



# Disclaimer

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

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

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

VISTULA

WÓLCZANKA

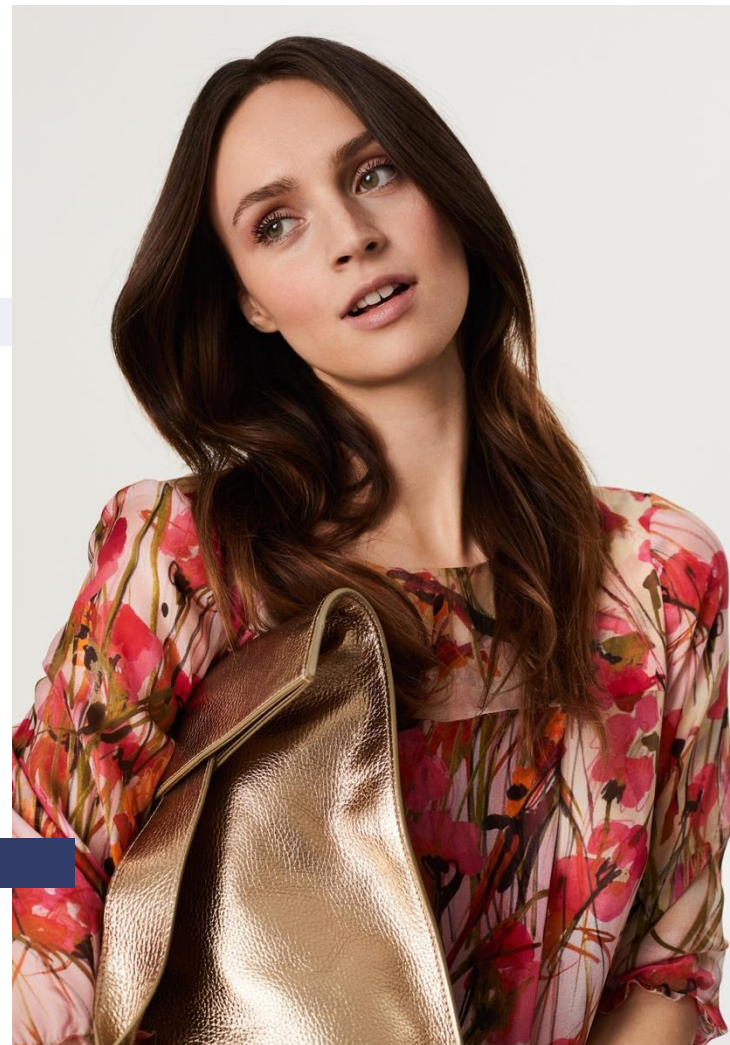
BYTOM  
SZTUKA KRAWIECTWA OD 1945

W.KRUK  
1 8 4 0

DENI CLER  
MILANO

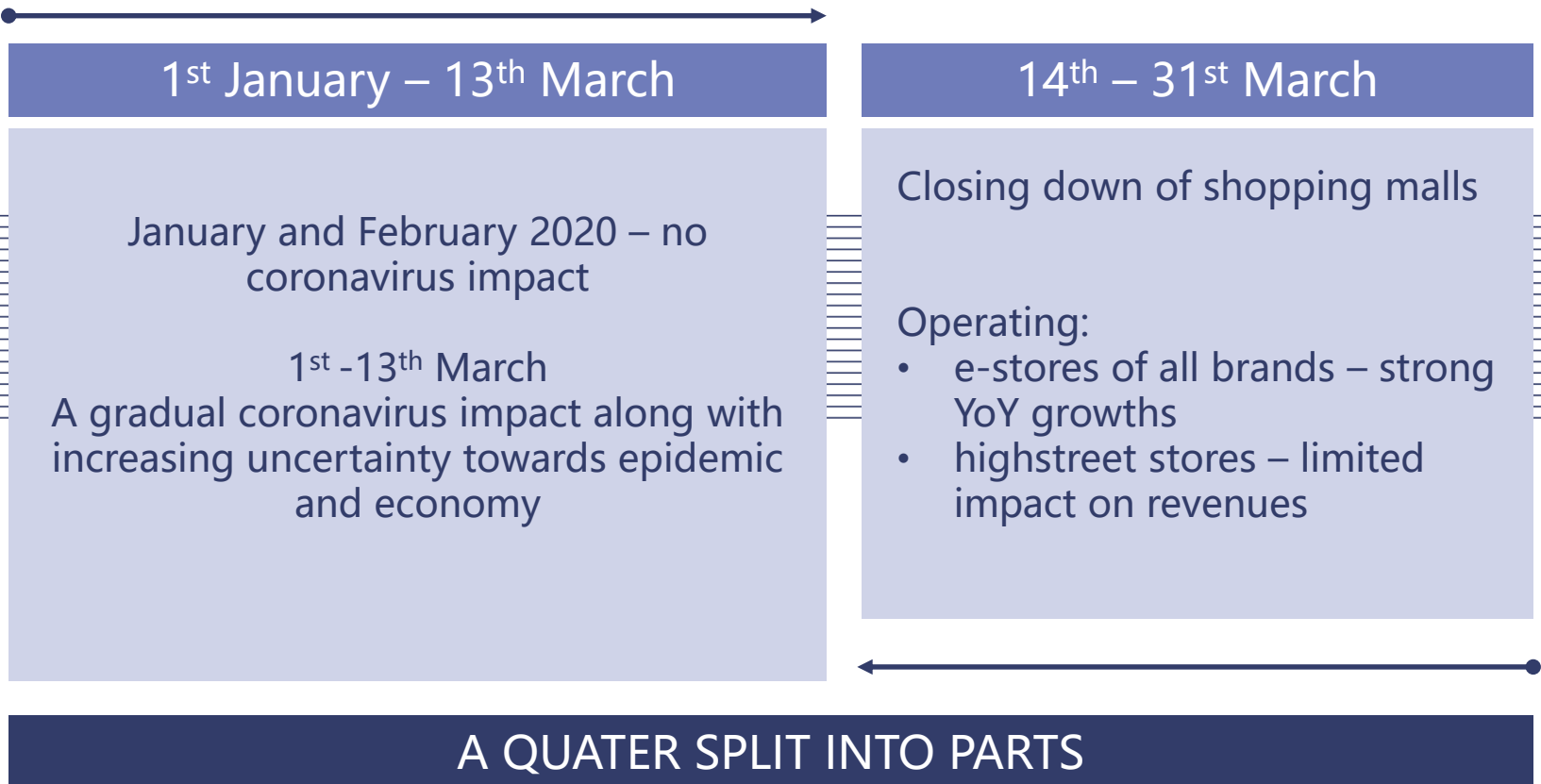
01

# EXECUTIVE SUMMARY



**VRG**  
VISTULA RETAIL GROUP

# Key 1Q20 event: COVID-19



# Results impacted by COVID-19



REVENUES  
**PLN 197.5m, -7.9%**



GROSS PROFIT MARGIN  
**47.6%, -1.4 pp.**

## IFRS 16

EBIT LOSS  
**PLN (11.9) m**

 **(1.2)**

NET LOSS  
**PLN (32.0) m**

 **(2.4)**

## IAS 17

EBIT LOSS  
**PLN (12.2) m**

 **(1.1)**

NET LOSS  
**PLN (14.0) m**

 **(1.2)**

# Group's development continues

## NUMBER OF STORES EOP 1Q20

VISTULA	148	-4
BYTOM <small>SZTUKA KRAWIECTWA OD 1945</small>	125	+4
WÓLCZANKA	137	-2
DENICLER <small>MILANO</small>	30	-1
W.KRUK <small>1840</small>	140	+8
<b>VRG</b> <small>VISTULA RETAIL GROUP</small>	<b>580</b>	<b>+5</b>

**102**  
cities

**+3 YoY**

**140**  
franchise  
stores

**+9 YoY**

**53.7**  
ths m2

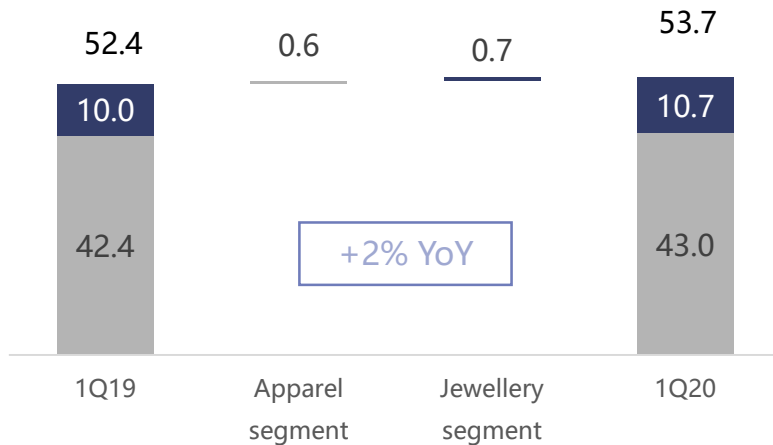
**+2% YoY**

**23%**  
internet  
share

**+7.5 pp. YoY**

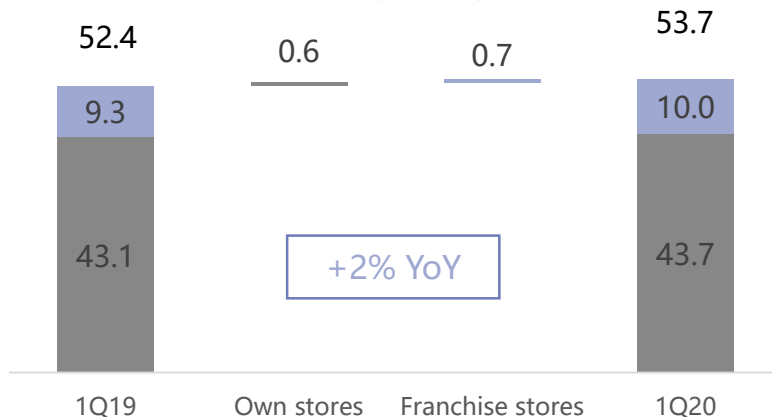
# Continuation of group's floorspace growth

Group floorspace growth YoY  
(ths m2)



- Group floorspace reached 53.7 ths m2 at the end of 1Q20, up 2% YoY.
- The apparel segment added 0.7 ths m2, up 1% YoY.
- The jewellery segment added 0.7 ths m2 net to group floorspace, growing 7% YoY.

Group floorspace growth YoY  
(ths m2)



- There were similar openings of own stores and franchise ones.
- Own stores added 0.6 ths m2 to group floorspace, growing 1% YoY.
- Growth of 0.7 ths m2 in franchise floorspace (up 7% YoY) resulted mostly from development of franchise stores of Vistula, Wólczanka and W.KRUK brands.



EXECUTIVE SUMMARY

**VRG**  
VISTULA RETAIL GROUP



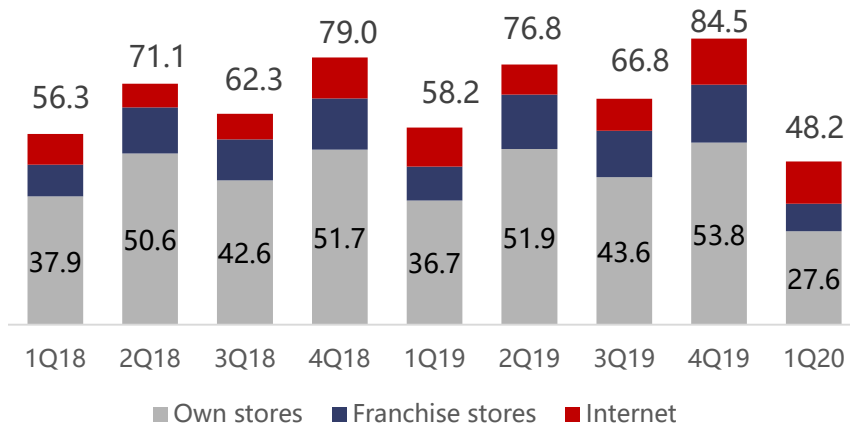
# Vistula: over 25% of revenues from on-line

## Vistula brand network

	1Q19	1Q20	YoY
Number of stores	152	148	- 4
incl. franchise	58	59	+1
Floorspace (m2)	18,727	18,650	0%
incl. franchise	5,818	5,991	3%
Internet % revenues	19.8%	26.0%	6.2 pp.

- Vistula brand floorspace was stable YoY at the end of 1Q20, while the sales network contracted by 4 stores net.
- Franchise development continued: 1 new franchise store net and 3% YoY franchise floorspace growth.
- Vistula brand revenues reached PLN 48.2m in 1Q20 (down 17% YoY).

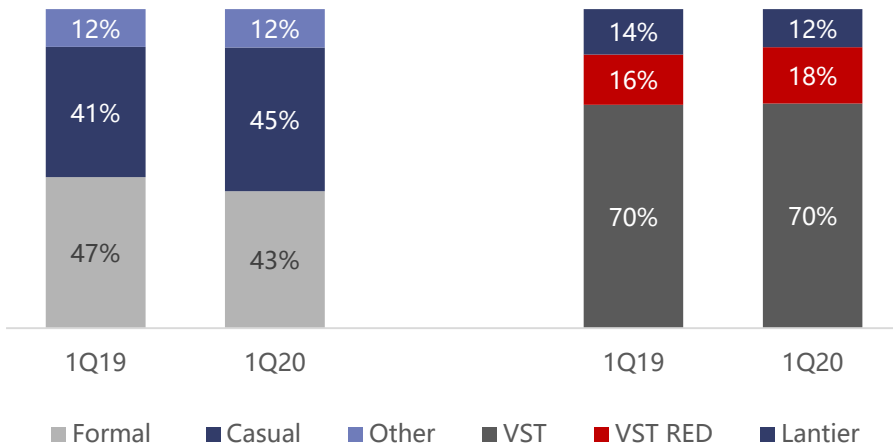
## Vistula brand revenues (PLN m)



- Franchise revenues reached PLN 8.1m in 1Q20 (-19% YoY).
- Share of franchise in revenues fell from 17.2% in 1Q19 to 16.7% in 1Q20.
- Internet revenues amounted to PLN 12.5m in 1Q20, up 9% YoY.
- Share of internet in revenues reached 26.0% in 1Q20.

