

Company AS Silvano Fashion Group
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Attachments:

- SFG consolidated interim financial report for Q1 of 2021 unaudited.pdf (<http://oam.fi.ee/en/download?id=5557>)
- SFG 2021.a. I kvartali konsolideeritud vahearuanne auditeerimata.pdf (<http://oam.fi.ee/en/download?id=5558>)

Currency

Title Silvano Fashion Group Consolidated Interim Financial Report for Q1 of 2021 (unaudited)

Selected Financial Indicators

Summarized selected financial indicators of the Group for Q1 of 2021 compared to Q1 of 2020 and 31.03.2021 compared to 31.12.2020 were as follows:

in thousands of EUR	1Q 2021	1Q 2020	Change
Revenue	10 265	11 546	-11.1%
Gross Profit	6 242	7 146	-12.7%
Operating profit	3 285	3 152	4.2%
EBITDA	4 080	4 248	-4.0%
Net profit for the period	2 564	-1 440	278.1%
Net profit attributable equity holders of the Parent company	2 261	-1 406	260.8%
Earnings per share (EUR)	0,06	-0,04	250.0%
Operating cash flow for the period	3 589	1 876	91.3%

in thousands of EUR	31.03.2021	31.12.2020	Change
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Total assets	46 279	42 256	9.5%
Total current assets	32 959	29 597	11.4%
Total equity attributable to equity holders of the Parent company	26 668	24 504	8.8%
Cash and cash equivalents	11 024	8 980	22.8%

Margin analysis, %	1Q 2021	1Q 2020	Change
Gross profit	60,8	61,9	-1.8%
Operating profit	32,0	27,3	17.2%
EBITDA	39,7	36,8	7.9%
Net profit	25,0	-12,5	300.0%
Net profit attributable to equity holders of the Parent company	22,0	-12,2	280.3%

Financial ratios, %	31.03.2021	31.12.2020	Change
ROA	13,9	3,2	334.4%
ROE	24,0	5,6	328.6%
Price to earnings ratio (P/E)	9,5	41,7	-77.2%
Current ratio	3,2	3,4	-5.9%
Quick ratio	1,3	1,3	-0.0%

Financial performance

The Group's sales amounted to 10 265 thousand EUR during Q1 of 2021, representing a 11.1% decrease as compared to the same period of previous year. Overall, retail decreased by 18.6%, measured in EUR.

The Group's gross profit during Q1 of 2021 amounted to 6 242 thousand EUR and decrease by 12.7% compared to previous year. The gross margin during Q1 of 2021 decreased to 60.8%, from 61.9% in the respective period of previous year. The cost of sold goods decreased by 8.6%.



Consolidated operating profit for Q1 of 2021 amounted to 3 285 thousand EUR, compared to 3 152 thousand EUR in Q1 of 2020, increase by 4.2%. The consolidated operating profit margin was 32.0% for Q1 of 2021 (27.3% in Q1 of 2020). Consolidated EBITDA for Q1 of 2021 decreased by 4.0% and amounted to 4 080 thousand EUR, which is 39.7% in margin terms (4 248 thousand EUR and 36.8% for Q1 of 2020).

Reported consolidated net profit attributable to equity holders of the Parent company for Q1 of 2021 amounted to 2 261 thousand EUR, compared to net loss of - 1 406 thousand EUR in Q1 of 2020, net profit (loss) margin attributable to equity holders of the Parent company for Q1 of 2021 was 22.0% against -12.2% in Q1 of 2020.

Financial position

As of 31 March 2021 consolidated assets amounted to 46 279 thousand EUR representing increase by 9.5% as compared to the position as of 31 December 2020.

Trade and other receivables increased by 194 thousand EUR as compared to 31 December 2020 and amounted to 2 282 thousand EUR as of 31 March 2021. Inventory balance increased by 1 124 thousand EUR and amounted to 19 651 thousand EUR as of 31 March 2021.

Equity attributable to equity holders of the Parent company increased by 2 164 thousand EUR and amounted to 26 668 thousand EUR as of 31 March 2021. Current liabilities increased by 1 479 thousand EUR during Q1 of 2021.

Investments

During Q1 of 2021 the Group's investments into property, plant and equipment totalled 78 thousand EUR, in previous year same period 96 thousand EUR. Investments were made mainly into opening and renovating own stores, as well into equipment and facilities to maintain effective production for future periods.

Personnel

As of 31 March 2021, the Group employed 1 734 employees, including 510 people in retail operations. The rest were employed in production, wholesale, administration and support operations. In 31.12.2020 there were 1 744 employees, including 500 people in retail operations.

Total salaries and related taxes during Q1 of 2021 amounted to 2 359 thousand EUR (3 145 thousand EUR in Q1 of 2020). The remuneration of key management of the Group, including the key executives of all subsidiaries, totalled 148 thousand EUR.

