VISTULA BYTOM SZTUKA KRAWIECTWA OD 1945 WÓLCZANKA DENI CLER MILANO W.KRUK 1840 Lilou

VRG
VISTULA RETAIL GROUP

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

OF VRG S.A. CAPITAL GROUP

FOR 6 MONTHS ENDING JUNE 30, 2026

PREPARED IN ACCORDANCE WITH IFRS APPROVED BY THE EUROPEAN UNION

Cracow, August 20, 2026

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SELECTED FINANCIAL DATA FROM CONSOLIDATED FINANCIAL STATEMENTS

FOR 6 MONTHS ENDING JUNE 30, 2026

	PLN ths	PLN ths	EUR ths	EUR ths
	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025
Revenues	791,883	671,168	186,229	159,014
EBITDA	151,064	117,013	35,526	27,723
Profit (loss) from operations	72,994	49,343	17,166	11,690
Pre-tax profit (loss)	56,782	44,082	13,354	10,444
Net profit (loss)	44,617	34,635	10,493	8,206
Net cash flows from operating activities	47,875	26,341	11,259	6,241
Net cash flows from investing activities	-129,047	-15,895	-30,348	-3,766
Net cash flows from financing activities	74,762	-10,368	17,582	-2,456
Total net cash flows	-6,410	78	-1,507	19
Earnings (loss) per ordinary share (in PLN/EUR)	0.19	0.15	0.04	0.04
Diluted earnings (loss) per share (in PLN/EUR)	0.19	0.15	0.04	0.04
	30.06.2026	31.12.2025	30.06.2026	31.12.2025
Total assets	2,027,460	1,785,708	471,908	422,483
Liabilities and provisions	832,708	624,183	193,819	147,676
Long-term liabilities	333,885	220,566	77,715	52,184
Short-term liabilities	476,725	383,570	110,962	90,749
Total equity	1,194,752	1,161,525	278,089	274,807
Share capital	49,122	49,122	11,434	11,622
Shares outstanding	234,455,840	234,455,840	234,455,840	234,455,840
Diluted number of shares	234,455,840	234,455,840	234,455,840	234,455,840
Book value per share (in PLN/EUR)	5.10	4.95	1.19	1.17
Diluted book value per share (in PLN/EUR)	5.10	4.95	1.19	1.17
Declared or paid dividend per share (in PLN/EUR)	0.05	0.0	0.01	0.0

CONDENSED INTERIM CONSOLIDATED PROFIT OR LOSS STATEMENT

FOR 6 MONTHS ENDING JUNE 30, 2026

(PLN thousand)	Note	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Revenues	2.1 3.1	**791,883**	**671,168**	**435,401**	**377,529**
Cost of sales	3.2.1	330,168	296,983	175,040	162,646
Gross profit on sales		**461,715**	**374,185**	**260,361**	**214,883**
Selling costs	3.2.1	315,698	267,176	165,097	139,088
Administrative expenses	3.2.1	68,739	54,051	32,369	27,688
Other operating income	3.1.1	3,716	2,398	1,006	1,373
Other operating costs	3.2.3	7,761	5,257	4,818	3,443
Loss from sale of non-financial non-current assets	3.2.3	239	756	185	391
Profit (loss) from operations		**72,994**	**49,343**	**58,898**	**45,646**
Financial income	3.1.2	2,610	6,019	3,337	115
incl.: financial income due to lease liabilities related to retail and office space	*3.1.2*	*2,004*	*2,210*	*2,075*	*104*
Financial costs	3.2.4	18,822	11,280	7,340	9,717
incl.: financial costs due to lease liabilities related to retail and office space	*3.2.4*	*12,306*	*5,929*	*4,086*	*6,917*
Pre-tax profit (loss)		**56,782**	**44,082**	**54,895**	**36,044**
Income tax	3.3	12,165	9,447	10,124	7,426
Net profit (loss) for the period		**44,617**	**34,635**	**44,771**	**28,618**
Attributed to dominating entity		44,617	34,635	44,771	28,618
Attributed to non-controlling interest		0	0	0	0
Earnings (loss) per share	3.4				
- basic		0.19	0.15	0.19	0.12
- diluted		0.19	0.15	0.19	0.12

*- unaudited data

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR 6 MONTHS ENDING JUNE 30, 2026

(PLN thousand)	Note	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Net profit for the period		**44,617**	**34,635**	**44,771**	**28,618**
Other comprehensive income, including:		**333**	**39**	**39**	**47**
Income that can be reclassified		0	0	0	0
FX differences from valuation of foreign companies		333	39	39	47
Income that cannot be reclassified		0	0	0	0
Total comprehensive income		**44,950**	**34,674**	**45,051**	**28,665**
Attributed to dominating entity		44,950	34,674	45,051	28,665
Attributed to non-controlling interest		0	0	0	0

*- unaudited data

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT OF FINANCIAL POSITIONS

AS AT JUNE 30, 2026

(PLN thousand)	Note	30.06.2026	31.12.2025	30.06.2025
Assets				
Non-current assets		**1,112,495**	**934,910**	**920,591**
Goodwill	4.1	365,847	302,748	302,748
Other intangible assets	4.2	246,193	197,478	197,720
Fixed assets	4.3	121,689	99,069	91,965
Investment property		874	874	874
Right-of-use assets (IFRS16)	4.4	359,107	315,556	307,828
Long-term receivables		2,187	1,824	1,301
Shares and stakes	4.6	10	10	10
Deferred tax assets	3.3.2	16,588	17,351	18,145
Current assets		**914,965**	**850,798**	**837,045**
Inventory	4.7	827,527	763,589	794,860
Short-term security deposit receivables		148	25	50
Trade and other receivables as well as other current assets	4.8	26,010	19,772	25,031
Corporate income tax receivables	4.12.5	6	0	0
Cash and cash equivalents	4.11	61,274	67,412	17,104
Total assets		**2,027,460**	**1,785,708**	**1,757,636**

(PLN thousand)	Note	30.06.2026	31.12.2025	30.06.2025
Equity and liabilities				
Dominating entity's equity		**1,194,752**	**1,161,525**	**1,097,865**
Share capital	4.14.1	49,122	49,122	49,122
Other reserves	4.14.2	76,720	16,720	14,332
FX difference from translation		237	-96	-146
Retained earnings	4.15	1,068,673	1,095,779	1,034,557
Long-term liabilities and provisions		**335,558**	**222,239**	**214,934**
Liabilities due to security deposits		2,886	2,645	2,434
Lease liabilities	4.12.2	249,827	217,921	211,191
incl. lease liabilities related to retail and office space	4.12.2	*247,252*	*216,845*	*209,810*
Loans and borrowings		81,172	0	0
Long-term provisions	4.13	1,673	1,673	1,309
Short-term liabilities and provisions		**497,150**	**401,944**	**444,837**
Liabilities due to short-term security deposits		118	0	200
Lease liabilities	4.12.2	122,659	104,517	102,788
incl. lease liabilities related to retail and office space	4.12.2	*121,038*	*103,535*	*101,713*
Trade and other liabilities		247,556	236,281	203,386
Corporate income tax liabilities	4.12.5	1,929	7,739	2,552
Loans and borrowings and short-term part of long-term loans and borrowings	4.12.1	104,463	35,033	118,634
Short-term provisions	4.13	20,425	18,374	17,277
Total liabilities and provisions		**832,708**	**624,183**	**659,771**
Total equity and liabilities		**2,027,460**	**1,785,708**	**1,757,636**

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR 6 MONTHS ENDING JUNE 30, 2026

(PLN thousand)	Share capital	Capital reserves	FX differences from translation	Retained earnings	Total equity
Balance at 01.01.2025	**49,122**	**14,321**	**-185**	**999,922**	**1,063,180**
Changes in equity in 1 half 2025 period from 01-01-2025 to 30-06-2025	**0**	**11**	**39**	**34,635**	**34,685**
Net profit (loss) for the period	0	0	0	34,635	34,635
Other comprehensive income	0	0	39	0	39
Total comprehensive income	**0**	**0**	**39**	**34,635**	**34,674**
Liquidation proceedings costs	0	11	0	0	11
Balance at 30.06.2025	**49,122**	**14,332**	**-146**	**1,034,557**	**1,097,865**
Balance at 01.01.2025	**49,122**	**14,321**	**-185**	**999,922**	**1,063,180**
Changes in equity in 2025	**0**	**2,399**	**89**	**95,857**	**98,345**

(PLN thousand)	Share capital	Capital reserves	FX differences from translation	Retained earnings	Total equity
Net profit (loss) for the period	0	0	0	98,241	98,241
Other comprehensive income	0	0	89	0	89
Total comprehensive income	**0**	**0**	**89**	**98,241**	**98,330**
Net profit distribution	0	2,388	0	-2,388	0
Liquidation proceedings costs	0	11	0	0	11
Inflows from sale of own shares	0	0	0	4	4
Balance at 31.12.2025	**49,122**	**16,720**	**-96**	**1,095,779**	**1,161,525**
Balance at 01.01.2026	**49,122**	**16,720**	**-96**	**1,095,779**	**1,161,525**
Changes in equity in 1 half 2026 period from 01-01-2026 do 30-06-2026	**0**	60,000	333	-27,106	33,227
Net profit (loss) for the period	0	0	0	44,617	44,617
Other comprehensive income	0	0	333	0	333
Total comprehensive income	**0**	**0**	**333**	**44,617**	**44,950**
Reserve capital designated to purchase of own shares	0	60,000	0	-60,000	**0**
Dividends	0	0	0	-11,723	-11,723
Balance at a 30.06.2026	**49,122**	**76,720**	**237**	**1,068,673**	**1,194,752**

Information and explanations relating to the consolidated interim statement of changes in equity are included in notes 4.14.1, 4.14.2 i 4.15.

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

FOR 6 MONTHS ENDING JUNE 30, 2026

(PLN thousand)	Note	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Pre-tax profit (loss)		**56,782**	**44,082**	**54,895**	**36,044**
Amortization and depreciation	3.2.1	78,070	67,670	39,561	33,512
Profit (loss) on investing activities		238	772	184	391
Income tax paid		-17,312	-13,356	-5,541	-5,102
Interest costs		11,463	10,376	5,865	5,514
Change in provisions		2,058	-237	2,653	957
Change in inventories		-63,920	-61,416	-70,856	-41,163
Change in receivables		2,927	-1,844	3,399	-8,386
Change in short-term liabilities, excluding bank loans and borrowings		269	-19,657	70,835	49,789
Other adjustments	6.1	-22,700	-49	-21,925	139
Net cash flows from operating activities		**47,875**	**26,341**	**79,070**	**71,695**
Interest received		336	16	114	9
Disposal of fixed assets and assets held for sale		1,725	1,924	350	12

(PLN thousand)	Note	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Purchase of intangible		-519	-435	-270	-309
Purchase of fixed assets		-32,100	-17,400	-17,381	-8,491
Net expenditures for purchase of subsidiaries	1.4	-98,489	0	0	0
Net cash flows from investing activities		**-129,047**	**-15,895**	**-17,187**	**-8,779**
Proceeds from bank loans and loans		154,448	57,557	10,928	-24,914
Repayment of bank loans and borrowings		-3,755	0	-3,275	0
Finance lease payments from other leases		-1,084	-494	-837	-245
Interest paid, other		-4,367	-4,263	-2,229	-2,439
Interest paid due to lease liabilities		-7,095	-6,013	-3,635	-3,074
Lease payments due to lease liabilities related to retail and office space		-63,385	-57,155	-32,007	-28,226
Net cash flows from financing activity		**74,762**	**-10,368**	**-31,055**	**-58,898**
Increase (decrease) in cash and cash equivalents in the balance sheet		**-6,410**	**78**	**30,828**	**4,018**
Change in cash due to foreign currency translation		272	39	218	47
Balance sheet change in cash taking into account the effects of changes in exchange rates		**-6,138**	**117**	**31,046**	**4,065**
Opening balance of cash and equivalents		**67,412**	**16,987**	**30,228**	**13,039**
Closing balance of cash and equivalents	4.11	**61,274**	**17,104**	**61,274**	**17,104**

*- unaudited data

1. INFORMATION AND EXPLANATIONS TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1.1. GENERAL INFORMATION

1.1.1. NAME, REGISTERED OFFICE, BUSINESS ACTIVITY

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

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

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

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

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

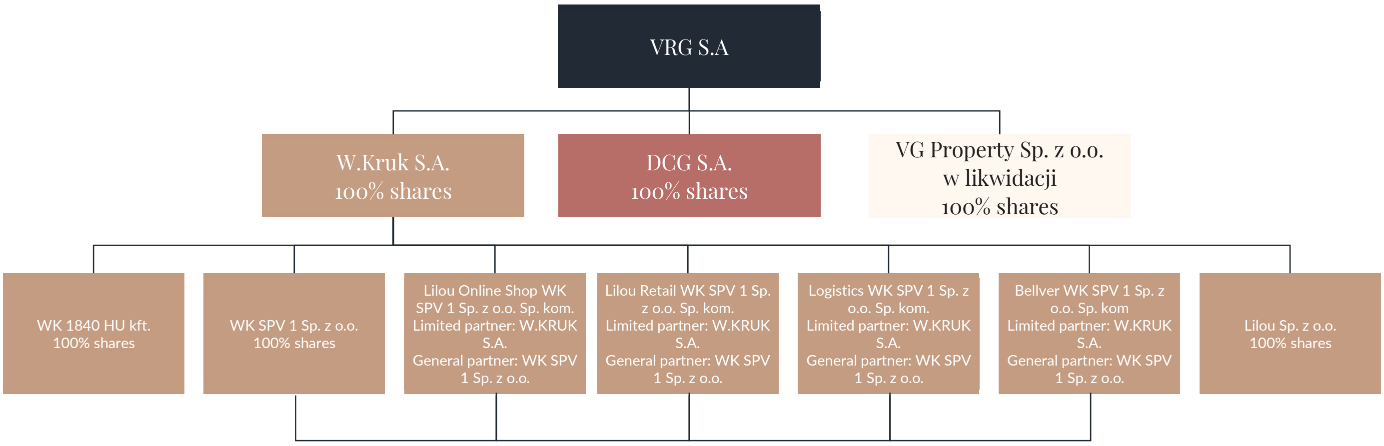
COMPANY'S KEY CORPORATE MILESTONES

1948	Ordinance of the Minister of Industry and Trade on creation of a state-owned enterprise under the name "Krakowskie Zakłady Przemysłu Odzieżowego" (Cracow Clothing Production Facility).
1991	Transformation into a sole-shareholder company of the State Treasury under the business name: Zakłady Przemysłu Odzieżowego "Vistula" Spółka Akcyjna.
1993	Issuer's debut on the Warsaw Stock Exchange S.A.
2001	Registration of a new company name: Vistula Spółka Akcyjna.
2005	Beginning of the process of intensive expansion of the store network and renewal of the positive image of the Vistula brand.
2006	Merger with Wólczanka S.A. (change of the company name to Vistula & Wólczanka S.A.).
2008	Taking over control and merger with W.KRUK S.A in Poznań (change of the company name to Vistula Group S.A.).
2015	Transfer of jewellery business conducted under the W.KRUK brand to W.KRUK S.A. subsidiary.
2018	Merger with Bytom S.A. (change of the company name to VRG S.A.).
2019	Merger with subsidiary BTM 2 Sp. z o.o.
2023	Beginning of W.KRUK’s expansion on the Hungarian market.
2026	Taking control over group of Lilou companies by W.KRUK S.A. subsidiary.

The lifespan of the Issuer is indefinite.

1.1.2. STRUCTURE OF VRG S.A. CAPITAL GROUP

As at the end of I half of 2026 VRG S.A. Capital Group consisted of the following entities:



- **VRG S.A.** - Parent Company
  The company's business activity is the retail sale of clothing, footwear and accessories; the company also holds shares in subsidiaries.
- **W.KRUK S.A.** based in Cracow, Pilotów 10 St.; post code 31-462. The company was registered in the District Court for Cracow Śródmieście, XI Commercial Division of the National Court Register (KRS) under number KRS 0000500269.
  The company specialises is design, manufacturing and retail sales of brand luxury products such as jewellery, watches and accessories.
  Share in equity: 100.0%. Share in votes at the General Shareholder Meeting: 100.0%
- **WK 1840 HU Kft.** based in Budapest, Republic of Hungary. The company is registered at the Commercial Court of the Metropolitan Court of Buda-pest under the number CG.01-09-421401/8. The company is a subsidiary of W.KRUK S.A. based in Cracow.
  The company's core business is retail sales of jewellery and accessories under the W.KRUK brand in Hungary.
  Share of W.KRUK S.A. in the company's share capital is 100% and has 100% of votes at the Shareholders' Meeting.
- **DCG S.A.** based in Warsaw, Bystrzycka 81a St., post code 04-907. The company was registered in the District Court for Warsaw, the XXI Commercial Division of the National Court Register (KRS) under number KRS 0000285675.
  The company specialises in retail sale of clothing.
  Share in equity: 100.0%. Share in votes at the General Shareholder Meeting: 100.0%
- **VG Property Sp. z o.o. w likwidacji** (in liquidation) based in Cracow, Pilotów 10 St., post code: 31-462. The company was registered in the District Court for Cracow Śródmieście, XI Commercial Division of the National Court Register (KRS) under number KRS 0000505973.
  The company specialises in renting and managing of own or leased real estate.
  Share in equity: 100.0%. Share in votes at the General Shareholder Meeting: 100.0%
- **WK SPV 1 Sp. z o. o.** with its registered office in Cracow, at 10 Pilotów Street, postal code: 31-462, is registered in the Register of Entrepreneurs of the National Court Register at the District Court for Cracow -Śródmieście in Cracow, 11th Commercial Division, under KRS number 0001180127.
  The company's principal activity is business and management consultancy and the operation of its head offices.
  The company is a subsidiary of W.KRUK S.A., with its registered office in Cracow.
  W.KRUK S.A. holds 100% of the shares and 100% of the votes at the General Meeting of Shareholders of WK SPV 1 Sp.
- **LILOU Sp. z o.o.,** with its registered office in Warsaw, at ul. Józefa Lewartowskiego 6, postal code 00-190, is registered in the Register of Entrepreneurs of the National Court Register at the District Court for the Capital City of Warsaw, XII Commercial Division of the National Court Register, under KRS number 0000346352. The company is a subsidiary of W.KRUK S.A., with its registered office in Kraków. The company operates as a retail jewellery retailer through brick-and-mortar channels.
  W.KRUK S.A. holds 100% of the shares in LILOU sp. z o.o.'s share capital, which entitles it to 100% of the votes at the company's General Meeting of Shareholders.
- **BELLVER WK SPV 1 Sp. z o.o. Sp. kom.**, with its registered office in Warsaw at ul. Józefa Lewartowskiego 6, postal code 00-190. The company is registered in the Register of Entrepreneurs of the National Court Register at the District Court for the

capital city of Warsaw in Warsaw, XIIth Commercial Division of the National Court Register, under KRS number 0000654002. The company is a subsidiary of W.KRUK S.A., headquartered in Cracow. The company conducts business by granting licenses to companies to use trademarks and industrial designs. The sole general partner of the company is WK SPV 1 Sp. z o.o.
The sole limited partner of the company is W.KRUK S.A.

– **Lilou Online Shop WK SPV 1 Sp. z o.o. Sp. kom.** with its registered office in Warsaw at ul. Józefa Lewartowskiego 6, postal code 00-190. The company is registered in the Register of Entrepreneurs of the National Court Register at the District Court for the capital city of Warsaw in Warsaw, XII Commercial Division of the National Court Register, under KRS number 0000663850. The company is a subsidiary of W.KRUK S.A., headquartered in Cracow. The company operates in the online retail sales of jewellery. The sole general partner of the company is WK SPV 1 Sp. z o.o.
The sole limited partner of the company is W.KRUK S.A.
– **Lilou Retail WK SPV 1 Sp. z o.o. Sp. kom.**, with its registered office in Warsaw at ul. Józefa Lewartowskiego 6, postal code 00-190. The company is registered in the Register of Entrepreneurs of the National Court Register at the District Court for the capital city of Warsaw, XII Commercial Division of the National Court Register, under KRS number 0000675663. The company is a subsidiary of W.KRUK S.A., headquartered in Cracow. The company operates in the retail sale of jewellery through brick-and-mortar channels. The sole general partner of the company is WK SPV 1 Sp. z o.o.
The sole limited partner of the company is W.KRUK S.A.

Consolidated financial statements for 1H26 include data of the Parent Company and subsidiaries: W.KRUK S.A., WK 1840 HU Kft, DCG S.A. i VG Property Sp. z o.o. w likwidacji (in liquidation) and subsidiaries of W.KRUK S.A.: WK 1840 HU Kft, WK SPV 1 Sp. z o .o., LILOU Sp. z o.o., BELLVER WK SPV 1 Sp. z o.o. Sp. kom., Lilou Online Shop WK SPV 1 Sp. z o.o. Sp. kom., Lilou Retail WK SPV 1 Sp. z o.o. Sp. kom., Logistics Retail WK SPV 1 Sp. z o.o. Sp. kom.

CHANGES IN THE CAPITAL GROUP STRUCTURE IN THE FIRST HALF OF 2026 AND AFTER THE BALANCE SHEET DATE

On January 8, 2026, W.KRUK S.A. and its subsidiary WK SPV 1 Sp. z o.o. signed agreements with MYVOG Fundacja Rodzinna with its registered office in Warsaw, Retail sp. z o.o. with its registered office in Warsaw, Online Shop sp. z o.o. with its registered office in Warsaw, and Santa Catalina sp. z o.o. with its registered office in Warsaw, finalized in the execution of the transaction documentation concerning the acquisition of the group of Lilou companies, i.e., the shares and rights and obligations of partners in the following entities: Lilou Sp. z o.o., Bellver WK SPV 1 Sp. z o.o., joint-stock company, Lilou Online Shop WK SPV 1 Sp. kom., Lilou Retail WK SPV 1 Sp. z o. o. Sp. kom. i Logistics WK SPV 1 Sp. z o. o. Sp. kom.

The first half of 2026 was a period of significant changes in the structure of the VRG Capital Group related to implementation of development activities planned in the Company's strategy.

The most important event was the acquisition of control over the group of Lilou companies, owner of one of the most recognizable Polish brands of personalized jewellery.

As a result of the transaction, the Group expanded its portfolio with a brand with an established market position, an extensive traditional stores network and e-commerce channel, as well as a recognizable business model based on a high level of product personalization and strong customer relationships.

From the Group's perspective, the acquisition of the Lilou brand enables the Group to expand our presence in an attractive market segment, increase the scale of our operations, and create conditions for leveraging operational and organizational synergies between individual Group companies.

From the balance sheet date of June 30, 2026, to the date of signing this report, there were no changes in the structure of the VRG S.A. Capital Group, and no other capital investments were made.

1.1.3. COMPOSITION OF THE MANAGEMENT AND SUPERVISORY BOARD

MANAGEMENT BOARD

As at June 30, 2026, the composition of the Management Board of VRG S.A. was the following:

Management Board	**Mateusz Kolański** President of the Management Board	**Łukasz Bernacki** Executive Vice-President of the Management Board	**Michał Zimnicki** Executive Vice-President of the Management Board

In the period from January 1, 2026 to June 30, 2026, there were no changes in the composition of the Parent Company's Management Board.

In the period from the balance sheet date, i.e. June 30, 2026, to the date of signing this report, the above composition of the Parent Company's Management Board has not changed.

SUPERVISORY BOARD

As at June 30, 2026, the composition of the Supervisory Board of VRG S.A. was as follows:

Supervisory Board	**Piotr Stępniak** Chair of the Supervisory Board	**Piotr Łagowski** Deputy-Chair of the Supervisory Board	**Aleksandra Kolańska** Member of the Supervisory Board
		Piotr Kaczmarek Member of the Supervisory Board	**Marta Zgodzińska** Member of the Supervisory Board

In the period from January 1, 2026 to June 30, 2026, there were no changes in the composition of the Parent Company's Supervisory Board.

In the period from the balance sheet date, i.e. June 30, 2026, to the date of signing this report, the above composition of the Parent Company's Supervisory Board has not changed.

1.2. GOING CONCERN

The interim condensed consolidated financial statements of the VRG S.A. Capital Group (hereinafter also referred to as the "Capital Group" or "VRG Group") have been prepared on the assumption that the Capital Group companies will continue as going concerns in an unchanged form and scope for a period of at least 12 months from the date of the financial statements, i.e., June 30, 2026, with the exception of the subsidiary VG Property Sp. z o.o. in liquidation, the liquidation of which is planned to be completed within the next 12 months.

In the opinion of the Parent Company's Management Board, as of the date of approval of these interim consolidated financial statements, there are no indications or circumstances that would indicate a threat to the Capital Group companies' ability to continue as going concerns in the foreseeable future.

1.3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

These interim condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard No. 34 "Interim Financial Reporting" approved by the EU ("IAS 34"). The interim condensed consolidated financial statements present the financial position of the Group as at June 30, 2026 and December 31, 2025 and June 30, 2025, the results of its operations for the period of 6 and 3 months ended June 30, 2026 and June 30, 2025 and cash flows for the period of 6 months ended June 30, 2026 and June 30, 2025.

These interim condensed consolidated financial statements have been prepared on the basis of the historical cost concept.

The interim condensed consolidated financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended December 31, 2025, approved for publication on April 24, 2026.

Furthermore, the basis for preparing these condensed consolidated interim financial statements is the Regulation of the Minister of Finance of June 6, 2025, on current and periodic information provided by issuers of securities and conditions for recognizing as equivalent information required by the laws of a non-member state (Journal of Laws of 2025, item 755).

These condensed interim consolidated financial statements for the first half of 2026 have been prepared in Polish zloty, rounded to the nearest thousand (PLN '000). The functional currency of the Group is the Polish zloty.

1.4. TAKING CONTROL OVER ENTITIES

On January 8, 2026, a subsidiary of VRG S.A. - W.KRUK S.A. with its registered office in Cracow ("W.KRUK"), and its subsidiary WK SPV 1 Sp. z o.o. with its registered office in Cracow ("WK SPV"), signed with MYVOG Fundacja Rodzinna with its registered office in Warsaw, Retail sp. z o.o. with its registered office in Warsaw, Online Shop sp. z o.o. with its registered office in Warsaw and Santa Catalina sp. z o.o. with its registered office in Warsaw agreements promised in the execution of the transaction documentation concerning the acquisition of the Lilou group of companies, about which VRG S.A. informed in Current Report No. 18/2025 dated July 8, 2025 and Current Report No. 24/2025 dated August 13, 2025, i.e. in the execution of the preliminary conditional agreement concluded on July 8, 2025 concerning the acquisition by W.KRUK and WK SPV of shares and rights and obligations of partners of partnerships in the following entities: Lilou Sp. z o.o., Bellver WK SPV 1 Sp. z o.o. Sp. kom. (previously named Bellver MYVOG Fundacja Rodzinna Sp. Kom.), Lilou Online Shop WK SPV 1 Sp. z o.o. Sp. kom. (previously named Lilou Online Shop Sp. z o.o. Sp. Kom.), Lilou Retail WK SPV 1 Sp. z o.o. Sp. (previously named Lilou Sp. z o.o. Sp. kom.) and Logistics WK SPV 1 Sp. z o.o. Sp. kom. (previously named Logistics Retail Sp. z o.o. Sp. kom.).

Thus, on January 8, 2026, W.KRUK S.A. with its registered office in Cracow ("W.KRUK") and its subsidiary WK SPV 1 Sp. z o.o. with its registered office in Cracow ("WK SPV") (hereinafter: the Acquirer) acquired 100% of the equity instruments in the Lilou group of companies.

Entities taken over as at 8.01.2026 (PLN thousand)	% of taken over shares with the right to vote	Net assets of taken over entity (fair value)	Purchase price	Goodwill
Lilou Sp. z o.o.	100%	13,013		
Lilou Retail WK SPV 1 Sp. z o.o. Sp. kom.	100%	12,207		
Lilou Online Shop WK SPV 1 Sp. z o. o. Sp. kom.	100%	4,408		
Logistics WK SPV 1 Sp. z o. o. Sp. Kom.	100%	-3,615		
BELLVER WK SPV 1 Sp. z o.o. Sp. kom.	100%	50,664		
		76,677	**139,776**	**63,099**

For the purposes of accounting for the acquisition, the purchase price was assumed to include: the amount paid of PLN 114,232 thousand, the estimated amount retained of PLN 825 thousand, and the discounted fair value of the earn-out of PLN 24,719 thousand.

The earn-out is contingent on the future performance of the Lilou Group and provides for an obligation to pay the MYVOG Family Foundation an amount not exceeding PLN 30,000 thousand.

According to the transaction arrangements for the integration of Lilou into the Group, a parameterized earn-out mechanism was provided for, which assumes that W.KRUK S.A. will pay the seller the maximum level of earn-out if Lilou achieves an annual or average annual EBITDA of PLN 17.7 million by the end of 2027, calculated in accordance with Polish accounting standards (excluding the impact of IFRS) and taking into account the adjustments indicated in the transaction documentation for the Lilou acquisition project. The Group believes this level is an ambitious yet achievable goal, reflecting the brand's development potential and planned operational activities.

The fair value of the contingent earn-out liability recognized as of the acquisition date reflects the Group's estimated present value of cash flows, for which a discount rate of 13.9% was used to determine the fair value.

On January 8, 2026, in connection with the conclusion of the final agreement in execution of the transaction documentation regarding the acquisition of the Lilou Group, an investment loan in the amount of PLN 94,500 thousand was disbursed. In the following weeks, agreement documentation establishing security for PKO BP S.A.'s receivables under the Investment Loan

Agreement was also signed in the form of a civil guarantee for companies acquired as part of the acquisition project and a financial pledge and registered pledge on all shares in companies acquired as part of the acquisition project.

Amounts Paid by the Acquirer

The amounts paid by the Acquirer to the previous owners amounted to PLN 114,232 thousand and included the purchase price of the shares and the rights and obligations of the partners in the partnerships.

In the statement of cash flows, the acquisition transaction was presented under investing activities under net expenditures:

(PLN thousand)	I half 2026 period from 01-01-2026 to 30-06-2026
Payment made in cash (-)	- 114,232
Cash acquired with a subsidiary	15,743
Net capex	**-98,489**

Goodwill

Goodwill arising from the provisional settlement of the above transaction reflects the expected future economic benefits resulting from the acquisition, in particular the benefits associated with expanding the Company's Capital Group brand portfolio with complementary brands.

Total goodwill recognized in the presented transaction as of the acquisition date was PLN 63,099 thousand.

Non-controlling interests

None.

Acquisition-related costs

Acquisition-related costs recognized in the 1H 2026 result amounted to PLN 5,514 thousand.

Fair value at the acquisition date

The provisional values of identified assets and liabilities in the acquired Lilou group, as recorded in the consolidated financial statements, are as follows:

(PLN thousand)	Balance at 08.01.2026
Non-current assets	**82,835**
Other intangible assets	48,918
Fixed assets	7,423
Right-of-use assets	25,967
Deferred tax assets	527
Current assets	**29,696**
Inventory	12,519
Short-term security deposit receivables	161
Trade and other receivables as well as other current assets	1,273
Cash and cash equivalents	15,743
Total assets	**112,531**

(PLN thousand)	Balance at 08.01.2026
Equity	**76,677**

(PLN thousand)	Balance at 08.01.2026
Long-term liabilities and provisions	**16,586**
Lease liabilities	16,586
incl. lease liabilities related to retail and office space	*15,553*
Short-term liabilities and provisions	**19,268**
Lease liabilities	9,381
incl. lease liabilities related to retail and office space	*8,828*
Trade and other liabilities	8,229
Corporate income tax liabilities	686
Loans and borrowings and short-term part of long-term loans and borrowings	8
Short-term provisions	964
Total liabilities and provisions	**35,854**
Total equity and liabilities	**112,531**

In the process of allocating the purchase price of the acquired assets of the Lilou Group, an intangible asset was recognized in the form of trademarks with a fair value of PLN 48,890 thousand, determined based on valuation.

The process of allocating the purchase price to the assets acquired and liabilities assumed in this transaction has not been completed. Final values will be determined within 12 months of the acquisition date. In particular, analysis of the data necessary to identify and measure any temporary differences related to the acquisition settlement, including potential deferred tax effects in accordance with IAS 12, is ongoing. The final settlement of the transaction may result in an appropriate adjustment to the value of the acquired net assets and goodwill.

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

Individual asset and liability items were converted into euros at the average exchange rate of 4.2963 PLN/EUR announced by the National Bank of Poland on June 30, 2026. Individual profit and loss account items were converted into euros at the rate of 4.2522 PLN/EUR, which is the arithmetic mean of the average euro exchange rates set by the National Bank of Poland on the last day of each completed month covered by the report.

The following EURO exchange rates were used to calculate the average exchange rate: 31/01/26 – 4.2131 PLN/EUR, 28/02/26 – 4.2233 PLN/EUR, 31/03/26 – 4.2894 PLN/EUR, 30/04/26 – 4.2589 PLN/EUR, 31/05/26 – 4.2322 PLN/EUR, 30/06/26 – 4.2963 PLN/EUR. Comparable data for individual asset and liability items were converted to euro at the average exchange rate announced by the National Bank of Poland, in effect on the last day of the reporting periods, i.e., December 31, 2025, which was 4.2267 PLN/EUR, and June 30, 2025, which was 4.2419 PLN/EUR.

Comparable data for individual profit and loss account items were converted to euro at rates constituting the arithmetic average of the average euro exchange rates set by the National Bank of Poland on the last day of each ended month of the comparative period, i.e. from January 1, 2025 to June 30, 2025, which was 4.2208 PLN/EUR.

1.6. MAJOR ESTIMATES AND JUDGEMENTS

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

Adjustments to estimates are recognized in the period in which changes were made to the adopted estimates, provided that the adjustment applies only to that period or in the period in which the changes were made and in subsequent periods (prospective recognition), if the adjustment applies to both the current period and subsequent periods. Information on estimates is presented in Note 6.3.

1.7. CHANGES IN ACCOUNTING STANDARDS

STANDARDS AND INTERPRETATIONS THAT HAVE ALREADY BEEN PUBLISHED AND APPROVED BY THE EU AND ENTERED INTO FORCE FROM OR AFTER JANUARY 1, 2026

IFRS 9 FINANCIAL INSTRUMENTS AND IFRS 7 "FINANCIAL INSTRUMENTS: DISCLOSURES - CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS" REGARDING CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

The amendments to IFRS 9 introduce a choice of accounting policy regarding the termination of a liability when payment is made via an electronic payment system (if certain conditions are met).

The amendments to IFRS 9 regarding the SPPI test provide guidance to help assess whether the cash flows arising from a contract are consistent with a basic lending arrangement. Furthermore, the amendments introduce a clearer definition of the "non-recourse" characteristic.

The amendments to IFRS 9 also provide additional guidance on the characteristics of contractually linked instruments.

The amendments to IFRS 7 add new disclosure requirements:

- ✓ for investments in equity instruments designated as measured at fair value through other comprehensive income,
- ✓ for each class of financial assets measured at amortized cost or at fair value through other comprehensive income, and for financial liabilities measured at amortized cost.

The standards are effective for annual periods beginning on or after 1 January 2026.

IFRS 9 FINANCIAL INSTRUMENTS AND IFRS 7 "FINANCIAL INSTRUMENTS: DISCLOSURES - CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS" FOR PPA CONTRACTS REFERENCING NATURE-DEPENDENT ELECTRICITY

The amendments to IFRS 9 include information on which PPA contracts can be used for hedge accounting and the specific terms permitted in such hedging relationships.

The amendments to IFRS 7 introduce new disclosure requirements for PPAs, as defined in the amendments to IFRS 9.

The standards are effective for annual periods beginning on or after January 1, 2026.

AMENDMENTS TO IFRS 1, IFRS 7, IFRS 9, IFRS 10, IAS 7

These are purely maintenance changes as part of the Annual Improvements cycle.

The improvements are effective for annual periods beginning on or after January 1, 2026.

These amendments did not impact these consolidated financial statements.

STANDARDS AND INTERPRETATIONS AND AMENDMENTS THERETO THAT ARE NOT EFFECTIVE AS OF JANUARY 1, 2026

IFRS 18 "PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS"

The new standard will replace IAS 1 "Presentation of Financial Statements." IFRS 18 introduces, among other things:

- ✓ a new structure for the income statement,
- ✓ increased requirements for data aggregation and disaggregation,
- ✓ requirements for the disclosure of management-defined performance measures.

This standard will become effective for annual reporting periods beginning on or after January 1, 2027.

IFRS 19 "SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES"

This standard applies to subsidiaries without public accountability whose parent prepares consolidated financial statements in accordance with IFRS. The new IFRS 19 eliminates the disclosures required by other standards and introduces a new list instead.

The standard will be effective for annual periods beginning on or after January 1, 2027;

AMENDMENTS TO IFRS 19 "SUBSIDIARIES WITHOUT PUBLIC ACCOUNTABILITY: DISCLOSURES"

IFRS 19 allows subsidiaries without public accountability to apply IFRS with limited disclosure requirements. It reduces disclosure requirements for other standards and amendments to standards issued before February 2021. The newly issued amendments to IFRS 19 enable subsidiaries to reduce disclosure requirements for standards and amendments issued between February 2021 and May 2024, specifically: IFRS 18, amendments to IAS 7 and IFRS 7, amendments to IAS 12, amendments to IAS 21, and amendments to IFRS 9 and IFRS 7. As a result of these amendments, IFRS 19 reflects the amendments to IFRS standards effective until January 1, 2027, the date from which IFRS 19 will become applicable.

The amendments are effective for annual periods beginning on or after January 1, 2027.

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

The amendments to IAS 21 clarify the principles for currency translation in certain situations. When an entity translates data from the functional currency of a non-hyperinflationary economy to the presentation currency of a hyperinflationary economy, it uses the closing rate from the date of the most recent statement of financial position, including comparative data. However, if the presentation currency ceases to be the currency of a hyperinflationary economy, and the functional currency remains the currency of a non-hyperinflationary economy, the entity applies the current requirements of IAS 21 prospectively, without restating the comparative data. Additionally, it is specified that an entity whose functional and presentation currencies belong to a hyperinflationary economy should apply the general price index in accordance with IAS 29 when restating the comparative data of a foreign entity operating in a non-hyperinflationary economy. The amendments also introduce additional disclosure requirements related to the above amendments.

The amendments are effective for annual periods beginning on or after January 1, 2027.

The Group is currently analysing the impact of the above-mentioned standards, interpretations, and amendments to standards.

IFRS 20 "REGULATORY ASSETS AND LIABILITIES"

This standard was developed for companies conducting regulated activities and aims to help investors better understand how rate regulations affect the financial results, financial position, and future cash flow prospects of regulated companies. IFRS 20 introduces uniform principles for recognizing the effects of timing differences in regulated rates, which occur when the timing of providing regulated services differs from the timing of collecting fees from customers. In such cases, the revenue previously presented may not fully reflect the company's actual operating activity. The new standard requires these differences to be recognized in financial statements.

The amendments are effective for annual periods beginning on or after January 1, 2029.

AMENDMENTS TO IAS 28 "INVESTMENTS IN ASSOCIATES AND JOINT VENTURES"

Amendments to IAS 28 clarify which entities may use the fair value option for investments in associates and joint ventures. The amendments were introduced due to emerging interpretational differences resulting from the implementation of IFRS 18.

The amendments are effective for annual periods beginning on or after 1 January 2027.

The Group is currently analyzing the impact of the above-mentioned standards, interpretations, and amendments to standards.

1.8. OTHER ACCOUNTING POLICIES NOT MENTIONED IN THE NOTES

During the period from January 1, 2026, to June 30, 2026, the Capital Group did not make any changes to its accounting policies or methods of preparing its financial statements. The accounting policies adopted by the Capital Group were consistently applied to the periods presented in the financial statements.

Due to the liquidation of VG Property, the accounting policies applicable to the company in liquidation were applied, specifically, the valuation of assets at net realizable prices, not higher than their acquisition prices or production costs, and a provision was created for anticipated additional costs and losses resulting from discontinuation or loss of the ability to continue operations.

The entity authorized to review the financial statements in the scope of the separate and consolidated financial statements of the Parent Company for the first half of 2026 was Grant Thornton Polska P.S.A., with which on July 29, 2024, an agreement was concluded for the review of the separate and consolidated interim financial statements of the Company and the Group and the audit of the separate and consolidated annual financial statements of the Company and the Group for the period 2024-2026.

2. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR OPERATING SEGMENTS

2.1. OPERATING SEGMENTS BY TYPE OF ACTIVITIES AND GEO-GRAPHICAL BREAKDOWN

The Group specializes in the design and retail sale of branded men's and women's clothing positioned in the middle and upper segment of the market, as well as luxury jewellery and watches. Currently, it is building sales based on the brands Vistula, Bytom, Wólczanka, W.KRUK (through a subsidiary), Lilou (through subsidiaries) and Deni Cler (through a subsidiary).