# Vistula: growing share of casual

Vistula brand revenue split



- Growth of Vistula Red share in revenues coupled with fall of Lantier brand.
- Stable share of the main line in revenues (lack of occasional lines in the base).
- Further YoY growth in share in revenue of casual clothing in 1Q20.

Vistula brand efficiency

	1Q19	1Q20	YoY
Revenues (PLN/m2 per month)	1,061	850	-19.9%
Gross profit margin (%)	47.5%	47.7%	0.2pp.
Costs of stores (PLN/m2 per month)	414	391	-5.6%
Store EBIT (PLN m)	4.9	0.8	-83.2%

- YoY fall in revenues/ m2 – dynamic growth in on-line sales was not sufficient to cover for the fall in revenues in traditional stores (COVID-19) in March 2020.
- Stable YoY gross profit margin due to margin synergies, yet stronger YoY promotions.
- Fall in costs of stores/ m2 lower than in revenues/ m2 due to a high share of fixed costs.



EXECUTIVE SUMMARY

BYTOM

SZTUKA KRAWIECTWA OD 1945

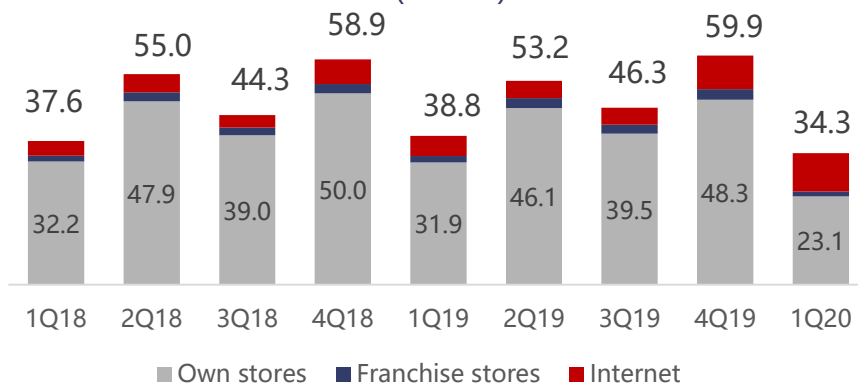
# Bytom: doubling of on-line sales

## Bytom brand network

	1Q19	1Q20	YoY
Number of stores	121	125	+4
incl. franchise	6	8	+2
Floorspace (m2)	15,761	16,487	5%
incl. franchise	723	908	26%
Internet % revenues	13.5%	29.2%	15.7pp.

- Bytom's network grew YoY by 4 stores net, out of which 2 were franchise stores.
- Brand's floorspace grew 5% YoY due to opening of increasingly large stores and expansions of franchise stores (26% YoY floorspace growth).
- Bytom brand retail revenues reached PLN 34.3m in 1Q20 (down 12% YoY).

## Bytom brand retail revenues (PLN m)



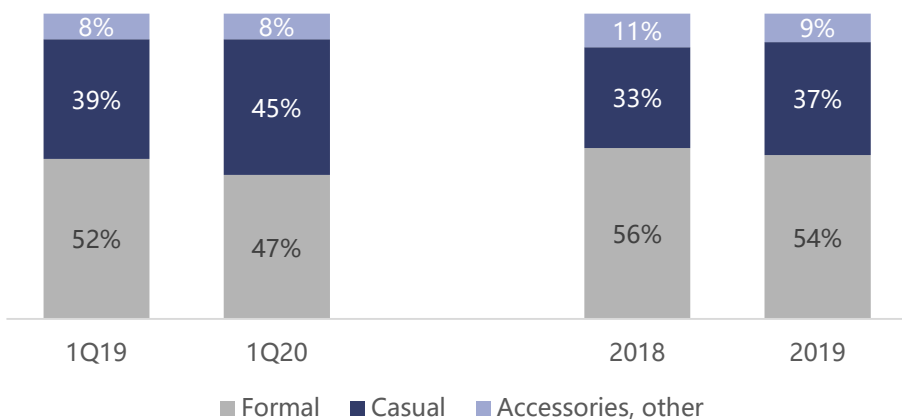
- Internet revenues amounted to PLN 10.0m in 1Q20 (+91.6% YoY), accounting for 29.2% of revenues.
- Franchise revenues reached PLN 1.2m in 1Q20 (down 26.5% YoY).
- Share of franchise in revenues fell from 4.3% in 1Q19 to 3.6% in 1Q20.

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

1Q20 presentation

# Bytom: a growing share of casual

Bytom brand revenue split



- A growing share of casual in 1Q20 revenues, in line with market tendencies and increased interest due to home office from mid-March 2020.
- A stable share of accessories in sales split.

Bytom brand efficiency

	1Q19	1Q20	YoY
Revenues (PLN/m2 per month)	823	698	-15.2%
Gross profit margin (%)	49.1%	45.8%	-3.3pp.
Costs of stores (PLN/m2 per month)	410	396	-3.3%
Store EBIT (PLN m)	-0.3	-3.8	N/M

- Lower revenues/ m2 due to unfavourable impact of COVID-19 and relatively low share of internet in revenues.
- Lower YoY gross profit margin due to stronger YoY promotions in on-line (second half of March).
- Fall in costs of stores/ m2 lower than revenues/ m2 despite a growing share of internet due to a sizeable portion of fixed costs.



WÓLCZANKA

EXECUTIVE SUMMARY

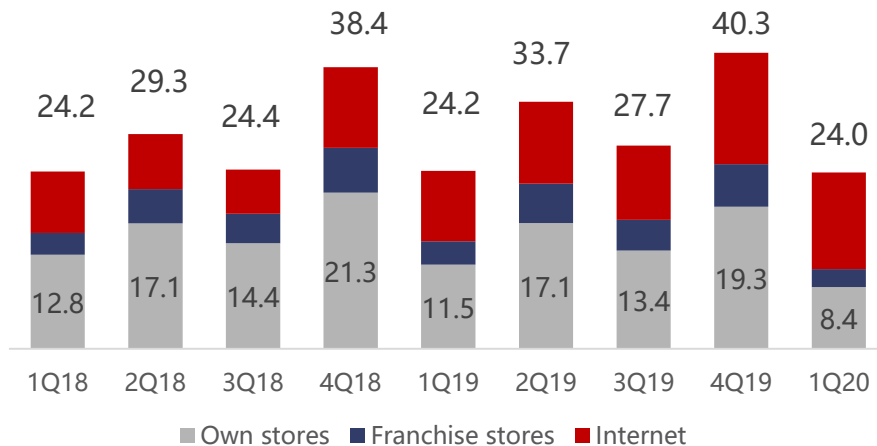
# Wólczanka: an internet brand

## Wólczanka brand network

	1Q19	1Q20	YoY
Number of stores	139	137	-2
incl. franchise	48	50	2
Floorspace (m2)	4,894	4,877	0%
incl. franchise	1,479	1,504	2%
Internet % revenues	39.5%	54.9%	15.4 pp.

- Wólczanka network contracted by 2 stores net YoY. Growth materialised in franchise stores – there were 2 more of these YoY.
- Brand's floorspace was stable YoY. Franchise store floorspace grew 2% YoY.
- Wólczanka revenues reached PLN 24.0m in 1Q20 (-1% YoY).

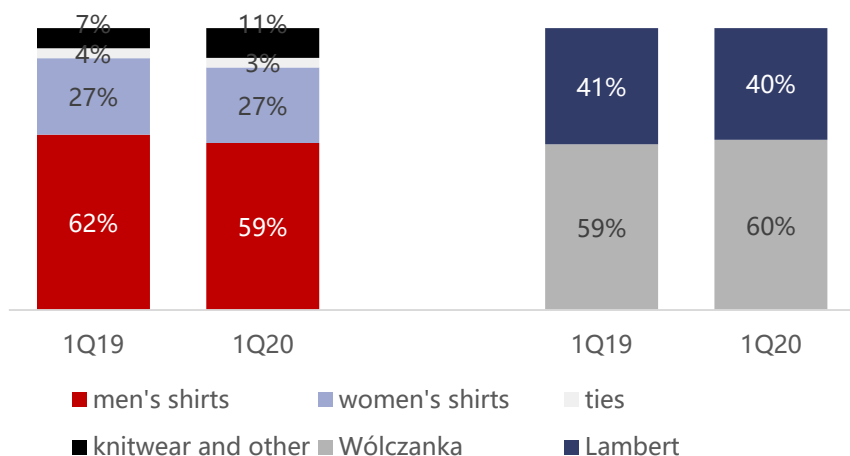
## Wólczanka brand revenues (PLN m)



- Franchise revenues reached PLN 2.4m in 1Q20 (down 25% YoY).
- Share of franchise in revenues came in at 10.0% in 1Q20 versus 13.2% in 1Q19.
- Internet revenues amounted to PLN 13.2m in 1Q20 (up 38% YoY), constituting as much as 54.9% of revenues.

# Wólczanka: a growing share of knitwear

## Wólczanka brand revenue split



- A higher share of knitwear due to extended assortment (introduction of chinos trousers) at the expense of mens' shirts.
- A stable share of women shirts in sales structure.
- Stable YoY structure by brands (Lambert and Wólczanka brands).

## Wólczanka brand efficiency

	1Q19	1Q20	YoY
Revenues (PLN/m2 per month)	1,651	1,637	-0.8%
Gross profit margin (%)	52.1%	49.2%	-2.9pp.
Costs of stores (PLN/m2 per month)	714	730	2.2%
Store EBIT (PLN m)	2.1	1.1	-48.7%

- Stable revenues/ m2 despite COVID-19 due to a sizeable share of internet and lower sensitivity to closed shopping malls.
- Lower gross profit margin due to stronger YoY promotions.
- Growth in costs/ m2 due to higher YoY e-commerce costs.





EXECUTIVE SUMMARY

**DENI CLER**  
MILANO

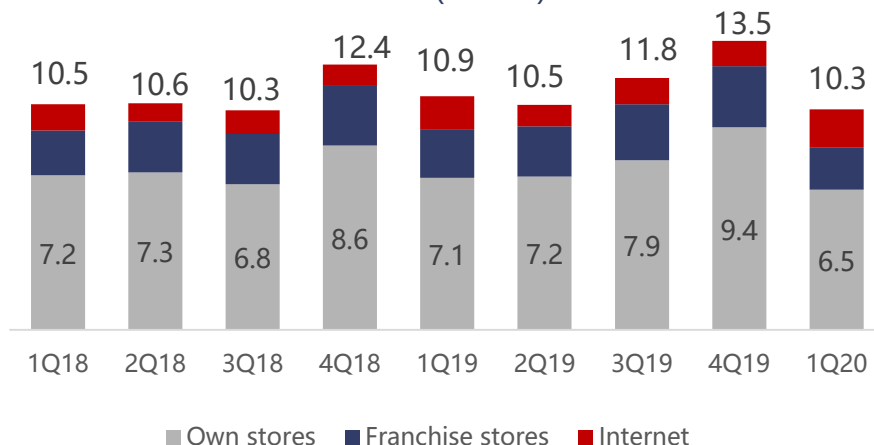
# Deni Cler: stable network, shop-in-shop development

## Deni Cler brand network

	1Q19	1Q20	YoY
Number of stores	31	30	-1
incl. franchise	8	9	1
Floorspace (m2)	3,047	2,947	-3%
incl. franchise	600	720	20%
Internet % revenues	14.4%	17.5%	3.2pp.

- Deni Cler network encompasses 30 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.

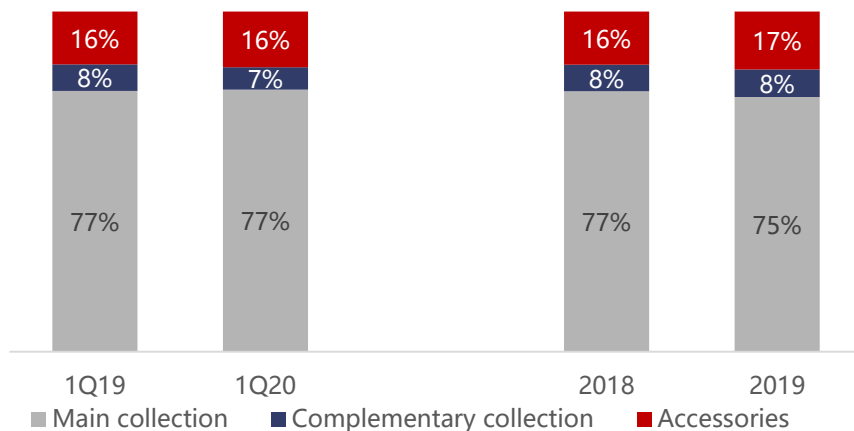
## Deni Cler brand revenues (PLN m)



- In 1Q20 Deni Cler revenues reached PLN 10.3m and were 6% lower YoY.
- Franchise revenues reached PLN 2.0m in 1Q20 (down 13% YoY). Franchise constituted some 19% of revenues in 1Q20.
- Internet generated PLN 1.8m of revenues in 1Q20 (up 15% YoY) and amounted to 17.5% of brand's revenues.

# Deni Cler: the highest gross profit margin

Deni Cler brand revenue split

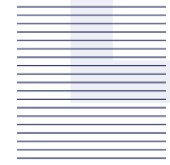


- Emphasis on capsule collections.
- Stable YoY sales structure.
- Only a couple percentage fall in sales/ m2 with low e-commerce share shows the success of the strategy to gradually increase the casual offering and to develop multibrand revenues (shop-in-shop concept).

Deni Cler brand efficiency

	1Q19	1Q20	YoY
Revenues (PLN/m2 per month)	1,193	1,142	-4.3%
Gross profit margin (%)	53.1%	50.6%	-2.5pp.
Costs of stores (PLN/m2 per month)	454	473	4.2%
Store EBIT (PLN m)	1.6	0.9	-42.6%

- The highest level of gross profit margin among brands. YoY fall due to COVID-19 (stronger promotions).
- Higher YoY HR costs/ m2 and commissions from multibrand stores resulted in costs/ m2 growth.
- As a result, positive store EBIT.



