CONDENSED INTERIM FINANCIAL REPORT

OF VRG CAPITAL GROUP FOR 3Q23

PREPARED IN ACCORDANCE WITH IFRS APPROVED BY THE EUROPEAN UNION

Cracow, November 15, 2023

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SELECTED FINANCIAL DATA FROM CONSOLIDATED FINANCIAL STATEMENTS

FOR 9 MONTHS ENDING SEPTEMBER 30, 2023

	PLN thsd.		EUR thsd.	
	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarters 2022 / period from 01-01-2022 to 30-09-2022	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Revenues	899,402	904,950	196,492	193,034
Profit (loss) from operations	67,730	98,542	14,797	21,020
EBITDA	161,922	180,242	35,375	38,447
Pre-tax profit (loss)	65,251	57,960	14,255	12,363
Net profit (loss)	51,839	45,613	11,325	9,730
Net cash flows from operating activities	66,385	68,505	14,503	14,613
Net cash flows from investing activities	-22,655	-14,217	-4,949	-3,033
Net cash flows from financing activities	-88,634	-111,021	-19,364	-23,682
Total net cash flows	-44,904	-56,733	-9,810	-12,102
Earnings (loss) per ordinary share (in PLN/EUR)	0.22	0.19	0.05	0.04
Diluted earnings (loss) per share (in PLN/EUR)	0.22	0.19	0.05	0.04
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Total assets	1,507,409	1,511,656	325,181	322,321
Liabilities and provisions	559,696	568,891	120,739	121,301
Long-term liabilities	209,132	223,280	45,114	47,609
Short-term liabilities	335,162	329,004	72,302	70,152
Total equity	947,713	942,765	204,442	201,020
Share capital	49,122	49,122	10,597	10,474
Shares outstanding	234,455,840	234,455,840	234,455,840	234,455,840
Diluted number of shares	235,630,831	235,630,831	235,630,831	235,630,831
Book value per share (in PLN/EUR)	4.04	4.02	0.87	0.86
Diluted book value per share (in PLN/EUR)	4.02	4.00	0.87	0.85
Declared or paid dividend per share (in PLN/EUR)	0.20	0.17	0.04	0.04

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT OF FINANCIAL POSITIONS

AS AT SEPTEMBER 30, 2023

	PLN thsd.				
	As at 30-09-2023 / end of quarter 2023	As at 30-06-2023 / end of previous quarter 2023	As at 31-12-2022 / end of previous year 2022	As at 30-09-2022 / end of quarter 2022	As at 30-06-2022 / end of previous quarter 2022
Non-current assets	**868,508**	**869,394**	**848,122**	**857,221**	**847,949**
Goodwill	302,748	302,748	302,748	302,748	302,748
Other intangible assets	198,845	199,159	199,384	198,128	197,633
Fixed assets	67,396	66,549	60,401	55,134	53,753
Investment property	874	874	874	874	874
Right-of-use assets	274,422	280,792	262,422	273,268	268,047
Long-term receivables	197	197	151	333	289
Shares and stakes	27	27	27	27	27
Other long-term investments	-	-	-	-	4
Deferred tax assets	23,999	19,048	22,115	26,709	24,574
Current assets	**638,901**	**635,976**	**663,534**	**643,282**	**637,038**
Inventory	570,050	561,268	553,258	562,795	527,943
Short-term security deposit receivables	155	162	73	-	-
Trade and other receivables as well as other current assets	17,701	18,861	14,295	22,648	20,065
Corporate income tax receivables	-	40	9	-	17
Cash and cash equivalents	50,995	55,645	95,899	57,839	89,013
Total assets	**1,507,409**	**1,505,370**	**1,511,656**	**1,500,503**	**1,484,987**

	PLN thsd.				
	As at 30-09-2023 / end of quarter 2023	As at 30-06-2023 / end of previous quarter 2023	As at 31-12-2022 / end of previous year 2022	As at 30-09-2022 / end of quarter 2022	As at 30-06-2022 / end of previous quarter 2022
Dominating entity's equity	**947,713**	**946,776**	**942,765**	**895,420**	**886,225**
Share capital	49,122	49,122	49,122	49,122	49,122
Other reserves	14,333	14,333	14,333	14,333	14,333
Retained earnings	884,258	883,321	879,310	831,965	822,770
Non-controlling interest	-	-	-	-	-
Long-term liabilities and provisions	**210,161**	**210,952**	**224,309**	**250,603**	**245,616**
Liabilities due to purchase of fixed assets	2,342	2,327	2,162	451	469
Lease liabilities	193,030	193,837	201,658	223,196	215,311
incl.: lease liabilities related to retail and office space	*191,461*	*192,355*	*200,438*	*222,242*	*214,394*
Loans and borrowings	13,760	13,759	19,460	25,835	28,715
Long-term provisions	1,029	1,029	1,029	1,121	1,121
Short-term liabilities and provisions	**349,535**	**347,642**	**344,582**	**354,480**	**353,146**
Lease liabilities	110,797	106,451	102,228	107,063	101,029

incl.: lease liabilities related to retail and office space	*110,064*	*105,672*	*101,610*	*106,511*	*100,439*
Trade and other liabilities	185,432	192,957	198,218	187,826	212,981
Corporate income tax liabilities	1,434	1,598	5,772	1,145	1,420
Loans and borrowings and short-term part of long-term loans and borrowings	37,499	30,258	22,786	46,744	24,180
Short-term provisions	14,373	16,378	15,578	11,702	13,536
Total liabilities and provisions	**559,696**	**558,594**	**568,891**	**605,083**	**598,762**
Total equity and liabilities	**1,507,409**	**1,505,370**	**1,511,656**	**1,500,503**	**1,484,987**

CONDENSED INTERIM CONSOLIDATED PROFIT OR LOSS STATEMENT

FOR 9 MONTHS ENDING SEPTEMBER 30, 2023

	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Revenues	**297,116**	**899,402**	**319,413**	**904,950**
Cost of sales	136,069	412,303	153,941	423,084
Gross profit on sales	**161,047**	**487,099**	**165,472**	**481,866**
Selling costs	116,258	345,577	110,591	319,067
Administrative expenses	23,804	70,854	22,058	63,705
Other operating income	308	3,552	2,759	7,050
Other operating costs	1,432	6,320	1,910	7,565
Loss from sale of non-financial non-current assets	134	170	328	37
Profit (loss) from operations	**19,727**	**67,730**	**33,344**	**98,542**
Financial income	532	4,565	786	1,336
incl.: financial income due to lease liabilities related to retail and office space	-	*3,972*	-	-
Financial costs	18,644	9,244	22,420	41,918
incl.: financial costs due to lease liabilities related to retail and office space	*1, 904*	*4,287*	*13,716*	*21,853*
Result on loss of control	-	2,200	-	-
Pre-tax profit (loss)	**1,615**	**65,251**	**11,710**	**57,960**
Income tax	678	13,412	2,515	12,347
Net profit (loss) for the period	**937**	**51,839**	**9,195**	**45,613**
Attributed to dominating entity	937	51,839	9,195	45,613
Attributed to non-controlling interest	-	-	-	-
Earnings (loss) per share	-	-	-	-
- basic	0.00	0.22	0.04	0.19
- diluted	0.00	0.22	0.04	0.19

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR 9 MONTHS ENDING SEPTEMBER 30, 2023

	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Net profit (loss) for the period	**937**	**51,839**	**9,195**	**45,613**
Other comprehensive income, including:	-	-	-	-
That can be reclassified to net income	-	-	-	-
That cannot be reclassified to net income	-	-	-	-
Total comprehensive income	**937**	**51,839**	**9,195**	**45,613**
Attributed to dominating entity	-	-	-	-
Attributed to non-controlling interest	-	-	-	-

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR 9 MONTHS ENDING SEPTEMBER 30, 2023

	PLN thsd.			
	Share capital	Capital reserves	Retained earnings	Total equity
3 quarter 2022 / period from 01-07-2022 to 30-09-2022				
Balance at 01.07.2022	**49,122**	**14,333**	**822,770**	**886,225**
Net profit (loss) for the period	-	-	9,195	**9,195**
Dividends	-	-	-	-
Balance at 30.09.2022	**49,122**	**14,333**	**831,965**	**895,420**
3 quarters 2022 / period from 01-01-2022 to 30-09-2022				
Balance at 01.01.2022	**49,122**	**14,333**	**826,209**	**889,664**
Net profit (loss) for the period	-	-	45,613	**45,613**
Dividends	-	-	-39,857	**-39,857**
Balance at 30.09.2022	**49,122**	**14,333**	**831,965**	**895,420**
2022 period from 01-01-2022 to 31-12-2022				
Balance at 01.01.2022	**49,122**	**14,333**	**826,209**	**889,664**
Net profit (loss) for the period	-	-	92,958	**92,958**
Dividends	-	-	-39,857	**-39,857**
Balance at 31.12.2022	**49,122**	**14,333**	**879,310**	**942,765**
3 quarter 2023 / period from 01-07-2023 to 30-09-2023				
Balance at 01.07.2023	**49,122**	**14,333**	**883,321**	**946,776**
Net profit (loss) for the period	-	-	937	**937**
Dividends	-	-	-	-
Balance at 30.09.2023	**49,122**	**14,333**	**884,258**	**947,713**
3 quarters 2023/ period from 01-01-2023 to 30-09-2023				
Balance at 01.01.2023	**49,122**	**14,333**	**879,310**	**942,765**
Net profit (loss) for the period	-	-	51,839	51,839

Dividends	-	-	-46,891	-46,891
Balance at a 30.09.2023	**49,122**	**14,333**	**884,258**	**947,713**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

FOR 9 MONTHS ENDING SEPTEMBER 30, 2023

	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Pre-tax profit (loss)	1,615	65,251	11,710	57,960
Adjustments:				
Amortization and depreciation	31,888	94,192	27,287	81,700
Profit (loss) on investing activities	134	-5,012	328	37
Income tax paid	-5,754	-19,625	-4,926	-18,779
Interest costs	2,533	7,523	2,787	6,889
Change in provisions	-2,006	-1,205	-1,835	-2,547
Change in inventories	-8,785	-17,819	-34,853	-63,624
Change in receivables	1,165	-4,306	-2,611	-9,902
Change in short-term liabilities, excluding bank loans and borrowings	5,627	-51,296	27,891	15,931
Other adjustments	-567	-1,318	-896	840
Net cash flows from operating activities	**25,850**	**66,385**	**24,882**	**68,505**
Interest received	537	1,697	781	1,192
Inflows from sale of fixed assets	272	1,798	211	2,829
Purchase of intangible assets	-48	-545	-889	-1,230
Purchase of fixed assets	-6,609	-25,027	-6,103	-17,008
Adjustment to cash proceeds – exclusion of a subsidiary	-	-578	-	-
Net cash flows from investing activities	**-5,848**	**-22,655**	**-6,000**	**-14,217**
Inflows from loans and borrowings	7,053	14,724	22,745	25,128
Repayment of bank loans and borrowings	-	-6,000	-3,060	-9,180
Lease payments due to other lease agreements	-208	-612	-214	-657
Other interest paid	-718	-2,893	-1,503	-3,084
Interest paid due to finance lease liabilities	-1,627	-4,444	-1,284	-3,805
Lease payments due to lease liabilities related to retail and office space	-29,152	-89,409	-26,883	-79,566
Dividends paid	-	-	-39,857	-39,857
Net cash flows from financing activities	**-24,652**	**-88,634**	**-50,056**	**-111,021**
Change in cash and cash equivalents in the balance sheet	**-4,650**	**-44,904**	**-31,174**	**-56,733**
Opening balance of cash and equivalents	**55,645**	**95,899**	**89,013**	**114,572**
Change in cash due to foreign currency translation	-	-	-	-
Closing balance of cash and equivalents	**50,995**	**50,995**	**57,839**	**57,839**

Value shown under "Other adjustments" consists of:	PLN thsd.	
	3 quarters 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
fixed assets - write-down - liquidations	-246	-336
interest received	-1,698	-1,192
bank loan valuation	102	2,368
loan write-off	524	-
Total	**-1,318**	**840**

INFORMATION AND EXPLANATIONS TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

1.1. NAME, REGISTERED OFFICE, BUSINESS ACTIVITY

VRG Spółka Akcyjna (also as "**Parent Company**" or "**Company**" or "**Issuer**") based in Cracow, Pilotów 10 St., post code: 31-462.

The Company was registered in the Cracow Śródmieście District Court, XI Commercial Division of the National Court Register (KRS) under number KRS 0000047082.

The predominant activity of the Company according to the Polish Classification of Activities (PKD) is the retail sale of clothing in specialized stores (PKD 47.71.Z).

For the date of the creation of an independent enterprise, the legal successor of which is VRG S.A., one can acknowledge October 10, 1948 - the date of issuance of the Minister of Industry and Trade ordinance on the creation a state-owned enterprise named "Krakowskie Zakłady Przemysłu Odzieżowego" (Cracow Clothing Production Industry). On April 30, 1991, the District Court for Cracow Śródmieście in Cracow, V Commercial Division, registered the transformation from a state-owned enterprise into a sole-shareholder company of the State Treasury.

The company is one of the first companies that were listed on the Warsaw Stock Exchange S.A. First listing of VRG S.A. took place on September 30, 1993.

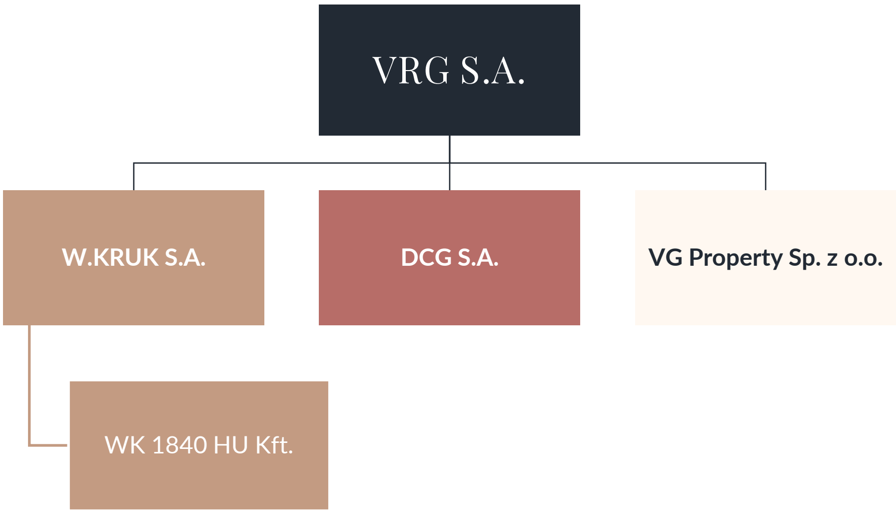
THE COMPANY'S KEY CORPORATE MILESTONES

1948	Ordinance of the Minister of Industry and Trade on creation of a state-owned enterprise under the name "Krakowskie Zakłady Przemysłu Odzieżowego" (Cracow Clothing Production Facility)
1991	Transformation into a sole-shareholder company of the State Treasury under the business name: Zakłady Przemysłu Odzieżowego "Vistula" Spółka Akcyjna
1993	The Issuer's debut on the Warsaw Stock Exchange S.A.
2001	Registration of a new company name: Vistula Spółka Akcyjna
2005	The beginning of the process of intensive expansion of the store network and renewal of the positive image of the Vistula brand
2006	Merger with Wólczanka S.A. (change of the company name to Vistula & Wólczanka S.A.)
2008	Taking over control and merger with W.KRUK S.A in Poznań (change of the company name to Vistula Group S.A.)
2015	Transfer of jewellery business conducted under the W.KRUK brand to W.KRUK S.A. subsidiary
2018	Merger with Bytom S.A. (change of the company name to VRG S.A.)

2019	Merger with BTM 2 Sp. z o.o. subsidiary

The lifespan of the Issuer is indefinite.

1.2. STRUCTURE OF VRG S.A. CAPITAL GROUP



As at the end of 3Q23 VRG S.A. Capital Group consisted of the following entities:

- **VRG S.A.** – Parent company
- **W.KRUK S.A.** based in Cracow, Pilotów 10 St.; post code 31-462. The company was registered in the District Court for Cracow Śródmieście, XI Commercial Division of the National Court Register (KRS) under number KRS 0000500269.
  The company specialises is design, manufacturing and retail sales of brand luxury products such as jewellery, watches and accessories. Share in equity: 100.0%. Share in votes at the General Shareholder Meeting: 100.0%.
- **WK 1840 HU Kft.** based in Budapest, Republic of Hungary. The company is registered in the Commercial Court of the Metropolitan Court of Budapest under the number CG.01-09-421401/8. The company is a subsidiary of W.KRUK S.A. based in Cracow.
  The company's core business is retail sales of jewellery and accessories under the W.KRUK brand in Hungary.
  Share of W.KRUK S.A. in the company's share capital is 100% and has 100% of votes at the General Meeting of Shareholders.
- **DCG S.A.** based in Warsaw, Bystrzycka 81a St., post code 04-907. The company was registered in the District Court for Warsaw, the XXI Commercial Division of the National Court Register (KRS) under number KRS 0000285675.
  The company specialises in retail sale of clothing.
  Share in equity: 100.0%. Share in votes at the General Shareholder Meeting: 100.0%.
- **VG Property Sp. z o.o.** based in Cracow, Pilotów 10 St., post code: 31-462. The company was registered in the District Court for Cracow Śródmieście, XI Commercial Division of the National Court Register (KRS) under number KRS 0000505973.
  The company specialises in renting and managing of own or leased real estate.
  Share in equity: 100.0%. Share in votes at the General Meeting: 100.0%.

The consolidated interim financial statements for the 3 quarters of 2023 include data of the parent company and subsidiaries: W.KRUK S.A., DCG S.A., VG Property Sp. z o. o. and WSM Factory Sp. z o. o. and WK 1840 HU Kft. Due to the loss of control, data of WSM Factory Sp. z o. o. are presented for a period of 5 months in the consolidated interim condensed profit and loss statement and the consolidated interim condensed cash flow statement. Data of the subsidiary of W.KRUK S. A.: WK 1840 HU Kft. in the consolidated report are included for the period from September 28, 2023, i.e. from the date of registration of the company.

CHANGES IN CAPITAL GROUP STRUCTURE IN 9M23

On June 2, 2023, District Court in Kielce, 5th Commercial Division, ul. Warszawska 44, 25-312 Kielce, issued a decision declaring bankruptcy of the subsidiary WSM Factory Spółka z ograniczoną odpowiedzialnością, KRS 0000538836, (reference number KI1L/GU/206/2023, KI1L/GUp/18/2023), at the same time appointing bankruptcy trustee. The subject of the subsidiary's activity was the custom-made packaging of clothing products. VRG S.A. owns 100% of the shares and 100% of the votes at the company's shareholders' meeting. As a result of the bankruptcy announcement of VRG S.A. lost control over the company because the bankruptcy trustee took over the management of the bankruptcy estate.

On September 28, 2023, the registry court in Budapest registered the company WK 1840 HU Kft. with its registered office in Budapest, which is a subsidiary of W.KRUK S.A. based in Cracow, the company's business is retail sales of jewellery and accessories under the W.KRUK brand in Hungary.

1.3. COMPOSITION OF THE MANAGEMENT AND SUPERVISORY BOARD

MANAGEMENT BOARD

As at September 30, 2023 the composition of the Management Board of VRG S.A. was as the following:

Management Board	**Janusz Płocica** President of the Management Board	**Marta Fryzowska** Executive Vice-President of the Management Board	**Łukasz Bernacki** Executive Vice-President of the Management Board	**Michał Zimnicki** Executive Vice-President of the Management Board

In the period from January 1, 2023 to September 30, 2023, there were no changes in the composition of the Parent Company's Management Board.

In the period from the balance sheet date, i.e. September 30, 2023, to the date of signing this report, the above composition of the Parent Company's Management Board has not changed.

SUPERVISORY BOARD

As at September 30, 2023, the composition of the Supervisory Board of VRG S.A. was as follows:

Supervisory Board	**Mateusz Kolański** Chair of the Supervisory Board	**Marcin Gomoła** Member of the Supervisory Board	**Wacław Szary** Member of the Supervisory Board
	Piotr Kaczmarek Member of the Supervisory Board	**Piotr Stępniak** Member of the Supervisory Board	**Andrzej Szumański** Member of the Supervisory Board

In the period from January 1, 2023 to September 30, 2023, the following changes occurred in the composition of the Parent Company's Supervisory Board:

– in the period from January 1, 2023 to August 29, 2023, the Supervisory Board of the Parent Company was composed of the following persons:

- Mr Mateusz Kolański – Chair of the Supervisory Board,
- Mr Jan Pilch – Deputy-Chair of the Supervisory Board,
- Mr Marcin Gomoła – Member of the Supervisory Board,
- Mr Piotr Kaczmarek - Member of the Supervisory Board,
- Mr Piotr Stępniak - Member of the Supervisory Board,
- Mr Wacław Szary - Member of the Supervisory Board,
- Mr Andrzej Szumański, prof. - Member of the Supervisory Board.

- on August 29, 2023, Mr. Jan Pilch resigned from the position of Member of the Supervisory Board of the Parent Company with effect from August 29, 2023.

– due to the resignation of Mr. Jan Pilch, in the period from August 29, 2023 to September 30, 2023, the Supervisory Board of the Parent Company was composed of the following persons:

- Mr Mateusz Kolański - Chair of the Supervisory Board,
- Mr Piotr Stępniak – Deputy-Chair of the Supervisory Board (from October 9, 2023),
- Mr Marcin Gomoła - Member of the Supervisory Board,
- Mr Piotr Kaczmarek - Member of the Supervisory Board,
- Mr Wacław Szary - Member of the Supervisory Board,
- Mr Andrzej Szumański, prof. - Member of the Supervisory Board.

