



AS Silvano Fashion Group

Consolidated Interim Financial Report for Q4 and 12 months of 2024 (unaudited)

(translation of the Estonian original) *

Beginning of the reporting period	1 January 2024
End of the reporting period	31 December 2024
Business name	AS Silvano Fashion Group
Registration number	10175491
Legal address	Tulika 17, 10613 Tallinn
Telephone	+372 684 5000
Fax	+372 684 5300
E-mail	info@silvanofashion.com
Website	www.silvanofashion.com
Core activities	Design, manufacturing and distribution of women's lingerie
Auditor	Ernst & Young Baltic AS

** This version of our report is a translation from the original, which was prepared in Estonian. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.*

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Management Report

General information about AS Silvano Fashion Group

AS Silvano Fashion Group (hereinafter “the Group”) is a holding company that controls group of entities involved in the design, manufacturing, wholesale, franchise and retail sales of Ladies lingerie. The Group’s revenue is generated by sales of Milavitsa, Alisee, Aveline, Lauma Lingerie, Laumelle and Hidalgo brand products through wholesale channels, franchised sales and own retail operated via Milavitsa and Lauma Lingerie retail stores. Key sales markets for the Group are Russia, Belarus, other CIS countries and the Baltics.

The parent company of the Group is AS Silvano Fashion Group (hereinafter “the Parent company”), which is domiciled in Estonia. AS Silvano Fashion Group registered address is Tulika 17, Tallinn, Estonia.

The shares of the Group are listed on the Nasdaq OMX Tallinn Stock Exchange and on the Warsaw Stock Exchange.

As of 31 December 2024 the Group employed 1 655 people (as of 31 December 2023: 1 626 people).

The Group comprises of the following entities:

	Location	Main activity	Ownership interest 31.12.2024	Ownership interest 31.12.2023
Parent company				
Silvano Fashion Group AS	Estonia	Holding		
Entities belonging to the Silvano Fashion Group:				
CJSC Silvano Fashion*	Russia	Retail and wholesale	100%	100%
LLC Silvano Fashion	Belarus	Retail and wholesale	100%	100%
LLC Silvano Fashion	Ukraine	Wholesale	100%	100%
Silvano Fashion SIA	Latvia	Retail	100%	100%
CJSC Milavitsa	Belarus	Manufacturing and wholesale	85.02%	85.02%
JSC Sewing firm Yunona	Belarus	Manufacturing and wholesale	58.33%	58.33%
LLC Gimil	Belarus	Manufacturing and wholesale	100%	100%
JSC Lauma Lingerie	Latvia	Manufacturing and wholesale	100%	100%
Alisee SARL	Monaco	Holding	99%	99%
JCS Metropolitan Trade Company Milavitsa **	Russia	Holding	100%	100%
LLC Baltsped logistik	Belarus	Logistics	50%	50%

* Silvano Fashion CJSC is 100% owned by Metropolitan Trade Company Milavitsa CJSC (same was effective as of 31.12.2023).

** Metropolitan Trade Company Milavitsa LLC is owned by AS Silvano Fashion Group and SIA Silvano Fashion, each holding 50% (same was effective as of 31.12.2023).

In addition, as of 31.12.2024 the subsidiary of AS Silvano Fashion Group, CJSC Milavitsa, had investment in associate LLC Trade house „Milavitsa “Novosibirsk with a 25% ownership interest (same was effective as of 31.12.2023).

Business environment and results

The Group's sales amounted to 58 070 thousand EUR during the 12 months of 2024, representing a 0.9% decrease as compared to the same period for the previous year. The Group's gross profit during the 12 months of 2024 amounted to 34 278 thousand EUR and increased by 1.6% compared to 12 months of 2023. The Gross margin during the 12 months of 2024 increased to 59.0% from 57.6% as compared to 12 months of 2023.

Consolidated operating profit for 12 months of 2024 decreased by 4.0% to 17 248 thousand EUR, compared to 17 973 thousand EUR for 12 months of 2023. Consolidated EBITDA for 12 months of 2024 decreased by 3.8% and was 20 316 thousand EUR, compared to 21 120 thousand EUR for 12 months of 2023.

Reported consolidated net profit for 12 months of 2024 amounted to 13 673 thousand EUR, as compared to net profit of 11 107 thousand EUR in the prior year's same period. Net profit attributable to equity holders of the Parent company for 12 months of 2024 amounted 12 366 thousand EUR.