EXECUTIVE SUMMARY



W. KRUK  
1 8 4 0

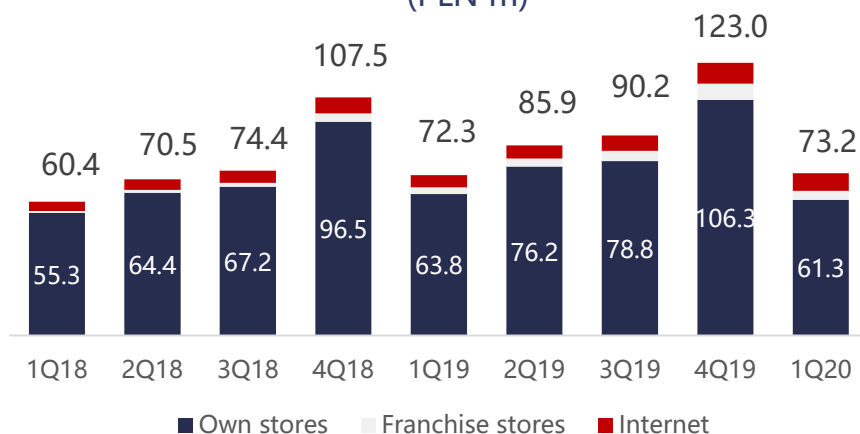
# W.KRUK: lider wzrostu powierzchni

## W.KRUK brand network

	1Q19	1Q20	YoY
Number of stores	132	140	+ 8
incl. franchise	11	14	+ 3
Floorspace (m2)	9,992	10,732	7%
incl. franchise	680	856	26%
Internet % revenues	7.5%	10.9%	3.4 pp.

- Dynamic YoY growth in W.KRUK brand stores.
- Opening of 8 stores net translated into a 7% YoY increase in brand's floorspace.
- The brand had 14 franchise stores at the end of 1Q20, 3 more YoY.
- Introduction of new products: lab-grown diamonds (New Diamond by W.KRUK), a collection of perfumes and Shine jewellery (Polish: Blask).

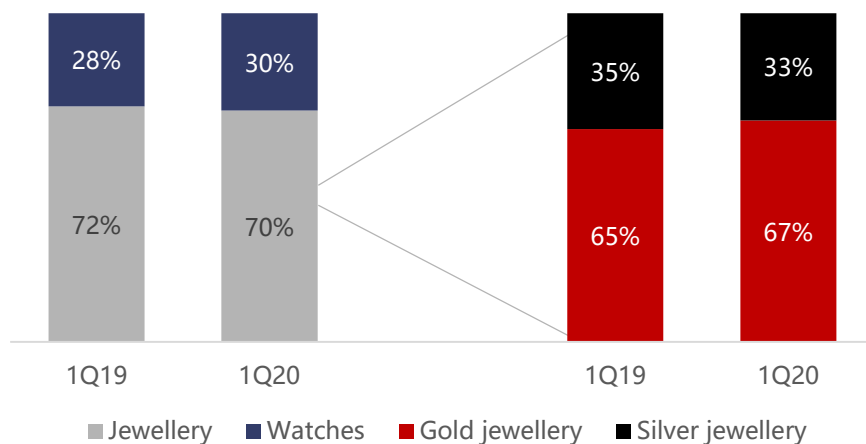
## W.KRUK brand retail revenues (PLN m)



- Retail revenues of W.KRUK brand reached PLN 73.2m in 1Q20 (up 1% YoY).
- Franchise revenues amounted to PLN 3.9m in 1Q20, while internet sales reached PLN 7.9m in 1Q20 (up 46% YoY).
- Internet constituted 10.9% of revenues in 1Q20 versus 7.5% in 1Q19.

# W.KRUK: a growing share of watches

W.KRUK brand revenue split



- Closing down of shopping malls has not altered the sales split.
- Watches continued to increase their share in revenues in 1Q20.
- Within jewellery, there was a growing YoY share of gold jewellery over higher-margin silver in 1Q20 sales.
- Introduction of the Shine jubilee collection to market at the end of February 2020.

W.KRUK brand efficiency

	1Q19	1Q20	YoY
Revenues (PLN/m2 per month)	2,471	2,284	-7.6%
Gross profit margin (%)	51.7%	50.1%	-1.6pp.
Costs of stores (PLN/m2 per month)	808	817	1.1%
Store EBIT (PLN m)	13.7	10.5	-23.6%

- Fall in sales/ m2 in the quarter due to a low share of internet in sales.
- A YoY fall in gross profit margin due to a growing share of watches in sales.
- Growth in costs/ m2 at above sales/ m2 growth due to commissions for franchise stores and e-commerce development.

VISTULA

WÓLCZANKA

BYTOM  
SZTUKA KRAWIECTWA OD 1945

W.KRUK  
1 8 4 0

DENI CLER  
MILANO

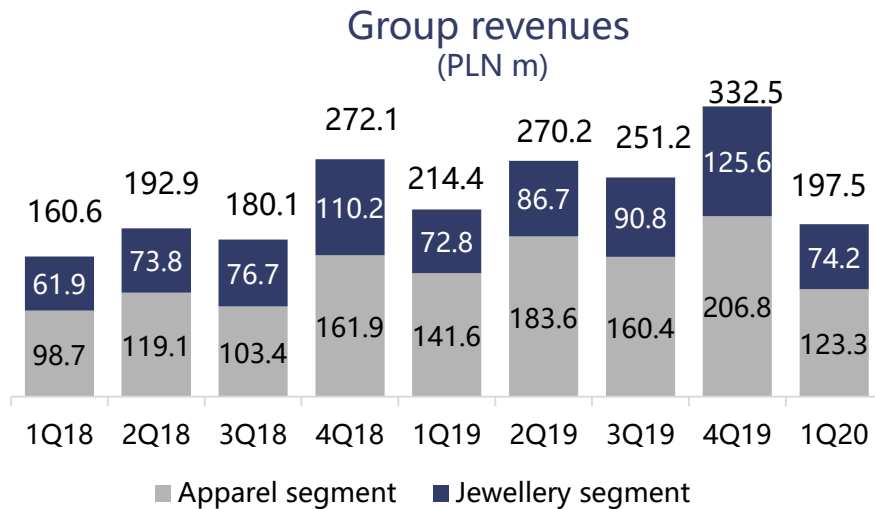
02

## GROUP RESULTS

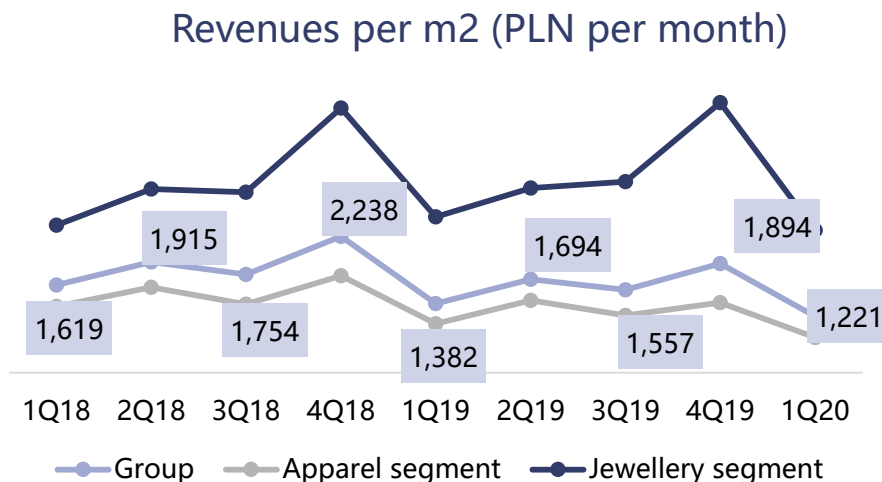


**VRG**  
VISTULA RETAIL GROUP

# Higher revenues in jewellery segment



- Group revenues reached PLN 197.5m in 1Q20 (down 8% YoY).
- Apparel segment revenues fell 13% YoY, reaching PLN 123.3m.
- Jewellery segment revenues amounted to PLN 74.2m, up 2% YoY.

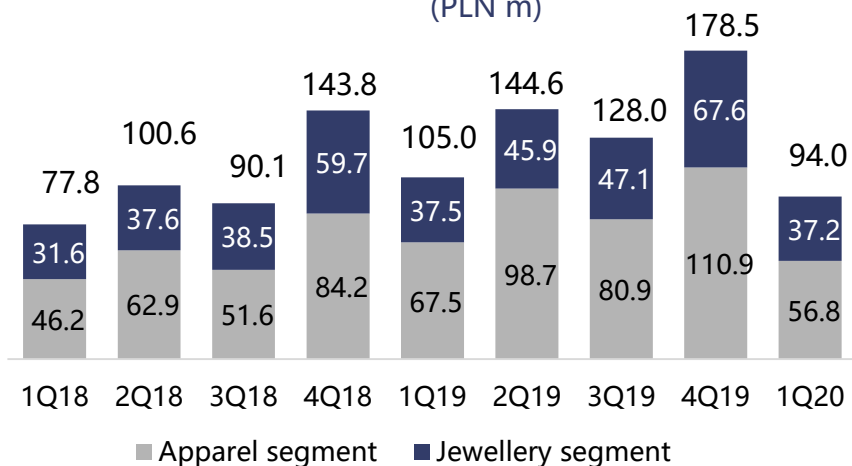


- In 1Q20 group sales per m2 reached PLN 1,221, down 12% YoY, due to falls in both segments.
- Revenues per m2 for the apparel segment amounted to PLN 951 in 1Q20, down 15% YoY.
- Jewellery segment revenues per m2 reached PLN 2,315 in 1Q20, down 7% YoY, due to less unfavourable impact of coronavirus.



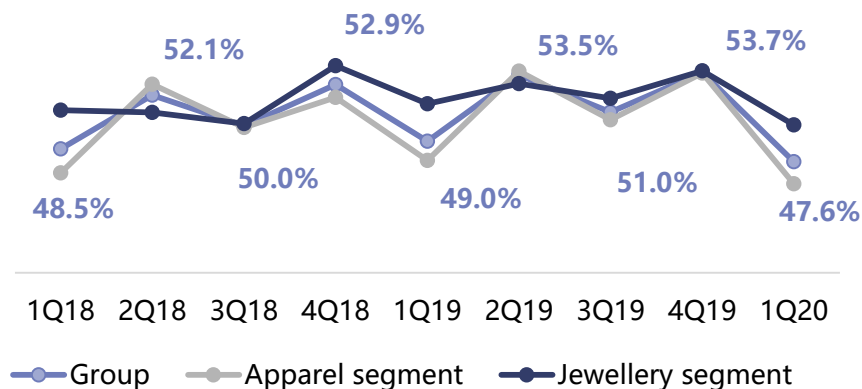
# Lower gross profit in both segments

Gross profit on sales  
(PLN m)



- Group gross profit on sales amounted to PLN 94.0m in 1Q20 (down 10.5% YoY).
- In 1Q20 gross profit on sales of the apparel segment reached PLN 56.8m, down 16% YoY.
- Gross profit on sales of the jewellery segment amounted to PLN 37.2m, down 1% YoY.

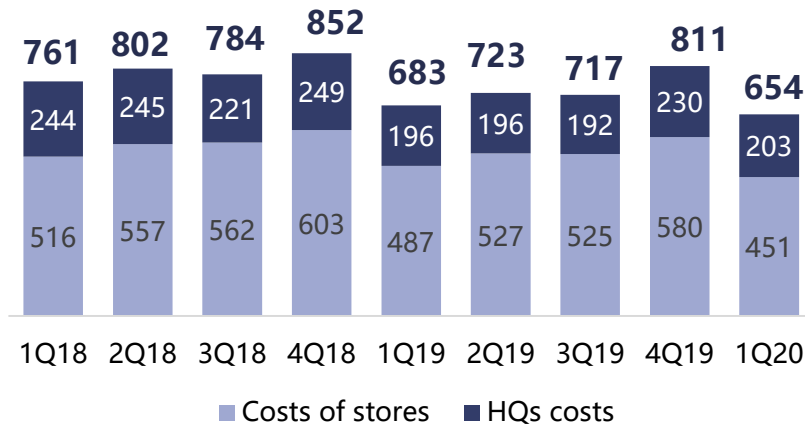
Gross profit on sales margin



- Group gross profit margin reached 47.6% in 1Q20, down 1.4 pp. YoY.
- The apparel segment gross profit margin fell 1.6 pp. YoY to 46.1% in 1Q20, due to higher share of internet and stronger promotions.
- The jewellery segment noted a 1.4 pp. YoY fall in 1Q20 gross profit margin, to 50.1% level, due to a higher share of watches and higher share of internet in sales.

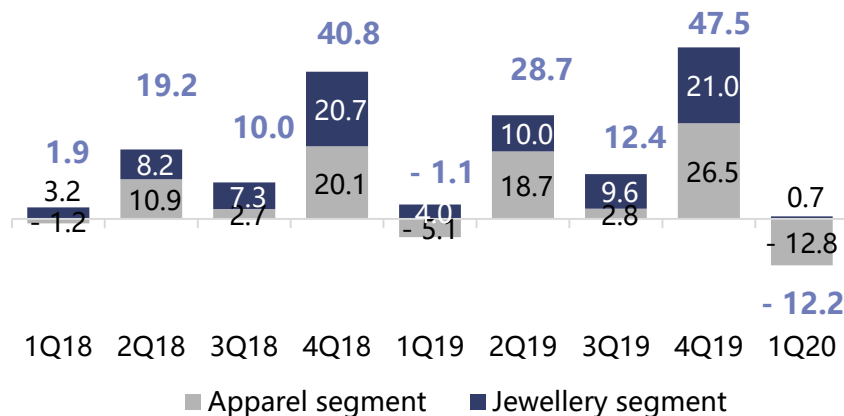
# Lower operating costs/ m2

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



- Group operating costs/ m2 (IAS17) reached PLN 654/ m2 monthly and fell 4% YoY in 1Q20 due to lack of rentals in second half of March 2020.
- Costs of stores/ m2 reached 451 PLN/m2 (down 7% YoY) and HQs costs/ m2 came in at PLN 203, up 4% YoY (IAS17).
- Under IAS17, the apparel segment costs reached PLN 534/m2 in 1Q20, down 7% YoY, while the jewellery segment costs amounted to PLN 1,142/m2 per month, stable YoY.

Operating profit  
(PLN m, excl. IFRS16)



- Group operating loss reached PLN 12.2m in 1Q20 under IAS17 (PLN 11.9m loss under IFRS16).
- 1Q20 EBIT loss of the apparel segment amounted to PLN 12.8m excl. IFRS16 (PLN 12.6m under IFRS16).
- Operating profit of the jewellery segment reached PLN 0.7m in 1Q20 (the same under IFRS16).