On October 30, 2023, the Supervisory Board of the Company adopted a resolution to supplement the composition of the Supervisory Board in the co-optation mode provided for in paragraph 22 section 3 of the Company's statute. Ms. Danuta Dąbrowska was appointed to the Supervisory Board of the parent company for the current term.

Due to the co-optation of Ms. Danuta Dąbrowska in the period from October 30, 2023 to the date of signing this report, the composition of the Supervisory Board of the Parent Company was as follows:

Supervisory Board	**Mateusz Kolański** Chair of the Supervisory Board	**Piotr Stępniak** Deputy-Chair of the Supervisory Board	**Danuta Dąbrowska** Member of the Supervisory Board	**Marcin Gomoła** Member of the Supervisory Board
		Piotr Kaczmarek Member of the Supervisory Board	**Wacław Szary** Member of the Supervisory Board	**Andrzej Szumański** Member of the Supervisory Board

1.4. GOING CONCERN

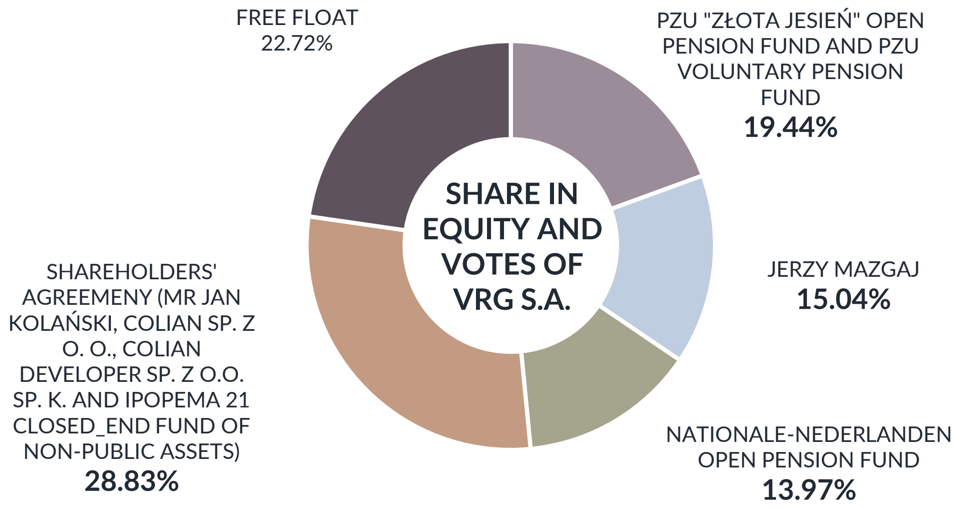
Interim condensed consolidated financial statements of the VRG S.A. Capital Group (hereinafter also referred to as the "Capital Group", "Group" or "VRG Group") was prepared on the assumption that the companies of the Capital Group will continue their business activities in an unchanged form and scope for a period of at least 12 months from the date on which the financial statements were prepared, i.e. September 30, 2023. In the opinion of the Management Board of the Parent Entity, as at the date of approval of these consolidated interim financial statements, there are no premises or circumstances indicating a threat to the continuation of the operations of the Capital Group companies in the foreseeable future.

1.5. SHARE CAPITAL AND SHAREHOLDERS

Shareholders holding, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the General Meeting of VRG S.A. as at the date of signing the consolidated quarterly report for the third quarter of 2023 and indication of changes in the ownership structure of significant blocks of shares in VRG S.A. in the period from the date of submission of the previous consolidated periodic report in accordance with the information available to the Company.

OWNERSHIP STRUCTURE OF THE SHARE CAPITAL, ACCORDING TO THE KNOWLEDGE OF THE PARENT COMPANY, AS AT THE DATE OF SIGNING THE INTERIM CONDENSED CONSOLIDATED REPORT FOR THE THIRD QUARTER 2023 ON NOVEMBER 15, 2023

As at the date of signing the consolidated report for the third quarter of 2023, the share capital of VRG S.A. is divided into 234,455,840 ordinary bearer shares, which gives a total of 234,455,840 votes at the General Meeting of Shareholders of VRG S.A. ("Company").



The table below contains information on shareholders who, to the knowledge of the Company, hold, directly or indirectly through subsidiaries, at least 5% of the total number of votes at the Company's General Shareholder Meeting.

Shareholders	Number of shares held	Share in equity (in %)	Number of votes at the AGM	Share in the total number of votes at the AGM (in %)
Shareholders' agreement (Jan Kolański, Colian sp. z o.o., Colian Developer sp. z o.o. sp.k., Ipopema 21 Closed-end Fund of Non-public Assets) [1]	67,599,097	28.83	67,599,097	28.83
PZU „Złota Jesień" Open Pension Fund and PZU Voluntary Pension Fund[2]	45,589,125	19.44	45,589,125	19.44
Jerzy Mazgaj [3]	35,258,742	15.04	35,258,742	15.04
Nationale-Nederlanden Open Pension Fund [4]	32,750,000	13.97	32,750,000	13.97

[1]information provided on the basis of the notification received by the Company pursuant to Art. 69 section 1 in connection with Art. 87 section 1 point 5) and section 3 of the Act of July 29, 2005 on public offering and conditions for introducing financial instruments to organized trading and on public companies, applies to shares held jointly by shareholders' agreement concluded on September 26, 2023, consisting of: Mr. Jan Kolański, Colian sp. z o. o. based in Opatówek, Colian Developer Sp. z o. o. sp.k. with its registered office in Kalisz and IPOPEMA 21 Closed-End Investment Fund of Non-Public Assets with its registered office in Warsaw managed by IPOPEMA Towarzystwo Funduszy Inwestycyjnych S.A. ("IPOPEMA 21 FIZAN")

Before concluding the agreement referred to above:

- Mr. Jan Kolański owned 7,500,000 shares of VRG, which constituted 3.20% of the Company's share capital and entitled to 7,500,000 votes, constituting 3.20% of the total number of votes at the General Meeting of the Company,

- Colian sp. z o. o. owned 23,860,800 shares of the Company, which constituted 10.18% of the Company's share capital and entitled to 23,860,800 votes, constituting 10.18% of the total number of votes at the General Meeting of the Company,

- Colian Developer Sp. z o. o. sp.k. owned 160 shares of the Company, which constituted 0.0001% of the share capital of VRG and entitled to 160 votes, constituting 0.0001% of the total number of votes at the General Meeting of the Company,

IPOPEMA 21 FIZAN held 36,238,137 shares of the Company, which constituted 15.46% of the share capital and entitled to 36,238,137 votes, constituting 15.46% of the total number of votes at the General Meeting of the Company.

[2]information provided on the basis of the number of shares of the Company held jointly by the funds PZU "Złota Jesień" Open Pension Fund and 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, the PZU "Złota Jesień" Open Pension Fund independently held 44,537,016 shares of the Company, which constituted 19.00% of the Company's share capital and entitled it to 44,537,016 votes, constituting 19.00% of the total number of votes at the General Meeting of the Company. At the Ordinary General Meeting on June 28, 2023, the PZU Voluntary Pension Fund independently held 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 on General Meeting of the Company.

[3] *information provided based on 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 Open Pension Fund at the Ordinary General Meeting on June 28, 2023.*

CHANGES IN THE OWNERSHIP STRUCTURE OF SIGNIFICANT BLOCKS OF SHARES IN ACCORDANCE WITH THE INFORMATION POSSESSED BY THE COMPANY FROM THE DATE OF SUBMISSION OF THE CONSOLIDATED ANNUAL REPORT FOR THE FIRST HALF OF 2023 (AUGUST 24, 2023).

According to the Company's knowledge, since the date of submission of the consolidated semi-annual report for the first half of 2023 (August 24, 2023), the following changes have occurred in the ownership structure of significant blocks of shares in the Company:

1)

IPOPEMA 21 Closed-end Fund of Non-Public Assets (IPOPEMA 21 FIZAN)	
Balance as at 24.08.2023	According to the information available to the Company as at the date of publication of the consolidated half-year report for the first half of 2023 (August 24, 2023), IPOPEMA 21 FIZAN managed by IPOPEMA TFI S.A. owned 36,238,137 shares of the Company, which constituted 15.46% of the share capital and entitled to 36,238,137 votes, constituting 15.46% of the total number of votes at the General Meeting of the Company.
Balance as at 15.11.2023	On September 28, 2023, the Company received from IPOPEMA TFI S.A. based in Warsaw, pursuant to Art. 69 section 1 in connection with Art. 87 section 1 point 5) and section 3 of the Act of July 29, 2005 on public offering and conditions for introducing financial instruments to organized trading and on public companies ("**Act**"), notification that as a result of the conclusion of a shareholders' agreement on September 26, 2023 between: Mr. Jan Kolański , Colian sp. z o. o. based in Opatówek ("**Colian**"), Colian Developer Sp. z o. o. sp.k. with its registered office in Kalisz ("**Colian Developer**") and IPOPEMA 21 Closed-End Investment Fund of Non-Public Assets with its registered office in Warsaw ("**IPOPEMA 21 FIZAN**") managed by IPOPEMA TFI S.A. (hereinafter jointly: "**Parties to the agreement**") regarding the direct or indirect purchase or subscription of the Company's shares, unanimous voting at the General Meeting of the Company and pursuing a lasting policy towards the Company, referred to in art. 87 section 1 point 5) of the Act, the total share of votes of the Parties to the agreement in the total number of votes in the Company exceeded the threshold of 25%. **Before concluding the agreement referred to above:** - Mr. Jan Kolański owned 7,500,000 shares of VRG, which constituted 3.20% of the Company's share capital and entitled to 7,500,000 votes, constituting 3.20% of the total number of votes at the General Meeting of the Company, - Colian owned 23,860,800 shares of the Company, which constituted 10.18% of the Company's share capital and entitled to 23,860,800 votes, constituting 10.18% of the total number of votes at the General Meeting of the Company, - Colian Developer held 160 shares of the Company, which constituted 0.0001% of the share capital of VRG and entitled to 160 votes, constituting 0.0001% of the total number of votes at the General Meeting of the Company, IPOPEMA 21 FIZAN held 36,238,137 shares of the Company, which constituted 15.46% of the share capital and entitled to 36,238,137 votes, constituting 15.46% of the total number of votes at the General Meeting of the Company. **After concluding the agreement referred to above:** The parties to the agreement hold a total of 67,599,097 shares of the Company, which constitutes 28.83% of the Company's share capital and entitles them to 67,599,097 votes, constituting 28.83% of the total number of votes at the General Meeting of the Company.

2)

Forum X Closed-End Investment Fund and Forum XXIII Closed-End Investment Fund managed by FORUM TFI S.A. (together)	
Balance as at 24.08.2023	According to the information available to the Company as at the date of publication of the consolidated semi-annual report for the first half of 2023 (August 24, 2023), the total share of the Forum X Closed Investment Fund ("**Fund 1**") and the Forum XXIII Closed Investment Fund ("**Fund 2**") managed by Forum TFI S.A. with its registered office in Cracow in the total number of votes at the General Meeting of the Company was 7.23%, and Fund 1 and Fund 2 directly held 16,946,800 shares of the Company, including: - Fund 1 held 6,951,760 shares of the Company, which constituted 2.97% of the share capital and entitled to 6,951,760 votes, constituting 2.97% of the total number of votes at the General Meeting of the Company. - Fund 2 held 9,995,040 shares of the Company, which constituted 4.26% of the share capital and entitled to 9,995,040 votes, constituting 4.26% of the total number of votes at the General Meeting of the Company.
Balance as at 15.11.2023	On September 1, 2023, the Company received from FORUM TFI S.A. based in Cracow ("**Company**"), acting on its own behalf as a fund manager: a) FORUM X Closed-End Investment Fund ("Fund 1"), b) FORUM XXIII Closed Investment Fund ("Fund 2)", notification pursuant to Art. 69 section 1 point 2) in connection with joke. 87 section 1 point 2 of the Act of July 29, 2005 on public offering and conditions for introducing financial instruments to organized trading and on public companies, changing the number of votes in the Company from 7.23% to 0% of the total number of votes at the General Meeting of the Company. As a result of the sale of 6,951,760 shares of the Company by Fund 1 on August 28, 2023 and the sale of 9,995,040 shares of the Company by Fund 2, there was a change (reduction) in the percentage share previously held by Fund 1 and Fund 2 in the total number - number of votes in the Company from 7.23% to 0% of the total number of votes at the General Meeting of the Company. Before the transactions of sale of the Company's shares described above, the total share of Fund 1 and Fund 2 in the total number of votes at the General Meeting of the Company was 7.23%, and Fund 1 and Fund 2 directly held 16,946,800 shares of the Company, including: Fund 1 held 6,951,760 shares of the Company, which constituted 2.97% of the share capital and entitled to 6,951,760 votes, constituting 2.97% of the total number of votes at the General Meeting of the Company. Fund 2 held 9,995,040 shares of the Company, which constituted 4.26% of the share capital and entitled to 9,995,040 votes, constituting 4.26% of the total number of votes at the General Meeting of the Company. After the sales transactions of the Company's shares described above, in accordance with the information provided by the Company in the notification of September 1, 2023, all funds managed by the Company do not hold the Company's shares directly or indirectly.

3)

Shareholders' agreement (Jan Kolański, Colian sp. z o.o., Colian Developer sp. z o.o. sp.k., Ipopema 21 Closed-End Fund of Non-public Assets)	
Balance as at 24.08.2023	According to the information available to the Company as of the date of publication of the consolidated semi-annual report for the first half of 2023 (August 24, 2023), the shareholders' agreement covering as of August 24, 2023: Colian Developer sp. z o.o. spółka komandytowa and Mr. Jan Kolański held a total of 13,427,496 shares of the Company, which constituted 5.73% of the share capital and entitled to 13,427,496 votes, constituting 5.73% of the total number of votes at the General Meeting of the Company, including: - Colian Developer sp. z o. o. spółka komandytowa independently held 5,327,496 shares of the Company, which constituted 2.27% of the Company's share capital and entitled to 5,327,496 votes, constituting 2.27% of the total number of votes at the General Meeting of the Company. - Mr. Jan Kolański owned 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 of the Company.
Balance as at 31.08.2023	On August 31, 2023, the Company received from Colian sp. z o.o. based in Opatówek pursuant to Art. 69 section 1 in connection with Art. 69a section 1 point 3 of the Act of July 29, 2005 on public offering and conditions for introducing financial instruments to organized trading and on public companies, notification of the acquisition on August 29, 2023 of 17,132,800 shares of the Company by Colian Sp. z o. o. (exceeding the threshold of 5% of the total number of votes in the Company) and thus increasing by the shareholder agreement consisting of: Mr. Jan Kolański, Colian sp. z o.o., Colian Developer Sp. z o. o. sp.k. (hereinafter referred to as the "Colian Agreement"), a share in the total number of votes in the Company exceeding 10% as a result of the purchase of the Company's shares. Before the transaction of purchasing the Company's shares described above, Colian Sp. z o. o. did not hold any shares of the Company. After the transaction of purchasing shares of Colian Sp. z o. o. owned 17,132,800 shares of the Company, which constituted 7.31% of the Company's share capital and entitled to 17,132,800 votes, constituting 7.31% of the total number of votes at the General Meeting of the Company. After the purchase of the Company's shares by Colian Sp. z o. o. Colian Agreement as of August 31, 2023 held 31,360,960 shares of the Company, which constituted 13.38% of the Company's share capital and entitled to 31,360,960 votes, constituting 13.38% of the total number of votes at the General Meeting of the Company, including: - Colian Sp. z o. o. owned 17,132,800 shares of the Company, which constituted 7.31% of the Company's share capital and entitled to 17,132,800 votes, constituting 7.31% of the total number of votes at the General Meeting of the Company. - Colian Developer Sp. z o. o. sp.k. owned 6,728,160 shares of the Company, which constituted 2.87% of the Company's share capital and entitled to 6,728,160 votes, constituting 2.87% of the total number of votes at the General Meeting of the Company.
Balance as at 15.11.2023	On September 28, 2023, the Company received from IPOPEMA TFI S.A. based in Warsaw, pursuant to Art. 69 section 1 in connection joke. 87 section 1 point 5) and section 3 of the Act of July 29, 2005 on public offering and conditions for introducing financial instruments to organized trading and on public companies ("**Act**"), notification that as a result of the conclusion of a shareholders' agreement on September 26, 2023 between : Mr. Jan Kolański,

	Colian sp. z o.o. based in Opatówek ("**Colian**"), Colian Developer Sp. z o. o. sp.k. with its registered office in Kalisz ("**Colian Developer**") and IPOPEMA 21 Closed-End Investment Fund of Non-Public Assets with its registered office in Warsaw ("**IPOPEMA 21 FIZAN**") managed by IPOPEMA TFI S.A. (hereinafter jointly: "Parties to the agreement") regarding the direct or indirect purchase or subscription of the Company's shares, unanimous voting at the General Meeting of the Company and pursuing a lasting policy towards the Company, referred to in Art. 87 section 1 point 5) of the Act, the total share of votes of the Parties to the agreement in the total number of votes in the Company exceeded the threshold of 25%. **Before concluding the agreement referred to above:** - Mr. Jan Kolański owned 7,500,000 shares of VRG, which constituted 3.20% of the Company's share capital and entitled to 7,500,000 votes, constituting 3.20% of the total number of votes at the General Meeting of the Company, - Colian owned 23,860,800 shares of the Company, which constituted 10.18% of the Company's share capital and entitled to 23,860,800 votes, constituting 10.18% of the total number of votes at the General Meeting of the Company, - Colian Developer held 160 shares of the Company, which constituted 0.0001% of the share capital of VRG and entitled to 160 votes, constituting 0.0001% of the total number of votes at the General Meeting of the Company, IPOPEMA 21 FIZAN held 36,238,137 shares of the Company, which constituted 15.46% of the share capital and entitled to 36,238,137 votes, constituting 15.46% of the total number of votes at the General Meeting of the Company. **After concluding the agreement referred to above:** The parties to the agreement hold a total of 67,599,097 shares of the Company, which constitutes 28.83% of the Company's share capital and entitles them to 67,599,097 votes, constituting 28.83% of the total number of votes at the General Meeting of the Company.

CHANGES IN OWNERSHIP OF VRG S.A. SHARES AND RIGHTS TO SHARES BY MANAGEMENT AND SUPERVISORY PERSONS

– changes in ownership of the Company's shares by managing persons

Management Board	Number of shares held on the day of signing report for 1H23	Number of shares held on the date of publication of consolidated transfer quarterly report for the third quarter of 2023
Michał Zimnicki – Executive Vice-President of the Management Board	4,000	4,000
Łukasz Bernacki – Executive Vice-President of the Management Board	100,381	100,381

– changes in the holdings of series F subscription warrants of the first tranche by managing personnel entitling to subscribe for new issue series P shares, issued in connection with the implementation of the incentive program in 2018 on the basis of Resolution No. 17/06/2018 of the Ordinary General Shareholders’ Meeting of Vistula Group S.A. of June 27, 2018 on the adoption of the assumptions of the incentive program for members of the Company's Management Board, key managers or other persons of significant importance to the Company (and companies from its capital group), the issuance of subscription warrants with the exclusion of pre-emptive rights, a conditional increase in the share capital by issuing new shares with the exclusion of pre-emptive rights, amending the Company's articles of association, authorizing the Management Board of the Company to conclude an agreement for the registration of new issuance shares in the National Depository for Securities S.A. and authorizing the Management Board of the Company to take all appropriate actions to admit the new issue shares to trading on the regulated market (“Resolution”).

Management Board	Number of F-series subscription warrants as of the date of publication of consolidated quarterly report for 1H23	Number of F-series subscription warrants as of the date of publication of consolidated quarterly report for 3Q23
Łukasz Bernacki – Executive Vice-President of the Management Board	128,504	128,504

– changes in ownership of the Company's shares by supervising persons

Supervisory Board	Number of shares held on the day of signing quarterly report for 1H23	Number of shares held on the day of signing quarterly report for 3Q23
Jan Pilch – Deputy-Chair of the Supervisory Board (until the day of resignation from his Supervisory Board function on 29.08.2023)	186,000	b.d.
Wacław Szary – Member of the Supervisory Board	10,000	10,000

2. PRINCIPLES OF PREPARATION OF THE FINANCIAL STATEMENTS

These interim condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard No. 34 "Interim Financial Reporting" approved by the EU ("IAS 34"). The interim condensed consolidated financial statements do not include all information and disclosures required in the annual financial statements and should be read together with the consolidated financial statements of the Group for the year ended December 31, 2022 approved for publication on April 4, 2023.

Moreover, the basis for the preparation of these consolidated condensed interim financial statements is the regulation of the Minister of Finance of March 29, 2018 on current and periodic information provided by issuers of securities and the conditions for recognizing as equivalent information required by the laws of a non-member state (Journal of Laws of 2018 item 757).

The accounting principles used to prepare the consolidated condensed interim financial statements are consistent with those used to prepare the Group's annual financial statements for the financial year ended December 31, 2022.

The reporting currency of the consolidated interim condensed financial statements is Polish zloty, all amounts are expressed in thousands of Polish zlotys, unless otherwise stated.

3. ACCOUNTING PRINCIPLES

In the period from January 1, 2023 to September 30, 2023, the Capital Group did not change the adopted accounting principles and methods of preparing financial statements. The accounting principles adopted by the Capital Group were applied continuously in relation to the period presented in the financial statements.

4. FX RATES USED FOR THE VALUATION OF ASSETS AND LIABILITIES

Individual items of assets and liabilities were converted into EURO at the average exchange rate of September 30, 2023 announced by the National Bank of Poland, which was PLN 4.6356/EUR. Individual items of the profit and loss account were converted into EURO at the exchange rate of PLN 4.5773/EUR, which is the arithmetic mean of the average EURO exchange rates established by the National Bank of Poland on the last day of each completed month covered by the report.

