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VISTULA

WÓLCZANKA

BYTOM
SZTUKA KRAWIECTWA OD 1945

W.KRUK
1 8 4 0

DENI CLER
MILANO

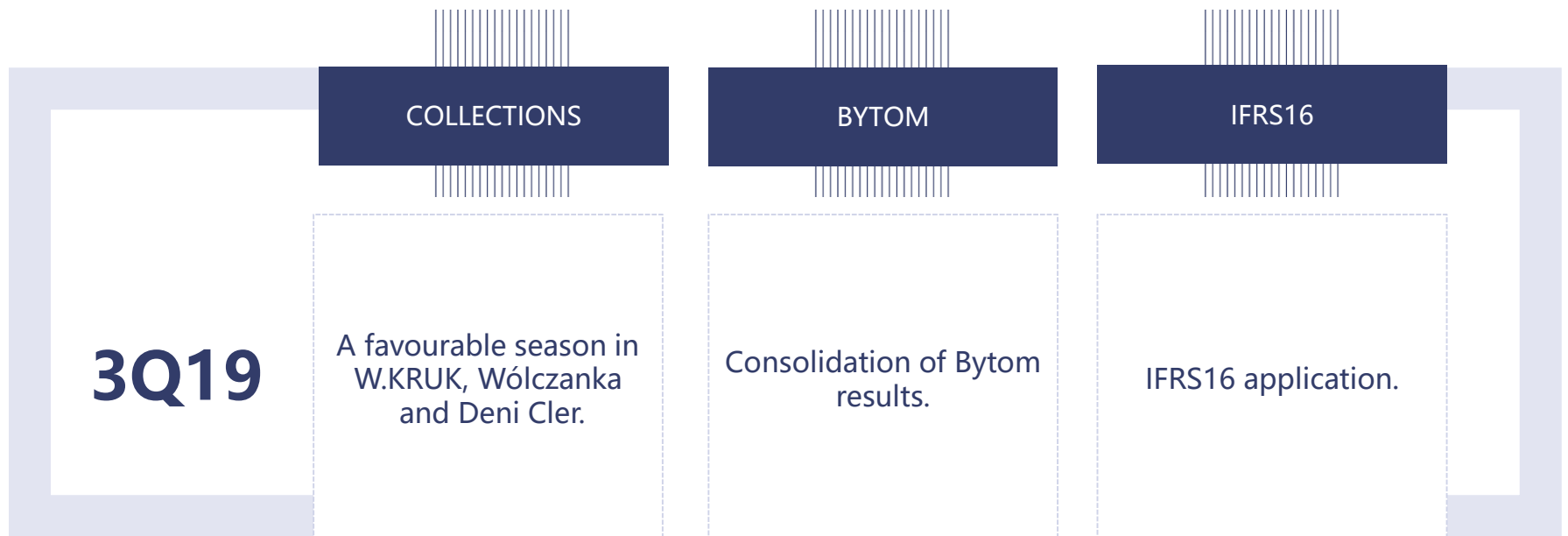
01

EXECUTIVE SUMMARY



VRG
VISTULA RETAIL GROUP

Key events influencing 3Q19



Dynamic EBIT growth in 3Q19



REVENUES
PLN 251.2m, +39.5%



GROSS PROFIT MARGIN
51.0%, +1,0 pp.

IFRS 16

EBIT
PLN 12.6m



+25.5%

NET LOSS
PLN (1.8) m



6.9 m

IAS 17

EBIT
PLN 12.4m



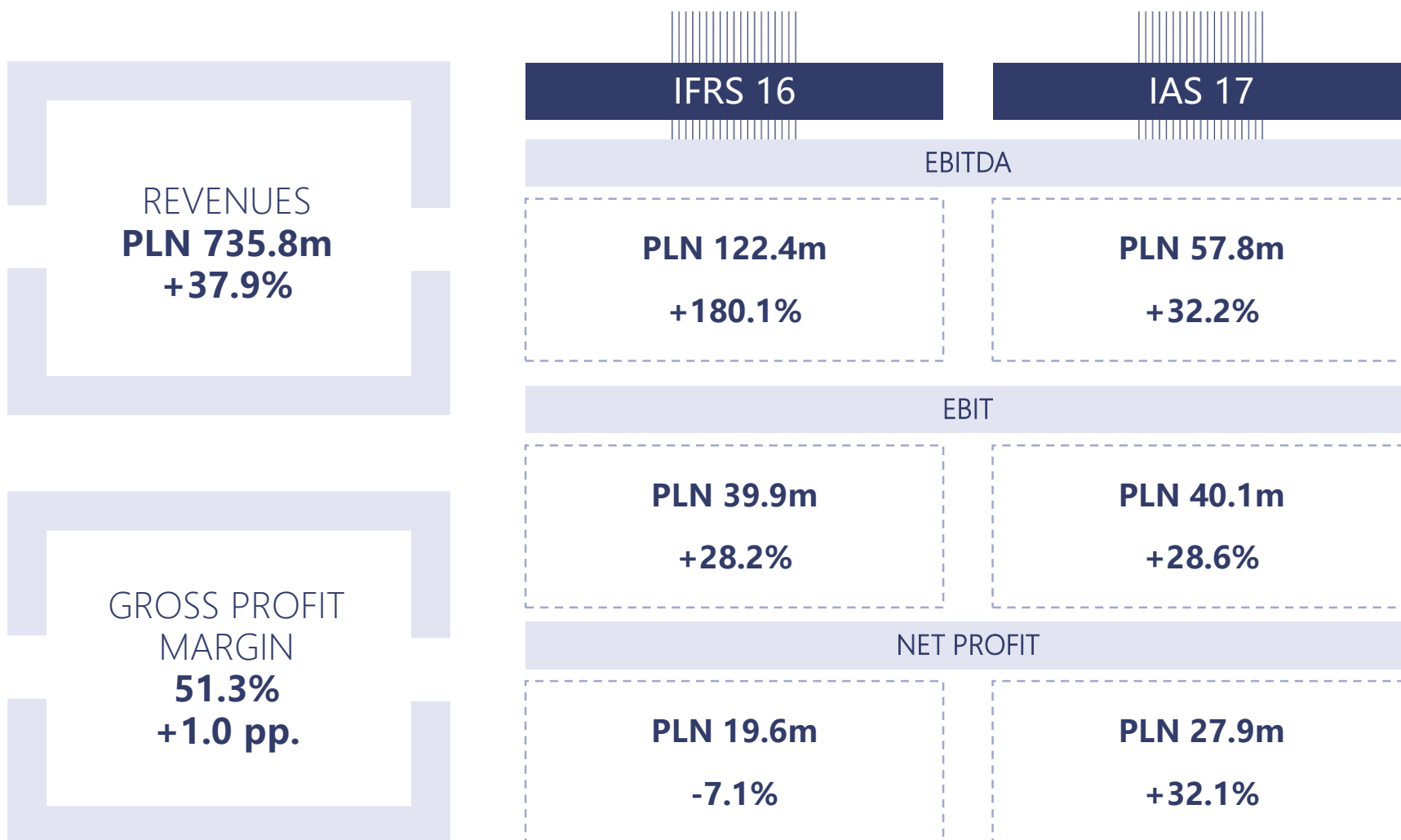
+23.6%

NET PROFIT
PLN 7.1m



+2.9%

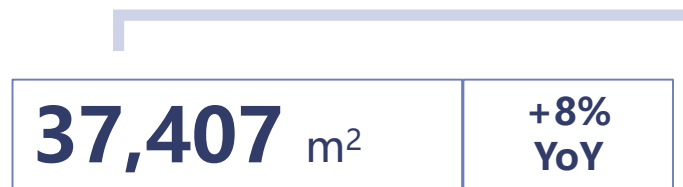
Dynamic growths in 9M19 (IAS 17)



Group's development continues

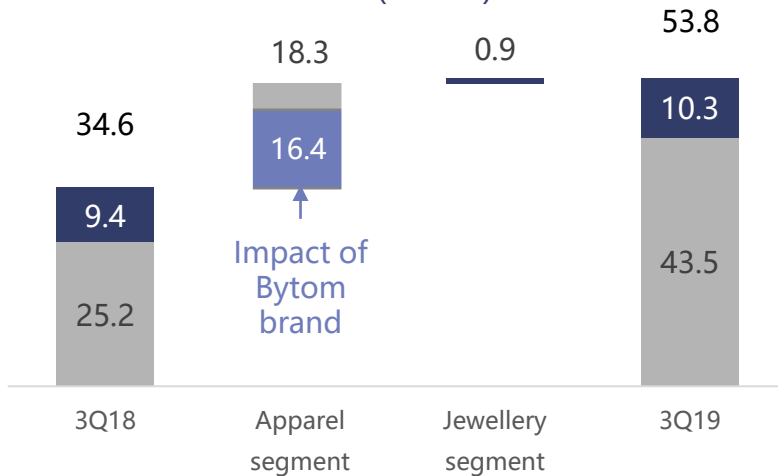
NUMBER OF STORES EOP 3Q19

VISTULA	152	+11
WÓLCZANKA	142	+9
DENI CLER MILANO	31	+1
W.KRUK 1840	135	+9
BYTOM SZTUKA KRAWIECTWA OD 1945	126	+126
VRG VISTULA RETAIL GROUP	586	+156
Organic growth		+37



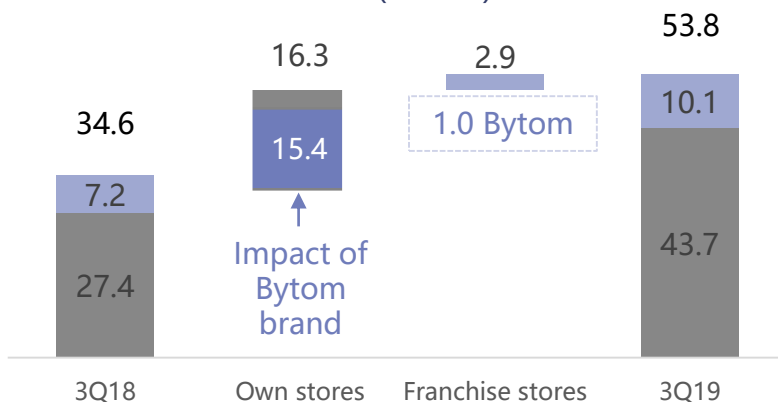
Continuation of group's floorspace growth

Group floorspace growth YoY
(ths m2)



- Group floorspace reached 53.8 ths m2 at the end of 3Q19, up 55% YoY.
- Excluding Bytom brand floorspace grew 8% YoY.
- The apparel segment added 18.3 ths m2. Excluding Bytom floorspace grew by 1.9 ths m2, up 8% YoY.
- The jewellery segment added 0.9 ths m2 net to group floorspace, growing 10% YoY.

Group floorspace growth YoY
(ths m2)



- There were more openings of own stores than franchise due to merger with Bytom.
- Bytom added 15.4 ths m2 of own stores. Excluding Bytom floorspace of own stores grew 3% YoY.
- Growth in franchise floorspace resulted mostly from development of franchise stores of Vistula, Wólczanka and W.KRUK brands. Bytom added c. 1 ths m2 of franchise floorspace.



EXECUTIVE SUMMARY

VISTULA

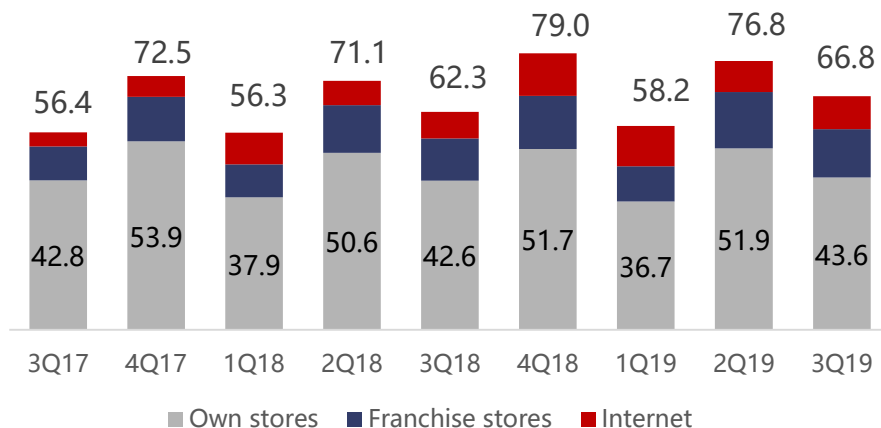
Vistula: franchise continues to grow

Vistula brand network

	3Q18	3Q19	YoY
Number of stores	141	152	+11
incl. franchise	50	60	+10
Floorspace (m2)	17,429	19,058	9%
incl. franchise	4,925	6,065	23%
Internet % revenues	12.2%	14.2%	2.0 pp.

- Vistula brand floorspace grew 9% YoY at the end of 3Q19, while the sales network expanded by 11 stores net.
- Dynamic franchise development continued: 10 new franchise stores net and 23% YoY franchise floorspace growth.
- Vistula brand revenues reached PLN 66.8m in 3Q19 (up 7% YoY).

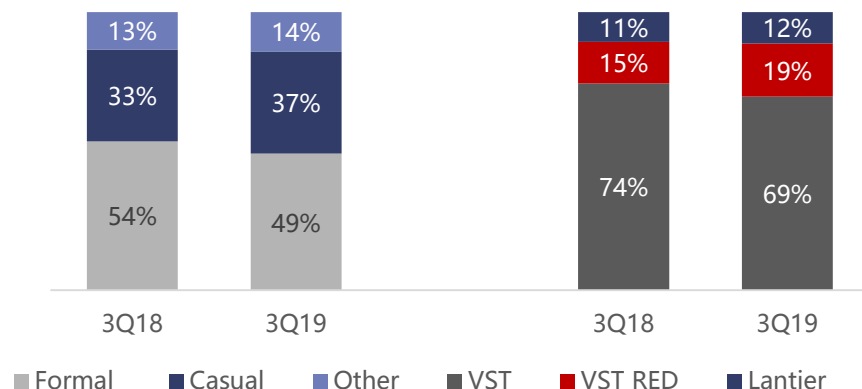
Vistula brand revenues (PLN m)



- Franchise revenues reached PLN 13.8m in 3Q19 (+14% YoY).
- Share of franchise in revenues increased from 19.4% in 3Q18 to 20.6% in 3Q19.
- Internet revenues amounted to PLN 9.5m in 3Q19, up 25.4% YoY.
- Share of internet in revenues reached 14.2% in 3Q19.

Vistula: stable 3Q19 store EBIT

Vistula brand revenue split



- Growth of Vistula Red share in revenues coupled with stabilisation of Lantier brand.
- Lower share of the main line in revenues due to reduction in occasional lines (Robert Lewandowski).
- YoY growth in share of casual clothing in 3Q19.

Vistula brand efficiency

	3Q18	3Q19	r/r
Revenues (PLN/m2 per month)	1,196	1,163	-2.7%
Gross profit margin (%)	51.4%	50.8%	-0.6 pp.
Costs of stores (PLN/m2 per month)	439	437	-0.4%
Store EBIT (PLN m)	9.1	8.8	-3.4%
Store EBIT post marketing (PLN m)	8.1	8.2	1.4%

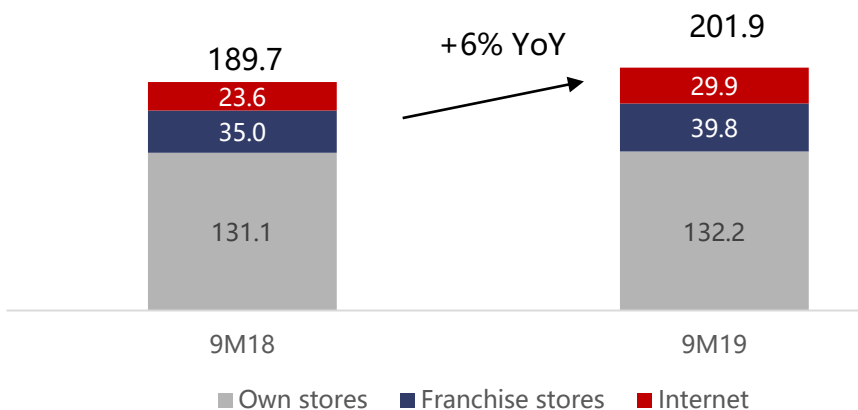
3Q19 excluding IFRS16 impact.

3Q19 presentation

- Fall in revenues/ m2 YoY due to a higher share of franchise.
- Lower YoY gross profit margin due to stronger YoY sell-offs.
- Stable costs of stores/ m2 due to a favourable impact of franchise network (variable costs).
- As a result, stable YoY store EBIT with lower marketing costs.

Vistula: over PLN 200m revenues

Vistula brand revenue split (PLN m)



- Vistula brand revenues reached PLN 201.9m in 9M19, up 6% YoY, despite 11 fewer trading days.
- Franchise revenues reached PLN 39.8m in 9M19, up 14% YoY. Share of franchise grew from 18.4% in 9M18 to 19.7% in 9M19.
- Internet revenues reached PLN 29.9m in 9M19, +27% YoY. Share of internet in revenues in 9M19 amounted to 14.8%.