# 1Q20 results affected by COVID-19 (IFRS16)

PLN m	1Q19 IFRS16	1Q20 IFRS16	YoY
<b>Revenues</b>	<b>214.4</b>	<b>197.5</b>	<b>-7.9%</b>
Gross profit on sales	105.0	94.0	-10.5%
<i>Gross profit margin</i>	<i>49.0%</i>	<i>47.6%</i>	<i>-1.4pp.</i>
Operating costs	106.2	105.5	-0.6%
<b>EBIT</b>	<b>-1.2</b>	<b>-11.9</b>	<b>N/M</b>
<i>EBIT margin</i>	<i>-0.6%</i>	<i>-6.0%</i>	<i>-5.4pp.</i>
Net financial activity	-2.7	-23.2	
<b>Net profit</b>	<b>-2.4</b>	<b>-32.0</b>	<b>N/M</b>
<i>Net margin</i>	<i>-1.1%</i>	<i>-16.2%</i>	<i>-15.1pp.</i>
<b>EBITDA</b>	<b>24.8</b>	<b>17.4</b>	<b>-29.8%</b>
<i>EBITDA margin</i>	<i>11.6%</i>	<i>8.8%</i>	<i>-2.8pp.</i>

- YoY fall in revenues as a result of shopping malls being closed since mid-March 2020.
- Lower YoY gross profit margin due to higher share of on-line and stronger promotions.
- Results comparable YoY – application of IFRS16 since 1Q19. Lower YoY costs (no rentals since 14 March 2020).
- A larger YoY EBIT loss due to fixed costs of stores and higher YoY marketing outlays at W.KRUK brand (180<sup>th</sup> jubilee).

- A less favourable YoY net financial activity due to higher FX losses on IFRS16 (PLN 17.3m in 1Q20 versus PLN 0.1m in 1Q19).
- Additionally, PLN 4.3m of FX losses under from balance sheet items.
- As a consequence, larger YoY net loss.

# 1Q20 results affected by COVID-19 (IAS17)

PLN m	1Q19 IAS17	1Q20 IAS17	YoY
<b>Revenues</b>	<b>214.4</b>	<b>197.5</b>	<b>-7.9%</b>
Gross profit on sales	105.0	94.0	-10.5%
<i>Gross profit margin</i>	<i>49.0%</i>	<i>47.6%</i>	<i>-1.4pp.</i>
Operating costs	106.0	105.8	-0.2%
<b>EBIT</b>	<b>-1.1</b>	<b>-12.2</b>	<b>N/M</b>
<i>EBIT margin</i>	<i>-0.5%</i>	<i>-6.2%</i>	<i>-5.7pp.</i>
Net financial activity	-1.7	-5.0	
<b>Net profit</b>	<b>-1.2</b>	<b>-14.0</b>	<b>N/M</b>
<i>Net margin</i>	<i>-0.6%</i>	<i>-7.1%</i>	<i>-6.5pp.</i>
<b>EBITDA</b>	<b>4.4</b>	<b>-6.2</b>	<b>N/M</b>
<i>EBITDA margin</i>	<i>2.1%</i>	<i>-3.1%</i>	<i>-5.2pp.</i>

- YoY fall in revenues as a result of shopping malls being closed since mid-March 2020.
- Lower YoY gross profit margin due to higher share of on-line and stronger promotions.
- Stable YoY costs (no rentals since 14 March 2020).
- A larger YoY EBIT loss due to fixed costs of stores and higher YoY marketing outlays at W.KRUK brand (180 jubilee).

- PLN 4.3m of FX losses under from balance sheet items in 1Q20 – higher YoY due to weakening of PLN at the end of March 2020 (PLN 0.5m in 1Q19).
- As a consequence, larger YoY net loss.

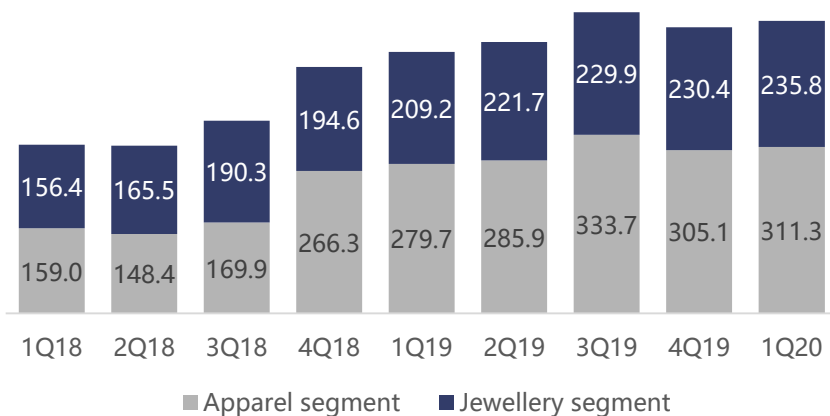
# Impact of COVID-19 on inventory

## Change in inventory (PLN m)



- Inventory up 12% YoY to PLN 547.1m due to network development plans, expectations for higher YoY revenues and shopping malls closed since mid-March.
- Apparel segment inventory increased 11% YoY.
- Inventory of the jewellery segment grew 13% YoY.
- Inventory levels stable compared to end of 2019.

## Inventory by segments (PLN m)



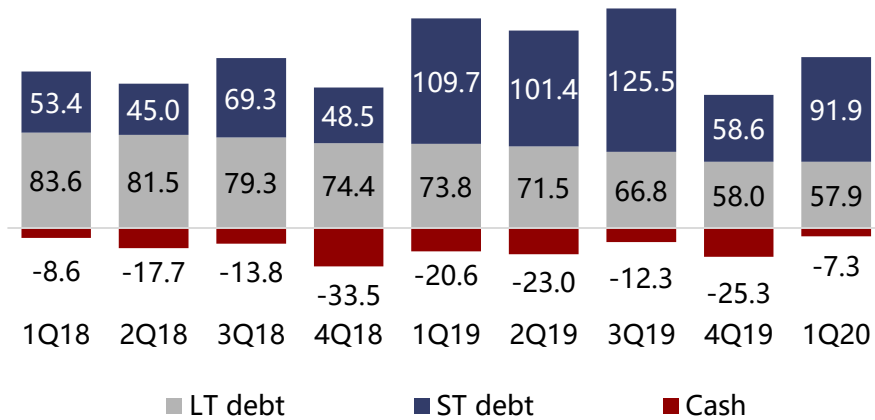
- Group inventory per m<sup>2</sup> reached PLN 10,188 at the end of 1Q20, up 9% YoY.
- Apparel segment inventory per m<sup>2</sup> reached PLN 7,245, up 10% YoY.
- Due to the market characteristics, inventory per m<sup>2</sup> in the jewellery segment amounted to PLN 21,971, up 5% YoY.

1Q20 presentation

# Fall in net debt

## Net debt

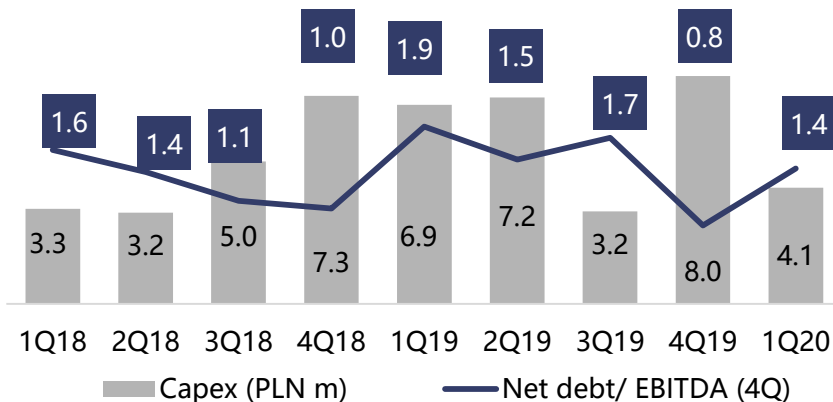
(PLN m, excl. IFRS 16)



- Long-term and short-term indebtedness shown together with financial leases, yet excluding the leases from IFRS16. Financial leases under IFRS16 at PLN 284.5m.
- Usage of reverse factoring for supply chain financing reached PLN 15.7m at the end of 1Q20.
- Group's net debt under IAS17 came in at PLN 142.5m at the end of 1Q20, down 13% YoY.

## Capex vs. net debt/EBITDA

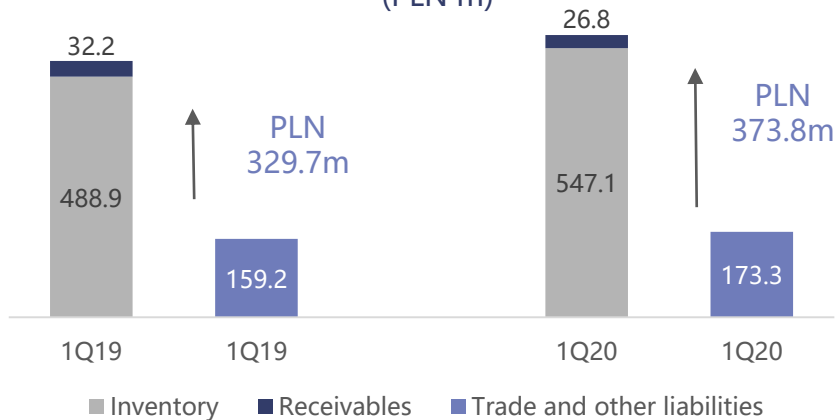
(excl. IFRS 16)



- Net debt/EBITDA (4Q, IAS17) at 1.4x - lower YoY despite fall in revenues due to safety measures undertaken.
- Excluding reverse factoring, the ratio would come at 1.3x.
- Lower YoY capex in 1Q20 due to limits on own store development.

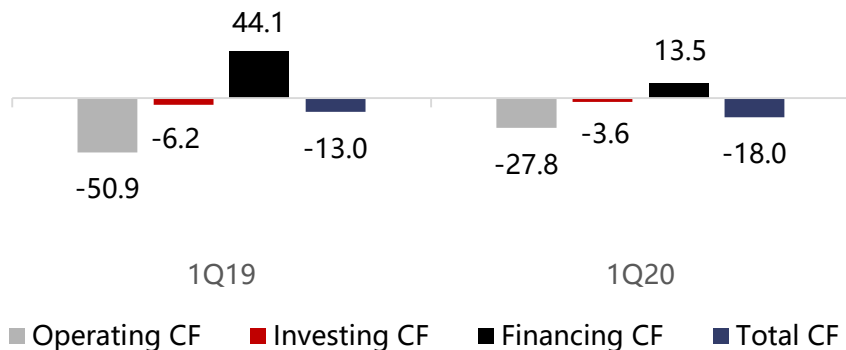
# Inventory as a key to NWC

## Working capital (PLN m)



- Higher YoY inventories due to impact of coronavirus and lack of revenues from shopping malls through half of the key month – March.
- Lower YoY receivables due to fall in prepayments for goods purchased on Asian markets (usage of reverse factoring).
- Growing liabilities due to higher YoY inventory.

## Quarterly cash flows (PLN m)



- More favourable YoY operating cash flows due to higher YoY trade liabilities and lower dynamics of inventory growth.
- Lower YoY capex – limits on openings of own stores.
- Financing cash flows show lower usage of debt due to higher trade liabilities.

VISTULA

WÓLCZANKA

BYTOM  
SZTUKA KRAWIECTWA OD 1945

W.KRUK  
1 8 4 0

DENI CLER  
MILANO

03

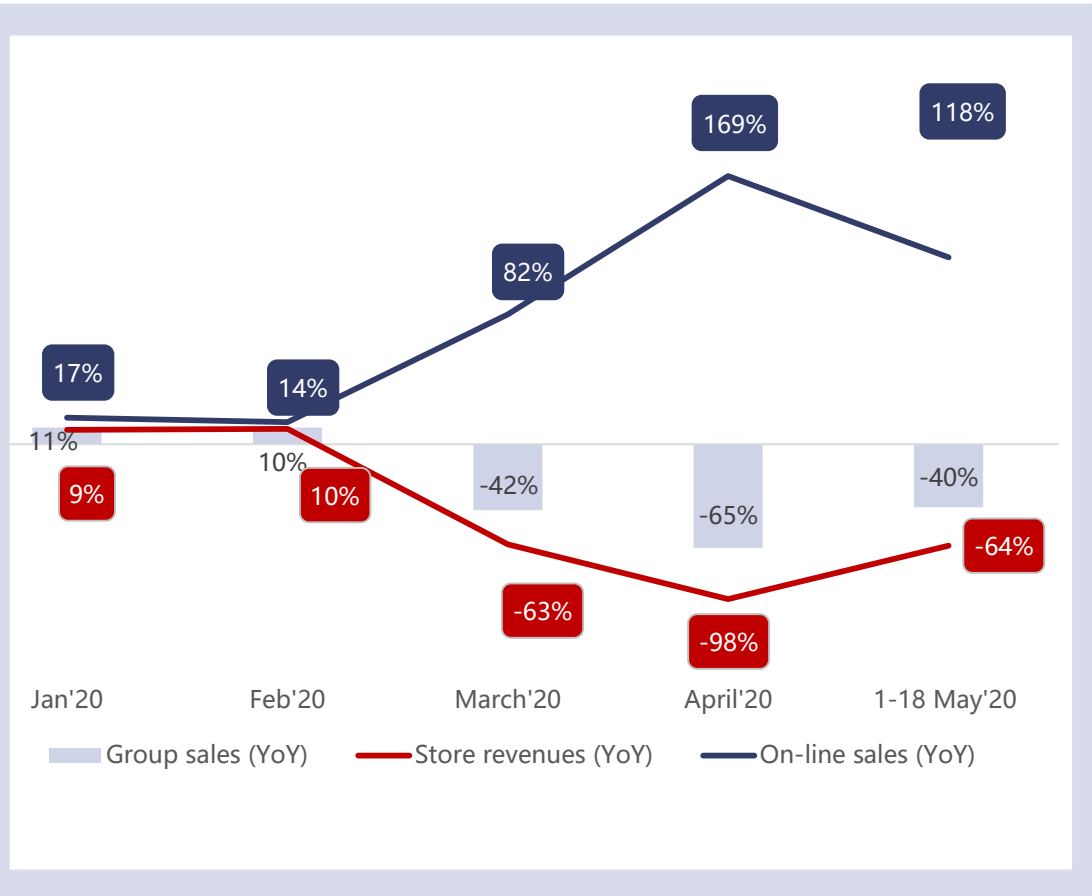
# CORONAVIRUS – ACTIONS AND PLANS FOR 2020



VRG  
VISTULA RETAIL GROUP



# So-far coronavirus impact



E-stores of our brands are operational and record high sales growths.

