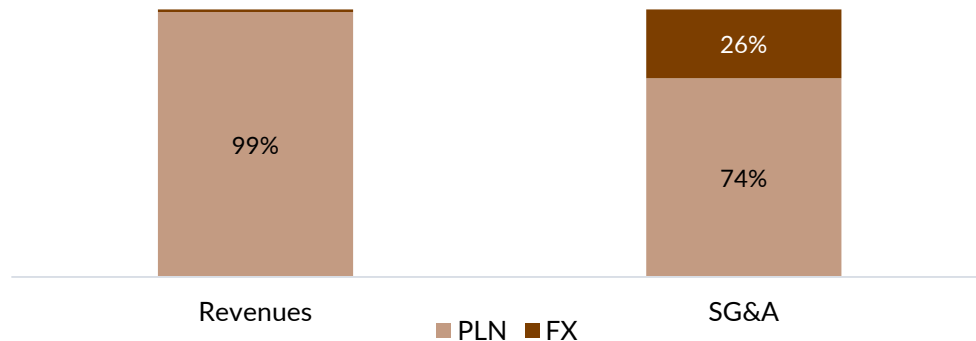
(PLN m)



- FX risk is sizeable for the capital group, thus it is being hedged since 2Q16. Hedging only relates to the apparel segment.
- The group is a beneficiary of strengthening of zloty versus foreign currencies.
- YoY shift in purchases structure due to changes in sourcing.

1H23 REVENUES AND SG&A COSTS BY CURRENCIES

(excl. IFRS16)



- Depreciation of zloty (PLN) to main currencies (USD, EUR and CHF) may unfavourably impact the gross profit (higher COGS), operating margin (higher rental costs, IAS17) and lower net margin (FX losses on IFRS16 liability).
- The Company uses currency derivatives (currency forwards) to hedge future cash flows against currency risk.

Consistent debt reduction

PLN m	2Q22	4Q22	2Q23
Long-term debt	29.6	20.7	15.2
Bank loans	28.7	19.5	13.8
Finance leases	0.9	1.2	1.5
Short-term debt	43.8	39.5	35.0
Bank loan	24.2	22.8	30.3
Finance leases	0.6	0.6	0.8
Reverse factoring	19.0	16.1	4.0
Cash	89.0	95.9	55.6
Net debt	-15.6	-35.7	-5.4
Finance leases IFRS16	314.8	302.0	298.0
Net debt IFRS16	299.2	266.3	292.6

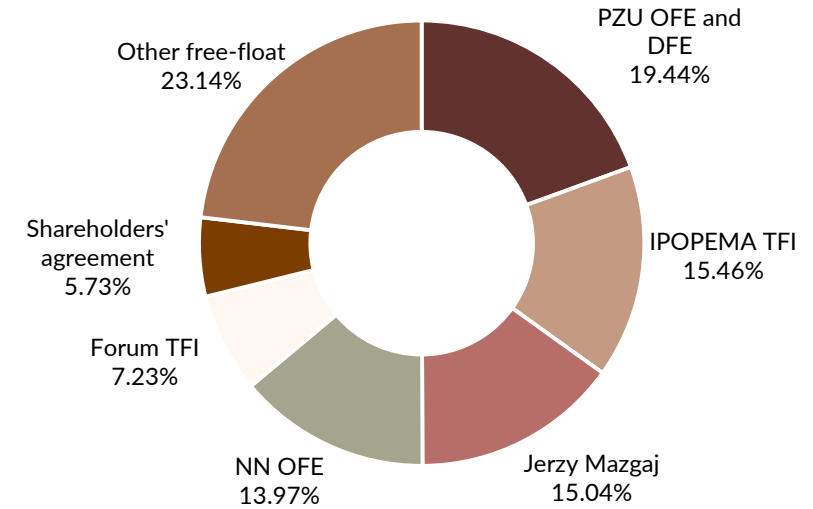
- Interest bearing indebtedness includes: bank loans, finance leases and reverse factoring (taken over with Bytom S.A. merger).
- Bank loans include: overdrafts and investment bank loans. Bank loan collateral comprises of: a floating charge on inventory, a fixed charge on "Vistula", "Wólczanka", "Bytom", "Intermoda" trademarks and a fixed charge on W.KRUK and DCG shares.