Vistula brand efficiency

	9M18	9M19	r/r
Revenues (PLN/m2 per month)	1,242	1,193	-3.9%
Gross profit margin (%)	51.3%	51.6%	0.3 pp.
Costs of stores (PLN/m2 per month)	435	438	0.6%
Store EBIT (PLN m)	30.8	30.0	-2.5%
Store EBIT post marketing (PLN m)	26.6	27.3	2.5%

- A slight fall in sales/ m2 due to a lower number of trading days, yet improvement in gross profit margin YoY.
- Stabilisation of store costs/ m2.
- As a result, stable YoY store EBIT.

9M19 excluding IFRS16 impact.

3Q19 presentation



EXECUTIVE SUMMARY

BYTOM

SZTUKA KRAWIECTWA OD 1945

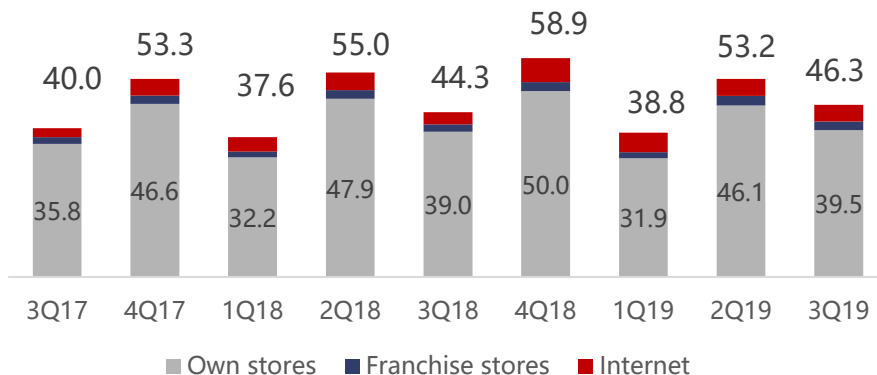
Bytom: double-digit internet growth

Bytom brand network

	3Q18	3Q19	YoY
Number of stores	119	126	+7
incl. franchise	6	9	+3
Floorspace (m2)	15,012	16,402	9%
incl. franchise	723	1,011	40%
Internet % revenues	7.5%	9.6%	2.1 pp.

- Bytom's network grew YoY by 7 stores net, out of which 3 were franchise stores.
- Brand's floorspace grew 9% YoY due to opening of increasingly large stores and expansions of franchise stores (40% YoY floorspace growth).
- Bytom brand retail revenues reached PLN 46.3m in 3Q19 (up 4% YoY).

Bytom brand retail revenues (PLN m)



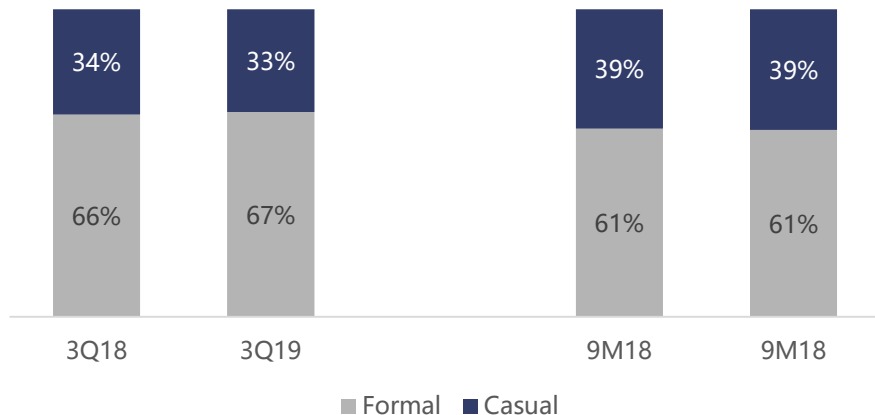
Bytom brand data is presented for comparison in line with VRG methodology. Impact since December 1st, 2018.

3Q19 presentation

- Internet revenues amounted to PLN 4.4m in 3Q19 (+33.6% YoY), accounting for 9.6% of revenues.
- Franchise revenues reached PLN 2.3m in 3Q19 (up 18.9% YoY).
- Share of franchise in revenues grew from 4.4% in 3Q18 to 5.0% in 3Q19.

Bytom: stronger YoY sell-offs

Bytom brand revenue split



- Stable YoY sales structure in 3Q19, not in line with market tendencies of growing share of casual.
- A less favourable YoY Spring/Summer 2019 collection - too many of repeatable models within the formal part.
- A high share of formal in Autumn/Winter 2019 collection and unfavourable impact of warm weather on coats and jackets.

Bytom brand efficiency

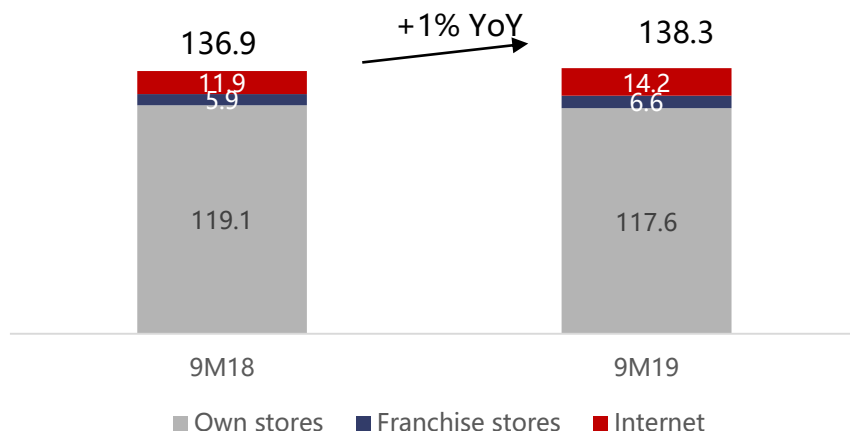
	3Q18	3Q19	YoY
Revenues (PLN/m2 per month)	997	944	-5.3%
Gross profit margin (%)	52.9%	51.8%	-1.1pp.
Costs of stores (PLN/m2 per month)	424	421	-0.7%
Store EBIT (PLN m)	4.6	3.3	-27.4%
Store EBIT post marketing (PLN m)	4.4	3.0	-33.0%

Bytom brand data is presented for comparison in line with VRG methodology. Impact since December 1st, 2018.

- Lower revenues/ m2 due to a weaker YoY acceptance of Spring/Summer collection by clients.
- As a result, fall in gross profit margin.
- Lower YoY EBIT due to fixed costs base related to own stores.

Bytom: stable revenues in 9M19

Bytom brand revenue split
(PLN m)



- Bytom brand retail revenues reached PLN 138.3m in 9M19 (+1% YoY).
- Franchise revenues reached PLN 6.6m in 9M19 (+11.3% YoY).
- Share of franchise increased from 4.3% in 9M18 to 4.7% in 9M19.
- Internet revenues reached PLN 14.2m in 9M19 (+19% YoY), amounting to 10.3% of sales.

Bytom brand efficiency

	9M18	9M19	YoY
Revenues (PLN/m2 per month)	1,043	958	-8.2%
Gross profit margin (%)	52.9%	52.4%	-0.5%
Costs of stores (PLN/m2 per month)	424	419	-1.2%
Store EBIT (PLN m)	16.8	12.0	-28.3%
Store EBIT post marketing (PLN m)	16.2	11.1	-31.4%

- Fall in revenues/ m2 due to a weaker acceptance of the Spring/Summer collection by customers and the need for sell-offs.
- Fall in costs/ m2 lower than sales/ m2 due to fixed costs of own stores.
- Lower costs have not offset weaker YoY revenues from Spring/Summer collection. As a result, EBIT was lower YoY in 9M19.

Bytom brand data is presented for comparison in line with VRG methodology. Impact since December 1st, 2018.



EXECUTIVE SUMMARY

WÓLCZANKA

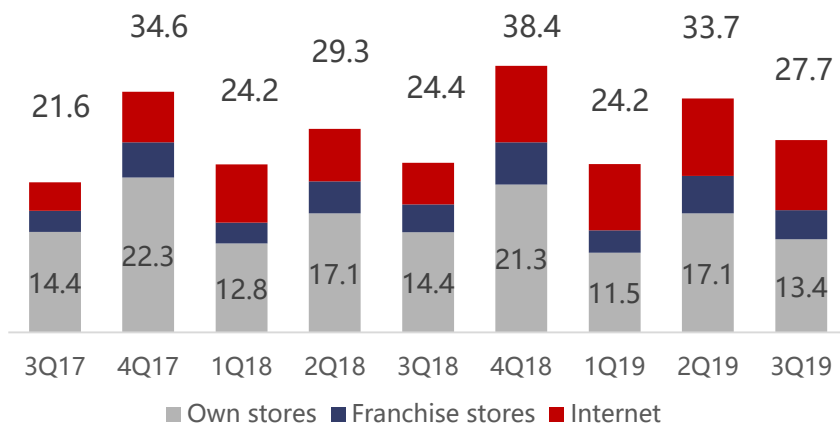
Wólczanka: 70% YoY internet growth

Wólczanka brand network

	3Q18	3Q19	YoY
Number of stores	133	142	+9
incl. franchise	42	51	+9
Floorspace (m2)	4,753	4,985	5%
incl. franchise	1,295	1,546	19%
Internet % revenues	24.6%	36.5%	11.9 pp.

- Wólczanka network grew by 9 stores net YoY (9 are franchise stores).
- Brand's floorspace increased 5% YoY versus 19% YoY growth in franchise store floorspace.
- Wólczanka revenues reached PLN 27.7m in 3Q19 (+13% YoY).

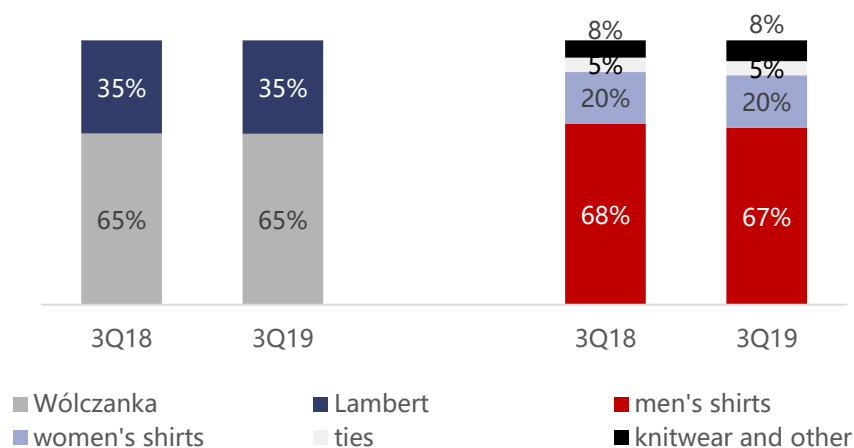
Wólczanka brand revenues (PLN m)



- Franchise revenues reached PLN 4.2m in 3Q19 (up 4.5% YoY).
- Share of franchise in revenues came in at 15.1% in 3Q19 versus 16.4% in 3Q18.
- Internet revenues amounted to PLN 10.1m in 3Q19 (up 68.5% YoY), constituting as much as 36.5% of revenues.

Wólczanka: growing sales/ m2

Wólczanka brand revenue split



- Stable sales structure – double-digit revenue growths in Lambert and Wólczanka brand.
- A stable share of women shirts in sales structure.
- A higher share of knitwear due to extended assortment (introduction of chinos trousers).

Wólczanka brand efficiency

	3Q18	3Q19	YoY
Revenues (PLN/m2 per month)	1,718	1,854	7.9%
Gross profit margin (%)	52.7%	52.8%	0.1pp.
Costs of stores (PLN/m2 per month)	740	753	1.8%
Store EBIT (PLN m)	2.4	3.4	42.7%
Store EBIT post marketing (PLN m)	2.0	3.1	55.8%

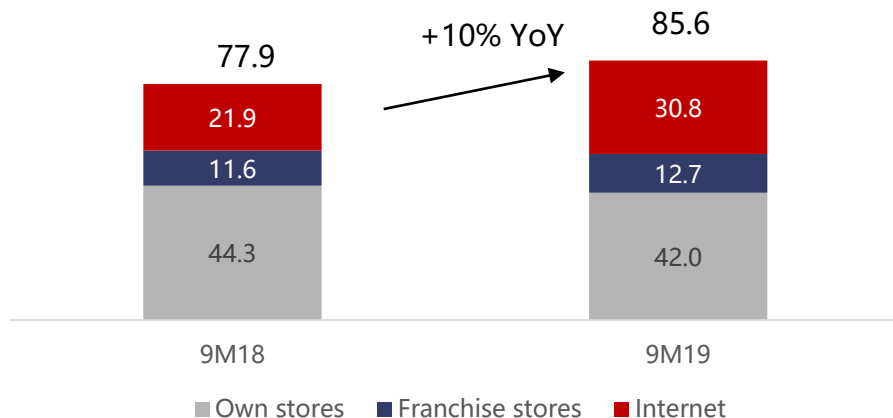
- High growth in revenues/ m2 coupled with a stable gross profit margin – higher in-take margin, but growing share of internet revenues.
- Costs/ m2 grew slower than revenues/ m2 due to development via franchise stores.
- As a result, almost 40% YoY store EBIT growth.

3Q19 excluding IFRS16 impact.

3Q19 presentation

Wólczanka: 20% YoY store EBIT growth

Wólczanka brand revenue split
(PLN m)



- Wólczanka revenues reached PLN 85.6m in 9M19, up 10% YoY.
- Franchise revenues amounted to PLN 12.7m in 9M19 (up 10% YoY).
- Share of franchise was stable YoY at 14.9% in 9M19.
- Internet revenues amounted to PLN 30.8m in 9M19 (+41% YoY), amounting to 36% of revenues.

Wólczanka brand efficiency

	9M18	9M19	YoY
Revenues (PLN/m2 per month)	1,844	1,923	4.2%
Gross profit margin (%)	52.5%	53.2%	0.7 pp.
Costs of stores (PLN/m2 per month)	732	755	3.1%
Store EBIT (PLN m)	10.0	11.9	19.2%
Store EBIT post marketing (PLN m)	9.1	11.1	22.8%

- Growth in sales/ m2 due to development of men and women collection and dynamic internet growths.
- Higher gross profit margin despite a higher share of internet, due to growing in-take margin.
- As a result, 20% YoY stronger YoY store EBIT in 9M19.

9M19 excluding IFRS16 impact.
3Q19 presentation



EXECUTIVE SUMMARY

DENI CLER
MILANO

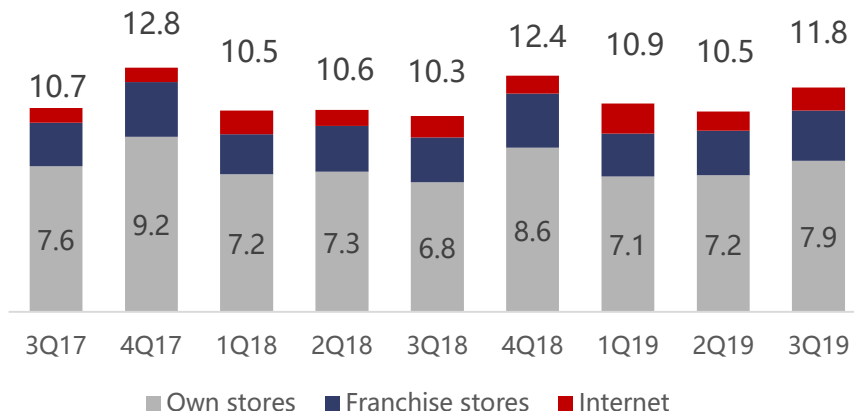
Deni Cler: dynamic revenue growth

Deni Cler brand network

	3Q18	3Q19	YoY
Number of stores	30	31	+1
incl. franchise	8	9	+1
Floorspace (m2)	2,981	3,017	1%
incl. franchise	600	700	17%
Internet % revenues	10.9%	10.4%	-0.5 pp.

- Deni Cler network encompasses 31 stores in top shopping malls in Poland.
- There are 9 franchise stores in the network.
- Development of shop-in-shop concept. Deni Cler collections available at selected partners running multiband stores in 7 towns in the country.

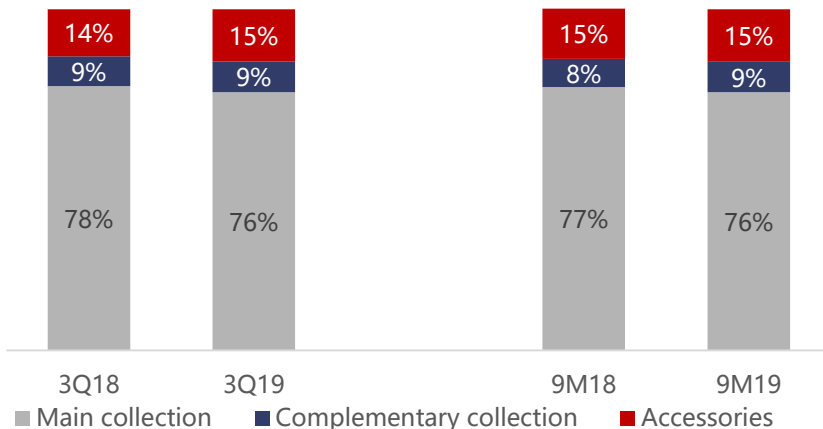
Deni Cler brand revenues (PLN m)



- In 3Q19 Deni Cler revenues reached PLN 11.8m and were 15% higher YoY.
- Franchise revenues reached PLN 2.6m in 3Q19 (up 11% YoY). Franchise constituted some 22% of revenues in 3Q19.
- Internet generated PLN 1.2m of revenues in 3Q19 (up 10% YoY) and amounted to 10.4% of brand's revenues.

