

Company AS Silvano Fashion Group
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Attachments:

- SFG consolidated interim report for Q1 of 2023 unaudited.pdf (<http://oam.fi.ee/en/download?id=7414>)
- SFG 2023.a. I kvartali konsolideeritud vahearuanne auditeerimata.pdf (<http://oam.fi.ee/en/download?id=7415>)

Currency

Title Silvano Fashion Group Consolidated Interim Financial Report for Q1 of 2023 (unaudited)

Selected Financial Indicators

Summarized selected financial indicators of the Group for Q1 of 2023 compared to Q1 of 2022 and 31.03.2023 compared to 31.12.2022 were as follows:

in thousands of EUR	03m 2023	03m 2022	Change
Revenue	14 141	11 036	28.1%
Gross Profit	8 124	6 518	24.6%
Operating profit	3 963	3 221	23.0%
EBITDA	4 761	3 993	19.2%
Net profit (loss) for the period	1 867	-193	N/A
Net profit (loss) attributable equity holders of the Parent company	1 616	-266	N/A
Earnings per share (EUR)	0.04	-0.01	N/A
Operating cash flow for the period	4 133	3 143	31.5%

in thousands of EUR	31.03.2023	31.12.2022	Change
Total assets	65 068	63 991	1.7%



Total current assets	51 933	50 309	3.2%
Total equity attributable to equity holders of the Parent company	45 369	44 786	1.3%
Cash and cash equivalents	27 573	25 909	6.4%

Margin analysis, %	03m 2023	03m 2022	Change
Gross profit	57.4	59.1	-2.9%
Operating profit	28.0	29.2	-4.1%
EBITDA	33.7	36.2	-6.9%
Net profit (loss)	13.2	-1.7	N/A
Net profit (loss) attributable to equity holders of the Parent company	11.4	-2.4	N/A

Financial ratios, %	31.03.2023	31.12.2022	Change
ROA	20.8	19.0	9.5%
ROE	30.3	28.1	7.8%
Price to earnings ratio (P/E)	2.9	3.4	-14.7%
Current ratio	5.4	5.1	5.9%
Quick ratio	3.2	2.8	14.3%

Financial performance

The Group's sales amounted to 14 141 thousand EUR during Q1 of 2023, representing a 28.1% increase as compared to the same period of previous year. Overall, retail increased by 40.1%, measured in EUR.

The Group's gross profit during Q1 of 2023 amounted to 8 124 thousand EUR and increase by 24.6% compared to previous year. The gross margin during Q1 of 2023 decreased to 57.4%, from 59.1% in the respective period of previous year. The cost of sold goods increased by 33.2%.

Consolidated operating profit for Q1 of 2023 amounted to 3 963 thousand EUR,



compared to 3 221 thousand EUR for Q1 of 2022, increase by 23.0%. The consolidated operating profit margin was 28.0% for Q1 of 2023 (29.2% for Q1 of 2022). Consolidated EBITDA for Q1 of 2023 increased by 19.2% and amounted to 4 761 thousand EUR, which is 33.7% in margin terms (3 993 thousand EUR and 36.2% for Q1 of 2022).

Reported consolidated net profit attributable to equity holders of the Parent company for Q1 of 2023 amounted to 1 616 thousand EUR, compared to net loss of 266 thousand EUR for Q1 of 2022, net profit margin attributable to equity holders of the Parent company for Q1 of 2023 was 13.2% against net loss -1.7% for Q1 of 2022.

Financial position

As of 31 March 2023 consolidated assets amounted to 65 068 thousand EUR representing increase by 1.7% as compared to the position as of 31 December 2022.

Trade and other receivables increased by 595 thousand EUR as compared to 31 December 2022 and amounted to 2 721 thousand EUR as of 31 March 2023. Inventory balance decreased by 648 thousand EUR and amounted to 21 616 thousand EUR as of 31 March 2023.

Equity attributable to equity holders of the Parent company increased by 583 thousand EUR and amounted to 45 369 thousand EUR as of 31 March 2023. Current liabilities decreased by 347 thousand EUR during Q1 of 2023.

Investments

During Q1 of 2023 the Group's investments into property, plant and equipment totalled 314 thousand EUR, in previous year same period 60 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 2023, the Group employed 1 643 employees, including 505 people in retail operations. The rest were employed in production, wholesale, administration and support operations. In 31.12.2022 there were 1 616 employees, including 499 people in retail operations.

Total salaries and related taxes during Q1 of 2023 amounted to 3 492 thousand EUR (2 546 thousand EUR in Q1 of 2022). The remuneration of key management of the Group, including the key executives of all subsidiaries, totalled 156 thousand EUR.

