

Company AS Silvano Fashion Group
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 Category Management interim statement or quaterly financial report
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Attachments:

- SFG consolidated interim financial report for Q3 and 9m of 2021 unaudited.pdf (<http://oam.fi.ee/en/download?id=5857>)
- SFG 2021.a. III kvartali ja 9 kuu konsolideeritud vahearuanne auditeerimata.pdf (<http://oam.fi.ee/en/download?id=5858>)

Currency

Title Silvano Fashion Group Consolidated Interim Financial Report for Q3 and 9m of 2021

Selected Financial Indicators

Summarized selected financial indicators of the Group for 9 months of 2021 compared to 9 months of 2020 and 30.09.2021 compared to 31.12.2020 were as follows:

in thousands of EUR	09m 2021	09m 2020	Change
Revenue	36 891	29 759	24.0%
Gross Profit	21 095	18 097	16.6%
Operating profit	12 325	8 370	47.3%
EBITDA	14 744	11 042	33.5%
Net profit for the period	10 518	1 198	778.0%
Net profit attributable equity holders of the Parent company	9 562	1 000	856.2%
Earnings per share (EUR)	0,27	0,03	800.0%
Operating cash flow for the period	12 910	6 620	95.0%



in thousands of EUR	30.09.2021	31.12.2020	Change
Total assets	52 677	42 256	24.7%
Total current assets	39 897	29 597	34.8%
Total equity attributable to equity holders of the Parent company	34 501	24 504	40.8%
Cash and cash equivalents	18 097	8 980	101.5%

Margin analysis, %	09m 2021	09m 2020	Change
Gross profit	57.2	60.8	-5.9%
Operating profit	33.4	28.1	18.9%
EBITDA	40.0	37.1	7.8%
Net profit	28.5	4.0	612.5%
Net profit attributable to equity holders of the Parent company	25.9	3.4	661.8%

Financial ratios, %	30.09.2021	31.12.2020	Change
ROA	20.8	3.2	550.0%
ROE	34.1	5.6	508.9%
Price to earnings ratio (P/E)	6.7	41.7	-83.9%
Current ratio	5.2	3.4	52.9%
Quick ratio	2.6	1.3	100.0%

Financial performance

The Group's sales amounted to 36 891 thousand EUR during 9 months of 2021, representing a 24.0% increase as compared to the same period of previous year. Overall, wholesale increased by 29.8%, measured in EUR.

The Group's gross profit during 9 months of 2021 amounted to 21 095 thousand EUR and increase by 16.6% compared to previous year. The gross margin during 9 months of 2021 decreased to 57.2%, from 60.8% in the respective period of



previous year. The cost of sold goods increased by 35.4%.

Consolidated operating profit for 9 months of 2021 amounted to 12 325 thousand EUR, compared to 8 370 thousand EUR in 9 months of 2020, increase by 47.3%. The consolidated operating profit margin was 33.4% for 9 months of 2021 (28.1% in 9 months of 2020). Consolidated EBITDA for 9 months of 2021 increased by 33.5% and amounted to 14 744 thousand EUR, which is 40.0% in margin terms (11 042 thousand EUR and 37.1% for 9 months of 2020).

Reported consolidated net profit attributable to equity holders of the Parent company for 9 months of 2021 amounted to 9 562 thousand EUR, compared to net profit of 1 000 thousand EUR in 9 months of 2020, net profit margin attributable to equity holders of the Parent company for 9 months of 2021 was 25.9% against 3.4% in 9 months of 2020.

Financial position

As of 30 September 2021 consolidated assets amounted to 52 677 thousand EUR representing increase by 24.7% as compared to the position as of 31 December 2020.

Trade and other receivables decreased by 48 thousand EUR as compared to 31 December 2020 and amounted to 2 040 thousand EUR as of 30 September 2021. Inventory balance increased by 1 231 thousand EUR and amounted to 19 758 thousand EUR as of 30 September 2021.

Equity attributable to equity holders of the Parent company increased by 9 997 thousand EUR and amounted to 34 501 thousand EUR as of 30 September 2021. Current liabilities decreased by 1 048 thousand EUR during 9 months of 2021.

Investments

During 9 months of 2021 the Group's investments into property, plant and equipment totalled 177 thousand EUR, in previous year same period 191 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 September 2021, the Group employed 1 633 employees, including 490 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 9 months of 2021 amounted to 7 158 thousand EUR (7 407 thousand EUR in 9 months of 2020). The remuneration of key management of the Group, including the key executives of all subsidiaries,



totalled 443 thousand EUR.