Closing of shopping malls resulted in majority of Group's traditional stores not being operational between 14.03-03.05.

# Actions taken due to coronavirus

Support of sales, emphasis on on-line

Cost reductions:  
HR, rentals,  
marketing

Capex reduction

Working capital improvements

LIQUIDITY



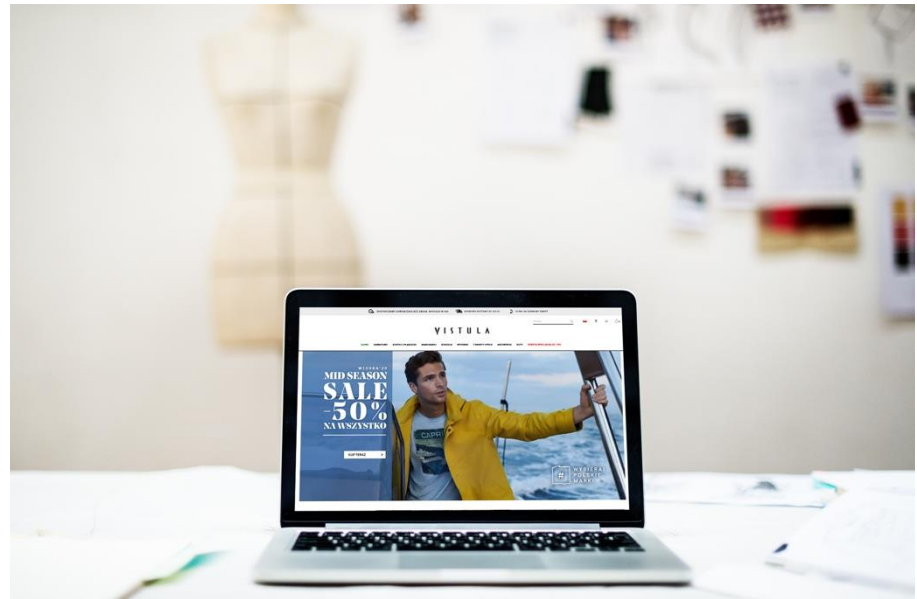
# Support for on-line sales

Target for 2020: e-commerce constituting 25% of revenues.

Higher outlays to gain on-line traffic.

Streamlining of on-line logistics.

Launch of sales application.  
Salonet development.



# 2020 floorspace lower YoY

		2019	2020 former	2020 target	YoY
<b>APPAREL SEGMENT</b>	stores	451	435	413	-38
	m2	43,731	42,471	40,813	-7%
<b>VISTULA</b>	stores	154	149	140	-14
	m2	19,320	18,697	17,787	-8%
<b>WÓLCZANKA</b>	stores	140	135	126	-14
	m2	4,954	4,790	4,528	-9%
<b>BYTOM</b>	stores	126	120	116	-10
	m2	16,421	15,952	15,468	-6%
<b>DENI CLER</b>	stores	31	31	31	0
	m2	3,037	3,031	3,031	0%
<b>JEWELLERY SEGMENT</b>	stores	139	142	142	3
	m2	10,647	10,970	10,970	3%
<b>TOTAL</b>	stores	590	577	555	-35
	m2	54,378	53,441	51,783	-5%

In 2020 floorspace will be lower YoY due to closing down of unprofitable stores.

Franchise store floorspace should reach some 9.5 ths m2 at the end of 2020.

2020 capex should not exceed PLN 15m (upgrades, IT infrastructure).

# Actions related to HR costs

## DELIVERED

maximum use of overdue and this year's holidays

limiting sales bonuses at stores and bonuses at HQs

reductions in remuneration for all Group personnel

obtaining of co-financing for salaries: 20% salary reduction, 40% of salary co-financed by the State, total some PLN 9m

## TO BE DELIVERED

dynamic adjustment of employment to expected sales dynamics, departure from 4/5 time the moment the market situation improves (total estimated savings of PLN 18m)

# Actions taken to reduce rentals

## DELIVERED

taking up negotiations with shopping malls

usage of State support in terms of lease-free period  
**PLN 5.3m lower rentals**



## TO BE DELIVERED

renegotiation of rental agreements with shopping malls – prolonging the majority of the agreements at terms adjusted to the current market conditions

decision to terminate agreements with shopping malls, where stores are unprofitable

**PLN 10.7m lower rentals in 2Q20**

# Working capital improvements

## APPAREL SEGMENT



Some 20% orders reduction for Spring/Summer 2020.



Some 30% orders reduction for Autumn/Winter 2020.

In process

Lengthening of payment terms.

In process

Usage of supply chain financing mechanisms.

AIM:

15% YoY lower inventories at the end of 2020.

## JEWELLERY SEGMENT



20% orders reduction.

In process

Lengthening of payment terms.

In process

Limiting the watches distribution in the lower price segment.

AIM:

5% YoY lower inventories.

# April 2020 – month under COVID-19 impact

## Group revenues:

PLN 29.0m,  
- 65.2% YoY

## Apparel segment revenues:

PLN 20.8m,  
- 62.4% YoY

## Jewellery segment revenues:

PLN 6.9m,  
- 72.5% YoY

Group gross profit margin:  
35.7%, - 18.7pp.



## Reasons behind margin fall:

only on-line sales, lower gross  
profit margin

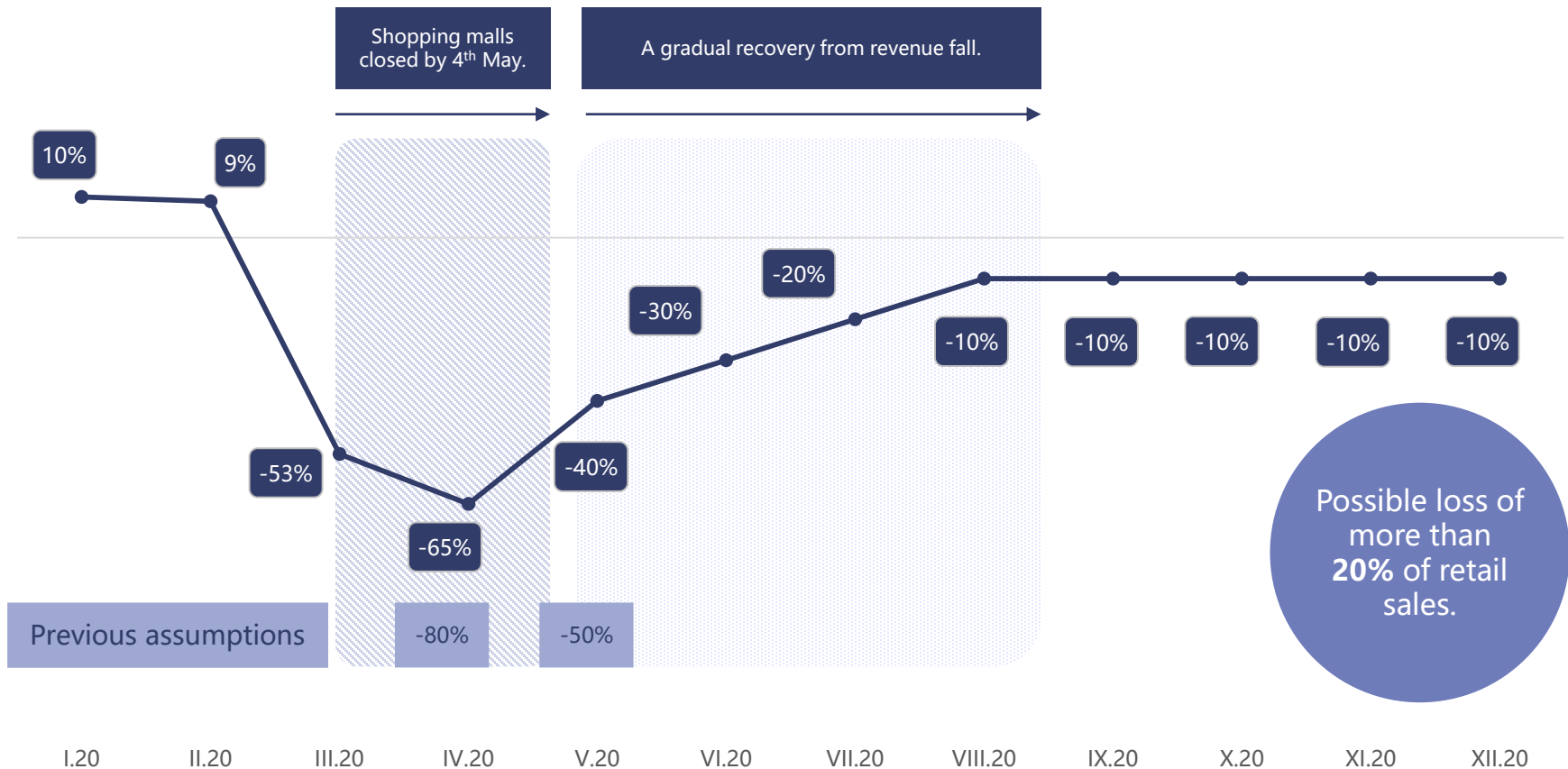
stronger YoY promotions,  
sell-offs at W.KRUK

higher share of sewing services in  
revenues.

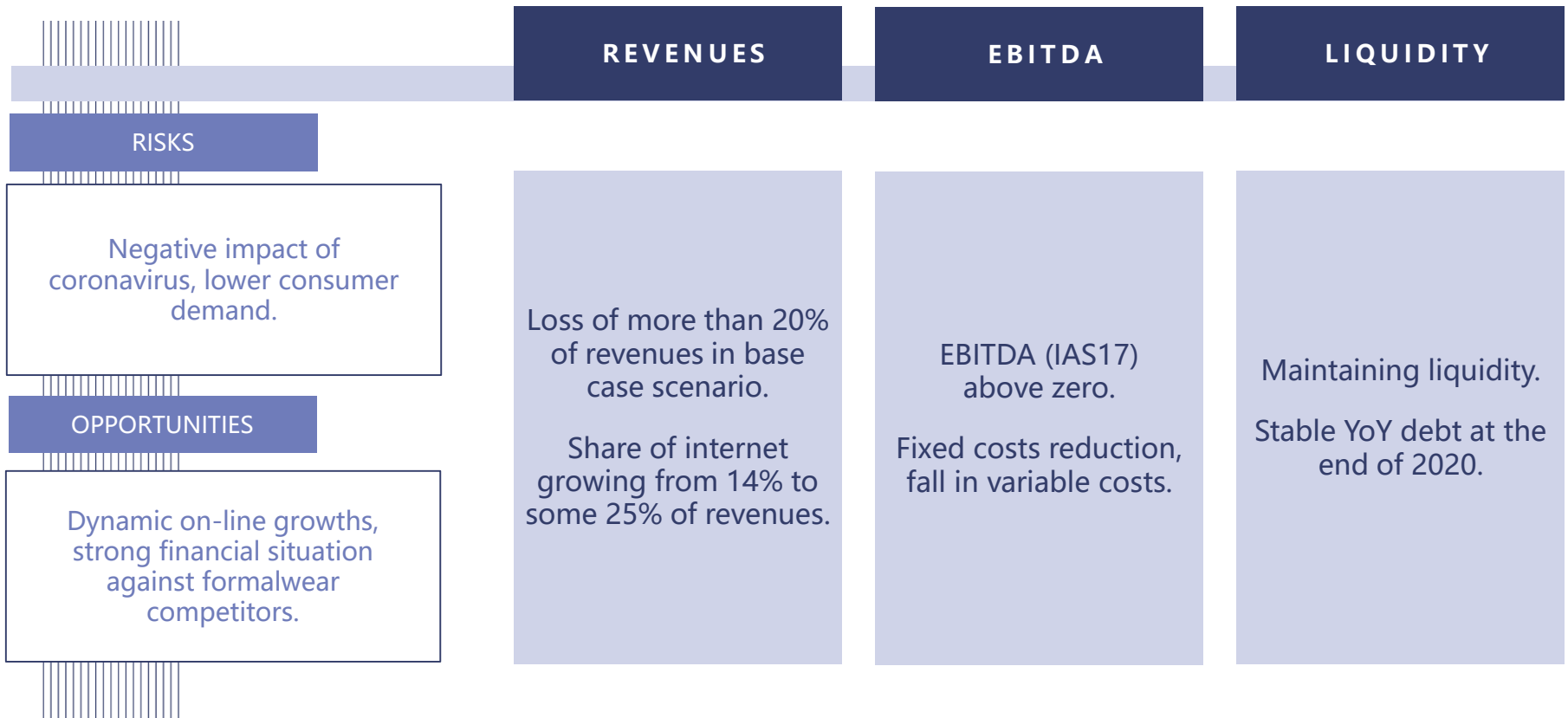


# Base case scenario: a gradual return of clients to stores

YoY GROUP SALES DYNAMICS (BASE CASE SCENARIO)



# Targets for 2020



# We help



**#MY** #MyWólczankaPomagamy  
WÓLCZANKA



DENI CLER  
MILANO

VISTULA

WÓLCZANKA

BYTOM  
SZTUKA KRAWIECTWA OD 1945

W.KRUK  
1 8 4 0

DENI CLER  
MILANO

04

Q&A



**VRG**  
VISTULA RETAIL GROUP

VISTULA

WÓLCZANKA

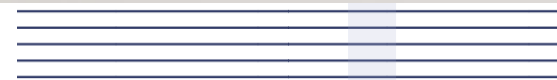
BYTOM  
SZTUKA KRAWIECTWA OD 1945

W.KRUK  
1 8 4 0

DENI CLER  
MILANO

05

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.

## Spring/Summer 2020 collection

- The Capri collection, inspired by the scenery of the Italian island, includes lightweight fitted jackets, shirts in shades of white, sea blue and turquoise. Lemon-themed shirts, shorts, T-shirts and chinos are also available.
- The ECO LINE mini capsule contains, among others sweaters made from PET bottle processing, jeans made with water savings, with laser abrasions, a jacket and a suit made from organic fabrics from ecological farms, while cotton from which shirts or T-shirts are made comes from sustainable crops.
- Social campaign #POMAGAMzVISTULA: revenue from T-shirts donated for the purchase of medical equipment. In addition, the production of protective masks that have been handed over to the University Hospital in Cracow.