The following EURO rates were used to calculate the average exchange rate: 31/01/23 - PLN 4.7089/EUR, 28/02/23 - PLN 4.717/EUR, 31/03/23 - PLN 4.6755/EUR, 28/04/23 - PLN 4.5889 /EUR, 31/05/23 – 4.5376 PLN/EUR, 30/06/23 – 4.4503 PLN/EUR, 31/07/23 – 4.4135 PLN/EUR, 31/08/23 – 4.4684 PLN/EUR, 29/09/23 –4.6356 PLN /EUR.

Comparable data for individual items of assets and liabilities were converted into EURO at the average exchange rate announced by the National Bank of Poland, applicable on the last day of the reporting periods, i.e. on December 31, 2022, which amounted to PLN 4.6899/EURO and on September 30, 2022, which amounted to PLN 4.8698/EUR. Comparable data for individual items of the profit and loss account were converted into EURO at rates constituting the arithmetic mean of average EURO rates established by the National Bank of Poland on the last day of each completed month of the comparative period, i.e. from January 1, 2022 to September 30, 2022, which amounted to 4 PLN 6,880/EUR.

5. MAJOR ESTIMATES AND JUDGMENTS

The preparation of the financial statements in accordance with IFRS requires the Management Board of the parent company to make estimates, assessments and assumptions that affect the applied accounting principles and the presented amounts of assets and liabilities, as well as costs and revenues. Estimates and assumptions are made on the basis of available historical data as well as on the basis of other factors considered appropriate in given conditions. The results of these activities form the basis for making estimates in relation to the carrying amounts of assets and liabilities, which cannot be clearly determined on the basis of other sources. The validity of the above estimates and assumptions is verified on an ongoing basis.

Adjustments to estimates are recognized in the period in which changes are made to the adopted estimates, provided that the adjustment applies only to that period, or in the period in which the changes are made and in subsequent periods (prospective approach), if the adjustment applies to both the current period and periods next. Information on estimates is presented in Note 10.

6. CHANGES IN ACCOUNTING STANDARDS

STANDARDS AND INTERPRETATIONS THAT HAVE ALREADY BEEN PUBLISHED AND APPROVED BY THE EU AND ENTERED INTO FORCE FROM OR AFTER JANUARY 1, 2023

AMENDMENT TO IAS 1 "PRESENTATION OF FINANCIAL STATEMENTS"

IASB clarified the rules for classifying liabilities as long-term or short-term mainly in two aspects:

– it was clarified that classification depends on the rights held by the entity as at the balance sheet date,
– management's intentions to accelerate or delay payment of the liability are disregarded.
–IASB clarified which information regarding the accounting policy applied by the entity is significant and requires disclosure in the financial statements. The Principles focus on tailoring disclosures to the individual circumstances of the entity. IASB warns against the use of standardized provisions copied from IFRS and expects that the basis of valuation of financial instruments will be considered as material information.

The changes are effective for annual periods beginning on or after January 1, 2023.

AMENDMENT TO IAS 12 "INCOME TAX"

IASB introduced a rule that if a transaction results in both positive and negative temporary differences in the same amount, assets and a provision for deferred income tax should be recognized even if the transaction does not result from a merger and does not affect the ac-counting or tax result. This means that assets and a provision for deferred tax have to be recognized, e.g. when temporary differences exist in equal amounts in the case of leases (a separate temporary difference from the liability and the right of use) or in the case of restoration liabilities. The principle stating that deferred income tax assets and liabilities are compensated if the current tax assets and liabilities are set off has not been changed. The change is effective for annual periods beginning on or after January 1, 2023.

AMENDMENT TO IAS 8 "ACCOUNTING PRINCIPLES (POLICIES), CHANGES IN ESTIMATED VALUES AND CORRECTING ERRORS"

IASB introduced a definition of an accounting estimate into the standard: Accounting estimates are monetary amounts in the financial statements that are subject to measurement uncertainty. The change is effective for annual periods beginning on or after January 1, 2023.

AMENDMENT TO IFRS 17 "INSURANCE CONTRACTS"

The Board established transitional provisions on comparative data for entities that implement IFRS 17 and IFRS 9 simultaneously to reduce potential accounting mismatches arising from differences between these standards. The change is effective for annual periods starting on January 1, 2023 or later.

NEW IFRS 17 "INSURANCE CONTRACTS"

A new standard regulating the recognition, measurement, presentation and disclosure of insurance and reinsurance contracts. The standard replaces the existing IFRS 4. The standard is effective for annual periods beginning on January 1, 2023 or later.

The above changes did not affect these interim condensed consolidated financial statements.

STANDARDS AND INTERPRETATIONS AND AMENDMENTS TO THEM THAT ARE NOT EFFECTIVE FOR PE-RIODS BEGINING JANUARY 1, 2023

AMENDMENT TO IFRS 16 "LEASES"

The change clarifies requirements for measurement of lease liability arising from the sale and leaseback transactions. It is to prevent incorrect recognition of the result on the transaction in the part concerning the retained right of use in the case when lease payments are variable and do not depend on an index or rate. The change is effective for annual periods beginning on January 1, 2024 or later.

AMENDMENT TO IAS 1 "PRESENTATION OF FINANCIAL STATEMENTS"

The change concerns the presentation of liabilities. In particular, it explains one of the criteria for classifying a liability as long-term. The change is effective for annual periods beginning on or after January 1, 2024.

AMENDMENTS TO IAS 12 "INCOME TAX"

On May 23, 2023, the International Accounting Standards Board issued amendments to IAS 12 Income Taxes in connection with the international tax reform in the field of the so-called Pillar II, the main goal of which is to implement solutions that increase the effective taxation of the largest capital groups. The Pillar II Directive will limit the global phenomenon of reducing corporate income tax rates. The introduced minimum tax rate is 15%. The change is effective for financial statements starting the reporting period on or after January 1, 2023.

AMENDMENTS TO IAS 7 STATEMENT OF CASH FLOWS AND IFRS 7 FINANCIAL INSTRUMENTS

The International Accounting Standards Board has introduced new disclosure requirements in IFRS standards to increase the transparency and therefore usefulness of information provided by entities about supplier financing arrangements.

AMENDMENTS TO IAS 21 "THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES"

On August 15, 2023, the International Accounting Standards Board (IASB) published a document entitled "Lack of currency convertibility (amendments to IAS 21)". It explains the following:

- the way in which an entity should assess whether a given currency is convertible,
- rules for determining the currency exchange rate in the event of lack of convertibility,
- disclosure of information in the financial statements in the absence of currency convertibility.

The amendments to IAS 21 apply to annual reporting periods beginning on January 1, 2025 or later.

The Group is in the process of analyzing the impact of the above-mentioned standards, interpretations and changes to the standards.

7. SUPPLEMENTARY NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 OPERATING SEGMENTS BY TYPE OF ACTIVITIES AND GEOGRAPHICAL BREAKDOWN

The group specializes in design and retail sale of branded men's and women's clothing positioned in the middle and higher market segments, as well as luxury jewellery and watches. Currently, it is building sales based on the Vistula, Bytom, Wólczanka, Deni Cler Milano (through a subsidiary) and W.KRUK (through a subsidiary) brands. Since the second quarter of 2015, the jewellery business as a result of the sale of an organized part of the enterprise related to the W.KRUK brand has been conducted in the Issuer's subsidiary, i.e. W.KRUK S.A. based in Cracow. On November 30, 2018, there was a merger with Bytom S.A., as a result of which the Group became the owner of the Bytom brand.

The diagram below shows the breakdown of the Group's activities by business segments:

VRG
VISTULA RETAIL GROUP

APPAREL Retail and wholesale	JEWELLERY Retail and wholesale
Suits, Accessories, Jackets, Shirts, Trousers	Jewellery, Watches, Accessories

OWN BRANDS OF VISTULA LINE:

VISTULA
Vistula is a brand with a long tradition, which in its designs combines timeless cuts, patterns and cuts with current fashion trends, giving classic clothes a modern character. The wide assortment of the brand responds to the needs of both men and women, offering items of clothing that do not go out of style, which can be easily created for various occasions. From T-shirts and polo shirts, through sweaters and turtlenecks, to outerwear - Vistula is not only suits. The brand focuses on universal products, which, properly combined and enriched with accessories, add style to any styling. The priority is a sense of comfort and self-confidence for the client, who with clothes from Vistula emphasize their own unique style.

VISTULA	VISTULA WOMAN
Operating on the Polish market since 1967, Vistula is the basic line of men formalwear. The brand offers a wide range of suits, jackets, trousers, shirts and other complementary accessories.	Women's brand introduced in 2021. The collection was created for women who appreciate quality, comfort and the timeless of products. VISTULA WOMAN, refined in details, surprises with classic cuts and fashionable patterns. It includes products for many occasions - outerwear (classic coats, casual down and leather jackets), jackets and elegant trousers, skirts, dress-es, shirts, as well as jeans, sweaters and t-shirts and an offer of accessories (shoes, belts, caps and gloves).

BYTOM BRAND:

BYTOM
BYTOM
BYTOM is a Polish brand with a history dating back to 1945, in which tradition meets the modern vision of tailoring and men's fashion. Basing on a dozen of years long heritage, the brand offers men formalwear with a flagship product in the form of suits, made from finest Italian fabrics in Polish sewing facilities. BYTOM is not just the art of tailoring. The brand refers to the Polish cultural heritage by creating limited collections inspired by the work of outstanding personalities, inviting people with a significant influence on the development of Polish culture and art.

WÓLCZANKA BRAND:

WÓLCZANKA
WÓLCZANKA
It is a brand existing since 1948. Wólczanka has been sewing shirts for generations. Years of experience have made her an expert and allowed her to gain the trust of millions of customers, thanks to which today she successfully expands her offer with new assortments such as trousers, skirts, dresses, jackets, coats, jackets, polo shirts, t-shirts. The brand's offer includes men's shirts, and from the Autumn-Winter 2014 season also women's shirts, both formal and casual. As an expert in good quality shirts, he expands this range and focuses on creating a fresh, modern brand. Wólczanka is the latest trends, beautiful prints, comfortable clothes for her and for him - and above all, an image that shows the joy of life and the possibility of making fashion choices, close to the client's needs.

DENI CLER MILANO BRAND:

APPAREL SEGMENT
DENI CLER MILANO
Since its foundation in 1971 in Mantua, Italy, Deni Cler Milano has been dressing women who are aware of their femininity, value and strength. In 1991, the brand appeared on the Polish market, introducing a new quality in women's fashion. To this day, it remains a synonym of elegance, refined taste, while at the same time being in line with current global trends. Deni Cler Milano collections are sewn from Italian fabrics. The materials used for the production of clothes are mainly wool, cashmere and silk. The brand's assortment includes mainly: coats, dresses, jackets, trousers, skirts, blouses.

BRANDS IN THE JEWELLERY SEGMENT:

JEWELLERY SEGMENT	
W.KRUK 1840	WATCHES
W.KRUK is the oldest jewellery brand in Poland with over 180 years of tradition. W.KRUK's offer includes gold and platinum jewellery, in particular jewellery with diamonds and precious stones. W.KRUK also creates the highest quality collections made of silver and other metals. W.KRUK offers many original lines of unique jewellery. The distinctive style of W.KRUK products is the result of the work of designers, projects inspired by the ambassadors (including Martyna Wojciechowska's Freedom collection) and an expert and innovative approach to jewellery. A significant part of the collections presented every year is made in the brand's Manufaktura near Poznań, which is one of the few in Europe that still uses traditional manufacturing techniques. In the workshops of the W.KRUK brand, handicraft is combined with the latest technologies. In 2019, W.KRUK brand was the first in Poland to introduce jewellery with a new category of diamonds created by man in laboratory conditions into its chain of stores and offered under its own name New Diamond by W.KRUK. They have parameters identical to diamonds extracted using traditional methods and are classified according to the same parameters, using the same standards of expert assessment. W.KRUK expands its offer of both luxury and fashion jewellery. Since 2016, the brand's assortment has been complemented by a selection of accessories signed by W.KRUK, such as leather bags and accessories, silk scarves, sunglasses and fragrances for women and men.	W.KRUK offers watches of the most prestigious Swiss brands such as Rolex, Patek Philippe (W.KRUK S.A. is the exclusive distributor of these manufacturers in Poland) and renowned manufacturers and watch brands such as: Cartier, Chopard, Hublot, Panerai, Jagger Le Coutre, Omega, Tudor, Tag Heuer, Longines, Rado, Tissot, Frederique Constant, Citizen, Doxa, Certina, Seiko, Epos, Balticus, Victorinox as well as fashion brands: Swatch, Gucci, Emporio Armani, Michael Kors, Fossil, Timex, Skagen, Armani Exchange, Tommy Hilfiger, Guess, Hugo Boss. The watches of renowned brands sold in W.KRUK stores have a strong position on the Polish market, and the value of their sales is steadily increasing. In addition to its own original and classic jewellery collections, W.KRUK also has in its portfolio products of prestigious jewellery manufactories from around the world (so-called external brands). W.KRUK selects brands for its offer with which it has many years of achievements, reputation and jewellery designed and made by talented designers and master goldsmiths. Thanks to this, the projects of outstanding jewellers from all over the world and the diamond collections of the oldest Polish jewellery brand together create a unique selection of the most valuable jewellery. In selected stores, W.KRUK offers products of brands such as: BIRKS Bijoux, Nanis, Marco Bicego, Pasquale Bruni, Hulchi Belluni and Recarlo.

PRODUCTION ACTIVITY:

The production activities in the clothing part of the Group were located, among others, in a 100% subsidiary of the parent company, operating under the name WSM Factory Sp. z o. o. running a production plant in Ostrowiec Świętokrzyski. Due to the bankruptcy of WSM Factory Sp. announced on June 2, 2023. z o. o. VRG S.A. lost control over the company because the bankruptcy estate was taken over by the trustee.

Due to the above, as of June 2, 2023, the apparel part of the Group does not have its own production activities. Within the apparel segment of VRG S.A. cooperates with proven independent producers who guarantee the highest level of sewing and packaging services and offer competitive price conditions.

The Group's own production activities in the jewellery segment are carried out in the Issuer's subsidiary, i.e. W.KRUK S.A. in the jewellery factory in Komorniki near Poznań.

Revenues related to geographical segments for the period from January 1, 2023 to September 30, 2023 and for the comparable period are presented in the table below.

Revenues from various markets in terms of geographic location	PLN thsd. 3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Poland	297,081	892,045	315,838	894,581
EURO zone	34	7,278	3,482	10,037
USD zone	1	79	93	240
CHF zone	-	-	-	92
Total	**297,116**	**899,402**	**319,413**	**904,950**

In terms of geographical segments, the entire activity of the Capital Group is carried out in the Republic of Poland, part of the sale relates to the shipment of the Group's goods abroad.

Other financial data related to the segments are included in the Management Board's comment.

NOTE 2 SEASONALITY AND CYCLICALITY OF ACTIVITIES

Retail trade, both in the fashion sector and in the jewellery industry, is characterized by significant seasonality of revenues. For the apparel market, the most favourable period from the point of view of the generated financial result is the period of the 2nd and 4th quarter, while in the case of the jewellery industry it is the period of the 4th quarter (especially December).

The Group's activity can be divided into two operating segments: apparel and jewellery. These segments are the basis for the preparation of the Group's reports.

Basic types of activity:

- Retail and wholesale of apparel products
- Retail and wholesale of jewellery and watches

NOTE 3 OTHER OPERATING INCOME

Other operating income	PLN thsd. 3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Other operating revenues including:	308	3,552	2,759	7,050
due to write-ups for goods and materials	*0*	*523*	*2,091*	*4,023*
due to liquidation of agreements in line with IFRS16	*0*	*658*	*121*	*907*
Total	**308**	**3,552**	**2,759**	**7,050**

NOTE 3A OTHER OPERATING COSTS

Other operating costs	PLN thsd. 3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Loss on sale of non-financial fixed assets	134	170	328	37
Materials write-offs	-	-	-	231
Write-offs of goods	-	826	-	468
Finished goods write-offs	4	4	-	-

Donations	682	1,167	1,367	2,151
Fixed asset liquidation costs	187	948	461	1,959
Other operating costs including:	559	3,375	82	2,756
provision for future liabilities	-	*870*	-	*528*
severance pay	*42*	*114*	-	*1,000*
Total	**1,566**	**6,490**	**2,238**	**7,602**

NOTE 4 FINANCIAL INCOME

Financial income	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Interest on bank deposits	532	1,697	781	1,192
FX gains	-	2,868	15	136
incl.: lease liabilities for commercial and office space	-	*3,972*	-	-
Other	-	-	-10	8
Total	**532**	**4,565**	**786**	**1,336**

NOTE 4A FINANCIAL COSTS

Financial costs	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Interest on overdrafts and bank loans	880	2,665	1,208	2 775
Interest from factoring	22	413	147	279
Other finance lease interest	53	158	38	90
Interest on lease liabilities for commercial and office space	1,575	4,287	1,261	3,745
Commissions on loans and guarantees	529	1,489	638	1,778
FX losses	15,580	80	19,110	30,821
incl.: lease liabilities for commercial and office space	*11,329*	-	*12,455*	*18,108*
Bank loan amortised cost valuation	-	102	-	*2,368*
Forward transaction valuation	-	-	-	-
Other	5	50	18	62
Total	**18,644**	**9,244**	**22,420**	**41,918**

NOTE 4B RESULT ON LOSS OF CONTROL

On June 2, 2023, District Court in Kielce, 5th Commercial Division, Warszawska 44 St., 25-312 Kielce, issued a decision declaring bankruptcy of the subsidiary WSM Factory Spółka z ograniczoną odpowiedzialnością. As a result of the bankruptcy announcement of VRG S.A. lost control of the company because the bankruptcy trustee took over the management of the bankruptcy estate.

Consolidation adjustments include reverse write-downs on receivables and loans.

	PLN thsd.
	3 quarters 2023 / period from 01-01-2023 to 30-09-2023
Gain (loss) on loss of control over a subsidiary	**2,200**
Net assets at the moment of loss of control	-5,182
Consolidation adjustments	2,982
Net assets including consolidation adjustments	-2,200

	PLN thsd.
	3 quarters 2023 / period from 01-01-2023 to 30-09-2023
Net assets of WSM Factory at the moment of loss of control	**-5,182**
Assets	2,373
Liabilities	7,555

NOTE 5 DEFERRED TAX ASSET AND LIABILITIES

	PLN thsd.				
	Balance sheet			Profit or loss	
	30.09.2023	31.12.2022	30.09.2022	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Deferred tax provisions	**69**	**452**	**117**	**-383**	**16**
Balance sheet values – FX gains	3	314	28	-311	5
Net advances paid	8	55	55	-47	-
Valuation of loans at amortized cost	34	53	-	-19	-
Leased fixed assets	23	29	33	-6	10
Other	1	1	1	-	1
Transferred to financial result	**69**	**452**	**117**	**-383**	**16**
Transferred to equity	**-**	**-**	**-**	**-**	**-**
Deferred tax assets	**24,068**	**22,567**	**26,826**	**1,501**	**609**
Accelerated balance sheet depreciation	2,226	2,288	2,329	-62	67
Post-employment benefits (severance pay)	28	28	26	-	-
Write-offs	3,921	4,184	4,016	-263	-865
Provisions, remuneration and social security	1,207	1,623	1,114	-416	-353
Salaries, unpaid social security	148	915	806	-767	9
Balance sheet values – FX losses	392	6	631	386	560
Tax loss carryforward	6,210	1,493	3,892	4,717	541
Write-off of receivables from customers	114	-	-	114	-
Provision for future liabilities	978	909	921	69	-1,074
Provision for customer returns	1,343	1,313	991	30	-43
Loyalty programme valuation	1,912	1,912	766	-	-
Bank loans and bonds amortised cost valuation	-	-	489	-	450
Lease liabilities for commercial and office floor-space	5,589	7,896	10,845	-2,307	1,317

Transferred to financial result	**24,068**	**22,567**	**26,826**	**1,501**	**609**
Transferred to equity	**-**	**-**	**-**	**-**	**-**
Transferred to financial result – balance	**-23,999**	**-22,115**	**-26 709**	**-1 884**	**-593**

	PLN thsd.	
	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Corporate income tax	**13,412**	**12,347**
Current tax	15,296	12,940
Deferred tax	-1,884	-593

NOTE 6 CHANGE IN WRITE-DOWNS ON SHORT-TERM RECEIVABLES, INVENTORY AND IMPAIRMENT OF FIXED ASSETS

Write-offs	PLN thsd.				
	Balance at 01.01.2023	**Creation**	**Release/Usage**	**Reclassified**	**Balance at 30.09.2023**
Intangible assets write-offs	3,150	-	3,145	-	5
Fixed assets write-offs	1,982	-	164	-	1,818
Inventory write-offs	20,331	826	523	-	20,634
Stakes write-offs	-	5	-	-	5
Receivables write-offs	791	3,226	584	-	3,433
Write-offs on receivables from loans granted	-	524	-	-	524
Total write-offs	**26,254**	**4,581**	**4,416**	**-**	**26,419**

Write-offs	PLN thsd.				
	Balance at 01.01.2022	**Creation**	**Release/Usage**	**Reclassified**	**Balance at 31.12.2022**
Intangible assets write-offs	3,150	-	-	-	3,150
Fixed assets write-offs	3,206	-	184	1,040	1,982
Write-offs for assets held for sale	-	-	1,040	-1,040	-
Inventory write-offs	22,766	2,076	4,511	-	20,331
Receivables write-offs	1,745	86	1,040	-	791
Total write-offs	**30,867**	**2,162**	**6,775**	**-**	**26,254**

NOTE 7 PROVISIONS

	Provision for employee costs	Provision for future liabilities	Provision for work in progress	Provision for returns	Other	Total
Balance at January 1, 2022	**8,204**	**3,198**	**1,752**	**2,202**	**12**	**15,368**
provisions created during the year	1,766	679	-	205	81	2,731
provisions released/ used	-3,820	-210	-302	-845	-99	-5,276
Balance at September 30, 2022	**6,150**	**3,667**	**1,450**	**1,550**	**-6**	**12,823**
presented in short-term liabilities	5,029	3,667	1,450	1,550	-6	11,702
presented in long-term liabilities	1,121	-	-	-	-	1,121
Balance at January 1, 2022	**8,204**	**3,198**	**1,752**	**2,202**	**12**	**15,368**
provisions created during the year	4,801	452	-	1,836	111	7,200
provisions released/ used	-3,894	-	-1,188	-857	-22	-5,961
Balance at December 31, 2022	**9,111**	**3,650**	**564**	**3,181**	**101**	**16,607**
presented in short-term liabilities	8,082	3,650	564	3,181	101	15,578
presented in long-term liabilities	1,029	-	-	-	-	1,029
Balance at January 1, 2023	**9,111**	**3,650**	**564**	**3,181**	**101**	**16,607**
provisions created during the year	2,306	747	1,080	123	-6	4,250
provisions released/ used	-4,737	-	-	-713	-5	-5,455
Balance at September 30, 2023	**6,680**	**4,397**	**1,644**	**2,591**	**90**	**15,402**
presented in short-term liabilities	5,651	4,397	1,644	2,591	90	14,373
presented in long-term liabilities	1,029	-	-	-	-	1,029

Created provisions were allocated to overhead costs or other operating costs, and the released/used provisions were allocated to reducing overhead costs or other operating income, respectively.