Russia Economic Outlook

The Group's sales on the Russian market 33 959 thousand EUR, decrease is 2.1% compared to 12 months of 2023. Local currency sales increased by 6.3% during 12 months of 2024 compared to the same 12 months of 2023. Group will focus on improving profitability of its retail business, we will also continue to expand our store chain there depending on the availability of reasonably priced sales areas. At the end of the reporting period, there were a total of 57 stores operated by the Group itself (as of 31 December 2023: 58 stores).

Belarus Economic Outlook

The Group's sales in Belarus in the 12 months of 2024 were 15 914 thousand EUR and increased by 6.0% compared to the 12 months of 2023. Sales in local currency increased by 14.7% during the same period. At the end of the reporting period, there were a total of 62 stores operated by the Group itself (as of 31 December 2023: 59 stores).

Ukraine Economic Outlook

The Group's sales in Ukraine in the 12 months of 2024 were 108 thousand EUR and decreased by 32.9% compared to the 12 months of 2023.

Sales structure

Sales by markets

Group sales in its 2 major markets – Russia and Belarus– were 85.9% of its total sales. Measured in local currencies sales increase was accordingly – 6.3% in Russia, 14.7% in Belarus.

	12m 2024	12m 2023	Change	Change, %
Russia, th RUB	3 361 697	3 163 150	198 547	6,3%
Belarus, th BYN	55 877	48 725	7 152	14,7%

Group's sales results by markets measured in EUR are presented below:

in thousands of EUR	12m 2024	12m 2023	Change, EUR	Change, %	12m 2024, % of sales	12m 2023, % of sales
Russia	33 959	34 692	-733	-2.1%	58.5%	59.2%
Belarus	15 914	15 013	901	6.0%	27.4%	25.6%
Ukraine	108	161	-53	-32.9%	0.2%	0.3%
Baltics	1 294	1 443	-149	-10.3%	2.2%	2.5%
Other markets	6 795	7 288	-493	-6.8%	11.7%	12.4%
Total	58 070	58 597	-527	-0.9%	100.0%	100.0%

The majority of lingerie sales revenue during 12 months of 2024 in the amount 33 959 thousand EUR was generated in Russia, accounting for 58.5% of total sales. The second largest market was Belarus, where sales were 15 914 thousand EUR, contributing 27.4% of lingerie sales (both retail and wholesale).

Sales by business segments

in thousands of EUR	12m 2024	12m 2023	Change, EUR	Change, %	12m 2024, % of sales	12m 2023, % of sales
Wholesale	35 517	37 335	-1 818	-4.9%	61.2%	63.7%
Retail	22 482	21 203	1 279	6.0%	38.7%	36.2%
Other operations	71	59	12	20.4%	0.1%	0.1%
Total	58 070	58 597	-527	-0.9%	100.0%	100.0%

During 12 months of 2024 wholesale revenue amounted to 35 517 thousand EUR, representing 61.2% of the Group's total revenue (12 months of 2023: 63.7%). The main wholesale regions were Russia and Belarus.

Our retail revenue increased by 6.0% and amounted 22 482 thousand EUR, this represents 38.7% of the Group's total revenue.

Own & franchise store locations, geography

	Own	Franchise	Total
Russia	57	328	385
Belarus	62	0	62
Baltics	5	21	26
Other regions	0	91	91
Total	124	440	564

At the end of the reporting period the Group and its franchising partners operated 539 Milavitsa and 25 Lauma Lingerie brand stores, including 124 stores operated directly by the Group (as of 31 December 2023: 122 stores).

Selected Financial Indicators

Summarized selected financial indicators of the Group for 12 months of 2024 compared to 12 months of 2023 and 31.12.2024 compared to 31.12.2023 were as follows:

in thousands of EUR	12m 2024	12m 2023	Change
Revenue	58 070	58 597	-0.9%
Gross Profit	34 278	33 743	1.6%
Operating profit	17 248	17 973	-4.0%
EBITDA	20 316	21 120	-3.8%
Net profit for the period	13 673	11 107	23.1%
Net profit attributable equity holders of the Parent company	12 366	9 927	24.6%
Earnings per share (EUR)	0,34	0,28	21.4%
Operating cash flow for the period	11 164	11 703	-4.6%

in thousands of EUR	31.12.2024	31.12.2023	Change
Total assets	84 489	72 252	16.9%
Total current assets	70 871	59 395	19.3%
Total equity attributable to equity holders of the Parent company	65 993	54 120	21.9%
Cash and cash equivalents	39 690	32 878	20.7%