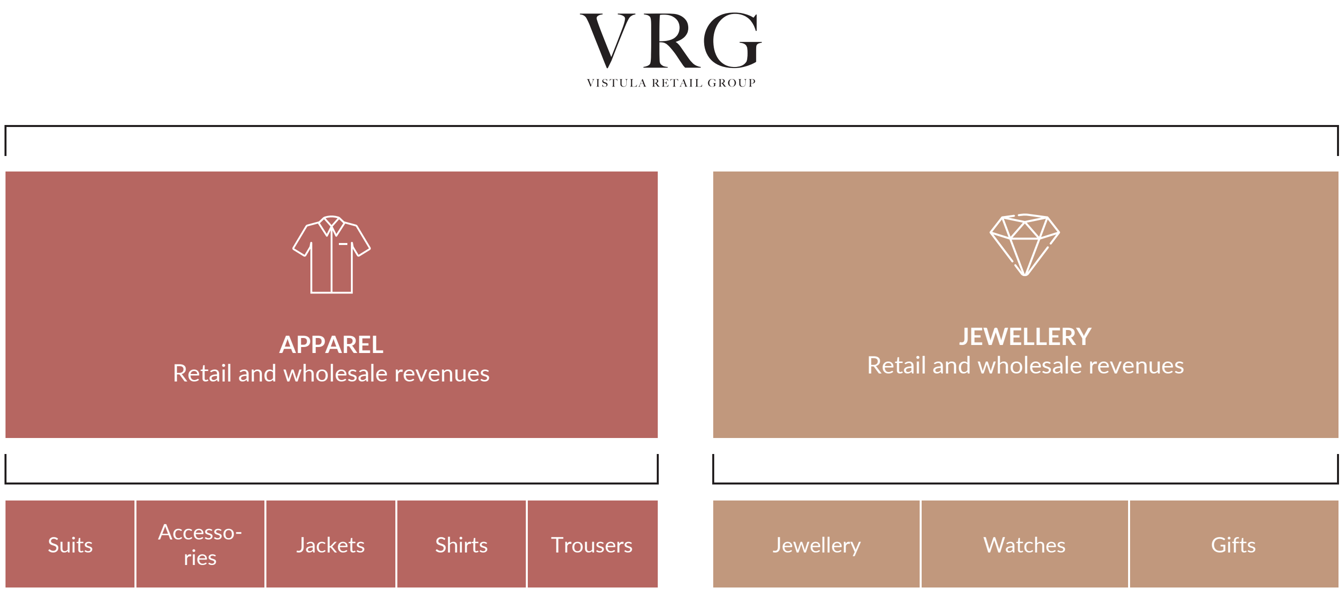
The Group runs two business segments: apparel and jewellery. These segments are the basis for preparing the Group's reports.

The Group's primary segments:

– Retail and wholesale of apparel

– Retail and wholesale of jewellery and watches.

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



MARKI W SEGMENCIE ODZIEŻOWYM:

VISTULA BRAND:

VISTULA

Vistula is a brand with a long tradition, present on the Polish market since 1967. Its designs combine timeless styles, patterns, and cuts with current fashion trends, giving classic clothing a modern character. Vistula offers a wide selection of suits, jackets, trousers, shirts, and other complementary accessories.
The brand's wide range meets the needs of men, offering timeless wardrobe staples that can be easily created for various occasions.
In 2021, a women's line was launched. The collections are dedicated to women who value quality, comfort, and a timeless character. The offering includes both formal items such as suits, jackets, and shirts, as well as casual items such as jeans, sweaters, and T-shirts.

BYTOM BRAND:

BYTOM

BYTOM is a Polish brand with a history beginning in 1945, where tradition meets the modern vision of tailoring and men's fashion. Based on over several decades of heritage, the brand offers men's fashion collections, in which a special place is occupied by suits made of noble Italian fabrics, sewn in Polish sewing facilities.
BYTOM is not only the art of tailoring. The brand refers to the Polish cultural heritage by creating limited collections inspired by the work of outstanding personalities, inviting people who have a significant impact on the development of Polish culture and art to cooperate.

WÓLCZANKA BRAND:

WÓLCZANKA

A brand established in 1948, Wólczanka has been making shirts for generations. Years of experience have made them experts and allowed them to earn the trust of millions of customers. The brand offers high-quality men's shirts, and from the Autumn/Winter 2014 season, also women's shirts, both formal and casual. As an expert in shirts, they complement this assortment with a corresponding selection of knitwear, T-shirts, and polo shirts, focusing on creating a modern brand image that combines elegance with comfort and a style that emphasizes the joy of living and the ability to make fashion choices close to your needs.

DENI CLER MILANO BRAND:

DENI CLER
MILANO

Since its establishment in 1971 in Mantua, Italy, Deni Cler Milano has been dressing women aware of their femininity, value and strength. In 1991, the brand appeared on the Polish market, introducing a new quality in women's fashion. To this day, it remains synonymous with elegance and refined taste, while being in line with current global trends.
Collections signed with the Deni Cler Milano logo are made of Italian fabrics. The materials used to produce clothes are primarily wool, cashmere and silk. The brand's assortment includes mainly: coats, dresses, jackets, trousers, skirts, blouses.

BRANDS IN THE JEWELLERY SEGMENT:

W.KRUK 1840

W.KRUK is the oldest jewellery brand in Poland, with a 185-year tradition. W.KRUK's offerings include gold and platinum jewellery, particularly those with diamonds and precious stones. W.KRUK also creates the highest quality collections made of silver and other precious metals. The brand offers numerous original jewellery lines with a unique character. The distinctive style of W.KRUK products is the result of the work of its designers, projects inspired by its ambassadors (including Martyna Wojciechowska's Freedom collection and PEŁNIA Nosowska x W.KRUK), and an expert and innovative approach to jewellery. Some of the image collections presented annually are made in the brand's Manufaktura near Poznań, one of the few in Europe still using traditional manufacturing techniques. In W.KRUK's workshops, handcrafted craftsmanship is combined with cutting-edge technologies. In 2019, W.KRUK was the first in Poland to introduce jewellery featuring a new category of lab-created diamonds to its chain of stores, marketed under the brand name New Diamond by W.KRUK. These diamonds have identical parameters to diamonds mined using traditional methods and are classified according to the same parameters, using the same expert evaluation standards. W.KRUK is expanding its offerings of both luxury and fashion jewellery. Since 2016, the brand's assortment has been complemented by a selection of W.KRUK accessories, such as leather bags and accessories, silk scarves, sunglasses, and perfumes.

Lilou

Lilou is a jewellery brand based on the concept of personalization and an individual approach to the customer. Founded in 2008 by Magdalena Mousson-Lestang, the brand has since its inception revolved around the idea of jewellery that conveys personal emotions and meaning. Lilou positions itself as a brand combining original design, high-quality craftsmanship, and a modern approach to customer service. It operates a network of boutiques across Poland, each with its own atelier, where engravings and jewelry compositions are created according to customer requests. Lilou also has a dynamically developing on-line store.

The brand's DNA is based on the idea of personalization through engraving and the creation of unique compositions with personal meaning. This allows the jewelry not to follow passing trends but to build a lasting, emotional bond with the wearer, becoming a personal talisman. One of the brand's key values is authenticity. All designs are created in its own design studio and are legally protected.

Lilou's consistent aesthetic is based on subtlety, symbolism, and timelessness, building a strong and recognizable identity. Social involvement is a key element of the brand's philosophy. Since its inception, Lilou has supported charitable initiatives through dedicated collections, treating social responsibility as a natural extension of customer relationships and its values. Thanks to its consistent vision, distinct DNA, and focus on the quality of the customer experience, Lilou is now a leader in the personalized jewellery segment in Poland.

WATCHES AND EXTERNAL BRANDS

W. KRUK offers watches from the most prestigious brands, such as Rolex, Patek Philippe, Cartier, Chopard, Bulgari, IWC, Hublot, Jaeger Le Coutre, Panerai, Zenith, Franck Muller, Omega, Tudor, Grand Seiko Tag Heuer, Longines, Norqain, Maurice Lacroix, Raymond Weil, Rado, Frederique Constant, Epos, Certina, Tissot, Aviator, Atlantic, Garmin, Seiko, Citizen, Orient, G-Shock, Timex, as well as fashion brands such as Gucci, Fossil, Herbelin, Tommy Hilfiger, Guess, Hugo Boss, and others. The watches from renowned brands sold in W.KRUK stores hold a strong position in the Polish market, and their sales value is steadily increasing.

In addition to its own signature and classic jewellery collections, W.KRUK also boasts a portfolio of products from prestigious jewellery manufacturers from around the world (external brands). W.KRUK selects brands with which it shares a long-standing legacy, a renowned reputation, and jewellery designed and crafted by talented designers and master goldsmiths. This combines designs by distinguished jewellers from around the world with the diamond collections of Poland's oldest jewellery brand to create a unique selection of the most precious jewellery. In select stores, W.KRUK offers pieces from brands such as Chopard, Pomellato, Pasquale Bruni, Marco Bicego, Recarlo, Nanis, Gucci, Hulchi Belluni, Dolce&Gabbana, Cammilli Firenze.

PRODUCTION ACTIVITY:

Within the apparel segment of VRG S.A. cooperates with proven independent producers who guarantee the highest level of sewing and packaging services and offer competitive prices.

The Group's own production activities in the jewellery segment are carried out in the Issuer's subsidiary–W.KRUK S.A. –in the jewellery factory in Komorniki near Poznań. Our own production covers selected product lines, while most of the offer is produced in cooperation with proven external production partners, guaranteeing the highest quality of workmanship.

Primary business activities:

Retail and business-to-business (B2B) sales of apparel

Retail and business-to-business (B2B) sales of jewellery and watches

The following information is presented for the business segments:

I half 2026 period from 01-01-2026 to 30-06-2026 (PLN thousand)	Apparel segment	Jewellery segment	Total
External sales	**318,131**	**473,752**	**791,883**
Gross profit on sales	**203,446**	**258,269**	**461,715**
Segmental operating costs	181,460	202,977	384,437
including depreciation	*33,847*	*44,223*	*78,070*
Other operating income and cost	-5,132	848	-4,284
Operating profit	**16,854**	**56,140**	**72,994**
Financial income and costs	-6,958	-9,254	-16,212
Tax	2,469	9,696	12,165
Net income	**7,427**	**37,190**	**44,617**

I half 2025 period from 01-01-2025 to 30-06-2025 (PLN thousand)	Apparel segment	Jewellery segment	Total
External sales	**305,861**	**365,307**	**671,168**
Gross profit on sales	**182,868**	**191,317**	**374,185**
Segmental operating costs	180,517	140,710	321,227
including depreciation	*34,408*	*33,262*	*67,670*
Other operating income and cost	-3,279	-336	-3,615
Operating profit	**-928**	**50,271**	**49,343**
Financial income and costs	-2,722	-2,539	-5,261
Tax	49	9,398	9,447
Net income	**-3,699**	**38,334**	**34,635**

2 quarter 2026 period from 01-04-2026 to 30-06-2026* (PLN thousand)	Apparel segment	Jewellery segment	Total
External sales	**176,612**	**258,789**	**435,401**
Gross profit on sales	**117,091**	**143,270**	**260,361**
Segmental operating costs	93,893	103,573	197,466
including depreciation	*17,012*	*22,549*	*39,561*
Other operating income and cost	-3,870	-127	-3,997
Operating profit	**19,328**	**39,570**	**58,898**
Financial income and costs	-2,191	-1,812	-4,003
Tax	3,048	7,076	10,124
Net income	**14,089**	**30,682**	**44,771**

*-unaudited data

2 quarter 2025 period from 01-04-2025 to 30-06-2025* (PLN thousand)	Apparel segment	Jewellery segment	Total
External sales	**175,945**	**201,584**	**377,529**
Gross profit on sales	**108,681**	**106,202**	**214,883**
Segmental operating costs	93,272	73,504	166,776
including depreciation	*17,051*	*16,461*	*33,512*
Other operating income and cost	-2,412	-49	-2,461
Operating profit	**12,997**	**32,649**	**45,646**
Financial income and costs	-4,756	-4,846	-9,602
Tax	-212	7,638	7,426
Net income	**8,453**	**20,165**	**28,618**

*- unaudited data

The value of financial income and expenses of both reportable segments primarily includes exchange rate differences, which amounted to:

In H1 2026, for the apparel segment, they amounted to PLN 3,098 thousand, a surplus of negative over positive differences (and for H1 2025, PLN 3,075 thousand, a surplus of positive over negative differences).
In H1 2026, for the jewellery segment, they amounted to PLN 1,029 thousand, a surplus of negative over positive differences (and for H1 2025, PLN 2,887 thousand, a surplus of positive over negative differences).
In H1 2026, financial income and expenses from leasing contracts for retail and office space include interest and exchange rate differences (a surplus of negative over positive differences), which amounted to:

For the apparel segment, interest amounted to PLN 3,055 thousand. (PLN 2,811 thousand for H1 2025), and exchange rate differences (surplus of negative over positive) amounted to PLN 2,537 thousand (surplus of positive over negative PLN 1,082 thousand for H1 2025),
for the jewellery segment, interest amounted to PLN 3,893 thousand (PLN 3,118 thousand for H1 2025), and exchange rate differences (surplus of negative over positive) amounted to PLN 817 thousand (surplus of positive over negative PLN 1,128 thousand for H1 2025),

and interest expenses on bank loans, factoring, and other expenses, which amounted to:

for the apparel segment: PLN 466 thousand for the first half of 2026 (PLN 2,393 thousand for the first half of 2025),
for the jewellery segment: PLN 4,033 thousand for the first half of 2026 (PLN 1,983 thousand for the first half of 2025).

Transactions between operating segments are based on the accounting policies applied by the Capital Group. Compared to the most recent annual financial statements, there were no differences in the basis for segment identification or determining segment results.

GEOGRAPHICAL SEGMENTS OF OPERATIONS:

In terms of geographical segments, the vast majority of the Capital Group's operations are carried out in the Republic of Poland. Part of revenue relates to shipment of the Group's goods abroad, and from November 2023, sales are carried out in W.KRUK jewellery stores in Hungary.

Revenues by geographic segment for the period from January 1, 2026 to June 30, 2026 and for the comparable period is presented in the table below.

Revenues from various markets in terms of geographic location (PLN thousand)	I half 2026 period from 01-01-2026 to 30-06-2026	I half 2025 period from 01-01-2025 to 30-06-2025	2 quarter 2026* period from 01-04-2026 to 30-06-2026	2 quarter 2025* period from 01-04-2025 to 30-06-2025
Poland	780,688	665,665	429,089	374,215

Revenues from various markets in terms of geographic location (PLN thousand)	I half 2026 period from 01-01-2026 to 30-06-2026	I half 2025 period from 01-01-2025 to 30-06-2025	2 quarter 2026* period from 01-04-2026 to 30-06-2026	2 quarter 2025* period from 01-04-2025 to 30-06-2025
EURO zone	291	329	218	169
US$ zone	-71	1	0	1
DKK zone	1	0	1	0
GBP zone	2	0	-1	0
HUF zone	10,960	5,173	6,090	3,144
RON zone	3	0	1	0
AUD zone	1	0	0	0
CAD zone	1	0	0	0
CZK zone	3	0	2	**0**
NOK zone	2	0	0	0
SEK zone	2	0	1	0
Total	**791,883**	**671,168**	**435,401**	**377,529**

*- unaudited data

Segmental assets and liabilities as at June 30, 2026 are as follows:

Current year, I half of 2026 (PLN thousand)	Apparel segment	Jewellery segment	Total
Assets	656,127	1,371,333	2,027,460
Liabilities and provisions total	259,422	573,286	832,708

Segmental assets and liabilities as at June 30, 2025 are as follows:

Current year, I half of 2025 (PLN thousand)	Apparel segment	Jewellery segment	Total
Assets	677,755	1,079,881	1,757,636
Liabilities and provisions total	283,593	376,178	659,771

Detailed information on the breakdown of sales by channels and brands and the reasons for year-on-year changes are presented in the Group Management Board Report.

3. SUPPLEMENTARY NOTES TO STATEMENT OF COMPREHENSIVE INCOME

3.1. REVENUES

Analysis of the Company's revenues (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Revenues from sale of products, goods and materials	791,406	670,928	435,179	377,407
Revenues from property lease	477	240	222	122
Total revenues	**791,883**	**671,168**	**435,401**	**377,529**
Other operating income	3,716	2,398	1,006	1,373

Analysis of the Company's revenues (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Financial income	2,610	6,019	3,337	115
Total	**798,209**	**679,585**	**439,744**	**379,017**

*- unaudited data

Increase in revenues was primarily the result of maintaining the positive sales trend of gold and silver jewellery in the jewellery segment, as well as an increase in sales in the apparel segment, which was the result of an increase in the offer including formal clothing, an improved collection structure, introduction of a new Spring/Summer collection that was very well received by customers and improved efficiency of the on-line channel.

3.1.1. OTHER OPERATING INCOME

Other operating income (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Gain on sale of nonfinancial fixed assets	0	0	0	0
Other operating income, including:	3,716	2,398	1,006	1,373
due to write-ups for goods and materials	*1,612*	*912*	*213*	*328*
due to release of other provisions	*0*	*160*	*0*	*160*
due to release of provisions for returns	*1,000*	*667*	*1,000*	*667*
due to liquidation of agreements in line with IFRS16	*0*	*360*	*0*	*57*
Total	**3,716**	**2,398**	**1,006**	**1,373**

*- unaudited data

3.1.2. FINANCIAL INCOME

Financial income (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Interest on bank deposits	336	17	114	10
FX gains	98	0	0	0
incl. leases of retail and office floorspace	*2,169*	6,002	*3,218*	105
Forward transactions valuation	*2,004*	*2,210*	*2,075*	*104*
Other	7	0	5	0
Total	**2,610**	**6,019**	**3,337**	**115**

*- unaudited data

3.2. COSTS

3.2.1. OTHER OPERATING COSTS

(PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Depreciation	78,070	67,670	39,561	33,512
Materials and energy	33,891	31,247	15,705	15,408
Costs of goods sold	323,984	289,818	174,141	159,665
Change in products and work in progress	-37,223	-35,467	-17,241	-15,514
Remuneration	127,822	108,204	65,349	55,607
Other costs by type	49,692	39,071	27,667	22,175
Third party costs	138,369	117,667	67,324	58,569
Total	**714,605**	**618,210**	**372,506**	**329,422**

*- unaudited data

3.2.2. HR COSTS

Remuneration broken into salaries, insurance and other (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Total remuneration, including:	**127,822**	**108,204**	**65,349**	**55,607**
Salaries	106,207	89,623	54,333	46,165
Social security and other benefits	21,495	18,553	10,953	9,427
Other HR costs	120	28	62	15

*- unaudited data

In the reporting period, economic severance payments amounted to PLN 237 thousand. The Group presents severance payments in other operating costs.

3.2.3. OTHER OPERATING COSTS

Other operating costs (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Loss on sale of non-financial assets	239	756	185	391
Fixed assets write-offs	65	499	65	499
Goods write-offs	3,523	165	3,489	165
Trade goods write-offs	119	367	119	367
Donations	1,537	1,111	189	710
Costs of liquidation of current assets	932	1,404	184	422
Other operating costs, including:	1,585	1,711	772	1,280
provision for future liabilities	*702*	*0*	*702*	*0*
liquidation provision	*0*	*0*	*0*	*-61*
severance pay	*237*	*281*	*120*	*210*
inventory shortages	*140*	*153*	*54*	*92*
Total	**8,000**	**6,013**	**5,003**	**3,834**

*- unaudited data

3.2.4. FINANCIAL COSTS

Financial income (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Interest on overdrafts and bank loans	4,176	4,003	2,197	2,239
Interest on factoring	161	262	18	121
Other interest on finance lease liabilities	162	111	88	54
Interest on leases of retail and office floorspace	6,949	5,929	3,555	3,032
Fees on bank loans and guarantees	1,050	909	693	585
FX losses	6,296	40	553	3,670
incl. leases of retail and office floorspace	*5,357*	*0*	*531*	*3,885*
Amortized cost bank loan valuation	0	0	2	0
Valuation of forward transactions	0	0	223	3
Other	28	26	11	13
Total	**18,822**	**11,280**	**7,340**	**9,717**

*- unaudited data

3.3. INCOME TAX

3.3.1. CORPORATE INCOME TAX

(PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Income tax:	**12,165**	**9,447**	**10,124**	**7,426**
Current income tax	10,807	9,353	6,761	8,418
Deferred income tax (note 3.3.2)	1,358	94	3,363	-992

*- unaudited data

Current income tax (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Pre-tax profit (loss)	**56,782**	**44,082**	**54,895**	**36,044**
Difference between pre-tax profit (loss) and tax base	-3,839	2,265	-19,323	7,530
- the difference between pre-tax profit and taxable income resulting from non-deductible expenses according to tax regulations and income which is not revenue according to tax regulations and additional income and tax expenses	15,099	3,380	1,351	8,244
- other differences (including retained losses)	-18,938	-1,115	-20,674	-714
Income	56,835	49,224	35,572	44,304
Loss	-3,892	-2,877	0	-730
Income/loss	**52,943**	**46,347**	**35,572**	**43,574**
Income tax base	56,835	49,224	35,572	44,304
Income tax at the applicable rate of 19%	10,799	9,353	6,759	8,418
Minimum taxation	8	0	2	0

Current income tax (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Current income tax	**10,807**	**9,353**	**6,761**	**8,418**

*- unaudited data

Income tax at effective interest rate (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Profit (loss) before tax	**56,782**	**44,082**	**54,895**	**36,044**
Income tax at a rate of 19%	10,789	8,376	10,430	6,849
Effect of tax recognition:	**-606**	**415**	**-2,919**	**1,608**
(-) Utilisation of tax losses carried forward	3,314	5	3,314	5
(+) Costs not constituting tax deductible costs	5,099	3,261	1,713	1,835
(-) Income which is not revenue according to tax regulations	2,013	2,881	1,296	442
(-) Tax deductible costs that are not balance sheet costs	201	43	41	-233
(+) Non-balance sheet tax revenues	-177	82	19	-13
• Revaluation of deferred tax assets (loss)	490	372	-669	-98
• Deferred tax	1,358	94	3,363	-992
• Deferred tax assets adjustments for prior periods	0	0	0	0
• The effect of the difference in tax rates between countries	123	190	-82	62
• Minimum taxation	8	0	0	0
• Other	3	0	1	-3
Income tax at effective tax rate	**12,165**	**9,447**	**10,124**	**7,426**
Effective tax rate	*21.42%*	*21.43%*	*18.44%*	*20.60%*

*- unaudited data

3.3.2. DEFERRED TAX

	Balance sheet				Profit or loss	
	30.06.2026	merger 08.01.2026	31.12.2025	30.06.2025	30.06.2026	30.06.2025
Deferred tax provision	**327**	**0**	**219**	**270**	**108**	**194**
Balance sheet valuation – FX gains	274	0	164	182	110	169
Interest accrued on receivables	0	0	0	33	0	33
Net advances paid	7	0	7	8	0	0
Valuation of loans at amortised cost	0	0	0	0	0	0
Valuation of forward transactions	0	0	0	0	0	0
Leased assets	45	0	47	46	-2	-1
Other	1	0	1	1	0	-7
Recognised on the financial result	**327**	**0**	**219**	**270**	**108**	**194**
Recognised on equity	**0**	**0**	**0**	**0**	**0**	**0**
Deferred tax assets	**16,915**	**527**	**17,570**	**18,415**	**-1,250**	**100**

	Balance sheet				Profit or loss	
Accelerated balance sheet depreciation	2,471	0	2,317	2,232	154	-5
Post-employment benefits (severance pay)	43	0	43	43	0	0
Write-offs	3,527	6	3,787	2,242	-266	73
Provisions, salaries and social security	2,021	0	1,905	1,783	116	69
Remuneration, Social Security not paid	187	105	95	100	-13	-14
Balance sheet valuation - FX losses	186	0	0	27	186	-52
Losses deductible from future taxable income	2,513	240	5,035	8,198	-2,761	341
Allowance for receivables from customers	203	2	109	222	92	-58
Interest accrued	65	0	65	41	0	0
Provision for future liabilities	1,146	150	1,088	831	-92	-28
Provision for returns from customers	1,612	24	1,596	1,344	-8	-143
Loyalty programme valuation	282	0	282	265	0	0
Lease commitments for commercial premises and office space contracts	2,659	0	1,248	1,087	1,411	-73
Exchange rate differences from conversion	0	0	0	0	-69	-9
Recognised on the financial result	**16,915**	**527**	**17,570**	**18,415**	**-1,250**	**100**
Recognised on equity	**0**	**0**	**0**	**0**	**0**	**0**
Recognised on the financial result - persaldo	**-16,588**	**-527**	**-17,351**	**-18,145**	**1,358**	**94**

3.4. EARNINGS PER SHARE

Continued operations (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025	2 quarter 2026* period 01-04-2026 to 30-06-2026	2 quarter 2025* period 01-04-2026 to 30-06-2026
Net profit attributable to the shareholders of the dominating entity	44,617	34,635	44,771	28,618
Profits from continuing operations for the purpose of calculating earnings per share after excluding discontinued operations	44,617	34,635	44,771	28,618
Weighted average number of ordinary shares	234,455,840	234,455,840	234,455,840	234,455,840
Diluted weighted average number of ordinary shares	234,455,840	234,455,840	234,455,840	234,455,840
Earnings per share				
- basic	0.19	0.15	0.19	0.12
- diluted	0.19	0.15	0.19	0.12

*- unaudited data

Calculation of the weighted average number of shares (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025
Number of shares at 01.01.2026 r.	**234,455,840**	**234,455,840**
Change during half year (issuance)	0	0
Number of shares at 30.06.2026 r.	**234,455,840**	**234,455,840**
Number of days with increased equity	0	0
Ratio (number of days with increased equity / number of days in the period)	0	0

Calculation of the weighted average number of shares (PLN thousand)	I half of 2026 period 01-01-2026 to 30-06-2026	I half of 2025 period 01-01-2025 to 30-06-2025
Weighted average number of shares	234,455,840	234,455,840
Scale of potential dilution (ordinary shares)	0	0
Diluted weighted average number of ordinary shares	234,455,840	234,455,840

*- unaudited data

4. SUPPLEMENTARY NOTES TO CONSOLIDATED STATEMENT OF FINANCIAL POSITION

4.1. GOODWILL

	PLN thousand
PURCHASE PRICE OR FAIR VALUE	
Balance at January 1, 2025	**302,748**
Adjustment: disclosure at the time of acquisition	0
Derecognition at the moment of disposal	0
Balance at June 30, 2025	**302,748**
Balance at January 1, 2025	**302,748**
Adjustment: disclosure at the time of acquisition	0
Derecognition at the moment of disposal	0
Balance at December 31, 2025	**302,748**
Balance at January 1, 2026	**302,748**
Purchase of group of LILOU companies	63,099
Balance at June 30, 2026, including:	**365,847**
Generated from acquisition of Wólczanka S.A.	*60,697*
Generated from acquisition of W. KRUK S.A.	*181,893*
Generated from acquisition of Bytom S.A	*60,158*
Generated from acquisition of group of LILOU companies	*63,099*
ACCUMULATED DEPRECIATION AND IMPAIRMENT	
Balance at January 1, 2025	**0**
Losses due to impairment in the current year	0
Derecognition at the moment of disposal	0
Balance at June 30, 2025	**0**
Balance at January 1, 2025	**0**
Losses due to impairment in the current year	0
Derecognition at the moment of disposal	0
Balance at December 31, 2025	**0**
Balance at January 1, 2026	**0**
Losses due to impairment in the current year	0
Derecognition at the moment of disposal	0

	PLN thousand
Balance at June 30, 2026	**0**
BOOK VALUE	
Balance at June 30, 2025	**302,748**
Balance at December 31, 2025	**302,748**
Balance at June 30, 2026	**365,847**

As at June 30, 2026, based on the assessment of indications of impairment in relation to intangible assets with an indefinite useful life, it was not necessary to conduct an impairment test for intangible assets with an indefinite useful life, including goodwill. In the period for which the interim financial statements were prepared, no revaluation write-offs were made for intangible assets, including goodwill.

The last impairment test for intangible assets with an indefinite useful life was carried out on December 31, 2025. The test has not shown the need to for impairments.

4.2. OTHER INTANGIBLE ASSETS

Other intangible assets (PLN thousand)	Costs of development works	Trademarks	Patents and licenses	Total
GROSS VALUE				
Balance at January 1,2025	**0**	**194,116**	**18,420**	**212,536**
Exchange rate differences from conversion	0	0	5	5
Additions	0	0	437	437
Decreases	0	0	0	0
Balance at June 30, 2025	**0**	**194,116**	**18,862**	**212,978**
Balance at January 1, 2025	**0**	**194,116**	**18,420**	**212,536**
Exchange rate differences from conversion	0	0	15	15
Additions	0	0	1,088	1,088
Decreases	0	-145	0	-145
Balance at December 31, 2025	**0**	**193,971**	**19,523**	**213,494**
Balance at January 1,2026	**0**	**193,971**	**19,523**	**213,494**
Taking over group of LILOU companies 08.01.2026 (trademark)	0	48,890	948	49,838
Exchange rate differences from conversion	0	0	37	37
Additions	0	0	522	522
Decreases	0	0	0	0
Balance at June 30, 2026	**0**	**242,860**	**21,031**	**263,891**
AMORTISATION				
Balance at January 1, 2025	**0**	**23**	**14,509**	**14,532**
Exchange rate differences from conversion	0	0	1	1
Amortisation for the period	0	0	725	725
Disposal	0	0	0	0
Balance at June 30, 2025	**0**	**23**	**15,235**	**15,258**
Balance at January 1, 2025	**0**	**23**	**14,509**	**14,532**
Exchange rate differences from conversion	0	0	4	4
Amortisation for the period	0	0	1,480	1,480

Other intangible assets (PLN thousand)	Costs of development works	Trademarks	Patents and licenses	Total
Disposal	0	0	0	0
Balance at December 31, 2025	**0**	**23**	**15,993**	**16,016**
Balance at January 1, 2026	**0**	**23**	**15,993**	**16,016**
Merger 08.01.2026	0	0	920	920
Exchange rate differences from conversion	0	0	14	14
Amortisation for the period	0	0	748	748
Disposal	0	0	0	0
Balance at June 30, 2026	**0**	**23**	**17,675**	**17,698**
IMPAIRMENTS				
Balance at January 1, 2025	**0**	**0**	**6**	**6**
Additions	0	0	0	0
Decreases	0	0	-6	-6
Balance at June 30, 2025	**0**	**0**	**0**	**0**
Balance at January 1, 2025	**0**	**0**	**6**	**6**
Additions	0	0	0	0
Decreases	0	0	-6	-6
Balance at December 31, 2025	**0**	**0**	**0**	**0**
Balance at January 1, 2026	**0**	**0**	**0**	**0**
Additions	0	0	0	0
Decreases	0	0	0	0
Balance at June 30, 2026	**0**	**0**	**0**	**0**
BOOK VALUE				
Balance at June 30, 2025	**0**	**194,093**	**3,627**	**197,720**
Balance at December 31, 2025	**0**	**193,948**	**3,530**	**197,478**
Balance at June 30, 2026	**0**	**242,837**	**3,356**	**246,193**

Patents and licenses are amortised over their useful life, which is 5 years on average, trademarks are not subject to amortisation.

Write-offs were booked in other operating costs, and write-offs reversals were booked other operating revenues and shown in gain (loss) on sale of non-financial assets.

Amortisation of intangible assets was recognized in the cost of sales, general administrative expenses or cost of sales of the statement of comprehensive income, respectively.

Trademarks Wólczanka, W.KRUK, Bytom and Intermoda for the total value of PLN 193,948 thousand are the subject of collateral under loan agreements shown in note 4.12.1.

As at June 30, 2026, based on the assessment of the indications of impairment of intangible assets with an indefinite useful life, it was not necessary to conduct an impairment test for intangible assets with an indefinite useful life, including trademarks. In the period for which the interim financial statements were prepared, no write-downs of intangible assets, including trademarks, were created.

The last impairment test for intangible assets with an indefinite useful life was carried out on December 31, 2025. The test has not shown the need to for impairments.

4.3. PROPERTY, PLANT, EQUIPMENT

(PLN thousand).	Property and plant	Fixed assets under construction	Equipment and other fixed assets	Total
PURCHASE PRICE OR FAIR VALUE				
Balance at January 1, 2025	**119,455**	**1,099**	**156,267**	**276,821**
Exchange rate differences from conversion	32	-1	83	114
Additions	6,905	20,979	9,894	37,778
Disposal	-4,958	-17,003	-4,939	-26,900
Balance at June 30, 2025	**121,434**	**5,074**	**161,305**	**287,813**
Balance at January 1, 2025	**119,455**	**1,099**	**156,267**	**276,821**
Exchange rate differences from conversion	87	0	221	308
Additions	0	44,620	30	44,650
Disposal	-8,925	-563	-11,148	-20,636
Settlement of fixed assets under construction	18,007	-42,980	24,973	0
Reclassification	0	0	221	221
Balance at December 31, 2025	**128,624**	**2,176**	**170,564**	**301,364**
Balance at January 1, 2026	**128,624**	**2,176**	**170,564**	**301,364**
Merger 08.01.2026	12,034	77	5,820	17,931
Exchange rate differences from conversion	585	34	667	1,286
Additions	0	31,762	27	31,789
Disposal	-3,867	-177	-3,927	-7,971
Settlement of fixed assets under construction	12,981	-30,314	17,333	0
Balance at June 30, 2026, including:	**150,357**	**3,558**	**190,484**	**344,399**
shown in purchase price/cost of sales	*150,357*	*3,558*	*190,484*	*344,399*
ACCUMULATED DEPRECIATION AND IMPAIRMENT				
Balance at January 1, 2025	**87,333**	**0**	**104,337**	**191,670**
Exchange rate differences from conversion	3	0	20	23
Depreciation for the period	4,545	0	8,570	13,115
Disposal	-4,725	0	-4,734	-9,459
Balance at June 30, 2025	**87,156**	**0**	**108,193**	**195,349**
Balance at January 1, 2025	**87,333**	**0**	**104,337**	**191,670**
Exchange rate differences from conversion	13	0	61	74
Depreciation for the period	9,649	0	17,643	27,292
Disposal	-7,190	0	-10,117	-17,307
Reclassification	0	0	-221	-221
Balance at December 31, 2025	**89,805**	**0**	**112.145**	**201,950**
Balance at January 1, 2026	**89,805**	**0**	**112,145**	**201,950**
Merger 08.01.2026	6,266	0	4,241	10,507
Exchange rate differences from conversion	64	0	224	288
Depreciation for the period	6,369	0	10,476	16,845
Disposal	-3,395	0	-3,835	-7,230
Balance at June 30, 2026	**99,109**	**0**	**123,251**	**222,360**
IMPAIRMENT				
Balance at January 1, 2025	**0**	**0**	**0**	**0**
Additions	0	0	499	499
Decreases	0	0	0	0
Balance at June 30, 2025	**0**	**0**	**499**	**499**

(PLN thousand).	Property and plant	Fixed assets under construction	Equipment and other fixed assets	Total
Balance at January 1,2025	**0**	**0**	**0**	**0**
Additions	210	0	634	844
Decreases	0	0	-499	-499
Balance at December 31, 2025	**210**	**0**	**135**	**345**
Balance at January 1,2026	**210**	**0**	**135**	**345**
Additions	43	0	22	65
Decreases	-37	0	-23	-60
Balance at June 30, 2026	**216**	**0**	**134**	**350**
BOOK VALUE				
Balance at June 30, 2025	34,278	5,074	52,613	91,965
Balance at December 31, 2025	38,609	2,176	58,284	99,069
Balance at June 30, 2026	51,032	3,558	67,099	121,689

4.4. RIGHT-OF-USE ASSETS

Right-of-use assets (PLN thousand)	Right-of-use assets to store and office floorspace	Other right-of-use assets	Total
Gross value 01.01.2025	**739,423**	**5,909**	**745,332**
Accumulated depreciation 01.01.2025	**-439,037**	**-3,101**	**-442,138**
Net value 01.01.2025	**300,386**	**2,808**	**303,194**
Exchange rate differences from conversion	230	0	230
New agreements	11,684	163	11,847
Changes due to leases modifications	52,062	0	52,062
Changes resulting from modifications in the scope of the contract – shortening of the period - gross value	-37,741	-57	-37,798
Gross value 30.06.2025	**765,658**	**6,015**	**771,673**
Exchange rate differences from conversion	-30	0	-30
Changes resulting from modification of the scope of the contract - shortening the period - depreciation	32,109	44	32,153
Depreciation for the period	-53,296	-534	-53,830
Accumulated depreciation 30.06.2025	**-460,254**	**-3,591**	**-463,845**
Net value 30.06.2025	**305,404**	**2,424**	**307,828**
Gross value 01.01.2025	**739,423**	**5,909**	**745,332**
Accumulated depreciation 01.01.2025	**-439,037**	**-3,101**	**-442,138**
Net value 01.01.2025	**300,386**	**2,808**	**303,194**
Exchange rate differences from conversion	618	0	618
New agreements	55,010	287	55,297
Changes due to leases modifications	72,255	0	72,255
Changes resulting from modifications in the scope of the contract – shortening of the period - gross value	-66,122	-210	-66,332
Reclassification	0	-221	-221
Gross value 31.12.2025	**801,184**	**5,765**	**806,949**

Right-of-use assets (PLN thousand)	Right-of-use assets to store and office floorspace	Other right-of-use assets	Total
Exchange rate differences from conversion	-101	0	-101
Changes resulting from modifications in the scope of the contract – shortening of the period - depreciation	57,708	197	57,905
Depreciation for the period	-106,221	-1,059	-107,280
Reclassification	0	221	221
Accumulated depreciation 31.12.2025	**-487,651**	**-3,742**	**-491,393**
Net value 31.12.2025	**313,533**	**2,023**	**315,556**
Gross value 01.01.2026	**801,184**	**5,765**	**806,949**
Accumulated depreciation 01.01.2026	**-487,651**	**-3,742**	**-491,393**
Net value 01.01.2026	**313,533**	**2,023**	**315,556**
Merger 08.01.2026 gross value	**24,380**	**2,134**	**26,514**
Merger 08.01.2026 depreciation	**0**	**-547**	**-547**
Merger 08.01.2026 net value	**24,380**	**1,587**	**25,967**
Exchange rate differences from conversion	2,452	0	2,452
New agreements	30,023	1,541	31,564
Changes due to leases modifications	45,751	-768	44,983
Changes resulting from modifications in the scope of the contract – shortening of the period - gross value	-20,698	0	-20,698
Gross value 30.06.2026	**883,092**	**8,672**	**865,250**
Exchange rate differences from conversion	-433	0	-433
Changes resulting from modifications in the scope of the contract – shortening of the period - depreciation	19,425	768	20,193
Depreciation for the period	-59,517	-960	-60,477
Accumulated depreciation 30.06.2026	**-528,176**	**-4,481**	**-532,110**
Net value 30.06.2026	**354,916**	**4,191**	**359,107**

4.5. NON-FINANCIAL ASSETS WRITE-OFFS

Write-offs (PLN thousand)	Balance at 01.01.2026	Merger 08.01.2026	Creation	Release/ Usafe	Liquidation	Balance at 30.06.2026
Intangible assets write-offs	0	0	0	0	0	0
Fixed assets write-offs	345	0	65	60	0	350
Inventory write-offs	19,929	196	3,642	5,194	0	18,573
Write-offs for shares and stakes	22	0	0	0	17	5
Total write-offs	**20,296**	**196**	**3,707**	**5,254**	**17**	**18,928**

Reversal of impairment losses on intangible assets affects profit from the sale of fixed assets.

In H1 2026, an inventory impairment loss of PLN 5,194 thousand was reversed: PLN 3,582 thousand was recognized as an adjustment to cost of sales, and PLN 1,612 thousand as other operating income. Reversal of inventory impairment losses was related to the sale of goods previously subject to impairment. At the same time, a PLN 3,642 thousand write-down was recognized as other operating expenses.

Write-offs (PLN thousand)	Balance at 01.01.2025	Creation	Release/ Usafe	Reclassification	Balance at 30.06.2025
Intangible assets write-offs	6	0	6	0	0
Fixed assets write-offs	0	499	0	0	499
Inventory write-offs	12,174	1,287	1,667	0	11,794
Write-offs for shares and stakes	22	0	0	0	22
Total write-offs	**12,202**	**1,786**	**1,673**	**0**	**12,315**

4.6. SHARES AND STAKES

List of other entities in which the Company holds shares/shares as at June 30, 2026	Valuation method	Court of Registry	% shares held	% votes held	Value of shares / shares at purchase price	Value adjustments	Book value of stakes
Małopolska Agencja Rozwoju Regionalnego S.A.	Purchase price	District Court for the City of Cracow	0	0	10	0	10
WSM Factory Sp. z o.o. w upadłości (in liquidation)	Purchase price	District Court for the City of Cracow	100	100	5	-5	0
Total					**15**	**-5**	**10**

4.7. INVENTORY

(PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Materials (at purchase price)	22,313	23,240	24,132
Work in progress (at production cost)	6,524	6,496	7,815
Finished products (at production cost)	39,630	47,235	55,907
Trade goods (at purchase price)	777,633	706,547	718,800
Total inventory	**846,100**	**783,518**	**806,654**
Inventory write-offs	-18,573	-19,929	-11,794
Total at the lower of two values: purchase price (production cost) and net realizable value	**827,527**	**763,589**	**794,860**

Changes in the inventory write-down in the first half of 2026 are presented in detail in note 4.5.

Inventories were pledged by a registered pledge as security for loan agreements presented in note 4.12.1.

4.8. TRADE AND OTHER RECEIVABLES

Trade and other receivables (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Trade receivables from third parties (gross)	**5,619**	**11,834**	**5,328**
minus: write-off of trade receivables from third parties	-2,706	-2,651	-2,548
Trade receivables from third parties (net)	**2,913**	**9,183**	**2,780**
Receivables from taxes, subsidies, customs, social security and other benefits	**1,215**	**2,568**	**3,041**

Trade and other receivables (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Other receivables from third parties (gross)	**14,282**	**2,793**	**14,567**
minus: write-off of other trade receivables from third parties	-429	-355	-454
Other receivables from third parties (net)	**13,853**	**2,438**	**14,113**
Other current assets	**8,030**	**5,583**	**5,097**
Short-term receivables, total (gross)	**29,145**	**22,778**	**28,033**
minus: total receivables write-offs	-3,135	-3,006	-3,002
Short-term receivables, total (net)	**26,010**	**19,772**	**25,031**

Payment terms for receivables range from 7-60 days. Interest is charged after the payment deadline.