Consolidated Statement of Financial Position

in thousands of EUR	Note	30.09.2021	31.12.2020

		Unaudited	Audited

ASSETS			
Current assets			
Cash and cash equivalents	2	18 097	8 980
Current loans granted		2	2
Trade and other receivables	3	2 040	2 088
Inventories	4	19 758	18 527
Total current assets		39 897	29 597
Non-current assets			
Long-term receivables		256	249
Investments in associates		67	57
Investments in other shares		258	238
Deferred tax asset		1 077	1 032
Intangible assets		509	374
Investment property		1 079	1 018
Property, plant and equipment	5	9 534	9 691
Total non-current assets		12 780	12 659
TOTAL ASSETS		52 677	42 256
LIABILITIES AND EQUITY			



Current liabilities			
Short-term borrowings		0	400
Short-term lease liabilities		592	2 121
Trade and other payables	6	5 624	5 583
Tax liabilities		1 515	675
Total current liabilities		7 731	8 779
Non-current liabilities			
Deferred tax liability		605	500
Long-term borrowings		0	400
Long-term lease liabilities		5 979	4 707
Long-term provisions		57	52
Total non-current liabilities		6 641	5 659
Total liabilities		14 372	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		-18 429	-18 864
Retained earnings		43 057	33 140
Total equity attributable to equity holders of the Parent company		34 501	24 504
Non-controlling interest		3 804	3 314



Total equity	38 305	27 818
TOTAL EQUITY AND LIABILITIES	52 677	42 256

Consolidated Income Statement

in thousands of EUR	Note	3Q 2021	3Q 2020	09m 2021	09m 2020
		Unaudited	Unaudited	Unaudited	Unaudited
Revenue from contracts with customers	9	13 666	12 028	36 891	29 759
Cost of goods sold		-6 232	-4 506	-15 796	-11 662
Gross Profit		7 434	7 522	21 095	18 097
Distribution expenses		-2 249	-2 161	-6 453	-6 608
Administrative expenses		-875	-935	-2 663	-2 868
Other operating income		247	94	813	223
Other operating expenses		-173	-133	-467	-474
Operating profit		4 384	4 387	12 325	8 370
Currency exchange income/(expense)		347	-3 830	1 407	-6 386
Other finance income/(expenses)		-100	-111	-316	-345
Net finance income		247	-3 941	1 091	-6 731
Profit (loss) from associates using equity method		7	-3	6	-3
Profit before tax		4 638	443	13 422	1 636



Income tax expense	-816	-115	-2 904	-438	
Profit for the period	3 822	328	10 518	1 198	
Attributable to :					
Equity holders of the Parent company	3 531	255	9 562	1 000	
Non-controlling interest	291	73	956	198	
Earnings per share from profit attributable to equity holders of the Parent company, both basic and diluted (EUR)	8	0,10	0,01	0,27	0,03

Consolidated Statement of Comprehensive Income

in thousands of EUR	Note	3Q 2021	3Q 2020	09m 2021	09m 2020
		Unaudited	Unaudited	Unaudited	Unaudited
Profit for the period		3 822	328	10 518	1 198
Other comprehensive income (loss) that will be reclassified to profit or loss in subsequent periods :					
Exchange differences on translation of foreign operations		439	-690	708	-2 749
Total other comprehensive income for the period		439	-690	708	-2 749
Total comprehensive income (loss) for the period		4 261	-362	11 226	-1 551



Attributable to :

Equity holders of the Parent company	4 004	-486	9 997	-2 138
Non-controlling interest	257	124	1 229	587

Consolidated Statement of Cash Flows

in thousands of EUR	Note	09m 2021	09m 2020
		Unaudited	Unaudited
Cash flow from operating activities			
Profit for the period		10 518	1 198
Adjustments for:			
Depreciation and amortization of non-current assets		2 419	2 672
Share of profit of equity accounted investees		-6	3
Gains/Losses on the sale of property, plant and equipment		11	3
Net finance income / costs		-395	1 941
Provision for impairment losses on trade receivables		1	0
Provision for inventories		5	2
Receipt of government grants		550	0
Movements in provisions and government grants		-550	0
Income tax expense		2 904	438
Change in inventories		-1 231	2 991
Change in trade and other receivables		32	769
Change in trade and other payables		330	-2 255
Interest paid		-2	0
Income tax paid		-1 676	-1 142



Net cash flow from operating activities	12 910	6 620
Cash flow from investing activities		
Interest received	14	10
Proceeds from disposal of property, plant and equipment	60	34
Acquisition of property, plant and equipment	-177	-191
Acquisition of intangible assets	-121	-83
Net cash flow from investing activities	-224	-230
Cash flow from financing activities		
Acquisition of non-controlling interests	0	-26
Proceeds from borrowings	0	400
Repayment of borrowings	-800	0
Payment of principal portion of lease liabilities	-1 761	-1 619
Interest paid on lease liabilities	-326	-367
Dividends paid	-739	-424
Net cash flow from financing activities	-3 626	-2 036
Net increase in cash and cash equivalents	9 060	4 354
Cash and cash equivalents at the beginning of period	8 980	5 152
Effect of exchange rate fluctuations on cash held	57	350
Cash and cash equivalents at the end of period	18 097	9 856

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