Consolidated Statement of Financial Position



in thousands of EUR		Note	31.03.2021	31.12.2020
			Unaudited	Audited
ASSETS				
Current assets				
Cash and cash equivalents	2		11 024	8 980
Current loans granted			2	2
Trade and other receivables	3		2 282	2 088
Inventories	4		19 651	18 527
Total current assets			32 959	29 597
Non-current assets				
Long-term receivables			250	249
Investments in associates			53	57
Investments in other shares			245	238
Deferred tax asset			1 071	1 032
Intangible assets			426	374
Investment property			1 039	1 018
Property, plant and equipment	5		10 236	9 691
Total non-current assets			13 320	12 659
TOTAL ASSETS			46 279	42 256
LIABILITIES AND EQUITY				
Current liabilities				
Short-term borrowings			0	400



Short-term lease liabilities		1 881	2 121
Trade and other payables	6	6 363	5 583
Government Grants		52	0
Tax liabilities		1 962	675
Total current liabilities		10 258	8 779
Non-current liabilities			
Deferred tax liability		531	500
Long-term borrowings		0	400
Long-term lease obligations		5 518	4 707
Long-term provisions		54	52
Total non-current liabilities		6 103	5 659
Total liabilities		16 361	14 438
Equity			
Share capital	7	3 600	3 600
Share premium		4 967	4 967
Statutory reserve capital		1 306	1 306
Revaluation reserve		355	355
Unrealised exchange rate differences		-18 961	-18 864
Retained earnings		35 401	33 140
Total equity attributable to equity holders of the Parent company		26 668	24 504
Non-controlling interest		3 250	3 314
Total equity		29 918	27 818



TOTAL EQUITY AND LIABILITIES

46 279

42 256

Consolidated Income Statement

in thousands of EUR	Note	Q1 2021	Q1 2020
		Unaudited	Unaudited
Revenue from contracts with customers	9	10 265	11 546
Cost of goods sold		-4 023	-4 400
Gross Profit		6 242	7 146
Distribution expenses		-2 110	-2 734
Administrative expenses		-885	-1 122
Other operating income		181	59
Other operating expenses		-143	-197
Operating profit		3 285	3 152
Currency exchange income/(expense)		455	-4 730
Other finance income/(expenses)		-110	-125
Net financial income/(expenses)		345	-4 855
Profit (loss) from associates using equity method		-6	0
Profit before tax		3 624	-1 703
Income tax expense		-1 060	263
Profit for the period		2 564	-1 440



Attributable to :

Equity holders of the Parent company	2 261	-1 406
Non-controlling interest	303	-34

Earnings per share from profit attributable to equity holders of the Parent company, both basic and diluted (EUR)	0.06	-0.04
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Consolidated Statement of Comprehensive Income

in thousands of EUR	Note	Q1 2021	Q1 2020
		Unaudited	Unaudited
Profit for the period		2 564	-1 440

Other comprehensive income for the period

Other comprehensive income (loss) that will be reclassified to profit or loss in subsequent periods :

Exchange differences on translation of foreign operations	229	-2 225
Total other comprehensive income for the period	229	-2 225
Total comprehensive income (loss) for the period	2 793	-3 665

Attributable to :

Equity holders of the Parent company	2 164	-3 983
Non-controlling interest	629	318

Consolidated Statement of Cash Flows

in thousands of EUR	Note	1Q 2021	1Q 2020
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Cash flow from operating activities		
Profit for the period	2 564	-1 440
Adjustments for:		
Depreciation and amortization of non-current assets	795	1 096
Share of profit of equity accounted investees	6	0
(Gains)/ losses on the sale of property, plant and equipment	0	2
Net finance income / costs	-604	305
Provision for inventories	3	1
Receipt of government grants	150	0
Movements in provisions and government grants	-98	0
Income tax expense	1 060	-263
Change in inventories	-1 124	2 137
Change in trade and other receivables	-208	243
Change in trade and other payables	1 192	-86
Interest paid	-2	0
Income tax paid	-145	-119
Net cash from operating activities	3 589	1 876
Cash flow from investing activities		
Interest received	4	5
Proceeds from disposal of property, plant and equipment	0	28
Acquisition of property, plant and equipment	-78	-96
Acquisition of intangible assets	-48	-50



Net cash flow from investing activities	-122	-113
Cash flow from financing activities		
Acquisition of non-controlling interests	0	-26
Repayment from borrowings	-800	0
Payment of principal portion of lease liabilities	-530	-682
Interest paid on finance lease	-114	-136
Net cash flow from financing activities	-1 444	-844
Increase in cash and cash equivalents	2 023	919
Cash and cash equivalents at the beginning of period	8 980	5 152
Effect of exchange rate fluctuations on cash held	21	279
Cash and cash equivalents at the end of period	11 024	6 350

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