Margin analysis, %	12m 2024	12m 2023	Change
Gross profit	59.0	57.6	2.4%
Operating profit	29.7	30.7	-3.3%
EBITDA	35.0	36.0	-2.8%
Net profit	23.5	19.0	23.7%
Net profit attributable to equity holders of the Parent company	21.3	16.9	26.0%

Financial ratios, %	31.12.2024	31.12.2023	Change
ROA	15.3	14.5	5.5%
ROE	20.0	20.2	-1.0%
Price to earnings ratio (P/E)	3.0	4.1	-26.8%
Current ratio	6.6	5.8	13.8%
Quick ratio	4.0	3.4	17.6%

Underlying formulas:

EBITDA = net profit for the period + depreciation and amortisation + net finance income + income tax expense

Gross profit margin = gross profit / revenue

EBITDA margin = EBITDA / revenue

Net profit margin = net profit / revenue

Net profit margin attributable to equity holders of the Parent company = net profit attributable to equity holders of the Parent company / revenue

ROA (return on assets) = net profit attributable to owners of the Company for the last 4 quarters/ average total assets

ROE (return on equity) = net profit attributable to owners of the Company for the last 4 quarters/ average equity attributable to equity holders of the Company

EPS (earnings per share) = net profit attributable to owners of the Company/ weighted average number of ordinary shares

Price to earnings ratio = Share price at the end of reporting period/earnings per share, calculated based on the net profit attributable to owners of the Company for the last 4 quarters

Current ratio = current assets / current liabilities

Quick ratio = (current assets – inventories) / current liabilities

Financial performance

The Group's sales amounted 58 070 thousand EUR during 12 months of 2024, representing a 0.9% decrease as compared to the same period of previous year. Overall, wholesale decreased by 4.9%, measured in EUR.

The Group's gross profit during 12 months of 2024 amounted to 34 278 thousand EUR and increase by 1.6% compared to previous year. The gross margin during 12 months of 2024 increased by 2.4% compared to 12 months of 2023. The cost of sold goods decreased by 4.3%.

Consolidated operating profit for 12 months of 2024 amounted to 17 248 thousand EUR, compared to 17 973 thousand EUR for 12 months of 2023, decrease by 4.0%. The consolidated operating profit margin was 29.7% for 12 months of 2024 (30.7% for 12 months of 2023). Consolidated EBITDA for 12 months of 2024 decreased by 3.8% and amounted to 20 316 thousand EUR, which is 35.0% in margin terms (21 120 thousand EUR and 36.0% for 12 months of 2023).

Reported consolidated net profit attributable to equity holders of the Parent company for 12 months of 2024 amounted 12 366 thousand EUR, compared to net profit of 9 927 thousand EUR for 12 months of 2023, net profit margin attributable to equity holders of the Parent company for 12 months of 2024 was 21.3% against net profit 16.9% for 12 months of 2023.

Financial position

As of 31 December 2024 consolidated assets amounted to 84 489 thousand EUR representing increase by 16.9% as compared to the position as of 31 December 2023.

Trade and other receivables decreased by 148 thousand EUR as compared to 31 December 2023 and amounted to 1 206 thousand EUR as of 31 December 2024. Inventory balance increased by 4 365 thousand EUR and amounted to 28 305 thousand EUR as of 31 December 2024.

Equity attributable to equity holders of the Parent company increased by 11 873 thousand EUR and amounted to 65 993 thousand EUR as of 31 December 2024. Current liabilities increased by 420 thousand EUR during 12 months of 2024.

Investments

During 12 months of 2024 the Group's investments into property, plant and equipment totalled 942 thousand EUR, in previous year same period 1 133 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 31 December 2024, the Group employed 1 655 employees, including 518 people in retail operations. The rest were employed in production, wholesale, administration and support operations. In 31.12.2023 there were 1 626 employees, including 500 people in retail operations.

Total salaries and related taxes during 12 months of 2024 amounted 14 155 thousand EUR (13 266 thousand EUR in 12 months 2023). The remuneration of key management of the Group, including the key executives of all subsidiaries, totalled 679 thousand EUR.

Decisions made by governing bodies during 12 months 2024

On the 19th of March 2024, the AS Silvano Fashion Group proposed to the shareholders to adopt the resolution of the extraordinary general meeting of shareholders stated below without convening the meeting.