## Network development

- W 1Q20 6 stores net were closed, out of which 3 were franchise stores.

# Bytom: executive summary



**BYTOM**

SZTUKA KRAWIECTWA OD 1945

## 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.

## Spring/Summer 2020 collection

- The heroes of the campaign are unique figures of Polish culture and art: Jacek Koman and Maciej Musiałowski.
- Softness, lightness, casual - these are the main slogans of the new collection. The classic forms and constructions used to date are modified for convenience. The whole collection takes on a more casual character. Suits acquire spaciousness by using fabrics with contrasting patterns.
- The colors of the collection are contained in subdued, but also fresh, coastal colors inspired by the Baltic Sea, supplemented with subdued earthy colors. The collection also includes a line of products with a more casual, urban character - soft pants, shorts, polo shirts and sweatshirts in strong, saturated colors.
- As part of the "MISSION: HELP" pro-social campaign, a series of BYTOM t-shirts was created, of which 100% of revenue is transferred to the Provincial Specialist Hospital in Tychy MegrezSp. z o.o. to fight COVID-19.

## Network development

- In 1Q20 the net number of stores was reduced by 1 store net. A franchise store was closed in 1Q20.

# Wólczanka: executive summary



1Q20 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.

## Spring/Summer 2020 collection

- The faces of the #WE Wólczanka campaign were brand's clients selected through social media and a loyalty program. The choice was determined by their activity in content publishing, frequency of purchases, but first and foremost the sympathy each of them has towards the brand.
- The women's collection in Wólczanka will be marked by flowers. The rich offer of business fashion also plays a big role, while the casual offer includes strong color combinations, checked and a number of smaller motifs referring to associations with free time and holidays.
- In the men's collection, Wólczanka focuses on strong colors and expressive patterns present on both shirts and accompanying accessories. The business men's collection will not lack shirts in shades of white and blue, microstructures, delicate stripes and more expressive bars and stripes.
- #WE Wólczanka Help is a charity campaign in which PLN 100 from the sale of each shirt and PLN 50 from the sale of all T-shirts from the collection, the brand donates for the purchase of medical equipment and protective equipment supporting the Provincial Specialist Hospital named after Wł. Biegański in Lodz.

## Network development

- In 1Q20 the net number of boutiques fell by 3 QoQ, out of which 2 net were franchise.



# Deni Cler: executive summary



**DENI CLER**  
MILANO

1Q20 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.

## Spring/Summer 2020 collection

- Emphasis on capsule collections. The inspiration to create the MUSICA NELL' ARIA capsule collection - Music in the Air was music. The entire collection consists of 240 models presented in six capsules, created on the basis of 6 musical genres.
- Swing begins with mainly daytime stylizations. Then Jazz with suggestions for work. The evening and visiting part can be found in the Opera. Country is an idea for the weekend. The summer season opens with Chillout, which naturally goes into Canzone Italiana, or "Italian song" with summer dresses at the forefront.
- Charity event *I help with Deni*. 100% of the proceeds from the sale of items marked #PomagamzDeniCler will be donated to the Siepomaga.pl foundation to support the Polish health service in the fight against COVID-19.
- # Stay at home with #DeniAtHome - after closing down of traditional stores, campaign with a free e-book, advice of a stylist, free on-line delivery and extended return (30 days).

## Network development

- 1 own store was closed in 1Q20. Further development of presence in multibrand stores.

# W.KRUK: executive summary



**W.KRUK**  
1 8 4 0

1Q20 presentation

## The oldest jewellery brand in Poland

- The jewellery offer includes gold and silver jewellery, diamonds, precious stones and original collections.
- W.KRUK's offer also includes global watches brands, such as Rolex (sole distributor in Poland), Cartier, Jaeger-LeCoultre, Hublot, Panerai, Chopard, Breitling, Girard-Perregaux, Omega, Tudor, Tag Heuer, Longines, Rado, Swatch and many more. W.KRUK offer also includes perfumes and a collection of accessories with the brand's logo: leather handbags, silk scarves, leather accessories.

## 180<sup>th</sup> anniversary of W.KRUK

- The premiere of the jubilee campaign took place on February 28, 2020 along with the collection of Shine silver and gold jewellery and the Shine advertising campaign.
- The star of the Shine campaign is actress Joanna Kulig, and she is accompanied by other exceptional ambassadors: writer Joanna Bator, sportswoman Joanna Fiodorow, teacher Zyta Czechowska, model Angelika Wierzbicka and Aleksandra Drozdowska, W.KRUK store manager.
- #Shine from helping - charity action, support of the Supreme Chamber of Nurses and Midwives in order to equip them with necessary protective products, donating 20% of net sales from the Shine collection.
- After closing down of traditional stores, W.KRUK introduced free online delivery and extended the return time (60 days).

## Network development

- 1 net store was opened in 1Q20, that was 1 own store.

# Summary of brands' 1Q20 results

**VISTULA**

---

GROWING SHARE  
OF CASUAL.

**WÓLCZANKA**

---

HIGH SHARE OF  
INTERNET.

**W. KRUK**  
1 8 4 0

---

BROADENING THE  
JEWELLERY OFFER.  
FURTHER INCREASE  
IN SALES  
OF WATCHES.

**BYTOM**

SZTUKA KRAWIECTWA OD 1945

---

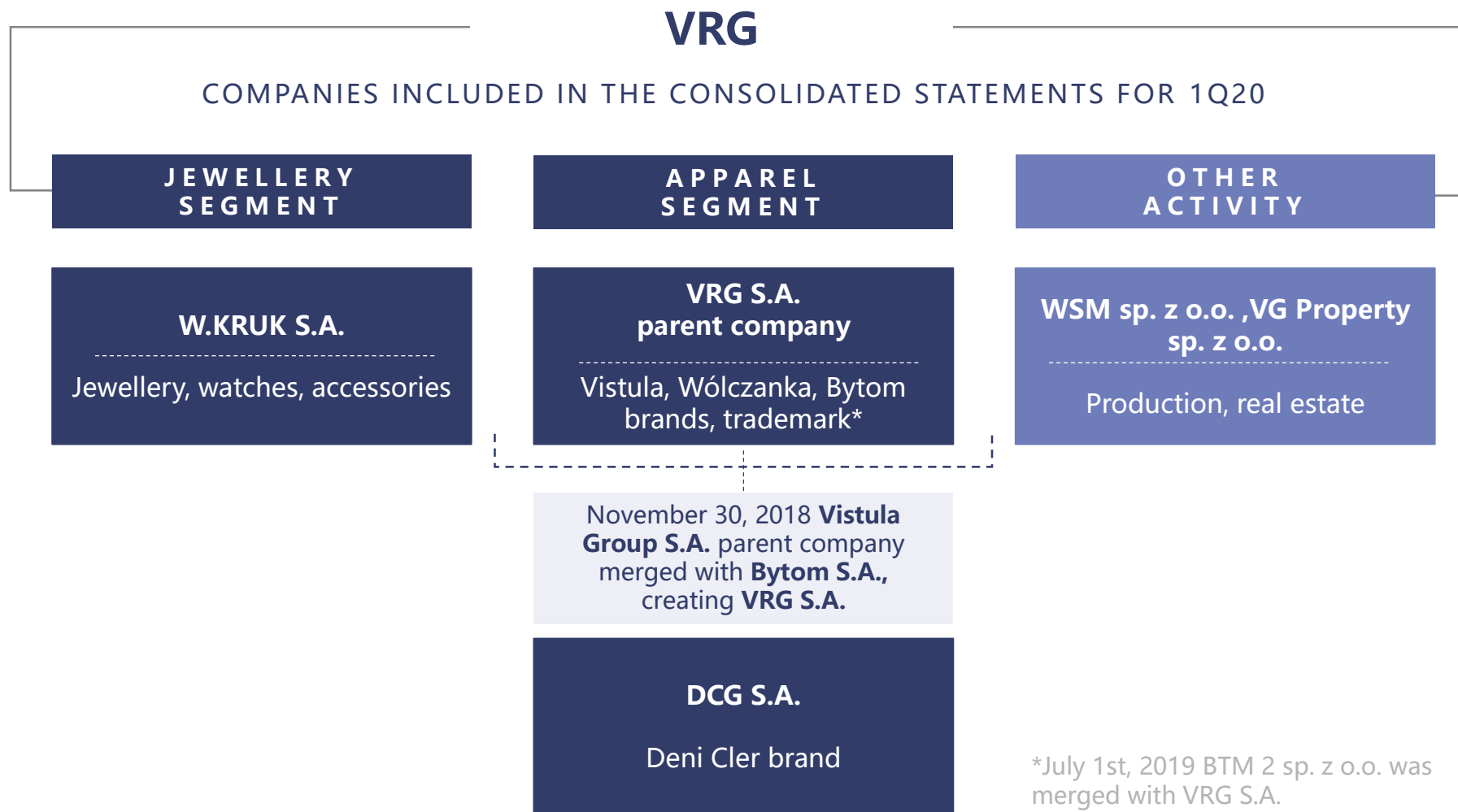
GROWING SHARE  
OF ON-LINE.

**DENI CLER**  
MILANO

---

HIGHEST GROSS PROFIT  
MARGIN.

# Group's structure



# Growing number of stores

## NUMBER OF STORES

		1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20
<b>APPAREL SEGMENT</b>	total	299	300	304	440	443	452	451	451	440
	franchise	93	94	100	117	120	126	129	132	126
<b>VISTULA</b>	total	136	138	141	148	152	154	152	154	148
	franchise	46	47	50	56	58	60	60	62	59
<b>WÓLCZANKA</b>	total	131	132	133	139	139	142	142	140	137
	franchise	39	39	42	47	48	50	51	52	50
<b>BYTOM</b>	total	-	-	-	122	121	125	126	126	125
	franchise	-	-	-	6	6	8	9	9	8
<b>DENI CLER</b>	total	32	30	30	31	31	31	31	31	30
	franchise	8	8	8	8	8	8	9	9	9
<b>JEWELLERY SEGMENT</b>	total	117	121	126	128	132	134	135	139	140
	franchise	4	6	6	10	11	11	13	14	14
<b>TOTAL</b>	total	416	421	430	568	575	586	586	590	580
	franchise	97	100	106	127	131	137	142	146	140

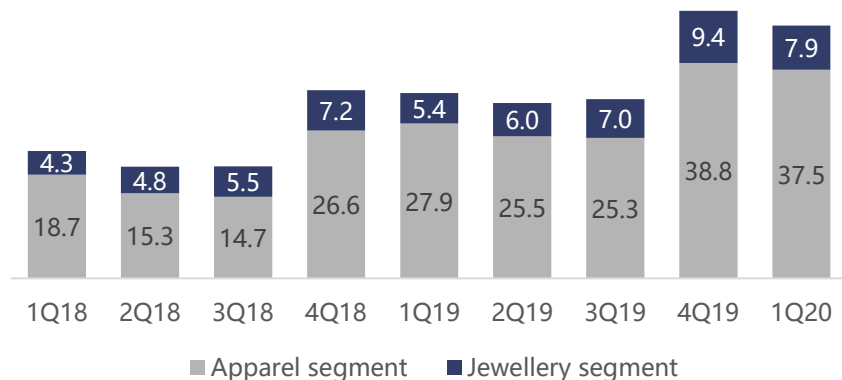
# Higher floorspace

## FLOORSPACE (M2)

		1Q18	2Q18	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20
<b>APPAREL SEGMENT</b>	total	24,822	24,864	25,163	42 072	42,429	43,207	43,461	43,731	42,962
	franchise	6,389	6,487	6,820	8 394	8,621	9,223	9,322	9,590	9,123
<b>VISTULA</b>	total	16,855	17,176	17,429	18 230	18,727	19,007	19,058	19,320	18,650
	franchise	4,580	4,686	4,925	5 581	5,818	6,084	6,065	6,283	5,991
<b>WÓLCZANKA</b>	total	4,676	4,707	4,753	4 979	4,894	4,978	4,985	4,954	4,877
	franchise	1,209	1,201	1,295	1 489	1,479	1,528	1,546	1,576	1,504
<b>BYTOM</b>	total	-	-	-	15 816	15,761	16,175	16,402	16,421	16,487
	franchise	-	-	-	723	723	1,011	1,011	1,011	908
<b>DENI CLER</b>	total	3,291	2,981	2,981	3 047	3,047	3,047	3,017	3,037	2,947
	franchise	600	600	600	600	600	600	700	720	720
<b>JEWELLERY SEGMENT</b>	total	8,769	9,048	9,449	9 554	9,992	10,215	10,347	10,647	10,732
	franchise	245	371	371	630	680	680	802	856	856
<b>TOTAL</b>	total	33,592	33,912	34,611	51 626	52,421	53,422	53,809	54,378	53,693
	franchise	6,633	6,858	7,190	9 024	9,301	9,903	10,124	10,446	9,979

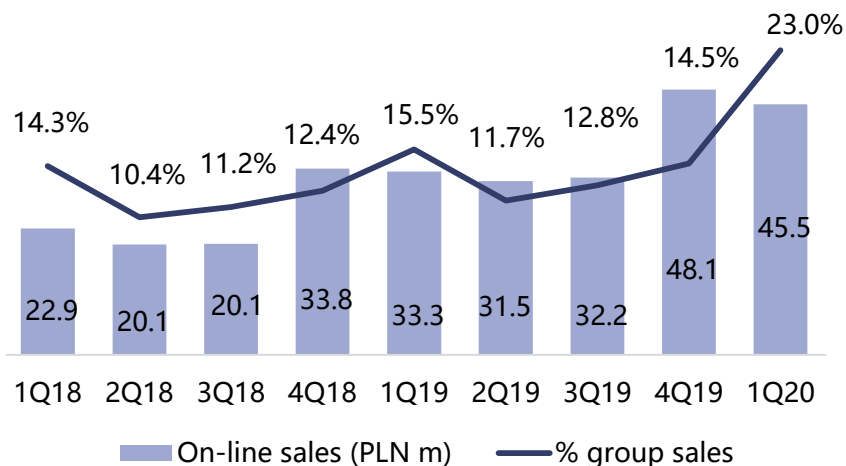
# Own e-stores of five brands

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.