Consolidated Statement of Financial Position



in thousands of EUR		Note	31.03.2023	31.12.2022
			Unaudited	Audited
ASSETS				
Current assets				
Cash and cash equivalents	2		27 573	25 909
Trade and other receivables	3		1 672	1 044
Prepayments and other tax receivables	3		956	971
Current loans granted			23	10
Other assets	3		93	111
Inventories	4		21 616	22 264
Total current assets			51 933	50 309
Non-current assets				
Non-current receivables			318	301
Investments in associates			80	82
Investments in other shares			243	259
Deferred tax asset			2 097	2 166
Intangible assets			589	585
Investment property			970	1 041
Property, plant and equipment	5		8 838	9 248
Total non-current assets			13 135	13 682
TOTAL ASSETS			65 068	63 991

LIABILITIES AND EQUITY



Current liabilities			
Current lease liabilities		1 824	2 373
Trade and other payables	6	5 401	5 837
Tax liabilities		2 330	1 692
Total current liabilities		9 555	9 902
Non-current liabilities			
Deferred tax liability		980	1 039
Non-current lease liabilities		4 420	4 041
Non-current provisions		38	41
Total non-current liabilities		5 438	5 121
Total liabilities		14 993	15 023
Equity			
Share capital	7	3 600	3 600
Share premium		4 967	4 967
Statutory reserve capital		1 306	1 306
Unrealised exchange rate differences		-20 442	-19 409
Retained earnings		55 938	54 322
Total equity attributable to equity holders of the Parent company		45 369	44 786
Non-controlling interest		4 706	4 182
Total equity		50 075	48 968
TOTAL EQUITY AND LIABILITIES		65 068	63 991
Consolidated Income Statement			



in thousands of EUR	Note	1Q 2023	1Q 2022
		Unaudited	Unaudited
Revenue from contracts with customers	9	14 141	11 036
Cost of goods sold		-6 017	-4 518
Gross Profit		8 124	6 518
Distribution expenses		-2 779	-2 251
Administrative expenses		-1 186	-952
Other operating income		57	90
Other operating expenses		-253	-184
Operating profit		3 963	3 221
Currency exchange income/(expense)		-1 099	-2 470
Other finance income/(expenses)		-156	-104
Net finance income		-1 255	-2 574
Profit (loss) from associates using equity method		4	-13
Profit before tax		2 712	634
Income tax expense		-845	-827
Profit for the period		1 867	-193
Attributable to :			
Equity holders of the Parent company		1 616	-266



Non-controlling interest	251	73
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Earnings per share from profit attributable to equity holders of the Parent company, both basic and diluted (EUR)	8	0,04	-0,01
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Consolidated Statement of Comprehensive Income

in thousands of EUR	Note	1Q 2023	1Q 2022
		Unaudited	Unaudited

Profit for the period		1 867	-193
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Other comprehensive income (loss) that will be reclassified to profit or loss in subsequent periods:

Exchange differences on translation of foreign operations		-760	-1 295
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Total other comprehensive income for the period		-760	-1 295
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Total comprehensive income (loss) for the period		1 107	-1 488
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Attributable to :

Equity holders of the Parent company		583	-1 838
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Non-controlling interest		524	350
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Consolidated Statement of Cash Flows

in thousands of EUR	Note	03m 2023	03m 2022
		Unaudited	Unaudited

Cash flow from operating activities

Profit for the period		1 867	-193
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Adjustments for:

Depreciation and amortization of non-current assets	798	772
Share of profit of equity accounted investees	-4	13
Gains/Losses on the sale of property, plant and equipment	2	2
Net finance income / costs	1 255	2 574
Provision for impairment losses on trade receivables	-1	0
Provision for inventories	1	0
Income tax expense	845	827
Change in inventories	648	2 199
Change in trade and other receivables	-595	-772
Change in trade and other payables	-282	-1 716
Income tax paid	-401	-563
Net cash flow from operating activities	4 133	3 143
Cash flow from investing activities		
Interest received	23	3
Dividends received	11	1
Proceeds from disposal of property, plant and equipment	2	6
Loans granted	-13	-7
Acquisition of property, plant and equipment	-314	-60
Acquisition of intangible assets	-53	-14
Net cash flow from investing activities	-344	-71



Cash flow from financing activities		
Payment of principal portion of lease liabilities	-518	-509
Interest paid on lease liabilities	-190	-108
Dividends paid	0	0
Net cash flow from financing activities	-708	-617
Net increase in cash and cash equivalents	3 081	2 455
Cash and cash equivalents at the beginning of period	25 909	17 098
Effect of translation to presentation currency	-1 629	-2 428
Effect of exchange rate fluctuations on cash held	212	99
Cash and cash equivalents at the end of period	27 573	17 224

AS Silvano Fashion Group
Phone: +372 6845 000
Email: info@silvanofashon.com