Deni Cler: sizeable gross profit margin growth

Deni Cler brand revenue split



- A stable revenue structure.
- Emphasis on capsule collections.
- Growth in sales/ m2 shows the success of the strategy to gradually increase the casual offering and multibrand revenues development (shop-in-shop concept).

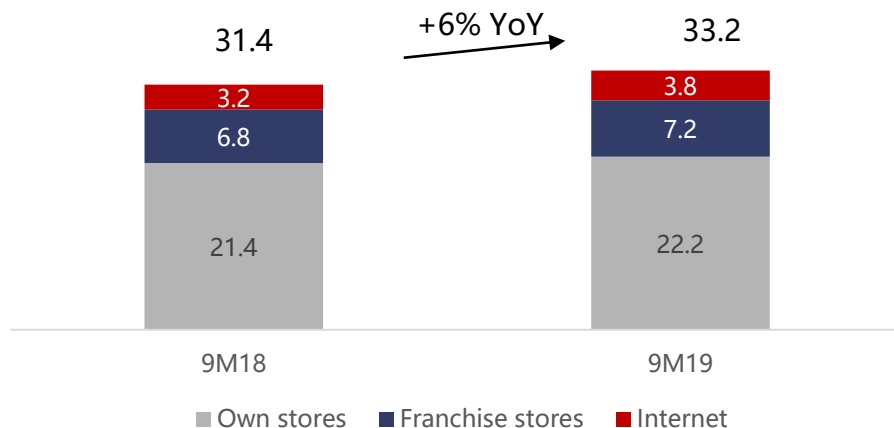
Deni Cler brand efficiency

	3Q18	3Q19	YoY
Revenues (PLN/m2 per month)	1,138	1,299	14.1%
Gross profit margin (%)	56.0%	57.5%	1.5 pp.
Costs of stores (PLN/m2 per month)	439	495	12.7%
Store EBIT (PLN m)	1.8	2.3	27.6%
Store EBIT post marketing (PLN m)	1.6	2.0	26.0%

- The highest level of gross profit margin among brands. YoY growth due to higher in-take margin.
- Higher YoY HR costs/ m2 and commissions from multibrand stores resulted in costs/ m2 growth.
- As a result, sizeably higher YoY store EBIT.

Deni Cler: growing store EBIT in 9M19

Deni Cler brand revenue split
(PLN m)

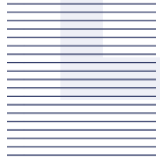


- 9M19 Deni Cler revenues reached PLN 33.2m (+6% YoY).
- Franchise revenues reached PLN 7.2m in 9M19 (+5% YoY).
- Franchise constituted some 21.7% of revenues in 9M19 (stable YoY).
- Internet revenues amounted to PLN 3.8m in 9M19 (+19.5% YoY) and constituted 11.4% of revenues.

Deni Cler brand efficiency

	9M18	9M19	YoY
Revenues (PLN/m2 per month)	1,109	1,213	9.4%
Gross profit margin (%)	56.5%	58.0%	1.5 pp.
Costs of stores (PLN/m2 per month)	416	470	13.1%
Store EBIT (PLN m)	6.0	6.4	6.8%
Store EBIT post marketing (PLN m)	5.2	5.7	9.3%

- YoY gross profit margin improvement due to more favourable purchasing terms.
- A sizeable sales/ m2 improvement coupled with a high costs/ m2 growth.
- As a result, higher YoY store EBIT.



EXECUTIVE SUMMARY

W. KRUK

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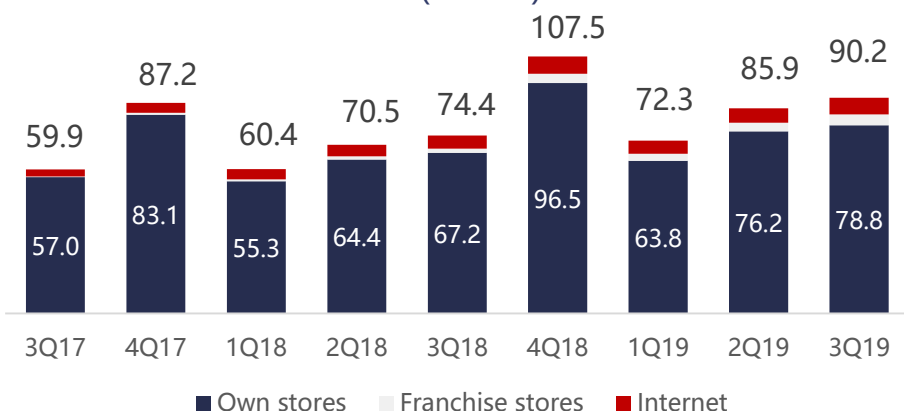
W.KRUK: floorspace growth acceleration

W.KRUK brand network

	3Q18	3Q19	YoY
Number of stores	126	135	+9
incl. franchise	6	13	+7
Floorspace (m2)	9,449	10,347	10%
incl. franchise	371	802	116%
Internet % revenues	7.4%	7.7%	0.3 pp.

- Dynamic YoY growth in W.KRUK brand stores.
- Opening of 9 stores net translated into a 10% YoY increase in brand's floorspace.
- The brand had 13 franchise stores at the end of 3Q19, 7 more YoY.
- Introduction of new products: lab-grown diamonds (New Diamond by W.KRUK) and a collection of perfumes.

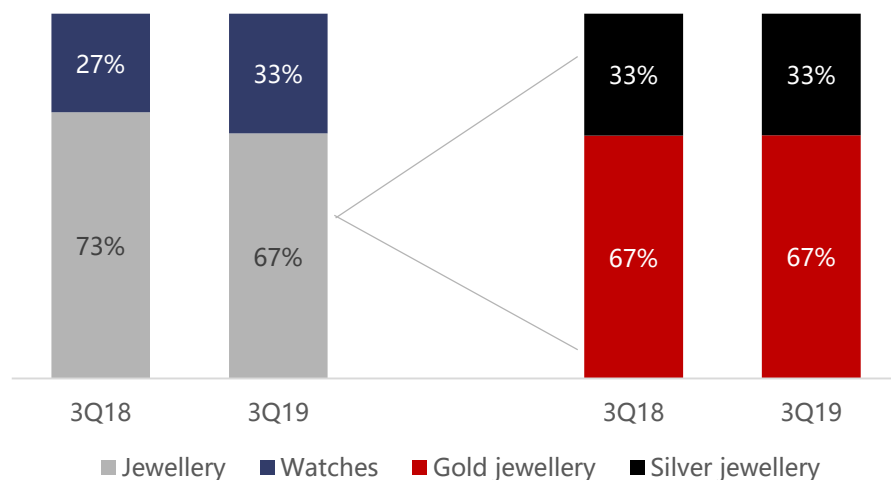
W.KRUK brand retail revenues (PLN m)



- Retail revenues of W.KRUK brand reached PLN 90.2m in 3Q19 (up 21% YoY).
- Franchise revenues amounted to PLN 4.5m in 3Q19, while internet sales reached PLN 7.0m in 3Q19 (up 27% YoY).
- Internet constituted 7.7% of revenues in 3Q19 versus 7.4% in 3Q18.

W.KRUK: 30% EBIT growth in 3Q19

W.KRUK brand revenue split



- Watches continued to increase their share in revenues.
- Sales of watches amounted to almost PLN 30m in 3Q19, up 49% YoY.
- Within jewellery, there was a stable YoY share of high-margin silver jewellery in 3Q19 sales.

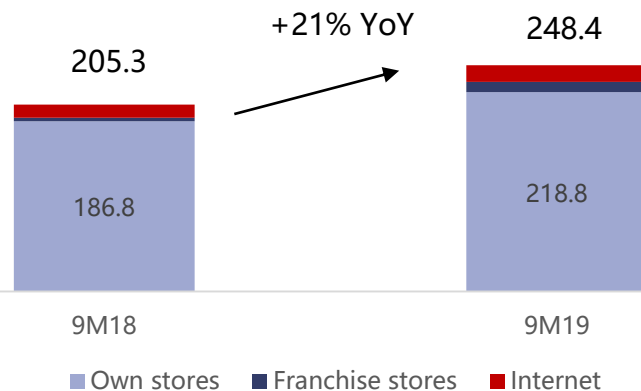
W.KRUK brand efficiency

	3Q18	3Q19	YoY
Revenues (PLN/m2 per month)	2,717	2,918	7.4%
Gross profit margin (%)	50.9%	52.0%	1.1 pp.
Costs of stores (PLN/m2 per month)	849	895	5.4%
Store EBIT (PLN m)	14.6	19.3	32.2%
Store EBIT post marketing (PLN m)	13.6	17.7	30.0%

- A sizeable sales/ m2 growth in the quarter, among others due to introduction of new products in the offering.
- A sizeable YoY growth in gross profit margin despite a growing share of watches in sales, due to lower YoY discounts.
- Growth in costs/ m2 at a lower pace than sales/ m2 growth.
- High store EBIT growth in 3Q19, due to operating leverage.

W.KRUK: strong 9M19 results

W.KRUK brand retail revenues (PLN m)



- W.KRUK brand retail revenues in 9M19 reached PLN 248.4m, +21% YoY.
- Internet revenues amounted to PLN 18.4m in 9M19 (+27% YoY).
- In 9M19 internet revenues came in at 7.4% of revenues compared to 7.1% w 9M18.

W.KRUK brand efficiency

	9M18	9M19	YoY
Revenues (PLN/m2 per month)	2,568	2,743	6.8%
Gross profit margin (%)	51.5%	52.3%	0.8 pp.
Costs of stores (PLN/m2 per month)	814	853	4.8%
Store EBIT (PLN m)	40.6	52.7	29.7%
Store EBIT post marketing (PLN m)	36.8	47.0	27.6%

- A sizeable sales/ m2 and gross profit margin growth among others due to a favourable 3Q19 (lower YoY sell-offs).
- Growth in costs of stores/ m2 below sales/ m2.
- Brand with the highest contribution of store EBIT and group EBIT in 9M19.

3Q19 brand's results summary

STRONG REVENUES
in W.KRUK, Wólczanka
and Deni Cler.

GROWING GROSS MARGIN
at Deni Cler and W.KRUK.

STORE EBIT
YoY growth in combined
store EBIT.



Favourable results of majority of brands despite the sell-off period in 3Q19.

VISTULA

WÓLCZANKA

BYTOM
SZTUKA KRAWIECTWA OD 1945

W.KRUK
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DENI CLER
MILANO

02

GROUP RESULTS



VRG
VISTULA RETAIL GROUP

Comparable periods

LIMITED YOY COMPARABILITY

3Q18

The results encompass only VRG Group, i.e. they do not include Bytom S.A.

They show the Group as it was last year. They have not been restated.

There was also no restatement for IFRS16, the results are under IAS17.

3Q19 reported

The results include VRG Group with Bytom – the brand's impact took place for the whole quarter.

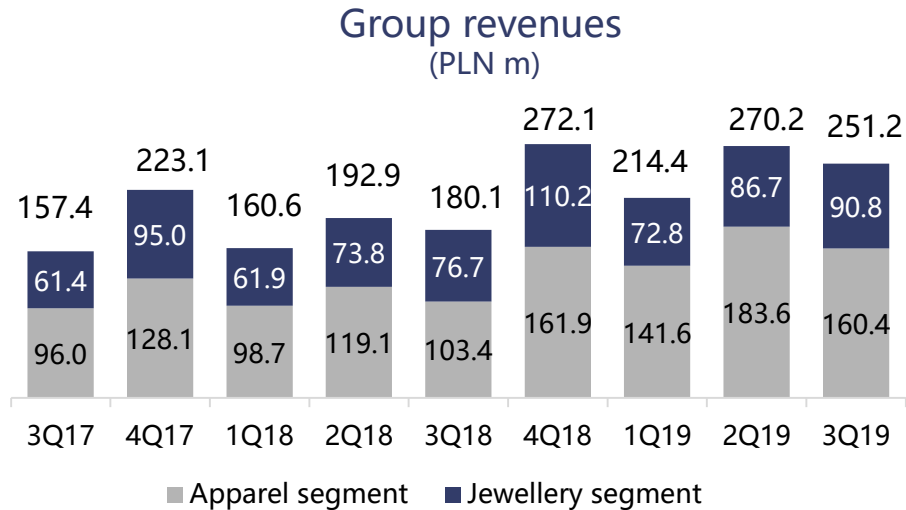
Additionally, the results were reported under IFRS16 (for the first time).

3Q19 excl. IFRS16

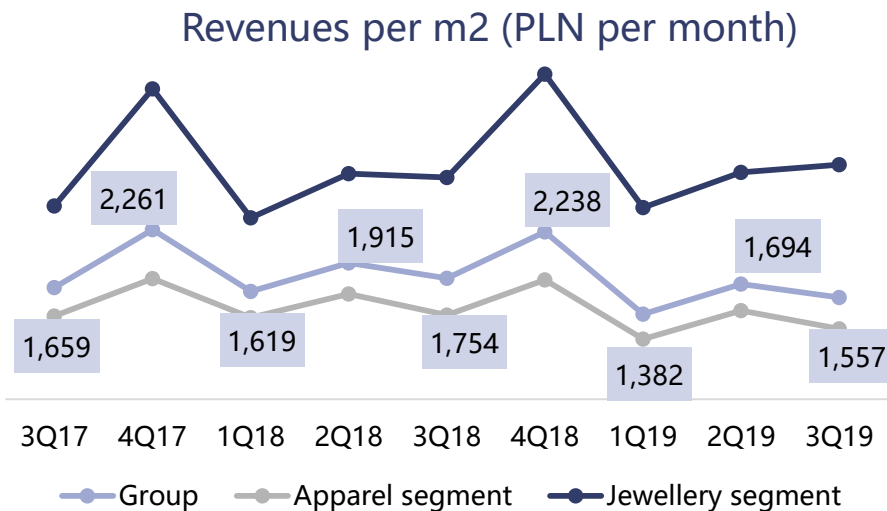
The results include VRG Group with Bytom – the brand's impact took place for the whole quarter.

The results have been restated to show the picture under IAS17 not under IFRS16.

Higher revenues in both segments



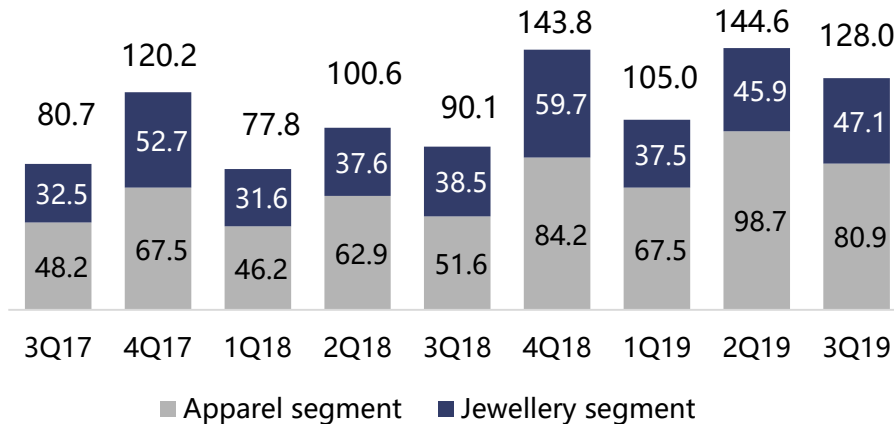
- Group revenues reached PLN 251.2m in 3Q19 (up 39.5% YoY).
- Bytom added PLN 46.7m to revenues for 3Q19. There would be 13.5% YoY growth excluding Bytom.
- Apparel segment revenues increased 55% YoY, reaching PLN 160.4m. Excluding Bytom these would reach respectively PLN 113.7m, up 10%.
- Jewellery segment revenues amounted to PLN 90.8m, up 18% YoY.



- In 3Q19 group sales per m2 reached PLN 1,557, down 11.2% YoY, due to consolidation of Bytom for 3Q19.
- Revenues per m2 for the apparel segment amounted to PLN 1,230 in 3Q19, down 10% YoY.
- Jewellery segment revenues per m2 reached PLN 2,936 in 3Q19, up 5% YoY, due to dynamic growth in watches sales and growing jewellery offering.