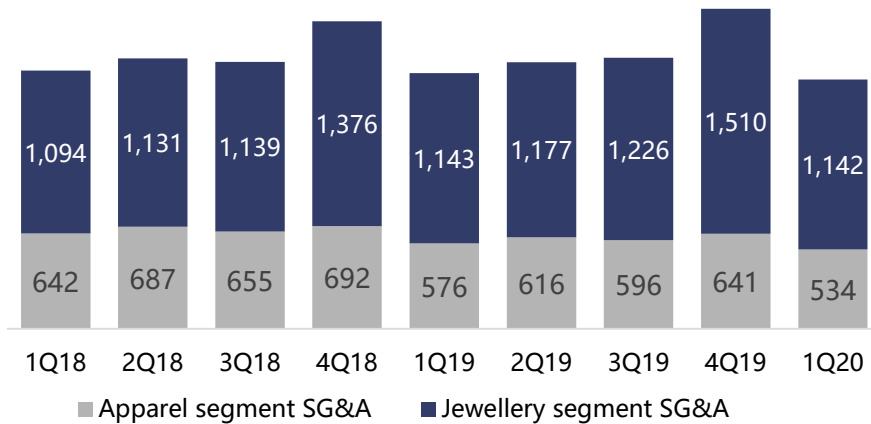
Group on-line sales



- In 1Q20 on-line sales amounted to PLN 45.5m, up 37% YoY.
- Share of internet in revenues increased from 15.5% in 1Q19 to 23.0% in 1Q20, due to closing down of shopping malls since mid-March 2020.
- On-line sales amounted to PLN 145.2m in 2019, up 50% YoY.
- Share of internet in revenues grew from 12.0% in 2018 to 13.6% in 2019.

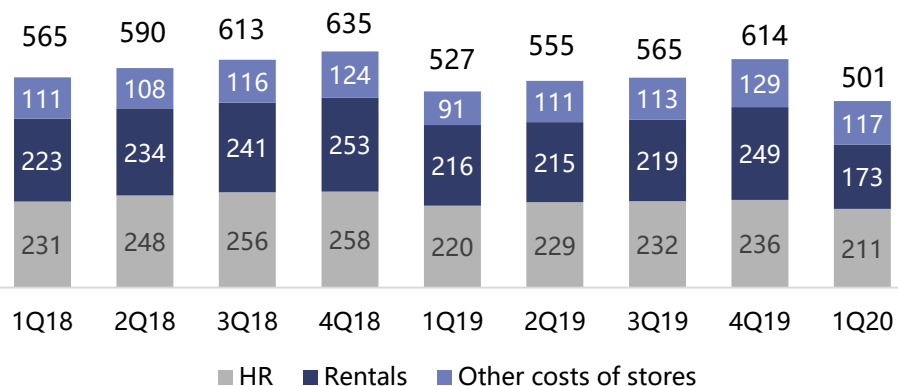
# Fall in costs/ m2

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



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



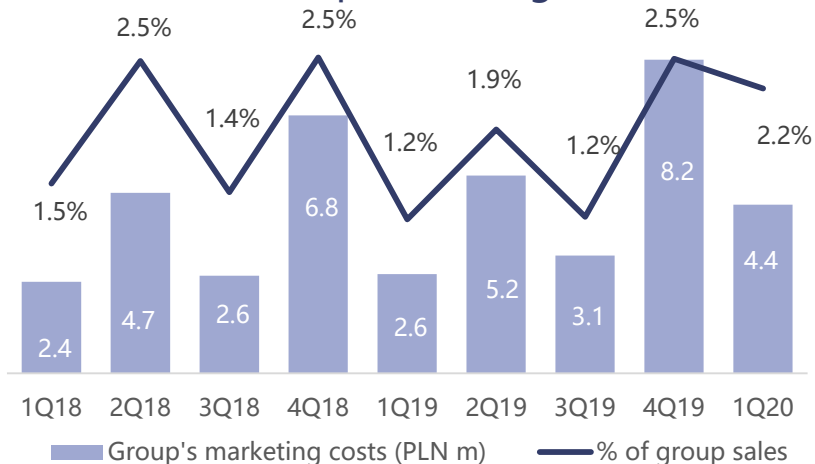
# Marketing: 180<sup>th</sup> jubilee of W.KRUK

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 1Q20 marketing outlays reached PLN 4.4m, up 70% YoY, due to W.KRUK's 180<sup>th</sup> jubilee campaign.

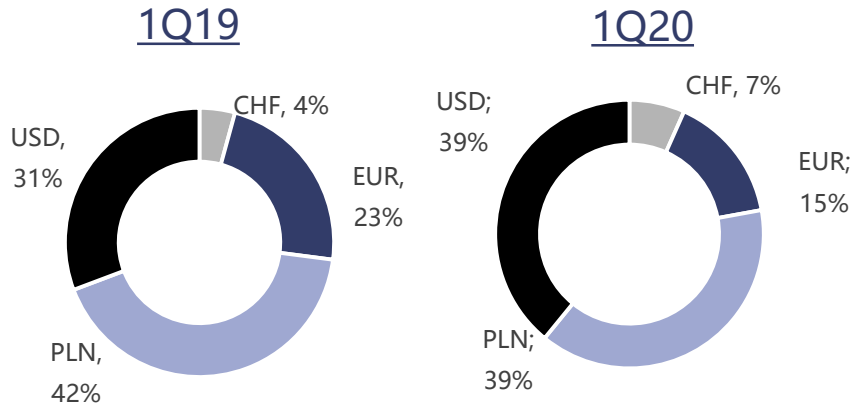
Group marketing costs



- In 2019 marketing outlays reached PLN 19.1m, up 16% YoY.
- The apparel segment: marketing outlays are related to campaigns, which typically cumulate in the second and fourth quarter. W 2018 Bytom's marketing costs were shown only for XII.
- Marketing costs within the jewellery segment cumulate in 4Q (seasonally best), before Christmas.

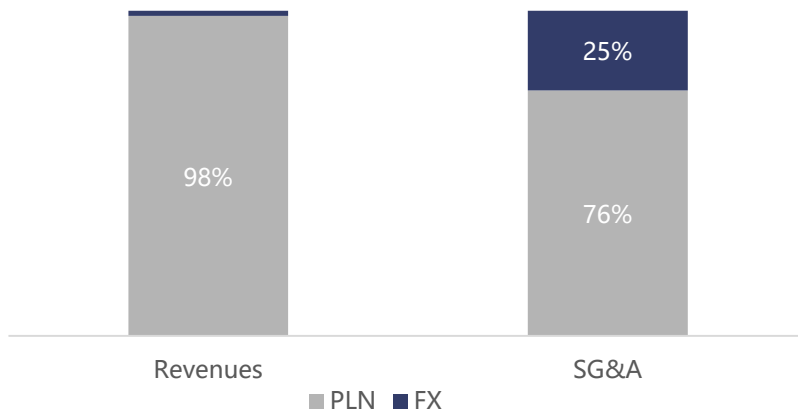
# FX risk exposure

Purchases by currencies  
(PLN m)



- 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.
- YoY shift in purchases structure due to changes in sourcing.

1Q20 revenues and SG&A costs by currencies (excl. IFRS16)



- 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	3Q18	3Q19 IFRS16	YoY	3Q19 IAS17	4Q18	4Q19 IFRS16	YoY	4Q19 IAS17	1Q19 IFRS16	1Q20 IFRS16	YoY
<b>Revenues</b>	<b>180.1</b>	<b>251.2</b>	<b>39.5%</b>	<b>251.2</b>	<b>272.1</b>	<b>332.5</b>	<b>22.2%</b>	<b>332.5</b>	<b>214.4</b>	<b>197.5</b>	<b>-7.9%</b>
Gross profit on sales	90.1	128.0	42.1%	128.0	143.8	178.5	24.1%	178.5	105.0	94.0	-10.5%
<i>Gross profit margin</i>	<i>50.0%</i>	<i>51.0%</i>	<i>1.0pp.</i>	<i>51.0%</i>	<i>52.9%</i>	<i>53.7%</i>	<i>0.8pp.</i>	<i>53.7%</i>	<i>49.0%</i>	<i>47.6%</i>	<i>-1.4pp.</i>
SG&A costs	80.5	115.5	43.5%	115.6	103.4	132.1	27.7%	132.2	106.2	105.5	-0.6%
Other operating activity	0.4	0.1		0.1	0.4	1.1		1.1	-0.1	-0.3	
<b>EBIT</b>	<b>10.0</b>	<b>12.6</b>	<b>25.5%</b>	<b>12.4</b>	<b>40.8</b>	<b>47.6</b>	<b>16.7%</b>	<b>47.5</b>	<b>-1.2</b>	<b>-11.9</b>	<b>N/M</b>
<i>EBIT margin</i>	<i>5.6%</i>	<i>5.0%</i>	<i>-0.6pp.</i>	<i>4.9%</i>	<i>15.0%</i>	<i>14.3%</i>	<i>-0.7pp.</i>	<i>14.3%</i>	<i>-0.6%</i>	<i>-6.0%</i>	<i>-5.4pp.</i>
Net financial activity	-1.2	-12.4		-3.3	-1.9	6.3		0.1	-2.7	-23.2	
Pre-tax profit	8.8	0.2	N/M	9.1	38.9	53.9	38.6%	47.5	-4.0	-35.1	N/M
Tax	1.9	2.0		2.0	6.4	9.5		9.5	-1.6	-3.1	
<b>Net profit</b>	<b>6.9</b>	<b>-1.8</b>	<b>N/M</b>	<b>7.1</b>	<b>32.4</b>	<b>44.3</b>	<b>36.7%</b>	<b>38.0</b>	<b>-2.4</b>	<b>-32.0</b>	<b>N/M</b>
<i>Net margin</i>	<i>3.8%</i>	<i>-0.7%</i>	<i>-4.5pp.</i>	<i>2.8%</i>	<i>11.9%</i>	<i>13.3%</i>	<i>+1.4pp.</i>	<i>11.4%</i>	<i>-1.1%</i>	<i>-16.2%</i>	<i>-15.1pp.</i>

<b>EBITDA</b>	<b>14.0</b>	<b>40.9</b>	<b>191.5%</b>	<b>18.4</b>	<b>45.6</b>	<b>76.1</b>	<b>67.0%</b>	<b>53.4</b>	<b>24.8</b>	<b>17.4</b>	<b>-29.8%</b>
<i>EBITDA margin</i>	<i>7.8%</i>	<i>16.3%</i>	<i>8.5pp.</i>	<i>7.3%</i>	<i>16.8%</i>	<i>22.9%</i>	<i>6.1pp.</i>	<i>16.1%</i>	<i>11.6%</i>	<i>8.8%</i>	<i>-2.8pp.</i>

# Safe indebtedness level

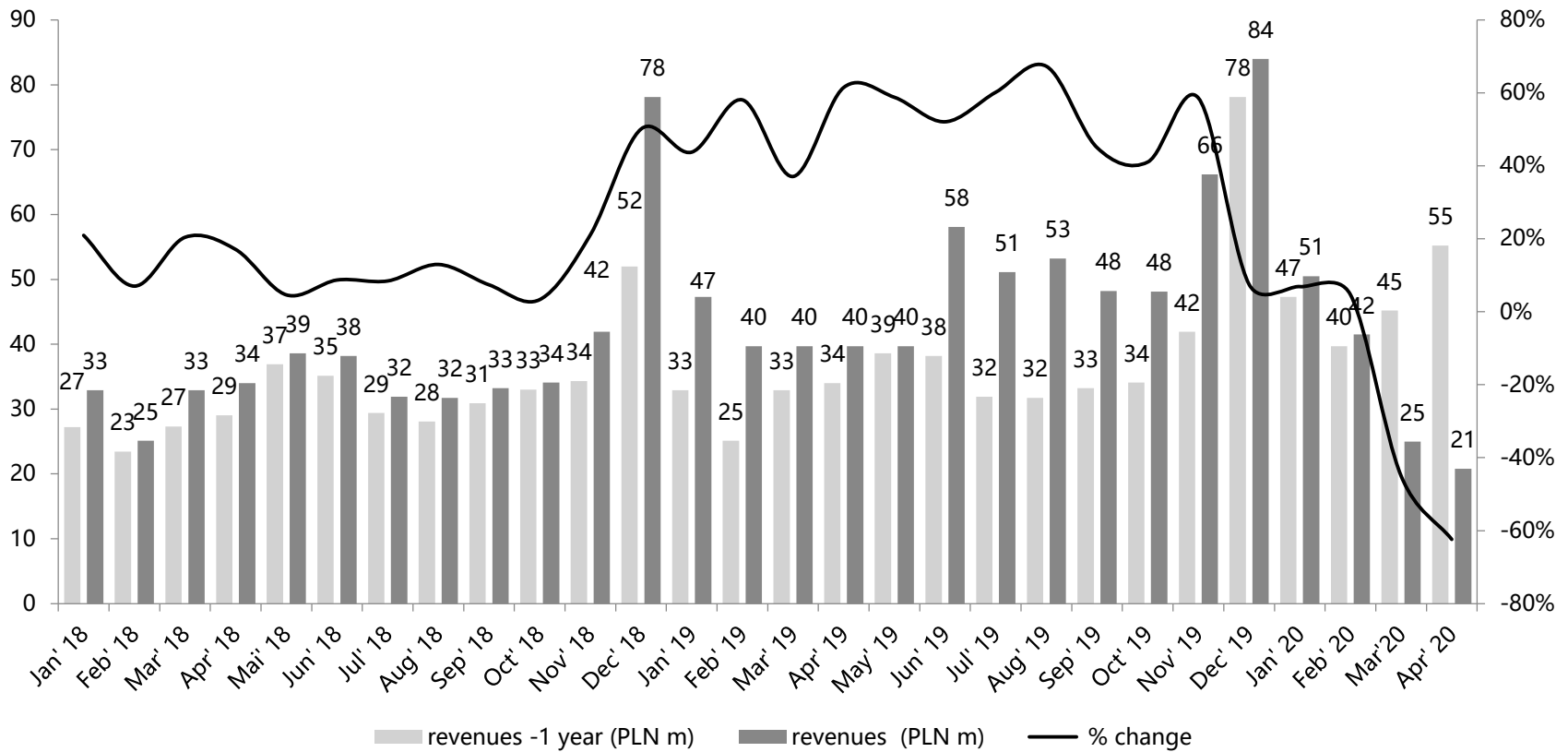
PLN m	1Q19	4Q19	1Q20
<b>Long-term debt</b>	<b>73.8</b>	<b>58.0</b>	<b>57.9</b>
Bank loans	70.5	55.9	55.7
Finance leases	3.2	2.2	2.1
<b>Short-term debt</b>	<b>109.7</b>	<b>58.6</b>	<b>91.9</b>
Bank loans	91.7	35.6	74.4
Finance leases	1.4	1.9	1.9
Reverse factoring	16.6	21.1	15.7
<b>Cash</b>	<b>20.6</b>	<b>25.3</b>	<b>7.3</b>
<b>Net debt</b>	<b>163.0</b>	<b>91.3</b>	<b>142.5</b>
<b>Finance leases IFRS16</b>	<b>286.1</b>	<b>268.3</b>	<b>284.5</b>
<b>Net debt under IFRS16</b>	<b>449.1</b>	<b>359.7</b>	<b>426.9</b>

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

- Consistent YoY reduction in long-term debt.
- A safer and more diversified financing structure after merger with Bytom.
- PLN 15.7m of reverse factoring used for financing of Bytom brand's suppliers.
- PLN 284.5m of IFRS16 liabilities (finance leases).