The notice of the general meeting was published on March 19, 2024, in the information system NASDAQ OMX Tallinn <https://view.news.eu.nasdaq.com/view?id=b77cafc430f1ac23a81813069a95a15cd&lang=en> and Warsaw Stock Exchange, on the website of SFG <https://www.silvanofashion.com/investors/company-announcements/> and in the newspaper Eesti Päevaleht.

On April 9, 2024 Silvano Fashion Group Extraordinary Meeting of Shareholders adopted the following decisions:

1.1. To appoint the auditing company Ernst & Young Baltic AS (registry code 10877299, located at Rävåla puistee 4, 10143 Tallinn) as the auditor of AS Silvano Fashion Group;

1.2. To authorize the Management Board of AS Silvano Fashion Group to enter into an audit service agreement with the auditing company AS Ernst & Young Baltic for auditing the economic activities of AS Silvano Fashion Group 2023.

On the 29th of May 2024, AS Silvano Fashion Group proposed to the shareholders to adopt the resolutions of the annual general meeting of shareholders without convening the meeting.

The notice of the general meeting was published on May 29, 2024, in the information system NASDAQ OMX Tallinn <https://view.news.eu.nasdaq.com/view?id=bc1ccceca27a9390039f730c2b2b98136&lang=en&src=listed> and Warsaw Stock Exchange, on the website of SFG <https://www.silvanofashion.com/investors/company-announcements/> and in the daily newspaper Eesti Ekspress.

On June 20, 2024 Silvano Fashion Group held its regular Annual General Meeting of Shareholders. The Meeting adopted the following decisions:

1. To approve the 2023 Annual Report;
2. To left the net profit undistributed and to include the net profit of the financial year 2023 in retained earnings.

The decisions of the general meeting were published on the website of AS Silvano Fashion Group <https://www.silvanofashion.com/investors/company-announcements/>.

Shares of AS Silvano Fashion Group

As of 31 December 2024 registered share capital of AS Silvano Fashion Group amounted to 3 600 thousand EUR divided into 36 000 000 ordinary shares with a nominal value of 0.10 EUR each. The share register is electronic and maintained at the Estonian Central Register of Securities. The Company has been listed on Nasdaq OMX Tallinn Stock Exchange main list (since 21.11.2006) and on Warsaw Stock Exchange (since 23.07.2007).

As of 31 December 2024 AS Silvano Fashion Group had 2 830 shareholders (as of 31 December 2023: 3 336 shareholders).

As of 31 December 2024 shareholders, whose interest in AS Silvano Fashion Group exceeded 5% included:

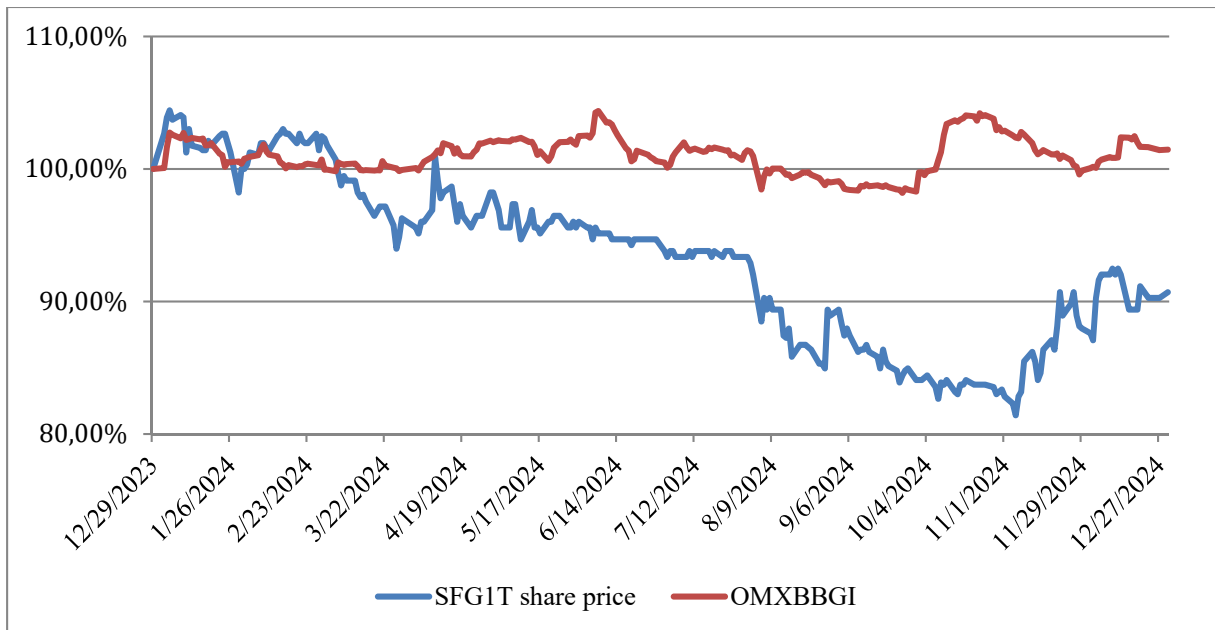
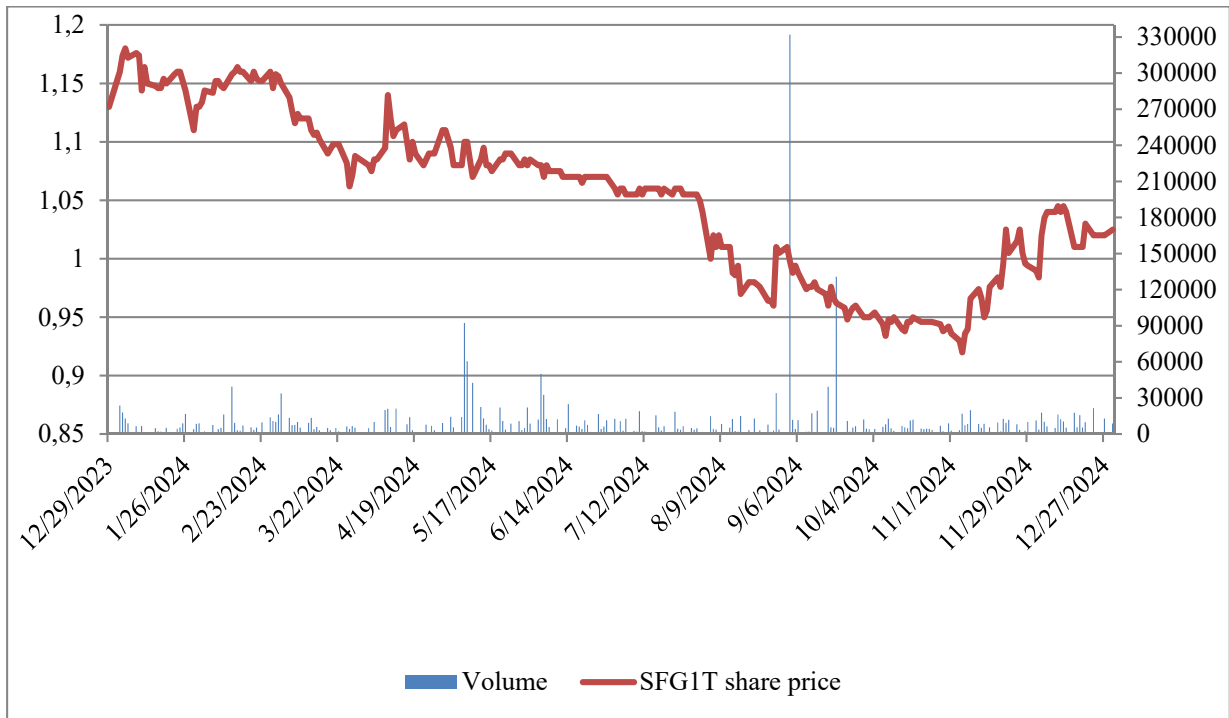
Name	Number of shares	Shareholding
Major shareholders	19 811 841	55.03%
AS SEB PANK CLIENTS	8 000 000	22.22%
BALTPLAST AS	7 835 931	21.77%
BREM AVARII OSAÜHING	2 000 000	5.56%
UNICREDIT BANK AUSTRIA AG	1 975 910	5.49%
Other shareholders	16 188 159	44.97%
Total number of shares	36 000 000	100.00%

As of 31 December 2023 shareholders, whose interest in AS Silvano Fashion Group exceeded 5% included:

Name	Number of shares	Shareholding
Major shareholders	19 262 985	53.50%
BALTPLAST AS	9 115 798	25.32%
AS SEB PANK CLIENTS	8 000 000	22.22%
UNICREDIT BANK AUSTRIA AG	2 147 187	5.96%
Other shareholders	16 737 015	46.50%
Total number of shares	36 000 000	100.00%