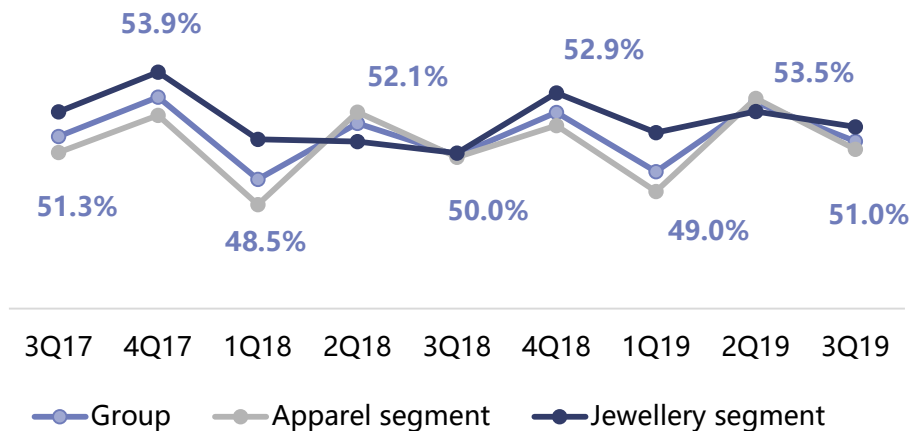
Higher YoY gross margin in both segments

Gross profit on sales
(PLN m)



- Group gross profit on sales amounted to PLN 128.0m in 3Q19 (up 42% YoY).
- In 3Q19 gross profit on sales of the apparel segment reached PLN 80.9m, up 57% YoY.
- Gross profit on sales of the jewellery segment amounted to PLN 47.1m, up 22% YoY.

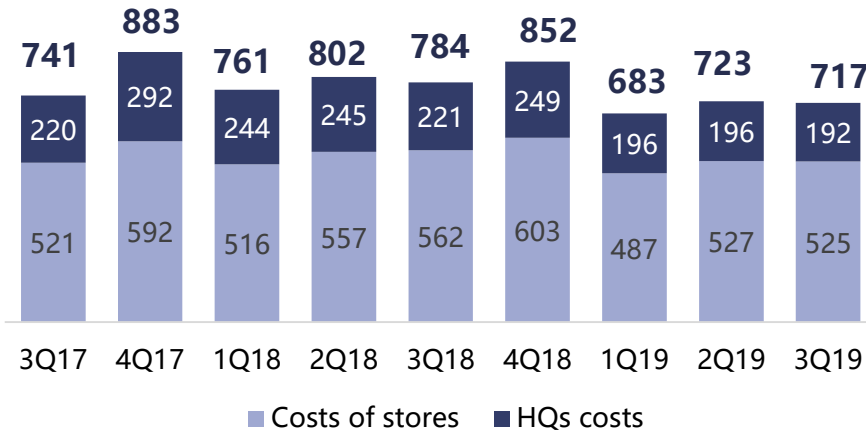
Gross profit on sales margin



- Group gross profit margin reached 51.0% in 3Q19, +1 pp. YoY, due to a higher margin in both segments.
- The apparel segment gross profit margin grew 0.5 pp. YoY to 50.4% in 3Q19, due to higher in-take margins.
- The jewellery segment noted a 1.7 pp. YoY increase in 3Q19 gross profit margin, to 51.9% level, due to lesser YoY sell-offs.

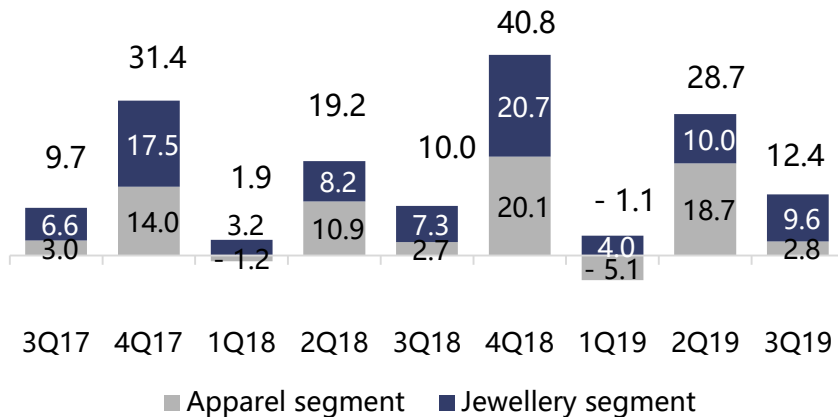
High EBIT dynamics

Operating costs, monthly per m2
(PLN m, excl. IFRS16)



- Group operating costs/ m2 fell 9% YoY in 3Q19 to PLN 717/m2 per month.
- Lower costs of stores/ m2 to 525 PLN/m2 (down 7% YoY) and fall in HQs costs/ m2 to PLN 192 (down 13.5% YoY), impact of merger with Bytom (excl. IFRS16).
- The apparel segment costs reached PLN 596/m2 in 3Q19, down 9% YoY, while the jewellery segment costs amounted to PLN 1,226/m2 per month, +8% YoY in 3Q19 (excl. IFRS16).

Operating profit
(PLN m, excl. IFRS16)



- Group operating loss reached PLN 12.4m in 3Q19 (PLN 12.7m under IFRS16).
- 3Q19 EBIT of the apparel segment amounted to PLN 2.8m excl. IFRS16 (PLN 3.0m under IFRS16), growing by 4% YoY.
- Operating profit of the jewellery segment reached PLN 9.6m in 3Q19, up 31% YoY (the same under IFRS16).

Strong 3Q19 EBIT

PLN m	3Q18 IAS17	3Q19 IFRS16	YoY	3Q19 IAS17
Revenues	180.1	251.2	39.5%	251.2
Gross profit on sales	90.1	128.0	42.1%	128.0
<i>Gross profit margin</i>	<i>50.0%</i>	<i>51.0%</i>	<i>1.0pp.</i>	<i>51.0%</i>
Operating costs	80.5	115.5	43.5%	115.6
EBIT	10.0	12.6	25.5%	12.4
<i>EBIT margin</i>	<i>5.6%</i>	<i>5.0%</i>	<i>-0.6pp.</i>	<i>4.9%</i>
Net financial activity	-1.2	-12.4		-3.3
Net profit	6.9	-1.8	N/M	7.1
<i>Net margin</i>	<i>3.8%</i>	<i>-0.7%</i>	<i>-4.5pp.</i>	<i>2.8%</i>
EBITDA	14.0	40.9	191.5%	18.4
<i>EBITDA margin</i>	<i>7.8%</i>	<i>16.3%</i>	<i>8.5pp.</i>	<i>7.3%</i>

- Higher YoY gross profit margin due to favourable trends in both segments.
- IFRS16 applied in 3Q19 – rental costs replaced by depreciation of the right of use asset. A small impact of the new standard on EBIT but a sizeable one on EBITDA and net profit.
- A sizeable EBIT improvement, despite costs growing faster than revenues.

- Higher YoY financial costs under IAS17 due to FX losses on balance sheet items (PLN 2.5m).
- Additionally, as a result of IFRS16 application the net financial line deteriorated by PLN 9.1m, out of which PLN 8.0m came from FX losses (impact of PLN/EUR) and PLN 1.1m of interests.
- As a consequence, net loss under IFRS16 but net income growth under IAS17.

Double-digit EBIT growth in 9M19

PLN m	9M18 IAS17	9M19 IFRS16	YoY	9M19 IAS17
Revenues	533.5	735.8	37.9%	735.8
Gross profit on sales	268.5	377.6	40.6%	377.6
<i>Gross profit margin</i>	<i>50.3%</i>	<i>51.3%</i>	<i>1.0pp.</i>	<i>51.3%</i>
Operating costs	236.7	337.1	42.4%	336.9
EBIT	31.2	39.9	28.2%	40.1
<i>EBIT margin</i>	<i>5.8%</i>	<i>5.4%</i>	<i>-0.4pp.</i>	<i>5.4%</i>
Net financial activity	-1.2	-14.4		-6.3
Net profit	21.1	19.6	-7.1%	27.9
<i>Net margin</i>	<i>4.0%</i>	<i>2.7%</i>	<i>-1.3pp.</i>	<i>3.8%</i>
EBITDA	43.7	122.4	180.1%	57.8
<i>EBITDA margin</i>	<i>8.2%</i>	<i>16.6%</i>	<i>8.4pp.</i>	<i>7.8%</i>

- Higher YoY gross profit margin due to favourable trends in both segments.
- Dynamic YoY EBIT improvement despite SG&A costs growth slightly exceeding top-line growth.
- IFRS16 applied for the first time in 9M19 – rental costs replaced by depreciation of the right of use asset. A small impact of the new standard on EBIT but a sizeable one on EBITDA and net income.

- Higher YoY net financial costs under IAS17 due to FX losses on balance sheet items (PLN 1.8m).
- As a result of IFRS16 application the net financial line deteriorated by PLN 8.1m, out of which PLN 5.0m came from FX gains (impact of PLN/EUR) and PLN 3.1m of interests.
- As a consequence, a high but slightly lower YoY net income under IFRS16, yet growth under IAS17.

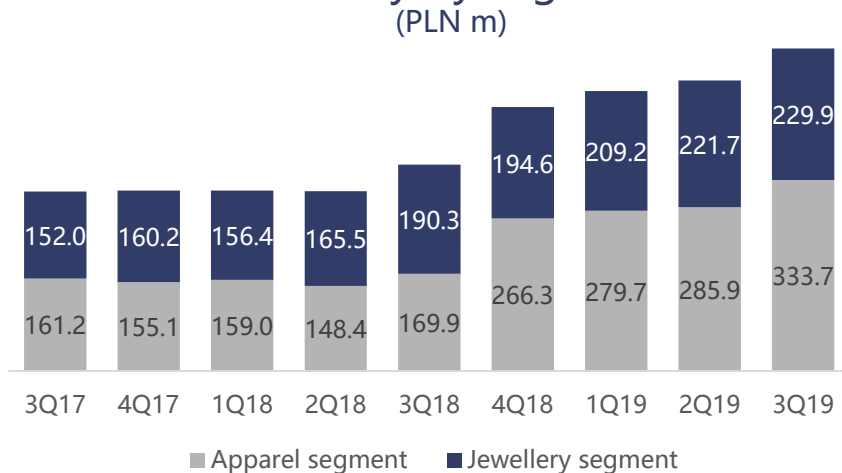
Stocking for 4Q

Change in inventory



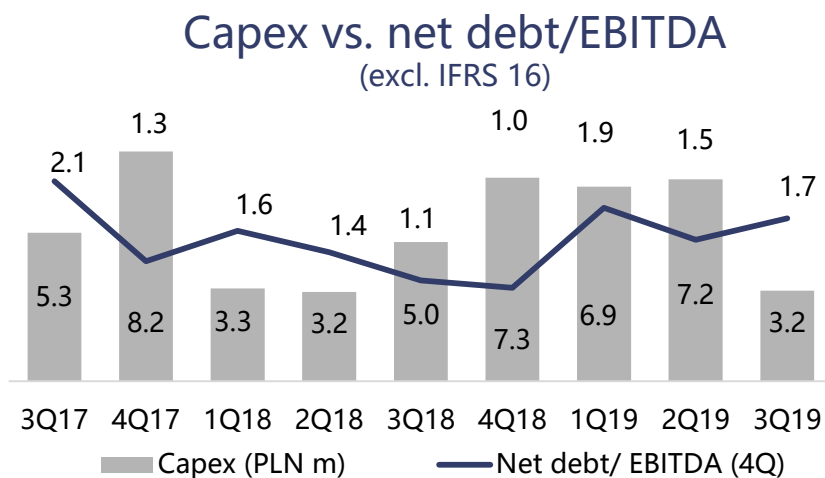
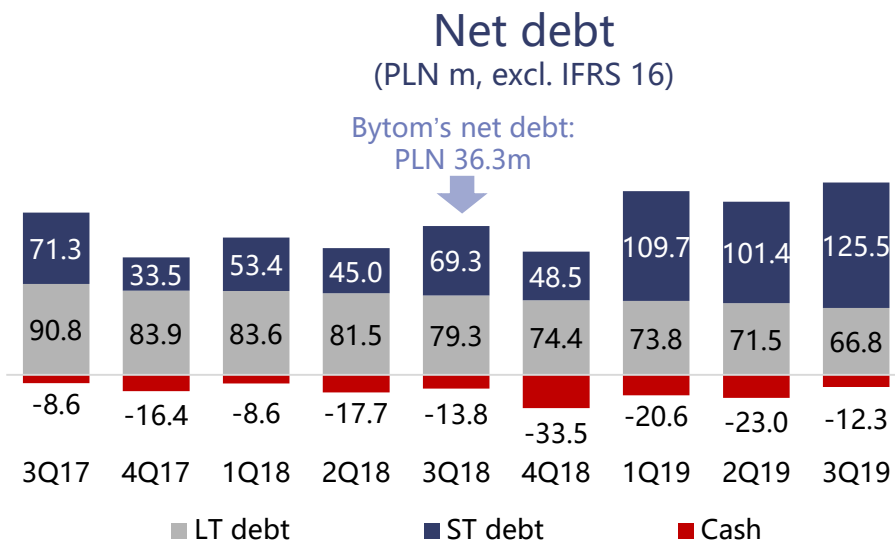
- Inventory up 56% YoY due to network development, opening of new stores and merger with Bytom brand (PLN 100m impact).
- Apparel segment inventory increased 96% YoY. Growth results from stocking for a strong 4Q and merger.
- Inventory of the jewellery segment grew 21% YoY due to openings of new stores and preparation for a strong 4Q19, both in jewellery and watches.

Inventory by segments



- Group inventory per m2 reached PLN 10,474 at the end of 3Q19, up 1% YoY.
- Apparel segment inventory per m2 reached PLN 7,679, up 14% YoY.
- Due to the market characteristics, inventory per m2 in the jewellery segment amounted to PLN 22,214, up 10% YoY.

Safe indebtedness levels

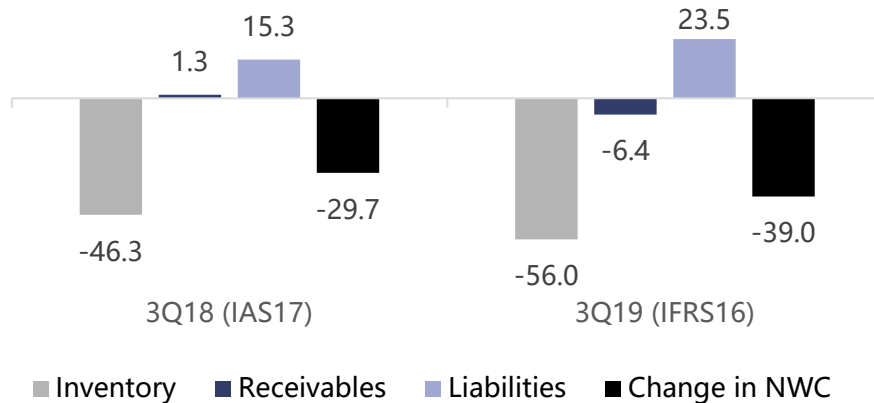


- Long-term and short-term indebtedness shown together with financial leases, yet excluding the leases from IFRS16. Financial leases under IFRS16 at PLN 285.7m.
- Usage of reverse factoring for supply chain financing reached PLN 24.2m at the end of 3Q19 (part of short-term debt, zero in 3Q18).
- Bytom's net debt at the end of 3Q18 came in at PLN 36.3m (including reverse factoring). Pro-forma net debt up 5% YoY.

- Net debt/ EBITDA (4Q) at 1.7x, higher YoY. Growth results from taking over Bytom (higher impact on debt than EBITDA in 3Q19).
- Excluding reverse factoring, the ratio would come at 1.5x.
- Lower YoY capex in 3Q19 due to development through franchise stores.

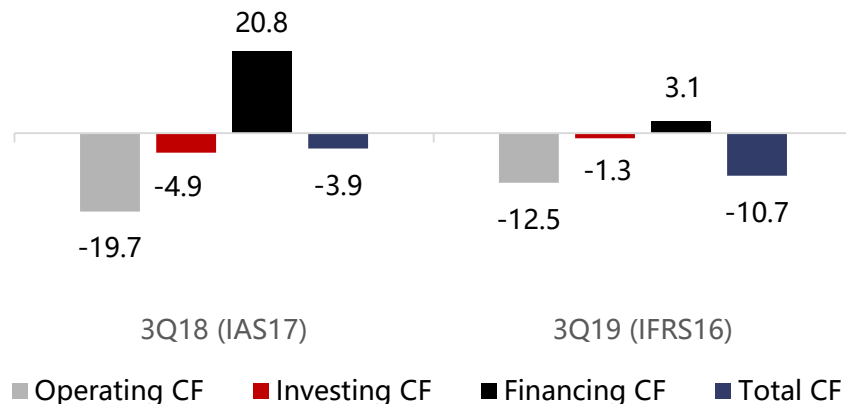
Seasonal engagement of cash

Change in net working capital (PLN m)



- Data for 3Q18 shows VRG Group excluding Bytom, while 3Q19 results include Bytom.
- Engagement of cash in inventories results mainly from higher inventory in both segments in expectation for a strong 4Q.
- Higher liabilities and receivables result from growth in group's scale.
- Impact of IFRS16 on operating cash flows at +PLN 14.6m.