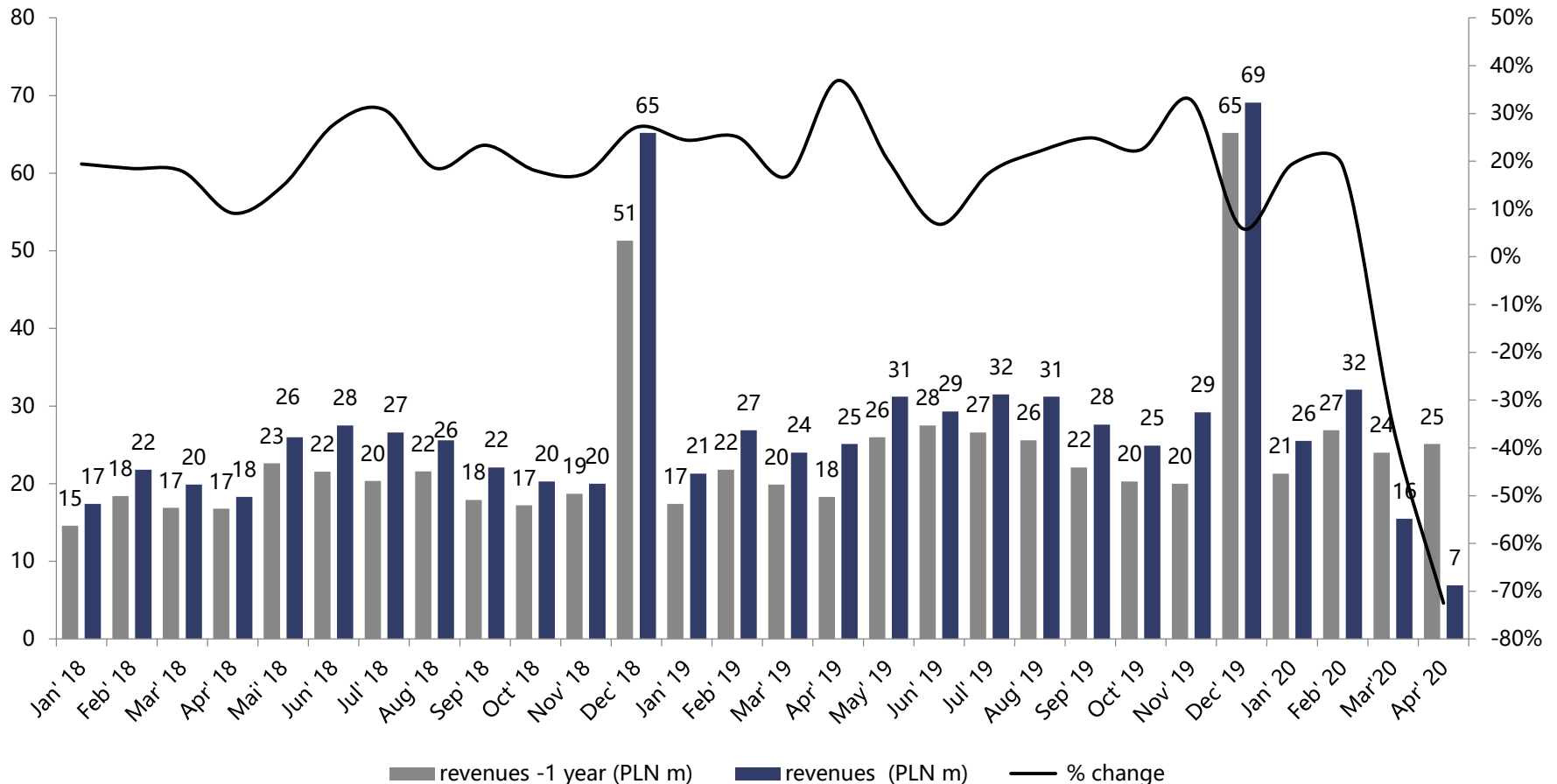
# Monthly sales data

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



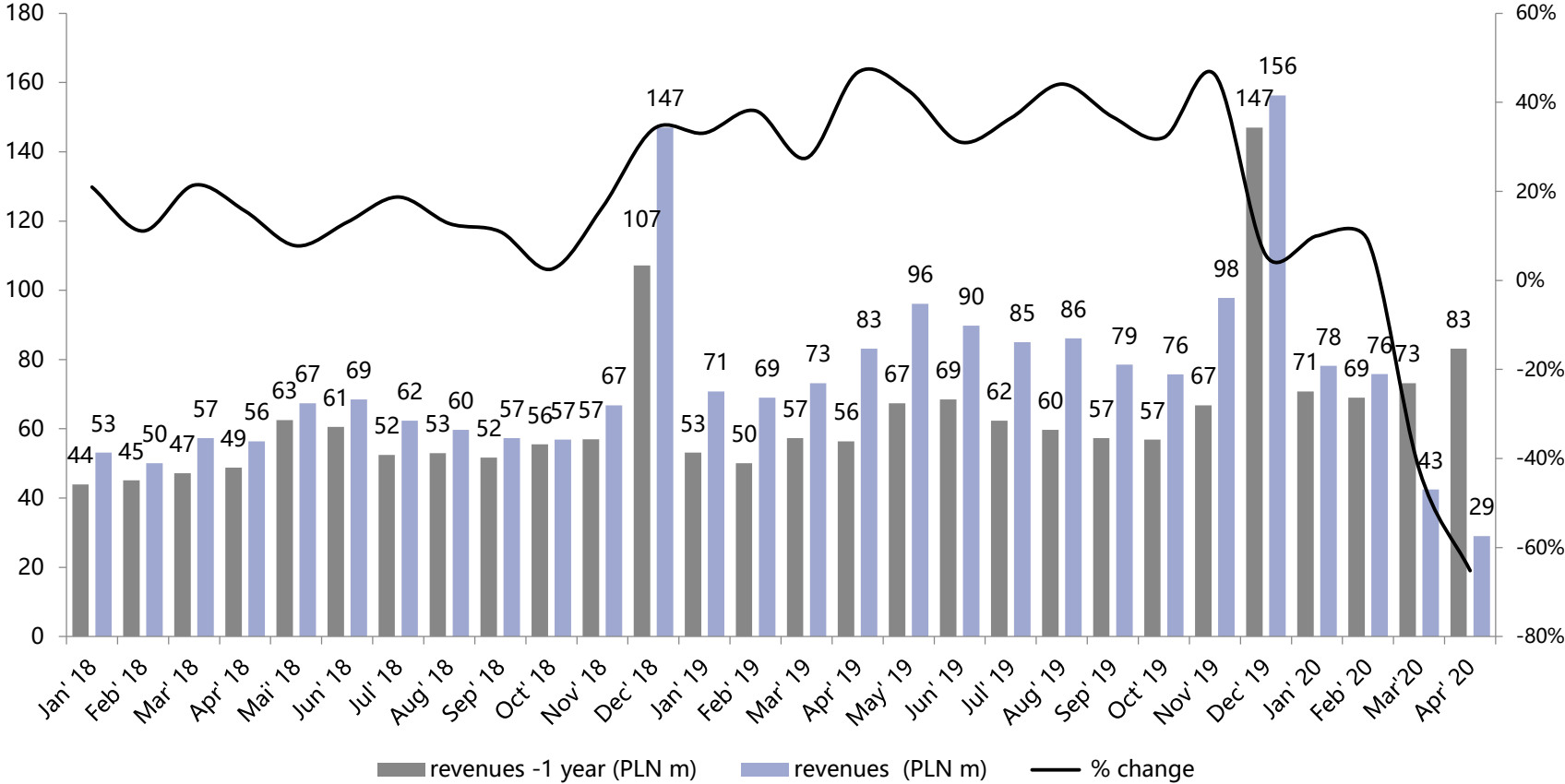
# Monthly sales data

## JEWELLERY SEGMENT REVENUES (W.KRUK)



# Monthly sales data

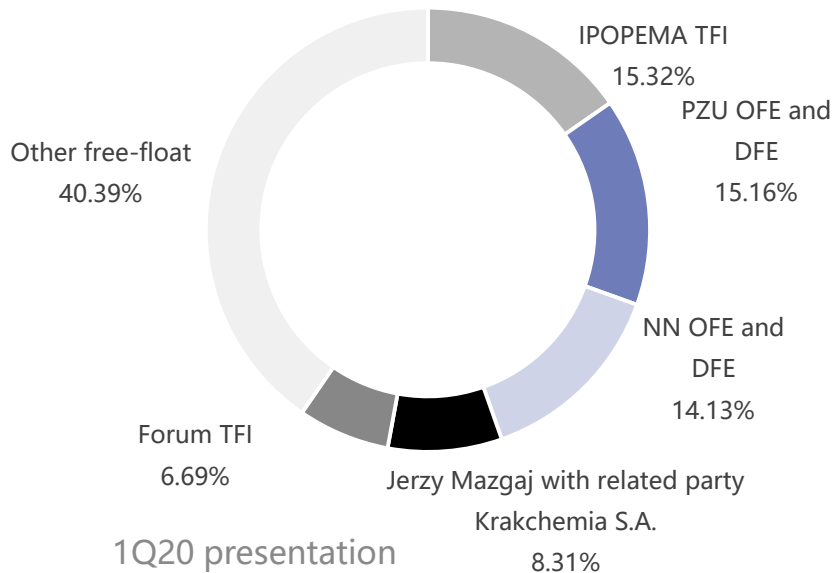
## REVENUES OF THE CAPITAL GROUP



# Shareholder structure

## Shareholder structure as of 19.05.2020 (share in equity and votes)

	Number of shares/votes	% stake
1. IPOPEMA TFI	35,918,372	15.32%
2. PZU OFE and DFE	35,540,000	15.16%
3. NN OFE and DFE	33,119,487	14.13%
4. Jerzy Mazgaj with related party Krakchemia SA	19,477,333	8.31%
5. FORUM TFI	15,680,800	6.69%
6. Other free-float	94,719,848	40.39%
<b>Suma</b>	<b>234,455,840</b>	



## Sources of information on 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 2 and art. 87 paragraph 1 item 2 of 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 all funds managed by IPOPEMA TFI S.A. According to the information held by the Company, the Ipopema 21 FIZ Private Equity Fund, managed by IPOPEMA TFI SA, holds 14,819,183 shares of the Company, which constitutes 6.32% of the share capital of the Company and gives 14,819,183 votes, constituting 6.32% 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 Open Pension Fund "Złota Jesień" and the PZU Voluntary Pension Fund at the Extraordinary General Meeting of the Company on February 20, 2020. At the Company's Extraordinary General Shareholder Meeting on February 20, 2020, the PZU "Złota Jesień" Open Pension Fund owned 34,700,000 shares of the Company independently, representing 14.80% of the Company's share capital and was entitled to 34,700,000 votes at the Company's General Meeting, which constitutes 14.80% of the total number of votes at the Company's General Shareholder Meeting.

3. information provided on the basis of the number of shares registered jointly by Nationale-Nederlanden Open Pension Fund and Nationale-Nederlanden Voluntary Pension Fund at the Extraordinary General Meeting of the Company on February 20, 2020. At the Extraordinary General Meeting of the Company on February 20, 2020, Nationale-Nederlanden Open Pension Fund owned independently 32 750 487 shares of the Company, which constitutes 13.97% of the share capital of the Company and was entitled to 32,750,487 votes at the Company's General Meeting of the, which constitutes 13.97% of the total number of votes at the Company's General Shareholder Meeting.

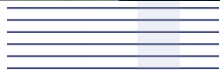
4. information on the number of shares provided in accordance with the notifications received by the Company pursuant to art. 69 of the Act of July 29, 2005 on public offerings and conditions governing the introduction of financial instruments to organized trading, and on public companies and in accordance with the notifications received by the Company pursuant to art. 19 MAR. According to the information held by the Company, Mr. Jerzy Mazgaj owns 18,477,333 shares of the Company, which represents 7.88% of the Company's share capital and is entitled to 18,477,333 votes at the General Meeting of the Company, which represents 7.88% 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 and in accordance with the notification received by the Company pursuant to art. 19 MAR, applies to shares held jointly by the following funds managed by Forum TFI SA: (i) Forum X Closed-end Investment Fund holding 8,429,760 shares of the Company constituting 3.60% of the share capital of the Company and entitling to 8,429,760 votes at the General Meeting of the Company, representing 3.60% of the total number of votes in the Company, and (ii) Forum XXIII Closed-end Investment Fund holding 7,251,040 shares of the Company constituting 3.09% of the share capital of the Company and entitling to 7,251,040 votes at the Company's General Shareholder Meeting, constituting 3.09% 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 <sup>2</sup> 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 <sup>2</sup> (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 <sup>2</sup> (PLN per month)	Quarterly group SG&A / average total working floorspace / 3.
Inventory/ m <sup>2</sup>	Inventory end of period / group's floorspace end of period.



**VRG**  
VISTULA RETAIL GROUP

**THANK YOU**

VRG S.A.  
Pilotów 10 St.  
31-462 Cracow

VISTULA

WÓLCZANKA

BYTOM  
SZTUKA KRAWIECTWA OD 1945

W.KRUK  
1 8 4 0

DENI CLER  
MILANO