Balance of provisions at 30.09.2023 consists of:

long-term provision for retirement benefits	**PLN 1,029 thsd.**	Total PLN 15,02 thsd.
short-term provision for retirement benefits	**PLN 107 thsd.**	
short-term provision for overdue holidays	**PLN 5,345 thsd.**	
provision for bonuses	**PLN 199 thsd.**	
provision for customer returns	**PLN 2,591 thsd.**	
short-term provision for sewing services	**PLN 1,644 thsd.**	
provision for future liabilities	**PLN 4,397 thsd.**	
other provisions	**PLN 90 thsd.**	

NOTE 8 CONDITIONAL ASSETS AND LIABILITIES

	PLN thsd.		
	Balanced at 30-09-2023 / end of quarter 2023	Balanced at 31-12-2022 / end of year 2022	Balanced at 30-09-2022 / end of quarter 2022
Issued bank guarantees for rentals of store premises	69,856	66,229	60,822
Open letters of credit	22,269	18,355	18,899
Promissory notes securing lease liabilities	622	462	514

Conditional liabilities, total	**92 747**	**85 046**	**80 235**

There are no conditional receivables in the Group.

NOTE 9 INFORMATION ON FINANCIAL INSTRUMENTS

Between January 1, 2023 and September 30, 2023, there was no change in the method of measuring financial instruments at fair value and there was no change in the classification or use of financial assets.

NOTE 9A FINANCIAL INSTRUMENTS BY CLASS

Balance sheet items	PLN thsd.					
	Balance at 30-09-2023 / end of quarter 2023		Balance at 31-12-2022 / end of year 2022		Balance at 30-09-2022 / end of quarter 2022	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Loans granted	-	-	-	-	-	-
Trade and other receivables and current assets	18,053	-	14,519	-	22,981	-
Cash and equivalents	50,995	-	95,899	-	57,839	-
Long-term liabilities due to. bank loans, loans and leases	-	206,790	-	221,118	-	249,031
incl.: leases for commercial and office space	-	*191,461*	-	*200,438*	-	*222,242*
Short-term liabilities due to. . bank loans, loans and leases	-	148,296	-	125,014	-	153,807
incl.: leases for commercial and office space	-	*110,064*	-	*101,610*	-	*106,511*
Trade and other liabilities	-	187,774	-	200,380	-	188,277
Total	**69,048**	**542,860**	**110,418**	**546,512**	**80,820**	**591,115**

The above financial assets and liabilities have been measured at amortized cost.

NOTE 9B FINANCIAL INSTRUMENTS – INCOME AND COSTS AND GAINS AND LOSSES FROM IMPAIRMENT

Balance sheet items	PLN thsd.					
	3 quarters/period from 01-01-2023 to 30-09-2023					
	Interest income	Interest cost	Gains/losses due to amortised cost valuation	Write-offs created	Write-offs release	FX gains/losses
Loans granted	-	-	-	524	-	-
Trade and other receivables	-	-	-	3,226	584	
Cash and equivalents	1,697	-	-	-	-	-13
Other short-term assets – Forward transactions	-	-	-	-	-	-543
Liabilities due to. bank loans, loans and leases	-	2,823	-102	-	-	-
Lease liabilities for commercial and office space	-	4,287	-	-	-	3,972

Balance sheet items	PLN thsd.					
	3 quarters/period from 01-01-2023 to 30-09-2023					
	Interest income	Interest cost	Gains/losses due to amortised cost valuation	Write-offs created	Write-offs release	FX gains/losses
Trade and other liabilities	-	50	-	-	-	-628
Total	**1,697**	**7,160**	**-102**	**3,750**	**584**	**2,788**

NOTE 10 INFORMATION ON SIGNIFICANT CHANGES IN ESTIMATES

List of major estimates and judgments for individual items of the statement of financial position:

Note	5	Deferred tax assets and liabilities
Note	6	Receivables write-off
Note	6	Inventory write-off
Note	6	
Note	6	Write-offs for loans
Note	7	Provisions for liabilities

8. OTHER EXPLANATORY NOTES

8.1. SIGNIFICANT EVENTS IN THE THIRD QUARTER OF 2023:

In the third quarter, many events took place internally and in the environment of the VRG Group that had an impact on business results.

Market environment:

In the third quarter of 2023, the Company was still affected by long-term economic instability, although at the end of this period the first signs of improvement in the situation began to appear. In September, inflation in Poland dropped significantly, reaching single-digit levels. The change was also visible in the consumer situation. In September, consumer sentiment began to improve compared to previous months. Despite the initial improvement in economic indicators in September, the Group remained under the influence of reduced demand throughout the third quarter, in particular in the apparel segment. This was particularly visible in the reduced interest of customers in the offer of brands positioned in the middle market segment in terms of prices. Sales stimulation was additionally hampered by record high temperatures in September, which discouraged customers from purchasing Autumn/Winter clothing at the beginning of the new season. Throughout the third quarter, the VRG Group focused on implementing changes resulting from the version published in June this year. strategy and preparing the product offer and brand communication for the following months of 2023.

Significant changes in the shareholding structure of VRG S.A.:

On August 31, 2023, the Company received, pursuant to the Act of July 29, 2005 on public offering and conditions for introducing financial instruments to organized trading and on public companies (the "Act"), a notice of the purchase of the Company's shares by Colian sp. z o. o. (exceeding the threshold of 5% of the total number of votes in the Company) and thus increasing by the shareholders' agreement consisting of: Jan Kolański, Colian sp. z o.o. and Colian Developer Sp. z o. o. sp.k. share in the total number of votes in the Company above 10% as a result of purchasing the Company's shares.

On September 1, 2023, the Company received, pursuant to the Act, from FORUM TFI S.A., acting on its own behalf as the manager of the funds: FORUM X FIZ and FORUM XXIII FIZ notification about change in the total number of votes from 7.23% to 0% of the total number of votes at the General Meeting of the Company.

On September 28, 2023, the Company received, pursuant to the Act, from IPOPEMA TFI S.A. notification that as a result of the conclusion of an agreement on September 26, 2023, between: Mr. Jan Kolański, Colian sp. z o. o., Colian Developer Sp. z o. o. sp.k. and IPOPEMA 21 FIZ AN managed by IPOPEMA TFI S.A. (hereinafter jointly: "Parties to the agreement") regarding the direct or indirect purchase or subscription of the Company's shares, unanimous voting at the General Meeting of the Company and pursuing a lasting policy towards the Company, referred to in Art. 87 section 1 point 5) of the Act, the total share of votes of the Parties to the agreement in the total number of votes in the Company exceeded the threshold of 25%.

Omnichannel development:

In accordance with the strategy adopted in June 2023, the VRG Group continues its development in the omnichannel model. In its activities, it strives to shorten the purchase path and ensure full integrity of the online and offline channel.

In the offline channel, the company is modernizing existing and opening new brand stores. In the third quarter, the Group developed retail space in key shopping centers. An important activity of the Group in the past quarter was the preparation of new traditional concepts (mainly in the Vistula and Wólczanka brands) for opening in the following months.

In the on-line channel, in the third quarter of 2023, the company implemented the last stage of the "one basket" project, the aim of which is to combine the on-line and off-line channels and increase the availability of products in the omnichannel. This is an important element of the implementation of the Group's strategy, which will increase the functionality and integrity of channels and, as a result, will affect the effectiveness of sales of brand collections and increase the margin. The group is working intensively on developing its e-commerce presence to provide customers with a better shopping experience. In the past quarter, the Company continued to modernize sales applications of all brands.

Commercial offer – apparel segment:

In the third quarter of 2023, Vistula, Wólczanka and Bytom teams worked intensively on implementing strategic changes in the ID of these brands. The company was preparing to launch a collection for the Autumn and Winter season. Vistula and Wólczanka brands include more products targeted at young customers and the share of women's offers in new collections has increased. In turn, Bytom and Deni Cler brands developed their premium offer, expanding it with products made of high-quality materials.

In September, Vistula debuted a new ambassador collection "DISCOVER YOURSELF" with Rafał Jonkisz, an acrobat, skydiver and influencer, and Rafał Rulski, Polish Champion in car racing. The collection presents modern clothing for men, characterized by high quality materials, exceptional fit and versatility in all conditions. The brand used 3DWOOL and stretch technology to produce flexible suits. Materials promoting the collection were created using 3D technology supported by AI algorithms, which enabled the creation of video material emphasizing the importance of the elements, dynamics and emotions.

Already in August, Bytom brand presented the first version of Autumn/Winter collection. The offer includes universal clothing that ensures comfort and adapts to the occasion and weather conditions. However, the key activity of the brand in the third quarter was the preparation of the BYTOM x JIMEK "Symphony of Crafts" ambassador collection. The brand invited composer Radzimir Dębski (Jimek) to work closely on the offer throughout the entire process of its creation. The ambassador, together with the design team, worked on all elements of the collection and was involved in the production of promotional materials, including composing music for the BYTOM advertisement. The announcement of the collection, published in September, generated great interest from the media and consumers just a few weeks before the premiere. The collection appeared in stores in mid-October.

Wólczanka intensively communicated the upcoming offer for the Fall/Winter 2023/24 season in the "Ready for Autumn" collection. The brand emphasized both the style of the products and the materials from which they were made. The new collection includes even more environmentally friendly clothes made of organic cotton and recycled polyester. In line with the Group's adopted strategy, the brand strengthened the presence of women's clothing in its offer and increased the share of products adapting market trends. At the same time, work continued on changes to the architecture of the Wólczanka brand, announced in October with the premiere of the WELL Wólczanka concept.

Deni Cler presented her "Quiet Luxury" collection for the Autumn/Winter 2023/24 season during a fashion show in Warsaw on September 7 this year. The event was attended by a wide group of representatives of Polish fashion, culture and show business. The presented collection is tradition in a modern version. The brand's offer includes products that present discreet elegance and timeless fashion.

Commercial offer – jewellery segment:

In September, W.KRUK presented a new ambassador collection "Freedom Elements" with Martyna Wojciechowska. This is another edition of the jewellery and accessory offer developed in cooperation with the ambassador, after the June premiere of the "Feel the Smell of Freedom" collection. The main motif of the current offer remains the elements, reproduced in expressive silver and gold jewelry, original perfume fragrance compositions and colorful silk scarves.

In the third quarter of 2023, W.KRUK worked on preparing a product offer for the fourth quarter of the year, which is the most important from the perspective of the brand's operations.

Clothes To Donate:

The VRG Group continued its commitment to sustainability. In the third quarter of 2023, Wólczanka ran the #Poczujradośćpomagania campaign, implemented with the Clothe to dontae brand. As part of this activity, in selected Wólczanka stores, customers can return clothes of any brand, which are sent to circular boutiques and companies obtaining used clothing. For each kilogram of items collected, Clothes to donate donates PLN 1 to support the "Zdążyć z Pomocą" Foundation. So far, Wólczanka has collected c. 3.9 tons of clothing as part of the campaign.

8.2. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE:

No significant effects.

8.3. ISSUANCE, REDEMPTION AND REPAYMENT OF DEBT AND EQUITY SECURITIES

In the reporting period, the Parent Company did not issue, redeem or repay any equity securities.

8.4. DIVIDENDS PAID AND DECLARED

The Capital Group has a Dividend Policy adopted by the Management Board of the parent company on May 18, 2022 with the following wording:

VRG S.A. dividend policy based in Cracow.

One of the main objectives of the Management Board of VRG S.A. with its registered office in Cracow (the "Company") is to share profit with shareholders through the payment of dividends. The Company's Management Board intends to recommend the shareholders to pay dividends in accordance with this dividend policy.

The Management Board of the Company intends to recommend annually to the General Meeting of the Company a dividend payment in the range between 20% and 70% of the value of the consolidated net profit resulting from the audited consolidated financial statements of the Company, assuming that the net debt/EBITDA ratio at the end of the financial year will be less than 2.5.

Each time before presenting a recommendation to the general meeting of the Company, the Management Board of the Company will take into account the following factors:

- the financial situation of the Company and its capital group,
- investment needs,
- liquidity situation,
- prospects for the development of the Company's capital group in a given market and macroeconomic situation,
- acquisition plans,
- banking covenants.

Management Board of VRG S.A. on May 30, 2023, adopted a resolution on accepting the request of the Management Board of VRG S.A. to the Ordinary General Meeting of the Company regarding the method of distribution of the Company's net profit for the financial year 2022 and the payment of dividend, which provided for:

1) a proposal to allocate the net profit shown in the Company's financial statements for the financial year 2022 in the amount of PLN 48,358,808.32 in its entirety to supplementary capital;

2) a proposal to pay a dividend in the amount of PLN 0.20 per share, i.e. in the total amount of PLN 46,891,168.00 from the supplementary capital (in the part created from profits - Article 348 § 1 of the Commercial Companies Code).

The Management Board's proposal included a proposal to establish that the Company's shareholders as of September 20, 2023 (dividend day) will be entitled to the dividend, and the dividend payment will take place on December 15, 2023. The dividend will cover 234,455,840 shares of the Company.

The Ordinary General Meeting of the Company on June 28, 2023 adopted resolution No. 07/06/2023 on the payment of dividend in accordance with the above-mentioned request of the Management Board in the amount of PLN 0.20 per share, i.e. a total of PLN 46,891,168.00. The Company's shareholders as of September 20, 2023 (dividend date) will be entitled to the dividend. The dividend payment date will be December 15, 2023.

8.5. PROCEEDINGS PENDING BEFORE COURTS OR PUBLIC ADMINISTRATION AUTHORITIES

No proceedings concerning the Group's liabilities or receivables, the value of which would have a significant impact on the assessment of the Group's situation, are pending before the court, arbitration body or public administration body.

8.6. TAX SETTLEMENTS

Tax regulations in force in Poland are subject to frequent changes, causing significant differences in their interpretation and significant doubts in their application. Tax authorities have control instruments enabling them to verify the tax bases (in most cases during the previous 5 financial years) and to impose penalties and fines. From July 15, 2016, the Tax Ordinance also includes the provisions of the General Anti-Abuse Clause (GAAR), which is intended to prevent the creation and use of artificial legal structures created to avoid taxation. The GAAR clause should be applied both to transactions concluded after its entry into force and to transactions that were carried out before the entry into force of the GAAR clause, but for which benefits were or are still being achieved after the date of entry into force of the clause. As a result, determining tax liabilities, assets and deferred tax liabilities may require significant judgment, including those relating to transactions that have already occurred, and the amounts presented and disclosed in the financial statements may change in the future as a result of audits by tax authorities.

8.7. RELATED PARTY TRANSACTIONS

The following entities are considered related to the Group:

- persons belonging to the key management personnel of the VRG S.A. Capital Group.
- entities over which key persons control or exert significant influence, within the meaning of IAS 24.

The Group's key management personnel includes members of the Management Board and Supervisory Board of the Parent Company.

The value of short-term benefits paid to members of the Parent Company's Management Board in the period from January 1, 2023 to September 30, 2023 amounted to PLN 2,178 thousand.

The value of short-term benefits of members of the Parent Company's Supervisory Board paid in the period from January 1, 2023 to September 30, 2023 amounted to PLN 1,277 thousand.

Members of the Management Board of VRG S.A. for serving on the Supervisory Board of DCG S.A. charged the amount of PLN 0,000 and members of the Supervisory Board of VRG S.A. for serving on the Supervisory Board of DCG S.A. charged the amount of PLN 0 thousand.

Additionally, members of the Supervisory Board of VRG S.A. sitting on the Supervisory Board of W.KRUK S.A. they collected the amount of PLN 199.5 thousand. Two members of the Management Board of VRG sit on the Management Board of W.KRUK S.A. and for this they collected the amount of PLN 1,455 thousand.

8.8. INFORMATION ON GRANTING BY THE ISSUER OR BY A SUBSIDIARY OF A CREDIT OR LOAN OR GUARANTEE GRANTING A TOTAL TO ONE ENTITY OR A SUBSIDIARY OF SUCH ENTITY, IF THE TOTAL VALUE OF THE EXISTING SURETIES OR GUARANTEES IS SIGNIFICANT

In the third quarter of 2023, the Parent Company did not grant additional sureties to subsidiaries in relation to those described in the consolidated and separate condensed interim report for the period of 6 months ended June 30, 2023.

As at September 30, 2023, the balance of sureties granted in previous periods by the Parent Company to its subsidiaries W.KRUK S.A., DCG S.A. for the liabilities of W.KRUK S.A., DCG S.A., respectively. towards Bank PKO BP S.A. resulting from loan agreements is:

- Term loan agreement (Loan B) up to the amount of PLN 71,400,000.00 concluded by the Company on March 9, 2015, as amended. amended, transferred to W.KRUK S.A. after the takeover of an organized part of the Company's enterprise by W.KRUK S.A. as a result, there was a change of the borrower in the B Loan Agreement, i.e. W.KRUK S.A. replaced the Company with full rights and obligations of the borrower. As a result, the debt was taken over by W.KRUK S.A. After the rights and obligations of the borrower are transferred to W.KRUK S.A., the Group is responsible for the repayment of Loan B under the guarantee up to a maximum amount not exceeding PLN 107,100,000, with the possibility of its release after 3 years.
- Multi-purpose credit limit agreement up to PLN 18,000,000.00 concluded by the subsidiary DCG S.A. on June 26, 2015, as amended. One of the security measures for the repayment of DCG S.A. liabilities. the bank under this agreement is a surety provided by the Parent Company up to a maximum amount not exceeding PLN 27,000,000, the surety is valid until July 11, 2028.

8.9. INFORMATION ON A SIGNIFICANT LIABILITY FOR THE PURCHASE OF PROPERTY, PLANT AND FIXED ASSETS

The total amount of capital expenditures in the consolidated financial statements from cash flows reported in the reporting period amounted to PLN 25,027 thousand.

There were no significant sales transactions.

8.10. INFORMATION ON A SIGNIFICANT LIABILITY FOR THE PURCHASE OF PROPERTY, PLANT AND FIXED ASSETS

Not applicable.

8.11. INDICATION OF FACTORS WHICH IN THE ISSUER'S OPINION WILL AFFECT THE RESULTS ACHIEVED BY THE CAPITAL GROUP IN THE PERSPECTIVE OF AT LEAST THE NEXT QUARTER

Below is a summary of the most important factors that may affect the results and economic and financial situation of the Group. The factors listed below may have a significant impact on the development prospects, results achieved and financial situation of the Capital Group.

The Group's financial results in the next few quarters may be adversely affected by:

- Inflation and price increases.
- Reducing consumption, cutting spending on durable goods due to rising inflation and household costs of living.
- Armed conflict in Ukraine.
- Decrease in the PLN exchange rate against USD, EUR, CHF.
- Economic and social situation in Poland.

Positive impact on the Group's financial results in the next quarter may be exerted by:

- Further development of the Group's offer.
- Higher group’s inventory.
- Development of the on-line channel, omnichannel-oriented activities.
- Increase in the PLN exchange rate against USD, EUR, CHF.

8.12. OTHER INFORMATION THAT IS RELEVANT FOR THE ASSESSMENT OF THE SITUATION OF THE VRG S.A. CAPITAL GROUP

Below is a summary of the most important risk factors that may affect the results and economic and financial situation of the Group. The factors listed below may have a significant negative impact on the development prospects, results achieved and financial situation of the Capital Group.