Change in short-term receivables write-offs (PLN thousand)	30.06.2026	31.12.2025	30.06.2024
Beginning of period values	**3,006**	**3,133**	**3,133**
Merger 08.01.2026	**32**	**0**	**0**
a) additions (due to)	143	**302**	**109**
– write-offs creation	129	297	109
– foreign exchange rate differences	14	5	0
b) decreases (due to)	**46**	**429**	**240**
– receipt of payment for receivables	46	408	227
– the Management's decision to write-off a provision into losses	0	2	2
– foreign exchange rate differences	0	19	11
Balance of short-term receivables and write-offs at the end of period	**3,135**	**3,006**	**3,002**

Amounts of receivables write-offs (created and reversed) are recognised in selling costs. The value of the write-offs was estimated based on Group's past experiences.

Short-term receivables gross (currency structure) (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
a) PLN	18,134	12,229	13,813
b) in foreign currencies (by currency and after conversion into PLN)	11,011	10,549	14,220
b1. in EURO thousands	842	1,029	2,019
PLN thousands	3,572	4,351	8,566
b2. in US$ thousands	1,922	1,615	1,550
PLN thousands	7,204	5,815	5,607
b3. in CHF thousands	37	84	10
PLN thousands	171	383	47
b4. in CNY thousands	115	0	0
PLN thousands	64	0	0
Short-term receivables, total (gross)	**29,145**	**22,778**	**28,033**

4.9. LOANS GRANTED

Receivables due to loans granted from other entities (gross)	30.06.2026	31.12.2025	30.06.2025
minus: write-down of receivables due to loans granted from other entities	**524**	**524**	**524**
Receivables due to loans granted from other entities (net)	-524	-524	-524

Receivables due to loans granted from other entities (gross)	30.06.2026	31.12.2025	30.06.2025
Receivables due to loans granted from related parties (gross)	**0**	**0**	**0**
minus: write-down of receivables due to loans granted from related parties	**0**	**0**	**0**
Receivables due to loans granted from related parties (net)	0	0	0
Receivables due to loans granted, total (gross)	**0**	**0**	**0**
minus: write-down of receivables due to loans granted, total	**524**	**524**	**524**
Receivables due to loans granted, total (net)	-524	-524	-524
Incl.: Short-term receivables due to loans granted	**0**	**0**	**0**
Incl.: Long-term receivables due to loans granted	0	0	0
Receivables due to loans granted from other entities (gross)	0	0	0

Change in write-downs on short-term loans (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Beginning of period values	**524**	**524**	**524**
a) additions (due to)	**0**	**0**	**0**
– write-offs creation	0	0	0
– foreign exchange rate differences	0	0	0
– recognition of a write-off due to the loss of control over a subsidiary	0	0	0
b) decreases (due to)	**0**	**0**	**0**
– receipt of payment for receivables	0	0	0
– the Management's decision to write-off a provision into losses	0	0	0
– foreign exchange rate differences	0	0	0
Balance of short-term receivables and write-offs at the end of period	**524**	**524**	**524**

4.10. CHANGE IN WRITE-OFFS OF FINANCIAL ASSETS

Write-offs (PLN thousand)	Balance at 01.01.2026	Merger 08.01.2026	Creation	Release/usage	Reclassification	Balance at 30.06.2026
Receivables write-offs	3,006	32	143	46	0	3,135
Write-offs for loans granted	524	0	0	0	0	524
Total write-offs	**3,530**	**32**	**143**	**46**	**0**	**3,659**

Write-offs (PLN thousand)	Balance at 01.01.2025	Creation	Release/usage	Reclassification	Balance at 30.06.2025
Receivables write-offs	3,133	109	240	0	3,002
Write-offs for loans granted	524	0	0	0	524
Total write-offs	**3,657**	**109**	**240**	**0**	**3,526**

4.11. CASH AND EQUIVALENTS

Cash and cash equivalents include: cash held by the Group and short-term bank deposits with maturities of up to 3 months. The book value of these assets corresponds to fair value.

(PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Cash and bank accounts	29,168	22,989	15,731
Short-term deposits	32,106	44,423	1,373
Total	**61,274**	**67,412**	**17,104**

4.12. LIABILITIES

4.12.1. BANK LOANS AND BORROWINGS

(PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Overdrafts	**93,879**	**35,033**	**118,634**
Bank loans	**91,756**	**0**	**0**
Amounts payable according to bank loans			
On demand or within one year	10,584	0	0
From year 2 to 5	42,249	0	0
Above 5 years	38,923	0	0
Loans	**0**	**0**	**0**
Amounts payable according to loans			
On demand or within one year	0	0	0
From year 2 to 5	0	0	0
Above 5 years	0	0	0

Bank loan currency structure (PLN thousand).	Total	PLN	€	$
June 30, 2026	**185,635**	**185,635**	**0**	**0**
Overdrafts	93,879	93,879	0	0
Bank loans	91,756	91,756	0	0
Loans	0	0	0	0
December 31, 2025	**35,033**	**35,033**	**0**	**0**
Overdrafts	35,033	35,033	0	0
Bank loans	0	0	0	0
Loans	0	0	0	0
June 30, 2025	**118,634**	**118,634**	**0**	**0**
Overdrafts	118,634	118,634	0	0
Bank loans	0	0	0	0
Loans	0	0	0	0

LIABILITIES DUE TO BANK LIMITS AND LOANS AS OF 30.06.2026 (PLN THOUSAND):

No	Name of the entity	Headquarters	Value of bank loan / according to the contract	Loan amount to be repaid at face value	Loan amount to be repaid at amortised cost	Description	Interest conditions	Maturity
1	Bank PKO BP S.A.	Warsaw	105,000	0	0	Limit enabling the use of an overdraft facility and the execution of orders for guarantees and letters of credit.	wibor + margin	30.06 2028

2	mBank S.A.	Warsaw	57,000	0	0	Limit enabling the use of overdraft facilities and the execution of orders for guarantees and letters of credit	wibor + margin	28.07.2028
3	Bank PKO BP S.A.	Warsaw	140,000	44,850	0	Limit enabling the use of an overdraft facility and the execution of guarantee and letter of credit orders	wibor + margin	30.06.2029
4	mBank S.A.	Warsaw	40,000	38,745	0	Limit enabling the use of an overdraft facility and the execution of orders for guarantees and letters of credit.	wibor + margin	30.06.2027
5	Bank PKO BP S.A.	Warsaw	120,000	91,854	91,756	Investment bank loan	wibor + margin	23.07.2032
6	mBank S.A.	Warsaw	15,000	551	0	Limit on receivables purchase (factoring)	wibor + margin	31.12.2026
7	Bank PKO BP S.A	Warsaw	18,000		8,235	Limit enabling the use of an overdraft facility and the execution of guarantee and letter of credit orders	wibor + margin	14.07.2027
					2,050	Revolving bank loan (using the overdraft limit)	wibor + margin	
	Total bank loans (excluding factoring)				**185,635**			

No	Name (company)	Collateral
1	Bank PKO BP S.A.	1. Declaration of submission to enforcement 2. Registered pledge on the "Vistula" and "Wólczanka" trademarks 3. Registered pledge on shares of W. Kruk S.A. 4. Tripartite agreement regarding payment card transactions
2,6	mBank S.A.	1. Assignment of receivables, 2. Bank transfers
3	Bank PKO BP S.A.	1. Declaration of submission to enforcement 2. Registered pledge on the W.KRUK trademark 3. Registered pledge on W.KRUK's inventory 4. Tripartite agreement regarding payment card transactions 5. Assignment of rights under an insurance policy
4	mBank S.A.	1. Wpływy na rachunek bankowy 2. Oświadczenie o poddaniu się egzekucji
5	Bank PKO BP S.A.	1. Declaration of submission to enforcement 2. Registered pledge on the W.KRUK trademark 3. Registered pledge on W.KRUK inventory 4. Tripartite agreement regarding payment card transactions 5. Assignment of rights under an insurance policy 6. Civil surety for the acquired companies 7. Financial pledge and registered pledge on all shares in the acquired companies
7	Bank PKO BP S.A.	1. Guarantee granted by VRG S.A. 2. Registered pledge on inventories 3. Assignment of rights under an insurance policy 4. Declaration of submission to enforcement

THE GROUP HAS THE FOLLOWING LIMITS AND BANK LOANS AS AT 30.06.2026:

- Multi-purpose credit limit agreement with PKO BP S.A. in the amount of PLN 105,000 thousand, authorizing the use of an overdraft facility up to PLN 50,000 thousand and the execution of bank guarantees up to PLN 35,000 thousand and letters of credit up to PLN 35,000 thousand. An annex extending the validity of the multi-purpose credit limit agreement, containing the above sublimits, was signed on June 29, 2026. The limit was granted until June 30, 2028.

- Multi-purpose credit line at mBank S.A. entitling the borrower to use an overdraft facility and execute bank guarantee and letter of credit orders, with the total debt amount resulting from the use of the limit in the form of the aforementioned credit products not exceeding PLN 57,000,000. The credit line is granted until June 30, 2028. The annex was signed on June 29, 2026.
- Receivables purchase limit agreement (reverse factoring) with mBank S.A. in the amount of PLN 15,000,000. The limit was granted until December 31, 2026.
- Multi-purpose credit limit agreement with PKO BP S.A. in the amount of PLN 140,000 thousand, authorizing the use of an overdraft facility up to PLN 80,000 thousand and the execution of bank guarantees up to PLN 60,000 thousand and letters of credit up to PLN 10,000 thousand. The limit was granted until June 30, 2029. An annex extending the validity of the multi-purpose credit limit agreement, containing the above sublimits, was signed on June 29, 2026.
- Multi-purpose credit line at mBank S.A. entitling the borrower to use an overdraft facility and execute bank guarantee and letter of credit orders, with the total debt amount resulting from the use of the limit in the form of the aforementioned credit products not exceeding PLN 40,000,000. The credit line is valid until June 30, 2027.
- Investment loan agreement in the amount of PLN 120,000,000 intended to co-finance the acquisition project of W.KRUK S.A. and WK SPV 1 Sp. z o.o. The loan is granted for a period ending on July 23, 2032.
- Multi-purpose credit limit agreement with PKO BP S.A., establishing a limit of PLN 18,000,000, authorizing the use of an overdraft facility up to PLN 11,500,000 and the execution of bank guarantees up to PLN 6,500,000 and letters of credit up to PLN 6,500,000. The limit is granted until July 14, 2027.

As of June 30, 2026, the Group had repaid all loans received and interest on the loans.

Additionally, the Group has a reverse factoring agreement with PKO Faktoring S.A. with a limit of PLN 10,000,000. The agreement is secured by a declaration of submission to enforcement and a blank promissory note with a promissory note declaration. As of June 30, 2026, the value of the liability under the agreement to PKO Faktoring S.A. was PLN 0,000.

On January 8, 2026, in connection with the execution of the final agreement in the execution of the transaction documentation regarding the acquisition of the Lilou group of companies, an investment loan was disbursed in the amount of PLN 94,500,000.00. In the following weeks, the documentation establishing the security for PKO BP S.A.'s receivables was also signed. under the Investment Loan Agreement in the form of a civil guarantee for companies acquired as part of the acquisition project and a financial pledge and a registered pledge on all shares of companies acquired as part of the acquisition project.

4.12.2. LEASE LIABILITIES

Leases (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Amounts payable in accordance with lease agreements regarding commercial premises and office space agreements, including:	**368,290**	**320,380**	**311,523**
within 1 year	121,038	103,535	101,713
between 2 to 5 years	232,113	204,847	198,831
above 5 years	15,139	11,998	10,979
Amounts payable in accordance with lease agreements regarding other agreements:	**4,196**	**2,059**	**2,456**
within 1 year	1,621	982	1,075
between 2 to 5 years	2,575	1,077	1,381
above 5 years	0	0	0
Discounted value of lease agreements	**372,486**	**322,439**	**313,979**
Amount due for settlement within 12 months (shown as short-term liabilities)	122,659	104,517	102,788
including: leasing related to contracts of commercial premises and office space	*121,038*	*103,535*	*101,713*
Amount of the required repayment after 12 months (shown as long-term liabilities)	249,827	217,921	211,191
including: leasing related to contracts of commercial premises and office space	*247,252*	*216,845*	*209,810*

All liabilities under the lease of passenger cars are denominated in PLN, while the lease of commercial premises and office space are denominated in EUR and PLN.

The fair value of the Group's lease liabilities corresponds to its book value.

Lease payments not included in valuation (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Liabilities under lease agreements relating to commercial premises and office space:	**1,781**	**11,079**	**3,019**
short-term leases	1,263	2,297	1,337
low-value assets leases	0	0	0
variable lease payments not included in lease liabilities	518	8,781	1,682

The Group took advantage of the exemption from applying the standard requirements with regard to short-term leases (up to 12 months) and leases of low-value assets. As at the balance sheet date, the Group did not have any significant items under low-value leases.

Costs related to short-term leases in accordance with IFRS 16 par. 6, recognised linearly during the period, amounted to PLN 1,263 thousand.

Interest costs related to leases are presented in note 3.2.4.

Total expenses for lease contracts were:

Expenses for lease agreements for commercial premises and office space: (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Amounts payable in accordance with finance lease agreements relating to commercial premises and office space, including:	63,385	114,019	55,942
Interest paid under finance lease agreements for commercial premises and office space	6,949	12,101	5,929
short-term leases	1,263	2,297	1,337
low-value assets leases	0	0	0
variable lease payments not included in lease liabilities	514	8,781	1,682
Total lease payments	**72,111**	**137,199**	**64,890**

The table below shows the impact on the Group's result in the reporting period for the first half of 2026, i.e. 01.01.2026 to 30.06.2026, between the recognition of commercial premises and office lease agreements in accordance with IFRS16 (implemented on January 1, 2019) and in accordance with IAS17 (effective until December 31, 2018).

Item (PLN thousand)	1H'2026 according to IAS 17	Lease recognition effect regarding agreements of commercial premises and office space	1H’2026 published data
Gross profit on sales	461,715	0	461,715
Selling costs and general and administrative costs	388,306	-3,869	384,437
Other operating income	3,716	0	3,716
Other operating costs	7,637	124	7,761
Gain on sale of non-financial fixed assets	0	0	0
Loss on sale of non-financial fixed assets	239	0	239
EBITDA	87,803	63,261	151,064
Operating profit	**69,249**	**3,745**	**72,994**
Financial income	606	2,004	2,610
Financial costs	6,516	12,306	18,822
Pre-tax profit (loss)	**63,339**	**-6,557**	**56,782**
Income tax	13,568	-1,403	12,165
Net profit	**49,771**	**-5,154**	**44,617**

In the first half of 2026, depreciation for leases related to contracts for commercial premises and office space amounted to PLN 59,516 thousand.

The table below shows the impact on the Capital Group's result in the reporting period in 2 quarter of 2026, i.e. 01.04.2026 to 30.06.2026 between recognition of commercial premises and office space lease contracts in accordance with IFRS16 (implemented on January 1, 2019) and in accordance with IAS17 (effective until December 31, 2018).

Item (PLN thousand)	2Q 2026* / period from 01-04-2026 to 30-06-2026 according to IAS 17	Lease recognition effect regarding agreements of commercial premises and office space	2Q 2026* / period from 01-04-2026 to 30-06-2026 published data
Gross profit on sales	260,361	0	260,361
Selling costs and general and administrative costs	199,675	-2,209	197,466
Other operating income	1,006	0	1,006
Other operating costs	4,757	61	4,818
Gain on sale of non-financial fixed assets	0	0	0
Loss on sale of non-financial fixed assets	185	0	185
EBITDA	*66,365*	*32,094*	*98,459*
Operating profit	**56,750**	**2,148**	**58,898**
Financial income	1,262	2,075	3,337
Financial costs	3,254	4,086	7,340
Pre-tax profit	**54,758**	**137**	**54,895**
Income tax	10,280	-156	10,124
Net profit	**44,478**	**293**	**44,771**

**- unaudited data*

Depreciation in the second quarter of 2026 on leasing contracts for commercial premises and office space amounted to PLN 29,946 thousand.

4.12.3. TRADE AND OTHER LIABILITIES

Trade and other payables arise primarily from commercial purchases and costs related to current operations.

Trade and other liabilities (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Trade liabilities from third parties	151,782	144,454	138,147
Tax, subsidies, customs, social security and other benefits liabilities	20,325	40,242	21,092
Financial liabilities – factoring	551	16,883	10,262
Deferred income liabilities	5,018	4,434	4,504
Liabilities due to group of LILOU companies	25,544	0	0
Other:	44,336	30,268	29,381
Incl. dividend liability	*11,723*	*0*	*0*
Total short-term liabilities	**247,556**	**236,281**	**203,386**

Short-term liabilities (currency structure) (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
a) PLN	180,551	155,782	151,006
b) in foreign currencies (by currency and after conversion into PLN)	67,005	80,499	52,380
b1. in EURO thousands	3,839	4,464	4,659
PLN thousands	16,495	18,869	19,763
b2. in US$ thousands	5,057	13,901	5,486
PLN thousands	19,069	50,067	19,841

Short-term liabilities (currency structure) (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
b3. in CHF thousands	6,639	2,530	2,700
PLN thousands	30,926	11,485	12,240
b4. In HUF thousands	42,606	7,171	50,537
PLN thousands	516	79	536
Total short-term liabilities	**247,556**	**236,281**	**203,386**

Deferred revenue liabilities include the valuation of loyalty programs. The value of deferred revenue is determined taking into account the conversion factor of the value of awarded points and the probability of realizing the award.

The amount of deferred revenue concerning the loyalty program presented in the balance sheet amounts to PLN 1,485 thousand as at 30.06.2026 (PLN 1,485 thousand as at 31.12.2025; PLN 1,396 thousand as at 30.06.2025).

As part of its working capital management, the Group utilizes reverse factoring agreements for its payables, under which it submits invoices for purchases from selected suppliers for factoring. The Company has no other related financial liabilities covered by the supplier financing mechanism.

Factoring liabilities include liabilities for which suppliers have already received payment from the Factor.

In terms of factoring, the Group uses the services of mBank S.A. and PKO Faktoring S.A. The balance of liabilities to mBank S.A. amounts to PLN 551 thousand, and to PKO Faktoring S.A. PLN 0 thousand.

The company reported no changes in the carrying amounts of its financial liabilities resulting from non-cash transactions.

The payment terms for liabilities related to the supply of raw materials, consumables, and goods are 30-150 days, for the supply of services 10-21 days, and for reverse factoring 150 days.

Tax, customs, social security, and health insurance liabilities are settled within the deadlines specified in the income tax and social security laws, respectively, and do not exceed 30 days.

Employee payroll liabilities are settled within 10 days of the end of the month in which the work was performed, and other liabilities are settled within a period not exceeding 30 days.

4.12.4. FINANCE LIABILITIES BY MATURITY

Finance liabilities by maturity (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Amounts payable in accordance with finance lease agreements relating to commercial premises and office space, including:	**397,948**	**346,312**	**337,388**
Up to 1 year	123,147	105,251	103,341
From year 2 to year 5	255,265	225,676	220,016
Above 5 years	19,536	15,385	14,031
Amounts payable in accordance with finance lease agreements relating to other contracts	**4,460**	**2,255**	**2,698**
Up to 1 year	1,747	1,094	1,202
From year 2 to year 5	2,713	1,161	1,496
Above 5 years	0	0	0
Amounts payable according to bank loan agreements	**203,276**	**35,033**	**118,634**
Up to 1 year	108,663	35,033	118,634
From year 2 to year 5	53,952	0	0
Above 5 years	40,661	0	0
Amount payable from trade and other liabilities according to maturity	**227,231**	**196,039**	**182,294**
Up to 1 year	227,231	196,039	182,294
From year 2 to year 5	0	0	0
Above 5 years	0	0	0

The statement includes the amounts of future interest as at the date of settlement of the obligation.
There are no other financial liabilities with a maturity period of over 12 months.

4.12.5. CORPORATE INCOME TAX LIABILITIES

Current corporate income tax asset and liabilities (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Current tax assets	**6**	**0**	**0**
Tax refund due	6	0	**0**
Current tax liabilities	**1,929**	**7,739**	**2,552**
Tax to be paid	1,929	7,739	2,552

The corporate income tax in Hungary is 9%.

4.13. PROVISIONS

	Provision for employment costs	Provision for future liabilities	Provision for work in progress	Returns from customers	Other	Total
Balance as at January 1, 2025	**9,249**	**4,765**	**1,126**	**3,426**	**269**	**18,835**
provisions created during the financial year	1,888	0	604	0	6	2,498
release / use of provisions	-1,536	-533	0	-666	-12	-2,747
Balance as at June 30, 2025	**9,601**	**4,232**	**1,730**	**2,760**	**263**	**18,586**
allocated to short-term liabilities	8,292	4,232	1,730	2,760	263	17,277
allocated to long-term liabilities	1,309	0	0	0	0	1,309
Balance as at January 1, 2025	**9,249**	**4,765**	**1,126**	**3,426**	**269**	**18,835**
provisions created during the financial year	5,356	505	915	896	8	7,680
release / use of provisions	-4,362	-533	-696	-682	-195	-6,468
Balance as at December 31, 2025	**10,243**	**4,737**	**1,345**	**3,640**	**82**	**20,047**
allocated to short-term liabilities	8,570	4,737	1,345	3,640	82	18,374
allocated to long-term liabilities	1,673	0	0	0	0	1,673
Balance as at January 1, 2026	**10,243**	**4,737**	**1,345**	**3,640**	**82**	**20,047**
Merger 08.01.2026	**680**	**0**	**0**	**284**	**0**	**964**
provisions created during the financial year	2,837	389	427	451	35	4,139
release / use of provisions	-2,018	0	0	-1,032	-2	-3,052
Balance as at June 30, 2026	**11,742**	**5,126**	**1,772**	**3,343**	**115**	**22,098**
allocated to short-term liabilities	10,069	5,126	1,772	3,343	115	20,425
allocated to long-term liabilities	1,673	0	0	0	0	1,673

Provisions created were charged respectively to general administrative expenses, selling costs or other operating costs, and provisions released were allocated respectively as a reduction in general administrative expenses and selling costs or to other operating revenues.

The balance of provisions as at 30.06.2026 consists of:

	Total 22,098 thousand
long-term provision for retirement benefits	1,673 PLN thousand
short-term provision for retirement benefits	290 PLN thousand
short-term provision for unused holidays	8,446 PLN thousand
short-term provision for bonuses	1,333 PLN thousand
short-term provision for sewing services	1,772 PLN thousand
provision for future liabilities	5,069 PLN thousand
provision for returns	3,343 PLN thousand
provision for liquidation of foxed assets	57 PLN thousand
other provisions	115 PLN thousand

Provisions for retirement benefits are calculated by an independent actuary. The main actuarial assumptions that were used for calculations were: the discount rate of 5.1%, the long-term annual growth rate of remuneration 3%. The probability of employee departures was calculated based on historical data on employee turnover in the Capital Group and statistical data on employee departures in the industry.

Sensitivity analysis prepared by the actuary has not shown significant deviations of the value of the provision between each of the considered scenarios. The value of the provision will be updated based on independent actuary calculations for December 31, 2025.

4.14. EQUITY

4.14.1. SHARE CAPITAL

Series / issue (PLN)	Type of share	Type of share preference	Type of share rights restriction	Number of shares	Issue value by nominal value	The method of capital payment	Registration date	The right to dividends (from date)
Issue "A"	common	ordinary bearer		1,000,000			1991-04-30	
Share split (1 : 5)	common	ordinary bearer		5,000,000			1994-01-28	
Issue "B"	common	ordinary bearer		1,000,000			1995-01-05	
Share redemption				-1,115,470				
Issue „D”	common	ordinary bearer		2,281,125			2006-08-31	
Issue „F”	common	ordinary bearer		716,564			2006-11-30	
Issue „C”	common	ordinary bearer		140,000			2007-01-22	
Share split (1 : 10)	common	ordinary bearer		80,222,190			2007-09-06	
Issue „G”	common	ordinary bearer		8,021,810			2008-10-06	
Issue „H”	common	ordinary bearer		15,059,932			2008-12-31	
Issue „I”	common	ordinary bearer		8,247,423			2009-12-17	
Issue „K”	common	ordinary bearer		22,310,270			2012-09-12	

Series / issue (PLN)	Type of share	Type of share preference	Type of share rights restriction	Number of shares	Issue value by nominal value	The method of capital payment	Registration date	The right to dividends (from date)
Issue „M”	common	ordinary bearer		40,000,000			2013-09-16	
Issue „L”	common	ordinary bearer		859,366			2015-06-19	
Issue „L”	common	ordinary bearer		473,973			2016-10-11	
Issue „N”	common	ordinary bearer		1,980,000			2016-10-11	
Issue „N”	common	ordinary bearer		2,020,000			2017-07-07	
Issue „N”	common	ordinary bearer		2,000,000			2018-06-29	
Issue „O”	common	ordinary bearer		53,260,879			2018-12-28	
Total number of shares				**234,455,840**				
Total issued capital					**49,122,108**			

The nominal value of one share (PLN) = 0.20.

The Company has one type of ordinary shares without the right to permanent income.

As at June 30, 2026, all shares issued were fully paid up.

Share capital (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
Registered: 234,455,840 common shares PLN 0.20 each (year 2019:234,455,840 common shares PLN 0.20 each; 1H26 234,455,840 common shares PLN 0.20 each)	49,122	49,122	49,122
Issued: 234,455,840 common shares PLN 0.20 each (year 2019:234,455,840 common shares PLN 0.20 each; 1H26: 234,455,840 common shares PLN 0.20 each)	49,122	49,122	49,122

4.14.2. RESERVE CAPITAL

	(PLN thousand)
Balance at January 1, 2025	**14,321**
Costs of liquidation proceedings/increases	11
Balance at June, 30 2025	**14,332**
Balance at January 1, 2025	14,321
Net profit distribution/increases	2,388
Costs of liquidation proceedings/reduction	11
Balance at December 31, 2025	**16,720**
Balance at January 1, 2026	**16,720**
Reserve capital for share buyback	60,000
Balance at June 30, 2026	**76,720**

4.15. RETAINED EARNINGS

	(PLN thousand)
Balance at January 1, 2025	**999,922**
Net profit for the current year	34,635
Dividend	0
Balance at June 30, 2025	**1,034,557**
Balance at January 1, 2025	**999,922**
Net profit (loss) for the current year	98,241
Net profit distribution	-2,388
Dividend	0
Inflows from sale of own shares	4
Balance at December 31, 2025	**1,095,779**
Balance at January 1, 2026	**1,095,779**
Zysk netto za rok bieżący	44,617
Reserve capital for share buyback	-60,000
Dividend	-11,723
Balance at June 30, 2026	**1,068,673**

This item presents the net financial result of previous financial years, as well as adjustments to the financial result for previous years, resulting from errors in previous years or changes in accounting principles.

Retained earnings include all supplementary capital, undistributed results from previous years of the parent company and subsidiaries.

4.16. STOCK OPTION PROGRAMME

Share-based stock option programme

On June 25, 2026, the Annual General Meeting of VRG S.A. adopted a resolution establishing a long-term share-based incentive program for members of the VRG S.A. Management Board, the W.KRUK S.A. Management Board, key management personnel, and other individuals of significant importance to the Group. The program covers the financial years 2026–2028 and provides for conditional rights to acquire the Company's own shares upon meeting certain criteria related to financial performance and loyalty requirements. The maximum number of shares allocated to the Program is 8,440,410.

To implement the Program, the Annual General Meeting also adopted a resolution to establish a capital reserve for the purchase of the Company's own shares. PLN 60 million was allocated to this reserve, which will be used to finance the purchase of own shares intended for the implementation of the Incentive Program.

By resolution of the Annual General Meeting of Shareholders of June 25, 2026, an equity-based incentive program was adopted. As of June 30, 2026, the detailed terms of the Program have not yet been determined, including the persons participating in the Program, the number of instruments to be awarded, and other material conditions for their award.

Therefore, as of June 30, 2026, there was no grant date for the equity instruments within the meaning of IFRS 2 "Share-based Payments," as the terms of the Program had not yet been agreed upon with its participants. Consequently, the Group was unable to reliably value the equity instruments covered by the Program.

Due to the lack of a grant date for the equity instruments, the Program had no impact on the Group's financial results, assets, or equity as of June 30, 2026.

Once the detailed terms of the Program are determined, its participants are identified, and the grant date occurs, the Group will value the equity instruments granted and recognize the related expense in accordance with the requirements of IFRS 2. The disclosures required by IFRS 2 will be presented in the financial statements for the periods in which the Program recognition criteria are met.

5. FINANCIAL INSTRUMENTS

5.1. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of financial assets and financial liabilities are determined as follows:

the fair value of financial assets and financial liabilities with standard terms that are traded in active, liquid markets is determined by reference to quoted exchange prices;

the fair value of other financial assets and financial liabilities (excluding derivatives) is determined in accordance with generally accepted valuation models based on discounted cash flow analysis, using prices from observable current market transactions and dealer quotations for similar instruments;

the fair value of derivatives is calculated using quoted exchange prices. If these prices are unavailable, discounted cash flow analysis is applied using the appropriate yield curve for the instrument's term for non-optional instruments and option pricing models for option-based instruments.

During the period from 1 January 2026 to 30 June 2026, there were no transfers between levels in the fair value hierarchy used in measuring fair value, and there was no change in the classification of financial assets as a result of a change in the purpose or use of those assets.

CURRENCY DERIVATIVES

The Group uses currency derivatives to hedge future cash flows against foreign exchange risk. The Group holds, as hedging transactions, forward contracts for the purchase of currency. Derivatives are denominated in US$ and EURO. As at June 30, 2026, there were no active foreign transactions.

The valuation of derivatives belongs to the second level hierarchy, i.e. the valuation is based on market assumptions.

5.2. FINANCIAL INSTRUMENTS BY CLASS

	30.06.2026	30.06.2026	31.12.2025	31.12.2025	30.06.2025	30.06.2025
Balance sheet items valued at amortised cost (PLN thousand)	**Financial assets**	**Financial liabilities**	**Financial assets**	**Financial liabilities**	**Financial assets**	**Financial liabilities**
Trade receivables and other receivables and current assets	28,345	0	21,621	0	26,382	0
Cash and equivalents	61,274	0	67,412	0	17,104	0
Long-term bank loans, loans and leases	0	330,999	0	217,921	0	211,191
incl.: leases for trade and office space	*0*	*247,252*	*0*	*216,845*	*0*	*209,810*
Short-term bank loans, loans and leases	0	227,122	0	139,550	0	221,422
incl.: leases for trade and office space	*0*	*121,038*	*0*	*103,535*	*0*	*101,713*
Trade and other liabilities and deposit liabilities	0	250,560	0	238,926	0	206,020
Total	**89,619**	**808,681**	**89,033**	**596,397**	**43,486**	**638,633**

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

The Group conducted an analysis as a result of which it was found that the value of financial instruments disclosed in the statement of financial position does not differ significantly from their fair value due to the fact that most of these instruments bear interest based on a variable rate.

5.3. FINANCIAL INSTRUMENTS – INCOME AND COSTS, GAINS AND LOSSES FROM CHANGE IN VALUE

Balance sheet items 2026 / period from 01-01-2026 to 30-06-2026 (PLN thousand)	Interest income	Interest expense	Gains/losses from amortised cost recognition	Gains/losses recognised at fair value	Write-offs	Write-offs reversal	Profits / losses on exchange differences
Loans granted	0	0	0	0	0	0	0
Trade and other receivables	7	0	0	0	143	46	1,182
Cash and cash equivalents	336	0	0	0	0	0	-37
Other current assets – Forward transactions	0	0	0	0	0	0	0
Loan and lease liabilities	0	4,338	98	0	0	0	0
Lease liabilities on store and office floorspace	0	6,949	0	0	0	0	-3,353
Trade and other liabilities	0	28	0	0	0	0	-1,919
Total	**343**	**11,315**	**98**	**0**	**143**	**46**	**-4,127**

Balance sheet items 2025 / period from 01-01-2025 to 30-06-2025 (PLN thousand)	Interest income	Interest expense	Gains/losses from amortised cost recognition	Gains/losses recognised at fair value	Write-offs	Write-offs reversal	Profits / losses on exchange differences
Loans granted	0	0	0	0	0	0	0
Trade and other receivables	0	0	0	0	109	240	129
Cash and cash equivalents	17	0	0	0	0	0	-670
Other current assets – Forward transactions	0	0	0	0	0	0	0
Loan and lease liabilities	0	4,114	0	0	0	0	0
Lease liabilities on store and office floorspace	0	5,929	0	0	0	0	2,210
Trade and other liabilities	0	26	0	0	0	0	4,293
Total	**17**	**10,069**	**0**	**0**	**109**	**240**	**5,962**

The Group uses external financing with a variable interest rate in the form of an investment loan and working capital loan as well as reverse factoring. Therefore, the Group is exposed to interest rate risk in the form of a possible increase in financing costs and, consequently, a reduction in the Group's profitability.

6. OTHER SUPPLEMENTARY NOTES

6.1. STATEMENT OF CASH FLOWS – OTHER ADJUSTMENTS

Other items shown under „Other adjustments" consist of: (PLN thousand)	I half 2026 period from 01-01-2026 to 30-06-2026	I half 2025 period from 01-01-2025 to 30-06-2025	2 quarter 2026* period from 01-04-2026 to 30-06-2026	2 quarter 2025* period from 01-04-2025 to 30-06-2025
- fixed assets -write-off - liquidations	-373	34	-143	215
- interest received	-336	-83	-114	-76
- bank loan valuation	-98	0	2	0

Other items shown under „Other adjustments” consist of: (PLN thousand)	I half 2026 period from 01-01-2026 to 30-06-2026	I half 2025 period from 01-01-2025 to 30-06-2025	2 quarter 2026* period from 01-04-2026 to 30-06-2026	2 quarter 2025* period from 01-04-2025 to 30-06-2025
- forward transaction valuation	0	0	223	0
- assets and liabilities taken over with LILOU group companies	-21,893	0	-21,893	0
Total	**-22,700**	**-49**	**-21,925**	**139**

*-unaudited data

6.2. CONDITIONAL RECEIVABLES AND LIABILITIES

Conditional liabilities (PLN thousand)	30.06.2026	31.12.2025	30.06.2025
bank guarantees issued for rents from the lease of commercial premises	74,361	71,068	71,484
open letters of credits	16,179	19,954	14,976
promissory notes securing leasing liabilities	450	449	468
Total off-balance sheet items	**90,990**	**91,471**	**86,928**

There were no conditional receivables.

6.3. INFORMATION ON SIGNIFICANT CHANGES IN ESTIMATED VALUES

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

Note	4.1	Goodwill impairment
Note	4.2	Other intangible assets (useful lives)
Note	4.3	Property, plant, equipment (useful lives)
Note	4.4	Right-of-use assets
Note	4.5, 4,7	Inventory write-offs
Note	4.8, 4.10	Receivables write-offs
Note	4.5, 4.6	Write-off for stakes
Note	3.3.2	Deferred tax asset and liability
Note	4.12.3	Share-based payment liability
Note	4.13	Provisions for liabilities
Note	6.13	Tax settlements

6.4. SIGNIFICANT EVENTS IN I HALF 2026

Market environment

In the first half of 2026, the macroeconomic and consumer environment in Poland remained relatively stable, with a gradual improvement in the real purchasing power of households and continued high competition in the retail market. While the slowdown in inflation and rising real wages created more favourable conditions for consumption, consumers continued to cautiously plan larger spending and remain sensitive to price levels and the intensity of promotional activities.

According to data from the Central Statistical Office, in the first half of 2026, prices of consumer goods and services were on average 2.7% higher than in the same period of the previous year, compared to a 4.5% increase in the first half of 2025. In June 2026, consumer inflation stood at 2.5% YoY, with prices of goods increasing by 1.3% and services by 5.4%. Wage growth remained above inflation, supporting the improvement in household disposable income.

Retail sales at constant prices maintained positive growth in the first half of 2026, reaching a year-on-year increase of 5.0% in February, 8.7% in March, and 6.2% in June. However, the volatility of monthly readings indicated that the recovery in consumption remained uneven and dependent on factors including seasonality, the calendar, and the intensity of promotional activities. Consumer caution was also evident in consumer sentiment surveys. In June 2026, the current consumer confidence index (BWUK) reached -9.9 points, improving by 1.4 points compared to May, but still remaining below neutral. This indicated continued cautious assessments over optimism regarding the future financial situation of households and the economic outlook. In practice, this translated into more informed purchasing decisions and greater selectivity when choosing premium products.

Retail sales data also confirmed the gradual improvement in the economy. In the first half of 2026, retail sales at constant prices maintained positive dynamics, reaching a year-on-year increase of 5.0% in February, 8.7% in March, and 6.2% in June. At the same time, the volatility of monthly readings indicated that the consumption recovery process remained uneven and dependent on seasonal and calendar factors, as well as the intensity of promotional activities conducted by market participants. For companies in the clothing and jewellery sectors, this meant maintaining a high degree of flexibility in terms of sales policy, collection management, and product offerings.

According to data from the Central Statistical Office (GUS) on the structure of retail sales from January to June 2026, the "textiles, clothing, footwear" category recorded very dynamic growth, particularly at the beginning of the year (including +17.6% YoY in January 2026, when it was the leader in retail growth, and +3.3% YoY in June alone). This segment's share in the retail sales structure from January to June 2026 was 5.4%. On-line sales also maintained a high share in the apparel segment. The "textiles, clothing, footwear" segment consistently has the highest share of e-commerce among all retail sectors surveyed by the Central Statistical Office. In the first half of 2026, the share of on-line sales in this segment reached over 22-26% of total sales in this segment, confirming the further development of the omnichannel model and changing consumer shopping behaviour. On-line channels have ceased to serve solely a sales function and have become an integral element of brand communication, presenting collections, building customer relationships and supporting the purchasing process implemented in the omnichannel model.

Increased volatility in raw material prices and exchange rates, which impacted import costs, continued, particularly in the apparel and luxury goods segments. Despite the gradual stabilization of global supply chains, retail companies continued to take steps to increase purchasing flexibility and diversify supply sources. At the same time, cost pressures continued, stemming from rising wages and rental costs in key retail locations, amid intense price competition in the retail sector. The geopolitical situation remains a significant risk factor, particularly the potential escalation of conflicts in the Middle East, including with Iran, which could impact energy prices, inflation, and exchange rates, including a weakening of the Polish zloty. The risk of further zloty depreciation could negatively impact margins and the operating costs of brick-and-mortar stores. Significant risk factors that could impact the retail sector include fluctuations in private consumption and the pace of economic growth in Poland and Europe.

The premium and elegant apparel segment saw a gradual recovery in demand after the period of high inflation in previous years. However, consumers remained sensitive to price levels and the intensity of promotional activities, resulting in persistently intense market competition. At the same time, improving household incomes supported sales of branded and premium products. The industry continued to pursue the trend of optimizing operating costs, increasing sales efficiency, and further developing e-commerce channels. As a result, pressure continued on marketing and promotional activities to support sales in both brick-and-mortar and online channels. The growing importance of premium casual collections, more versatile formal products, and offerings targeted at customers expecting a combination of premium quality, functionality, and ease of use also continued.

In the jewellery and watches segment, the Polish market maintained positive growth, supported by a growing number of affluent consumers and sustained demand for luxury and premium products. According to KPMG analyses, Poland remained one of the relatively more resilient luxury goods markets in the Central and Eastern European region, despite the observed slowdown in some foreign markets. The Polish luxury goods market maintained positive growth despite the visible global slowdown in the luxury goods industry. Growth was supported by a growing number of affluent consumers and the continuing propensity of premium customers to purchase luxury and aspirational goods. In the jewelry and watch industry, the growing importance of purchases related to personal occasions, investment products, and brands offering high recognition and prestige continued.

