

Company AS Silvano Fashion Group
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 Category Half-yearly financial report
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Attachments:

- SFG consolidated interim financial report for Q2 and 6m of 2021 unaudited.pdf (<http://oam.fi.ee/en/download?id=5684>)
- SFG 2021.a. II kvartali ja 6k konsolideeritud vahearuanne auditeerimata.pdf (<http://oam.fi.ee/en/download?id=5685>)

Currency

Title Silvano Fashion Group Consolidated Interim Financial Report for Q2 and 6m of 2021

Selected Financial Indicators

Summarized selected financial indicators of the Group for 6 months of 2021 compared to 6 months of 2020 and 30.06.2021 compared to 31.12.2020 were as follows:

in thousands of EUR	06m 2021	06m 2020	Change
Revenue	23 225	17 731	31.0%
Gross Profit	13 661	10 575	29.2%
Operating profit	7 941	3 983	99.4%
EBITDA	9 533	5 931	60.7%
Net profit for the period	6 696	870	669.7%
Net profit attributable equity holders of the Parent company	6 031	745	709.5%
Earnings per share (EUR)	0,17	0,02	750.0%
Operating cash flow for the period	8 055	2 742	193.8%



in thousands of EUR	30.06.2021	31.12.2020	Change
Total assets	49 446	42 256	17.0%
Total current assets	36 381	29 597	22.9%
Total equity attributable to equity holders of the Parent company	30 497	24 504	24.5%
Cash and cash equivalents	14 022	8 980	56.1%

Margin analysis, %	06m 2021	06m 2020	Change
Gross profit	58.8	59.6	-1.3%
Operating profit	34.2	22.5	52.0%
EBITDA	41.0	33.4	22.8%
Net profit	28.8	4.9	487.8%
Net profit attributable to equity holders of the Parent company	26.0	4.2	519.0%

Financial ratios, %	30.06.2021	31.12.2020	Change
ROA	23.7	3.2	640.6%
ROE	40.2	5.6	617.9%
Price to earnings ratio (P/E)	5.5	41.7	-86.8%
Current ratio	4.0	3.4	17.6%
Quick ratio	1.8	1.3	38.5%

Financial performance

The Group's sales amounted to 23 225 thousand EUR during 6 months of 2021, representing a 31.0% increase as compared to the same period of previous year. Overall, wholesale increased by 40.1%, measured in EUR.

The Group's gross profit during 6 months of 2021 amounted to 13 661 thousand EUR and increase by 29.2% compared to previous year. The gross margin during 6 months of 2021 decreased to 58.8%, from 59.6% in the respective period of



previous year. The cost of sold goods increased by 33.7%.

Consolidated operating profit for 6 months of 2021 amounted to 7 941 thousand EUR, compared to 3 983 thousand EUR in 6 months of 2020, increase by 99.4%. The consolidated operating profit margin was 34.2% for 6 months of 2021 (22.5% in 6 months of 2020). Consolidated EBITDA for 6 months of 2021 increased by 60.7% and amounted to 9 533 thousand EUR, which is 41.0% in margin terms (5 931 thousand EUR and 33.4% for 6 months of 2020).

Reported consolidated net profit attributable to equity holders of the Parent company for 6 months of 2021 amounted to 6 031 thousand EUR, compared to net profit of 745 thousand EUR in 6 months of 2020, net profit margin attributable to equity holders of the Parent company for 6 months of 2021 was 26.0% against 4.2% in 6 months of 2020.

Financial position

As of 30 June 2021 consolidated assets amounted to 49 446 thousand EUR representing increase by 17.0% as compared to the position as of 31 December 2020.

Trade and other receivables increased by 273 thousand EUR as compared to 31 December 2020 and amounted to 2 361 thousand EUR as of 30 June 2021. Inventory balance increased by 1 469 thousand EUR and amounted to 19 996 thousand EUR as of 30 June 2021.

Equity attributable to equity holders of the Parent company increased by 5 993 thousand EUR and amounted to 30 497 thousand EUR as of 30 June 2021. Current liabilities increased by 255 thousand EUR during 6 months of 2021.

Investments

During 6 months of 2021 the Group's investments into property, plant and equipment totalled 120 thousand EUR, in previous year same period 133 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 30 June 2021, the Group employed 1 696 employees, including 518 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 6 months of 2021 amounted to 4 745 thousand EUR (5 008 thousand EUR in 6 months of 2020). The remuneration of key management of the Group, including the key executives of all subsidiaries, totalled 293 thousand EUR.