EXTERNAL RISK FACTORS

Economic risk related to the macroeconomic situation	The level of the Group's revenues depends on the economic situation, including: the dynamics of economic growth, inflation, unemployment, household income and debt, individual consumption, consumer optimism indicators, the level of the euro exchange rate against the złoty, interest rates and government fiscal policy. There is a risk that in the event of a sharp economic downturn and the occurrence of recessionary phenomena, there will be a significant drop in demand for the products, offered by the Group, which will have a negative impact on the achieved results and financial position. **Actions**: Each of the brands owned by the Group is aimed at a wide range of consumers. The Group offers very good quality products in various price segments. In the event of a downturn in the economy or demand, the Group will cut costs to maintain profitability.
Risks associated with the instability of the Polish legal system legal system, including tax system	A potential risk for the Group's business, as for all business entities, may be the volatility of laws and their interpretation. Changes in commercial law, tax law, labour and social security law and other regulations governing businesses, particularly in the Group's industry, entail significant risks in the conduct of business and may hinder or prevent the implementation of planned op-

erational activities and financial forecasts. Subsequently, changes in the law may lead to a deterioration in the Group's financial condition and performance. New legal regulations may potentially give rise to certain risks related to interpretation problems, lack of jurisprudence practice, unfavourable interpretations adopted by courts or public administration bodies, etc. For example, the implementation of the EU Omnibus Directive, which in the context of Polish law included primarily the amendment of two laws: on the protection of consumer rights and on counteracting unfair market practices, introduced significant changes in trading on the Internet and in traditional stores. The new provisions raise questions of interpretation.

Tax law is characterised by a lack of stability, as its provisions are frequently amended, many times to the disadvantage of taxpayers. Changes in the taxation of business activities with respect to income tax, value added tax or other taxes may adversely affect the Issuer's operations and income levels. Interpretations of tax authorities also change, are replaced by others or are in conflict with each other. This results in uncertainty as to how the law will be applied by the tax authorities in the diverse, often complex factual situations occurring in business. The Group is also exposed to the risk of possible changes in interpretations of tax laws issued by tax authorities.

The factors described above may have a significant negative impact on the Group's development prospects, results and financial position.

Activities: The Group continuously analyses changing legislation, including tax legislation, In the event of legal changes, the Management Board will focus its activities on minimising their impact on the Group's financial results.

Risks associated with increased competition

The Capital Group operates in a highly competitive market environment. The apparel and jewellery segment of the market is characterised by a high degree of fragmentation: on the one hand, we are dealing with brands recognised on the Polish market, such as Vistula, Bytom, Wólczanka, Deni Cler and W.KRUK, and on the other hand, with global brands that are aggressively entering the Polish market. The clothing segment of the market is characterised by fairly low barriers to entry. There is also competition from newly emerging brands. The Group may have to look for new sourcing markets to keep its offering competitive. In addition, it may need to spend more on marketing and promotion to reach its target customer.

Actions: In order to mitigate risks, the Group continuously monitors the activities of its competitors in terms of the development of its sales network, the products offered and the level of prices.

Exchange rate and hedging policy risks

The Group obtains revenues mainly in PLN, but incurs significant costs in EUR, US dollars and Swiss francs, which exposes the financial result to exchange rate risk. In periods of PLN weakening in relation to the main settlement currencies, the Group incurs higher costs due to accounting for exchange rate differences.

In currencies other than PLN, the Group incurs costs (a) for the purchase of materials for production (fabrics, accessories) and complementary assortments in the clothing segment (shoes, knitwear, leather accessories and others), (b) for the purchase of materials for production (jewellery raw materials), jewellery and watches in the jewellery segment and (c) resulting from lease agreements for retail space.

In the event of a significant and long-term weakening of the Polish currency in relation to the euro, US dollar and Swiss franc, there is a risk of a significant deterioration of the financial results achieved by the Group.

Actions: The parent company takes actions aimed at limiting the impact of the increase in the exchange rate on the level of the "in take" margin achieved, mainly in terms of the USD/PLN

	exchange rate relationship. by concluding forward and spot contracts. The transactions are related to individual deliveries of goods, especially in the fashion area, and do not involve neutralizing the possible risk associated with an increase in rent due to a change in the EUR/PLN exchange rate. The impact of forward transactions will be visible in the valuation of currency liabilities related to concluded forward transactions.
Interest rate risk	The Group uses external financing with a variable interest rate in the form of an investment loan and a working capital loan as well as reverse factoring. Therefore, the Group is exposed to interest rate risk in the form of a possible increase in financing costs and, consequently, a decrease in the Group's profitability. **Actions**: The Group constantly monitors the market situation and optimizes the debt level using diversified financial products.
Risks related to the armed conflict in Ukraine and in the Middle East	The uncertain political and economic situation related to the armed conflict in Ukraine may negatively affect the Group's operations in the area of domestic consumer stay, exchange rates and supply as a result of the risk of disruption of the supply chain. The Group does not have its own or partner showrooms in the areas affected by military operations in Ukraine and Russia, and sales do not take place there through other channels (online store, wholesale). Due to the fact that the Group does not import goods or raw materials from Ukraine and Russia, the risk related to the possible negative impact of the armed conflict in Ukraine on the current stock of stationary stores and the availability of the offer in online stores is assessed by the Management Board of the Parent Company as low. In the Company's opinion, the unstable political situation in the Middle East region may also negatively affect the Group's operations in the area of domestic consumer stay, exchange rates and supply as a result of the risk of disruption of the supply chain.

INTERNAL RISK FACTORS

Risks associated with adopting the wrong strategy	There is a risk that the Group's development plans, which were presented in the Capital Group's Strategy for 2023-2025, published on June 15, 2023, will prove unsuited to changing customer expectations or market conditions. There is a risk that the implementation of the Strategy will be delayed or some of its elements will not be implemented or will not deliver the assumed results. There is, among others, a risk that the Group will not be able to achieve the financial results assumed in the Strategy due to the failure to adjust the product offer to customer expectations or disruptions in the functioning of the target markets of the Group's brands caused by recessionary pressure in the economy. **Actions**: The management boards of the Group's companies analyze the effects of the actions implemented under the adopted Strategy of the Capital Group for 2023-2025 on an ongoing basis. Data is collected on available new locations of off-line stores and potential new sales markets. Optimization measures are taken in various areas of the Group's operations, the needs and behaviour of customers, the activities of competing brands are monitored, and changes in the models of retail trade in the apparel and jewellery segment are observed to minimize the risk of continuing the wrong strategy and ensure the possibility of its modification in a manner adequate to changes in the market situation.

Risk of changing tastes and purchasing behaviour	An important factor in the success of an apparel company is a keen sense of changes in fashion trends and current consumer preferences and, in the case of the jewellery segment, adaptation to consumer expectations. There is a risk that individual collections or part of the Group's offer, despite its efforts, will deviate from customer expectations in a given season, which may result in problems with sales, the need to reduce selling prices or write down the value of part of the inventory. In order to mitigate this risk, the Group's companies analyse changing trends and customer needs so as to continue to offer desirable products at a favourable price/quality ratio. In addition, an analysis of the sales of individual ranges is carried out in order to select appropriate products in the next collections of the Group's owned brands. Over the last few years, as a result of the development of new communication technologies, there has been a notice-able change in the behaviour of the modern customer, i.e. the use of the internet and mobile devices in the clothing purchasing process. Thanks to the use of the internet in the purchasing process, the consumer has access to a wide range of brands, often with a global reach. They are also able to quickly compare the products on offer in terms of quality and price. Customers pay attention to delivery times, as well as the manufacturing process and the country of origin of the product. Knowing how today's consumers think and behave about their clothing purchases is an important factor in the success of clothing companies. **Activities**: The Group is aware of the changes taking place and is taking a number of actions to meet the demands of today's apparel customers. These actions include: developing the online sales channel, adapting web shop pages to meet customer expectations, implementing dedicated solutions for mobile devices and reducing lead times.
Risks associated with concluded rental contracts	The Group's business is based predominantly on the retail sale of goods through its own network of stores. The risk of losing one or more locations cannot be ruled out, e.g. in connection with the intention to modernise the entire shopping centre or a change in the landlord's pricing policy. The risk of termination of the lease agreement cannot be ruled out if the Group breaches the provisions of the lease agreement or of non-renewal of the lease agreement in locations showing the highest profitability for the Group or generating satisfactory financial results. There is a risk that the lease terms offered to the Group for the next period may differ unfavourably from the existing terms in the location. Loss of existing locations may make it necessary to temporarily curtail operations in a given area or the acquisition of attractive locations may involve increased costs. **Activities**: constant monitoring of existing and potential locations is carried out in order to achieve an optimal portfolio in line with the Group's expectations.
Risks associated with inven-tory management	Inventory management of finished goods and merchandise is one of the important factors affecting sales performance in the Group's industry. On the one hand, stock levels should facilitate purchasing decisions when offering a particular seasonal collection, leading to an increase in stock at each point of sale. On the other hand, higher inventory levels generate additional working capital requirements and may lead to the rewarding of hard-to-buy stock (seasonal, 'fashion' products, misplaced collections). Inadequate inventory management poses a risk to prices, margins and the necessary level of working capital, and can therefore negatively affect the Group's growth prospects, performance and financial position. **Actions**: A quantitative and qualitative analysis of the stocks held is carried out periodically. Based on this, the Group decides on discount actions, the amount of sales, as well as possible

	write-downs. In addition, on the basis of an analysis of the stock held and the resale of current collections, decisions are made as to the level of purchases for subsequent sales periods.
Risk of increases in raw material prices and manu-fac-turing costs from sup-pliers	The Group procures imported raw materials for production, in particular high-quality fabrics and sewing accessories, as well as metals and precious stones for jewellery production. The cost of the aforementioned raw materials is a significant factor affecting the cost of production of the individual products on offer from the Group. In addition, Group companies purchase clothing accessories, jewellery products and watches from renowned foreign brands. There is a signifi-cant risk that with further increases in the prices of raw materials or manufacturing costs from suppliers/service providers, with little scope for price changes, it will not be possible to maintain margins that are appropriate for the type of product range. **Actions**: With a view to the quality required, the Group actively seeks the most optimal service providers and suppliers and negotiates price conditions.
External service cost risk	A significant share of operating costs is accounted for by third-party services. These services consist primarily of rents and other charges under commercial leases, costs related to the sewing service and costs related to transport and logistics. The Group also purchases a number of typ-ical services (e.g.: advertising, telecommunications, legal, consul-tancy, etc.). The risk of deterioration in the commercial terms of one or more of the third-party services purchased by the Group, in particular rental costs, cannot be excluded. **Activities**: Constant monitoring of the contracts concluded and comparison to current market conditions is carried out.
Risk of termination of a bank loan agreement	The Group has entered into bank loan agreements with the banks PKO BP, SA, ING Bank Śląski SA and mBank SA. These agreements contain a number of conditions and covenants that the Group is obliged to fulfil. In the event of an economic downturn, a weakening of demand for the Group's products, the fulfilment of the covenants may be jeopardised, resulting in the risk of termination of the agreements by the financing banks. Due to the large amount of financing, it may not be possible for the Group to obtain refinancing in the short term. **Actions**: The Group minimises the risk by meeting its obligations to the banks on time and mon-itoring compliance with covenants. The Group provides the financing banks with information on its situation on an ongoing basis, either as a result of contractual conditions or the interest of the financing banks themselves, so that the associated risks are minimised and, should refi-nancing be required, the Group would be able to obtain it within a timeframe that does not impede liquidity.
Liquidity risk	The Group has liabilities under loan agreements. Consequently, collateral has been established covering a significant portion of the assets. These liabilities are serviced primarily using current operating income. In the extreme case of a sharp, simultaneous drop in demand and increase in costs (especially in the event of a deep weakening of the Polish zloty) or a temporary loss of revenue as a result of extraordinary events, the Group may experience difficulties in maintaining its liquidity.

	Actions: The Group constantly monitors its liquidity position by analysing the volume of sales receipts and required liabilities. It has carried out measures to extend payment terms for purchased goods and is actively adjusting the value of collections in line with demand, which will have a positive impact on the Group's cash flow. In the first half of 2022, the Group companies renewed their contracts with PKO BP and mBank for further years. The Group will work to further improve the efficiency of working capital utilisation and maintain longer payment terms. In the opinion of the Parent Company's Management Board, the current situation is sufficiently monitored and con-trolled. The Parent Company's Management Board is confident of the positive results of the measures described above.
Risk of liquidation of collateral and loss of collateral	In connection with loan and other agreements with a number of entities, the Group has created numerous collaterals over all of its assets, both real estate and movable property, inventories and trademarks. The amount of collateral exceeds the carrying value of the Group's assets. There is a risk of failure to meet deadlines or other contractual terms. Delays in meeting the above obligations may result in the immediate termination of all or part of the financing and the subsequent seizure of the Group's assets by the creditor to satisfy the collateral. The loss of significant assets could lead to significant impediments to the Group's business operations or even a complete blockage of the Group's ability to operate, generate revenues and profits. **Actions**: The Group minimises risk by meeting its obligations to banks in a timely manner.
Risks related to transactions with related parties	Group companies do and will enter into transactions with related parties. In particular, the Issuer enters into such transactions with the production company and the company responsible for the jewellery segment. Transactions with related parties may be subject to examination by the tax authorities in order to ascertain whether they were conclud-ed on an arm's length basis and whether, therefore, the entity has correctly determined its tax liabilities. In the opinion of the Parent Company's Management Board, transactions with related parties are and will be concluded on an arm's length basis. There is a risk that the tax authorities will question the arm's length nature of the terms and conditions of the selected related party transaction, which could result in additional tax having to be paid, together with default interest. **Actions**: The parent company enters into transactions with related parties on an arm's length basis and analyses their marketability.
Risks related to shareholder structure	The parent company currently has a shareholding structure in which the largest shareholders, holding directly or indirectly through subsidiaries, at least 5% of the total number of votes at the General Meeting of Shareholders, hold a total of 77.28% of the votes at the General Meeting. Most of these significant shareholders have held shares of the parent company for many years, and they participate in shaping the Company's operations through representatives on the Supervisory Board. However, the risk cannot be ruled out that one or more of the significant shareholders will reduce their shareholding or cease to invest in the Company's shares. It cannot be ruled out that decisions on the Group's strategy and operations which are important from the point of view of the Group will be delayed or even blocked. It cannot be ruled out that, despite the cooperation to date, the interests of significant shareholders will diverge/conflict. The aforementioned factors may have a significant negative impact on the Group's development prospects, results and financial position.

Risks associated with provid-ing guarantees to subsidiar-ies	In connection with the separation of an organized part of the enterprise in the form of jewellery assets and their transfer to the subsidiary W.KRUK SA, the company performed a simultaneous financial restructuring. As part of this process, in 2015 W.KRUK SA obtained new financing from Bank PKO BP (Bank Loan B) and the parent company guaranteed the liabilities of the sub-sidiary. In the second quarter of 2015, the subsidiary DCG SA obtained refinanc-ing from Bank PKO BP. The said liability of the subsidiary DCG S.A. was guaranteed by the Parent Company. Parent company VRG S.A. is responsible for the repayment of Loan B under the surety granted to W.KRUK S.A. up to a maximum amount not exceeding PLN 107,100,000, with the possibility of its release after 3 years. Parent company VRG S.A. grants a loan repayment surety to DCG S.A. up to a maximum amount not exceeding PLN 27,000,000. In the event of a rapid deterioration of the economic situation and the discontinuation of debt service by W.KRUK SA or DCG SA. Based on the guarantees granted, the parent company may be required to settle outstanding liabilities of subsidiaries, which could cause deterioration of the financial liquidity of the entire Company. **Actions**: The Group monitors the financial situation of subsidiaries on an ongoing basis and the fulfillment of their obligations towards banks financing their operations.
Risk of disruption to IT systems	The Group uses a number of IT systems, tools and programmes to ensure an adequate level of communication within the organisational structures of the Group's companies, recording and processing information on business events in all areas of its operations. The risk of IT disruptions in the areas of (i) Technical infrastructure (e.g. failure of servers, workstations, network equip-ment, lack of connection to external networks), (ii) Software (e.g. malfunction, unauthorised de-letion, operation of computer viruses), (iii) Data resources (loss or destruction of data, unauthor-ised access to data, unauthorised duplication of data, unauthorised modification of data) cannot be excluded. **Actions**: Within the framework of the procedures in place and the IT tools at its disposal, the Group aims to minimise the possibility of the above-described events occurring, but it is not possible to completely exclude the likelihood of their occurrence and thus their negative impact on the security and reliability of the information resources and data-bases held and on the se-curity and continuity of service provision.
Risks related to the EU directive GDPR	Since May 25, 2018, Regulation 2016/67 of the European Parliament and of the EU Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC (GDPR) has been in force in the Polish legal order, which applies to all entities processing personal data in their business activities. The GDPR has introduced a number of changes and expanded the obligations of controllers and data processors. An important issue is that the GDPR sets out maximum levels of penalties for breaches of the GDPR . The maximum levels have been set at €20,000,000 or 4% of the entrepreneur's total annual turnover from the financial year preced-ing the breach. **Actions**: In view of the above, the Group has carried out work to: - adjust its operations to the requirements of GDPR, which include: organising training courses for employees whose activities will be affected by the provisions of GDPR , i.e. first and fore-most - employees of the marketing, sales and HR departments, the loyalty programme service department,

	- development of a new Information Security Policy; - development of a new Instruction for Management of IT systems used for data processing; - preparation and implementation of changes in solutions of organizational and technical nature; - development of a threat and risk analysis in processing personal data. However, the risk of incidents related to violations of GDPR regulations cannot be completely excluded, which could result in additional negative financial consequences for the Group.
Fluidity risks of working with an external logistics operator	The fluidity and timeliness of deliveries of goods to the network of traditional stores and deliveries of goods purchased by customers of VRG S.A. Group's online shops is based on outsourcing logistics services to an external operator. There is a risk that disruptions in the organisation of work of the external logistics operator related, for example, to problems of staffing of workstations and availability of adequate warehouse space may cause disruptions in the following logistics processes: – disruptions to the fluidity of warehouse processes (receipts / releases); – delays and errors in deliveries to stationary salons in the period of increased demand - replacement of co-leads; – delays and errors in shipments to customers of online shops during periods of increased demand or periods when shopping centres are closed - intensive sales campaigns. The measures taken by the VRG S.A. Group to mitigate the aforementioned risks concern respectively: – introducing a procedure for regular audits of the logistical structures and systems provided by the external operator; – improvement of the external operator's stock receipt and release plan and precise advance determination of the required storage space; – introducing a system for planning releases of goods on a weekly basis and a system for providing in-formation to the logistics operator on the number and dates of planned releases of goods; – introduction of planning of the number of e-commerce orders in monthly cycles - based on analytical data from online stores; However, the risk of incidents related to the disruption of the aforementioned logistics processes cannot be completely ruled out, which could result in additional negative consequences for the Group related to a reduction in sales as a result of the untimely stocking of the stationary shop network or the loss of some online shop customers as a result of delays in paid deliveries. Negative effects of deterioration of the image of the Group's brands as a result of the appearance of critical comments on the Internet and in social media by customers of online shops who do not receive their purchased goods within the required timeframe cannot be completely excluded either.
Risk of disruption in supply chains	The Issuer Group purchases products and goods from suppliers in Europe and Asia. Various forms of transport offered by proven logistics companies are used for procurement logistics. However, there is a risk that as a result of constraints related to epidemiological situations or other factors affecting the operations of logistics companies (e.g. strikes, ob-structions on transport routes), there may be delays in delivery dates and the cost will be higher.

Activities: The Group uses the services of large, professional forwarding companies providing a comprehensive service. The amount of costs is constantly monitored and subject to comparative assessment.

8.13. FACTORS AND EVENTS, INCLUDING UNUSUAL CHARACTER, HAVING A SIGNIFICANT EFFECT ON THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

In the reporting period, there were no unusual items that would have a significant impact on assets, liabilities, equity, net profit or cash flows that would not be described in this report.

COMMENTARY TO FINANCIAL INFORMATION IN CONDENSED INTERIM CONSOLIDATED REPORT FOR 3Q23

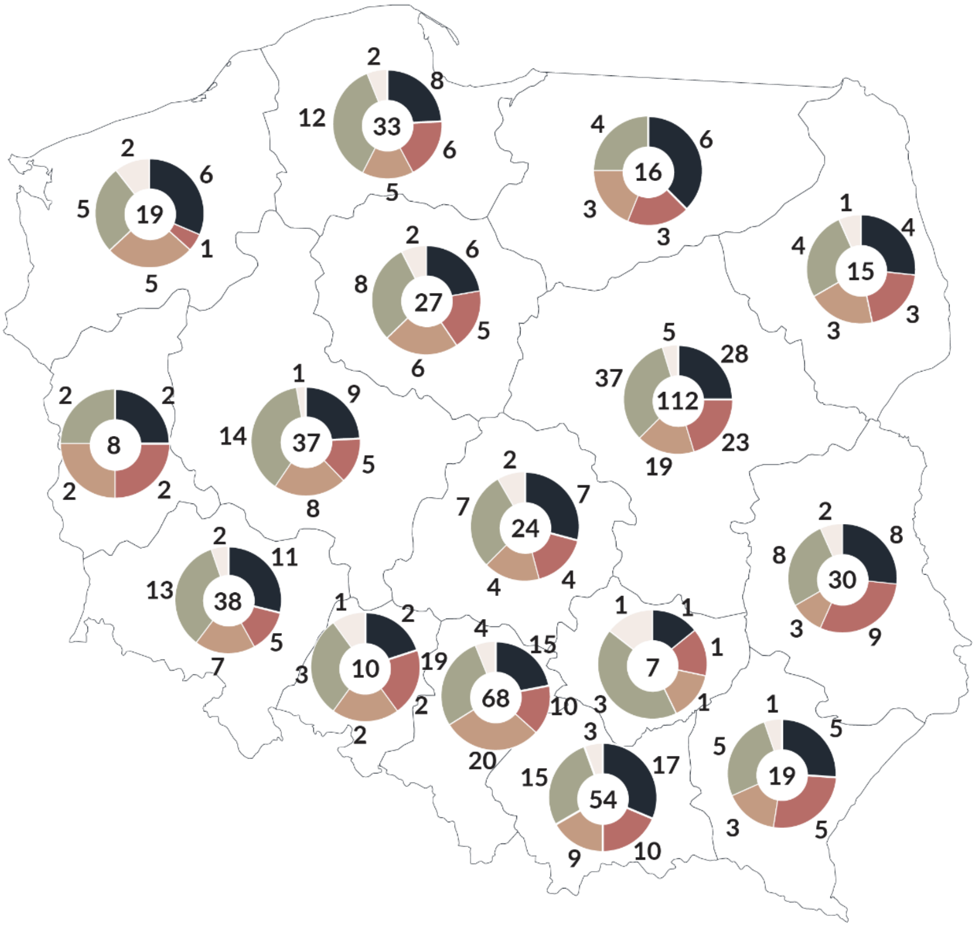
1. 3Q23 FINANCIAL RESULTS

At the end of the third quarter of 2023, compared to the same period of the previous year, the Group's retail floorspace increased to 52.6 thousand m2, i.e. by 1% YoY. The increase in floorspace in the apparel segment was 0.1%, while in the jewellery segment the space increased by 3.9%.