Completion of the acquisition project of the Lilou group of companies

On January 8, 2026, after obtaining prior consent from the President of the Office of Competition and Consumer Protection to carry out the concentration, a subsidiary of VRG S.A. - W.KRUK S.A. with its registered office in Kraków ("W.KRUK"), and its subsidiary WK SPV 1 Sp. z o.o. with its registered office in Kraków ("WK SPV"), signed with MYVOG Fundacja Rodzinna with its registered office in Warsaw, Retail sp. z o.o. with its registered office in Warsaw, Online Shop sp. z o.o. with its registered office in Warsaw and Santa Catalina sp. z o.o. with its registered office in Warsaw the agreements promised in the execution of the transaction documentation concerning the acquisition of the Lilou group of companies, about which VRG S.A. informed in Current Report No. 18/2025 dated July 8, 2025 and Current Report No. 24/2025 dated August 13, 2025, i.e. in performance of the preliminary conditional agreement concluded on July 8, 2025, concerning the acquisition by W.KRUK and WK SPV of shares and rights and obligations of partners of partnerships in the following entities: Lilou Sp. z o.o., Bellver WK SPV 1 Sp. z o.o. Sp. Kom. (previously named Bellver MYVOG Fundacja Rodzinna Sp. Kom.), Lilou Online Shop WK SPV 1 Sp. z o.o. Sp. Kom. (previously named Lilou Online Shop Sp. z o.o. Sp. Kom.), Lilou Retail WK SPV 1 Sp. z o.o. Sp. (previously named Lilou Retail Sp. z o.o. Sp. kom.) and Logistics WK SPV 1 Sp. z o.o. Sp. kom. (previously named Logistics Retail Sp. z o.o. Sp. kom.). The amount due for the shares and rights and obligations of the partnerships comprising the Lilou group of companies amounted to PLN 116,332 thousand on the closing date and will be subject to adjustment resulting from the final recalculation of net working capital and net debt after the closing of the transaction. The transaction also included an earn-out, contingent on the future results of the Lilou group of companies, providing for the obligation to pay MYVOG Family Foundation an amount of no more than PLN 30,000 thousand. The transaction implements the Company's Capital Group's development vision through acquisitions of brands complementary to the Company's Capital Group portfolio. The transaction is co-financed with funds from the loan agreement concluded by VRG S.A. informed in current report No. 22/2025 of July 23, 2025. The completion of the acquisition process started in 2025, when a conditional preliminary agreement was concluded regarding the acquisition of the Lilou group of companies, was the most important event in the activities of the VRG Group in the first half of 2026. Finalization of the project was a significant step in implementing the Group's long-term development strategy, which involves building a portfolio of complementary premium brands and consistently strengthening the jewellery segment. The Management Board believes that the acquisition of the Lilou group of companies not only expands the Group's operations but, above all, expands its competencies to include a segment developing based on product customization, strong customer engagement, and a modern market communication model. The Group's goal remains to develop brands that retain their own identity, character, and method of communicating with customers, while simultaneously leveraging the Group's shared organizational resources and expertise in areas supporting operational activities. Since its inception, Lilou has been developing a unique concept of personalized jewellery, based on the ability to individually compose products, engrave them, and imbue them with personal meaning. The brand's public communication consistently emphasizes the emotional dimension of jewellery, the ability to tell one's own story through the selection of charms and symbols, and the building of long-term relationships with customers. This business model reflects the growing market trends of personalization, original design, and products that allow for the expression of individual style. As a result, Lilou's offerings naturally complement the Group's existing jewellery portfolio. At the same time, Lilou's business profile remains complementary to W.KRUK, which develops an offering encompassing the full spectrum of premium jewellery, engagement rings, wedding rings, jewellery with gemstones, designer collections, and a watch segment. The distinct positioning of both companies, their different target groups, and their distinct approach to building customer relationships mean that Lilou's development expands the Group's capabilities to reach new market segments and build a more diverse jewellery offering. The Management Board believes that this portfolio structure strengthens the Group's competitiveness and increases its resilience to changing consumer preferences.

Following the completion of the acquisition, activities began to integrate the Lilou group of companies into VRG's structures. The Management Board adopted a model that assumed full autonomy in terms of Lilou's brand identity, customer communication, and product development. Simultaneously, it began identifying areas where the Group's organizational competencies could be leveraged, particularly in the development of online sales, logistics, IT, data analytics, purchasing processes, and selected administrative functions.

The financial impact of acquiring control over group of Lilou companies was presented in the consolidated financial statements for the first quarter of 2026. In the first quarter of 2026, the Group recognized one-off costs related to the acquisition process, which were charged to general and administrative expenses and were of a one-time nature. The acquisition price allocation process also began, which included the recognition of intangible assets related to Lilou's operations, including trademark rights. The Management Board indicates that this process was of a preliminary nature as at the date of preparation of the quarterly report for the first quarter of 2026 and will be subject to further verification in accordance with applicable accounting standards.

Commercial offer - Apparel Segment

In 2026, the Vistula brand is focusing on developing a coherent, four-season collection structure, encompassing both men's and women's lines. It is developing the broadest product offering in the VRG Group's apparel segment. The Spring-Summer 2026 collection, presented under the slogan "Create Your Moment," further developed the concept of contemporary elegance based on combining classic clothing elements with less formal pieces. The Spring-Summer season was reinforced by a wide range of linen products (suits, jackets, trousers, shirts) and lightweight knitwear such as polo shirts and T-shirts.

The core of the men's collection was modern formal, complemented by an extensive smart casual offering. The base colours included navy blue, grey, black, white, and blue, while the seasonal collections featured trend colours such as beige, brown, green, olive, burgundy, and touches of orange. The suit category develops both universal models and products dedicated to special occasions – celebratory collections introduced twice a year. The smart casual segment is based on a modular approach to wardrobe, encompassing chinos, less formal shirts, comfortable jackets, and knitwear.

The Spring/Summer season was enhanced by a wide range of linen products (suits, jackets, trousers, shirts) and lightweight knits such as polo shirts and T-shirts.

Vistula's summer collection was designed with maximum comfort in mind on hot days. Made of linen and light, airy fabrics, it's perfect for a business lunch, an outdoor wedding, or a weekend getaway to a resort. The collection includes jackets, trousers, shirts, dresses, and lightweight knits, combining simplicity with refined details. Earthy colors and the foundations of elegance—white, brown, and the natural shade of linen—dominated the collection, making it easy to create cohesive looks. The use of natural materials guarantees not only a stylish look but, above all, comfort.

A key element of the offering remains the Vistula Fine Tailoring capsule line—a formal collection based on the highest quality materials, classic colours, and a semi-traditional half-canvas construction.

Vistula's women's collection is developed based on similar principles – combining year-round offerings with more seasonal, fashion-forward styles. Women's suits remain a key category, serving as the starting point for the collection. The colour palette encompassed classic shades (navy blue, grey, and black), complemented by seasonal shades such as beige, brown, green, olive, pink, and red. A key development direction is expanding the size range and diversifying silhouettes and fit. Season after season, the range of dresses and blouses expands, both in terms of form and colour. During the spring and summer seasons, a more casual offering was developed, based on linen and less formal styles, distinguished by their modern styling and vibrant colours. As with the men's collection, each season features models designed for special occasions. In the women's section of the collection, particularly during the second quarter, special emphasis was placed on developing the suits, jackets, dresses, and shirts categories, enabling the creation of complete, cohesive looks. The collection utilized a distinctive yet elegant colour palette encompassing shades of red, blue, teal, and powder pink, complemented by checkered motifs and subtle patterns inspired by nature. At the same time, the range of products was consistently expanded to meet the needs of women seeking a modern, multifunctional premium wardrobe. Another important element of the seasonal communication was the summer instalment of the "Summer Vibes" collection, inspired by the atmosphere of vacation travel, utilizing natural materials, a bright colour palette, and more relaxed styles consistent with the summer season. This collection served as a natural complement to the brand's core offering, emphasizing its ability to accompany customers on less formal occasions as well.

Capsule collections and special projects that build the brand's image also remain an important focus – for example, the Traveller collection, which Vistula prepared in collaboration with LOT Polish Airlines. This unique collection redefines a contemporary approach to elegance while traveling. It was created for those who live on the road and demand impeccable looks from their wardrobe, without compromising on comfort. The "Well traveled. Well dressed" promotional campaign tells the story of style that naturally accompanies every stage of the day – from the airport, through the flight, to the scheduled meeting. The collection includes women's and men's sets and functional travel accessories that meet the challenges of long hours of travel. Key elements are lightweight, comfortable cuts and refined details, which elevate elegance to a new dimension: confident, natural, and ready for action. It's worth noting that the fabrics used are highly crease-resistant and adapt to the body's movements. Furthermore, lightweight structures and modern fibers ensure freshness throughout the day.

In the second quarter of 2026, Vistula's marketing communications activities were conducted using an omnichannel model, ensuring the brand's presence at all stages of the customer journey, from building awareness and reach, through generating online traffic, to supporting visits to brick-and-mortar stores. The marketing plan leveraged the synergy of offline and online channels, including digital video and display, television, direct communication, organic social media, and influencer marketing. Communication supported the promotion of the spring/summer seasonal collection, the Vistula x LOT campaign, and the Celebrations campaign.

The Bytom 2026 collection is being developed in the spirit of modern heritage, understood as combining traditional tailoring techniques with modern material solutions and creating a product with a cross-seasonal character. The collection's structure is hierarchical – tailoring is its core, while other categories contribute to the stylistic and functional context. Suits, sets, and jackets define the aesthetic axis, while casual trousers and jackets develop the idea of wardrobe modularity. Knitwear, polo shirts, and T-shirts serve as a bridge between formality and everyday life, and accessories are an integral element of the collection's structure.

Collection development is based on the concept of "wardrobe building," building a long-term, cohesive wardrobe instead of short-lived seasonal offerings. Colour is treated as a collection-building tool – equal in importance to cut and fabric.

Bytom's Spring/Summer 2026 collection embodied a cohesive concept of timeless elegance, rooted in the finest tailoring traditions—unique quality materials and a variety of cuts—enriched with a light form and modern dynamism. The collection's colour palette features a subdued palette of deep browns, greens, burgundy, beige, and blues. Glen checks, refined smooth fabrics, and deliberately crafted monochromatic combinations emphasize the silhouette and masterful tailoring, lending the overall look a consistent, elegant character that builds the brand's identity. Formal linen pieces were a key element of the summer collection. The Spring-Summer 2026 collection further developed the brand's signature approach to contemporary men's tailoring, combining classic proportions with greater ease of use. The second quarter saw the development of the Soft Tailoring concept, encompassing more natural shoulder lines, lightweight suit and jacket constructions, and greater ease of use without sacrificing the product's elegant character. A particular example of this trend was the extensive linen collection, featuring suits, jackets, and shirts made from natural fabrics, meeting the needs of the spring-summer season and the growing interest in products combining high quality with comfort. Fabrics with a more pronounced texture, subtle checks, and two-tone weaves were also a key element of the collection. In the first half of 2026, the brand also expanded its offering of special collections. A significant event was the premiere of the limited-edition Bytom × Rafał Olbiński collection, created in collaboration with one of Poland's most recognizable artists. The collection, featuring clothing with original graphics, was an example of efforts to strengthen the emotional dimension of the brand and expand the casual offering with products with a unique, collectible character.

The communication highlighted formal offerings from the "Celebrations" line and the custom tailoring service (MTM). During the spring and summer season, the offering was supplemented with a more casual holiday line, "Summer Inspirations," presented in the Masurian Lake District. A cross-brand collaboration with W.KRUK and the Tailoring Festival – Bytom also took place, promoting the custom tailoring service in select stores.

In 2026, the Bytom brand continues to implement a strategy based on the "Let's Celebrate Important Moments Together" communication platform, integrating image and product initiatives. Its core is building an emotional connection with the audience through values such as relationships, closeness, and intergenerational connection. Brand ambassador Marcin Dorociński plays a key role, ensuring consistency and credibility of the message. The strategy is based on a balance between emotional storytelling and product communication rooted in quality and craftsmanship. The brand consistently builds its presence in important moments of customers' lives, developing a narrative toward deeper, long-term relationships. Product communication is aligned with seasonality, while maintaining a consistent premium positioning. The Spring/Summer season emphasizes the lightness and naturalness of materials.

In 2026, the Wólczanka brand is consistently pursuing its vision of building and scaling its position as a category leader and expert in the premium shirt segment, as part of its "Ideal Shirt" communication platform. The brand's collections focus on quality, construction, detail, and fit. The brand's aesthetic remains clean and contemporary, yet firmly rooted in classic styles. The colour palette is based on white, blue, navy, and grey, complemented by seasonal accents. The product range is clearly structured – shirts remain the dominant category, supported by basic knitwear (T-shirts, polo shirts, sweaters) and formal accessories. The brand's key goal is to create functional shirts – easy-care, comfortable, and responsive to the needs of modern users, including business clients and frequent travellers. Design inspiration comes from both classic styles and observations of changing lifestyles. Wólczanka's offerings are a component and complement to the various images created by lifestyle brands operating on the market.

Wólczanka kicked off the Spring-Summer 2026 season with a communication campaign for formal white shirts – a capsule created with formal occasions in mind – both business and personal. The first quarter of 2026 saw the premiere of the first instalment of the "Perfect Shirt" campaign, launched in the urban setting of Barcelona. The campaign showcased a collection of formal and casual shirts in the vibrant cityscape. The "Perfect Shirt" campaign is a story of timeless elegance, quality, and style, centred on the perfect shirt. The goal of the first instalment is to demonstrate that a shirt is no longer just a piece of clothing, but a statement of class, attention to detail, and self-confidence in professional life. The communication emphasis is on quality craftsmanship, attention to detail, and the shirt's flawless appearance in every situation. The campaign centers on white – a timeless classic whose universal appeal makes a white shirt an excellent choice for formal events, business meetings, and special family celebrations.

A key event of the second quarter at Wólczanka was the launch of the summer collection, the centerpiece of which was an extensive range of products made from natural linen. The collection included a wide selection of shirts, T-shirts, and polo shirts made from pure linen. In the casual segment, the brand developed a line of linen shirts, including plain models in classic colours, earthy tones, and summer pastels, as well as checkered and striped patterns available in short- and long-sleeved versions. This line was complemented by linen T-shirts and polo shirts made from knits with varied textures, allowing for the creation of cohesive summer styles. A particular highlight of the offering were linen formal shirts equipped with a special finish that reduces wrinkling and facilitates ironing, allowing the product to maintain its elegant appearance while simultaneously utilizing all the natural properties of this fabric. The second quarter also saw the expansion of the T-shirt and polo category, which utilizes mercerized and double-mercerized cotton, among other materials, ensuring improved durability, aesthetics, and comfort. The innovative Sweat Free line also drew particular attention, featuring a specially designed knit construction that reduces the visibility of moisture marks and an additional finish that increases the material's resistance to stains.

In its product communications, Wólczanka focused on the seasonality of the product, while aligning with the quality and technology communication platform. The communication emphasized the properties of fabrics such as cotton, viscose with a satin weave, and mercerized cotton. Marketing activities focused on emphasizing the highest quality of the products – both in terms of materials and the implementation of modern fabric finishing technologies, thanks to which the brand's core product range delivers real value and meets customer expectations. An important element of communication was the embroidery personalization service, which complements the individual approach to customer needs, especially in the context of shirts for special occasions such as proms or weddings.

Deni Cler Milano, a premium brand with Italian roots, develops collections based on a strong design heritage and current European fashion trends. Each year, two comprehensive seasonal collections are created, encompassing a full spectrum of products – from outerwear, through extensive suits and jackets, to dresses and accessories.

The foundation of the collection remains the Italian aesthetic – refined form, high-quality materials, and attention to detail. A key premise is the complete stylistic and colour consistency of the collection, as well as high compatibility between products, allowing for seamless mix-and-match styling. At the same time, the brand responds to changing market needs, shifting its emphasis towards more comfortable, less formal fashion.

For the Spring/Summer 2026 season, Deni Cler Milano celebrates its exceptional 55th anniversary, combining Italian heritage with a new energy of colour and a contemporary take on femininity. This collection represents both a return to its roots and a clear step into the future – a manifesto for a brand that has accompanied women in their everyday lives for over half a century. The Spring-Summer 2026 collection is a story inspired by the places that shaped the brand's identity (Milan, Lake Como, Rome). It's a symbolic journey through Italian style culture, which translates into a contemporary wardrobe – versatile, timeless, and full of character. Timelessness in a modern interpretation.

The collection is based on timeless pieces – forms and constructions that remain relevant despite changing trends. Classic wardrobe elements are paired with more directional pieces, creating space for creating a variety of looks – from everyday to special occasions. Soft volumes and relaxed silhouettes dominate. Airy styles, super-light fabrics, delicate draping and subtle construction create an impression of lightness while maintaining a distinct form.

Retail offer – Jewellery Segment

The W.KRUK jewellery and accessories collections planned for 2026 will continue to represent the diverse and original character of W.KRUK's offerings. The brand is consistently developing its bestselling Flowers of the Night line, which was joined in 2026 by cherry blossoms and blueberries. It once again combines jewellery tradition and modernity. The collection utilizes hand-painted enamel and a new technology – e-coating. As an expert in diamond jewellery, W.KRUK will present new products in this area, also developing jewellery decorated with laboratory-grown diamonds. New items featuring man-made diamonds will be presented at the turn of 2025/2026 in the Nuova collection and for the 2026 Valentine's Day season in the Czułość ("Tenderness") collection. As every year, in 2026 W.KRUK has planned the premiere of its flagship project – the Ambassador Collection. Customers can expect new, unique designs and jewellery accessories in the unique style characteristic of the collection's co-creator. W.KRUK creates inclusive jewellery, and such new items will be available in 2026. Many universal, modern styles will be introduced, as well as new items designed for men. In addition to its core product line, the brand will expand its mono-earring offerings. W.KRUK will surprise not only with its extensive product range but also with the use of diverse precious metals, manufacturing techniques, and decorations. Within its signature jewellery and accessories lines, W.KRUK will offer new items inspired by folk motifs, in line with global trends, connecting with its roots and local identity.

In the first quarter of 2026, the W.KRUK brand introduced and developed key jewellery collections. These activities included a new version of the Flowers of the Night collection, featuring jewellery inspired by nature and enriched with complementary accessories (including silk scarves and jewellery boxes), and the expansion of the Czułość ("Tenderness") collection for Valentine's Day, including the development of jewellery featuring lab-grown diamonds. The first quarter of 2026 also saw the introduction of a special Birthstone gift collection, featuring 12 pendants with natural stones set in 9-karat (375) gold.

In the second quarter of 2026, W.KRUK presented further launches of its own collections, including a new version of the best-selling Flowers of the Night line – Clover and Cherry, as well as the Ceremonials collection, designed for the most important family celebrations. Simultaneously, the brand expanded its offerings of wedding rings, diamond jewellery, watches, and products dedicated to First Communion and baptism ceremonies. Collections dedicated to engagements and weddings, developed in parallel with the offer of wedding rings, engagement rings and occasional jewellery, remained an important element of seasonal communication.

Sales activities were supported by seasonal sales activities, including the continuation of the winter sale and campaigns related to key shopping periods (Valentine's Day and Women's Day). The offer was complemented by the activity of a younger brand in the W.KRUK portfolio, Picky Pica, which introduced a Valentine's Day "Love Fever" collection. The campaign was implemented in collaboration with the Polish clothing brand She Is Sunday and included social media activities.

Marketing communications consistently emphasized the timeless nature of the jewellery, the high quality of craftsmanship, and the emotional dimension of products that accompany the most important moments in customers' lives.

During the first quarter, extensive communication activities were conducted across all key channels (traditional media, digital, and social media). The campaigns supported sales of new collections, seasonal activities, and image-building activities. Influencer collaborations and non-standard activities were also a significant element, including a promotional campaign with access to the Empik Go app for customers of brick-and-mortar stores to celebrate Women's Day. W.KRUK became a partner of one of the most prestigious cultural and industry events – the Empik Bestsellers 2025 gala. The brand also continued its involvement in special projects, such as the production of the Silver Apples statuettes for the "PANI" magazine, thus emphasizing W.KRUK's role in promoting the jewellery craft.

In the first quarter of 2026, W.KRUK also organized two events dedicated to the Hublot watch brand – one for customers and the other for media representatives. The meetings aimed to present selected collections and build awareness of W.KRUK's offerings in the premium watch segment, as well as strengthen relationships with customers and the journalistic community.

In the second quarter, W.KRUK conducted comprehensive marketing activities supporting key sales periods and strengthening the premium brand's positioning. Strategic partnerships, including those with Vistula and Mercedes-Benz, and collaboration on the launch of Martyna Wojciechowska's book were a key element in building the brand's image. The brand also organized events for luxury watch connoisseurs, showcasing brands such as Chopard, OMEGA, and IWC Schaffhausen. W.KRUK also participated in the Watches and Wonders trade fair in Geneva, developing relationships with leading manufacturers and tracking the latest trends in the watchmaking industry. In the area of social responsibility, W.KRUK was recognized as one of the most advanced employers in Poland in terms of diversity and inclusion management. This distinction confirms the company's consistent efforts to foster a responsible organizational culture and build a strong premium brand.

In the second half of the year, W.KRUK will celebrate its fondness for tradition, reinterpreting it in a modern, jewellery-inspired style. Reclaimed precious metals used in production will emphasize the sustainable nature of the jewellery, while handcrafted details emphasize the value of craftsmanship and the handmade spirit. The "Pełnia Nosowska x W.Kruk" collection received an award in the Fashion Excellence 2025 plebiscite from "Twój Styl" magazine in the ambassador collection category, confirming the high ratings for the brand's product offering and creative initiatives.

In parallel with the development of the product offering, the brand continued its international expansion. After launching in the Hungarian market, W.KRUK's recognition among local customers was enhanced and the foundations for further expansion in Central Europe were laid. In the second quarter, a W.KRUK store opened in Hungary, a flagship boutique located on Budapest's prestigious Andrássy Avenue. Less than three years after entering this market, W.KRUK has become the largest jewellery chain in Hungary in terms of square footage. The W.KRUK brand was also present at the Forbes Women Summit in Budapest, showcasing its offerings and developing relationships with business partners in the Hungarian market. Expanding the Hungarian market is part of the Group's long-term internationalization strategy for its jewellery segment and remains one of its key development directions.

In the first quarter of 2026, the Lilou brand continued to strategically strengthen its personalized and symbolic jewellery offerings, combining minimalist design with emotional storytelling. Classic collections such as Amour, Glamour, Planets, Papillon, Soleil, and Cosmos were available, along with new items, including the Reverso collection introduced at the beginning of the year, featuring necklaces, rings, earrings, and cuff bracelets in gold- and silver-plated versions, all customizable with engraving. The offerings included jewellery with motifs of hearts, stars, planets, butterflies, and protective symbols. The brand expanded its offerings of necklaces, bracelets, earrings, and rings featuring natural stones, pearls, enamel, and cubic zirconia. Personalization remained a key element of the offering, with the option of engraving initials, dates, and short dedications. The products enabled the creation of individual compositions and were presented as everyday jewellery and talismans with symbolic value. Inspirations from nature and space were also evident, as were the development of more expressive collections, such as Forza, Snake, and Hero, presented in marketing communications as jewellery with emotional value and symbolic meaning. Lilou also offered men's jewellery, including bracelets, necklaces, and signet rings in gold- and silver-plated versions, often with natural stones or leather elements. Featuring a minimalist, modern design, the products were aimed at men seeking everyday jewellery with an aspirational character, elegant, subtle, and versatile.

In the second quarter, the portfolio expanded to include the Harmony Turtle, Zebra, and Starfish collections, while the Reverso, Miyuki, and Mini Icons collections were enriched with new product variants and colours. The accessories offering was also expanded with the introduction of the Kraina Wolności silk scarf, and the men's jewellery segment was expanded with additional personalized bracelets and signet rings. New items were designed with compatibility with previously introduced collections, allowing customers to further expand their jewellery sets.

Marketing activities focused on the most important shopping occasions of the first half of the year, including Valentine's Day, Mother's Day, Father's Day, First Communion, baptism, and wedding seasons. Communication emphasized the personalization of products and their emotional and symbolic nature, while digital channels and social media were used to present inspiration for creating personalized jewellery sets and ways to combine elements from individual collections.

Following Lilou's incorporation into the VRG Group, efforts were initiated to leverage the potential of collaboration between brands while maintaining the brand's autonomy in terms of business model, identity, and communication. In the second quarter, an omnichannel campaign was implemented in collaboration with the Wólczanka brand, customer engagement activities were conducted on social media, and communication continued for the Hero collection, which supports young athletes, and the Puzzla collection, whose proceeds go to help children battling cancer.

Corporate Events Related to the Distribution of Profit for 2025, Dividend Payment, and Adoption of a Long-Term Incentive Program

One of the most important areas of VRG S.A.'s corporate activities in the first half of 2026 was the distribution of profit for the 2025 financial year, the decision to pay a dividend from retained earnings from previous years, and the establishment of a long-term incentive program based on the Company's shares. The final resolutions adopted by the Annual General Meeting on June 25, 2026, were shaped by both the Management Board's recommendations and the motions submitted by shareholders, as well as amendments introduced to the draft resolutions before the General Meeting.

On May 18, 2026, the Management Board of VRG S.A. adopted a resolution to submit a proposal to the Annual General Meeting regarding the distribution of the Company's net profit for the 2025 financial year. The Management Board recommended not to pay a dividend from the profit generated in 2025 and to allocate the entire net profit of PLN 8,121,062.13 to the Company's reserve capital. This recommendation meant a departure – with respect to the distribution of profit for 2025 – from the Dividend Policy adopted by the Management Board on May 18, 2022. The Management Board's recommendation resulted from the need to ensure the Company's financial liquidity and capital necessary for the further development of its operations and the implementation of planned investments, including the development of the clothing and jewelry segments in the scope of infrastructure supporting business management processes, as well as the opening of new or renovation of existing retail spaces in brick-and-mortar stores of the Company's Capital Group brands. The recommendation regarding the distribution of net profit disclosed in the Company's financial statements for 2025, referred to above, met the requirements of Article 395 § 2 item 2) in conjunction with Article 396 of the Commercial Companies Code. At the same time, the Management Board announced that the resolution of the Supervisory Board regarding the adoption and presentation to the Annual General Meeting of VRG S.A. of the report on the Supervisory Board's assessment of the above proposal of the Management Board regarding the distribution of the Company's net profit for financial year 2025, submitted to a vote at the meeting of the Supervisory Board of the Company on May 18, 2026, did not obtain the required majority of votes.

Additionally, the Management Board announced that it is considering requesting the General Meeting of the Company to adopt a resolution regarding the introduction of a long-term share-based incentive program for the Company, addressed to the Management Board of the Company, the Management Board of W.KRUK S.A., key management personnel of the Company, and other persons of significant importance to the Company and companies within its capital group. The Management Board announced that it is considering that the incentive program referred to above could be implemented by granting eligible individuals, with their consent, conditional rights to acquire the Company's own shares using the Company's own shares that could be acquired by the Company pursuant to a resolution of the General Meeting.

The initial agenda of the Annual General Meeting included the adoption of a resolution regarding the distribution of profits in accordance with the Management Board's recommendation. On June 1, 2026, Colian sp. z o.o., representing shareholders holding at least one-twentieth of the share capital, submitted a motion to expand the agenda to include an item regarding the payment of dividends from retained earnings from previous years. The motion provided for a dividend payment of PLN 0.05 per share, i.e., a total of PLN 11,722,792, with the record date falling on September 19, 2026, and the payment date set for December 15, 2026. Following this motion, the Management Board expanded the agenda of the Annual General Meeting to include a separate item concerning the dividend payment. On June 10, 2026, Nationale-Nederlanden Open Pension Fund submitted an alternative draft resolution providing for the payment of a dividend from retained earnings of PLN 0.20 per share, i.e., a total of PLN 46,891,168. This draft resolution was not adopted by the Annual General Meeting.

On June 25, 2026, the Annual General Meeting adopted Resolution No. 7/06/2026 to allocate the entire net profit of VRG S.A. for the 2025 financial year, amounting to PLN 8,121,062.13, to the Company's reserve capital, thus implementing the basic assumption of the Management Board's recommendation of May 18, 2026.

Regardless of the distribution of profit for 2025, the Annual General Meeting adopted Resolution No. 25/06/2026 to pay a dividend from net profits generated in previous years and transferred to the reserve capital. The dividend was set at PLN 0.05 per share, representing a total of PLN 11,722,792. The record date was set for September 19, 2026, and the payment date for December 15, 2026. The source of the payment was profits from previous years accumulated in the supplementary capital, and not the profit generated by the Company in 2025.

The second significant area of ownership decisions was the adoption by the Annual General Meeting of Resolution No. 23/06/2026 on the adoption of a share-based incentive program for members of the Management Board of VRG S.A., members of the Management Board of W.KRUK S.A., key management personnel, and persons of significant significance to the Company and Group companies, regardless of the form and legal basis of performing their duties in these positions ("Eligible Persons"). The Program covers the financial years 2026–2028 and is based on a conditional right for Eligible Persons to acquire the Company's own shares ("Rights"), which will be acquired by the Company pursuant to the authorization granted by the Annual General Meeting in Resolution No. 24/06/2026 authorizing the Management Board to acquire the Company's own shares and to create reserve capital for the purposes of acquiring the Company's own shares. The maximum number of shares allocated to the incentive program that may be acquired by the Company is 8,440,410, and the number of incentive program participants may not exceed 99. The ability of Eligible Persons to exercise their rights is linked to the following criterion established in Resolution No. 23/06/2026 for the entire duration of the incentive program, in the form of the financial result, i.e. the sum of the Company's operating profits ("EBIT") achieved in the financial years 2026-2028, determined on the basis of the annual consolidated financial statements for 2026, 2027 and 2028 audited by an audit firm (audits for each subsequent year 2026, 2027 and 2028 must be unqualified):

- If EBIT is higher than PLN 583,000,000.00, Eligible Persons are entitled to exercise 100% of Entitlements;
- If EBIT is equal to or lower than PLN 583,000,000.00 but higher than PLN 569,000,000.00, Eligible Persons are entitled to exercise 90% of Entitlements;
- If EBIT is equal to or lower than PLN 569,000,000.00 but higher than PLN 556,000,000.00, Eligible Persons are entitled to exercise 80% of Entitlements;
- If EBIT is equal to or lower than PLN 556,000,000.00 but higher than PLN 542,000,000.00, Eligible Persons are entitled to exercise 75% of Entitlements;
- If EBIT is equal to or lower than PLN 542,000,000.00 but higher than PLN 528,000,000.00, Eligible Persons are entitled to exercise 70% of the Entitlements;
- If EBIT is equal to or lower than PLN 528,000,000.00 but higher than PLN 515,000,000.00, Eligible Persons are entitled to exercise 65% of the Entitlements;
- If EBIT is equal to or lower than PLN 515,000,000.00 but higher than PLN 501,000,000.00, Eligible Persons are entitled to exercise 60% of the Entitlements.
- If EBIT is equal to or lower than PLN 501,000,000.00, the Eligible Persons shall not be entitled to exercise the Entitlements.

The offer to acquire the Company's own shares for the purpose of exercising the Entitlements by Eligible Persons will take place after the criteria indicated above are met, while maintaining the loyalty condition specified in Resolution No. 23/06/2026. The

Entitlements may be exercised no earlier than June 1, 2030, and no later than June 30, 2030. All shares acquired by the Company for the purpose of implementing the incentive program will be offered to Eligible Persons for a purchase price of PLN 4.92 per share.

Resolution No. 24/06/2026 of the Annual General Meeting authorizing the Management Board to acquire the Company's own shares and establishing a reserve capital for the purpose of acquiring the Company's own shares creates a mechanism enabling the Company to acquire its own shares for the implementation of the incentive program. A reserve capital of PLN 60 million has been established to finance the acquisition of the Company's own shares. The adopted structure of the incentive program, linked to the achievement of specific financial goals of the Group, enables its implementation using the Company's own shares, without the need to issue new shares, and therefore without diluting the shares of existing shareholders.

Amendments to Material Loan Agreements Entered into by VRG S.A. and VRG S.A. Subsidiaries

In the second quarter of 2026, amendments were made to material loan agreements entered into by VRG S.A. and VRG S.A. subsidiaries. On June 29, 2026, the term of the multi-purpose loan agreement between VRG S.A. and Powszechna Kasa Oszczędności Bank Polski S.A. was extended until June 30, 2028, while maintaining the credit limit of PLN 105 million, which includes an overdraft facility of up to PLN 50 million and bank guarantees and documentary letters of credit of up to PLN 35 million each. At the same time, the framework agreement between VRG S.A. and Powszechna Kasa Oszczędności Bank Polski S.A. was extended until July 28, 2028. and mBank S.A., while maintaining the multi-product line limit of PLN 57 million, which includes the ability to use an overdraft facility, bank guarantees, and documentary letters of credit. With respect to agreements entered into by subsidiary W.KRUK S.A. on June 29, 2026, the multi-purpose loan agreement with Powszechna Kasa Oszczędności Bank Polski S.A. was extended until June 30, 2029, and the credit limit was increased from PLN 120 million to PLN 140 million, and the guarantee sublimit from PLN 50 million to PLN 60 million. The amendment to the investment loan agreement between W.KRUK S.A. and WK SPV 1 Sp. z o.o., incurred in 2025 in the amount of PLN 120 million to co-finance the acquisition project of the Lilou group of companies, consisted in adapting its security provisions to the changes introduced in the multi-purpose loan agreement. The introduced changes ensure the continued availability of significant sources of financing for the Group's operating activities and increase the available financing limit for W.KRUK S.A. Detailed information on amendments to the loan agreements is presented in VRG S.A. current reports No. 15/2026, 16/2026 and 17/2026 dated 29 June 2026.

6.5. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

Share buyback – VRG S.A. Management Board announces invitation to submit offers for the sale of VRG S.A. shares.

On August 17, 2026, the Management Board of VRG S.A. (the "Company") took steps to implement the authorization granted by the Annual General Meeting of the Company to purchase its own shares. The Management Board's actions are based on Resolution No. 24/06/2026 of the Annual General Meeting of VRG S.A. dated June 25, 2026, authorizing the Management Board to purchase the Company's own shares and establishing a reserve capital for the purpose of purchasing the Company's own shares (the "AGM Resolution"). In accordance with the adopted assumptions, the Management Board was authorized to purchase a maximum of 8,440,410 own shares, representing approximately 3.6% of the share capital and total votes of the Company, using the reserve capital of PLN 60 million. Under the authorization granted to the Management Board in the AGM Resolution. the purchase price of one share was limited to the range from PLN 4 to PLN 7.

On August 17, 2026, the Management Board of VRG S.A., in Current Report No. 19/2026, announced the adoption of a resolution regarding the buyback of its own shares and the determination of its terms. The buyback is to be conducted outside of organized trading by sending an invitation to the Company's shareholders to submit offers for the sale of shares in VRG S.A. (the "**Invitation**"). The Invitation is addressed to shareholders who hold shares in the Company and provides for the opportunity to submit offers for the sale of shares to the Company. The purchase of shares is to take place outside the regulated market, under a procedure ensuring the possibility of shareholder participation on the terms specified in the Invitation. Under the Invitation, the Company intends to purchase no more than 8,440,410 own shares, representing c. 3.6% of the Company's share capital. The maximum number of shares corresponds to the limit specified in the authorization granted to the Management Board in the AGM Resolution. The Invitation specifies a purchase price range of PLN 5.50 to PLN 6.00 per share. The final purchase price is to be determined by the Management Board after the closing date for bids, taking into account bids submitted by shareholders. The final number of shares purchased by the Company will depend on the number of valid bids submitted and the terms specified in the Invitation. If shareholders offer more shares than the number the Company intends to purchase, a bid reduction mechanism will apply, in accordance with the terms specified in the Invitation.

In Current Report No. 20/2026 dated August 17, 2026, the Management Board announced a change to the schedule for the procedure specified in the Invitation. This change is organizational in nature and does not alter the fundamental subject matter or scope of the planned repurchase.

The current schedule is as follows:

August 17, 2026 – Publication of the Invitation;

August 19, 2026 – Beginning of the acceptance of sale offers;

August 26, 2026 – End of the acceptance of sale offers;

August 27, 2026 – Determination of the final price, the final number of shares to be purchased, acceptance of sale offers, and possible reduction of the number of shares;

August 31, 2026 – Expected date of transaction settlement and share acquisition.

For the current Invitation, this means that with a maximum number of 8,440,410 shares and a maximum price of PLN 6.00 per share, the value of the share purchase itself could reach a maximum of approximately PLN 50.64 million, before taking into account transaction-related costs. This amount represents the maximum potential level resulting from the parameters of the Invitation, and does not constitute an obligation on the part of the Company to purchase all 8,440,410 shares or to spend the entire amount.

The share purchase program is linked to the Company's share-based incentive program, implemented pursuant to Resolution No. 23/06/2026 of the Annual General Meeting of VRG S.A. dated June 25, 2026, on the adoption of the share-based incentive program, which covers the financial years 2026–2028. Under the incentive program, the number of shares allocated for its implementation may amount to a maximum of 8,440,410 shares. The buyback may result in a reduction in the number of shares outstanding and a change in the Company's equity structure. However, the final financial and capital consequences will only be determined after the process is completed, the final price and number of shares purchased are determined, and the transaction is settled.

In the Invitation, the Company reserved the right to revoke the Invitation both before and after the commencement of accepting sale offers. In particular, the Company may revoke the Invitation if another entity announces a tender offer to subscribe for the sale or exchange of Company shares, or if, in the Company's opinion, the acquisition of shares will not contribute to the achievement of the Company's objectives related to the implementation of the aforementioned incentive program. Pursuant to the Resolution of the General Meeting, the acquired treasury shares will be designated for offering to eligible persons under the incentive program. If, after offering the purchased shares to eligible persons under the rights granted to participants in the incentive program, not all shares are sold and the Company becomes the owner of treasury shares, the Management Board, subject to obtaining the required decisions from the Company's governing bodies, will take steps to redeem them.

6.6. SEASONALITY AND CYCLICALITY OF ACTIVITIES

Retail sales in both the apparel and jewellery sectors are characterized by significant seasonality. For the apparel market, the most favourable periods in terms of financial performance are the second and fourth quarters, while for the jewellery industry, it is the fourth quarter (especially December).

6.7. RELATED PARTY TRANSACTIONS

ENTITIES AND PERSONS ASSOCIATED WITH THE KEY MANAGEMENT PERSONNEL OF THE COMPANY AS AT 30 JUNE 2026, WITH WHOM TRANSACTIONS WERE CONCLUDED IN THE REPORTING PERIOD

In the first half of 2026, the Company entered into transactions with entities over which a member of the Company's key management personnel has significant influence or a significant number of votes, directly or indirectly.

- Colian Sp. z o.o. - purchase of products in the first half of 2026 in the amount of PLN 2,600 gross.

Key personnel are described in Note 6.15.

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

In the first half of 2026, the Parent Company did not issue, redeem or repay any equity securities.

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

The total amount of capital expenditures for the acquisition of property, plant and equipment in the consolidated statement of financial flows reported in the reporting period was PLN 32,100 thousand.

There were no significant sales transactions.

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

Not applicable.

6.11. DIVIDENDS PAID AND DECLARED

Dividend Policy at the VRG Capital Group

The Capital Group has a Dividend Policy adopted by the Management Board of the Parent Company on May 18, 2022, as follows:

One of the main goals of the Management Board of VRG S.A., with its registered office in Kraków (the "Company"), is to share profits with shareholders through the payment of dividends. The Management Board intends to recommend to shareholders the payment of dividends in accordance with this dividend policy.

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

Before submitting a recommendation to the Company's general meeting, the Company's Management Board will consider the following factors:

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

On May 18, 2026, VRG S.A. published Current Report No. 6/2026, in which the Management Board of VRG S.A. announced the adoption on May 18, 2026, of a resolution regarding the adoption of the motion of the Management Board of VRG S.A. to the Annual General Meeting of the Company regarding the distribution of the Company's net profit for the 2025 financial year.

The above motion included a recommendation not to pay a dividend from the Company's net profit for the 2025 financial year and to allocate the net profit reported in the Company's financial statements for the 2025 financial year in the amount of PLN 8,121,062.13 in its entirety to reserve capital. The above recommendation assumed a departure from the dividend policy adopted by the Company's Management Board on May 18, 2022 (the "Dividend Policy") with respect to the distribution of profit for 2025.

The recommendation stemmed from the need to ensure the Company's financial liquidity and capital necessary for the further development of its operations and the implementation of planned investments, including the development of the clothing and jewelry segments in terms of infrastructure supporting business management processes, as well as the opening of new or renovation of existing retail spaces in brick-and-mortar stores of the Company's Capital Group brands. At the same time, the Company's Management Board announced that it was considering requesting the General Meeting of the Company to adopt a resolution regarding the introduction of a long-term incentive program based on Company shares, addressed to the Company's Management Board, the Management Board of W.KRUK S.A., the Company's key management staff, and other individuals of significant importance to the Company and companies within its capital group. The incentive program referred to above could be implemented by granting eligible individuals, with their consent, rights in the form of a conditional right to acquire the Company's own shares using the Company's own shares that could be acquired by the Company pursuant to a resolution of the General Meeting. The recommendation regarding the distribution of net profit disclosed in the Company's financial statements for 2025, referred to above, met the requirements of Article 395 § 2 item 2) in conjunction with Article 396 of the Commercial Companies Code. At the same time, the Management Board announced that the resolution of the Supervisory Board regarding the adoption and presentation to the Annual General Meeting of VRG S.A. of the report on the Supervisory Board's assessment of the above proposal of the Management Board regarding the distribution of the Company's net profit for the 2025 financial year, submitted to a vote at the meeting of the Company's Supervisory Board on May 18, 2026, did not obtain the required majority of votes.

The final resolutions adopted by the Annual General Meeting on June 25, 2026, regarding the distribution of the Company's net profit for the 2025 financial year and the payment of dividends from net profits generated in previous years were shaped by both the Management Board's recommendations and the motions submitted by shareholders, as well as changes introduced to the agenda and draft resolutions before the Annual General Meeting.

On June 25, 2026, the Annual General Meeting adopted Resolution No. 7/06/2026 to allocate the entire net profit of VRG S.A. for the 2025 financial year to the Company's reserve capital, thus implementing the fundamental assumption of the Management Board's recommendation of May 18, 2026.

Regardless of the distribution of profit for 2025, on June 25, 2026, the Annual General Meeting adopted Resolution No. 25/06/2026 on the payment of a dividend from net profits generated in previous years and transferred to reserve capital. The dividend was set at PLN 0.05 per share, representing a total of PLN 11,722,792. The dividend record date was set for September 19, 2026, and the payment date was set for December 15, 2026.

6.12. PROCEEDINGS PENDING BEFORE COURTS OR PUBLIC ADMINISTRATION AUTHORITIES

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

6.13. TAX SETTLEMENTS

Polish tax regulations are subject to frequent changes, causing significant differences in their interpretation and significant uncertainties in their application. Tax authorities have audit instruments that enable them to verify tax bases (in most cases, within the previous five financial years) and impose penalties and fines. Consequently, determining tax liabilities, assets, and deferred tax liabilities may require significant judgment, including those related to transactions that have already occurred, and the amounts presented and disclosed in the financial statements may change in the future as a result of tax authority audits.