Consolidated Statement of Financial Position

in thousands of EUR		Note	30.06.2021	31.12.2020
			Unaudited	Audited
ASSETS				
Current assets				
Cash and cash equivalents	2	14 022	8 980	
Current loans granted		2	2	
Trade and other receivables	3	2 361	2 088	
Inventories	4	19 996	18 527	
Total current assets		36 381	29 597	
Non-current assets				
Long-term receivables		268	249	
Investments in associates		59	57	
Investments in other shares		250	238	
Deferred tax asset		1 091	1 032	
Intangible assets		462	374	
Investment property		1 053	1 018	
Property, plant and equipment	5	9 882	9 691	
Total non-current assets		13 065	12 659	
TOTAL ASSETS		49 446	42 256	
LIABILITIES AND EQUITY				
Current liabilities				



Short-term borrowings		0	400
Short-term lease liabilities		1 283	2 121
Trade and other payables	6	5 815	5 583
Government Grants		56	0
Tax liabilities		1 880	675
Total current liabilities		9 034	8 779
Non-current liabilities			
Deferred tax liability		584	500
Long-term borrowings		0	400
Long-term lease obligations		5 707	4 707
Long-term provisions		55	52
Total non-current liabilities		6 346	5 659
Total liabilities		15 380	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		0	355
Unrealised exchange rate differences		-18 547	-18 864
Retained earnings		39 171	33 140
Total equity attributable to equity holders of the Parent company		30 497	24 504
Non-controlling interest		3 569	3 314



Total equity		34 066	27 818
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TOTAL EQUITY AND LIABILITIES		49 446	42 256
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Consolidated Income Statement

in thousands of EUR	Note	2Q 2021	2Q 2020	06m 2021	06m 2020
		Unaudited	Unaudited	Unaudited	Unaudited
Revenue from contracts with customers	9	12 960	6 185	23 225	17 731
Cost of goods sold		-5 541	-2 756	-9 564	-7 156
Gross Profit		7 419	3 429	13 661	10 575
Distribution expenses		-2 094	-1 713	-4 204	-4 447
Administrative expenses		-903	-811	-1 788	-1 933
Other operating income		385	70	566	129
Other operating expenses		-151	-144	-294	-341
Operating profit		4 656	831	7 941	3 983
Currency exchange income/(expense)		605	2 174	1 060	-2 556
Other finance income/(expenses)		-106	-109	-216	-234
Net financial income		499	2 065	844	-2 790
Profit (loss) from associates using equity method		5	0	-1	0
Profit before tax		5 160	2 896	8 784	1 193



Income tax expense	-1 028	-586	-2 088	-323	
Profit for the period	4 132	2 310	6 696	870	
Attributable to :					
Equity holders of the Parent company	3 770	2 151	6 031	745	
Non-controlling interest	362	159	665	125	
Earnings per share from profit attributable to equity holders of the Parent company, both basic and diluted (EUR)	8	0,10	0,06	0,17	0,02

Consolidated Statement of Comprehensive Income

in thousands of EUR	Note	2Q 2021	2Q 2020	06m 2021	06m 2020
		Unaudited	Unaudited	Unaudited	Unaudited
Profit for the period		4 132	2 310	6 696	870
Other comprehensive income (loss) that will be reclassified to profit or loss in subsequent periods :					
Exchange differences on translation of foreign operations		40	166	269	-2 059
Total other comprehensive income for the period		40	166	269	-2 059
Total comprehensive income (loss) for the period		4 172	2 476	6 965	-1 189
Attributable to :					



Equity holders of the Parent company	3 829	2 331	5 993	-1 652
Non-controlling interest	343	145	972	463

Consolidated Statement of Cash Flows

in thousands of EUR	06m 2021	06m 2020
	Unaudited	Unaudited
Cash flow from operating activities		
Profit for the period	6 696	870
Adjustments for:		
Depreciation and amortization of non-current assets	1 592	1 948
Share of profit of equity accounted investees	1	0
(Gains)/ losses on the sale of property, plant and equipment	0	3
Net finance income / costs	-596	212
Provision for inventories	4	1
Receipt of government grants	450	0
Movements in provisions and government grants	-394	0
Income tax expense	2 088	323
Change in inventories	-1 469	1 114
Change in trade and other receivables	-289	219
Change in trade and other payables	639	-1 210
Interest paid	-2	0
Income tax paid	-665	-738
Net cash from operating activities	8 055	2 742



Cash flow from investing activities		
Interest received	9	7
Proceeds from disposal of property, plant and equipment	18	28
Acquisition of property, plant and equipment	-120	-133
Acquisition of intangible assets	-82	-67
Net cash flow from investing activities	-175	-165
 Cash flow from financing activities		
Acquisition of non-controlling interests	0	-26
Proceeds from borrowings	0	200
Repayment of borrowings	-800	0
Payment of principal portion of lease liabilities	-1 135	-1 006
Interest paid on finance lease	-224	-255
Dividends paid	-717	-474
Net cash flow from financing activities	-2 876	-1 561
 Increase in cash and cash equivalents	5 004	1 016
Cash and cash equivalents at the beginning of period	8 980	5 152
Effect of exchange rate fluctuations on cash held	38	184
Cash and cash equivalents at the end of period	14 022	6 352

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