Retail floorspace (end of period):	thsd. m2	
	30.09.2023	30.09.2022
Apparel segment	39.8	39.8
Jewellery segment	12.7	12.3
Total floorspace	52.6	52.0

As at the date of this report, the dominant part of sales is carried out through the retail network of brand stores of individual brands belong-ing to the Capital Group. As at the date of this report, the Capital Group has a retail network of 517 locations, including franchise stores of the Vistula, Wólczanka, Bytom, Deni Cler and W.KRUK brands. Among the operating stores, the Group owns only 1 location. Other loca-tions are used by the Group on the basis of medium/long-term lease agreements concluded for a period of generally 5 years, a small part of the agreements is concluded for an indefinite period. Most of the premises are located in modern large-area shopping centers.

Below we present distribution and number of branded stores of the Capital Group at the end of 3Q23 by individual brands.



135	100	94	29	159
VISTULA	BYTOM SZTUKA KRAWIECTWA OD 1945	WÓLCZANKA	DENI CLER MILANO	W.KRUK 1840

SELECTED FINANCIAL DATA OF VRG GROUP

	PLN thsd.			
	3 quarters 2023 from 01-01-2023 to 30-09-2023	3 quarters 2022 from 01-01-2022 to 30-09-2022	3 quarter 2023 from 01-07-2023 to 30-09-2023	3 quarter 2022 from 01-07-2022 to 30-09-2022
Revenues	899,402	904,950	297,116	319,413
EBITDA	161,922	180,242	51,614	60,630
EBIT	67,730	98,542	19,727	33,343
Net result	**51,839**	**45,613**	**937**	**9,195**

IAS17*	PLN thsd.			
	3 quarters 2023 from 01-01-2023 to 30-09-2023	**3 quarters 2022** from 01-01-2022 to 30-09-2022	**3 quarter 2023** from 01-07-2023 to 30-09-2023	**3 quarter 2022** from 01-07-2022 to 30-09-2022
Revenues	899,402	904,950	297,116	319,413
EBITDA	71,905	99,825	22,461	33,631
EBIT	55,266	83,628	16,636	28,359
Net result	**41,998**	**51,234**	**8,884**	**16,267**

**Key financial items of the Group in the table above show the impact of IAS17 as the previous standard*

Difference between the operating result (EBIT) under IAS 17 and the operating result according to applicable standards in the third quarter of 2023 resulted from the fact that the costs of rent under IAS 17, recognized in net payment amounts, were lower than depreciation write-offs of assets related to the right-of-use commercial premises, recognized on a straight-line basis over the period of the applicable contract.

Revenues of the Capital Group in the third quarter of 2023 amounted to PLN 899.4 million and were PLN 5.5 million (0.6%) lower than the revenues achieved in the same period of the previous year.

Consolidated EBITDA in the third quarter of 2023 amounted to PLN 161.9 million and was approximately 10.2% lower than in the previous year. EBITDA calculated excluding the impact of IFRS 16 amounted to PLN 71.9 million.

In the third quarter of 2023, the Capital Group achieved a net profit of PLN 51.8 million compared to a net profit of PLN 45.6 million in the same period of the previous year. Net profit calculated excluding the impact of IFRS 16 amounted to PLN 42 million.

The Group's financial results for the period of 9 months of 2023 were under the pressure of macroeconomic changes (inflation, increase in interest rates), adversely affecting consumer behaviour, which resulted in a decrease in revenues compared to last year, as well as the operating result. Compared to last year, costs due to exchange rate differences were lower, which resulted in an improvement in the result compared to the 9 months of 2022.

APPAREL SEGMENT

Apparel segment	PLN thsd.			
	3 quarters 2023 from 01-01-2023 to 30-09-2023	**3 quarters 2022** from 01-01-2022 to 30-09-2022	**3 quarter 2023** from 01-07-2023 to 30-09-2023	**3 quarter 2022** from 01-07-2022 to 30-09-2022
Revenues	**419,823**	**474,166**	**127,339**	**166,685**
Cost of sales	184,274	215,532	55,820	80,747
Gross profit (loss) on sales	**235,549**	**258,634**	**71,519**	**85,938**
Selling costs	212,155	204,232	69,956	70,591
Administrative expenses	42,189	39,611	13,767	13,342
Gain on sale of non-financial non-current assets	2,713	6,365	39	2,591
Other operating income	0	0	0	0
Loss on sale of non-financial non-current assets	5,040	6,629	1,039	1,724
Other operating costs	101	268	30	291
Profit (loss) from operations	**-21,223**	**14,259**	**-13,234**	**2,581**
Financial income / costs	-2,287	-22,833	-9,737	-11,882
Result on loss of control	2,200	0	0	0
Pre-tax profit (loss)	-21,310	-8,574	-22,971	-9,301
Income tax	-3,358	-669	-4,106	-1,517
Net profit (loss) for the period	**-17,952**	**-7,905**	**-18,865**	**-7,784**

IAS 17* Apparel segment	PLN thsd.			
	3 quarters 2023 from 01-01-2023 to 30-09-2023	3 quarters 2022 from 01-01-2022 to 30-09-2022	3 quarter 2023 from 01-07-2023 to 30-09-2023	3 quarter 2022 from 01-07-2022 to 30-09-2022
Revenues	**419,823**	**474,166**	**127,339**	**166,685**
Cost of sales	184,274	215,532	55,820	80,747
Gross profit (loss) on sales	**235,549**	**258,634**	**71,519**	**85,938**
Selling costs	219,591	213,634	71,874	73,779
Administrative expenses	42,469	39,893	13,829	13,442
Gain on sale of non-financial non-current assets	2,055	5,682	39	2,538
Other operating income	-	-	-	-
Loss on sale of non-financial non-current assets	4,984	6,623	1,039	1,718
Other operating costs	101	268	30	291
Profit (loss) from operations	**-29,541**	**3,897**	**-15,214**	**-753**
Financial income / costs	-2,183	-10,344	-2,605	-4,088
Result on loss of control	2,200	0	0	0
Pre-tax profit (loss)	-29,524	-6,447	-17,819	-4,841
Income tax	-4,919	-265	-3,127	-670
Net profit (loss) for the period	**-24,605**	**-6,182**	**-14,692**	**-4,172**

**The table above presents the key financial items of the Group's apparel segment, showing the impact of IAS17 as the previously applicable standard*

REVENUES

Revenues from the apparel segment for the period of 9 months of 2023 amounted to PLN 419.8 million and were PLN 54.3 million (i.e. 11.5%) lower than the revenues achieved in the corresponding period of 2022.

Revenues from the apparel segment in the third quarter of 2023 amounted to PLN 127.3 million and were PLN 39.3 million higher (i.e. by 23.6%) lower than the revenues achieved in the corresponding period of 2022.

Apparel segment	PLN m			
	3 quarters 2023 from 01-01-2023 to 30-09-2023	3 quarters 2022 from 01-01-2022 to 30-09-2022	3 quarter 2023 from 01-07-2023 to 30-09-2023	3 quarter 2022 from 01-07-2022 to 30-09-2022
Revenues	**419.8**	**474.2**	**127.3**	**166.7**
Retail sales	400.6	454.4	123.4	158.3
Other sales	15.7	17.1	3.1	7.7
Wholesale	3.6	2.7	0.8	0.7

In 9M23, the Group recorded the following results in the following retail channels:

VISTULA ↓	BYTOM ↓	WÓLCZANKA ↓	DENI CLER MILANO ↑
PLN 166.4m (-15% YoY)	PLN 124.5m (-8% YoY)	PLN 69.7m (-20% YoY)	PLN 40.0m (11% YoY)

The decline in sales was caused by, among others, macroeconomic factors (inflation, increase in interest rates), adversely affecting consumer behaviour (decrease in the number of customers entering stores).

During the 9 months of 2023, declines were observed both in traditional network and on-line sales. Offline sales decreased by 7% compared to the same period last year, while online sales decreased by 29% compared to the same period last year. The share of online sales in the apparel segment's revenues was 17% in the third quarter of 2023 compared to 23% of on-line sales in the same period of the previous year.

In the third quarter of 2023, there was a decline in both off-line sales (a decrease of 19%) and on-line sales (a decrease of 33%) compared to the same period last year. The share of on-line sales in the apparel segment's revenues was 17% in the third quarter of 2023 compared to 19% of on-line sales in the same period of the previous year. The decline in sales in the traditional network was a consequence of the reduced number of entries compared to the third quarter of 2022.

Decrease in share of on-line sales in 9 months of 2023 and the third quarter of 2023 (compared to the corresponding periods of the previous year) was, among other things, a consequence of the increase in the share of traditional stores in the revenue structure, as well as a general decline in sales in 9 months of 2023 (compared to corresponding period of the previous year).

In 3Q23, the group recorded the following results in the following retail channels:

VISTULA ↓	BYTOM ↓	WÓLCZANKA ↓	DENI CLER MILANO ↑
PLN 51.8m	PLN 38.9m	PLN 20.3m	PLN 12.4m
(-28% YoY)	(-17% YoY)	(-28% YoY)	(3% YoY)

GROSS PROFIT ON SALES

Gross profit on sales of the apparel segment in the third quarter of 2023 amounted to PLN 235.5 million and was 9% lower than that generated in the same period of the previous year. The gross margin was 56.1% in the third quarter of 2023, which means an increase of 1.6 percentage points compared to the same period of the previous year.

Changes in margins of individual brands in three quarters of 2023:

VISTULA ↓	BYTOM ↑	WÓLCZANKA ↑	DENI CLER MILANO ↓
56.6 %	58.9 %	58.8 %	62.1 %
(0.2 pp. margin fall)	(1.4 pp. margin growth)	(3.6 pp. margin growth)	(0.1 pp. margin fall)

Gross profit on sales of the apparel segment in the third quarter of 2023 amounted to PLN 71.5 million and was 17% lower than that generated in the same period of the previous year. The gross profit on sales margin in the third quarter of 2023 was 56.2%, which means an increase of 4.6 percentage points compared to the same period of the previous year.

Changes in margins of individual brands in the third quarter of 2023:

VISTULA ↑	BYTOM ↑	WÓLCZANKA ↑	DENI CLER MILANO ↓
55.3 %	58.7 %	59.4 %	59.7 %
(2.4 pp. margin growth)	(3.2 pp. margin growth)	(6.6 pp. margin growth)	(2.0 pp. margin fall)

Despite the impact of unfavourable macroeconomic factors, the total % margin in the third quarter of 2023 in the clothing segment increased compared to the same period of the previous year.

SELLING COSTS

Selling costs in three quarters of 2023 amounted to PLN 212.2 million and were higher by PLN 7.9 million (3.9%) compared to the costs incurred in the same period of the previous year. Share of selling costs in revenues in three quarters of 2023 was 50.5% compared to 43.1% in the same period of the previous year.

Selling costs in the third quarter of 2023 amounted to PLN 70 million and were lower by PLN 0.6 million (1%) compared to the same period in 2022. Share of selling costs in revenues of the apparel segment in the third quarter of 2023 was 54.9% compared to 42.3% in the same period of the previous year.

Increase in share of costs in revenues resulted from the lower level of revenues, which significantly contributed to the increase in this indicator.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses in three quarters of 2023 amounted to PLN 42.2 million compared to PLN 39.6 million in the same period of the previous year, which means an increase in costs by PLN 2.6 million (6.5%). At the same time, share of general and administrative expenses in revenues increased to 10.0% compared to 8.4% in the same period of the previous year.

General and administrative expenses in the third quarter of 2023 amounted to PLN 13.8 million compared to PLN 13.3 million in the same period of the previous year, which means an increase by PLN 0.4 million (3.2%). At the same time, share of general and administrative expenses in revenues increased to 10.8% compared to 8.0% in the same period of the previous year.

OPERATING PROFIT OF THE APPAREL SEGMENT

In three quarters of 2023, an operating loss in the amount of PLN 21.2 million was incurred compared to profit of PLN 14.3 million generated in the corresponding period of the previous year (a decrease in the result by PLN 35.5 million). However, in the third quarter of 2023, a loss of PLN 13.2 million was incurred compared to a profit of PLN 2.6 million in the corresponding period of the previous year (deterioration of the result by PLN 15.8 million). Deterioration of the operating result was primarily the result of lower revenues caused by the unfavourable macroeconomic situation.

Operating profitability of the apparel segment for 9 months of 2023 amounted to -5.1% and was lower by 8.1 percentage points. compared to the same period of the previous year. However, in the third quarter of 2023 it amounted to -10.4% and was lower by 11.9 percentage points compared to the same period of the previous year. Deterioration in operating profitability was the result of lower sales YoY combined with increased costs.

FINANCIAL INCOME AND COSTS

The balance of net result on financial activities in the apparel segment amounted to PLN -2.3 million in three quarters of 2023 compared to PLN -22.8 million in the corresponding period of the previous year. However, in the third quarter of 2023, the balance of net result on financial activities amounted to -PLN 9.7 million compared to -PLN 11.9 million in the same period of the previous year.

The impact of IFRS16 standard on the balance of financial activities of the apparel segment in the three quarters of 2023 is -PLN 0.1 million compared to -PLN 12.5 million in 2022. In the third quarter of 2023, the impact of IFRS16 on the balance of financial activities was unfavourable and amounted to -7, PLN 1 million compared to PLN -7.8 million in the third quarter of 2022.

Apparel segment	PLN thsd.			
	3 quarters 2023 from 01-01-2023 to 30-09-2023	**3 quarters 2022** from 01-01-2022 to 30-09-2022	**3 quarter 2023** from 01-07-2023 to 30-09-2023	**3 quarter 2022** from 01-07-2022 to 30-09-2022
net financial costs	-1,429	-3,261	-237	-628
FX differences net (excl. IFRS 16)	-757	-7,082	-2,368	-3,459
IFRS 16 impact	-104	-12,489	-7,132	-7,794
- incl. FX losses	*2,166*	*-10,283*	*-6,315*	*-7,050*
- incl. interest	*-2,270*	*-2,206*	*-817*	*-743*
Financial income/ costs	**-2,287**	**-22,832**	**-9,737**	**-11,881**

NET RESULT IN THE APPAREL SEGMENT

In the apparel segment, the group reported a net loss of PLN 18.0 million in three quarters of 2023 compared to a net loss of PLN 7.9 million in the corresponding period of the previous year (deterioration of the result by PLN 10 million). However, in the third quarter of 2023, the Group's apparel segment showed a net loss of PLN 18.9 million compared to a net loss of PLN 7.8 million in the same period of the previous year (a decrease in the result by PLN 11.1 million).

JEWELLERY SEGMENT

Jewellery segment	PLN thsd.			
	3 quarters 2023 from 01-01-2023 to 30-09-2023	3 quarters 2022 from 01-01-2022 to 30-09-2022	3 quarter 2023 from 01-07-2023 to 30-09-2023	3 quarter 2022 from 01-07-2022 to 30-09-2022
Revenues	**479,579**	**430,784**	**169,777**	**152,728**
Cost of sales	228,029	207,552	80,249	73,194
Gross profit (loss) on sales	**251,550**	**223,232**	**89,528**	**79,534**
Selling costs	133,422	114,835	46,302	40,000
Administrative expenses	28,666	24,094	10,037	8,716
Gain on sale of non-financial non-current assets	839	685	269	168
Other operating income	0	231	0	0
Loss on sale of non-financial non-current assets	1,280	936	393	186
Other operating costs	69	0	104	37
Profit (loss) from operations	**88,952**	**84,283**	**32,961**	**30,763**
Financial income / costs	-2,392	-17,749	-8,375	-9,752
Pre-tax profit (loss)	86,561	66,534	24,586	21,011
Income tax	16,769	13,016	4,784	4,032
Net profit (loss) for the period	**69,791**	**53,518**	**19,802**	**16,979**

IAS 17* Jewellery segment	PLN thsd.			
	3 quarters 2023 from 01-01-2023 to 30-09-2023	3 quarters 2022 from 01-01-2022 to 30-09-2022	3 quarter 2023 from 01-07-2023 to 30-09-2023	3 quarter 2022 from 01-07-2022 to 30-09-2022
Revenues	**479,579**	**430,784**	**169,777**	**152,728**
Cost of sales	228,029	207,552	80,249	73,194
Gross profit (loss) on sales	**251,550**	**223,232**	**89,528**	**79,534**
Selling costs	137,149	118,708	47,291	41,390
Administrative expenses	29,083	24,576	10,159	8,907
Gain on sale of non-financial non-current assets	839	461	269	99
Other operating income	0	231	0	0
Loss on sale of non-financial non-current assets	1,280	909	393	186
Other operating costs	69	0	104	37
Profit (loss) from operations	**84,808**	**79,732**	**31,850**	**29,113**
Financial income / costs	-2,182	-8,385	-2,605	-3,831
Pre-tax profit (loss)	82,626	71,347	29,245	25,283
Income tax	16,022	13,930	5,669	4,844
Net profit (loss) for the period	**66,604**	**57,416**	**23,576**	**20,439**

** The table above presents the key financial items of the Group's jewellery segment, showing the impact of IAS17 as the previously applicable standard*

REVENUES

Revenues of the jewellery segment in three quarters of 2023 amounted to PLN 479.6 million and were higher by PLN 48.8 million compared to the same period of the previous year (an increase of 11.3%). However, in the third quarter of 2023, revenues of the jewellery segment amounted to PLN 169.8 million and were higher by PLN 17.0 million compared to the revenues in the same period of the previous year (an increase of 11.2%). Increase in sales was the result of maintaining a positive sales trend of gold and silver jewellery and luxury watches.

GROSS PROFIT ON SALES

Gross profit from sales of the jewellery segment in three quarters of 2023 amounted to PLN 251.5 million and was higher by PLN 28.3 million compared to the profit in the same period of the previous year (an increase of 12.7%). In the third quarter of 2023, gross profit on sales amounted to PLN 89.5 million and was higher by PLN 10.0 million compared to the profit in the same period of the previous year (an increase of 12.6%).

Moreover, in three quarters of 2023, there was an increase in gross margin percentage by 0.7 percentage points to 52.5% from 51.8% in the same period of the previous year. In the third quarter of 2023, gross profit on sales margin was 52.7%, i.e. 0.6 percentage point. higher than in the same period of the previous year.

Increase in gross profit on sales for 9 months of 2023 and in the third quarter of 2023 was the result of the overall increase in revenues, as well as an increase in the percentage gross margin.

SELLING COSTS

In three quarters of 2023, selling costs amounted to PLN 133.4 million and were higher by PLN 18.6 million compared to the same period of the previous year (an increase of 16.2%). However, share of selling costs in the sales of the jewellery segment was 27.8% compared to 26.7% in the same period of the previous year.

In the third quarter of 2023, selling costs amounted to PLN 46.3 million and were higher by PLN 6.3 million compared to the same period of the previous year (an increase of 15.8%). At the same time, the share of selling costs in the total sales of the jewellery segment increased to 27.3% compared to 26.2% in the same period of the previous year.

Increase in selling costs was caused by, among others, an increase in basic salaries (increase in the minimum wage), an increase in sales-related costs, i.e. commissions for franchisees, an increase in marketing expenses. However, increase in share of selling costs in revenues resulted from a slightly higher percentage increase in selling costs than increase in revenues.

GENERAL AND ADMINISTRATIVE EXPENSES

In three quarters of 2023, general and administrative expenses amounted to PLN 28.7 million and were higher by PLN 4.6 million (19.0%) compared to the same period of the previous year. Share of general and administrative expenses in revenues amounted to 6.0% and was higher by 0.4 percentage points compared to the same period of the previous year.

In the third quarter of 2023, general and administrative expenses amounted to PLN 10.0 million and were higher by PLN 1.3 million (15.2%) compared to the same period of the previous year. Share of general and administrative expenses in revenues amounted to 5.9% and was higher by 0.2 percentage points compared to the same period of the previous year.

OPERATING PROFIT IN THE JEWELLERY SEGMENT

In the jewellery segment, the group recorded an operating profit of PLN 89.0 million in three quarters of 2023, which means an increase in operating profit by PLN 4.7 million (5.5%) compared to the same period of the previous year. However, in the third quarter of 2023, the operating profit of the jewellery segment amounted to PLN 33 million and was higher by PLN 2.2 million (7.1%) compared to the same period of the previous year.

Both in three quarters and in the third quarter of 2023, the company generated higher operating profit compared to the same period of the previous year despite high inflation and an increase in costs, the percentage increase of which was greater than increase in revenues.

Operating profitability for 9 months of 2023 amounted to 18.5% and was lower by 1.1 percentage points. compared to the same period of the previous year. However, in the third quarter of 2023, operating profitability amounted to 19.4% and was lower by 0.7 percentage points compared to the same period of the previous year. Decline in profitability is the result of a higher increase in operating costs than revenues.