Quarterly cash flows (PLN m)



- Operating cash flows higher YoY, yet in the red, due to higher NWC engagement. Higher D&A YoY due to IFRS16.
- Lower YoY investing cash flow – lower YoY capex due to development by franchise stores.
- Financing cash flows show a seasonal increase in short-term debt in the quarter and lease interest payments (IFRS16).

VISTULA

WÓLCZANKA

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SZTUKA KRAWIECTWA OD 1945

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DENI CLER
MILANO

03

PLANS FOR 2019



VRG
VISTULA RETAIL GROUP

Growth to continue in 2019

		2018	2019 former target	2019 target	YoY
APPAREL SEGMENT	stores	440	467	457	17
	m2	42,072	44,753	44,500	6%
VISTULA	stores	148	159	157	9
	m2	18,230	19,596	19,709	8%
WÓLCZANKA	stores	139	147	141	2
	m2	4,979	5,180	5,039	1%
BYTOM	stores	122	129	128	6
	m2	15,816	16,878	16,715	6%
DENI CLER	stores	31	32	31	0
	m2	3,047	3,100	3,036	0%
JEWELLERY SEGMENT	stores	128	140	139	11
	m2	9,554	10,953	10,641	11%
TOTAL	stores	568	607	596	28
	m2	51,626	55,707	55,141	7%

Targeted group floorspace growth at 7% in 2019.

Franchise store floorspace should reach some 10.8 ths m2 at the end of 2019.

2019 capex should amount to some PLN 20m.

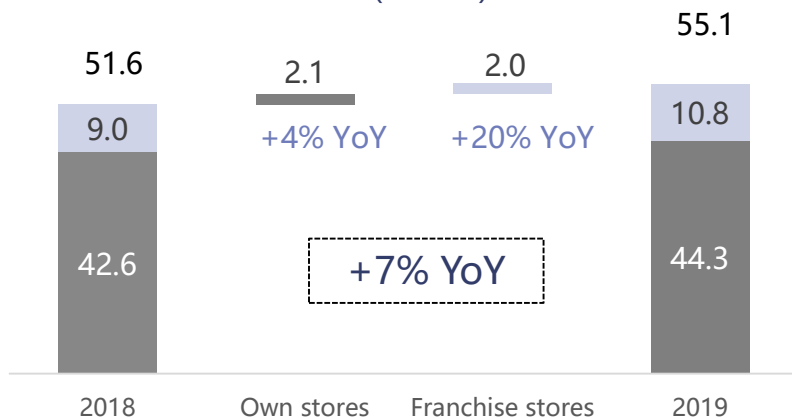
Merged entity growth to continue

Group YoY floorspace development
(ths m2)



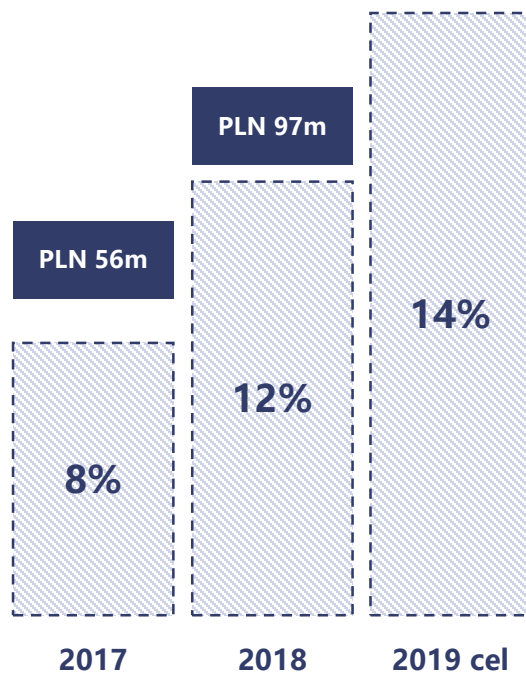
- Merged entity's floorspace should reach 55.1 ths m2 at the end of 2019, up 7% YoY.
- The apparel segment should add 2.4 ths m2 net, growing 6% YoY.
- The jewellery segment should contribute 1 ths m2 net, i.e. up 11% YoY.

Group YoY floorspace development
(ths m2)



- A balanced opening structure between own and franchise store openings in 2019.
- Openings of own stores should increase floorspace of these stores by 4% YoY.
- Dynamic openings of Vistula, Wólczanka, Bytom and W.KRUK branded franchise stores should increase their floorspace by 20% YoY in 2019.

Continuation of e-commerce growth



DYNAMIC GROWTH

Our aim is a further 50% YoY growth in 2019 of e-commerce revenues.

HIGH SHARE

Our aim is for e-commerce to exceed some **14% share** in 2019 revenues.

The most important quarter ahead of VRG

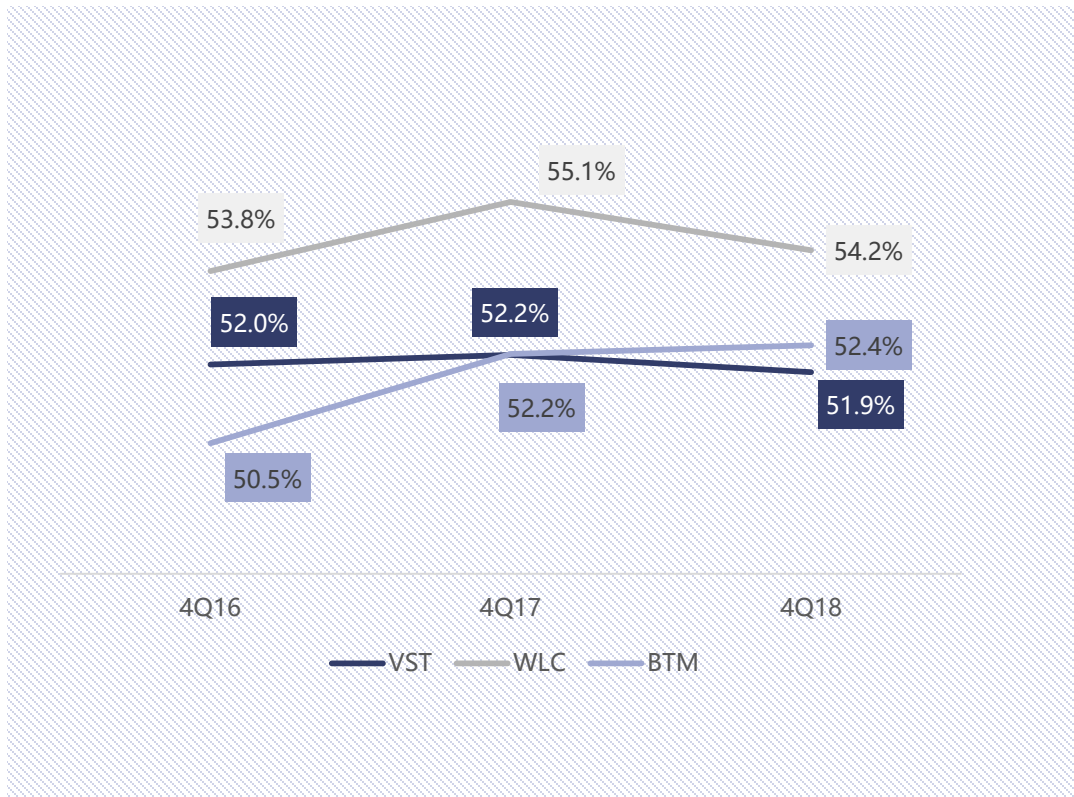
We count on favourable sales of men's' collections in all three fashion brands and in Deni Cler.



High expectations for the fourth quarter due to favourable dynamics in 9M19 (both in jewellery and watches – new watches brands and new diamonds).

Margin synergies in 2019

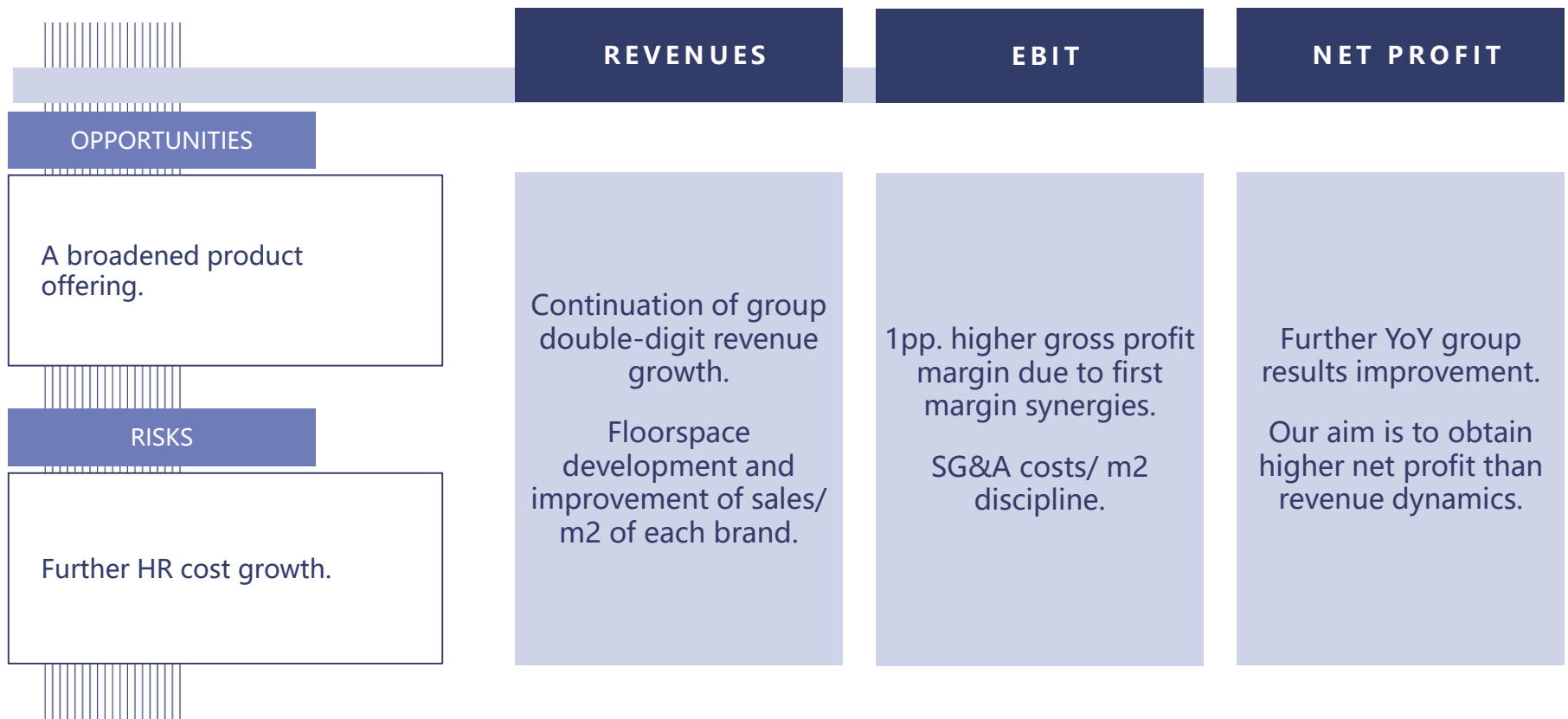
REALISATION OF MARGIN SYNERGIES IN QUARTERS WITH NO SELL-OFFS (2Q & 4Q)



Potential for
+ 1 pp. gross margin in
4Q19 YoY in 3 brands.

PLN 1.5m of realised
margin synergies in
2Q19.

We maintain our 2019 targets (IAS17)



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04

PLANS FOR 2020



VRG
VISTULA RETAIL GROUP

Diversified 2020 growth sources



DEVELOPMENT

Floorspace growth to continue (the highest dynamics in W.KRUK).

SALES/M2

A broadened product offering in each of the brands.

INTERNET

Higher share of internet in each of the brands.

MARGIN

A more favourable gross profit margin due to margin synergies.

Growth to continue in 2020

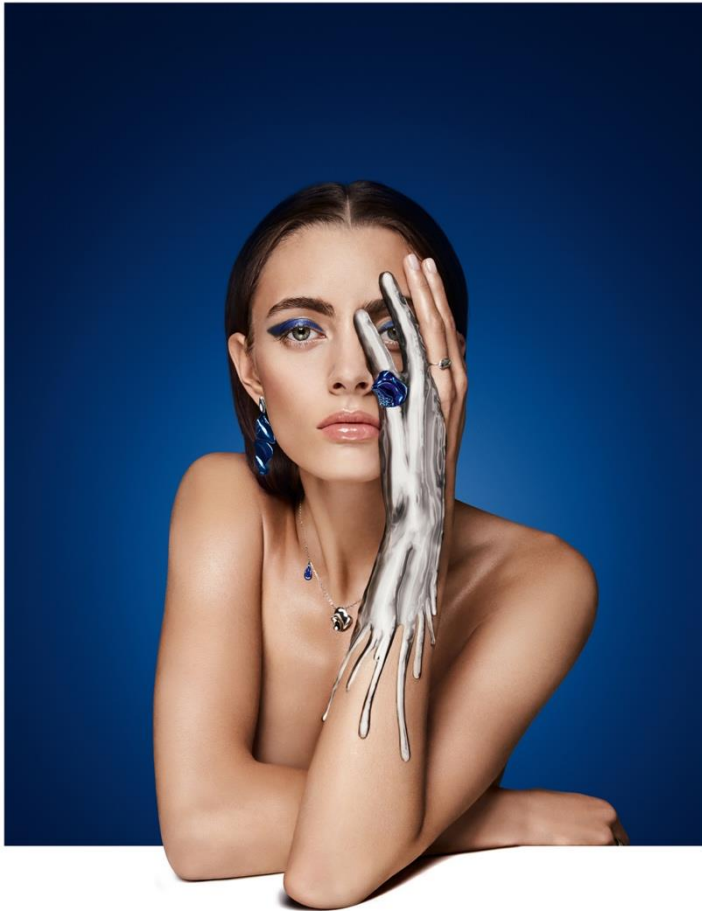
		2019 target	2020 target	YoY
APPAREL SEGMENT	stores	457	470	13
	m2	44,500	46,013	3%
VISTULA	stores	157	164	7
	m2	19,709	20,584	4%
WÓLCZANKA	stores	141	145	4
	m2	5,039	5,227	4%
BYTOM	stores	128	131	3
	m2	16,715	17,254	3%
DENI CLER	stores	31	30	-1
	m2	3,036	2,947	-3%
JEWELLERY SEGMENT	stores	139	151	12
	m2	10,641	11,703	10%
TOTAL	stores	596	621	25
	m2	55,141	57,716	5%

2020 is another year of organic growth. Target at 5% YoY floorspace growth.

Franchise store floorspace should reach some 12.6 ths m2 at the end of 2020.

2020 capex should amount to some PLN 25m (modernisations, store expansions).

Improvement in sales/ m2 in 2020



broader assortment of brands

sports and ecological collections at Vistula, more casual in Bytom

trousers, jackets, T-shirts in Wólczanka

new brands of watches at W.KRUK

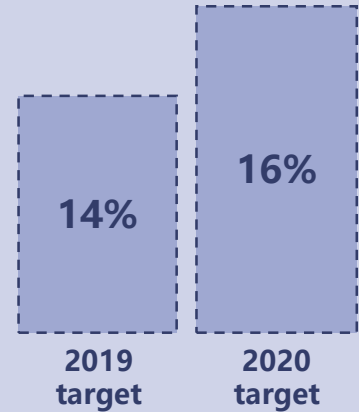
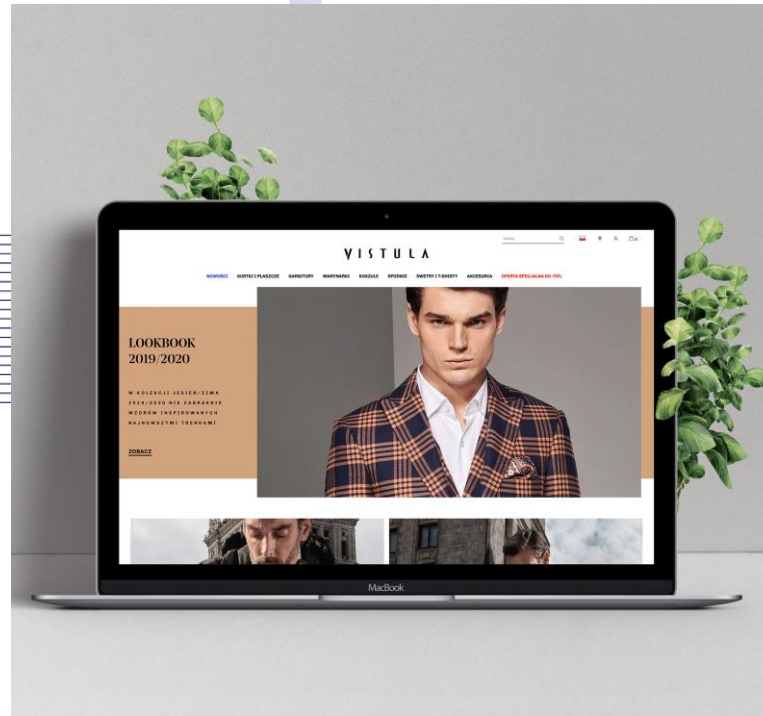
strong diversification of collections of Vistula and Bytom brands

higher average tag price

Dynamic e-commerce development in 2020

Further improvements in functionality of mobile applications and internet webpages, faster delivery time.