- Consistent reduction in long-term debt YoY.
- PLN 4.0m of reverse factoring used to finance suppliers at the end of 2Q23.
- PLN 298.0m of IFRS16 liabilities (finance leases) at the end of 2Q23.

Shareholder structure

SHAREHOLDER STRUCTURE AS AT 24.08.2023 (SHARE IN EQUITY AND VOTES)

	Number of shares/votes	% share
1. PZU OFE and DFE	45,589,125	19.44%
2. IPOPEMA TFI	36,238,137	15.46%
3. Jerzy Mazgaj	35,258,742	15.04%
4. NN OFE	32,750,000	13.97%
5. FORUM TFI	16,946,800	7.23%
6. Shareholders' agreement	13,427,496	5.73%
7. Other free-float	54,245,540	23.14%
Total	234,455,840	



1. information provided on the basis of the number of Company shares held jointly by PZU "Złota Jesień,, Open Pension Fund and by PZU Voluntary Pension Fund managed by Powszechne Towarzystwo Emerytalne PZU S.A. at the Ordinary General Meeting on June 28, 2023. At the Ordinary General Meeting on June 28, 2023, PZU "Złota Jesień,, Open Pension Fund held independently 44,537,016 shares in the Company, which constituted 19.00% of the Company's share capital and entitled 44,537,016 votes, constituting 19% of the total number of votes at the General Meeting of the Company. At the Ordinary General Meeting on June 28, 2023, PZU Voluntary Pension Fund held independently 1,052,109 shares of the Company, which constituted 0.45% of the Company's share capital and entitled to 1,052,109 votes, constituting 0.45% of the total number of votes at the General Meeting of the Company.

2. information based on the number of shares held by Ipopema at the Ordinary General Meeting on June 28, 2023.

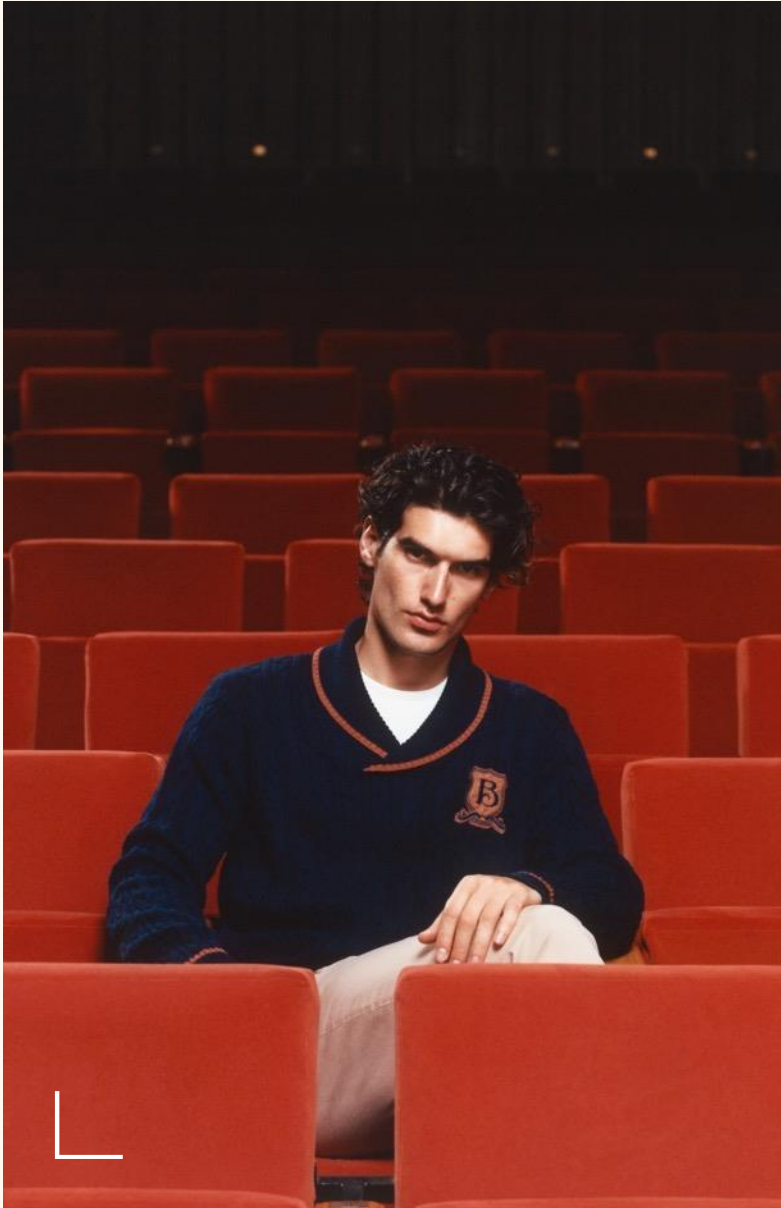
3. information provided on the basis of the number of shares held by Mr. Jerzy Mazgaj at the Ordinary General Meeting on June 28, 2023.