Tax Capital Group:

On November 15, 2024, the Management Board of VRG S.A. adopted a resolution regarding: consent to the conclusion of the Tax Capital Group Agreement ("TCG"), which included VRG S.A. and its subsidiary W. KRUK S.A.

The VRG Tax Capital Group Agreement was concluded on November 15, 2024, with the first tax year beginning on January 1, 2025, for a period of three years.

In the agreement establishing the Tax Capital Group, VRG S.A. was designated as the company representing the TCG with respect to obligations arising from the Corporate Income Tax Act and the Tax Ordinance.

On December 5, 2024, the Management Board of VRG S.A. received a decision from the Head of the First Mazovian Tax Office in Warsaw registering the agreement establishing the VRG Tax Capital Group.

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

In the first half of 2026, the Parent Company did not grant any additional guarantees to its subsidiaries other than those described in the annual report, the consolidated annual report for 2025, and in this section.

As of June 30, 2026, the balance of guarantees granted in previous periods by the Parent Company to the subsidiary DCG S.A. for DCG S.A.'s liabilities to Bank PKO BP S.A. arising from loan agreements is as follows:

Multi-purpose credit limit agreement up to PLN 18,000,000.00, concluded by the subsidiary DCG S.A. on June 26, 2015, as amended. One of the security measures for the repayment of DCG S.A.'s liabilities is: the bank under this agreement is guaranteed by the Parent Company up to a maximum amount not exceeding PLN 22,500,000, the guarantee is valid until July 14, 2031.

In connection with the conclusion of the final agreement in the execution of the transaction documentation concerning the acquisition of Lilou group companies and the disbursement of the investment loan, the companies acquired as part of the acquisition project, i.e. LILOU Sp. z o.o., BELLVER WK SPV 1 Sp. z o.o. Sp. kom., Lilou Online Shop WK SPV 1 Sp. z o.o. Sp. kom., Lilou Retail WK SPV 1 Sp. z o.o. Sp. kom., Logistics WK SPV 1 Sp. z o.o. Sp. kom., granted a guarantee to W.KRUK S.A. and WK SPV 1 Sp. z o.o. under the investment loan agreement up to PLN 180,000,000.00 each; the guarantee is valid until July 23, 2035.

6.15. REMUNERATION OF THE MANAGEMENT AND SUPERVISORY BOARD IN 1 HALF OF 2026

Management Board		PLN thousand
Mateusz Kolański	President of the Management Board	470
Michał Zimnicki	Executive Vice-President of the Management Board	270
Łukasz Bernacki	Executive Vice-President of the Management Board	60
Total		**800**

Supervisory Board		PLN thousand
Piotr Stępniak	Chair of the Supervisory Board	96
Piotr Łagowski	Deputy-Chair of the Supervisory Board	72
Piotr Kaczmarek	Member of the Supervisory Board	57
Marta Zgodzińska	Member of the Supervisory Board	57
Aleksandra Kolańska	Member of the Supervisory Board	51
Total		**333**

Management and supervisory personnel received remuneration for serving on the boards of subsidiaries. These remunerations for the first half of 2026 totalled:

		PLN thousand
Piotr Łagowski	Chair of the Supervisory Board of W. KRUK S.A.	25
Piotr Kaczmarek	Deputy-Chair of the Supervisory Board of W.KRUK S.A.	15
Łukasz Bernacki	President of the Management Board of W.KRUK S.A	372

		PLN thousand
Michał Zimnicki	Member of the Management Board of W.KRUK S.A,	132
Total		**554**

Managers are entitled to benefits specified in employment contracts or by virtue of appointment.

Apart from the benefits listed above, there were no other benefits for managers and supervisors, including, among others, benefits after the period of employment, benefits for termination of employment, other long-term benefits.

6.16. INDICATION OF FACTORS WHICH, IN THE ISSUER'S OPINION, WILL HAVE AN IMPACT ON THE RESULTS ACHIEVED BY THE CAPITAL GROUP IN THE PERSPECTIVE OF AT LEAST THE NEXT HALF A YEAR

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

The following factors may have a negative impact on the Group's financial results over the next few quarters:

- Ongoing geopolitical tensions in the Middle East are affecting global supply chains, particularly through disruptions in maritime transport and increased freight costs. Additionally, this situation may cause fluctuations in energy commodity prices and exchange rates.
- Further increases in precious metal prices.
- Inflation and price increases.
- Reduced consumption.
- Armed conflict in Ukraine.
- Depreciation of the Polish zloty against the US dollar, euro, and Swiss franc.
- The economic and social situation in Poland.
- Changes in customs policies in leading global economies.

The Group's financial results over the next few quarters may be positively impacted by:

- Expanding the Group's offerings and improving the offerings in key product categories.
- New, proprietary jewellery collections that have met customer tastes.
- The impact of implemented sales support projects (marketing automation and CRM; onebasket; AI-based replenishment and allocation model).
- Increased marketing expenditures and an improved marketing mix.
- Improved cost efficiency of the sales network and headquarters.
- Development of the online channel in the apparel and jewellery segments.
- Expansion of the jewellery segment's sales space.
- Appreciation of the PLN against the USD, EUR, and CHF.
- Acquisition of the Lilou group of companies.

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

The risk management process is implemented based on the Risk Management Policy of the VRG Capital Group. It supports the implementation of the Group's strategy and aims to guarantee an appropriate level of security of business activities and financial reporting. The Capital Group strives to recognize and manage risks related to the activities of the Group's companies at an early stage. The risk management process and methods are adequate to the scale of the Group's operations and adapted to the level of a given risk. The risk management process is systematic and subject to improvement - it is adapted to new factors and sources of risk, as well as the changing legal and economic environment. Risk management methods are periodically verified.

The Management Board is responsible for effective risk management. The Audit Committee, as a permanent collective body of the Supervisory Board, exercises constant supervision over the Management Board's activities in the field of risk management.

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

Risk	Risk management
Strategic risk	
Risk related to the macroeconomic and geopolitical situation	Risk related to the lack of a flexible response to the dynamically changing, unstable macroeconomic and geopolitical situation. Risk factors include in particular: weak economic growth, increasing unemployment, decline in individual consumption, rising inflation, energy crisis, increase in the minimum wage in Poland, conflict in Ukraine and in the Middle East, change in trade policies of key global economies. Risk mitigation mechanisms include: cost optimization. Continuous monitoring of the economic situation (analysis of the impact of the environment on operations), including ongoing monitoring of the situation in the Middle East and, based on this, review of development directions and goals. Diversification of supply sources and production locations. Withdrawal from high-risk projects.
Incorrect strategy	There is a risk that the objectives have been incorrectly defined and/or the incorrect method of achieving the outlined objectives has been adopted. The Group's assumptions will prove to be inappropriate to changing customer expectations or market conditions. There is a risk that the implementation of tasks will be delayed or that some elements will not be possible to implement or will not produce the expected results. Risk mitigation mechanisms include: Ongoing and periodic monitoring by the Management Boards and Supervisory Boards of Group companies of the implementation of assumptions based on indicators and defined goals. Based on this monitoring, verification of development directions and goals. Acquisition and analysis of market, customer, and competitive data. Optimization of store stock levels and inventory levels. Implementation of new initiatives. Verification of the profitability of the company's own stores – increasing sales per square meter and improving the network's EBIT. Support for offline and on-line traffic and building brand awareness. A multibrand project as an offer for franchisees. Incentive programs for sales advisors. The company's mission in the spirit of slow fashion and market communication. Sales development in markets other than Poland. Investment in the development of the e-commerce channel. Acquisition of the Lilou brand - acquiring a strong and recognizable brand with an established market position, offering a unique product and range that does not compete directly with W.KRUK's offer, with a different price positioning and access to a different, younger target group, with significant potential for further development.

Unsuccessful collection and its suboptimal introduction	VRG operates on a very competitive, changeable and demanding apparel market. An incorrectly planned collection, an unsuccessful collection or its suboptimal introduction may have a significant impact on the Company's financial result. Risk mitigation mechanisms include: Monitoring and analysing the latest fashion trends for brand consistency. Defining the target audience for each brand. Communicating collections externally. Diversifying brand IDs. Monitoring consumer behaviour. Adjusting the assortment plan to budget and sales peaks. Sales ranking analysis, customer and store manager feedback, post-season collection reviews, and developing new products based on these. Collection pyramid – optimal distribution of core, commercial, and trend products. Pricing policy optimization. Permanent inventory, ensuring the availability of core products. Competitor analysis. Updating the buyer and design calendar. Diversifying markets and suppliers. Regularly supplementing the offer with new products (seasonal and trend-driven).
Suboptimal sales and purchasing budget planning	Risk related to the sales and purchasing budget planning process. Errors in planning can have a key impact on the financial result. Risk mitigation mechanisms include: Sales budget (turnover and margin plan). Constant monitoring and analysis of results, adapting the plan to the size of the retail space. Optimize the resale percentage of your new collection. Dedicated team of experts.

Financial risks	
Currency risk	The Group generates revenues mainly in PLN, but incurs significant costs in EUR, US dollars and Swiss francs, which exposes the financial result to exchange rate risk. In periods of weakening of the Polish zloty in relation to the main settlement currencies, the Group incurs higher costs. At the same time, a potentially negative valuation of liabilities in foreign currencies results in a deterioration of the balance sheet structure. An important element of risk is the valuation of accumulated lease liabilities for the rental of commercial premises. Risk mitigation mechanisms include: Creating a currency flow forecast. Using hedging instruments (in the event of negative forecasts regarding future exchange rates). Maintaining a currency risk reserve at the budget level. Purchasing currency through negotiated transactions (spot transactions). Managing prices while taking into account fluctuating exchange rates. Using forecasts regarding future exchange rates. Using reverse factoring in currencies. Maintaining active treasury limits to enter into forward transactions.
Credit risk	Group companies are parties to loan agreements. These agreements contain a number of conditions and covenants that the companies are obligated to adhere to. In the event of an economic downturn or weakening demand for the companies' products, compliance with the covenants may be jeopardized, creating a risk of termination of the agreements by the financing banks. Due to the large amount of financing, the companies may not be able to obtain refinancing in a short time. Risk mitigation mechanisms include: timely payment of obligations to banks. Monitoring compliance with covenants (including monitoring the valuation of collateral, e.g., trademarks and inventories). Providing ongoing information on the financial situation to

	financing banks. External audits of financial statements (annual and semi-annual) confirming the accuracy of data.
Liquidity risk	The Group has liabilities under bank loan agreements and trade liabilities. The above liabilities are serviced primarily using current operating cash flows. In the extreme case of a sudden, simultaneous drop in demand and an increase in costs (especially in the event of a deep weakening of the Polish zloty) or a temporary loss of revenues as a result of extraordinary events, the Group may experience difficulties in maintaining financial liquidity. Risk mitigation mechanisms include: Developing a budget for a given year. Monitoring the cash flow process. Managing payment deadlines.

Operating risks	
Cybersecurity risk	Cybersecurity risk is the risk of attack, damage or unauthorized access to an enterprise's data, IT networks, devices and programs. Technical safeguards do not eliminate risk. The human factor may be a weak point leading to risk. Risk mitigation mechanisms include: System authorization processes and procedures for managing access to internal systems. Continuous system updates of technical and antivirus security measures. Employee training, awareness building, informational materials, and procedures. External security audits.
Delays in supplies	Risk related to delays in deliveries of finished products, raw materials and accessories. Potential delays may result in loss of sales potential and affect the financial result. Risk mitigation mechanisms include: monitoring deliveries. Verification of logistics operators, collaboration with reliable suppliers of goods and transport services. Requirements for suppliers of goods and transport services, as well as quality control. If necessary, changing the mode of transport or service. Insurance. Limiting the number of air freight shipments through the Middle East and ongoing monitoring of the situation in the Middle East. Securing an adequate supply of packaging.

TABLE OF SENSITIVITY OF FINANCIAL RESULT TO CHANGES IN EXCHANGE RATES OF BALANCE SHEET ITEMS:

PLN m	Exchange rate fluctuations	EUR	USD	CHF
Financial assets				
Cash		0	0	0
Trade receivable		3.6	7.2	0.2
Liabilities				
Factoring liabilities		0	0,6	0

PLN m	Exchange rate fluctuations	EUR	USD	CHF
Trade liabilities		16.5	19.1	30.9
Lease liabilities		368.3	0	0
Currency risk exposure (net)				
Balance as at 30.06.2026				
Increase in FX	+5%	-19.1	-0.6	-1.5
Decrease in FX	-5%	19.1	0.6	1.5
Balance as at 30.06.2025				
Increase in FX	+5%	-15.8	-0.9	-0.6
Decrease in FX	-5%	15.8	0.9	0.6

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

During the reporting period, the acquisition of the Lilou group of companies had a significant impact on the financial statements. This transaction is described in section 1.4. Acquisition of Control over Entities. No other events, including unusual ones, were recorded that would have a significant impact on assets, liabilities, equity, net profit, or cash flows.

6.19. APPROVAL OF THE FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved for publication and signed by the Parent's Management Board on August 20, 2026.

7. STATEMENT OF THE MANAGEMENT BOARD

The Management Board of the Parent Company declares that, to the best of its knowledge, the interim condensed consolidated financial statements and comparative data have been prepared in accordance with applicable accounting principles and that they truly, fairly, and clearly reflect the assets and financial position of the VRG Group and its financial results.

The Management Board of the Parent Company declares that the report on activities provides a fair view of the development and profitability of the business and situation of the VRG Group, as well as the consolidated entities taken as a whole, including a description of the key risks and uncertainties, and that the Management Board's report on the activities of the VRG Group has been prepared in accordance with the requirements of the Accounting Act.

Mateusz Kolański	**Michał Zimnicki**	**Łukasz Bernacki**
President of the Management Board	Executive Vice-President of the Management Board	Executive Vice-President of the Management Board

Signature of the person entrusted with keeping the accounting books

Ewa Bosak

....

Chief Accountant

Kraków, dnia 20 sierpnia 2026 roku

VISTULA BYTOM WÓLCZANKA DENI CLER W.KRUK Lilou

VRG
VISTULA RETAIL GROUP

REPORT OF THE MANAGEMENT BOARD ON OPERATIONS

OF VRG S.A. CAPITAL GROUP

FOR FOR 6 MONTHS ENDING JUNE 30, 2026

Cracow, August 20, 2026

1. GENERAL INFORMATION

1.1. NAME, REGISTERED OFFICE, BUSINESS ACTIVITY

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

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

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

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

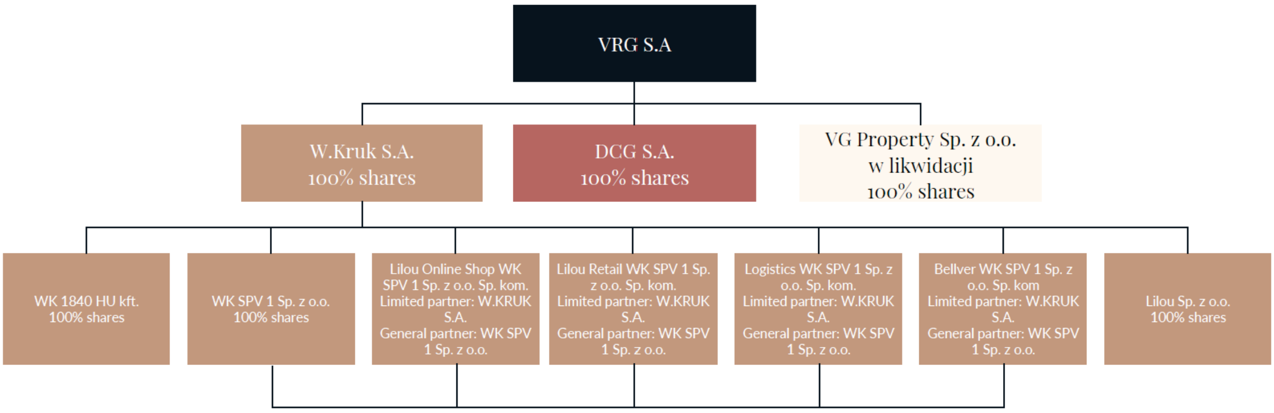
The company is one of the first companies that were listed on the Warsaw Stock Exchange S.A. First listing of VRG S.A. took place on September 30, 1993.

COMPANY'S KEY CORPORATE MILESTONES

1948	Ordinance of the Minister of Industry and Trade on creation of a state-owned enterprise under the name "Krakowskie Zakłady Przemysłu Odzieżowego" (Cracow Clothing Production Facility).
1991	Transformation into a sole-shareholder company of the State Treasury under the business name: Zakłady Przemysłu Odzieżowego "Vistula" Spółka Akcyjna.
1993	Issuer's debut on the Warsaw Stock Exchange S.A.
2001	Registration of a new company name: Vistula Spółka Akcyjna.
2005	Beginning of the process of intensive expansion of the store network and renewal of the positive image of the Vistula brand.
2006	Merger with Wólczanka S.A. (change of the company name to Vistula & Wólczanka S.A.).
2008	Taking over control and merger with W.KRUK S.A in Poznań (change of the company name to Vistula Group S.A.).
2015	Transfer of jewellery business conducted under the W.KRUK brand to W.KRUK S.A. subsidiary.
2018	Merger with Bytom S.A. (change of the company name to VRG S.A.).
2019	Merger with subsidiary BTM 2 Sp. z o.o.
2023	Beginning of W.KRUK's expansion on the Hungarian market.
2026	Taking control over group of Lilou companies by W.KRUK S.A. subsidiary.

The lifespan of the Issuer is indefinite.

1.2. STRUCTURE OF VRG S.A. CAPITAL GROUP



As at the end of I half of 2026 VRG S.A. Capital Group consisted of the following entities:

– **VRG S.A.** - Parent Company
  The company's business activity is the retail sale of clothing, footwear and accessories; the company also holds shares in subsidiaries.
– **W.KRUK S.A.** based in Cracow, Pilotów 10 St.; post code 31-462. The company was registered in the District Court for Cracow Śródmieście, XI Commercial Division of the National Court Register (KRS) under number KRS 0000500269.
  The company specialises is design, manufacturing and retail sales of brand luxury products such as jewellery, watches and accessories.
  Share in equity: 100.0%. Share in votes at the General Shareholder Meeting: 100.0%
– **WK 1840 HU Kft.** based in Budapest, Republic of Hungary. The company is registered at the Commercial Court of the Metropolitan Court of Buda-pest under the number CG.01-09-421401/8. The company is a subsidiary of W.KRUK S.A. based in Cracow.
  The company's core business is retail sales of jewellery and accessories under the W.KRUK brand in Hungary.
  Share of W.KRUK S.A. in the company's share capital is 100% and has 100% of votes at the Shareholders' Meeting.
– **DCG S.A.** based in Warsaw, Bystrzycka 81a St., post code 04-907. The company was registered in the District Court for Warsaw, the XXI Commercial Division of the National Court Register (KRS) under number KRS 0000285675.
  The company specialises in retail sale of clothing.
  Share in equity: 100.0%. Share in votes at the General Shareholder Meeting: 100.0%
– **VG Property Sp. z o.o. w likwidacji** (in liquidation) based in Cracow, Pilotów 10 St., post code: 31-462. The company was registered in the District Court for Cracow Śródmieście, XI Commercial Division of the National Court Register (KRS) under number KRS 0000505973.
  The company specialises in renting and managing of own or leased real estate.
  Share in equity: 100.0%. Share in votes at the General Shareholder Meeting: 100.0%
– **WK SPV 1 Sp. z o. o.** with its registered office in Cracow, at 10 Pilotów Street, postal code: 31-462, is registered in the Register of Entrepreneurs of the National Court Register at the District Court for Cracow -Śródmieście in Cracow, 11th Commercial Division, under KRS number 0001180127.
  The company's principal activity is business and management consultancy and the operation of its head offices.
  The company is a subsidiary of W.KRUK S.A., with its registered office in Cracow.
  W.KRUK S.A. holds 100% of the shares and 100% of the votes at the General Meeting of Shareholders of WK SPV 1 Sp.
– **LILOU Sp. z o.o.,** with its registered office in Warsaw, at ul. Józefa Lewartowskiego 6, postal code 00-190, is registered in the Register of Entrepreneurs of the National Court Register at the District Court for the Capital City of Warsaw, XII Commercial Division of the National Court Register, under KRS number 0000346352. The company is a subsidiary of W.KRUK S.A., with its registered office in Kraków. The company operates as a retail jewellery retailer through brick-and-mortar channels.
  W.KRUK S.A. holds 100% of the shares in LILOU sp. z o.o.'s share capital, which entitles it to 100% of the votes at the company's General Meeting of Shareholders.
– **BELLVER WK SPV 1 Sp. z o.o. Sp. kom.**, with its registered office in Warsaw at ul. Józefa Lewartowskiego 6, postal code 00-190. The company is registered in the Register of Entrepreneurs of the National Court Register at the District Court for the

capital city of Warsaw in Warsaw, XIIth Commercial Division of the National Court Register, under KRS number 0000654002. The company is a subsidiary of W.KRUK S.A., headquartered in Cracow. The company conducts business by granting licenses to companies to use trademarks and industrial designs. The sole general partner of the company is WK SPV 1 Sp. z o.o.
The sole limited partner of the company is W.KRUK S.A.

- **Lilou Online Shop WK SPV 1 Sp. z o.o. Sp. kom.** with its registered office in Warsaw at ul. Józefa Lewartowskiego 6, postal code 00-190. The company is registered in the Register of Entrepreneurs of the National Court Register at the District Court for the capital city of Warsaw in Warsaw, XII Commercial Division of the National Court Register, under KRS number 0000663850. The company is a subsidiary of W.KRUK S.A., headquartered in Cracow. The company operates in the online retail sales of jewellery. The sole general partner of the company is WK SPV 1 Sp. z o.o.
  The sole limited partner of the company is W.KRUK S.A.
- **Lilou Retail WK SPV 1 Sp. z o.o. Sp. kom.**, with its registered office in Warsaw at ul. Józefa Lewartowskiego 6, postal code 00-190. The company is registered in the Register of Entrepreneurs of the National Court Register at the District Court for the capital city of Warsaw, XII Commercial Division of the National Court Register, under KRS number 0000675663. The company is a subsidiary of W.KRUK S.A., headquartered in Cracow. The company operates in the retail sale of jewellery through brick-and-mortar channels. The sole general partner of the company is WK SPV 1 Sp. z o.o.
  The sole limited partner of the company is W.KRUK S.A.

Consolidated financial statements for 1H26 include data of the Parent Company and subsidiaries: W.KRUK S.A., WK 1840 HU Kft, DCG S.A. i VG Property Sp. z o.o. w likwidacji (in liquidation) and subsidiaries of W.KRUK S.A.: WK 1840 HU Kft, WK SPV 1 Sp. z o .o., LILOU Sp. z o.o., BELLVER WK SPV 1 Sp. z o.o. Sp. kom., Lilou Online Shop WK SPV 1 Sp. z o.o. Sp. kom., Lilou Retail WK SPV 1 Sp. z o.o. Sp. kom., Logistics Retail WK SPV 1 Sp. z o.o. Sp. kom.

CHANGES IN THE CAPITAL GROUP STRUCTURE IN THE FIRST HALF OF 2026 AND AFTER THE BALANCE SHEET DATE

On January 8, 2026, W.KRUK S.A. and its subsidiary WK SPV 1 Sp. z o.o. signed agreements with MYVOG Fundacja Rodzinna with its registered office in Warsaw, Retail sp. z o.o. with its registered office in Warsaw, Online Shop sp. z o.o. with its registered office in Warsaw, and Santa Catalina sp. z o.o. with its registered office in Warsaw, finalized in the execution of the transaction documentation concerning the acquisition of the group of Lilou companies, i.e., the shares and rights and obligations of partners in the following entities: Lilou Sp. z o.o., Bellver WK SPV 1 Sp. z o.o., joint-stock company, Lilou Online Shop WK SPV 1 Sp. kom., Lilou Retail WK SPV 1 Sp. z o. o. Sp. kom. i Logistics WK SPV 1 Sp. z o. o. Sp. kom.

The first half of 2026 was a period of significant changes in the structure of the VRG Capital Group related to implementation of development activities planned in the Company's strategy.

The most important event was the acquisition of control over the group of Lilou companies, owner of one of the most recognizable Polish brands of personalized jewellery.

As a result of the transaction, the Group expanded its portfolio with a brand with an established market position, an extensive traditional stores network and e-commerce channel, as well as a recognizable business model based on a high level of product personalization and strong customer relationships.

From the Group's perspective, the acquisition of the Lilou brand enables the Group to expand our presence in an attractive market segment, increase the scale of our operations, and create conditions for leveraging operational and organizational synergies between individual Group companies.

From the balance sheet date of June 30, 2026, to the date of signing this report, there were no changes in the structure of the VRG S.A. Capital Group, and no other capital investments were made.

1.3. COMPOSITION OF VRG S.A. MANAGEMENT AND SUPERVISORY BOARD

MANAGEMENT BOARD

As at June 30, 2026, the composition of the Management Board of VRG S.A. was the following:

Management Board	**Mateusz Kolański** **President of the Management Board**	**Michał Zimnicki** Executive Vice-President of the Management Board	**Łukasz Bernacki** Executive Vice-President of the Management Board

In the period from January 1, 2026 to June 30, 2026, there were no changes in the composition of the Parent Company's Management Board.

In the period from the balance sheet date, i.e. June 30, 2026, to the date of signing this report, the above composition of the Parent Company's Management Board has not changed.

SUPERVISORY BOARD

Na dzień 30 czerwca 2026 roku skład Rady Nadzorczej VRG S.A. był następujący:

<table>
<tr><td rowspan="2">Supervisory Board</td><td rowspan="2">Piotr Stępniak
Chair of the Supervisory Board</td><td>Piotr Łagowski
Deputy-Chair of the Supervisory Board</td><td>Piotr Kaczmarek
Member of the Supervisory Board</td></tr>
<tr><td>Marta Zgodzińska
Member of the Supervisory Board</td><td>Aleksandra Kolańska
Member of the Supervisory Board</td></tr>
</table>

In the period from January 1, 2026 to June 30, 2026, there were no changes in the composition of the Parent Company's Supervisory Board.

In the period from the balance sheet date, i.e. June 30, 2026, to the date of signing this report, the above composition of the Parent Company's Supervisory Board has not changed.

1.4. APPROVAL OF THE FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved for publication and signed by the Management Board of the parent company on August 20, 2026.

1.5. GOING CONCERN

The interim condensed consolidated financial statements of the VRG S.A. Capital Group (hereinafter also referred to as the "Capital Group" or "VRG Group") have been prepared on the assumption that the Capital Group companies will continue as going concerns in an unchanged form and scope for a period of at least 12 months from the date of the financial statements, i.e. June 30, 2026, with the exception of the subsidiary VG Property Sp. z o.o. w likwidacji (in liquidation), the liquidation of which is planned to be completed within the next 12 months. In the opinion of the Parent Company's Management Board, as at the date of approval of these interim consolidated financial statements, there are no indications or circumstances that would indicate a threat to the Group's ability to continue as a going concern in the foreseeable future.

2. PRINCIPLES OF PREPARATION OF THE FINANCIAL STATEMENTS

Podmiotem uprawnionym do przeglądu sprawozdań finansowych w zakresie jednostkowego i skonsolidowanego sprawozdania finansowego Spółki dominującej za I półrocze 2026 roku była spółka Grant Thornton Polska P.S.A., z którą w dniu 29 lipca 2024 roku została zawarta umowa na przegląd jednostkowych i skonsolidowanych śródrocznych sprawozdań finansowych Spółki i Grupy oraz badania jednostkowych i skonsolidowanych rocznych sprawozdań finansowych Spółki i Grupy za okres 2024-2026.

These interim condensed consolidated financial statements for the first half of 2026 have been prepared in accordance with International Accounting Standard No. 34 "Interim Financial Reporting" as endorsed by the EU ("IAS 34"). These interim condensed consolidated financial statements present the Group's financial position as of June 30, 2026, December 31, 2025, and June 30, 2025, the results of its operations for the six- and three-month periods ended June 30, 2026, and June 30, 2025, and cash flows for the six- and three-month periods ended June 30, 2026, and June 30, 2025.

The principles for preparing the financial statements are described in Section 3 of the Condensed Consolidated Interim Financial Statements of the VRG S.A. Capital Group for the first half of 2026.

The entity authorized to review the financial statements in the scope of the separate and consolidated financial statements of the Parent Company for the first half of 2026 was Grant Thornton Polska P.S.A., with which on July 29, 2024, an agreement was concluded for the review of the separate and consolidated interim financial statements of the Company and the Group and the audit of the separate and consolidated annual financial statements of the Company and the Group for the period 2024-2026.

OPERATING SEGMENTS

The Group specializes in the design and retail sale of branded men's and women's clothing positioned in the middle and upper segment of the market, as well as luxury jewellery and watches. Currently, it is building sales based on the brands Vistula, Bytom, Wólczanka, W.KRUK (through a subsidiary), Lilou (through subsidiaries) and Deni Cler (through a subsidiary).

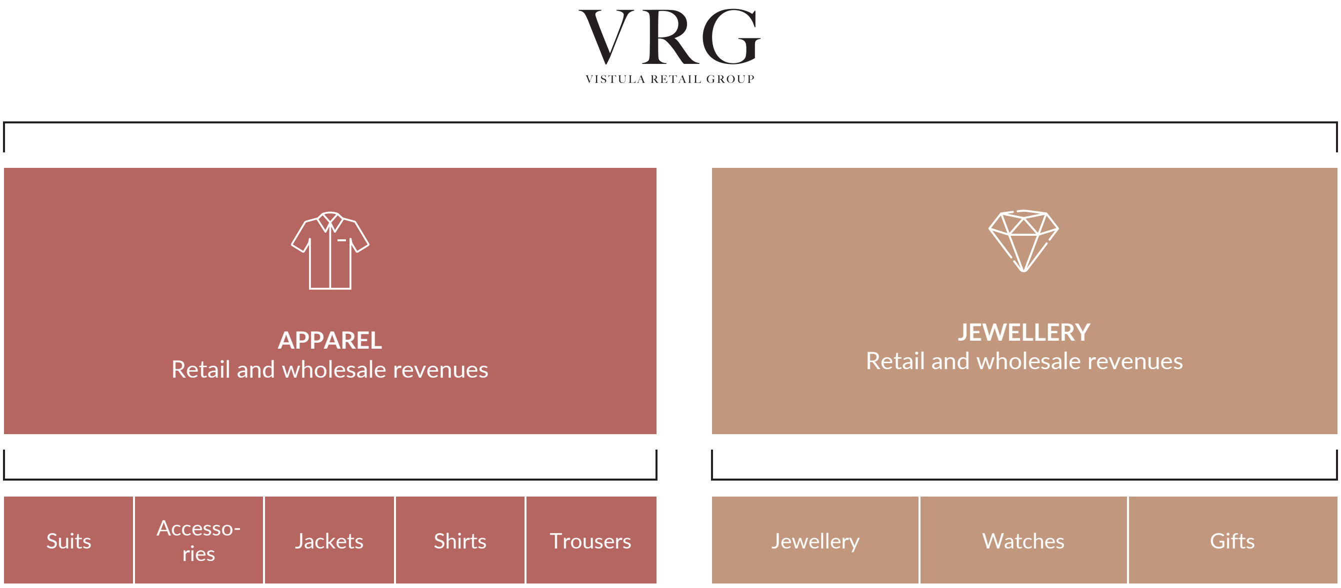
The Group runs two business segments: apparel and jewellery. These segments are the basis for preparing the Group's reports.

The Group's primary segments:

– Retail and wholesale of apparel

– Retail and wholesale of jewellery and watches.

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



BRANDS IN THE APPAREL SEGMENT:

VISTULA BRAND:

Vistula is a brand with a long tradition, present on the Polish market since 1967. Its designs combine timeless styles, patterns, and cuts with current fashion trends, giving classic clothing a modern character. Vistula offers a wide selection of suits, jackets, trousers, shirts, and other complementary accessories.

The brand's wide range meets the needs of men, offering timeless wardrobe staples that can be easily created for various occasions.

In 2021, a women's line was launched. The collections are dedicated to women who value quality, comfort, and a timeless character. The offering includes both formal items such as suits, jackets, and shirts, as well as casual items such as jeans, sweaters, and T-shirts.

BYTOM BRAND:

BYTOM is a Polish brand with a history beginning in 1945, where tradition meets the modern vision of tailoring and men's fashion. Based on over several decades of heritage, the brand offers men's fashion collections, in which a special place is occupied by suits made of noble Italian fabrics, sewn in Polish sewing facilities.

BYTOM is not only the art of tailoring. The brand refers to the Polish cultural heritage by creating limited collections inspired by the work of outstanding personalities, inviting people who have a significant impact on the development of Polish culture and art to cooperate.

WÓLCZANKA BRAND:

A brand established in 1948, Wólczanka has been making shirts for generations. Years of experience have made them experts and allowed them to earn the trust of millions of customers. The brand offers high-quality men's shirts, and from the Autumn/Winter 2014 season, also women's shirts, both formal and casual. As an expert in shirts, they complement this assortment with a corresponding selection of knit-wear, T-shirts, and polo shirts, focusing on creating a modern brand image that combines elegance with comfort and a style that empha-sizes the joy of living and the ability to make fashion choices close to your needs.

DENI CLER MILANO BRAND:

Since its establishment in 1971 in Mantua, Italy, Deni Cler Milano has been dressing women aware of their femininity, value and strength. In 1991, the brand appeared on the Polish market, introducing a new quality in women's fashion. To this day, it remains synonymous with elegance and refined taste, while being in line with current global trends.

Collections signed with the Deni Cler Milano logo are made of Italian fabrics. The materials used to produce clothes are primarily wool, cash-mere and silk. The brand's assortment includes mainly: coats, dresses, jackets, trousers, skirts, blouses.

BRANDS IN THE JEWELLERY SEGMENT:

W.KRUK is the oldest jewellery brand in Poland, with a 185-year tradition. W.KRUK's offerings include gold and platinum jewellery, partic-ularly those with diamonds and precious stones. W.KRUK also creates the highest quality collections made of silver and other precious metals. The brand offers numerous original jewellery lines with a unique character. The distinctive style of W.KRUK products is the result of the work of its designers, projects inspired by its ambassadors (including Martyna Wojciechowska's Freedom collection and PEŁNIA Nosowska x W.KRUK), and an expert and innovative approach to jewellery. Some of the image collections presented annually are made in the brand's Manufaktura near Poznań, one of the few in Europe still using traditional manufacturing techniques. In W.KRUK's workshops, handcrafted craftsmanship is combined with cutting-edge technologies. In 2019, W.KRUK was the first in Poland to introduce jewellery featuring a new category of lab-created diamonds to its chain of stores, marketed under the brand name New Diamond by W.KRUK. These diamonds have identical parameters to diamonds mined using traditional methods and are classified according to the same parameters, using the same expert evaluation standards. W.KRUK is expanding its offerings of both luxury and fashion jewellery. Since 2016, the brand's assortment has been complemented by a selection of W.KRUK accessories, such as leather bags and accessories, silk scarves, sunglasses, and perfumes.

Lilou

Lilou is a jewellery brand based on the concept of personalization and an individual approach to the customer. Founded in 2008 by Magdalena Mousson-Lestang, the brand has since its inception revolved around the idea of jewellery that conveys personal emotions and meaning. Lilou positions itself as a brand combining original design, high-quality craftsmanship, and a modern approach to customer service. It operates a network of boutiques across Poland, each with its own atelier, where engravings and jewelry compositions are created according to customer requests. Lilou also has a dynamically developing on-line store.

The brand's DNA is based on the idea of personalization through engraving and the creation of unique compositions with personal meaning. This allows the jewelry not to follow passing trends but to build a lasting, emotional bond with the wearer, becoming a personal talisman. One of the brand's key values is authenticity. All designs are created in its own design studio and are legally protected.
Lilou's consistent aesthetic is based on subtlety, symbolism, and timelessness, building a strong and recognizable identity. Social involvement is a key element of the brand's philosophy. Since its inception, Lilou has supported charitable initiatives through dedicated collections, treating social responsibility as a natural extension of customer relationships and its values. Thanks to its consistent vision, distinct DNA, and focus on the quality of the customer experience, Lilou is now a leader in the personalized jewellery segment in Poland.

WATCHES AND EXTERNAL BRANDS

W. KRUK offers watches from the most prestigious brands, such as Rolex, Patek Philippe, Cartier, Chopard, Bulgari, IWC, Hublot, Jaeger Le Coutre, Panerai, Zenith, Franck Muller, Omega, Tudor, Grand Seiko Tag Heuer, Longines, Norqain, Maurice Lacroix, Raymond Weil, Rado, Frederique Constant, Epos, Certina, Tissot, Aviator, Atlantic, Garmin, Seiko, Citizen, Orient, G-Shock, Timex, as well as fashion brands such as Gucci, Fossil, Herbelin, Tommy Hilfiger, Guess, Hugo Boss, and others. The watches from renowned brands sold in W.KRUK stores hold a strong position in the Polish market, and their sales value is steadily increasing.
In addition to its own signature and classic jewellery collections, W.KRUK also boasts a portfolio of products from prestigious jewellery manufacturers from around the world (external brands). W.KRUK selects brands with which it shares a long-standing legacy, a renowned reputation, and jewellery designed and crafted by talented designers and master goldsmiths. This combines designs by distinguished jewellers from around the world with the diamond collections of Poland's oldest jewellery brand to create a unique selection of the most precious jewellery. In select stores, W.KRUK offers pieces from brands such as Chopard, Pomellato, Pasquale Bruni, Marco Bicego, Recarlo, Nanis, Gucci, Hulchi Belluni, Dolce&Gabbana, Cammilli Firenze.

The majority of the Capital Group's sales are generated in the Polish market. Some sales involve shipping the Group's goods abroad, and since November 2023, sales have been conducted at W.KRUK brand stores in Hungary.

PRODUCTION ACTIVITY:

Within the apparel segment of VRG S.A. cooperates with proven independent producers who guarantee the highest level of sewing and packaging services and offer competitive prices.

The Group's own production activities in the jewellery segment are carried out in the Issuer's subsidiary, i.e. W.KRUK S.A. in the jewellery factory in Komorniki near Poznań. Our own production covers selected product lines, while most of the offer is produced in cooperation with proven external production partners, guaranteeing the highest quality of workmanship.

SEASONALITY AND CYCLICALITY OF ACTIVITIES

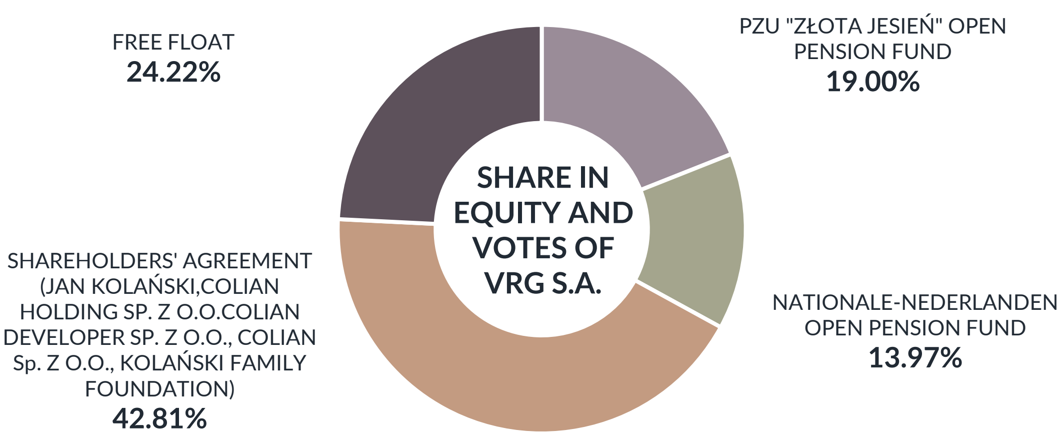
Retail trade, both in the apparel sector and in the jewellery industry, is characterized by significant seasonality of revenues. For the apparel market, the most favourable period from the point of view of the generated financial result is the period of the 2nd and 4th quarter, while in the case of the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

3. SHARE CAPITAL AND SHAREHOLDERS

SHAREHOLDERS HOLDING DIRECTLY OR INDIRECTLY THROUGH SUBSIDIARIES AT LEAST 5% OF THE TOTAL NUMBER OF VOTES AT THE GENERAL MEETING OF SHAREHOLDERS OF VRG S.A. AS AT THE DATE OF PREPARATION OF THE CONSOLIDATED HALF-YEAR REPORT AND INDICATION OF CHANGES IN THE OWNERSHIP STRUCTURE OF SIGNIFICANT HOLDINGS OF VRG S.A. IN THE PERIOD SINCE THE LAST CONSOLIDATED QUARTERLY REPORT.

SHARE CAPITAL OWNERSHIP STRUCTURE, ACCORDING TO THE COMPANY'S INFORMATION AS AT THE DATE OF SIGNING THE CONSOLIDATED SEMI-ANNUAL REPORT FOR THE FIRST HALF OF 2026

As at the date of the consolidated semi-annual report for the first half of 2026, the share capital of VRG S.A. is divided into 234,455,840 ordinary bearer shares, which gives a total of 234,455,840 votes at the General Meeting of Shareholders of VRG S.A. ("Company").