Collections dedicated for e-commerce.



Potential to grow gross profit margin in 2020

ACTIONS

Combined policy in terms of raw materials and fabrics suppliers

Combined policy in terms of services suppliers (sewing facilities)

New sourcing markets for formalwear

Further growth of Asian sourcing

Optimisation of promotional actions (gradual lessening of pricing pressure)

TARGET FOR 2020

between PLN 8 – 10m of margin synergies

Net working capital improvements

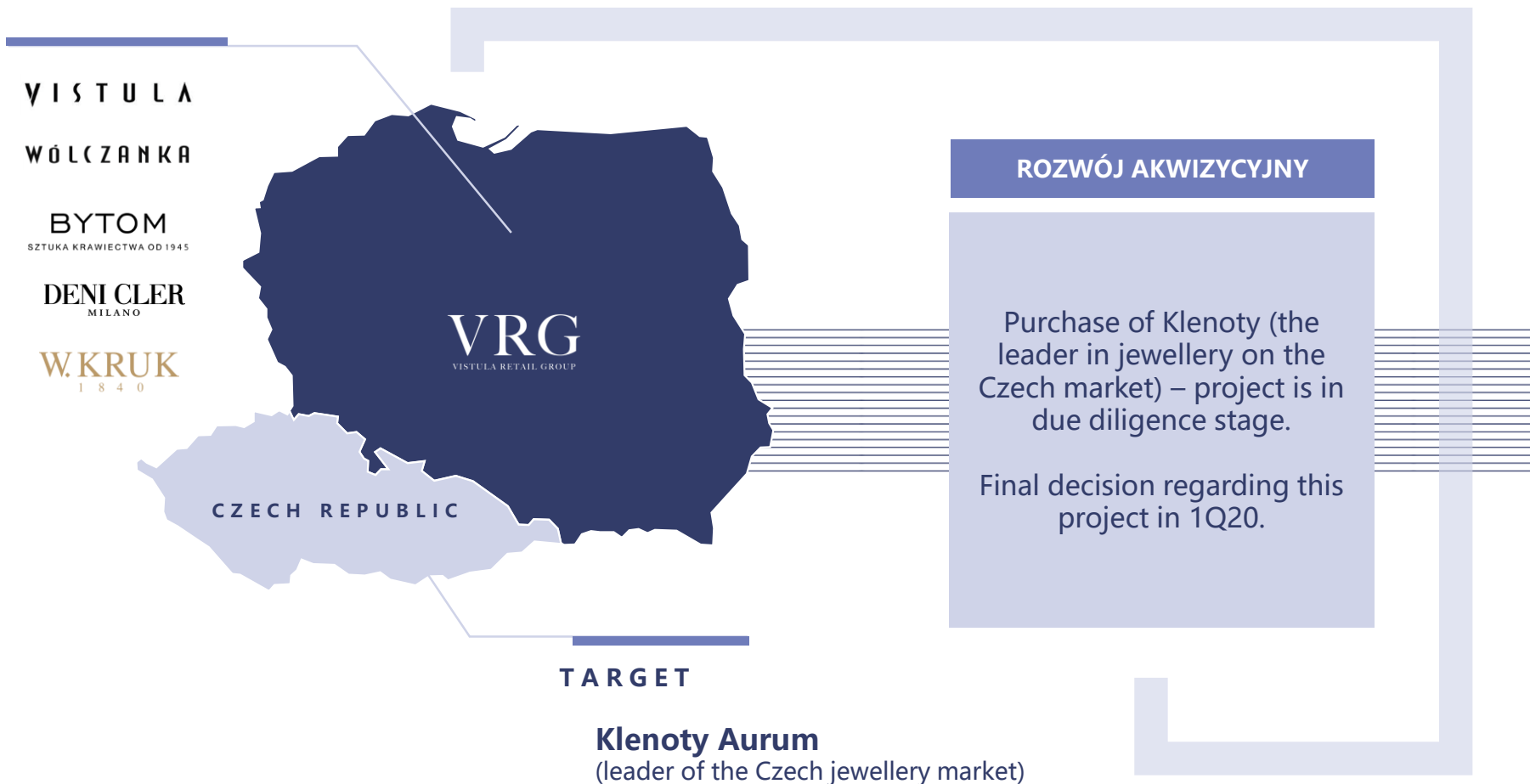
lower inventory/ m2

stronger use of reverse factoring

shortening of cash cycle

additionally, lower financing costs

W.KRUK development outside of Poland



Targets for 2020

REVENUES	EBIT	NET PROFIT	RISKS
<p>Continuation of group revenue growth.</p> <p>Improvement in sales/ m2.</p> <p>Higher share of internet in sales, growth from 14% to 16% of revenues.</p>	<p>Growth in gross profit margin by 1 pp. YoY due to margin synergies.</p> <p>Continued cost discipline (especially rental expenses in euro).</p>	<p>Further YoY group net profit improvement.</p>	<p>Further growth in HR costs.</p> <hr/> <p>OPPORTUNITIES</p> <hr/> <p>New products in the apparel segment. Further W.KRUK development.</p>

Medium-term group targets

- 1 Higher share of internet
- 2 Higher revenues/ m2
- 3 Stores enlargements
- 4 Growing gross profit margin
- 5 Lower rental costs

**AS AN
ANSWER FOR
GROWING HR
COSTS**

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05

Q&A



VRG
VISTULA RETAIL GROUP

VISTULA

WÓLCZANKA

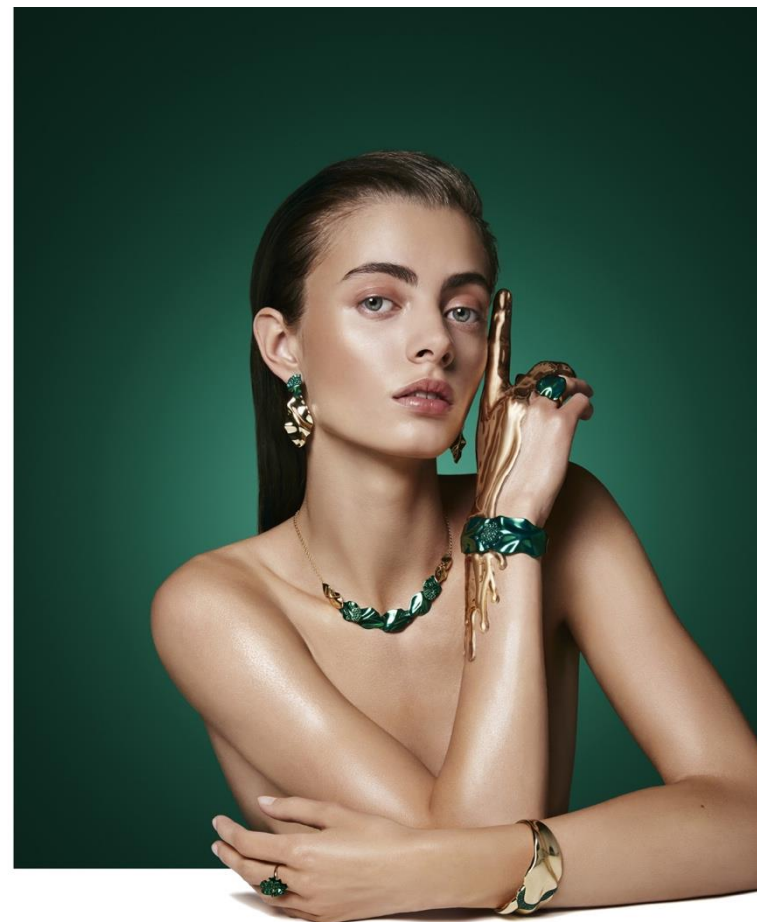
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MILANO

06

BACK-UP



VRG
VISTULA RETAIL GROUP

Vistula: executive summary



VISTULA

Vistula (menswear)

- Vistula brand is characterised by the highest quality of products and a fresh approach to men's fashion.
- There are 3 stylistic lines in Vistula brand collections: Vistula – modern classical clothes, Vistula RED – the latest trends, brave colours, Lantier – reference to traditional tailoring, formalwear.
- "Made to Measure": personalised service dedicated to the most demanding customers. Available in selected brand's stores.

Autumn/Winter 2019/20 collection

- Campaign promoting the AW2019/20 collection with the participation of the world-famous Richard Biedul model carried out in social media and press.
- The brand's offer for the season includes a wide selection of both formal and casual proposals. The novelty is a lightweight suit adapted for washing in a washing machine.
- Participation of other ambassadors in the project "Vistula with Passion" - tennis coach Maciej Synówka and racing driver Maciej Dreszer.
- Vistula officially resigned from use of natural furs from Spring/Summer 2020 season. The brand signed an agreement with the Open cages Association and joined the international programme Free from Fur.

Network development

- In 3Q19 2 stores net were closed (own stores).

Bytom: executive summary



BYTOM

SZTUKA KRAWIECTWA OD 1945

3Q19 presentation

Bytom (menswear)

- Bytom – a Polish brand with origin dating back to 1945.
- The brand offers men's formalwear and smart casual assortment.
- "Made to Measure" – personalised men's tailoring offered in selected stores.

Autumn/Winter 2019/20 collection

- The 'Bytom - at the crossroad of tailoring and film' campaign with the participation of Jan Frycz - master of acting and Kamil Nożyński - the debuting actor of the young generation.
- The Heritage collection combines the tradition of Italian weaving Vitale Barberis Canonico from 1663 with the tradition of modern Polish tailoring Bytom since 1945. Apart from perfectly tailored suits made of high quality precious fabrics, the collection also includes coats, shirts, turtlenecks, shoes and accessories. The whole collection, which is the quintessence of timeless elegance, is maintained in a vintage climate referring to the 80's.
- Promotion of art through the introduction of t-shirts with paintings by Robert Listwan as part of the series "My idols are dead".
- Organization of the „The Art Of Cut - Bytom" exhibition at the Warsaw Gallery Weekend in cooperation with the Raster contemporary art gallery. During the exhibition, a series of unique suits were sewn by tailors Bytom in cooperation with outstanding Polish artists.

Network development

- 1 net franchise store was opened in 3Q19, in Zielona Góra.
- 60

Wólczanka: executive summary



WÓLCZANKA

3Q19 presentation

Wólczanka (fashion for men and women)

- Wólczanka runs a network of own and franchise stores in Poland with shirts for men and women, knitwear and accessories. The brand has two lines: Wólczanka and Lambert.

Autumn/Winter 2019/20 collection

- In the Autumn / Winter 2019/20 season, the faces of the brand were # Professionals, i.e. people who are accompanied by Wólczanka shirts both at work and in everyday life.
- The men's collection encompasses a wide selection of business shirts in shades of blue. In addition to the vertical stripes, there are also delicate stripes, plaid and houndstooth - also multi-colored and other subtle micro patterns. Customers in the collection will also find a wide range of white shirts and multi-colored casual shirts.
- The collection of shirts is complemented by sweaters - including turtlenecks, a mixture of wool and cashmere and the highest quality accessories: silk ties, pocket square and flies, shirt clips, leather straps.
- In the women's collection, next to purely business shirts (cotton and viscose), there are also models from stylish silk. The collection of shirts is complemented by women's sweaters - including turtlenecks, a blend of merino wool and cashmere, as well as a wide selection of elegant scarves made of wool fabric or high-quality silk.
- In the pre-Christmas season the brand will concentrate its promotional activities on presenting the brand as a Christmas present.

Network development

- In 3Q19 the number of boutiques was stable YoY. 1 own store net was closed while 1 franchise store net was opened.

Deni Cler: executive summary



DENI CLER
MILANO

3Q19 presentation

Deni Cler (women's fashion)

- Women's fashion brand with Italian origin, established in Italy in 1972.
- A network of stores for women over 35 years of age who value high quality and elegance.
- Collections created from highest quality fabrics with superior accessories and designer cut.

Autumn/Winter 2019/20 collection

- The Autumn/ Winter 2019/20 collection is named ORA ITALIANA! It combines traditions, i.e. excellent craftsmanship with modernity and current trends. It is kept in a warm, soft color palette. It contains capsule collections dedicated to different activities, and thus the needs of clients: formal, dedicated to work, urban - casual and evening / visiting.
- Collection advertising both on-line and off-line.
- New offer - a collection line with a typical business profile - PROFashional, silhouettes from this line marked with dedicated labels and inserts.
- In 4Q19, the on-line and off-line campaign of the ELEGANTE capsule evening collection combined with the development of the project 'Friends of Deni Cler Milano'.

Network development

- No new openings in 3Q19. Further development of presence in multibrand stores.

W.KRUK: executive summary

The oldest jewellery brand in Poland

- The jewellery offer includes gold, silver and platinum jewellery, diamonds, precious stones and original collections.
- W.KRUK's offer also includes global watches brands, such as Rolex (exclusivity), Hublot, Omega, Longines, TAG Heuer, Tissot, Certina and many more. W.KRUK offer also includes a constantly growing collection of accessories: leather handbags, silk scarves, sunglasses and leather accessories with the brand's logo.

Novelties in brand's offer

- As the first chain of jewellery stores on the Polish market, W.KRUK has introduced the *Perfect* (Doskonały) jewellery / jewellery with lab-grown diamonds, under the name New Diamond by W.KRUK.
- A new category in the W.KRUK offer is the perfumed water line signed with the brand logo. Inspired by colorful diamonds, 3 women's fragrances (W.KRUK ROSE, W.KRUK BLUE, W.KRUK PURE) and 1 male / unisex (W.KRUK BLACK) are available in W.KRUK salons and on wkruk.pl, and from October Sephora perfumery chains and on Sephora.pl.
- W.KRUK has also expanded its range of luxury products. From August this year it offers Chopard watches and jewellery.

Network development

- In 3Q19 one net store was opened, 1 net own store was closed while 2 net franchise stores were opened.



W.KRUK
1 8 4 0

Summary of brands' 3Q19 results

VISTULA

FRANCHISE NETWORK
DEVELOPMENT.

WÓLCZANKA

HIGH SHARE OF
INTERNET.

W. KRUK
1 8 4 0

BROADENING THE
JEWELLERY OFFER,
INTRODUCTION OF
PERFUMES. FURTHER
INCREASE IN SALES
OF WATCHES.

BYTOM

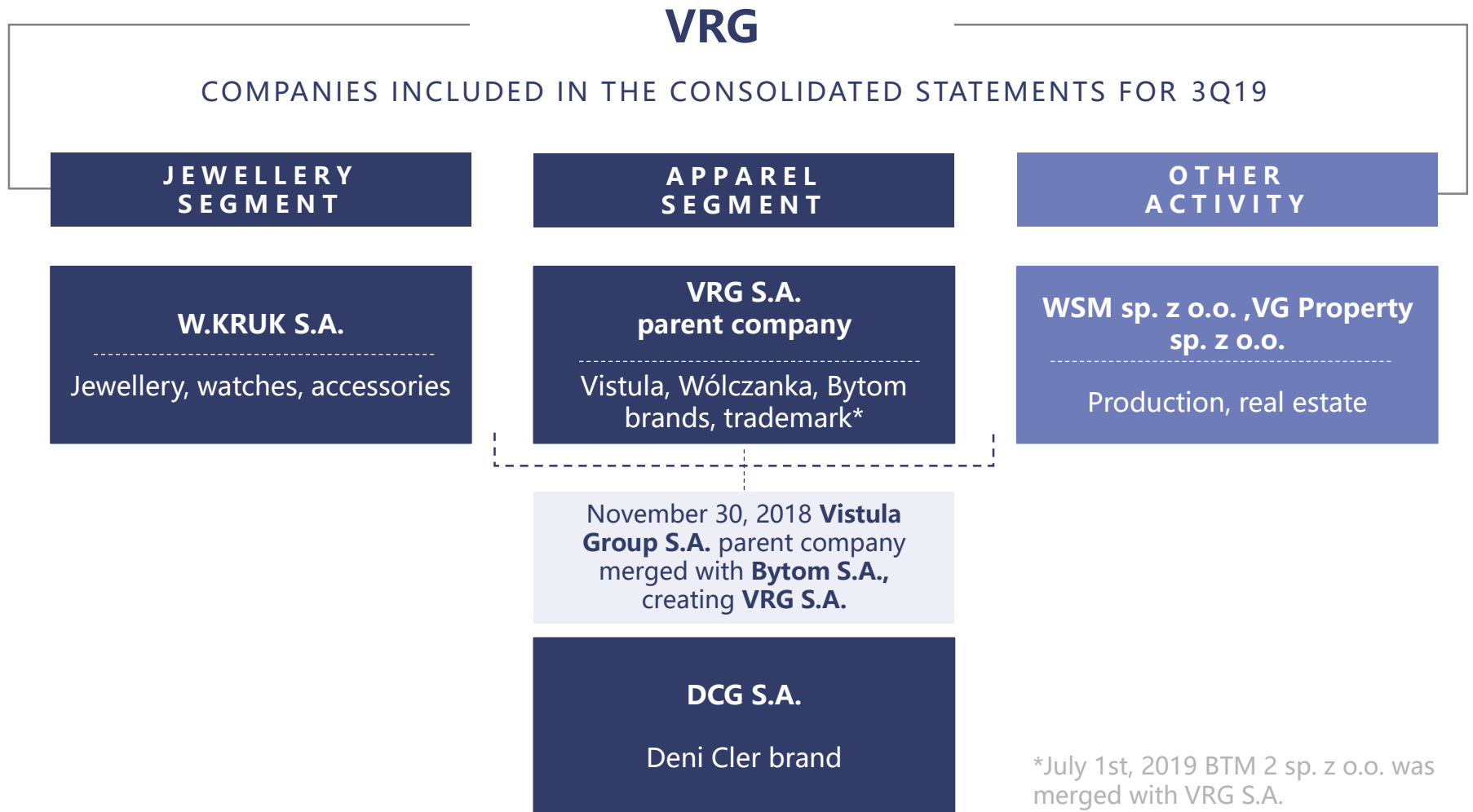
SZTUKA KRAWIECTWA OD 1945

STRONGER YoY
DISCOUNTS.