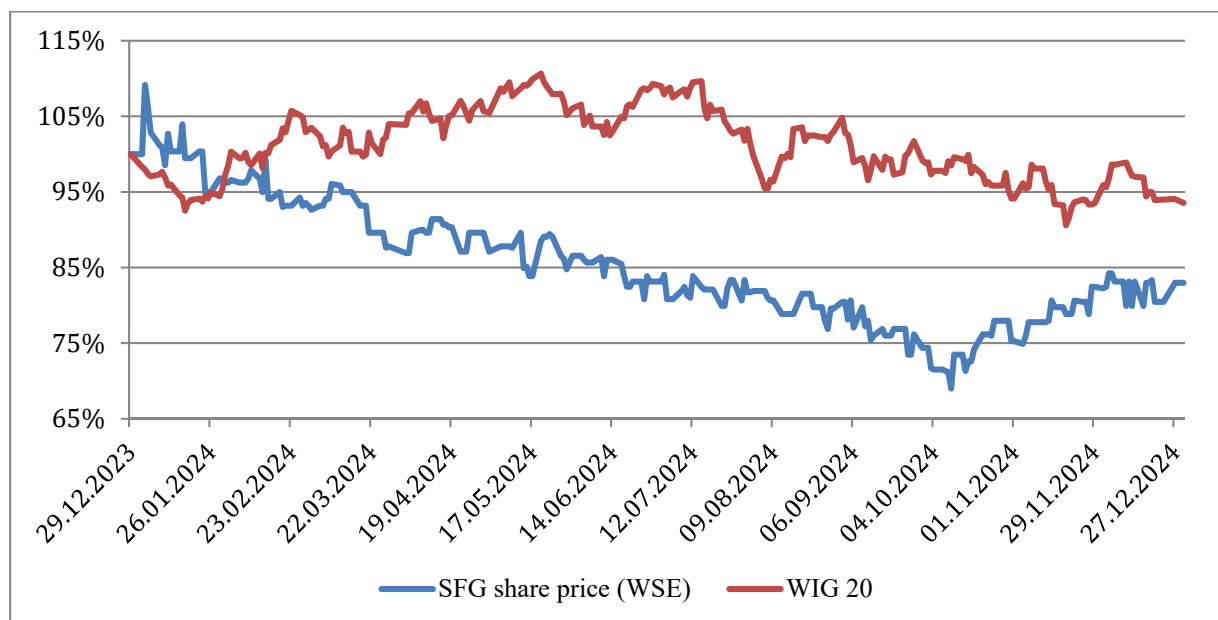
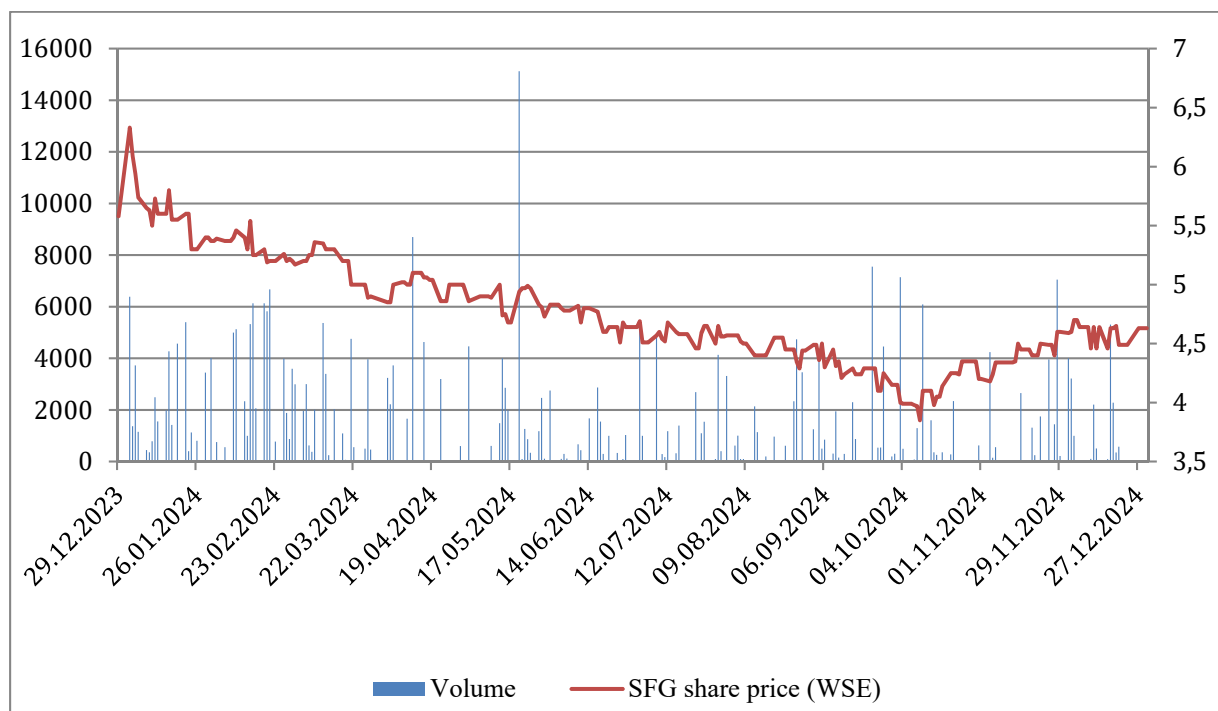
Share price development and turnover on the Tallinn Stock Exchange during 12 months of 2024 (EUR)