4. information provided on the basis of the number of shares held by Nationale-Nederlanden Otwarto Fundusz Emerytalny at the Ordinary General Meeting on June 28, 2023.

5. information provided on the basis of the number of shares held jointly by Forum X Closed Investment Fund and Forum XXIII Closed Investment Fund managed by Forum TFI S.A at the Ordinary General Meeting on June 28, 2023. Forum X Closed Investment Fund at the Ordinary General Meeting on June 28, 2023, held independently 6,951,760 shares of the Company, which constituted 2.97% of the share capital of the Company and entitled to 6,951,760 votes, constituting 2.97% of the total number of votes at the General Meeting of the Company. Forum XXIII Closed-end Investment Fund at the Ordinary General Meeting on June 28, 2023 independently held 9,995,040 shares of the Company, which constituted 4.26% of

the share capital of the Company and entitled to 9,995,040 votes, constituting 4.26% of the total number of votes at the General Meeting of the Company.

6. information provided on the basis of the number of shares in the Company held in total at the Ordinary General Meeting on June 28, 2023 by a shareholders' agreement involving Colian Developer sp. z o.o. limited partnership and Mr. Jan Kolański. At the Ordinary General Meeting on June 28, 2023, Colian Developer sp. z o.o. spółka komandytowa independently held 5,327,496 shares of the Company, which constituted 2.27% of the share capital of the Company and entitled to 5,327,496 votes, constituting 2.27% of the total number of votes at the General Meeting of the Company. At the Ordinary General Meeting on June 28, 2023, Mr. Jan Kolański held 8,100,000 shares of the Company, which constituted 3.45% of the Company's share capital and entitled to 8,100,000 votes, constituting 3.45% of the total number of votes at the General Meeting companies.



Glossary

Idea	Definition
Apparel segment	Revenues from brands: Vistula, Wólczanka, Bytom, Deni Cler and wholesale segment, B2B and processing (until VI.2023).
Jewellery segment	Retail revenues of W.KRUK brand and other revenues (including B2B).
Casual	Revenues including the following assortment: jackets, trousers, coats, knitwear.
Formal	Revenues from sale of formalwear, including suits and shirts.
Revenues (PLN/m2 per month)	Quarterly revenues of segment or brand (stores and internet)/ average working floorspace / 3. In terms of Deni Cler brand it includes multibrand store revenues yet not their floorspace.
Store EBIT (PLN m)	Store operating profit calculated as gross profit on sales for stores minus store costs.
Costs of stores (IAS17)	Operating costs of stores including among others rental expenses, HR costs, depreciation, commissions for franchise stores and logistics.
Operating costs (SG&A)/m2 (PLN per month)	Quarterly group SG&A / average total working floorspace / 3.
EBITDA	Operating profit plus depreciation and amortisation from cash flow statement.
Costs of (own) stores/ m2 (PLN per month)	Quarterly costs of stores (own stores)/ average working floorspace (of own stores) / 3.
Inventory/m2	Inventory end of period / group's floorspace end of period.



Thank you

VRG S.A.

Pilotów 10, 31-462 Cracow
tel. +48 12 656 18 32
faks + 48 12 656 50 98
e-mail: sekretariat@vrg.pl

Investor relations

e-mail: relacjeinwestorskie@vrg.pl

Press office VRG S.A.

e-mail: biuroprasowe@vrg.pl