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

Shareholders	Number of shares held	Share in equity (in %)	Number of votes at the AGM	Share in the total number of votes at the AGM (in %)
Shareholders' Agreement (Jan Kolański, Colian Holding Sp. z o.o. Colian Developer sp. z o.o., Colian sp. z o.o., Kolański Family Foundation)[1]	100,381,828	42.81	100,381,828	42.81
PZU „Złota Jesień" Open Pension Fund [2]	44,537,016	19.00	44,537,016	19.00
Nationale-Nederlanden Open Pension Fund [3]	32,750,487	13.97	32,750,487	13.97

[1] Information provided based on a notification received by the Company under the provisions of Article 69 in conjunction with Article 87 section 1 item 5) of the Act of July 29, 2005 on public offering and conditions governing the introduction of financial instruments to organized trading and on public companies and on the basis of the number of shares held by the Company's shareholders at the Annual General Meeting on June 25, 2026 - concerns shares held jointly by a shareholders' agreement consisting of: Mr. Jan Kolański, Colian Holding Sp. z o.o. with its registered office in Opatówek, Colian Developer Sp. z o.o. with its registered office in Kalisz, Colian sp. z o.o. with its registered office in Opatówek and Kolański Foundation Family Foundation with its registered office in Opatówek.

According to the information available to the Company under the shareholders' agreement referred to above:

- Mr. Jan Kolański holds 1,300,000 shares in the Company, representing 0.55% of the Company's share capital and entitling him to 1,300,000 votes, representing 0.55% of the total number of votes at the General Meeting of the Company,

- Colian Holding Sp. z o.o. does not hold any shares in the Company,

- Colian Developer Sp. z o.o. does not hold any shares in the Company,

- Colian sp. z o.o. holds 33,461,557 shares in the Company, representing 14.27% of the share capital of the Company and entitling it to 33,461,557 votes, representing 14.27% of the total number of votes at the General Meeting of the Company,

- Kolański Family Foundation holds 65,620,271 shares in the Company, representing 27.99% of the share capital and entitling it to 65,620,271 votes, representing 27.99% of the total number of votes at the General Meeting of the Company.

2 information provided based on the number of the Company's shares held by the PZU "Złota Jesień" Open Pension Fund at the Annual General Meeting on June 25, 2026.

3 information provided based on the number of shares held by Nationale-Nederlanden Open Pension Fund at the Annual General Meeting on June 25, 2026.

CHANGES IN THE OWNERSHIP STRUCTURE OF SIGNIFICANT BLOKES OF THE COMPANY'S SHARES FROM THE DATE OF SUBMITTING THE LAST CONSOLIDATED QUARTERLY REPORT FOR THE FIRST QUARTER OF 2026 (MAY 21,2026)

To the best of the Company's knowledge, the following changes in the ownership structure of significant blocks of the Company's shares took place since the date of publication of the last consolidated quarterly report for the first quarter of 2026 (May 21, 2026):

Shareholders' agreement (Jan Kolański, Colian Holding Sp. z o.o. Colian Developer sp. z o.o., Colian sp. z o.o., Kolański Family Foundation)	Number of shares held	Share in equity (in %)	Number of votes at the AGM	Share in the total number of votes at the AGM (in %)
Balance as at 21.05.2026[1], including:	99,823,010	42.58	99,823,010	42.58
Jan Kolański	2,000,000	0.85	2,000,000	0.85
Colian Holding sp. z o. o.	0	0	0	0
Colian Developer sp. z o. o.	0	0	0	0
Colian sp. z o. o.	33,461,557	14.27	33,461,557	14.27
Kolański Family Foundation	64,361,453	27.45	64,361,453	27.45
Balance as at 20.08.2026[2], including:	100,381,828	42.81	100,381,828	42.81
Jan Kolański	1,300,000	0.55	1,300,000	0.55
Colian Holding sp. z o. o.	0	0	0	0
Colian Developer sp. z o. o.	0	0	0	0
Colian sp. z o. o.	33,461,557	14.27	33,461,557	14.27
Kolański Family Foundation	65,620,271	27.99	65,620,271	27.99

[1] information provided is based on a notification received by the Company under the provisions of Article 69 in conjunction with Article 87 section 1 item 5) of the Act of July 29, 2005 on public offering, conditions governing the introduction of financial instruments to organized trading, and public companies – and concerns shares held jointly by a shareholders' agreement consisting of: Mr. Jan Kolański, Colian Holding Sp. z o.o. with its registered office in Opatówek, Colian Developer Sp. z o.o. with its registered office in Kalisz, Colian sp. z o.o. with its registered office in Opatówek and Kolański Foundation Fundacja Rodzinna with its registered office in Opatówek.

[2] ⁱnformation provided based on a notification received by the Company under the provisions of Article 69 in conjunction with Article 87 section 1 item 5) of the Act of July 29, 2005 on public offering and conditions governing the introduction of financial instruments to organized trading and on public companies and on the basis of the number of shares held by the Company's shareholders at the Annual General Meeting on 25 June 2026 - concerns shares held jointly by a shareholders' agreement consisting of: Mr. Jan Kolański, Colian Holding Sp. z o.o. with its registered office in Opatówek, Colian Developer Sp. z o.o. with its registered office in Kalisz, Colian sp. z o.o. with its registered office in Opatówek and Kolański Foundation Family Foundation with its registered office in Opatówek.

PZU „Złota Jesień" Open Pension Fund and PZU Voluntary Pension Fund	Number of shares held	Share in equity (in %)	Number of votes at the AGM	Share in the total number of votes at the AGM (in %)
Balance as at 21.05.2026[1]	45,589,125	19.44	45,589,125	19.44
Balance as at 20.08.2026[2]	44,537,016	19.00	44,537,016	19.00

[1]information provided based on the number of the Company's shares held jointly by the funds PZU "Złota Jesień" Open Pension Fund and PZU Voluntary Pension Fund managed by Powszechne Towarzystwo Emerytalne PZU S.A. at the Annual General Meeting on 25 June 2025. At the Annual General Meeting on June25, 2025, PZU "Złota Jesień" Open Pension Fund independently held 44,537,016 shares in the Company, which constituted 19.00% of the Company's share capital and entitled to 44,537,016 votes, constituting 19% of the total number of votes at the General Meeting of the Company. At the Annual General Meeting on June 25, 2025, the PZU Voluntary Pension Fund held independently 1,052,109 shares in the Company, which constituted 0.45% of the Company's share capital and entitled to 1,052,109 votes, constituting 0.45% of the total number of votes at the General Meeting of the Company.

[2] information provided based on the number of the Company's shares held independently by the PZU "Złota Jesień" Open Pension Fund at the Annual General Meeting on June 25, 2026.

Nationale-Nederlanden Open Pension Fund	Number of shares held	Share in equity (in %)	Number of votes at the AGM	Share in the total number of votes at the AGM (in %)
Balance as at 21.05.2026[1]	32,750,000	13.97	32,750,000	13.97
Balance as at 20.08.2026[2]	32,750,487	13.97	32,750,487	13.97

[1]information provided based on the number of shares held by Nationale-Nederlanden Open Pension Fund at the Annual General Meeting on 25 June 2025.

[2]information provided based on the number of shares held by Nationale-Nederlanden Open Pension Fund at the Annual General Meeting on 25 June 2026.

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

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

Management Board	Number of shares held at the date of publication of 1H26 report	Number of shares held at the date of publication of 1Q26 report
Michał Zimnicki – Executive Vice-President of the Management Board	4,000	4,000
Łukasz Bernacki – Executive Vice-President of the Management Board	100,381	100,381

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

According to the information available to the Company as at the date of signing the consolidated half-year report for the first half of 2026, the supervising persons do not hold any shares in the Company.

4. REMUNERATION OF MANAGEMENT AND SUPERVISORY BOARD FOR THE I HALF OF 2026

Management Board		PLN thousand
Mateusz Kolański	President of the Management Board	470
Michał Zimnicki	Executive Vice-President of the Management Board	270
Łukasz Bernacki	Executive Vice-President of the Management Board	60
Total		**800**

Supervisory Board		PLN thousand
Piotr Stępniak	Chair of the Supervisory Board	96
Piotr Kaczmarek	Member of the Supervisory Board	72
Piotr Łagowski	Deputy-Chair of the Supervisory Board	57
Marta Zgodzińska	Member of the Supervisory Board	57
Aleksandra Kolańska	Member of the Supervisory Board	51
Total		**333**

The management and supervisory staff received remuneration for their functions in the management of subsidiaries. The total remuneration for the first half of 2026 amounted to:

		PLN thousand
Piotr Łagowski	Chair of the Supervisory Board of W.KRUK S.A.	25
Piotr Kaczmarek	Deputy-Chair of the Supervisory Board of W.KRUK S.A.	15
Łukasz Bernacki	President of the Management Board of W.KRUK S.A.	372
Michał Zimnicki	Executive Vice-President of the Management Board of W.KRUK S.A.	132
Total		**544**

Managers are entitled to benefits specified in employment contracts or by virtue of appointment.

Apart from the benefits listed above, there were no other benefits for managers and supervisors, including, among others, benefits after the period of employment, benefits for termination of employment, other long-term benefits.

5. SIGNIFICANT EVENTS IN I HALF 2026 AND AFTER THE BALANCE SHEET DATE

MARKET ENVIRONMENT

In the first half of 2026, the macroeconomic and consumer environment in Poland remained relatively stable, with a gradual improvement in the real purchasing power of households and continued high competition in the retail market. While the slowdown in inflation and rising real wages created more favourable conditions for consumption, consumers continued to cautiously plan larger spending and remain sensitive to price levels and the intensity of promotional activities.

According to data from the Central Statistical Office, in the first half of 2026, prices of consumer goods and services were on average 2.7% higher than in the same period of the previous year, compared to a 4.5% increase in the first half of 2025. In June 2026, consumer inflation stood at 2.5% YoY, with prices of goods increasing by 1.3% and services by 5.4%. Wage growth remained above inflation, supporting the improvement in household disposable income.

Retail sales at constant prices maintained positive growth in the first half of 2026, reaching a year-on-year increase of 5.0% in February, 8.7% in March, and 6.2% in June. However, the volatility of monthly readings indicated that the recovery in consumption remained uneven and dependent on factors including seasonality, the calendar, and the intensity of promotional activities. Consumer caution was also evident in consumer sentiment surveys. In June 2026, the current consumer confidence index (BWUK) reached -9.9 points, improving by 1.4 points compared to May, but still remaining below neutral. This indicated continued cautious assessments over optimism regarding the future financial situation of households and the economic outlook. In practice, this translated into more informed purchasing decisions and greater selectivity when choosing premium products.

Retail sales data also confirmed the gradual improvement in the economy. In the first half of 2026, retail sales at constant prices maintained positive dynamics, reaching a year-on-year increase of 5.0% in February, 8.7% in March, and 6.2% in June. At the same time, the volatility of monthly readings indicated that the consumption recovery process remained uneven and dependent on seasonal and calendar factors, as well as the intensity of promotional activities conducted by market participants. For companies in the clothing and jewellery sectors, this meant maintaining a high degree of flexibility in terms of sales policy, collection management, and product offerings.

According to data from the Central Statistical Office (GUS) on the structure of retail sales from January to June 2026, the "textiles, clothing, footwear" category recorded very dynamic growth, particularly at the beginning of the year (including +17.6% YoY in January 2026, when it was the leader in retail growth, and +3.3% YoY in June alone). This segment's share in the retail sales structure from January to June 2026 was 5.4%. On-line sales also maintained a high share in the apparel segment. The "textiles, clothing, footwear" segment consistently has the highest share of e-commerce among all retail sectors surveyed by the Central Statistical Office. In the first half of 2026, the share of on-line sales in this segment reached over 22-26% of total sales in this segment, confirming the further development of the omnichannel model and changing consumer shopping behaviour. On-line channels have ceased to serve solely a sales function and have become an integral element of brand communication, presenting collections, building customer relationships and supporting the purchasing process implemented in the omnichannel model.

Increased volatility in raw material prices and exchange rates, which impacted import costs, continued, particularly in the apparel and luxury goods segments. Despite the gradual stabilization of global supply chains, retail companies continued to take steps to increase purchasing flexibility and diversify supply sources. At the same time, cost pressures continued, stemming from rising wages and rental costs in key retail locations, amid intense price competition in the retail sector. The geopolitical situation remains a significant risk factor, particularly the potential escalation of conflicts in the Middle East, including with Iran, which could impact energy prices, inflation, and exchange rates, including a weakening of the Polish zloty. The risk of further zloty depreciation could negatively impact margins and the operating costs of brick-and-mortar stores. Significant risk factors that could impact the retail sector include fluctuations in private consumption and the pace of economic growth in Poland and Europe.

The premium and elegant apparel segment saw a gradual recovery in demand after the period of high inflation in previous years. However, consumers remained sensitive to price levels and the intensity of promotional activities, resulting in persistently intense market competition. At the same time, improving household incomes supported sales of branded and premium products. The industry continued to pursue the trend of optimizing operating costs, increasing sales efficiency, and further developing e-commerce channels. As a result, pressure continued on marketing and promotional activities to support sales in both brick-and-mortar and online channels. The growing importance of premium casual collections, more versatile formal products, and offerings targeted at customers expecting a combination of premium quality, functionality, and ease of use also continued.

In the jewellery and watches segment, the Polish market maintained positive growth, supported by a growing number of affluent consumers and sustained demand for luxury and premium products. According to KPMG analyses, Poland remained one of the relatively more resilient luxury goods markets in the Central and Eastern European region, despite the observed slowdown in some foreign markets. The Polish luxury goods market maintained positive growth despite the visible global slowdown in the luxury goods industry. Growth was supported by a growing number of affluent consumers and the continuing propensity of premium customers to purchase luxury and aspirational goods. In the jewelry and watch industry, the growing importance of purchases related to personal occasions, investment products, and brands offering high recognition and prestige continued.

COMPLETION OF THE ACQUISITION PROJECT OF THE LILOU GROUP OF COMPANIES

On January 8, 2026, after obtaining prior consent from the President of the Office of Competition and Consumer Protection to carry out the concentration, a subsidiary of VRG S.A. - W.KRUK S.A. with its registered office in Kraków ("W.KRUK"), and its subsidiary WK SPV 1 Sp. z o.o. with its registered office in Kraków ("WK SPV"), signed with MYVOG Fundacja Rodzinna with its registered office in Warsaw, Retail sp. z o.o. with its registered office in Warsaw, Online Shop sp. z o.o. with its registered office in Warsaw and Santa Catalina sp. z o.o. with its registered office in Warsaw the agreements promised in the execution of the transaction documentation concerning the acquisition of the Lilou group of companies, about which VRG S.A. informed in Current Report No. 18/2025 dated July 8, 2025 and Current Report No. 24/2025 dated August 13, 2025, i.e. in performance of the preliminary conditional agreement concluded on July 8, 2025, concerning the acquisition by W.KRUK and WK SPV of shares and rights and obligations of partners of partnerships in the following entities: Lilou Sp. z o.o., Bellver WK SPV 1 Sp. z o.o. Sp. Kom.

(previously named Bellver MYVOG Fundacja Rodzinna Sp. Kom.), Lilou Online Shop WK SPV 1 Sp. z o.o. Sp. Kom. (previously named Lilou Online Shop Sp. z o.o. Sp. Kom.), Lilou Retail WK SPV 1 Sp. z o.o. Sp. (previously named Lilou Retail Sp. z o.o. Sp. kom.) and Logistics WK SPV 1 Sp. z o.o. Sp. kom. (previously named Logistics Retail Sp. z o.o. Sp. kom.). The amount due for the shares and rights and obligations of the partnerships comprising the Lilou group of companies amounted to PLN 116,332 thousand on the closing date and will be subject to adjustment resulting from the final recalculation of net working capital and net debt after the closing of the transaction. The transaction also included an earn-out, contingent on the future results of the Lilou group of companies, providing for the obligation to pay MYVOG Family Foundation an amount of no more than PLN 30,000 thousand. The transaction implements the Company's Capital Group's development vision through acquisitions of brands complementary to the Company's Capital Group portfolio. The transaction is co-financed with funds from the loan agreement concluded by VRG S.A. informed in current report No. 22/2025 of July 23, 2025. The completion of the acquisition process started in 2025, when a conditional preliminary agreement was concluded regarding the acquisition of the Lilou group of companies, was the most important event in the activities of the VRG Group in the first half of 2026. Finalization of the project was a significant step in implementing the Group's long-term development strategy, which involves building a portfolio of complementary premium brands and consistently strengthening the jewellery segment. The Management Board believes that the acquisition of the Lilou group of companies not only expands the Group's operations but, above all, expands its competencies to include a segment developing based on product customization, strong customer engagement, and a modern market communication model. The Group's goal remains to develop brands that retain their own identity, character, and method of communicating with customers, while simultaneously leveraging the Group's shared organizational resources and expertise in areas supporting operational activities. Since its inception, Lilou has been developing a unique concept of personalized jewellery, based on the ability to individually compose products, engrave them, and imbue them with personal meaning. The brand's public communication consistently emphasizes the emotional dimension of jewellery, the ability to tell one's own story through the selection of charms and symbols, and the building of long-term relationships with customers. This business model reflects the growing market trends of personalization, original design, and products that allow for the expression of individual style. As a result, Lilou's offerings naturally complement the Group's existing jewellery portfolio. At the same time, Lilou's business profile remains complementary to W.KRUK, which develops an offering encompassing the full spectrum of premium jewellery, engagement rings, wedding rings, jewellery with gemstones, designer collections, and a watch segment. The distinct positioning of both companies, their different target groups, and their distinct approach to building customer relationships mean that Lilou's development expands the Group's capabilities to reach new market segments and build a more diverse jewellery offering. The Management Board believes that this portfolio structure strengthens the Group's competitiveness and increases its resilience to changing consumer preferences.

Following the completion of the acquisition, activities began to integrate the Lilou group of companies into VRG's structures. The Management Board adopted a model that assumed full autonomy in terms of Lilou's brand identity, customer communication, and product development. Simultaneously, it began identifying areas where the Group's organizational competencies could be leveraged, particularly in the development of online sales, logistics, IT, data analytics, purchasing processes, and selected administrative functions.

The financial impact of acquiring control over group of Lilou companies was presented in the consolidated financial statements for the first quarter of 2026. In the first quarter of 2026, the Group recognized one-off costs related to the acquisition process, which were charged to general and administrative expenses and were of a one-time nature. The acquisition price allocation process also began, which included the recognition of intangible assets related to Lilou's operations, including trademark rights. The Management Board indicates that this process was of a preliminary nature as at the date of preparation of the quarterly report for the first quarter of 2026 and will be subject to further verification in accordance with applicable accounting standards.

COMMERCIAL OFFER - APPAREL SEGMENT

In 2026, the Vistula brand is focusing on developing a coherent, four-season collection structure, encompassing both men's and women's lines. It is developing the broadest product offering in the VRG Group's apparel segment. The Spring-Summer 2026 collection, presented under the slogan "Create Your Moment," further developed the concept of contemporary elegance based on combining classic clothing elements with less formal pieces. The Spring-Summer season was reinforced by a wide range of linen products (suits, jackets, trousers, shirts) and lightweight knitwear such as polo shirts and T-shirts.

The core of the men's collection was modern formal, complemented by an extensive smart casual offering. The base colours included navy blue, grey, black, white, and blue, while the seasonal collections featured trend colours such as beige, brown, green, olive, burgundy, and touches of orange. The suit category develops both universal models and products dedicated to special occasions – celebratory collections introduced twice a year. The smart casual segment is based on a modular approach to wardrobe, encompassing chinos, less formal shirts, comfortable jackets, and knitwear.

The Spring/Summer season was enhanced by a wide range of linen products (suits, jackets, trousers, shirts) and lightweight knits such as polo shirts and T-shirts.

Vistula's summer collection was designed with maximum comfort in mind on hot days. Made of linen and light, airy fabrics, it's perfect for a business lunch, an outdoor wedding, or a weekend getaway to a resort. The collection includes jackets, trousers, shirts, dresses, and lightweight knits, combining simplicity with refined details. Earthy colors and the foundations of elegance—white, brown, and the natural shade of linen—dominated the collection, making it easy to create cohesive looks. The use of natu-ral materials guarantees not only a stylish look but, above all, comfort.

A key element of the offering remains the Vistula Fine Tailoring capsule line—a formal collection based on the highest quality materials, classic colours, and a semi-traditional half-canvas construction.

Vistula's women's collection is developed based on similar principles – combining year-round offerings with more seasonal, fashion-forward styles. Women's suits remain a key category, serving as the starting point for the collection. The colour palette encompassed classic shades (navy blue, grey, and black), complemented by seasonal shades such as beige, brown, green, olive, pink, and red. A key development direction is expanding the size range and diversifying silhouettes and fit. Season after season, the range of dresses and blouses expands, both in terms of form and colour. During the spring and summer seasons, a more casual offering was developed, based on linen and less formal styles, distinguished by their modern styling and vibrant colours. As with the men's collection, each season features models designed for special occasions. In the women's section of the collection, particularly during the second quarter, special emphasis was placed on developing the suits, jackets, dresses, and shirts categories, enabling the creation of complete, cohesive looks. The collection utilized a distinctive yet elegant colour palette encompassing shades of red, blue, teal, and powder pink, complemented by checkered motifs and subtle patterns inspired by nature. At the same time, the range of products was consistently expanded to meet the needs of women seeking a modern, multifunctional premium wardrobe. Another important element of the seasonal communication was the summer instalment of the "Summer Vibes" collection, inspired by the atmosphere of vacation travel, utilizing natural materials, a bright colour palette, and more relaxed styles consistent with the summer season. This collection served as a natural complement to the brand's core offering, emphasizing its ability to accompany customers on less formal occasions as well.

Capsule collections and special projects that build the brand's image also remain an important focus – for example, the Traveller collection, which Vistula prepared in collaboration with LOT Polish Airlines. This unique collection redefines a contemporary approach to elegance while traveling. It was created for those who live on the road and demand impeccable looks from their wardrobe, without compromising on comfort. The "Well traveled. Well dressed" promotional campaign tells the story of style that naturally accompanies every stage of the day – from the airport, through the flight, to the scheduled meeting. The collection includes women's and men's sets and functional travel accessories that meet the challenges of long hours of travel. Key elements are lightweight, comfortable cuts and refined details, which elevate elegance to a new dimension: confident, natural, and ready for action. It's worth noting that the fabrics used are highly crease-resistant and adapt to the body's movements. Furthermore, lightweight structures and modern fibers ensure freshness throughout the day.

In the second quarter of 2026, Vistula's marketing communications activities were conducted using an omnichannel model, ensuring the brand's presence at all stages of the customer journey, from building awareness and reach, through generating online traffic, to supporting visits to brick-and-mortar stores. The marketing plan leveraged the synergy of offline and online channels, including digital video and display, television, direct communication, organic social media, and influencer marketing. Communication supported the promotion of the spring/summer seasonal collection, the Vistula x LOT campaign, and the Celebrations campaign.

The Bytom 2026 collection is being developed in the spirit of modern heritage, understood as combining traditional tailoring techniques with modern material solutions and creating a product with a cross-seasonal character. The collection's structure is hierarchical – tailoring is its core, while other categories contribute to the stylistic and functional context. Suits, sets, and jackets define the aesthetic axis, while casual trousers and jackets develop the idea of wardrobe modularity. Knitwear, polo shirts, and T-shirts serve as a bridge between formality and everyday life, and accessories are an integral element of the collection's structure.

Collection development is based on the concept of "wardrobe building," building a long-term, cohesive wardrobe instead of short-lived seasonal offerings. Colour is treated as a collection-building tool – equal in importance to cut and fabric.

Bytom's Spring/Summer 2026 collection embodied a cohesive concept of timeless elegance, rooted in the finest tailoring traditions—unique quality materials and a variety of cuts—enriched with a light form and modern dynamism. The collection's colour palette features a subdued palette of deep browns, greens, burgundy, beige, and blues. Glen checks, refined smooth fabrics, and deliberately crafted monochromatic combinations emphasize the silhouette and masterful tailoring, lending the overall look a consistent, elegant character that builds the brand's identity. Formal linen pieces were a key element of the summer collection. The Spring-Summer 2026 collection further developed the brand's signature approach to contemporary men's tailoring, combining classic proportions with greater ease of use. The second quarter saw the development of the Soft Tailoring concept, encompassing more natural shoulder lines, lightweight suit and jacket constructions, and greater ease of use without sacrificing the product's elegant character. A particular example of this trend was the extensive linen collection, featuring suits, jackets, and shirts made from natural fabrics, meeting the needs of the spring-summer season and the growing interest in products combining high quality with comfort. Fabrics with a more pronounced texture, subtle checks, and two-tone weaves were also a key element of the collection. In the first half of 2026, the brand also expanded its offering of special collections. A significant event was the premiere of the limited-edition Bytom × Rafał Olbiński collection, created in collaboration with one of Poland's most recognizable artists. The collection, featuring clothing with original graphics, was an example of efforts to strengthen the emotional dimension of the brand and expand the casual offering with products with a unique, collectible character.

The communication highlighted formal offerings from the "Celebrations" line and the custom tailoring service (MTM). During the spring and summer season, the offering was supplemented with a more casual holiday line, "Summer Inspirations," presented in the Masurian Lake District. A cross-brand collaboration with W.KRUK and the Tailoring Festival – Bytom also took place, promoting the custom tailoring service in select stores.

In 2026, the Bytom brand continues to implement a strategy based on the "Let's Celebrate Important Moments Together" communication platform, integrating image and product initiatives. Its core is building an emotional connection with the audience through values such as relationships, closeness, and intergenerational connection. Brand ambassador Marcin Dorociński plays a key role, ensuring consistency and credibility of the message. The strategy is based on a balance between emotional storytelling and product communication rooted in quality and craftsmanship. The brand consistently builds its presence in important moments of customers' lives, developing a narrative toward deeper, long-term relationships. Product communication is aligned with seasonality, while maintaining a consistent premium positioning. The Spring/Summer season emphasizes the lightness and naturalness of materials.

In 2026, the Wólczanka brand is consistently pursuing its vision of building and scaling its position as a category leader and expert in the premium shirt segment, as part of its "Ideal Shirt" communication platform. The brand's collections focus on quality, construction, detail, and fit. The brand's aesthetic remains clean and contemporary, yet firmly rooted in classic styles. The colour palette is based on white, blue, navy, and grey, complemented by seasonal accents. The product range is clearly structured – shirts remain the dominant category, supported by basic knitwear (T-shirts, polo shirts, sweaters) and formal accessories. The brand's key goal is to create functional shirts – easy-care, comfortable, and responsive to the needs of modern users, including business clients and frequent travellers. Design inspiration comes from both classic styles and observations of changing lifestyles. Wólczanka's offerings are a component and complement to the various images created by lifestyle brands operating on the market.

Wólczanka kicked off the Spring-Summer 2026 season with a communication campaign for formal white shirts – a capsule created with formal occasions in mind – both business and personal. The first quarter of 2026 saw the premiere of the first instalment of the "Perfect Shirt" campaign, launched in the urban setting of Barcelona. The campaign showcased a collection of formal and casual shirts in the vibrant cityscape. The "Perfect Shirt" campaign is a story of timeless elegance, quality, and style, centred on the perfect shirt. The goal of the first instalment is to demonstrate that a shirt is no longer just a piece of clothing, but a statement of class, attention to detail, and self-confidence in professional life. The communication emphasis is on quality craftsmanship, attention to detail, and the shirt's flawless appearance in every situation. The campaign centers on white – a timeless classic whose universal appeal makes a white shirt an excellent choice for formal events, business meetings, and special family celebrations.

A key event of the second quarter at Wólczanka was the launch of the summer collection, the centerpiece of which was an extensive range of products made from natural linen. The collection included a wide selection of shirts, T-shirts, and polo shirts made from pure linen. In the casual segment, the brand developed a line of linen shirts, including plain models in classic colours, earthy tones, and summer pastels, as well as checkered and striped patterns available in short- and long-sleeved versions. This line was complemented by linen T-shirts and polo shirts made from knits with varied textures, allowing for the creation of cohesive summer styles. A particular highlight of the offering were linen formal shirts equipped with a special finish that reduces wrinkling and facilitates ironing, allowing the product to maintain its elegant appearance while simultaneously utilizing all the natural properties of this fabric. The second quarter also saw the expansion of the T-shirt and polo category, which utilizes mercerized and double-mercerized cotton, among other materials, ensuring improved durability, aesthetics, and comfort. The innovative Sweat Free line also drew particular attention, featuring a specially designed knit construction that reduces the visibility of moisture marks and an additional finish that increases the material's resistance to stains.

In its product communications, Wólczanka focused on the seasonality of the product, while aligning with the quality and technology communication platform. The communication emphasized the properties of fabrics such as cotton, viscose with a satin weave, and mercerized cotton. Marketing activities focused on emphasizing the highest quality of the products – both in terms of materials and the implementation of modern fabric finishing technologies, thanks to which the brand's core product range delivers real value and meets customer expectations. An important element of communication was the embroidery personalization service, which complements the individual approach to customer needs, especially in the context of shirts for special occasions such as proms or weddings.

Deni Cler Milano, a premium brand with Italian roots, develops collections based on a strong design heritage and current European fashion trends. Each year, two comprehensive seasonal collections are created, encompassing a full spectrum of products – from outerwear, through extensive suits and jackets, to dresses and accessories.

The foundation of the collection remains the Italian aesthetic – refined form, high-quality materials, and attention to detail. A key premise is the complete stylistic and colour consistency of the collection, as well as high compatibility between products, allowing for seamless mix-and-match styling. At the same time, the brand responds to changing market needs, shifting its emphasis towards more comfortable, less formal fashion.

For the Spring/Summer 2026 season, Deni Cler Milano celebrates its exceptional 55th anniversary, combining Italian heritage with a new energy of colour and a contemporary take on femininity. This collection represents both a return to its roots and a clear step into the future – a manifesto for a brand that has accompanied women in their everyday lives for over half a century. The Spring-Summer 2026 collection is a story inspired by the places that shaped the brand's identity (Milan, Lake Como, Rome). It's a symbolic journey through Italian style culture, which translates into a contemporary wardrobe – versatile, timeless, and full of character. Timelessness in a modern interpretation.

The collection is based on timeless pieces – forms and constructions that remain relevant despite changing trends. Classic wardrobe elements are paired with more directional pieces, creating space for creating a variety of looks – from everyday to special occasions. Soft volumes and relaxed silhouettes dominate. Airy styles, super-light fabrics, delicate draping and subtle construction create an impression of lightness while maintaining a distinct form.

RETAIL OFFER – JEWELLERY SEGMENT

The W.KRUK jewellery and accessories collections planned for 2026 will continue to represent the diverse and original character of W.KRUK's offerings. The brand is consistently developing its bestselling Flowers of the Night line, which was joined in 2026 by cherry blossoms and blueberries. It once again combines jewellery tradition and modernity. The collection utilizes hand-painted enamel and a new technology – e-coating. As an expert in diamond jewellery, W.KRUK will present new products in this area, also developing jewellery decorated with laboratory-grown diamonds. New items featuring man-made diamonds will be presented at the turn of 2025/2026 in the Nuova collection and for the 2026 Valentine's Day season in the Czułość (“Tenderness”) collection. As every year, in 2026 W.KRUK has planned the premiere of its flagship project – the Ambassador Collection. Customers can expect new, unique designs and jewellery accessories in the unique style characteristic of the collection's co-creator. W.KRUK creates inclusive jewellery, and such new items will be available in 2026. Many universal, modern styles will be introduced, as well as new items designed for men. In addition to its core product line, the brand will expand its mono-earring offerings. W.KRUK will surprise not only with its extensive product range but also with the use of diverse precious metals, manufacturing techniques, and decorations. Within its signature jewellery and accessories lines, W.KRUK will offer new items inspired by folk motifs, in line with global trends, connecting with its roots and local identity.

In the first quarter of 2026, the W.KRUK brand introduced and developed key jewellery collections. These activities included a new version of the Flowers of the Night collection, featuring jewellery inspired by nature and enriched with complementary accessories (including silk scarves and jewellery boxes), and the expansion of the Czułość (“Tenderness”) collection for Valentine's Day, including the development of jewellery featuring lab-grown diamonds. The first quarter of 2026 also saw the introduction of a special Birthstone gift collection, featuring 12 pendants with natural stones set in 9-karat (375) gold.

In the second quarter of 2026, W.KRUK presented further launches of its own collections, including a new version of the bestselling Flowers of the Night line – Clover and Cherry, as well as the Ceremonials collection, designed for the most important family celebrations. Simultaneously, the brand expanded its offerings of wedding rings, diamond jewellery, watches, and products dedicated to First Communion and baptism ceremonies. Collections dedicated to engagements and weddings, developed in parallel with the offer of wedding rings, engagement rings and occasional jewellery, remained an important element of seasonal communication.

Sales activities were supported by seasonal sales activities, including the continuation of the winter sale and campaigns related to key shopping periods (Valentine's Day and Women's Day). The offer was complemented by the activity of a younger brand in the W.KRUK portfolio, Picky Pica, which introduced a Valentine's Day "Love Fever" collection. The campaign was implemented in collaboration with the Polish clothing brand She Is Sunday and included social media activities.

Marketing communications consistently emphasized the timeless nature of the jewellery, the high quality of craftsmanship, and the emotional dimension of products that accompany the most important moments in customers' lives.

During the first quarter, extensive communication activities were conducted across all key channels (traditional media, digital, and social media). The campaigns supported sales of new collections, seasonal activities, and image-building activities. Influencer collaborations and non-standard activities were also a significant element, including a promotional campaign with access to the Empik Go app for customers of brick-and-mortar stores to celebrate Women's Day. W.KRUK became a partner of one of the most prestigious cultural and industry events – the Empik Bestsellers 2025 gala. The brand also continued its involvement in special projects, such as the production of the Silver Apples statuettes for the "PANI" magazine, thus emphasizing W.KRUK's role in promoting the jewellery craft.

In the first quarter of 2026, W.KRUK also organized two events dedicated to the Hublot watch brand – one for customers and the other for media representatives. The meetings aimed to present selected collections and build awareness of W.KRUK's offerings in the premium watch segment, as well as strengthen relationships with customers and the journalistic community.

In the second quarter, W.KRUK conducted comprehensive marketing activities supporting key sales periods and strengthening the premium brand's positioning. Strategic partnerships, including those with Vistula and Mercedes-Benz, and collaboration on the launch of Martyna Wojciechowska's book were a key element in building the brand's image. The brand also organized events for luxury watch connoisseurs, showcasing brands such as Chopard, OMEGA, and IWC Schaffhausen. W.KRUK also participated in the Watches and Wonders trade fair in Geneva, developing relationships with leading manufacturers and tracking the latest trends in the watchmaking industry. In the area of social responsibility, W.KRUK was recognized as one of the most advanced employers in Poland in terms of diversity and inclusion management. This distinction confirms the company's consistent efforts to foster a responsible organizational culture and build a strong premium brand.

In the second half of the year, W.KRUK will celebrate its fondness for tradition, reinterpreting it in a modern, jewellery-inspired style. Reclaimed precious metals used in production will emphasize the sustainable nature of the jewellery, while handcrafted details emphasize the value of craftsmanship and the handmade spirit. The "Pełnia Nosowska x W.Kruk" collection received an award in the Fashion Excellence 2025 plebiscite from "Twój Styl" magazine in the ambassador collection category, confirming the high ratings for the brand's product offering and creative initiatives.

In parallel with the development of the product offering, the brand continued its international expansion. After launching in the Hungarian market, W.KRUK's recognition among local customers was enhanced and the foundations for further expansion in Central Europe were laid. In the second quarter, a W.KRUK store opened in Hungary, a flagship boutique located on Budapest's prestigious Andrássy Avenue. Less than three years after entering this market, W.KRUK has become the largest jewellery chain in Hungary in terms of square footage. The W.KRUK brand was also present at the Forbes Women Summit in Budapest, showcasing its offerings and developing relationships with business partners in the Hungarian market. Expanding the Hungarian market is part of the Group's long-term internationalization strategy for its jewellery segment and remains one of its key development directions.

In the first quarter of 2026, the Lilou brand continued to strategically strengthen its personalized and symbolic jewellery offerings, combining minimalist design with emotional storytelling. Classic collections such as Amour, Glamour, Planets, Papillon, Soleil, and Cosmos were available, along with new items, including the Reverso collection introduced at the beginning of the year, featuring necklaces, rings, earrings, and cuff bracelets in gold- and silver-plated versions, all customizable with engraving. The offerings included jewellery with motifs of hearts, stars, planets, butterflies, and protective symbols. The brand expanded its offerings of necklaces, bracelets, earrings, and rings featuring natural stones, pearls, enamel, and cubic zirconia. Personalization remained a key element of the offering, with the option of engraving initials, dates, and short dedications. The products enabled the creation of individual compositions and were presented as everyday jewellery and talismans with symbolic value. Inspirations from nature and space were also evident, as were the development of more expressive collections, such as Forza, Snake, and Hero, presented in marketing communications as jewellery with emotional value and symbolic meaning. Lilou also offered men's jewellery, including bracelets, necklaces, and signet rings in gold- and silver-plated versions, often with natural stones or leather elements. Featuring a minimalist, modern design, the products were aimed at men seeking everyday jewellery with an aspirational character, elegant, subtle, and versatile.

In the second quarter, the portfolio expanded to include the Harmony Turtle, Zebra, and Starfish collections, while the Reverso, Miyuki, and Mini Icons collections were enriched with new product variants and colours. The accessories offering was also expanded with the introduction of the Kraina Wolności silk scarf, and the men's jewellery segment was expanded with additional personalized bracelets and signet rings. New items were designed with compatibility with previously introduced collections, allowing customers to further expand their jewellery sets.

Marketing activities focused on the most important shopping occasions of the first half of the year, including Valentine's Day, Mother's Day, Father's Day, First Communion, baptism, and wedding seasons. Communication emphasized the personalization of products and their emotional and symbolic nature, while digital channels and social media were used to present inspiration for creating personalized jewellery sets and ways to combine elements from individual collections.

Following Lilou's incorporation into the VRG Group, efforts were initiated to leverage the potential of collaboration between brands while maintaining the brand's autonomy in terms of business model, identity, and communication. In the second quarter, an omni-channel campaign was implemented in collaboration with the Wólczanka brand, customer engagement activities were conducted on social media, and communication continued for the Hero collection, which supports young athletes, and the Puzzla collection, whose proceeds go to help children battling cancer.

CORPORATE EVENTS RELATED TO THE DISTRIBUTION OF PROFIT FOR 2025, DIVIDEND PAYMENT, AND ADOPTION OF A LONG-TERM INCENTIVE PROGRAM

One of the most important areas of VRG S.A.'s corporate activities in the first half of 2026 was the distribution of profit for the 2025 financial year, the decision to pay a dividend from retained earnings from previous years, and the establishment of a long-term incentive program based on the Company's shares. The final resolutions adopted by the Annual General Meeting on June 25, 2026, were shaped by both the Management Board's recommendations and the motions submitted by shareholders, as well as amendments introduced to the draft resolutions before the General Meeting.

On May 18, 2026, the Management Board of VRG S.A. adopted a resolution to submit a proposal to the Annual General Meeting regarding the distribution of the Company's net profit for the 2025 financial year. The Management Board recommended not to pay a dividend from the profit generated in 2025 and to allocate the entire net profit of PLN 8,121,062.13 to the Company's reserve capital. This recommendation meant a departure – with respect to the distribution of profit for 2025 – from the Dividend Policy adopted by the Management Board on May 18, 2022. The Management Board's recommendation resulted from the need to ensure the Company's financial liquidity and capital necessary for the further development of its operations and the implementation of planned investments, including the development of the clothing and jewelry segments in the scope of infrastructure supporting business management processes, as well as the opening of new or renovation of existing retail spaces in brick-and-mortar stores of the Company's Capital Group brands. The recommendation regarding the distribution of net profit disclosed in the Company's financial statements for 2025, referred to above, met the requirements of Article 395 § 2 item 2) in conjunction with Article 396 of the Commercial Companies Code. At the same time, the Management Board announced that the resolution of the Supervisory Board regarding the adoption and presentation to the Annual General Meeting of VRG S.A. of the report on the Supervisory Board's assessment of the above proposal of the Management Board regarding the distribution of the Company's net profit for financial year 2025, submitted to a vote at the meeting of the Supervisory Board of the Company on May 18, 2026, did not obtain the required majority of votes.

Additionally, the Management Board announced that it is considering requesting the General Meeting of the Company to adopt a resolution regarding the introduction of a long-term share-based incentive program for the Company, addressed to the Management Board of the Company, the Management Board of W.KRUK S.A., key management personnel of the Company, and other persons of significant importance to the Company and companies within its capital group. The Management Board announced that it is considering that the incentive program referred to above could be implemented by granting eligible individuals, with their consent, conditional rights to acquire the Company's own shares using the Company's own shares that could be acquired by the Company pursuant to a resolution of the General Meeting.

The initial agenda of the Annual General Meeting included the adoption of a resolution regarding the distribution of profits in accordance with the Management Board's recommendation. On June 1, 2026, Colian sp. z o.o., representing shareholders holding at least one-twentieth of the share capital, submitted a motion to expand the agenda to include an item regarding the payment of dividends from retained earnings from previous years. The motion provided for a dividend payment of PLN 0.05 per share, i.e., a total of PLN 11,722,792, with the record date falling on September 19, 2026, and the payment date set for December 15, 2026. Following this motion, the Management Board expanded the agenda of the Annual General Meeting to include a separate item concerning the dividend payment. On June 10, 2026, Nationale-Nederlanden Open Pension Fund submitted an alternative draft resolution providing for the payment of a dividend from retained earnings of PLN 0.20 per share, i.e., a total of PLN 46,891,168. This draft resolution was not adopted by the Annual General Meeting.

On June 25, 2026, the Annual General Meeting adopted Resolution No. 7/06/2026 to allocate the entire net profit of VRG S.A. for the 2025 financial year, amounting to PLN 8,121,062.13, to the Company's reserve capital, thus implementing the basic assumption of the Management Board's recommendation of May 18, 2026.