During 12 months of 2024 the highest and lowest prices of the AS Silvano Fashion Group` share on the Tallinn Stock Exchange were 1.188 EUR and 0.90 EUR, respectively



Share price development on the Warsaw Stock Exchange during 12 months of 2024(PLN)

During 12 months of 2024, the highest and lowest prices of the AS Silvano Fashion Group` share on the Warsaw Stock Exchange were 6.33 PLN and 3.85 PLN respectively.



Declaration of the Management Board

The Management Board of AS Silvano Fashion Group has reviewed and approved Consolidated Interim Financial Report for Q4 and 12 months of 2024 (hereinafter “the Interim Report”).

Member of the Management Board confirms that according to his best knowledge the Interim Report gives a true and fair view of financial position of the Group, its financial performance and its cash flows in accordance with International Financial Reporting Standards, as adopted by EU, and IAS 34 “Interim Financial Reporting”.

Furthermore, Member of the Management Board confirms that in his opinion the Interim Report provides a fair review of significant developments in the Group's activities that occurred during the reporting period and their impact and describes significant risks and uncertainties that may affect the Group during future reporting periods.

The Interim Report has not been audited or otherwise reviewed by the auditors.



Jarek Särgava
Member of the Management Board
February 28, 2025

Consolidated Statement of Financial Position

in thousands of EUR	Note	31.12.2024	31.12.2023
		Unaudited	Audited
ASSETS			
Current assets			
Cash and cash equivalents	2	7 683	32 878
Short-term deposits over 3 months	2	32 007	0
Trade and other receivables	3	1 206	1 354
Prepayments and other tax receivables	3	1 603	1 115
Current loans granted		0	29
Other assets		67	79
Inventories	4	28 305	23 940
Total current assets		70 871	59 395
Non-current assets			
Non-current receivables	8	271	292
Investments in associates		92	85
Investments in other shares		208	213
Deferred tax asset		3 347	2 155
Intangible assets		649	579
Investment property		837	899
Property, plant and equipment	5	8 214	8 634
Total non-current assets		13 618	12 857
TOTAL ASSETS		84 489	72 252
LIABILITIES AND EQUITY			
Current liabilities			
Current lease liabilities		2 252	2 162
Trade and other payables	6	7 031	7 377
Tax liabilities		1 423	747
Total current liabilities		10 706	10 286
Non-current liabilities			
Deferred tax liability		715	736
Non-current lease liabilities		3 694	4 321
Non-current provisions		43	46
Total non-current liabilities		4 452	5 103
Total liabilities		15 158	15 389
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		-20 495	-20 002
Retained earnings		76 615	64 249
Total equity attributable to equity holders of the Parent company		65 993	54 120
Non-controlling interest		3 338	2 743
Total equity		69 331	56 863
TOTAL EQUITY AND LIABILITIES		84 489	72 252