DENI CLER
MILANO

DYNAMIC REVENUE
GROWTH.

Group's structure



Growing number of stores

NUMBER OF STORES

		3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19
APPAREL SEGMENT	total	281	295	299	300	304	440	443	452	451
	franchise	76	88	93	94	100	117	120	126	129
VISTULA	total	126	134	136	138	141	148	152	154	152
	franchise	35	42	46	47	50	56	58	60	60
WÓLCZANKA	total	122	129	131	132	133	139	139	142	142
	franchise	33	38	39	39	42	47	48	50	51
BYTOM	total	-	-	-	-	-	122	121	125	126
	franchise	-	-	-	-	-	6	6	8	9
DENI CLER	total	33	32	32	30	30	31	31	31	31
	franchise	8	8	8	8	8	8	8	8	9
JEWELLERY SEGMENT	total	108	115	117	121	126	128	132	134	135
	franchise	1	3	4	6	6	10	11	11	13
TOTAL	total	389	410	416	421	430	568	575	586	586
	franchise	77	91	97	100	106	127	131	137	142

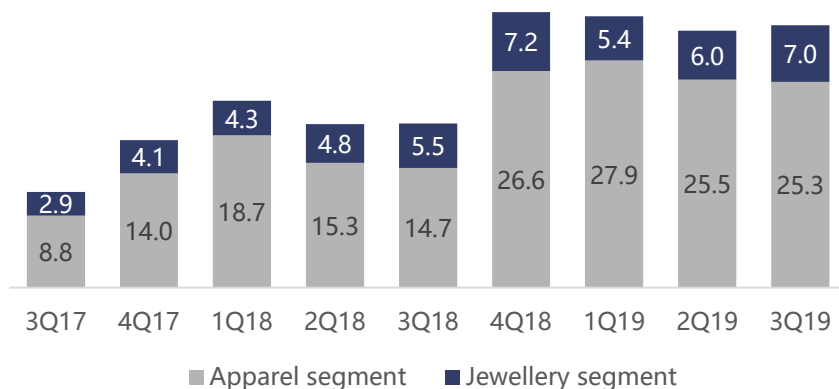
Higher floorspace

FLOORSPACE (M2)

		3Q17	4Q17	1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19
APPAREL SEGMENT	total	23,721	24,613	24,822	24,864	25,163	42,072	42,429	43,207	43,461
	franchise	5,226	6,006	6,389	6,487	6,820	8,394	8,621	9,223	9,322
VISTULA	total	15,963	16,719	16,855	17,176	17,429	18,230	18,727	19,007	19,058
	franchise	3,623	4,235	4,580	4,686	4,925	5,581	5,818	6,084	6,065
WÓLCZANKA	total	4,362	4,604	4,676	4,707	4,753	4,979	4,894	4,978	4,985
	franchise	1,004	1,171	1,209	1,201	1,295	1,489	1,479	1,528	1,546
BYTOM	total	-	-	-	-	-	15,816	15,761	16,175	16,402
	franchise	-	-	-	-	-	723	723	1,011	1,011
DENI CLER	total	3,397	3,291	3,291	2,981	2,981	3,047	3,047	3,047	3,017
	franchise	600	600	600	600	600	600	600	600	700
JEWELLERY SEGMENT	total	8,152	8,688	8,769	9,048	9,449	9,554	9,992	10,215	10,347
	franchise	59	187	245	371	371	630	680	680	802
TOTAL	total	31,873	33,301	33,592	33,912	34,611	51,626	52,421	53,422	53,809
	franchise	5,285	6,192	6,633	6,858	7,190	9,024	9,301	9,903	10,124

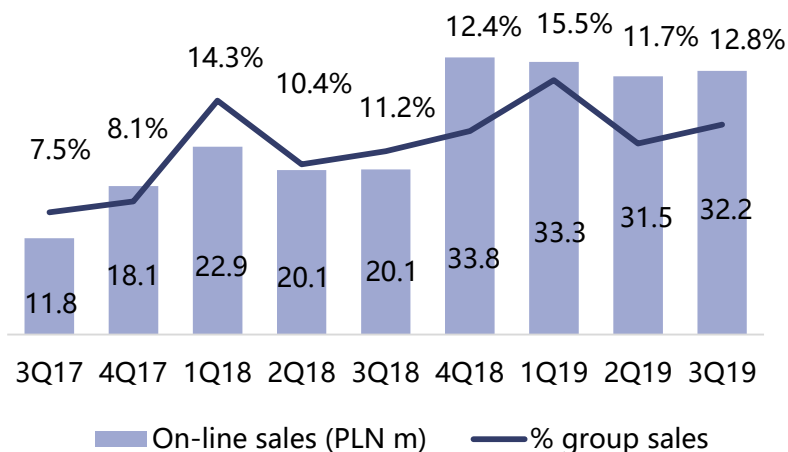
Own e-stores of five brands

On-line sales by segments
(PLN m)



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

Group on-line sales



- In 3Q19 on-line sales amounted to PLN 33.2m, up 60% YoY.
- Share of internet in revenues increased from 11.2% in 3Q18 to 12.8% in 3Q19.
- On-line sales amounted to PLN 97.1m in 9M19, up 54% YoY.
- Share of internet in revenues grew from 11.8% in 9M18 to 13.2% in 9M19.

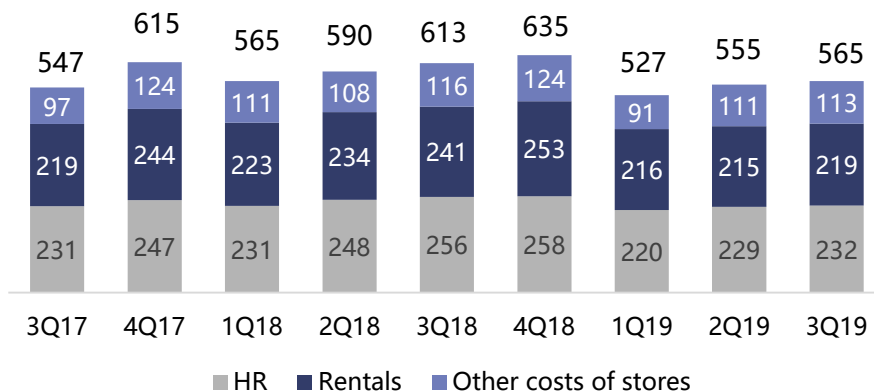
Costs of own stores under control

Operating costs per month/m2
(PLN, excl. IFRS16)



- Differences between SG&A costs/ m2 between segments result from different business models.
- The jewellery segment is characterised by higher revenues and costs/ m2 than these of the apparel segment.
- Segmental costs/ m2 are calculated based on average working floorspace for each segment. Bytom brand's costs are included since XII 2018.

Costs of own stores per month/m2
(PLN, excl. IFRS16)



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

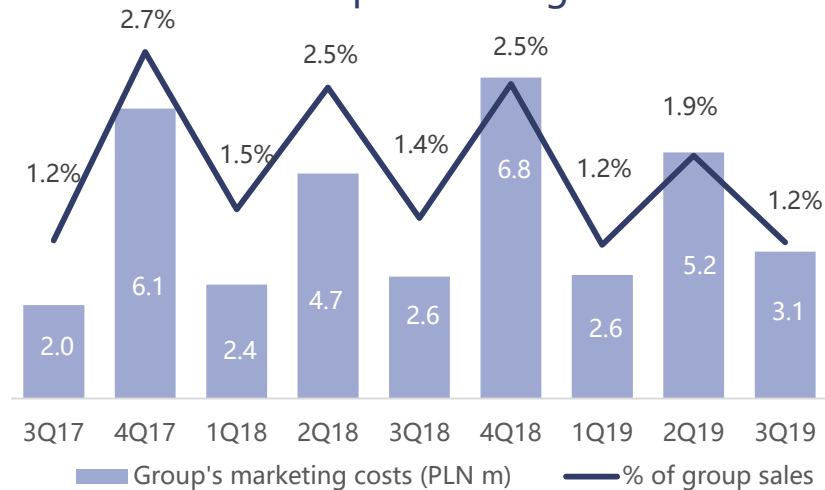
Discipline in marketing costs

Marketing costs by segments
(PLN m)



- Marketing costs are part of group selling costs.
- These encompass: recurring advertising spending (catalogues, photoshoots) and nationwide marketing campaigns in editorial, internet and TV with celebrities.
- In 3Q19 marketing outlays reached PLN 3.1m, up 21% YoY, due to Bytom and W.KRUK campaign.

Group marketing costs

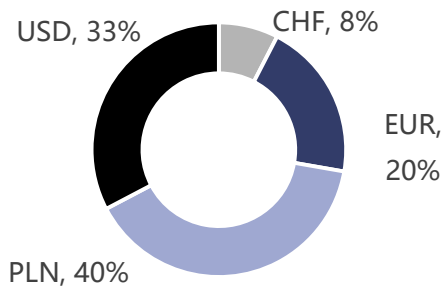


- The apparel segment: marketing outlays are related to campaigns. Pick-up in 2018 spending (especially in 1H18) was related to media campaign with Robert Lewandowski and players of the National Polish Football Team in World Football Championships in 2018.
- Marketing costs within the jewellery segment cumulate in 4Q (seasonally best), before Christmas.

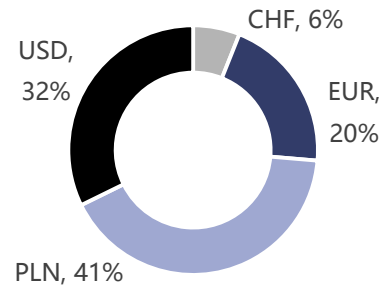
FX risk exposure

Purchases by currencies
(PLN m)

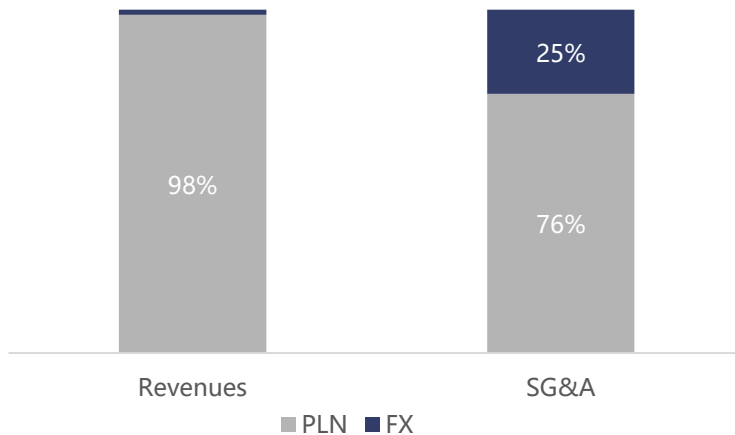
9M18



9M19



9M19 revenues and SG&A costs by currencies (excl. IFRS16)



3Q19 presentation

- FX risk is sizeable for the capital group, thus it is being hedged since 2Q16.
- The group is a beneficiary of strengthening of zloty versus foreign currencies.
- A small YoY shift in purchases structure in 9M19 due to consolidation of Bytom and changes in sourcing.

- Depreciation of zloty to main currencies (USD, EUR and CHF) may unfavourably impact the gross profit (higher COGS) and operating margin (higher rental costs, excl. IFRS16).
- The Company uses currency derivatives (currency forwards) to hedge future cash flows against currency risk.
- Hedging of the FX risk exposure takes place in the apparel segment.

Historical quarterly results

PLN m	1Q18	1Q19 IFRS16	YoY	1Q19 IAS17	2Q18	2Q19 IFRS16	YoY	2Q19 IAS17	3Q18	3Q19 IFRS16	YoY	3Q19 IAS17
Revenues	160.6	214.4	33.5%	214.4	192.9	270.2	40.1%	270.2	180.1	251.2	39.5%	251.2
Gross profit on sales	77.8	105.0	35.0%	105.0	100.6	144.6	43.8%	144.6	90.1	128.0	42.1%	128.0
<i>Gross profit margin</i>	<i>48.5%</i>	<i>49.0%</i>	<i>0.5pp</i>	<i>49.0%</i>	<i>52.1%</i>	<i>53.5%</i>	<i>1.4pp.</i>	<i>53.5%</i>	<i>50.0%</i>	<i>51.0%</i>	<i>1.0pp.</i>	<i>51.0%</i>
SG&A costs	75.5	106.2	40.7%	106.0	80.8	115.5	43.0%	115.3	80.5	115.5	43.5%	115.6
Other operating activity	-0.4	-0.1		-0.1	-0.6	-0.5		-0.5	0.4	0.1		0.1
EBIT	1.9	-1.2	N/M	-1.1	19.2	28.6	49.0%	28.7	10.0	12.6	25.5%	12.4
<i>EBIT margin</i>	<i>1.2%</i>	<i>-0.6%</i>	<i>-1.8pp</i>	<i>-0.5%</i>	<i>9.9%</i>	<i>10.6%</i>	<i>0.7pp.</i>	<i>10.6%</i>	<i>5.6%</i>	<i>5.0%</i>	<i>-0.6pp.</i>	<i>4.9%</i>
Net financial activity	-1.5	-2.7		-1.7	-1.6	0.7		-1.3	-1.2	-12.4		-3.3
Pre-tax profit	0.4	-4.0	N/M	-2.8	17.6	29.3	66.2%	27.4	8.8	0.2	N/M	9.1
Tax	0.3	-1.6		-1.6	3.5	5.4		5.4	1.9	2.0		2.0
Net profit	0.1	-2.4	N/M	-1.2	14.1	23.9	69.3%	22.0	6.9	-1.8	N/M	7.1
<i>Net margin</i>	<i>0.1%</i>	<i>-1.1%</i>	<i>-1.2pp</i>	<i>-0.6%</i>	<i>7.3%</i>	<i>8.8%</i>	<i>1.5pp.</i>	<i>8.1%</i>	<i>3.8%</i>	<i>-0.7%</i>	<i>-4.5pp.</i>	<i>2.8%</i>

EBITDA	6.1	24.8	307.3%	4.4	23.6	56.7	140.5%	34.8	14.0	40.9	191.5%	18.4
<i>EBITDA margin</i>	<i>3.8%</i>	<i>11.6%</i>	<i>7.8pp</i>	<i>2.1%</i>	<i>12.2%</i>	<i>21.0%</i>	<i>8.8pp.</i>	<i>12.9%</i>	<i>7.8%</i>	<i>16.3%</i>	<i>8.5pp.</i>	<i>7.3%</i>