Regardless of the distribution of profit for 2025, the Annual General Meeting adopted Resolution No. 25/06/2026 to pay a dividend from net profits generated in previous years and transferred to the reserve capital. The dividend was set at PLN 0.05 per share, representing a total of PLN 11,722,792. The record date was set for September 19, 2026, and the payment date for December 15, 2026. The source of the payment was profits from previous years accumulated in the supplementary capital, and not the profit generated by the Company in 2025.

The second significant area of ownership decisions was the adoption by the Annual General Meeting of Resolution No. 23/06/2026 on the adoption of a share-based incentive program for members of the Management Board of VRG S.A., members of the Management Board of W.KRUK S.A., key management personnel, and persons of significant significance to the Company and Group companies, regardless of the form and legal basis of performing their duties in these positions ("Eligible Persons"). The Program covers the financial years 2026–2028 and is based on a conditional right for Eligible Persons to acquire the Company's own shares ("Rights"), which will be acquired by the Company pursuant to the authorization granted by the Annual General Meeting in Resolution No. 24/06/2026 authorizing the Management Board to acquire the Company's own shares and to create reserve capital for the purposes of acquiring the Company's own shares. The maximum number of shares allocated to the incentive program that may be acquired by the Company is 8,440,410, and the number of incentive program participants may not exceed 99. The ability of Eligible Persons to exercise their rights is linked to the following criterion established in Resolution No. 23/06/2026 for the entire duration of the incentive program, in the form of the financial result, i.e. the sum of the Company's operating profits ("EBIT") achieved in the financial years 2026-2028, determined on the basis of the annual consolidated financial statements for 2026, 2027 and 2028 audited by an audit firm (audits for each subsequent year 2026, 2027 and 2028 must be unqualified):

- If EBIT is higher than PLN 583,000,000.00, Eligible Persons are entitled to exercise 100% of Entitlements;
- If EBIT is equal to or lower than PLN 583,000,000.00 but higher than PLN 569,000,000.00, Eligible Persons are entitled to exercise 90% of Entitlements;
- If EBIT is equal to or lower than PLN 569,000,000.00 but higher than PLN 556,000,000.00, Eligible Persons are entitled to exercise 80% of Entitlements;
- If EBIT is equal to or lower than PLN 556,000,000.00 but higher than PLN 542,000,000.00, Eligible Persons are entitled to exercise 75% of Entitlements;
- If EBIT is equal to or lower than PLN 542,000,000.00 but higher than PLN 528,000,000.00, Eligible Persons are entitled to exercise 70% of the Entitlements;
- If EBIT is equal to or lower than PLN 528,000,000.00 but higher than PLN 515,000,000.00, Eligible Persons are entitled to exercise 65% of the Entitlements;
- If EBIT is equal to or lower than PLN 515,000,000.00 but higher than PLN 501,000,000.00, Eligible Persons are entitled to exercise 60% of the Entitlements.
- If EBIT is equal to or lower than PLN 501,000,000.00, the Eligible Persons shall not be entitled to exercise the Entitlements.

The offer to acquire the Company's own shares for the purpose of exercising the Entitlements by Eligible Persons will take place after the criteria indicated above are met, while maintaining the loyalty condition specified in Resolution No. 23/06/2026. The Entitlements may be exercised no earlier than June 1, 2030, and no later than June 30, 2030. All shares acquired by the Company for the purpose of implementing the incentive program will be offered to Eligible Persons for a purchase price of PLN 4.92 per share.

Resolution No. 24/06/2026 of the Annual General Meeting authorizing the Management Board to acquire the Company's own shares and establishing a reserve capital for the purpose of acquiring the Company's own shares creates a mechanism enabling the Company to acquire its own shares for the implementation of the incentive program. A reserve capital of PLN 60 million has been established to finance the acquisition of the Company's own shares. The adopted structure of the incentive program, linked to the achievement of specific financial goals of the Group, enables its implementation using the Company's own shares, without the need to issue new shares, and therefore without diluting the shares of existing shareholders.

AMENDMENTS TO MATERIAL LOAN AGREEMENTS ENTERED INTO BY VRG S.A. AND VRG S.A. SUBSIDIARIES

In the second quarter of 2026, amendments were made to material loan agreements entered into by VRG S.A. and VRG S.A. subsidiaries. On June 29, 2026, the term of the multi-purpose loan agreement between VRG S.A. and Powszechna Kasa Oszczędności Bank Polski S.A. was extended until June 30, 2028, while maintaining the credit limit of PLN 105 million, which includes an overdraft facility of up to PLN 50 million and bank guarantees and documentary letters of credit of up to PLN 35 million each. At the same time, the framework agreement between VRG S.A. and Powszechna Kasa Oszczędności Bank Polski S.A. was extended until July 28, 2028. and mBank S.A., while maintaining the multi-product line limit of PLN 57 million, which includes the ability to use an overdraft facility, bank guarantees, and documentary letters of credit. With respect to agreements entered into by subsidiary W.KRUK S.A. on June 29, 2026, the multi-purpose loan agreement with Powszechna Kasa Oszczędności Bank Polski S.A. was extended until June 30, 2029, and the credit limit was increased from PLN 120 million to PLN 140 million, and the guarantee sublimit from PLN 50 million to PLN 60 million. The amendment to the investment loan agreement between W.KRUK S.A. and WK SPV 1 Sp. z o.o., incurred in 2025 in the amount of PLN 120 million to co-finance the acquisition project of the Lilou group of companies, consisted in adapting its security provisions to the changes introduced in the multi-purpose loan agreement. The introduced changes ensure the continued availability of significant sources of financing for the Group's operating activities and increase the available financing limit for W.KRUK S.A. Detailed information on amendments to the loan agreements is presented in VRG S.A. current reports No. 15/2026, 16/2026 and 17/2026 dated June 29, 2026.

SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE JUNE 30, 2026

SHARE BUYBACK – VRG S.A. MANAGEMENT BOARD ANNOUNCES INVITATION TO SUBMIT OFFERS FOR THE SALE OF VRG S.A. SHARES.

On August 17, 2026, the Management Board of VRG S.A. (the "Company") took steps to implement the authorization granted by the Annual General Meeting of the Company to purchase its own shares. The Management Board's actions are based on Resolution No. 24/06/2026 of the Annual General Meeting of VRG S.A. dated June 25, 2026, authorizing the Management Board to purchase the Company's own shares and establishing a reserve capital for the purpose of purchasing the Company's own shares (the "AGM Resolution"). In accordance with the adopted assumptions, the Management Board was authorized to purchase a maximum of 8,440,410 own shares, representing approximately 3.6% of the share capital and total votes of the Company, using the reserve capital of PLN 60 million. Under the authorization granted to the Management Board in the AGM Resolution. the purchase price of one share was limited to the range from PLN 4 to PLN 7.

On August 17, 2026, the Management Board of VRG S.A., in Current Report No. 19/2026, announced the adoption of a resolution regarding the buyback of its own shares and the determination of its terms. The buyback is to be conducted outside of organized trading by sending an invitation to the Company's shareholders to submit offers for the sale of shares in VRG S.A. (the "**Invitation**"). The Invitation is addressed to shareholders who hold shares in the Company and provides for the opportunity to submit offers for the sale of shares to the Company. The purchase of shares is to take place outside the regulated market, under a procedure ensuring the possibility of shareholder participation on the terms specified in the Invitation. Under the Invitation, the Company intends to purchase no more than 8,440,410 own shares, representing c. 3.6% of the Company's share capital. The maximum number of shares corresponds to the limit specified in the authorization granted to the Management Board in the AGM Resolution. The Invitation specifies a purchase price range of PLN 5.50 to PLN 6.00 per share. The final purchase price is to be determined by the Management Board after the closing date for bids, taking into account bids submitted by shareholders. The final number of shares purchased by the Company will depend on the number of valid bids submitted and the terms specified in the Invitation. If shareholders offer more shares than the number the Company intends to purchase, a bid reduction mechanism will apply, in accordance with the terms specified in the Invitation.

In Current Report No. 20/2026 dated August 17, 2026, the Management Board announced a change to the schedule for the procedure specified in the Invitation. This change is organizational in nature and does not alter the fundamental subject matter or scope of the planned repurchase.

The current schedule is as follows:

August 17, 2026 – Publication of the Invitation;

August 19, 2026 – Beginning of the acceptance of sale offers;

August 26, 2026 – End of the acceptance of sale offers;

August 27, 2026 – Determination of the final price, the final number of shares to be purchased, acceptance of sale offers, and possible reduction of the number of shares;

August 31, 2026 – Expected date of transaction settlement and share acquisition.

For the current Invitation, this means that with a maximum number of 8,440,410 shares and a maximum price of PLN 6.00 per share, the value of the share purchase itself could reach a maximum of approximately PLN 50.64 million, before taking into account transaction-related costs. This amount represents the maximum potential level resulting from the parameters of the Invitation, and does not constitute an obligation on the part of the Company to purchase all 8,440,410 shares or to spend the entire amount.

The share purchase program is linked to the Company's share-based incentive program, implemented pursuant to Resolution No. 23/06/2026 of the Annual General Meeting of VRG S.A. dated June 25, 2026, on the adoption of the share-based incentive program, which covers the financial years 2026–2028. Under the incentive program, the number of shares allocated for its implementation may amount to a maximum of 8,440,410 shares. The buyback may result in a reduction in the number of shares outstanding and a change in the Company's equity structure. However, the final financial and capital consequences will only be determined after the process is completed, the final price and number of shares purchased are determined, and the transaction is settled.

In the Invitation, the Company reserved the right to revoke the Invitation both before and after the commencement of accepting sale offers. In particular, the Company may revoke the Invitation if another entity announces a tender offer to subscribe for the sale or exchange of Company shares, or if, in the Company's opinion, the acquisition of shares will not contribute to the achievement of the Company's objectives related to the implementation of the aforementioned incentive program. Pursuant to the Resolution of the General Meeting, the acquired treasury shares will be designated for offering to eligible persons under the incentive program. If, after offering the purchased shares to eligible persons under the rights granted to participants in the incentive program, not all shares are sold and the Company becomes the owner of treasury shares, the Management Board, subject to obtaining the required decisions from the Company's governing bodies, will take steps to redeem them.

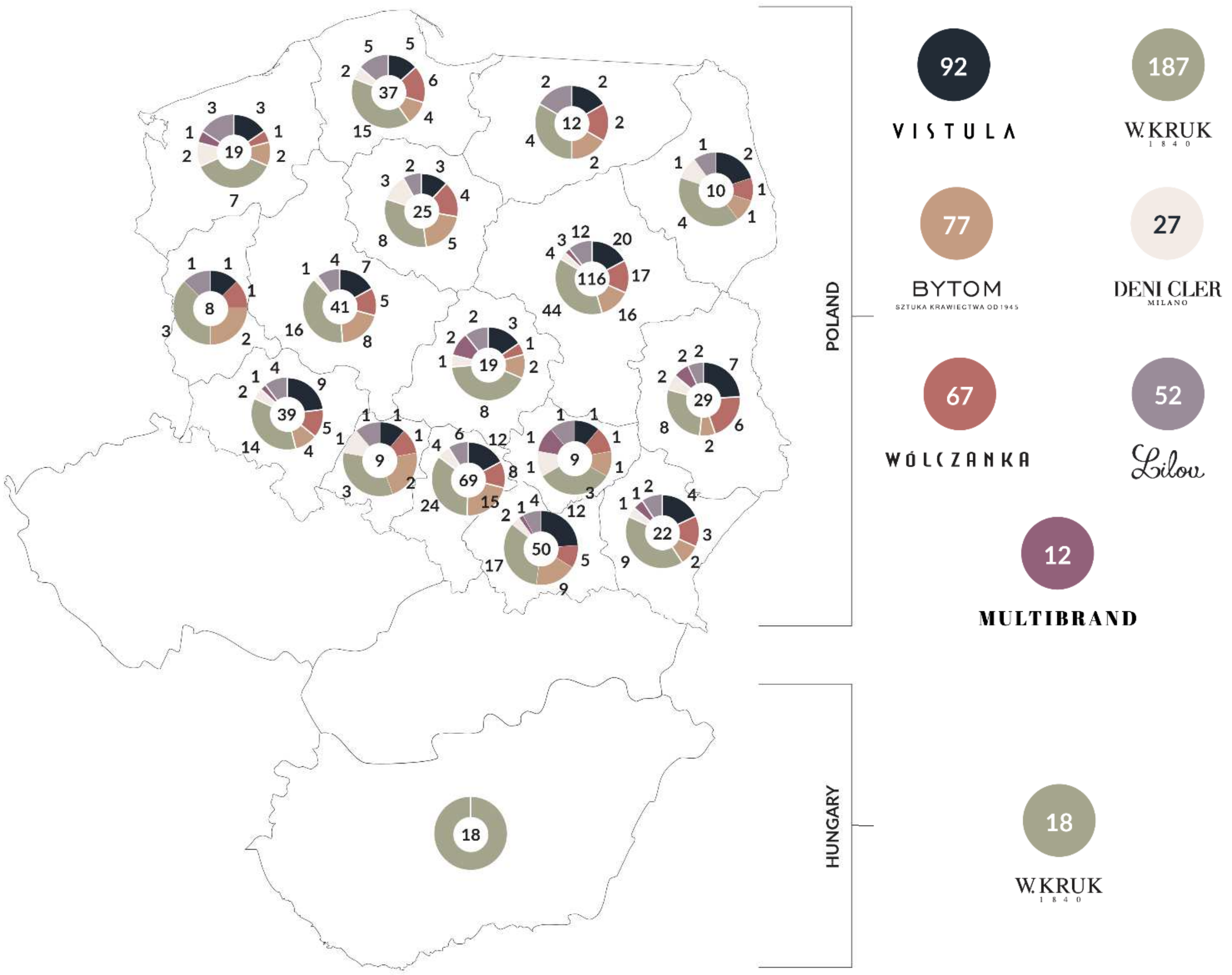
6. FINANCIAL RESULTS OF VRG CAPITAL GROUP IN I HALF OF 2026

At the end of I half of 2026, compared to the same period of the previous year, the sales area of the Group's retail network decreased to 53.1 thousand m2, or by 8.5% YoY. Decrease in the area in the apparel segment amounted to 4.4%, while in the jewellery segment the area increased by 37.6%.

Retail floorspace (end of period): (thousand m2)	30.06.2026	30.06.2025
Apparel segment	32.4	33.8
Jewellery segment	20.7	15.1
Total floorspace	**53.1**	**48.9**

As of the date of this report, the dominant part of sales is realized through the retail network of brand stores of individual brands belonging to the Capital Group. As of June 30, 2026, the Capital Group had a retail network of 532 locations, including franchise stores of the Vistula, Wólczanka, Bytom, Deni Cler, W.KRUK and Lilou brands. Of the operating stores, the Group owns only 1 location. The Group uses the remaining locations on the basis of medium/long-term lease agreements concluded for a period of 5 years, a small part of the agreements is concluded for an indefinite period. Most of the premises are located in modern large-scale shopping centers.

Below we present distribution and number of branded stores of the Capital Group at the end of 1H26 by individual brands.



SELECTED FINANCIAL DATA OF VRG GROUP

(PLN thousand)	I half 2026 from 01-01-2026 to 30-06-2026	I half of 2025 from 01-01-2025 to 30-06-2025	2 quarter 2026 from 01-04-2026 to 30-06-2026	2 quarter 2025 from 01-04-2025 to 30-06-2025
Revenues	791,883	671,168	435,401	377,529
EBITDA	151,064	117,013	98,459	79,158
EBIT	72,994	49,343	58,898	45,646
Net result	**44,617**	**34,635**	**44,771**	**28,618**

IAS17* (PLN thousand)	I half 2026 from 01-01-2026 to 30-06-2026	I half of 2025 from 01-01-2025 to 30-06-2025	2 quarter 2026 from 01-04-2026 to 30-06-2026	2 quarter 2025 from 01-04-2025 to 30-06-2025
Revenues	791,883	671,168	435,401	377,529
EBITDA	87,803	59,632	66,365	50,967
EBIT	69,249	45,258	56,750	43,687
Net result	**49,771**	**34,340**	**44,478**	**32,551**

** The table above presents the Group's main financial positions, showing the impact of IAS17 as the previous standard.*

The difference between the operating result (EBIT) under IAS17 and the operating result according to the applicable standards in the first half of 2026 resulted from the fact that the costs of rents under IAS17, recognized in net payment amounts, were higher than the depreciation charges for assets related to the right to use commercial premises, recognized on a straight-line basis over the period of the applicable contract.

The Capital Group's revenues in the first half of 2026 amounted to PLN 791.9 million, which was PLN 120.7 million (18.0%) higher than revenues generated in the same period of the previous year.

Consolidated EBITDA in the first half of 2026 amounted to PLN 151.1 million, 29.1% higher than in the previous year. EBITDA calculated excluding the impact of IFRS 16 amounted to PLN 87.8 million.

In the first half of 2026, the Capital Group achieved a net profit of PLN 44.6 million, compared to a net profit of PLN 34.6 million in the same period of the previous year. Net profit calculated excluding the impact of IFRS 16 amounted to PLN 49.8 million in the first half of 2026.

Increase in the Group's revenues in the first half of 2026 was due to the incorporation of the Lilou companies into the Group and increased revenues from other brands.

APPAREL SEGMENT

Apparel segment (PLN thousand)	I half 2026 from 01-01-2026 to 30-06-2026	I half of 2025 from 01-01-2025 to 30-06-2025	2 quarter 2026 from 01-04-2026 to 30-06-2026	2 quarter 2025 from 01-04-2025 to 30-06-2025
Revenues	**318,131**	**305,861**	**176,612**	**175,945**
Cost of sales	114,685	122,993	59,521	67,264
Gross profit (loss) on sales	**203,446**	**182,868**	**117,091**	**108,681**
Selling costs	151,968	151,431	78,591	78,433
Administrative expenses	29,492	29,086	15,302	14,839
Other operating income	2,063	1,833	711	1,037
Other operating costs	6,855	4,585	4,510	3,103
Loss from sale of non-financial non-current assets	340	527	71	346
Profit (loss) from operations	**16,854**	**-928**	**19,328**	**12,997**
Financial income / costs	-6,958	-2,722	-2,191	-4,756
Pre-tax profit (loss)	9,896	-3,650	17,137	8,241
Income tax	2,469	49	3,048	-212
Net profit (loss) for the period	**7,427**	**-3,699**	**14,089**	**8,453**

IAS 17* Apparel segment (PLN thousand)	I half 2026 from 01-01-2026 to 30-06-2026	I half of 2025 from 01-01-2025 to 30-06-2025	2 quarter 2026 from 01-04-2026 to 30-06-2026	2 quarter 2025 from 01-04-2025 to 30-06-2025
Revenues	**318,131**	**305,861**	**176,612**	**175,945**
Cost of sales	114,685	122,993	59,521	67,264
Gross profit (loss) on sales	**203,446**	**182,868**	**117,091**	**108,681**
Selling costs	154,175	153,581	79,797	79,514
Administrative expenses	29,400	29,460	15,255	15,028
Other operating income	2,063	1,673	711	998
Other operating costs	6,773	4,451	4,486	3,036
Loss from sale of non-financial non-current assets	340	527	71	346
Profit (loss) from operations	**14,821**	**-3,479**	**18,193**	**11,755**
Financial income / costs	-1,366	-993	-404	-1,349
Pre-tax profit (loss)	13,455	-4,472	17,789	10,406
Income tax	3,146	-107	3,171	200

IAS 17* Apparel segment (PLN thousand)	I half 2026 from 01-01-2026 to 30-06-2026	I half of 2025 from 01-01-2025 to 30-06-2025	2 quarter 2026 from 01-04-2026 to 30-06-2026	2 quarter 2025 from 01-04-2025 to 30-06-2025
Net profit (loss) for the period	**10,309**	**-4,365**	**14,618**	**10,206**

** The table above presents the main financial positions, of the apparel segment showing the impact of IAS17 as the previous standard*

REVENUES

Revenues in the apparel segment in the first half of 2026 amounted to PLN 318.1 million, which was PLN 12.3 million (or 4.0%) higher than revenues achieved in the same period of 2025.

Revenues in the apparel segment in the second quarter of 2026 amounted to PLN 176.6 million, which was PLN 0.7 million (or 0.4%) higher than revenues achieved in the same period of 2025.

Increase in apparel segment revenues this year was the result of an expanded offering of formal wear, improved collection structure, a focus on offerings consistent with the brand's DNA, improved stocking levels in brick-and-mortar stores, the implementation of more effective incentive programs for customer advisors in traditional stores, and successful investments aimed at improving the efficiency of the on-line channel.

Apparel segment (PLN m)	I half 2026 from 01-01-2026 to 30-06-2026	I half of 2025 from 01-01-2025 to 30-06-2025	2 quarter 2026 from 01-04-2026 to 30-06-2026	2 quarter 2025 from 01-04-2025 to 30-06-2025
Revenues	**318.1**	**305.9**	**176.6**	**175.9**
Retail sales	314.7	301.4	175.4	174.0
Other sales	2.2	1.9	0.8	1.0
Wholesale	1.2	2.6	0.4	0.9

In 1H26, the Group recorded the following results in the following retail channels:

VISTULA ↓	**BYTOM ↑**	**WÓLCZANKA ↑**	**DENI CLER MILANO ↑**
PLN 120.4m (-0.4% YoY)	PLN 106.5m (6.6% YoY)	PLN 59.9m (11.6% YoY)	PLN 27.9m (3.6% YoY)

In the first half of 2026, growth was observed in both off-line and on-line sales. Off-line sales were 3.1% higher, and on-line sales were 8.8% higher compared to the same period last year. This increase was driven by the positive reception of the new collection and increased demand.

The share of online sales in the apparel segment's revenue increased to 24.5% in the first half of 2026, compared to 23.5% for online sales in the same period last year.

In the second quarter of 2026, off-line retail sales increased by 0.3% and on-line sales increased by 3.0% compared to the same period last year. The share of on-line sales in the apparel segment's revenues increased to 20.1% in the second quarter of 2026, compared to 19.7% in the same period of 2025.

Increase in off-line retail sales in the first half of 2026 occurred in the traditional network, which was lower YoY. Optimization of the sales network through the closure of unprofitable locations had a positive impact.

GROSS PROFIT ON SALES

Gross profit on sales in the apparel segment in the first half of 2026 amounted to PLN 203.4 million, an 11.3% increase compared to the same period of the previous year. Gross margin reached 64.0% in the first half of 2026, representing a 4.2 pp. increase compared to the same period of the previous year.

Increase in percentage margin was positively influenced by: an increased share of sales of the new collection year-on-year, more favourable terms of purchasing goods, and a reduction in the scale of promotional campaigns.

Gross profit on sales in the apparel segment in the second quarter of 2026 amounted to PLN 117.1 million, an increase of 7.7% compared to the same period of the previous year. Gross margin in the second quarter of 2026 was 66.3%, an increase of 4.5 percentage points compared to the same period of the previous year. The increase in margin was the result of lower discounting year-on-year.

SELLING COSTS

Selling costs in the first half of 2026 amounted to PLN 152.0 million, representing an increase of PLN 0.5 million (0.4%) compared to the same period of the previous year. The share of selling costs in revenue in the first half of 2026 was 47.8%, compared to 49.5% in the same period of the previous year.

Selling costs in the second quarter of 2026 amounted to PLN 78.6 million, representing an increase of PLN 0.2 million (0.2%) compared to the same period of 2025. Share of selling costs in the apparel segment's revenues in the second quarter of 2026 was 44.5%, representing a decrease of 0.1 pp. compared to the same period of the previous year.

Increase in selling costs was primarily due to an increase in base salaries (increase in the minimum wage) and on-line marketing costs. The cost level was also influenced by the optimization of the sales network by abandoning locations that were unprofitable.

G&A COSTS

General and administrative expenses in the first half of 2026 amounted to PLN 29.5 million, compared to PLN 29.1 million in the same period of the previous year, representing an increase of PLN 0.4 million (1.4%). Share of general and administrative expenses in revenues decreased to 9.3% from 9.5% in the same period of the previous year.

General and administrative expenses in the second quarter of 2026 amounted to PLN 15.3 million, compared to PLN 14.8 million in the same period of the previous year, representing an increase of PLN 0.5 million (3.1%). Share of general and administrative expenses in sales revenue increased to 8.7%, compared to 8.4% in the same period of the previous year.

OPERATING PROFIT IN THE APPAREL SEGMENT

In the first half of 2026, an operating profit of PLN 16.9 million was recorded, compared to a loss of PLN -0.9 million in the first half of 2025. In the second quarter of 2026, an operating profit of PLN 19.3 million was generated, compared to a profit of PLN 13.0 million in the same period of the previous year (an improvement of PLN 6.3 million).

The operating profitability of the apparel segment in the first half of 2026 was 5.3%, compared to -0.3% in the same period of the previous year. In the second quarter of 2026, operating profitability was 10.9%, compared to 7.4% in the same period of the previous year.

The improved operating profitability was the result of higher sales and gross margin year-on-year, which outweighed the increase in costs during the period. The balance of other costs and other operating income was negative at -PLN 4.8 million. This is largely due to inventory write-downs, primarily on slow-moving goods. These write-downs were a consequence of a more restrictive inventory valuation policy and a changed approach to inventory sales. Previously, sales of older collections required deep discounts, which reduced the realized margin and cannibalized sales of newer, higher-margin products. Therefore, the Company focused sales in its brand stores and online channels on collections from the current and immediately preceding seasons, while older inventory is sold outside its own retail network.

Effective cost management and the optimization of the sales network by eliminating unprofitable locations also contributed to the improved operating profitability this year.

FINANCIAL INCOME AND COSTS

The net financial result in the apparel segment was -PLN 7.0 million in the first half of 2026, compared to -PLN 2.7 million in the same period of the previous year. In the second quarter of 2026, the net financial result was -PLN 2.2 million, compared to -PLN 4.8 million in the same period of the previous year.

The negative impact of IFRS 16 on the net financial result in the apparel segment in the first half of 2026 was -PLN 5.6 million. Similarly, in the second quarter of 2026, the impact of IFRS 16 on the net financial result was unfavourable, amounting to -PLN 1.8 million. In the same periods of the previous year, it was also negative, amounting to -PLN 1.7 million for the first half of 2025 and -PLN 3.4 million for the second quarter of 2025.

Apparel segment (PLN thousand)	I half 2026 from 01-01-2026 to 30-06-2026	I half of 2025 from 01-01-2025 to 30-06-2025	2 quarter 2026 from 01-04-2026 to 30-06-2026	2 quarter 2025 from 01-04-2025 to 30-06-2025
Financial costs net	-804	-2,986	-712	-1,667
FX differences net (excl. IFRS16)	-562	1,993	309	318
IFRS 16 impact	-5,592	-1,729	-1,788	-3,407
'- incl. FX differences	-2,537	1,082	-225	-1,973
'- incl. interest	-3,055	-2,811	-1,563	-1,434
Financial income/ costs	**-6,958**	**-2,722**	**-2,191**	**-4,756**

NET RESULT IN THE APPAREL SEGMENT

In the apparel segment, the Group reported a net profit of PLN 7.4 million in the first half of 2026, compared to a net loss of PLN -3.7 million in the same period of the previous year (an improvement of PLN 11.1 million). In the second quarter of 2026, the Group's apparel segment reported a net profit of PLN 14.1 million, compared to a net profit of PLN 8.5 million in the same period of the previous year (an increase of PLN 5.6 million). Increase in profit in the first half and second quarter of 2026 (compared to the same periods of the previous year) is a consequence of increased sales and margins.

JEWELLERY SEGMENT

Jewellery segment (PLN thousand)	I half 2026 from 01-01-2026 to 30-06-2026	I half of 2025 from 01-01-2025 to 30-06-2025	2 quarter 2026 from 01-04-2026 to 30-06-2026	2 quarter 2025 from 01-04-2025 to 30-06-2025
Revenues	**473,752**	**365,307**	**258,789**	**201,584**
Cost of sales	215,483	173,990	115,519	95,382
Gross profit on sales	**258,269**	**191,317**	**143,270**	**106,202**
Selling costs	163,730	115,745	86,506	60,655
Administrative expenses	39,247	24,965	17,067	12,849
Other operating income	1,653	565	295	336
Gain from sale of non-financial non-current assets	101	0	0	0
Other operating costs	906	672	308	340
Loss from sale of non-financial non-current assets	0	229	114	45
Profit (loss) from operations	**56,140**	**50,271**	**39,570**	**32,649**
Financial income / costs	-9,254	-2,539	-1,812	-4,846
Pre-tax profit (loss)	46,886	47,732	37,758	27,803
Income tax	9,696	9,398	7,076	7,638
Net profit (loss) for the period	**37,190**	**38,334**	**30,682**	**20,165**

IAS 17* Jewellery segment (PLN thousand)	I half 2026 from 01-01-2026 to 30-06-2026	I half of 2025 from 01-01-2025 to 30-06-2025	2 quarter 2026 from 01-04-2026 to 30-06-2026	2 quarter 2025 from 01-04-2025 to 30-06-2025
Revenues	**473,752**	**365,307**	**258,789**	**201,584**
Cost of sales	215,483	173,990	115,519	95,382
Gross profit on sales	**258,269**	**191,317**	**143,270**	**106,202**
Selling costs	165,611	117,041	87,616	61,385
Administrative expenses	39,120	25,005	17,007	12,838
Other operating income	1,653	365	295	336
Gain from sale of non-financial non-current assets	101	0	0	0

IAS 17* Jewellery segment (PLN thousand)	I half 2026 from 01-01-2026 to 30-06-2026	I half of 2025 from 01-01-2025 to 30-06-2025	2 quarter 2026 from 01-04-2026 to 30-06-2026	2 quarter 2025 from 01-04-2025 to 30-06-2025
Other operating costs	864	672	271	340
Loss from sale of non-financial non-current assets	0	229	114	45
Profit (loss) from operations	**54,428**	**48,736**	**38,557**	**31,930**
Financial income / costs	-4,544	-550	-1,588	-1,441
Pre-tax profit (loss)	49,884	48,186	36,969	30,489
Income tax	10,422	9,483	7,109	8,146
Net profit (loss) for the period	**39,462**	**38,703**	**29,860**	**22,343**

** The table above presents the main financial positions, of the jewellery segment showing the impact of IAS17 as the previous standard*

REVENUES

Jewellery segment revenues in the first half of 2026 amounted to PLN 473.8 million, an increase of PLN 108.4 million compared to the same period of the previous year (an increase of 29.7%). In the second quarter of 2026, jewellery segment revenues amounted to PLN 258.8 million, an increase of PLN 57.2 million compared to the same period of the previous year (an increase of 28.4%). Incorporation of Lilou into the segment had a significant impact on the revenue growth. Lilou's revenues amounted to PLN 38.8 million. Increase in sales was also due to the continued positive trend in gold and silver jewellery and watches. Furthermore, the operations of new foreign showrooms in Hungary were consistently developed. Revenues on the Hungarian market amounted to PLN 11.0 million.

GROSS PROFIT ON SALES

The jewellery segment's gross profit in the first half of 2026 amounted to PLN 258.3 million, an increase of PLN 67.0 million compared to the same period of the previous year (a 35.0% increase), driven by increased sales of the W.KRUK brand and the inclusion of the Lilou group of companies. In the second quarter of 2026, gross profit amounted to PLN 143.3 million, an increase of PLN 37.1 million compared to the same period of the previous year (a 34.9% increase).

In the first half of 2026, the gross margin increased to 54.5%, an increase of 2.1 pp. compared to the same period of the previous year. In the second quarter of 2026, the gross margin increased by 2.7 pp. to 55.4%.

SELLING COSTS

In the first half of 2026, selling costs amounted to PLN 163.7 million, representing a PLN 48.0 million increase compared to the same period of the previous year (an increase of 41.5%). Meanwhile, the share of selling costs in total sales in the jewellery segment increased to 34.6%, compared to 31.7% in the same period of the previous year.

Increase in selling costs was due to the addition of the Lilou brand to the segment and the expansion of the sales network (an increase in the number of stores – both in Poland and Hungary).

In the second quarter of 2026, selling costs amounted to PLN 86.5 million, an increase of PLN 25.9 million compared to the same period of the previous year (an increase of 42.6%). At the same time, the share of selling costs in total sales in the jewellery segment increased to 33.4%, compared to 30.1% in the same period of the previous year.

Increase in selling costs was due, among other things, to an increase in sales-related costs, such as franchisee commissions, employee salaries, logistics costs, and image and online marketing. Increase in on-line sales also resulted in higher costs such as courier shipments, packaging costs, and the cost of preparing shipments to customers.

G&A COSTS

In the first half of 2026, general and administrative expenses amounted to PLN 39.2 million, an increase of PLN 14.3 million (57.2%) compared to the same period of the previous year. This increase was due to the integration of the group of Lilou companies into the jewellery segment and one-off costs incurred in connection with their acquisition. One-off costs incurred in connection with the acquisition of the group of Lilou companies, which were included in general and administrative expenses in the first half of

2026, amounted to PLN 5.5 million. The share of general and administrative expenses in revenues was 8.3%, an increase of 1.5 pp. compared to the same period of the previous year.

In the second quarter of 2026, general and administrative expenses amounted to PLN 17.1 million, an increase of PLN 4.2 million (32.8%) compared to the same period of the previous year. This is primarily due to the integration of the group of Lilou companies into the Group. Share of general and administrative costs in revenues amounted to 6.6% compared to 6.4% in the same period of the previous year.

OPERATING PROFIT IN THE JEWELLERY SEGMENT

In the jewellery segment, the Group recorded an operating profit of PLN 56.1 million in the first half of 2026, representing an increase in operating profit of PLN 5.9 million (11.7%) compared to the same period of the previous year. In the second quarter of 2026, the operating profit of the jewellery segment amounted to PLN 39.6 million, an increase of PLN 6.9 million (21.2%) compared to the same period of the previous year. The increase in operating profit is related to a higher sales margin.

Operating profitability in the first half of 2026 was 11.9%, down 1.9 pp. compared to the same period of the previous year. In the second quarter of 2026, operating profitability was 15.3%, down 0.9% compared to the same period of the previous year.

FINANCIAL INCOME AND COSTS

The financial result in the jewellery segment amounted to PLN -9.3 million in the first half of 2026, compared to PLN -2.5 million in the same period of the previous year. In the second quarter of 2026, the financial result amounted to PLN -1.8 million, compared to PLN -4.8 million in the same period of the previous year.

IFRS 16 had an unfavourable impact on the financial result in the jewellery segment in the first half of 2026, as it caused an increase in net financial costs by PLN 4.7 million (in the same period of the previous year, IFRS 16 generated an increase in net financial costs of PLN 2.0 million). Similarly, in the second quarter of 2026, the impact of IFRS 16 on the financial result was negative, causing an increase in financial costs by PLN 0.2 million (in the same period of the previous year, the impact was negative and amounted to PLN 3.4 million).

Jewellery segment (PLN thousand)	I half 2026 from 01-01-2026 to 30-06-2026	I half of 2025 from 01-01-2025 to 30-06-2025	2 quarter 2026 from 01-04-2026 to 30-06-2026	2 quarter 2025 from 01-04-2025 to 30-06-2025
Financial costs net	-4,332	-2,308	-2,401	-1,337
FX differences net (excl. IFRS16)	-212	1,759	812	-104
IFRS 16 impact	-4,710	-1,990	-223	-3,405
‘- incl. FX differences	-817	1,128	1,769	-1,808
‘- incl. interest	-3,893	-3,118	-1,992	-1,597
Financial income/ costs	**-9,254**	**-2,539**	**-1,812**	**-4,846**

NET RESULT IN THE JEWELLERY SEGMENT

The jewellery segment's net profit in the first half of 2026 amounted to PLN 37.2 million, a decrease of PLN 1.1 million (3.0%) compared to the same period of the previous year. In the second quarter of 2026, it amounted to PLN 30.7 million, an increase of PLN 10.5 million (52.2%) compared to the same period of the previous year.

Decrease in net profit in the first half was due to increased additional costs related to the acquisition of the group of Lilou companies, while increase in the second quarter of 2026 (compared to the same periods of the previous year) was a consequence of higher sales and margins, which outweighed the increase in costs in the reporting period.

STRUCTURE AND CHARACTERISTICS OF STATEMENT OF FINANCIAL POSITION

	30.06.2026	30.06.2026	30.06.2025	30.06.2025
Bilans Grupy	Value (PLN ths)	Share (%)	Value (PLN ths)	Share (%)
Consolidated balance sheet	**1,112,495**	**54.9%**	**920,591**	**52.4%**
Non-current assets, including:	612,040	30.2%	500,468	28.5%
Intangible assets	121,689	6.0%	91,965	5.2%
Fixed assets	359,107	17.7%	307,828	17.5%
Current assets, including:	**914,965**	**45.1%**	**837,045**	**47.6%**
Inventory	827,527	40.8%	794,860	45.2%
Trade and other receivables	26,010	1.3%	25,031	1.4%
Cash and cash equivalents	61,274	3.0%	17,104	1.0%
Total assets	**2,027,460**		**1,757,636**	
Equity attributable to dominating entity, including:	1,194,752	58.9%	1,097,865	62.5%
Share capital	49,122	2.4%	49,122	2.8%
Net profit (loss) for the current period	44,617	2.2%	34,635	2.0%
Long-term liabilities and provisions:	**335,558**	**16.6%**	**214,934**	**12.2%**
Long-term bank loans and borrowings	81,172	4.0%	0	0.0%
Lease liabilities	249,827	12.3%	211,191	12.0%
‘ incl. leases in shopping malls and office floorspace	*247,252*	*12.2%*	*209,810*	*11.9%*
Short-term liabilities and provisions, including:	**497,150**	**24.5%**	**444,837**	**25.3%**
Trade liabilities	247,556	12.2%	203,386	11.6%
Short-term loans and borrowings and short-term portion of long-term borrowings	104,463	5.2%	118,634	6.7%
Lease liabilities	122,659	6.1%	102,788	5.8%
- incl. leases in shopping malls and office floorspace	*121,038*	*6.0%*	*101,713*	*5.8%*
Total equity and liabilities	**2,027,460**		**1,757,636**	

ASSETS

Value of assets at the end of June 2026 increased by 15.3% compared to the end of June 2025.

INTANGIBLE ASSETS

Increase in intangible assets is the result of the valuation of the acquired assets of the Lilou group of companies. As part of the acquisition settlement, a trademark asset worth PLN 48.9 million was recognized, while goodwill recognized as of the acquisition date was PLN 63 million.

NON-CURRENT ASSETS

Increase in property, plant and equipment is related to investments made in the opening of new stores and their equipment, as well as the recognition of property, plant and equipment related to the Lilou brand.

RIGHT OF USE ASSETS

Increase in the right-of-use asset is the net result of accrued depreciation for I half of 2026 and lease extensions and negotiations, including new openings. Furthermore, this item includes the valuation of the Lilou brand agreements, which was not recognized at the end of 2025.

INVENTORY

The value of inventories as of June 30, 2026, amounted to PLN 827.5 million, which represents a 4.1% increase compared to June 30, 2025. In the apparel segment, the value of inventories decreased by 24.8% YoY due to better resale of collections, sales network optimization, and mass sales of low-turnover inventory, while in the jewellery segment it increased by 15.9% YoY due to the expected growth of the network and sales in the coming months of 2026 and the inclusion of group of Lilou companies.

The Group's inventories per m2 amounted to PLN 15,591, which means an increase of 4.1% YoY:

Inventory / [PLN/m2]	1H26	1H25	YoY
VRG	**15,591**	**16,253**	**-4.1%**
Apparel segment	5,358	6,814	-21.4%
Jewellery segment	31,577	37,470	-15.7%

EQUITY AND LIABILITIES

EQUITY

In the first half of 2026, changes in equity result primarily from the profit achieved in the amount of PLN 44,617 thousand and the implementation by the parent company VRG S.A. of the resolution of the Annual General Meeting of the parent company VRG S.A. on the payment of dividend, adopted on June 25, 2026, in which it was decided to allocate the net profit achieved by the Company in previous years and transferred to supplementary capital for the payment of dividends in the total amount of PLN 11,722,792.

LONG-TERM AND SHORT-TERM DEBT

As of June 30, 2026, the Group had long-term loan debt of PLN 81.2 million. Lease liabilities for commercial and office space leases total PLN 368.3 million, of which PLN 247.3 million is long-term and PLN 121.0 million is short-term.

The table below presents financial liabilities as of June 30, 2026, and June 30, 2025, as well as net debt. Furthermore, net debt data is presented net of the impact of IFRS 16, which significantly changes its value.

Increase in net debt compared to last year is due to an increase in lease liabilities resulting from new openings and the recognition of Lilou brand agreements, as well as an increase in debt from loans and borrowings financing the acquisition of the Lilou group of companies. The net debt/EBITDA ratio (under IFRS 16) is at a relatively low level of 1.6, while under IAS 17 it reached the value of 0.7.