FINANCIAL INCOME AND COSTS

The balance of net financial activities in the jewellery segment amounted to PLN -2.4 million in three quarters of 2023 compared to PLN -17.7 million in the corresponding period of the previous year. However, in the third quarter of 2023, the balance of net financial activities amounted to PLN -8.4 million compared to PLN -9.8 million in the same period of the previous year.

Impact of the IFRS16 standard on the balance of net financial activities of the jewellery segment in three quarters of 2023 is PLN -0.2 million compared to -PLN 9.3 million in 2022. In the third quarter of 2023, impact of IFRS16 on the balance of net financial activities was unfavourable and amounted to -5, PLN 8 million compared to PLN -5.9 million in the third quarter of 2022.

Jewellery segment	PLN thsd.			
	3 quarters 2023 from 01-01-2023 to 30-09-2023	**3 quarters 2022** from 01-01-2022 to 30-09-2022	**3 quarter 2023** from 01-07-2023 to 30-09-2023	**3 quarter 2022** from 01-07-2022 to 30-09-2022
net financial costs	-1,751	-2,931	-720	-703
FX differences net (excl. IFRS 16)	-431	-5,454	-1,885	-3,127
IFRS 16 impact	-210	-9,364	-5,770	-5,921
- incl. FX losses	*1,807*	*-7,826*	*-5,012*	*-5,405*
- incl. interest	*-2,017*	*-1,538*	*-758*	*-517*
Financial income/ costs	**-2,392**	**-17,749**	**-8,375**	**-9,752**

NET PROFIT IN THE JEWELLERY SEGMENT

The net profit of the jewellery segment in three quarters of 2023 amounted to PLN 69.8 million and increased by PLN 16.3 million (30.4%) compared to the same period of the previous year. However, in the third quarter of 2023 it amounted to PLN 19.8 million and increased by PLN 2.8 million (16.6%) compared to the same period of the previous year.

Increase in net profit in three quarters of 2023 (compared to the same period of the previous year) was the result of a further increase in revenues and improvement in the percentage of the gross margin, and consequently an increase in gross profit on sales, with simultaneous lower financial costs YoY.

STRUCTURE AND CHARACTERISTS OF STATMENT OF FINANCIAL POSITION

CONSOLIDATED BALANCE SHEET	30.09.2023		30.09.2022	
	value (PLN thsd.)	share (%)	value (PLN thsd.)	share (%)
Non-current assets, including:	**868,508**	**57.6%**	**857,221**	**57.1%**
Intangible assets	501,593	33.3%	500,876	33.4%
Fixed assets	67,396	4.5%	55,134	3.7%
Right of use assets	274,422	18.2%	273,268	18.2%
Current assets, including:	**638,901**	**42.4%**	**643,282**	**42.9%**
Inventory	570,050	37.8%	562,795	37.5%
Trade and other receivables and other current assets	17,701	1.2%	22,648	1.5%
Cash and cash equivalents	50,995	3.4%	57,839	3.9%
Total assets	**1,507,409**	**100.0%**	**1,500,503**	**100.0%**
Equity, including:	947,713	62.9%	895,420	59.7%
Share capital	49,122	3.3%	49,122	3.3%
Net profit (loss) for the current period	51,839	3.4%	45,613	3.0%
Long-term liabilities and provisions	**210,161**	**13.9%**	**250,603**	**16.7%**
Long-term loans and borrowings	13,760	0.9%	25,835	1.7%
Financial leases	193,030	12.8%	223,196	14.9%
-incl.: lease liabilities related to retail and office space	*191,461*	*12.7%*	*222,242*	*14.8%*
Short-term liabilities and provisions, including:	**349,535**	**23.2%**	**354,480**	**23.6%**
Trade and other liabilities	185,432	12.3%	187,826	12.5%
Short-term loans and borrowings and short-term portions of long-term debt	37,499	2.5%	46 744	3,1%

CONSOLIDATED BALANCE SHEET	30.09.2023		30.09.2022	
	value (PLN thsd.)	share (%)	value (PLN thsd.)	share (%)
Financial leases	110,797	7.4%	107 063	7,1%
-incl.: lease liabilities related to retail and office space	*110,064*	*7.3%*	*106 511*	*7,1%*
Total equity and liabilities	**1,507,409**	**100.0%**	**1 500 503**	**100,0%**

ASSETS

The value of assets as of September 30, 2023 increased compared to the end of September 2022.

RIGHT OF USE ASSETS

In the reporting period, value of accrued depreciation was lower than value of changes resulting from modifications to lease agreements (extension, relocation or negotiation), thus there was an increase in the right of use.

INVENTORY

Value of inventories as of September 30, 2023 amounted to PLN 570.1 million, which means an increase compared to September 30, 2022 by 1.3%. In the apparel segment, value of inventories decreased by 16.9% YoY (due to further optimization of working capital), while in the jewellery segment it increased by 14.2% YoY, which was the result of stocking up for sale and opening in fourth quarter of 2023 and price increases.

The Group's inventories per m2 amounted to PLN 10,847, which means an increase of 0.3% YoY:

INVENTORY / [PLN/m2]	3Q23	3Q22	YoY
VRG	10,847	10,815	0.3%
Apparel segment	4,881	5,877	-16.9%
Jewellery segment	29,496	26,835	9.9%

EQUITY AND LIABILITIES

EQUITY

In the reporting period, changes in equity result from profit achieved for the three quarters in the amount of PLN 51,839 thousand and implementation by the parent company VRG S.A. resolution of the Ordinary General Meeting of the parent company VRG S.A. adopted on June 28, 2023 on the payment of dividend in the total amount of PLN 46,891,168.00. Shareholders of the parent company VRG S.A. were entitled to the dividend as of September 20, 2023 (dividend date), and the dividend payment date will be December 15, 2023.

LONG AND SHORT-TERM INDEBTEDNESS

Debt under long-term bank loans as at September 30, 2023 amounted to PLN 13.8 million compared to PLN 25.8 million at the end of September 2022, which means a decrease by PLN 12.0 million. Lease liabilities related to leases of commercial premises and office space amount to a total of PLN 301.5 million, of which PLN 191.5 million is the long-term part and PLN 110.0 million is the short-term part.

The tables below present development of financial liabilities as of September 30, 2023 and September 30, 2022 and net debt. Moreover, data on net debt were presented, also without the impact of IFRS 16, which significantly changes its value.

The amount of net debt under IFRS 16 decreased compared to last year as a result of lower liabilities related to leases of commercial premises, reduced debt under bank loans and loans and lower factoring liabilities.

The amount of net debt under IAS 17 decreased compared to last year as a result of reduced debt under bank loans and loans and lower factoring liabilities.

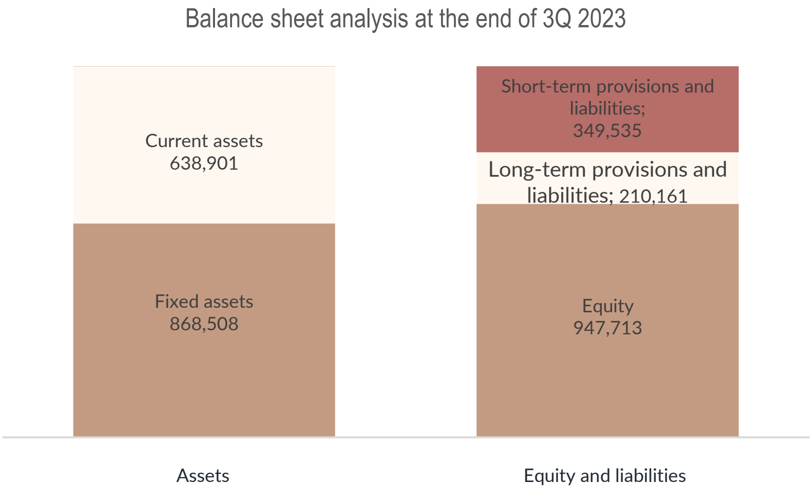
The net debt/EBITDA ratio under both IFRS 16 and IAS 17 remains relatively low (1.3 and 0.1, respectively).

Net debt IFRS16	30.09.2023	30.09.2022
Long-term debt	**206,790**	**249,031**
Long-term loans and borrowings	13,760	25,835
Finance lease liabilities	193,030	223,196
'-incl.: lease liabilities related to retail and office space	*191,461*	*222,242*
Short-term debt	**154,740**	**176,568**
Loans and borrowings	37,499	46,744
Short-term part of long-term loans	6,444	22,761
Reverse factoring	110,797	107,063
Finance lease liabilities	*110,064*	*106,511*
'-incl.: lease liabilities related to retail and office space	50,995	57,839
Cash and equivalents	**310,535**	**367,760**
Net debt	232,028	259,924
EBITDA (annual, 4Q)	**1.3**	**1.4**

Net debt IAS17	30.09.2023	30.09.2022
Long-term debt	**15,329**	**26,789**
Long-term loans and borrowings	13,760	25,835
Finance lease liabilities	1,569	954
Short-term debt	**44,676**	**70,057**
Loans and borrowings	37,499	46,744
Short-term part of long-term loans	6,444	22,761
Reverse factoring	733	552
Finance lease liabilities	50,995	57,839
Cash and equivalents	**9,010**	**39,007**
Net debt	114,369	134,844
EBITDA (annual, 4Q)	**0.1**	**0.3**

**The table above presents the key financial items of the Group's apparel segment, showing the impact of IAS17 as the previously applicable standard*

The diagram below presents the structure of the balance sheet, including the most important components of assets and liabilities.



2. PLANNED DEVELOPMENT ACTIVITIES

According to information provided in the Company's consolidated report for the first half of this year, development prospects of the VRG Group in 2023 are largely determined by external factors related to negative macroeconomic data affecting consumer sentiment through, among others, high level of inflation and related increase in costs of living in households and thus decreasing levels of disposable incomes. The unstable situation in world politics and threats related to ongoing armed conflict beyond Poland's eastern border and in the Middle East may still adversely affect consumer behaviour in the coming quarters. Taking these factors into account, we believe that thanks to diversification of the Group's business into the jewellery and apparel segments and a wide offer for various consumer groups by brands operating in both segments, good preparation for the Autumn-Winter season and upcoming Christmas, the Group's revenue level in 2023 should be higher than these achieved in 2022. The results of the fourth quarter will be key to achieving this goal. In both segments, further work is also planned to improve the gross percentage margin compared to 2022.

The basis for achieving the above business goals is that the VRG Group has a portfolio of brands with high recognition and good image, addressed to various consumer groups. In the apparel segment, VRG Group will continue to strengthen its leading position in the elegant men's fashion segment. At the same time, the offer of VRG Group clothing brands includes casual and smart casual clothing. This is a response to prevailing trends and customer expectations established during the Covid-19 pandemic, spread of remote work and a lifestyle in which convenience, simplicity and comfort of use have become the dominant attributes of clothing. Following the market and better adaptation to individual consumer groups led us to more clearly differentiate Vistula, Bytom and Wólczanka brands in terms of aesthetics, style, price and in the area of marketing communication, while maintaining a common distribution model.

In line with the Group's strategy, VRG apparel brands are currently undergoing a significant transformation, both in terms of their offer and the desired image in their target groups. In the next two years, Vistula and Wólczanka aim to significantly rejuvenate their consumer base (25+) and develop their offer for women more strongly. In 2025, the women's collection in Vistula is expected to reach a minimum of 15%. share in the offer (compared to 2% in 2022), in Wólczanka approx. 50%. (compared to 30% this year). BYTOM will develop towards slow fashion, maintaining a strong emphasis on a modern men's formal collection. All three brands will operate in the "accessible premium" segment, while Deni Cler is expected to develop a premium offer.

The first elements of the evolution of apparel brands in this strategic direction were already visible in the collections introduced to the offer in the first half of this year. The proposed assortment included, in addition to formal and semi-formal clothing, a wide selection of clothes and accessories that build entire silhouettes for every occasion (including sportswear).

Vistula brand collection for the Autumn-Winter 2023/24 season meets the need for comfort and style. It focuses on creating modern, comfortable, functional and reliable clothes that keep up with everyday challenges. The ambassadors of the latest promotional campaign of the Vistula brand are Rafał Jonkisz, an enthusiast of acrobatics, parachute jumps, exotic travels and a healthy lifestyle, and Rafał Rulski, a Polish racing driver, Polish Champion in car racing. In addition to suits, the offer for men also includes a wide range of knitwear made of cotton and merino wool, shirts, trousers and jeans. Vistula brand offer for women is a classic with a modern twist - the highest quality materials, fashionable cuts and timeless colours that will not lose their relevance after one season. The women's collection includes dresses and suit sets in energizing colours, oversized shirts and classic turtlenecks. The brand encourages customers to choose products that will last for years - in line with the idea of a capsule wardrobe, which is the main theme of this season.

The first edition of Bytom brand collection was based on the idea of light layering, which allows individual types of clothing to be universally combined to create styles that ensure optimum comfort, perfectly suited to the occasion and weather conditions. The colour palette is dominated by light shades of beige, melange burgundy, gray and subdued blue, combined with navy blue and energizing cobalt. The key element of the collection are casual and formal suits with characteristic topstitching, referring to the tradition of craftsmanship tailoring, using fabrics from renowned European producers. The latest collection also features a line referring to the preppy style - college elegance, dominated by classic cuts and high-quality fabrics, the colours of which focus on the ginger color, bordering on orange and brown, in a strong combination with navy blue and brightening beige. The new limited collection of Bytom brand, designed in cooperation with the composer Radzimir Dębski (JIMEK), combines the world of art and men's tailoring. The capsule refers to the idea of slow fashion, and the craftsmanship values and elegance of the Bytom brand harmoniously intertwine with the Artist's loose, eclectic style. The BYTOM x JIMEK collection is the quintessence of smart casual style, which is dominated by quality, attention to detail and simplicity of design. Everything is kept in subdued colours, complementary to the brand's regular collection.

Wólczanka brand's capsule collection for the Autumn-Winter 2023/24 season is based on naturalistic floral patterns, which can be found in various versions on shirts, skirts and dresses. Cobalt and muted red are the leading colours of the collection. The women's collection also includes new models of light, knitted trousers, sweaters and shirts with floral prints on viscose and silk. In the men's collection, in addition to the traditional wide range of shirts, we also have long-sleeved knitwear, sweatshirts and transitional jackets for slightly cooler days and evenings.

Activities related to new collections of the Deni Cler brand, representing the luxury segment of women's clothing, are focused on meeting the expectations of loyal customers attached to the design of formal collections, pointing to the Italian origin of the brand, combined with attention to the highest quality and compliance with current fashion trends. For the Autumn and Winter season, Deni Cler collection takes its clients on a journey around the world, staying in famous hotels such as the Ritz, Sheraton and Waldorf Astoria. The latest "Quiet Luxury" collection creates an aura of discreet elegance and nobility.

For the Autumn-Winter 2023/24 season, the jewellery brand W.KRUK has planned another edition of the ambassador collection and a number of new products, including an offer of further luxury jewellery and watch brands. In September 2023, W.KRUK brand, together with ambassador Martyna Wojciechowska, presented a new collection of jewellery and accessories, Freedom Elements. Expressive, strong forms of Freedom Elements - a jewellery interpretation of the elements of the world performed by the Ambassador and W.KRUK. This season, the original collection by W.KRUK and Martyna Wojciechowska continues to stand out, consisting of perfumes and silk scarves called Freedom AIR, EARTH, FIRE and WATER, which are compositions inspired by the elements. Development of our own products created in accordance with the best patterns and global trends will also be continued. The offer of accessories complementing the offer of jewellery and watches will be systematically developed. The year 2023 will see further development of the Picky Pica brand addressed to customers who treat attractively designed jewellery made of materials other than precious metals as a fashion and seasonal product. The novelty of the current season of the Picky Pica brand is a collection called Boss Babe.

Floorspace of the Group at the end of 2023 should come in at c. 52.6 thousand m2, which means an increase of 1% compared to the end of 2022. In the apparel segment, floorspace should decrease slightly, i.e. by c. 1% YoY, and in the case of the jewellery segment, it should increase by c. 7%.

Although VRG Group is currently in a stable financial situation, actions will continue to be taken to optimize the use of working capital, as well as a well-thought-out investment policy and consistent cost discipline.

A number of initiatives, activities and processes undertaken and initiated in VRG Group companies last year in the area of operating activities will be continued and developed this year. Development activities of the Capital Group in 2023 will focus on:

- improving products of VRG Group brands, with particular care to best match the offer to the customer's preferences and needs and development of new assortments (increasing the breadth of the women's collection of Vistula brand, new categories of luxury jewellery and watches in the offer of W.KRUK stores);
- increasing the stock level of the traditional network and the on-line channel in the Group's apparel segment;
- optimization of gross margin in conditions of persistent inflation;
- development of on-line channel thanks to in-depth integration of own off-line and on-line channels as part of the omni-channel strategy, introduction of new functionalities in on-line stores, segmentation of customer information in order to better adapt products to their needs, development of sales applications , strengthening the presence of VRG Group brands in the offer of the most famous marketplaces and on-line platforms;

- increasing expenditure on image marketing on the Internet and traditional channels;
- constant improvement of the quality of customer service in traditional and on-line channels.

VRG Group's capex planned for the current year in the amount of PLN 42 million will be largely allocated to opening new locations, modernizing existing stores and implementing market-proven IT technologies supporting the processes of allocation and replenishment of goods.

Management Board of VRG S.A. monitors the sales and margin results of all the Group's brands on an ongoing basis and will flexibly adapt its activities to the market situation.

3. FINANCIAL FORECASTS

VRG S.A. has not published forecast of financial results for 2023.

4. APPROVAL OF THE FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved for publication and signed by the Parent's Management Board on November 15, 2023.

5. STATEMENT OF THE MANAGEMENT BOARD

The Management Board of the Parent Company declares that, to the best of its knowledge, the financial statements and comparable data have been prepared in accordance with the applicable accounting principles and that they reflect in a true, fair and clear manner the proper-ty and financial position of the issuer and its financial result, and that the financial statements contain a true picture of the development and financial performance of the issuer. the situation and achievements of the Issuer, including a description of the basic risks and threats.

Janusz Płocica	**Marta Fryzowska**	**Łukasz Bernacki**	**Michał Zimnicki**
....	....	....	....
President of the Management Board	Executive Vice-President of the Management Board	Executive Vice-President of the Management Board	Executive Vice-President of the Management Board

Cracow, November 15, 2023

SELECTED FINANCIAL DATA TO CONDENSED INTERIM SEPARATE FINANCIAL STATEMENTS

FOR 9 MONTHS ENDING SEPTEMBER 30, 2023

	PLN thsd.		EUR thsd.	
	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarters 2022 / period from 01-01-2022 to 30-09-2022	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Revenues	377,166	431,945	82,399	92.138
Profit (loss) from operations	-21,967	13,217	-4,799	2,819
EBITDA	28,068	58,834	6,132	12,550
Pre-tax profit (loss)	-23,797	32,246	-5,199	6,878
Net profit (loss)	-20,379	32,742	-4,452	6,984
Net cash flows from operating activities	42,314	72,426	9,244	15,449
Net cash flows from investing activities	-8,546	34,613	-1,867	7,383
Net cash flows from financing activities	-56,476	-94,584	-12,338	-20,176
Total net cash flows	-22,708	12,455	-4,961	2,657
Earnings (loss) per ordinary share (in PLN/EUR)	-0.09	0.14	-0.02	0.03
Diluted earnings (loss) per share (in PLN/EUR)	-0.09	0.14	-0.02	0.03
	30.09.2023	**31.12.2022**	**30.09.2023**	**31.12.2022**
Total assets	923,197	965,175	199,154	205,799
Liabilities and provisions	290,376	265,084	62,641	56,523
Long-term liabilities	97,751	101,535	21,087	21,650
Short-term liabilities	181,219	152,902	39,093	32,602
Total equity	632,821	700,091	136,513	149,276
Share capital	49,122	49,122	10,597	10,474
Shares outstanding	234,455,840	234,455,840	234,455,840	234,455,840
Diluted number of shares	235,630,831	235,630,831	235,630,831	235,630,831
Book value per share (in PLN/EUR)	2.70	2.99	0.58	0.64
Diluted book value per share (in PLN/EUR)	2.69	2.97	0.58	0.63
Declared or paid dividend per share (in PLN/EUR)	0.20	0.17	0.04	0.03

CONDENSED INTERIM SEPARATE FINANCIAL STATEMENT OF FINANCIAL POSITIONS

AS AT SEPTEMBER 30, 2023

	PLN thsd.				
	As at 30-09-2023 /end of quarter 2023	As at 30-06-2023 /end of previous quarter 2023	As at 31-12-2022 /end of previous year 2022	As at 30-09-2022 /end of quarter 2022	As at 30-06-2022 /end of previous quarter 2022
Non-current assets	**700,743**	**694,774**	**687,216**	**696,547**	**696,202**
Goodwill	120,855	120,855	120,855	120,855	120,855
Other intangibles	116,607	116,864	117,058	116,327	115,753
Fixed assets	22,435	21,597	21,545	20,549	20,212
Investment property	874	874	874	874	874
Right of use assets	135,934	134,364	128,075	135,370	137,671
Long-term receivables	111	111	65	172	130
Long-term loans granted	3,737	3,737	1,967	1,749	1,409
Shares and stakes	283,829	283,829	283,834	283,834	283,834
Other long-term investments	-	-	-	-	4
Deferred tax assets	16,361	12,543	12,943	16,817	15,460
Current assets	**222,454**	**231,393**	**277,959**	**274,655**	**269,976**
Inventory	169,555	173,306	205,614	210,485	213,559
Short-term security deposit receivables	155	162	73	-	-
Trade and other receivables and other current assets	8,900	6,313	6,220	11,083	7,550
Corporate income tax receivables	500	500	-	-	-
Cash and equivalents	43,344	51,112	66,052	53,087	48,867
Total assets	**923,197**	**926,167**	**965,175**	**971,202**	**966,178**