Safe indebtedness level

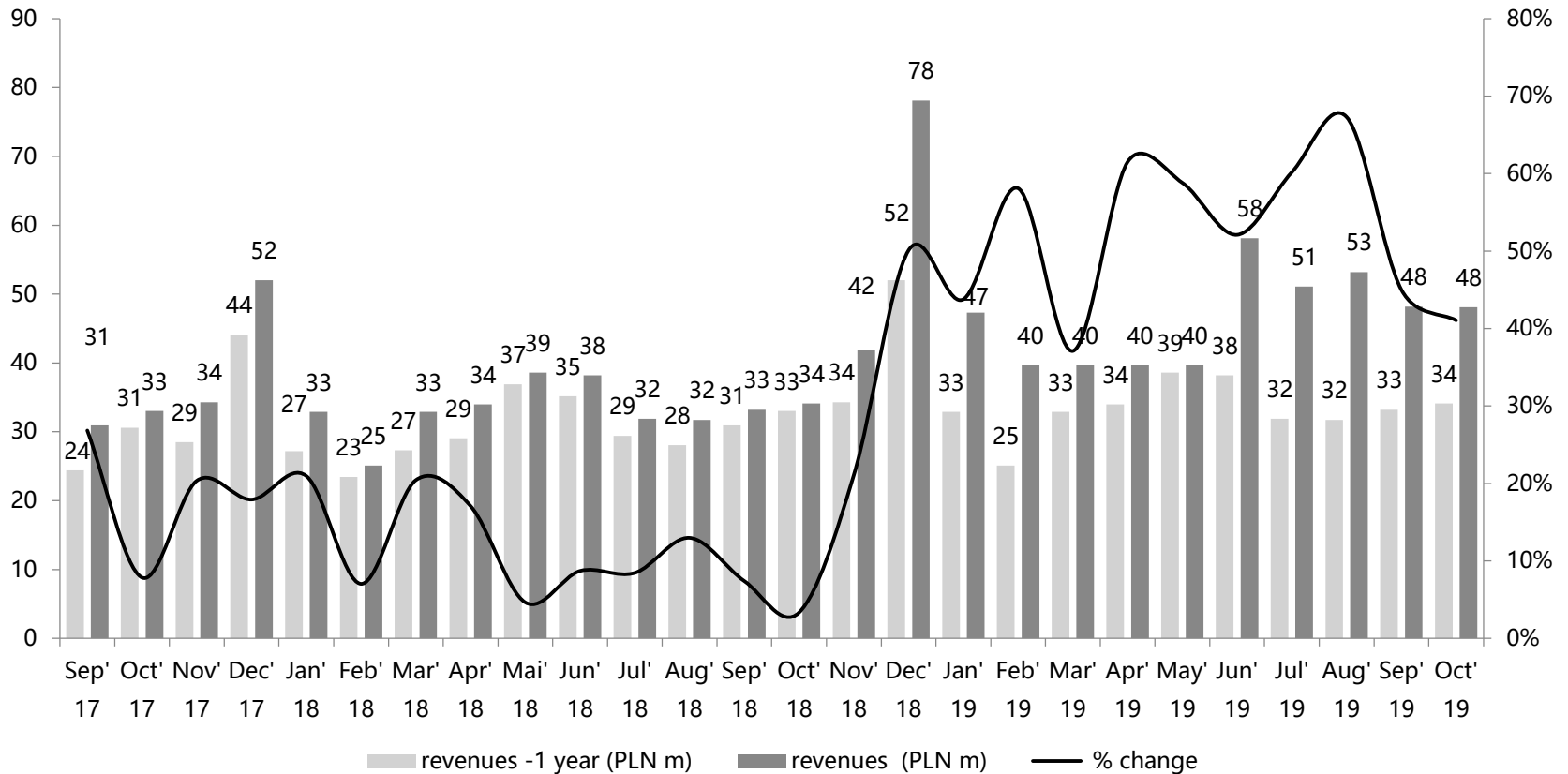
PLN m	3Q18	4Q18	3Q19
Long-term debt	79.3	74.4	66.8
Bank loans	77.7	70.8	64.2
Finance leases	1.7	3.6	2.6
Short-term debt	69.3	48.5	90.5
Bank loans	68.8	25.9	89.6
Finance leases	0.6	1.7	1.8
Reverse factoring	0.0	20.9	24.2
Cash	13.8	33.5	12.3
Net debt	134.9	89.4	179.9
Finance leases IFRS16	0.0	0.0	285.7
Net debt under IFRS16	134.9	89.4	465.7

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

- There is room to further finance the group's development from bank debt.
- Consistent YoY reduction in long-term debt.
- A safer and more diversified financing structure after merger with Bytom.
- PLN 24.2m of reverse factoring used for financing of Bytom brand's suppliers.
- PLN 285.7m of IFRS16 liabilities (finance leases).

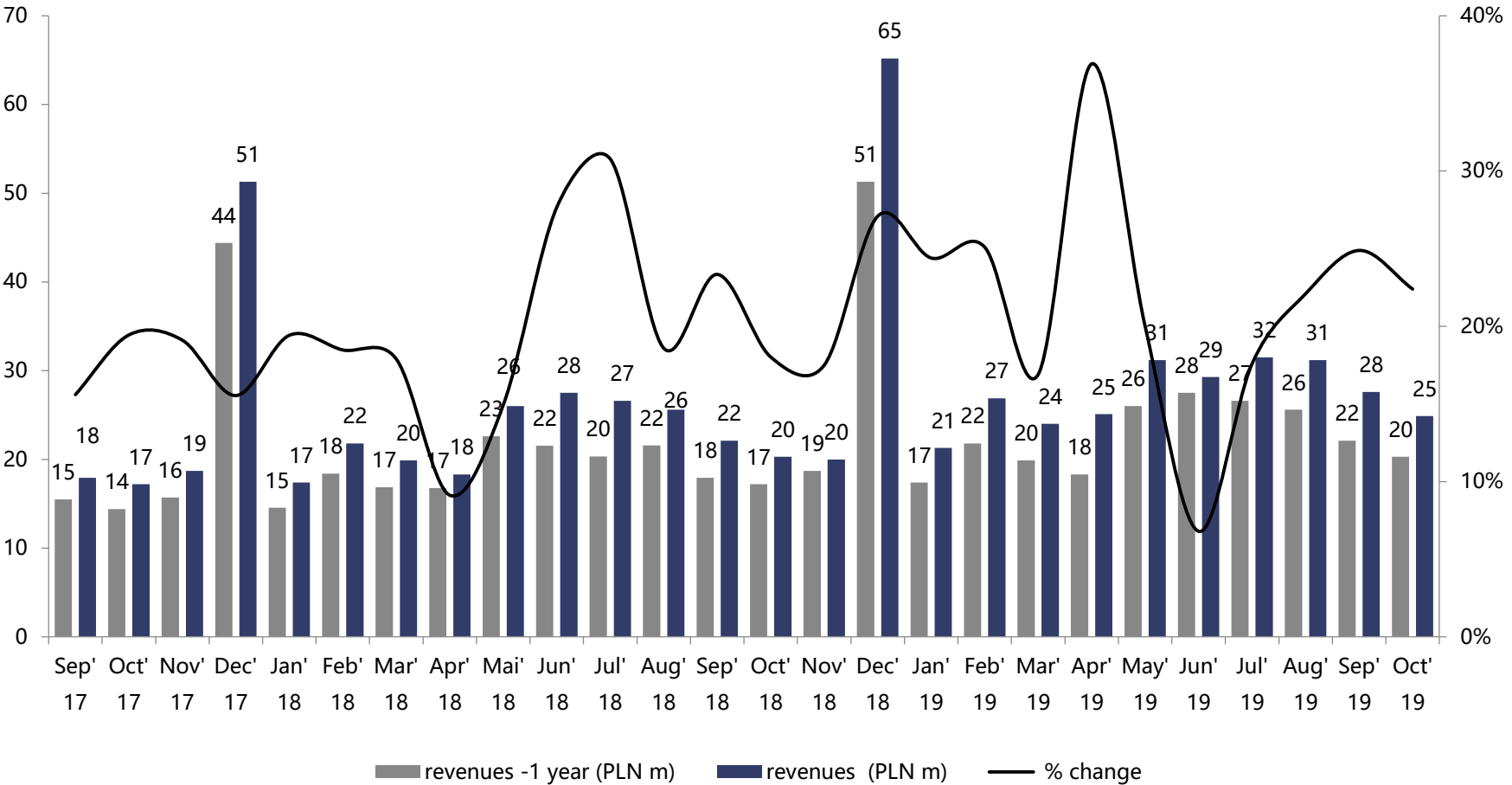
Monthly sales data

APPAREL SEGMENT REVENUES
(VISTULA, WÓLCZANKA, DENI CLER,
BYTOM from XII 2018)



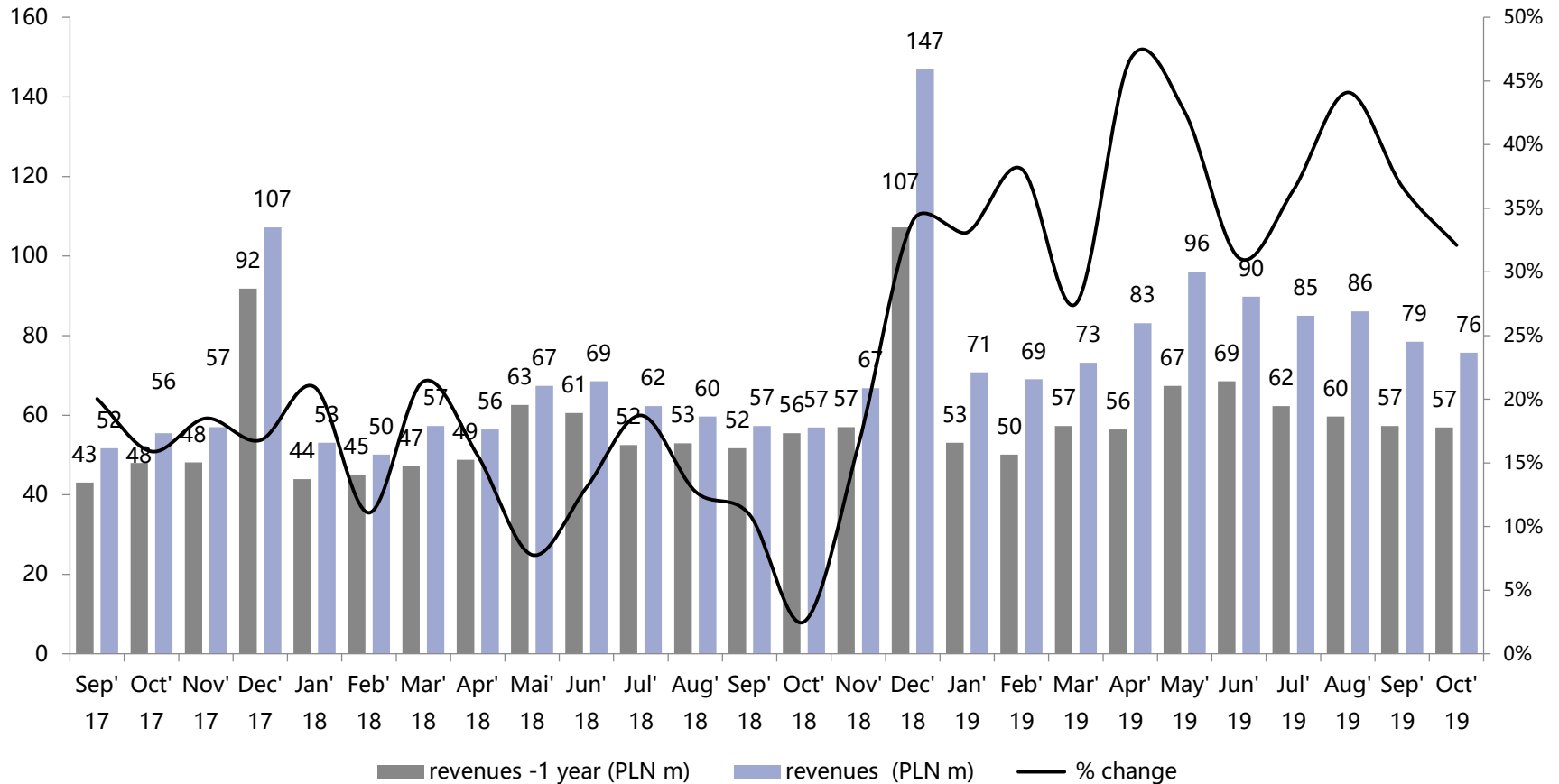
Monthly sales data

JEWELLERY SEGMENT REVENUES (W.KRUK)



Monthly sales data

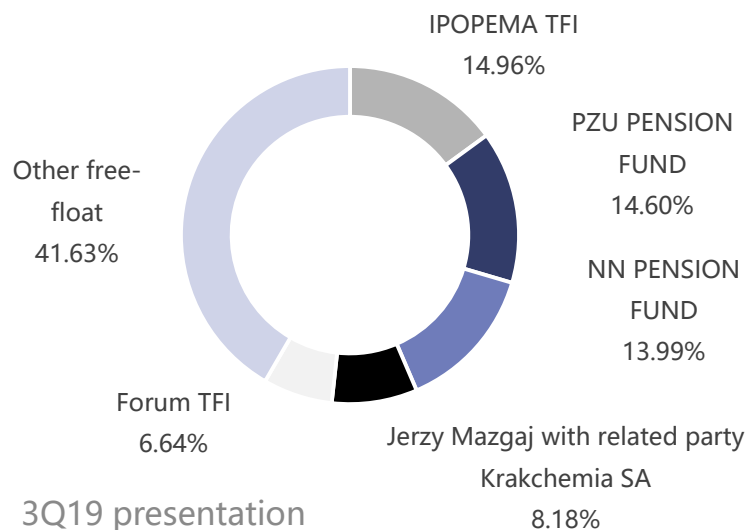
REVENUES OF THE CAPITAL GROUP



Shareholder structure

Shareholder structure as of 3Q19 publication (share in equity and votes)

	Number of shares/votes	% stake
1. IPOPEMA TFI	35,075,787	14.96%
2. PZU OFE	34,230,000	14.60%
3. NN OFE	32,802,252	13.99%
4. Jerzy Mazgaj z podmiotem powiązanym Krakchemia SA	19,177,333	8.18%
5. FORUM TFI	15,580,800	6.64%
6. Other free-float	97,589,668	41.63%
TOTAL	234,455,840	



Sources of information regarding holdings of VRG S.A. shares

1. Information on the number of shares provided in accordance with the notification received by the Company pursuant to art. 69 clause 1 point 1, art. 69 clause 2 point 1 lit. a and art. 87 paragraph 1 item 2 of the Act of 29 July 2005 on public offerings and conditions governing the introduction of financial instruments to organized trading, and on public companies, applies to shares held jointly by all funds managed by IPOPEMA TFI S.A. According to the information received by the Company, the Ipopema 21 FIZ, managed by IPOPEMA TFI SA, holds 13,800,226 shares of the Company, which accounts for 5.89% of the share capital of the Company and gives 13,800,226 votes, constituting 5.89% of the total number votes at the Company's General Shareholder Meeting.

2. information provided on the basis of the number of shares registered by the PZU "Złota Jesień" Open Pension Fund at the Ordinary General Meeting of the Company on June 17, 2019.

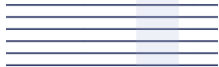
3. Information provided based on the number of shares registered jointly by Nationale-Nederlanden Open Pension Fund and Nationale-Nederlanden Voluntary Pension Fund at the Annual General Meeting of the Company on June 17, 2019. At the Annual General Meeting of the Company on 17.06.2019, Nationale-Nederlanden Open Pension Fund owned independently 32,433,252 shares of the Company, which constitutes 13.83% of the Company's share capital and was entitled to 32,433,252 votes at the General Meeting of the Company, which constitutes 13.83% of the total number of votes at the General Meeting of the Company.

4. Information on the number of shares provided in accordance with notifications received by the Company pursuant to art. 69 of the Act of 29 July 2005 on public offerings and conditions governing the introduction of financial instruments to organized trading, and on public companies and in accordance with the notifications received by the Company pursuant to art. 19 MAR. According to the information held by the Company, Mr. Jerzy Mazgaj owns 18,177,333 shares of the Company, which constitutes 7.75% of the share capital of the Company and is entitled to 18,177,333 votes at the Company's General Shareholder Meeting, which represents 7.75% of the total number of votes at the Company's General Shareholder Meeting.

5. Information on the number of shares provided in accordance with the notification received by the Company pursuant to art. 69 clause 1 point 2 in connection from art. 87 paragraph 1 point 2 lit. a) The Act of July 29, 2005 on public offerings and conditions governing the introduction of financial instruments to organized trading, and on public companies, applies to shares held jointly by the following funds managed by Forum TFI SA: (i) Forum X Closed End Fund with 8,429,760 shares of the Company constituting 3.59% of the share capital of the Company and entitling to 8,429,760 votes at the Company's General Shareholder Meeting, constituting 3.59% of the total number of votes in the Company and (ii) Forum XXIII Closed End Fund holding 7,151,040 shares of the Company constituting 3.05% of the share capital of the Company and entitling to 7,151,040 votes at the Company's General Shareholder Meeting, constituting 3.05% of the total number of votes in the Company.

Glossary

Apparel segment	Revenues from brands: Vistula, Wólczanka, Bytom (from XII 2018), Deni Cler and wholesale segment, B2B and processing.
Jewellery segment	Retail revenues of W.KRUK brand and other revenues (including B2B).
Casual	Revenues including the following assortment: jackets, trousers, coats, knitwear.
Formal	Revenues from sale of formalwear, including suits and shirts.
Revenues (PLN/m ² per month)	Quarterly revenues of segment or brand (stores and internet)/ average working floorspace / 3.
Costs of stores	Operating costs of stores including among others rental expenses, HR costs, depreciation, commissions for franchise stores and logistics.
Costs of stores (own) /m ² (PLN per month)	Quarterly costs of stores (own stores)/ average working floorspace (of own stores) / 3.
EBITDA	Operating profit plus depreciation and amortisation from cash flow statement.
Store EBIT (PLN m)	Store operating profit calculated as gross profit on sales for stores minus store costs.
Operating costs (SG&A)/m ² (PLN per month)	Quarterly group SG&A / average total working floorspace / 3.
Inventory/ m ²	Inventory end of period / group's floorspace end of period.



VRG
VISTULA RETAIL GROUP

THANK YOU

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VISTULA

WÓLCZANKA

BYTOM
SZTUKA KRAWIECTWA OD 1945

W.KRUK
1840

DENI CLER
MILANO