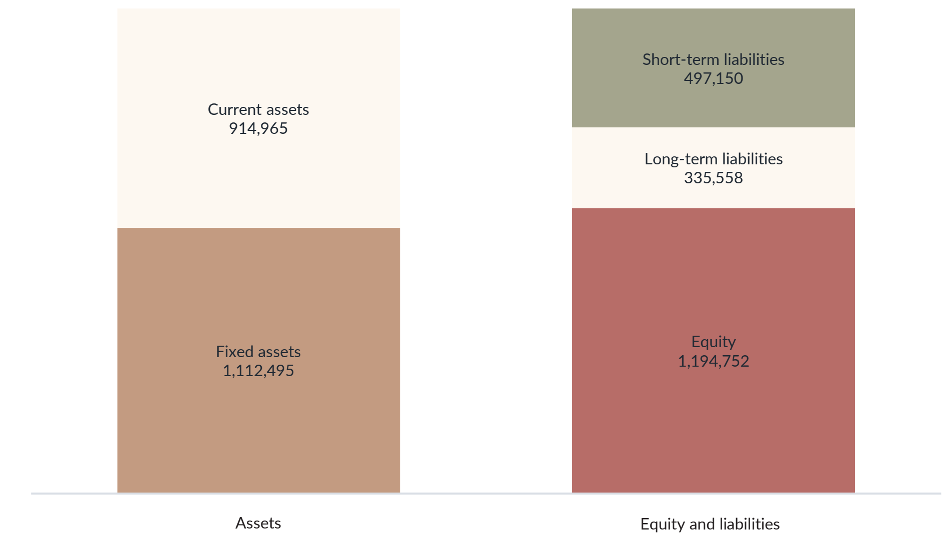
Net debt	30.06.2026	30.06.2025
Long-term debt	**330,999**	**211,191**
Long-term loans and borrowings	81,172	0
Finance lease liabilities	249,827	211,191
'-incl. leases in shopping malls and office floorspace	*247,252*	*209,810*
Short-term debt	**227,673**	**231,684**
Finance lease liabilities	104,463	118,634
- incl. leases in shopping malls and office floorspace	*121,038*	*101,713*
Factoring liabilities	551	10,262
Loans and borrowings	122,659	102,788
Cash	**61,274**	**17,104**
Net debt	497,398	425,771
EBITDA annualised	307,654	267,139
Net debt/EBITDA	**1.6**	**1.6**

Net debt IAS 17*	30.06.2026	30.06.2025
Long-term debt	**83,747**	**1,381**
Long-term loans and borrowings	81,172	0
Finance lease liabilities	2,575	1,381
Short-term debt	**106,635**	**129,971**
Short-term loans and borrowings and short-term part of long-term debt	104,463	118,634
Factoring liabilities	551	10,262
Finance lease liabilities	1,621	1,075
Cash	**61,274**	**17,104**
Net debt	**129,108**	**114,248**
EBITDA annualised	187,595	151,823
Net debt/EBITDA	**0.7**	**0.8**

** The table above presents the basic financial positions of the Group, showing the impact of IAS 17 as the previously applicable standard*

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

Balance sheet analysis as at the end of 2Q 2026



SIGNIFICANT OFF-BALANCE SHEET ITEMS

Significant off-balance sheet items are indicated in Note 6.2 to the condensed consolidated interim financial statements.

SIGNIFICANT RISK FACTORS AND THREATS

The risk management process is implemented based on the Risk Management Policy of the VRG Capital Group. It supports the implementation of the Group's strategy and aims to guarantee an appropriate level of security of business activities and financial reporting. The Capital Group strives to recognize and manage risks related to the activities of the Group's companies at an early stage. The risk management process and methods are adequate to the scale of the Group's operations and adapted to the level of a given risk. The risk management process is systematic and subject to improvement - it is adapted to new factors and sources of risk, as well as the changing legal and economic environment. Risk management methods are periodically verified.

The Management Board is responsible for effective risk management. The Audit Committee, as a permanent collective body of the Supervisory Board, exercises constant supervision over the Management Board's activities in the field of risk management.

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

Risk	Risk management
Strategic risk	
Risk related to the macroeconomic and geopolitical situation	Risk related to the lack of a flexible response to the dynamically changing, unstable macroeconomic and geopolitical situation. Risk factors include in particular: weak economic growth, increasing unemployment, decline in individual consumption, rising inflation, energy crisis, increase in the minimum wage in Poland, conflict in Ukraine and in the Middle East, change in trade policies of key global economies. Risk mitigation mechanisms include: cost optimization. Continuous monitoring of the economic situation (analysis of the impact of the environment on operations), including ongoing monitoring of the situation in the Middle East and, based on this, review of development directions and goals. Diversification of supply sources and production locations. Withdrawal from high-risk projects.
Incorrect strategy	There is a risk that the objectives have been incorrectly defined and/or the incorrect method of achieving the outlined objectives has been adopted. The Group's assumptions will prove to be inappropriate to changing customer expectations or market conditions. There is a risk that the implementation of tasks will be delayed or that some elements will not be possible to implement or will not produce the expected results. Risk mitigation mechanisms include: Ongoing and periodic monitoring by the Management Boards and Supervisory Boards of Group companies of the implementation of assumptions based on indicators and defined goals. Based on this monitoring, verification of development directions and goals. Acquisition and analysis of market, customer, and competitive data. Optimization of store stock levels and inventory levels. Implementation of new initiatives. Verification of the profitability of the company's own stores – increasing sales per square meter and improving the network's EBIT. Support for offline and on-line traffic and building brand awareness. A multibrand project as an offer for franchisees. Incentive programs for sales advisors. The company's mission in the spirit of slow fashion and market communication. Sales development in markets other than Poland. Investment in the development of the e-commerce channel. Acquisition of the Lilou brand - acquiring a strong and recognizable brand with an established market position, offering a unique product and range that does not compete directly with W.KRUK's offer, with a different price positioning and access to a different, younger target group, with significant potential for further development.

Unsuccessful collection and its suboptimal introduction	VRG operates on a very competitive, changeable and demanding apparel market. An incorrectly planned collection, an unsuccessful collection or its suboptimal introduction may have a significant impact on the Company's financial result. Risk mitigation mechanisms include: Monitoring and analysing the latest fashion trends for brand consistency. Defining the target audience for each brand. Communicating collections externally. Diversifying brand IDs. Monitoring consumer behaviour. Adjusting the assortment plan to budget and sales peaks. Sales ranking analysis, customer and store manager feedback, post-season collection reviews, and developing new products based on these. Collection pyramid – optimal distribution of core, commercial, and trend products. Pricing policy optimization. Permanent inventory, ensuring the availability of core products. Competitor analysis. Updating the buyer and design calendar. Diversifying markets and suppliers. Regularly supplementing the offer with new products (seasonal and trend-driven).
Suboptimal sales and purchasing budget planning	Risk related to the sales and purchasing budget planning process. Errors in planning can have a key impact on the financial result. Risk mitigation mechanisms include: Sales budget (turnover and margin plan). Constant monitoring and analysis of results, adapting the plan to the size of the retail space. Optimize the resale percentage of your new collection. Dedicated team of experts.

Financial risks

Currency risk	The Group generates revenues mainly in PLN, but incurs significant costs in EUR, US dollars and Swiss francs, which exposes the financial result to exchange rate risk. In periods of weakening of the Polish zloty in relation to the main settlement currencies, the Group incurs higher costs. At the same time, a potentially negative valuation of liabilities in foreign currencies results in a deterioration of the balance sheet structure. An important element of risk is the valuation of accumulated lease liabilities for the rental of commercial premises. Risk mitigation mechanisms include: Creating a currency flow forecast. Using hedging instruments (in the event of negative forecasts regarding future exchange rates). Maintaining a currency risk reserve at the budget level. Purchasing currency through negotiated transactions (spot transactions). Managing prices while taking into account fluctuating exchange rates. Using forecasts regarding future exchange rates. Using reverse factoring in currencies. Maintaining active treasury limits to enter into forward transactions.
Credit risk	Group companies are parties to loan agreements. These agreements contain a number of conditions and covenants that the companies are obligated to adhere to. In the event of an economic downturn or weakening demand for the companies' products, compliance with the covenants may be jeopardized, creating a risk of termination of the agreements by the financing banks. Due to the large amount of financing, the companies may not be able to obtain refinancing in a short time. Risk mitigation mechanisms include: timely payment of obligations to banks. Monitoring compliance with covenants (including monitoring the valuation of collateral, e.g., trademarks and inventories). Providing ongoing information on the financial situation to financing banks. External audits of financial statements (annual and semi-annual) confirming the accuracy of data.

Liquidity risk	The Group has liabilities under bank loan agreements and trade liabilities. The above liabilities are serviced primarily using current operating cash flows. In the extreme case of a sudden, simultaneous drop in demand and an increase in costs (especially in the event of a deep weakening of the Polish zloty) or a temporary loss of revenues as a result of extraordinary events, the Group may experience difficulties in maintaining financial liquidity. Risk mitigation mechanisms include: Developing a budget for a given year. Monitoring the cash flow process. Managing payment deadlines.

Operating risks	
Cybersecurity risk	Cybersecurity risk is the risk of attack, damage or unauthorized access to an enterprise's data, IT networks, devices and programs. Technical safeguards do not eliminate risk. The human factor may be a weak point leading to risk. Risk mitigation mechanisms include: System authorization processes and procedures for managing access to internal systems. Continuous system updates of technical and antivirus security measures. Employee training, awareness building, informational materials, and procedures. External security audits.
Delays in supplies	Risk related to delays in deliveries of finished products, raw materials and accessories. Potential delays may result in loss of sales potential and affect the financial result. Risk mitigation mechanisms include: monitoring deliveries. Verification of logistics operators, collaboration with reliable suppliers of goods and transport services. Requirements for suppliers of goods and transport services, as well as quality control. If necessary, changing the mode of transport or service. Insurance. Limiting the number of air freight shipments through the Middle East and ongoing monitoring of the situation in the Middle East. Securing an adequate supply of packaging.

MARKETS

The Capital Group offers its products mainly to retail customers through a network of company stores. The domestic market is the dominant sales market for the companies from the Issuer's Capital Group.

SOURCING

In the first half of 2026, the Issuer used mainly raw materials of foreign origin for production for the domestic market. Domestic sources of supply of raw materials used in the production of products constituted a minority. Sources of supplies for fabrics, jewellery and accessories were diversified - none of the suppliers exceeded the threshold of 10% share in total supplies.

ORGANIZATIONAL OR CAPITAL RELATIONS

Organizational or capital relations are presented in point 1.1.2 supplementary information and explanations to the consolidated financial statements.

TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are presented in point 6.7 to the interim condensed consolidated financial statements.

BANK LOANS

Information on bank loans is included in Note No. 4.12.1 to the interim condensed consolidated financial statements.

PROCEEDINGS PENDING IN A COURT OR A PUBLIC ADMINISTRATION AUTHORITY

Information on proceedings pending in a court or a public administration authority is included in point 6.12 of the supplementary information and explanations to the interim condensed consolidated financial statements.

GUARANTEES FOR LOANS OR BANK LOANS AND GUARANTEES GRANTED

Information on bank loan or loan guarantees and guarantees granted is included in note 6.14 of the supplementary information and explanations to the interim condensed consolidated financial statements.

FINANCIAL RESOURCES MANAGEMENT

As a result of budgetary management of financial resources, the Group has the ability to meet its obligations. In the opinion of the Management Board of the parent company, there are no threats as regards servicing and repayment of liabilities.

FULFILLMENT OF PUBLISHED FORECASTS

VRG S.A. it did not publish the forecast of financial results for 2026.

7. PLANNED DEVELOPMENT ACTIVITIES

According to the information provided by the Company in its annual report, consolidated annual report for 2025, and quarterly report for the first quarter of 2026, the VRG Group's development prospects in 2026 will be linked to macroeconomic conditions, the continuation of activities initiated in 2024–2025, and the gradual implementation of development directions for the coming years.

The Group expects to operate in an environment of increased market volatility. The geopolitical situation, particularly in the Middle East, remains a significant risk factor, which may affect energy commodity prices, inflation, and exchange rates, including a weakening of the Polish zloty. These factors may impact consumer sentiment and operating conditions. Exchange rate volatility may primarily impact margins (intake margins) and the operating costs of the fixed-line network. Other significant factors that may impact the retail sector in the coming quarters of 2026 include fluctuations in private consumption and the pace of economic growth in Poland and Europe.

Under these circumstances, the Group will focus on further developing its brands, improving operational efficiency, and increasing revenue, gross margin, and operating profit. One of the key directions of the Group's development in 2026 will be to leverage the potential arising from expanding its jewellery brand portfolio with the Lilou brand, while maintaining its own product and marketing identity and independent market positioning. Within the Group, collaboration opportunities and synergies will be leveraged, particularly in organizational, purchasing, and logistics areas, as well as through the exchange of competencies in product development, marketing, and sales.

APPAREL SEGMENT

In 2026, the Group will continue the operational activities that resulted in improved efficiency in the apparel segment in 2024-2025. Further improving the profitability of this segment through sales growth, improved margins, and maintaining cost discipline will remain a priority.

Key areas of activity will include investing in the modernization of the sales network and focusing on increasing revenues and margins per square meter of retail space. The Group will continue its selective approach to opening new locations, focusing on improving the efficiency of the existing network and limiting the impact of unprofitable outlets. Decisions regarding the opening of new locations, relocation, or modernization of existing stores will be based on an analysis of the commercial potential of individual locations, expected profitability, and their long-term operational prospects.

Managing inventory volume and structure will remain a key focus, including further reducing the share of inefficient inventory, improving collection rotation and resale, and improving product offering planning. These efforts will be complemented by further streamlining of discount and markdown policies. The Group will strive to shift from a model based on continuous promotional communications to a more structured approach, based on a calendar of markdowns and promotional activities implemented at typical industry times of the year. This will support effective collection lifecycle management and increase the share of sales at regular prices.

The Group will continue to develop the Vistula, Bytom, and Wólczanka brands, enabling each to effectively compete for customers through product quality, tailored offerings, and market appeal. The goal is not to limit the brands' potential with internal barriers, but rather to strengthen their competitiveness while simultaneously building their distinct brand worlds. This approach assumes that each brand develops its offerings as fully and freely as possible, focusing on creating the best collection for its customers, while simultaneously operating within a clearly defined sphere of emotions and image, constituting its unique "world of values and associations," which builds its distinctiveness and is not violated by other brands.

The Group will also develop tools to support sales and customer relationships, including CRM solutions, marketing automation, and personalization of communications and offerings, both in offline and online channels. In this area, the Group also plans to implement new, dedicated loyalty programs for each brand. These activities will be supported by the further development of analytical tools that leverage sales data to increase the effectiveness of marketing activities and offer management efficiency.

Another significant event will be the expansion of the off-line presence of the new Vistula store concept, which debuted in the second quarter and will serve as a flagship store and serve as a benchmark for further development of the customer experience across the sales network. The solutions developed within the new concept will be successively utilized in the modernization of selected brand stores.

With regard to the Deni Cler Milano brand, the Group maintains the possibility of securing an investor for the company managing the brand in the long term. However, due to the company's current financial condition and the challenging market environment, this process remains difficult. Therefore, in 2026, the Group will focus primarily on improving DCG S.A.'s operating results, including optimizing its offering, sales efficiency, and operating costs.

DEVELOPMENT DIRECTIONS OF COLLECTIONS IN THE APPAREL SEGMENT

The fundamental factor in strengthening the market position of apparel brands in 2026 will be the continued improvement of the quality and completeness of the product offerings, ensuring they meet customer needs to the fullest extent possible. Building cohesive collections, based on a balance between timelessness and seasonal appeal, as well as high compatibility between individual wardrobe items, will be crucial.

In 2026, the Vistula brand is focusing on developing a coherent, four-season collection structure, encompassing both men's and women's lines. Transitional seasons are based on year-round products, featuring a timeless aesthetic and classic colour schemes, while the summer and winter collections utilize current stylistic and colour trends to a greater extent. The men's collection is centered around modern formal wear, complemented by an extensive smart casual offering. A key focus remains the development of linen products and lightweight knitwear in the spring/summer season, and high-quality outerwear and knitwear in the fall/winter season. In the Autumn/Winter collection, special emphasis will be placed on outerwear, including coats made of high-quality wool and functional down jackets. The development of the Vistula Fine Tailoring line, part of the brand's most premium formal offering, will be further enhanced by clear positioning and dedicated branding.

The Vistula women's collection is being developed based on similar principles, with the suit as the core of the offering. The range of dresses, blouses, and more casual pieces is also being expanded. Expanding the size range and diversifying silhouettes and fits remains a key focus.

Development of the Autumn/Winter 2026 collection will utilize the Modern Tailoring concept, based on a contemporary interpretation of classic tailoring and the use of materials that provide greater comfort while maintaining high aesthetic values. The collections will utilize, among other things, structured woven and knitted fabrics, as well as high-quality materials such as merino wool and alpaca blends.

The Bytom brand is developing a collection based on a conscious reinterpretation of classic menswear, founded on British tailoring, based on clearly defined shoulders, a controlled waist, and disciplined body proportions. This foundation is balanced by Italian influences, manifested in a lighter construction, freedom of use, and an approach to style that allows for greater naturalness and informality.

The collection is developed in the spirit of modern heritage, understood as combining traditional tailoring techniques with modern material solutions, creating a product with a cross-seasonal character. The collection's structure is structured in a structured manner, with suits, sets, and jackets at its core, defining the main aesthetic. Other categories complement the offering, enhancing its functionality and stylistic cohesion. Trousers and less formal jackets allow for more casual outfits, while knitwear and polo and T-shirt products bridge the gap between formality and everyday wear. Accessories remain an integral part of the collection, complementing the overall offering.

Development of the collection is based on the concept of building a cohesive wardrobe, in which individual elements can be freely combined and used in various contexts.

For the Bytom brand, in the second half of 2026, collection development will continue based on four main pillars: developing the formal wardrobe, expanding the smart casual offering, strengthening the outerwear category, and further developing knitwear and complementary products. The most important direction will remain the development of the formal wardrobe, which is a key area of the brand's competence.

Development of the formal wardrobe will focus on further improving product quality through the use of more refined fabrics, developing tailoring constructions, and refining finishing details. The offer of suits made of high-quality wools with diverse performance parameters and shirts made of high-quality cotton fabrics will be expanded. At the same time, the offering will be developed to accommodate diverse customer needs – from classic business attire and formal wear to solutions that reflect the modern work environment and the growing importance of more casual elegance.

The outerwear segment will remain a key development area, strengthened by expanding its offering of coats and jackets in a variety of silhouettes, constructions, and fabric weights. A parallel expansion will be made of premium knitwear, featuring classic styles made from high-quality materials, including merino wool and cashmere blends. These products will complement both formal wardrobes and smart casual wear.

Capsule collections and special projects will remain an integral part of the product strategy, strengthening the brand's recognition and emphasizing its character. In the second half of 2026, these projects will also draw inspiration from Polish cultural heritage, developing Bytom's signature blend of classic men's fashion with culture and art.

Wólczanka will consistently develop its offerings around its core competency, the shirt, strengthening its position as an expert in this category. The brand's approach is based on providing a product that serves as a universal image-building tool, suitable for both formal, business-oriented styles and modern smart casual wear.

The collection focuses on quality, construction, detail, and fit. The brand's aesthetic remains clean and contemporary, while remaining firmly rooted in classic styles. The product range is clearly structured, with shirts predominating as the core category, supported by basic knitwear and formal accessories that complement the offerings and enable the creation of cohesive looks. A key development direction remains the creation of functional, easy-care, comfortable shirts tailored to the needs of modern wearers, including business customers and frequent travellers. Design inspiration stems from both classic styles and observations of evolving lifestyles, allowing the brand to develop its offerings to meet real customer needs.

Wólczanka's offerings also serve as a complementary element to other lifestyle brands, enabling customers to build a cohesive image in various contexts.

A key element of the Autumn/Winter 2026 collection will be formal shirts made from high-quality Egyptian cotton. The development of the Traveller collection will also continue, featuring shirts featuring wrinkle-reducing solutions that specifically address the needs of business customers and frequent travellers. In the premium segment, the brand will expand its offerings with products made from fabrics from renowned manufacturers, including Albini and Thomas Mason. The women's collection will include shirts made of high-quality cotton sateen, including models featuring floral and oriental patterns. Silk shirts will also be developed in the premium segment. Expanding Wólczanka's knitwear offering will remain an important direction of development. In the second half of 2026, it plans to introduce classic women's and men's sweaters made of 100% high-quality mercerized wool, a natural complement to the shirt offering and enabling the creation of complete business and smart casual outfits.

Deni Cler Milano, a premium brand with Italian roots, develops collections based on a strong design heritage and current European fashion trends. Each year, two comprehensive seasonal collections are created, encompassing a full spectrum of products, from outerwear, through extensive suits and jacket programs, to dresses and accessories.

The foundation of the collection remains the Italian aesthetic, based on refined form, high-quality materials, and attention to detail. A key premise is the complete stylistic and colour consistency of the collection, as well as the high compatibility of products, allowing for seamless styling. At the same time, the brand responds to changing market needs, shifting its emphasis toward more comfortable and less formal fashion while maintaining a premium character. Knitwear, shorter outerwear styles, and business-oriented jacket programs are gaining importance in the collections.

The dress offering, particularly occasional styles, remains a significant area of development, as does the consistent development of the brand's recognizable product lines. New collection elements are integrated with existing offerings to ensure coherence and continuity.

The common denominator across all brands remains the high quality of materials and technologies, as well as the growing importance of functional and structural fabrics, which enhance both the product's functional value and aesthetic appeal.

MARKETING STRATEGY AND COMMUNICATIONS ACTIVITIES FOR THE APPAREL SEGMENT

In 2026, Vistula is implementing a new marketing strategy based on the "Create Your Moment" communication platform, which serves as the foundation for long-term image and sales activities. Its goal is to redefine the perception of elegance – moving away from a purely formal and occasional context in favour of a more contemporary, flexible, and present approach to the customer's daily life. The brand positions itself as a partner accompanying both important life events and everyday situations of personal significance. The strategy envisions development into a comprehensive provider of styling solutions, combining quality tailoring with functionality, comfort, and contemporary design. A key element is expanding the target audience, including significantly strengthening communication aimed at women.

The brand's communication is based on the concept of "moments," which connect the product with the user experience. The narrative is emotional in nature, but remains rooted in the rational attributes of the offering – quality, design, and functionality. The brand highlights its product expertise by presenting collections in the context of their real-world use.

The strategy's implementation is based on an omnichannel model. Television builds reach and awareness, digital is responsible for precise reach and conversion, and social media supports engagement. Collaboration with online creators and PR activities in lifestyle and fashion media play a significant role. Own channels – e-commerce, CRM, and content marketing – support relationships and sales. These activities are complemented by retail initiatives and outdoor campaigns, which strengthen the brand's visibility.

One of the key priorities in Vistula's marketing communications in the second half of the year will be strengthening marketing activities with its network of off-line stores. Stores will be treated as a key point of customer contact with the brand, and marketing communications will be more focused on generating traffic in off-line stores and connecting on-line activities with the customer experience in retail. This direction assumes further strengthening of Vistula's communication ecosystem through the growing role of digital, influencer marketing and PR, the development of storytelling, and stronger integration of marketing activities with the retail channel.

In 2026, the Bytom brand will continue to implement a strategy based on the "Let's Celebrate Important Moments Together" communication platform, integrating image and product initiatives. Its core is building an emotional connection with the audience through values such as relationships, closeness, and intergenerational connection. Brand ambassador Marcin Dorociński plays a key role, ensuring consistency and credibility of the message. The strategy is based on a balance between emotional storytelling and product communication rooted in quality and craftsmanship. The brand consistently builds its presence in important moments in customers' lives, developing its narrative towards deeper and longer-term relationships. Product communication is aligned with seasonality, while maintaining a consistent premium positioning. In the spring-summer season, the lightness and naturalness of materials are emphasized, while in autumn and winter, the quality of outerwear and raw materials, particularly wool, is emphasized. Regardless of the season, the brand emphasizes the use of premium materials and tailoring expertise. A key element of the strategy remains the development of a custom-tailored service, reinforcing its expert image and individual approach to the customer. Communication is implemented in a 360-degree model, with digital and social media playing a key role as channels for content distribution and engagement. Television supports reach, while own channels drive sales and relationships. Influencer marketing relies primarily on ambassadors and selected creators. These activities are complemented by outdoor activities and point-of-sale communication.

In the third quarter, marketing activities will include communication for the summer sale and the launch of the fall collection. One of the projects will be a limited-edition capsule, Bytom × Don Pedro, referencing recognizable motifs from Polish animation. Another significant undertaking in the second half of the year will be the "Lalka" project, which includes the premiere of a dedicated collection and extensive communication and image-building activities. The project will be supported by a 360° campaign and partnerships connecting the brand with the world of Polish culture. Activities include collaboration with Cinema City and the Grand Theatre – National Opera, patronage of the "Lalka" exhibition at Łazienki Park, and the distribution of the book "Lalka," prepared in collaboration with Agora. These activities will support Bytom's positioning as a brand that draws on Polish culture, craftsmanship, and classic elegance. In 2026, the Wólczanka brand is consistently implementing its strategy of building a leading position and expert position in the shirt segment as part of the "Ideal Shirt" platform, developed in parallel with the communication of the "Ideal

Sweater" category. A key objective is to further strengthen product competencies and focus on quality, fit, and functionality. Wólczanka remains strongly customer-focused, emphasizing product value through the quality of materials and finishing technologies that enhance comfort and ease of care. Communication combines seasonality with the overarching message of quality and innovation. The spring-summer season emphasizes the properties of natural fabrics such as cotton, linen, and ramie, as well as functional solutions (e.g., technologies that reduce perspiration and increase stain resistance). In the fall-winter season, communication will focus on premium knitwear, including merino wool and cashmere, and high-potential sales periods such as the holiday season, under the slogan "Wólczanka, perfect for Christmas." Regardless of the season, the brand will continue to communicate its "Shirts for Special Occasions" and premium shirts, emphasizing the origin and properties of the fabrics. A key element remains the embroidery personalization service, reinforcing a personalized approach to customers and supporting sales at key moments in the shopping process. Marketing activities are implemented in an integrated manner, offline (supporting store traffic) and digital (social media, content marketing, performance). Influencer marketing plays a significant role, supporting the reach and credibility of the communication.

The Deni Cler Milano brand will continue to strengthen its position in the premium segment by showcasing its Italian heritage, quality craftsmanship, and contemporary understanding of elegance. The brand's 55th anniversary will remain a key element of its communication, highlighting its history, credibility, and long-standing presence in the market. The strategy is based on a coherent communication platform and the integration of activities within an omnichannel model. Digital channels and social media play a key role, developing lifestyle and image content that supports customer relationships. Collaboration with influencers and a presence in fashion media are crucial, reinforcing the brand's aspirational character. PR and event activities build the brand experience and relationships with audiences. Direct communication and retail activities are also being developed, including a coherent presentation of collections and in-store activities. The e-commerce channel is being systematically strengthened through the development of product presentations and visual content.

In the second half of 2026, communication efforts will focus on deepening relationships with existing customers and expanding the reach of our communication among younger, more aspirational customer groups. Communication will be supported by presentations of the Autumn/Winter 2026 collection for media and opinion leaders, in-store events, and collaborations with fashion and media personalities.

JEWELLERY SEGMENT

In 2026, the VRG Group will continue to develop its jewellery segment, focusing on further revenue growth and maintaining high profitability. This segment remains a key pillar of the Group's results.

The segment's development will be based on the continued strengthening of the W.KRUK brand and the development of the Lilou brand, which significantly complements the Group's portfolio and allows for the expansion of its presence in new market segments. Both brands operate in distinct, complementary market segments, enabling the Group to reach a broader customer base and more fully exploit the potential of the premium and fashion jewellery markets.

For the W.KRUK brand, a key focus will remain on further strengthening its market position and expanding its operations in the Hungarian market, which represents a significant growth area internationally. Brand development will focus primarily on strengthening its offerings of signature jewellery collections, developing jewellery with natural and laboratory-grown diamonds, and expanding the offerings of luxury watchmakers.

A key element in 2026 will be the continued development of the Lilou brand within the Group, while maintaining its distinctive and unique character. This brand is responsible for the Group's growth in fashion and personalized jewellery, complementing the jewellery segment and enabling it to reach new customer groups and create new shopping opportunities.

Following the expansion of the Group's portfolio to include the Lilou brand, efforts will be directed at gradually leveraging organizational and operational synergies while maintaining the full distinctiveness of both brands. The collaboration will primarily focus on areas invisible to the end customer, including the exchange of competencies and organizational best practices, as well as identifying opportunities for achieving economies of scale in selected purchasing, logistics, and administrative processes. At the same time, it will be possible to exchange competencies between the teams responsible for product development, marketing, and sales, while maintaining the brands' independence in terms of offering and market communication.

Lilou brand development efforts will focus on further scaling operations, particularly through the development of its own store network. The Group plans to open 5 to 10 new stores per year in shopping malls, both in cities where the brand was not previously present and in locations where it was present outside of shopping malls. Simultaneously, the gradual relocation of selected street stores to shopping malls will be implemented. The chain's development will be based on the existing boutique shop concept in shopping malls, while maintaining existing standards of quality and customer experience.

Integration with the Group assumes maintaining the brand's full distinctiveness in terms of identity, product, communication, and marketing activities, as well as its offline and online sales network.

DEVELOPMENT DIRECTIONS OF COLLECTIONS IN THE JEWELLERY SEGMENT

The W.KRUK jewellery and accessories collections planned for 2026 will continue to represent the diverse and original character of W.KRUK's offerings. The brand is consistently developing its bestselling Flowers of the Night line, which was joined in 2026 by cherry blossoms and blueberries. Once again combining jewellery tradition and modernity, the collection utilizes hand-painted enamel and new e-coating technology.

As an expert in diamond jewellery, W.KRUK will present new products in this area, also expanding its range of jewellery decorated with laboratory-grown diamonds. New items featuring man-made diamonds will be presented at the turn of 2025/2026 in the Nuova collection and for the 2026 Valentine's Day season in the Czułość ("Tenderness") collection.

As every year, in 2026 W.KRUK has planned the premiere of its flagship project – the Ambassador Collection. Customers can expect new, unique designs and jewellery accessories in the unique style characteristic of the Co-Creator of the collection.

W.KRUK creates inclusive jewellery, and there will be no shortage of such new products in 2026. Many universal, modern styles will be introduced, as well as new items specifically designed for men. In addition to its core product line, the brand will expand its mono-earring offerings. W.KRUK will surprise not only with its extensive product range but also with the use of diverse precious metals, manufacturing techniques, and decorations.

As part of its signature jewellery and accessories lines, W.KRUK will introduce new items inspired by folk motifs, in line with global trends, connecting with its roots and local identity. In the second half of the year, W.KRUK will celebrate its fondness for tradition, reinterpreting it in a modern, jewellery-inspired style. The most important product event of the third quarter will be the launch of its signature New Folk collection, which interprets traditional embroidery motifs from various regions of Poland in contemporary jewellery design. The project highlights the importance of Polish craftsmanship and handicrafts and aligns with the brand's development of original collections inspired by local heritage.

Reclaimed ores used in production emphasize the sustainable nature of the jewellery, while handcrafted details emphasize the value of craftsmanship and the handmade spirit.

In 2026, Lilou remains true to its philosophy of creating personal talismans, which, thanks to the option of individual engraving, become a carrier of emotions, memories, and important moments. Personalization, a hallmark of the brand, is reflected in its wide range of bracelets, necklaces, and pendants. The brand is also developing its own collections of gold-plated jewelry and those with natural stones.

In 2026, iconic Lilou pieces will appear in new colours, shapes, and updated versions. A new addition is the Reverso collection, with rotating resin elements that allow you to change the look of the jewellery and match it to your mood and style. This offering emphasizes the multidimensionality of beauty. The Glamour collection, combining classic elegance with modern design, is being expanded. The Miyuki line, adorned with legendary, high-quality Japanese beads, will gain new colour variants.

In 2026, the brand will also expand its portfolio with new product categories. Men's signet rings are being added to the offering, reflecting the growing interest in men's jewellery. The accessories segment is also expanding, with scarves featuring expressive symbolism and personalized perfumes.

In the second half of the year, Lilou announces further launches: earrings, rings, and new seasonal and timeless collections, all in the brand's signature style, combining original design, high quality, and strong symbolism. In the third quarter of 2026, the product offering will be further expanded, including themed pendants and body chains, as well as new items opening the fall season. The assortment will be supplemented with a crocodile-themed collection and new colour variants of pendants and earrings from the Mini Icons line.

MARKETING STRATEGY AND COMMUNICATIONS ACTIVITIES FOR THE JEWELLERY SEGMENT

In 2026, W.KRUK will focus on communicating its signature jewellery and accessories collections, which constitute the brand's flagship project. Planned new items will combine tradition with modernity, and brand communication will introduce consumers to the secrets of true craftsmanship, not just in the jewellery industry. W.KRUK's communication will consistently emphasize sustainable production and the use of recycled ores in its own production at the W.KRUK Manufaktura, as well as inclusivity, evident in the use of diverse campaign characters and the company's corporate culture.

The brand will continue to communicate its diamond jewellery, including jewellery adorned with laboratory-grown diamonds, which W.KRUK, as the first on-line jewellery, introduced to the market in 2019. A key element of communication in the second half of the year will be the New Folk collection, based on a contemporary interpretation of Polish craftsmanship, handicrafts, and traditional embroidery.

In the watches segment, W.KRUK will continue to showcase its expertise and offer the best selection in Poland. The brand is expanding its business in two ways, offering a range of products and consulting services for the lower and mid-range watch segments, as well as strengthening its leading position in the distribution of the world's most luxurious watchmakers. Already in the first half of the year, W.KRUK opened two additional luxury brand stores in Warsaw, offering customers interested in the luxury segment a unique experience of encountering renowned watchmaking brands. By the end of 2026, W.KRUK will have 14 super premium boutiques featuring brands such as Rolex, Patek Philippe, Cartier, Chopard, IWC, Omega, Tudor, and others, including seven in Warsaw and five along the Royal Route, from Krakowskie Przedmieście (two boutiques at the Raffles Europejski Hotel) to Plac Trzech Krzyży (three boutiques). For W.KRUK's VIP clientele, dedicated events are planned for this year, with the goal of presenting its offerings, providing personalized advice on the latest models, and visiting Swiss watchmaking factories. A key element of customer communication in 2026 will be campaigns dedicated to members of the W.KRUK Friends Club loyalty program, through which the brand presents new products and special offers prepared for key seasons, such as Mother's Day, Back to Office, and Christmas.

In 2026, Lilou, a leader in personalized jewellery, continues its growth, implementing communication activities that emphasize its character and enable customers to express themselves through fashion and symbolism. Brand communication focuses on key moments of the year, such as Valentine's Day, Women's Day, and Mother's Day. During these periods, Lilou promotes collections inspired by heart motifs, lucky charms, and new versions of well-known and valued lines. The gift segment remains a key element of the strategy. Jewellery personalized with engraving is an important part of the offer for occasions such as Baptism, First Communion or Children's Day.

The brand supports sales through additional activations, including free gifts with purchases and cross-branding with partner brands. A key element of marketing communications in the first half of the year was Lilou's partnership with the Polish Olympic and Paralympic Team. This collaboration combines values close to the brand, such as emotion, determination, strength, and the pursuit of dreams, with the concept of personal talismans. It was accompanied by the introduction of dedicated projects, such as the Polska pendant, keychains, Olympic earrings, and lucky charms for athletes. This collection provided symbolic support for the representatives and allowed customers to express pride and identification with the national team.

Social involvement remains one of the brand's key pillars. In 2026, the brand implemented initiatives supporting animal shelters and targeted initiatives for women undergoing and recovering from cancer, including makeup workshops to strengthen participants' self-confidence and well-being. At the same time, Lilou continues to expand its sales network, emphasizing the opening of a new boutique in Złote Tarasy, one of Warsaw's key retail locations.

Communication activities in the third quarter also include cross-branding initiatives aimed at expanding the brand's reach and reaching new audiences. Furthermore, the brand plans to conduct a dedicated charity campaign promoting cancer prevention, aligning with its social responsibility strategy.

VRG GROUP STOCK OPTION PROGRAMME

A key element supporting the Group's long-term development goals will be the VRG S.A. share-based incentive program, adopted by Resolution No. 23/06/2026 of the Annual General Meeting of VRG S.A. on June 25, 2026. The program is addressed to members of the VRG S.A. Management Board, members of the W.KRUK S.A. Management Board, key management personnel, and other individuals of significant importance to the Company's operations and the companies within its Capital Group. Members of the VRG S.A. Supervisory Board are not eligible to participate in the Program.

The Program's goal is to create a long-term incentive mechanism to support the development of the VRG Capital Group, increase its value, and build lasting engagement with key individuals in the Company's and the Group's operations. The Program also aims to align the interests of its participants with those of VRG S.A. and its shareholders by linking participant motivation to the long-term growth of the Company's value.

The Program covers three financial years: 2026, 2027, and 2028, with an assessment of its implementation after the end of the entire three-year period. The Program will be implemented by granting eligible persons, with their consent, rights constituting a conditional right to acquire VRG S.A. treasury shares. The total number of shares allocated for the Program may not exceed 8,440,410 shares, with one right representing the right to acquire one treasury share. The treasury shares will be offered to eligible persons at a price of PLN 4.92 per share.

The Program's implementation is linked to Resolution No. 24/06/2026, adopted by the Annual General Meeting of VRG S.A. on June 25, 2026, authorizing the Management Board to acquire the Company's treasury shares and establishing a reserve capital for the purpose of such acquisition. This resolution creates a mechanism enabling the Company to acquire treasury shares for the implementation of the Incentive Program. A PLN 60 million reserve capital has been established to finance the acquisition of treasury shares.

The Incentive Program is part of a long-term system supporting the implementation of the VRG Group's development strategy by aligning the interests of individuals with significant influence on its operations with the Company's results and value, as well as by supporting the stabilization and retention of key management staff.

EXECUTIVE SUMMARY

For the VRG Group, 2026 will be a year of continued operational activities that resulted in improved efficiency in 2024–2025, while gradually implementing development directions for the coming years.

In the apparel segment, the priority will remain the sustained improvement in profitability, further increasing the efficiency of the sales network, improving inventory management, and strengthening the competitiveness of brands through the quality of their offerings and the strength of their recognition and image. In the jewellery segment, the Group will focus on further revenue and margin growth, developing the W.KRUK and Lilou brands, and leveraging the potential of new growth areas, including opportunities arising from the complementarity of both brands and the gradual exploitation of synergies in selected organizational and operational areas.

By the end of 2026, the VRG Group plans to operate in 54,925 m2 of retail space, including 32,897 m2 of apparel stores and boutiques, and 22,028 m2 of jewellery stores.

The Company estimates the VRG Group's planned capital expenditures in 2026 at c. PLN 63.9 million. These will be allocated to the development of the apparel and jewellery segments, including infrastructure supporting business management processes, as well as the opening of new stores and boutiques of VRG Group brands or the modernization and revitalization of existing ones.

The Group's continued digital transformation will remain a key development direction. Investments will continue in the development of IT infrastructure supporting sales, logistics, purchasing, and customer relationship management processes. The Group will develop solutions enabling the increasingly broader use of data in collection planning, demand forecasting, and inventory optimization. One of the development directions will remain the gradual increase in the use of artificial intelligence-based solutions, including generative AI technology, in the processes of personalizing product offerings, preparing purchase recommendations, increasing the effectiveness of marketing communications conducted in digital channels, customer service, and business analytics. The Group also plans to further automate selected customer service processes and utilize modern tools supporting knowledge management and customer communication.

In parallel, the Group will analyse opportunities for further development, based on both organic growth and potential acquisitions.

At the same time, the Management Board notes that the pace of implementation of the presented actions and the Group's financial results will remain dependent on macroeconomic developments, consumer demand levels, and other market factors beyond the Group's control. These factors may affect both the pace of implementation of individual development initiatives and the ability to achieve the assumed financial results.

8. STATEMENT OF THE MANAGEMENT BOARD

The Management Board declares that, to the best of its knowledge, the financial statements and comparable data have been prepared in accordance with applicable accounting principles and that they reflect in a true, reliable and clear manner the net asset and financial situation of the issuer and its financial result and that the financial statements contain a true picture of the development, situation and achievements of the issuer, including a description of the basic risks and threats.

The Management Board declares that the entity authorized to audit financial statements, reviewing the financial statements, was selected in accordance with the provisions of law and that this entity and the auditors performing this review met the conditions for expressing an impartial and independent report on the review in accordance with the applicable provisions and professional standards.

Mateusz Kolański	**Michał Zimnicki**	**Łukasz Bernacki**
....	....	....
President of the Management Board	Executive Vice-President of the Management Board	Executive Vice-President of the Management Board

Cracow, August 20, 2026

Report on Review of the Condensed Half-year Consolidated Financial Statements

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For the Shareholders of VRG Spółka Akcyjna

Introduction

We have reviewed the accompanying condensed half-year consolidated financial statements of a Group (the Group), in which the parent entity is VRG Spółka Akcyjna (the Parent) with its registered office in Cracow, Pilotów 10 Street , which comprise the condensed consolidated statement of financial position as of June 30, 2026,the condensed consolidated statement of profit or loss, condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows for the period from January 1, 2026 to June 30, 2026 and selected explanatory notes.

The Management Board of the Parent is responsible for the preparation and presentation of these condensed half-year consolidated financial statements in accordance with International Accounting Standard 34 *Interim Financial Reporting* published in the form of European Commission regulations.

Our responsibility is to express a conclusion on these condensed half-year consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with National Standard on Review Engagements 2410 consistent with International Standard on Review Engagements 2410 *Review of Interim Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than audit conducted in accordance with National Standards on Auditing in the wording of International Standards on Auditing adopted by resolutions of the National Council of Statutory Auditors and the Council of Polish Agency for Audit Oversight, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 *Interim Financial Reporting* published in the form of European Commission regulations.

Renata Art-Franke

Statutory Auditor No.10320
Key Audit Partner performing the review on behalf of
Grant Thornton Polska Prosta spółka akcyjna,
Poznań, ul. Abpa Antoniego Baraniaka 88 E, Audit Firm No. 4055

Poznań, August 20, 2026.

THIS IS TRANSLATION ONLY. The Polish language version of the report is the only valid and legally binding version. This translation into English is provided to facilitate understanding of the report.