	PLN thsd.				
	As at 30-09-2023 /end of quarter 2023	As at 30-06-2023 /end of previous quarter 2023	As at 31-12-2022 /end of previous year 2022	As at 30-09-2022 /end of quarter 2022	As at 30-06-2022 / end of previous quarter 2022
Equity	**632,821**	**650,394**	**700,091**	**684,474**	**651,787**
Share capital	49,122	49,122	49,122	49,122	49,122
Capital reserves	581,496	581,496	580,028	580,028	580,028
Other reserves	17,390	17,390	17,390	17,390	17,390
Retained earnings	-15,187	2,386	53,551	37,934	5,247
Long-term liabilities and provisions	**98,208**	**94,394**	**101,992**	**115,993**	**118,246**
Long-term security deposit liabilities	11	11	11	-	-
Lease liabilities	92,235	88,421	93,284	105,301	106,174
incl.: lease liabilities related to retail and office space	*91,624*	*87,812*	*92,807*	*105,109*	*105,949*
Long-term loans and borrowings	5,505	5,505	8,240	10,151	11,531
Long-term provisions	457	457	457	541	541
Short-term liabilities total	**192,168**	**181,379**	**163,092**	**170,735**	**196,145**
Finance lease liabilities	58,902	56,589	57,865	61,692	59,228

incl.: lease liabilities related to retail and office space	*58,629*	*56,219*	*57,621*	*61,515*	*59,012*
Trade and other liabilities	116,775	108,023	89,588	93,510	120,886
Loans and borrowings and short-term portion of long-term loans and borrowings	5,542	5,467	5,449	6,126	6,126
Short-term provisions	10,949	11,300	10,190	9,407	9,905
Total liabilities and provisions	**290,376**	**275,773**	**265,084**	**286,728**	**314,391**
Total equity and liabilities	**923,197**	**926,167**	**965,175**	**971,202**	**966,178**

CONDENSED INTERIM SEPARATE STATEMENT OF PROFIT OR LOSS

FOR 9 MONTHS ENDING SEPTEMBER 30, 2023

	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Revenues	**116,447**	**377,166**	**152,488**	**431,945**
Cost of sales	50,799	162,270	72,844	192,283
Gross profit (loss) on sales	**65,648**	**214,896**	**79,644**	**239,662**
Selling costs	63,564	192,934	64,871	187,647
Administrative expenses	13,812	42,022	13,103	38,643
Other operating income	32	2,449	2,436	5,884
Other operating costs	987	4,255	1,720	5,762
Loss on sale of non-financial non-current assets	30	101	301	277
Profit (loss) from operations	**-12,713**	**-21,967**	**2,085**	**13,217**
Financial income	532	2,908	40,406	40,588
incl.: lease liabilities related to retail and office space	-	*2,022*	-	-
Financial costs	9,210	4,738	11,161	21,559
incl.: lease liabilities related to retail and office space	*6,433*	*2,019*	*7,014*	*11,276*
Pre-tax profit (loss)	**-21,391**	**-23,797**	**31,330**	**32,246**
Income tax	-3,818	-3,418	-1,357	-496
Net profit (loss) for the period from continued operations	**-17,573**	**-20,379**	**32,687**	**32,742**
Weighted average number of ordinary shares	234,455,840	234,455,840	234,455,840	234,455,840
Weighted average diluted number of shares	235,630,831	235,630,831	235,630,831	235,630,831
Net profit (loss) per ordinary share from continued and discontinued operations	-	-	-	-
- basic	-0.07	-0.09	0.14	0.14
- diluted	-0.07	-0.09	0.14	0.14

CONDENSED INTERIM SEPARATE STATEMENT OF COMPREHENSIVE INCOME

FOR 9 MONTHS ENDING SEPTEMBER 30, 2023

	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Net profit (loss) for the period	**-17,573**	**-20,379**	**32,687**	**32,742**
Other comprehensive income, including:	-	-	-	-
That can be reclassified to net income	-	-	-	-
That cannot be reclassified to net income	-	-	-	-
Total comprehensive income	**-17,573**	**-20,379**	**32,687**	**32,742**

CONDENSED INTERIM SEPARATE STATEMENT OF CHANGES IN EQUITY

FOR 9 MONTHS ENDING SEPTEMBER 30, 2023

	PLN thsd.				
	Share capital	**Reserve capital**	**Other reserves**	**Retained earnings**	**Total equity**
3 quarter 2022 / period from 01-07-2022 to 30-09-2022					
Balance at 01.07.2022	**49,122**	**580,028**	**17,390**	**5,247**	**651,787**
Net profit (loss) for the period	-	-	-	32,687	**32,687**
Balance at 30.09.2022	**49,122**	**580,028**	**17,390**	**37,934**	**684,474**
3 quarters 2022 / period from 01-01-2022 to 30-09-2022					
Balance at a 01.01.2022	**49,122**	**620,017**	**17,390**	**5,060**	**691,589**
Distribution of net profit	-	-132	-	132	-
Net profit (loss) for the period	-	-	-	32,742	**32,742**
Dividends	-	-39,857	-	-	**-39,857**
Balance at 30.09.2022	**49,122**	**580,028**	**17,390**	**37,934**	**684,474**
2022 period from 01-01-2022 to 31-12-2022					
Balance at 01.01.2022	**49,122**	**620,017**	**17,390**	**5,060**	**691,589**
Distribution of net profit	-	-132	-	132	-
Net profit (loss) for the period	-	-	-	48,359	**48,359**
Dividends	-	-39,857	-	-	**-39,857**
Balance at 31.12.2022	**49,122**	**580,028**	**17,390**	**53,551**	**700,091**
3 quarter 2023 / period from 01-07-2023 to 30-09-2023					
Balance at 01.07.2023	**49,122**	**581,496**	**17,390**	**2,386**	**650,394**
Net profit (loss) for the period	-	-	-	-17,573	**-17,573**
Balance at 30.09.2023	**49,122**	**581,496**	**17,390**	**-15,187**	**632,821**
3 quarters 2023 / period from 01-01-2023 to 30-09-2023					
Balance at 01.01.2023	**49,122**	**580,028**	**17,390**	**53,551**	**700,091**

	PLN thsd.				
	Share capital	Reserve capital	Other reserves	Retained earnings	Total equity
Distribution of net profit	-	48,359	-	-48,359	-
Net profit (loss) for the period	-	-	-	-20,379	**-20,379**
Dividends	-	-46,891	-	-	**-46,891**
Balance at 30.09.2023	**49,122**	**581,496**	**17,390**	**-15,187**	**632,821**

CONDENSED INTERIM SEPARATE STATEMENT OF CASH FLOWS

FOR 9 MONTHS ENDING SEPTEMBER 30, 2023

	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Pre-tax profit (loss)	**-21,391**	**-23,797**	**31,330**	**32,246**
Adjustments:				
Amortization and depreciation	16,687	50,035	15,296	45,617
Profit (loss) on investing activities	30	101	301	277
Income tax paid	-	-	-	-1,419
Interest costs	1,010	3,278	1,294	3,211
Change in provisions	-352	759	-499	-964
Change in inventories	3,750	36,059	3,074	18,179
Change in receivables	-2,580	-2,808	-3,574	-3,839
Change in short-term liabilities, excluding bank loans and borrowings	14,201	-20,036	18,593	18,964
Other adjustments	-566	-1,277	-40,495	-39,846
Net cash flows from operating activities	**10,789**	**42,314**	**25,320**	**72,426**
Interest received	532	1,560	559	723
Inflows from sale of fixed assets	4	689	141	2,318
Purchase of intangible assets	-10	-316	-806	-1,020
Purchase of fixed assets	-1,853	-7,809	-2,029	-6,289
Loans granted to subsidiaries	-	-2,670	-340	-976
Dividends received	-	-	39,857	39,857
Net cash flows from investing activities	**-1,327**	**-8,546**	**37,382**	**34,613**
Repayment of bank loans and borrowings	-	-2,760	-1,380	-4,140
Other finance lease payments	-95	-245	-71	-267
Other interest paid	-180	-1,126	-640	-1,214
Interest paid lease liabilities related to retail and office space	-755	-2,077	-653	-1,997
Finance lease payments related to retail and office space	-16,200	-50,268	-15,881	-47,109
Dividends paid	-	-	-39,857	-39,857
Net cash flows from financing activity	**-17,230**	**-56,476**	**-58,482**	**-94,584**
Increase (decrease) in cash and cash equivalents in the balance sheet	**-7,768**	**-22,708**	**4,220**	**12,455**

	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Opening balance of cash	**51,112**	**66,052**	**48,867**	**40,632**
Change in cash due to foreign currency translation	-	-	-	-
Closing balance of cash	**43,344**	**43,344**	**53,087**	**53,087**

Value shown under "Other adjustments" consists of:	PLN thsd.	
	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Fixed assets - write-down - liquidations	-164	-253
Interest received	-1,561	-723
Bank loan valuation	43	987
Dividend received	-	-39,857
Stakes write-off	5	-
Loan write-off	400	-
Total	**-1,277**	**-39,846**

INFORMATION AND EXPLANATIONS TO CONDENSED IN-TERIM SEPA-RATE FINANCIAL STATMENTS

1. SUPPLEMENTARY NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 OPERATING SEGMENTS BY TYPE OF ACTIVITY AND GEOGRAPHICAL BREAKDOWN

The company runs one business segment: apparel.

GEOGRAPHIC SEGMENTS OF CONTINUED OPERATIONS:

Revenues related to geographical segments for the period from January 1, 2023 to September 30, 2023 and for the comparable period are presented in the table below.

Revenues from various markets in terms of geographic location	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Poland	116,447	377,151	152,488	431,708
EURO zone	-	15	-	237
Total	**116,447**	**377,166**	**152,488**	**431,945**

In terms of geographical segments, the entire activity of the Capital Group is carried out in the Republic of Poland, some of the sales relate to the shipment of the Company's goods abroad.

NOTE 2 OTHER OPERATING REVENUES

Other operating income	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Other operating revenues including:	32	2,449	2,436	5,884
due to write-ups for goods and materials	-	*393*	*2,090*	*3,799*
due to liquidation of agreements in line with IFRS16	-	*658*	*52*	*683*
Total	**32**	**2,449**	**2,436**	**5,884**

NOTE 2A OTHER OPERATING COSTS

Other operating costs	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Loss on sale of non-financial fixed assets	30	101	301	277
Materials write-offs	-	-	-	231
Write-offs of goods	-	288	-	-
Finished goods write-offs	4	4	-	-
Donations	677	1,152	1,366	1,884
Fixed asset liquidation costs	3	311	301	1,793
Other operating costs including:	303	2,500	53	1,854
provision for future liabilities	-	*870*	-	*528*
severance pay	*42*	*103*	-	*955*
Total	**1,017**	**4,356**	**2,021**	**6,039**

NOTE 3 FINANCIAL INCOME

Financial income	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Interest on bank deposits	532	1,560	559	723
FX gains	-	1,348	-	-
incl.: lease liabilities for commercial and office space	-	*2,022*	-	-
Dividends from shares and stakes	-	-	39,857	39,857
Other	-	-	-10	8
Total	**532**	**2,908**	**40,406**	**40,588**

NOTE 3A FINANCIAL COSTS

Financial costs	PLN thsd.			
	3 quarter 2023 / period from 01-07-2023 to 30-09-2023	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarter 2022 / period from 01-07-2022 to 30-09-2022	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Interest on overdrafts and bank loans	233	788	361	935
Interest from factoring	22	413	147	279
Finance lease interest	19	58	8	22
Interest on lease liabilities for commercial and office space	736	2,019	645	1,974
Commissions on loans and guarantees	269	1,001	363	1,181
FX losses	7,929	-	9,628	16,134
incl.: lease liabilities for commercial and office space	*5,697*	-	*6,369*	*9,301*
Bank loan amortized cost valuation	-	43	-	987
Write-off on loan granted	-	400	-	-

Other	2	16	9	47
Total	**9,210**	**4,738**	**11,161**	**21,559**

NOTE 4 DEFERRED TAX ASSET AND LIABILITIES

	PLN thsd.				
	Balance sheet			Profit or loss	
	30.09.2023	31.12.2022	30.09.2022	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Deferred tax provisions	**14**	**285**	**54**	**-271**	**16**
Balance sheet values – FX gains	1	238	28	-237	16
Net advances paid	-	26	26	-26	-
Valuation of loans at amortized cost	13	21	-	-8	-
Transferred to financial result	**14**	**285**	**54**	**-271**	**16**
Transferred to equity	-	-	-	-	-
Deferred tax assets	**16,375**	**13,228**	**16,871**	**3,147**	**483**
Accelerated balance sheet depreciation	1,281	1,420	1,460	-139	6
Write-offs	3,374	3,684	3,733	-310	-876
Provisions, remuneration and social security	655	744	662	-89	-80
Salaries, unpaid social security	92	407	397	-315	58
Balance sheet values – FX losses	315	6	444	309	383
Tax loss carryforward	5,613	887	2,844	4,726	624
Impairment of receivables from customers	114	-	-	114	-
Provision for future liabilities	458	144	78	314	-50
Provision for customer returns	1,201	1,171	952	30	-46
Loyalty programme valuation	381	381	86	-	-
Bank loans and bonds amortised cost valuation	-	-	208	-	188
Lease liabilities for commercial and office floorspace	2,891	4,384	6,007	-1,493	276
Transferred to financial result	**16,375**	**13,228**	**16,871**	**3,147**	**483**
Transferred to equity	-	-	-	-	-
Transferred to financial result – per saldo	**-16,361**	**-12,943**	**-16,817**	**-3,418**	**-467**

	PLN thsd.	
	3 quarters 2023 / period from 01-01-2023 to 30-09-2023	3 quarters 2022 / period from 01-01-2022 to 30-09-2022
Corporate income tax	**-3,418**	**-496**
Current tax	-	-29
Deferred tax	-3,418	-467

NOTE 5 CHANGE IN WRITE-DOWNS ON SHORT-TERM RECEIVABLES, INVENTORY AND IMPAIRMENT OF FIXED ASSETS

Write-offs	PLN thsd.				
	Balance at 01.01.2023	Creation	Release/	Creation	Balance at 30.09.2023
Intangible assets write-offs	3,150	-	3,145	-	5
Fixed assets write-offs	1,818	-	-	-	1,818
Inventory write-offs	17,861	288	393		17,756
Write-offs for stakes	-	5	-	-	5
Receivables write-offs	1,666	332	318	-	1,680
Write-off for loans granted	-	400	-	-	400
Total write-offs	**24,495**	**1,025**	**3,856**	**-**	**21,664**

Write-offs	PLN thsd.				
	Balance at 01.01.2022	Creation	Release/	Creation	Balance at 31.12.2022
Intangible assets write-offs	3,150	-	-	-	3,150
Fixed assets write-offs	2,858	-	-	1,040	1,818
Inventory write-offs	-	-	1,040	-1,040	-
Write-offs for stakes	21,686	463	4,288	-	17,861
Receivables write-offs	2,038	136	508	-	1,666
Total write-offs	**29,732**	**599**	**5,836**	**-**	**24,495**

NOTE 6 PROVISIONS

	Provision for employee costs	Provision for future liabilities	Provision for work in progress	Returns from customers	Other	Total
Balance at January 1, 2022	**3,908**	**3,139**	**1,752**	**2,113**	**-**	**10,912**
provisions created during the year	574	528	-	-	-	1,102
provisions released/used	-996	-	-302	-768	-	-2,066
Balance at September 30, 2022	**3,486**	**3,667**	**1,450**	**1,345**	**-**	**9,948**
presented in short-term liabilities	2,945	3,667	1,450	1,345		9,407
presented in long-term liabilities	541	-	-	-	-	541
Balance at January 1, 2022	**3,908**	**3,139**	**1,752**	**2,113**	**-**	**10,912**
provisions created during the year	710	511		1,170	-	2,391
provisions released/used	-700	-	-1,188	-768	-	-2,656
Balance at December 31, 2022	**3,918**	**3,650**	**564**	**2,515**	**-**	**10,647**
presented in short-term liabilities	3,461	3,650	564	2,515	-	10,190
presented in long-term liabilities	457	-	-	-	-	457
Balance at January 1, 2023	**3,918**	**3,650**	**564**	**2,515**	**-**	**10,647**
provisions created during the year	543	747	1,080	123	-	2,493
provisions released/used	-1,021	-	-	-713	-	-1,734
Balance at September 30, 2023	**3,440**	**4,397**	**1,644**	**1,925**	**-**	**11,406**

presented in short-term liabilities	2,983	4,397	1,644	1,925	-	10,949
presented in long-term liabilities	457	-	-	-	-	457

Balance of provisions as at September 30, 2023 includes:

long-term provision for retirement benefits	**PLN 457 thsd.**	**Total PLN 11,406 thsd.**
short-term provision for retirement benefits	**PLN 51 thsd.**	
short-term provision for overdue holidays	**PLN 2,919 thsd.**	
provision for bonuses	**PLN 13 thsd.**	
provision for customer returns	**PLN 1,925 thsd.**	
short-term provision for sewing services	**PLN 1,644 thsd.**	
provision for future liabilities	**PLN 4,397 thsd.**	

NOTE 7 CONDITIONAL ASSETS AND LIABILITIES

	PLN thsd.		
	Balance at 30-09-2023 / end of quarter 2023	Balance at 31-12-2022 / end of year 2022	Balance at 30-09-2022 / end of quarter 2022
Issued bank guarantees for rentals of store premises	30,651	27,861	28,748
Open letters of credit	21,001	16,416	16,090
Conditional liabilities, total	**51,652**	**44,277**	**44,838**

There are no conditional receivables in the Group.

NOTE 8 INFORMATION ON FINANCIAL INSTRUMENTS

In the period from January 1, 2023 to September 30, 2023, there was no transfer between levels in the fair value hierarchy used in fair value measurement, and there was no change in the classification of financial assets as a result of a change in the purpose or method of use of these assets.

NOTE 8A FINANCIAL INSTRUMENTS BY CLASS

Balance sheet items	PLN thsd.					
	Balance at 30-09-2023 / end of quarter 2023		Balance at 31-12-2022 / end of year 2022		Balance at 30-09-2022 / end of quarter 2022	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	Financial assets	Financial liabilities
Loans granted	4,237	-	1,967	-	1,749	-
Trade and other receivables and current assets	9,166	-	6,358	-	11,255	-
Cash and equivalents	43,344	-	66,052	-	53,087	-
Long-term liabilities due to. bank loans, loans and leases	-	97,740	-	101,524	-	115,452
incl.: leases for commercial and office space	-	*91,624*	-	*92,807*	-	*105,109*

Short-term liabilities due to. . bank loans, loans and leases	-	64,444	-	63,314	-	67,818
incl.: leases for commercial and office space	-	*58,629*	-	*57,621*	-	*61,515*
Trade and other liabilities	-	116,786	-	89,599	-	93,510
Total	**56,747**	**278,970**	**74,377**	**254,437**	**66,091**	**276,780**

The above financial assets and liabilities have been measured at amortized cost.

NOTE 8B FINANCIAL INSTRUMENTS – INCOME AND COSTS AND GAINS AND LOSSES FROM IMPAIRMENT

Balance sheet items	PLN thsd.					
	3 quarters/period from 01-01-2023 to 30-09-2023					
	Interest income	Interest cost	Gains/losses due to amortised cost valuation	Write-offs created	Write-offs release	FX gains/ losses
Loans granted	-	-	-	400	-	-
Trade and other receivables	-	-	-	332	318	-17
Cash and equivalents	1,560	-	-	-	-	-161
Other short-term assets – Forward transactions	-	-	-	-	-	-
Liabilities due to. bank loans, loans and leases	-	846	43	-	-	-
Lease liabilities for commercial and office space	-	2,019	-	-	-	2,022
Trade and other liabilities	-	16	-	-	-	-496
Total	**1,560**	**2,881**	**43**	**732**	**318**	**1,348**

2. OTHER EXPLANATORY NOTES

2.1. INFORMATION ON SIGNIFICANT PURCHASE AND SALE TRANSACTIONS OF PROPERTY, FIXED AND FIXED ASSETS

The total amount of capital expenditures in the financial statements from cash flows reported in the reporting period amounted to PLN 7,809 thousand.

No significant selling transactions.

2.2. OTHER INFORMATION

The notes and notes to the interim consolidated financial statements contain information that is important for the preparation of these interim condensed standalone financial statements:

- General information
- Basis for preparation and applied accounting principles
- Changes in accounting standards

- Seasonality and cyclicality of activity
- FX rates used to value assets and liabilities
- Significant risk and threat factors
- Information on a significant liability for the purchase of tangible fixed assets
- Factors and events, including those of an unusual nature
- Issuance, redemption and repayment of debt and equity securities
- Dividends paid and declared
- Proceedings pending before a court, a body competent for arbitration proceedings or a public administration body
- Transactions with related parties
- Information on the granting by the issuer or its subsidiary of credit or loan sureties or granting guarantees jointly to one entity or its subsidiary, if the total value of the existing sureties or guarantees is significant
- Significant events in the third quarter of 2023
- Significant events after the balance sheet date.

VRG S.A. MANAGEMENT BOARD SIGNATURES

Janusz Płocica	**Marta Fryzowska**	**Łukasz Bernacki**	**Michał Zimnicki**
....	....	....	....
President of the Management Board	Executive Vice-President of the Management Board	Executive Vice-President of the Management Board	Executive Vice-President of the Management Board

Cracow, November 15, 2023

VRG

VISTULA RETAIL GROUP

VISTULA

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