Consolidated Income Statement

in thousands of EUR	Note	4Q 2024	4Q 2023	12m 2024	12m 2023
		Unaudited	Unaudited	Unaudited	Audited
Revenue from contracts with customers	9	11 581	11 858	58 070	58 597
Cost of goods sold		-4 535	-6 193	-23 792	-24 854
Gross Profit		7 046	5 665	34 278	33 743
Distribution expenses		-2 637	-2 501	-11 360	-10 572
Administrative expenses		-1 441	-1 198	-4 981	-4 501
Other operating income		91	92	269	286
Other operating expenses		-263	-352	-958	-983
Operating profit		2 796	1 706	17 248	17 973
Currency exchange income/(expense)		-458	237	-873	-3 345
Other finance income/(expenses)		455	93	856	-93
Net finance income/(expenses)		-3	330	-17	-3 438
Profit (loss) from associates using equity method		-2	5	14	24
Profit before tax		2 791	2 041	17 245	14 559
Income tax expense		177	224	-3 572	-3 452
Profit for the period		2 968	2 265	13 673	11 107
Attributable to :					
Equity holders of the Parent company		2 655	2 015	12 366	9 927
Non-controlling interest		313	250	1 307	1 180
Earnings per share from profit attributable to equity holders of the Parent company, both basic and diluted (EUR)	8	0,07	0,06	0,34	0,28

Consolidated Statement of Comprehensive Income

in thousands of EUR	Note	4Q 2024	4Q 2023	12m 2024	12m 2023
		Unaudited	Unaudited	Unaudited	Audited
Profit for the period		2 968	2 265	13 673	11 107
Other comprehensive income (loss) that will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations		-445	-2 799	-602	-2 520
Total other comprehensive income for the period		-445	-2 799	-602	-2 520
Total comprehensive income (loss) for the period		2 523	-534	13 071	8 587
Attributable to :					
Equity holders of the Parent company		2 252	1 625	11 873	9 334
Non-controlling interest		271	-2 159	1 198	-747

Consolidated Statement of Cash Flows

in thousands of EUR	Note	12m 2024	12m 2023
Cash flow from operating activities		Unaudited	Audited
Profit for the period		13 673	11 107
Adjustments for:			
Depreciation and amortization of non-current assets	11,13	3 068	3 147
Impairment losses of non-current assets			
Share of profit of equity accounted investees		-14	-24
Gains/Losses on the sale of property, plant and equipment	13	7	1
Net finance income / costs		17	3 438
Provision for impairment losses on trade receivables	5,19	-18	54
Provision for inventories	9	91	1 198
Income tax expense	14	3 572	3 452
Change in inventories	9	-4 365	-7 845
Change in trade and other receivables	8,14	-271	-839
Change in trade and other payables	8,14	280	2 530
Interest paid		-54	0
Income tax paid		-4 822	-4 516
Net cash flow from operating activities		11 164	11 703
Cash flow from investing activities			
Interest received		1 391	601
Dividends received		8	11
Purchase of other financial investments		-31 800	0
incl purchase of deposits with maturities greater than 3 months		-31 800	0
Proceeds from disposal of property, plant and equipment	13	22	39
Loans granted		0	-19
Proceeds from repayments of loans granted		29	0
Acquisition of property, plant and equipment	13	-942	-1 133
Acquisition of intangible assets	11	-147	-144
Net cash flow from investing activities		-31 439	-645
Cash flow from financing activities			
Proceeds from borrowings	8	4 000	0
Repayment of borrowings	8	-4 000	0
Payment of principal portion of lease liabilities		-2 318	-2 307
Interest paid on lease liabilities		-739	-688
Dividends paid		-603	-692
Net cash flow from financing activities		-3 660	-3 687
Net increase/decrease in cash and cash equivalents		-23 935	7 371
Change of deposits with maturities greater than 3 months		32 007	0
Total change		8 072	7 371
Cash and cash equivalents at the beginning of period	7	32 878	25 909
Effect of translation to presentation currency		-1 095	-845
Effect of exchange rate fluctuations on cash held	7	-165	443
Cash and cash equivalents at the end of period		7 683	32 878
Deposits with maturities greater than 3 months at the end of period		32 007	0
Total at the end of the period		39 690	32 878

Consolidated Statement of Changes in Equity

in thousands of EUR	Share Capital	Share Premium	Statutory reserve capital	Unrealised exchange rate differences	Retained earnings	Total equity attributable to equity holders of the Parent company	Non- controlling interest	Total equity
Balance as at 31 December 2022 (Audited)	3 600	4 967	1 306	-19 409	54 322	44 786	4 182	48 968
Profit for the period	0	0	0	0	9 927	9 927	1 180	11 107
Other comprehensive income for the period	0	0	0	-593	0	-593	-1 927	-2 520
Total comprehensive income for the period	0	0	0	-593	9 927	9 334	-747	8 587
Transactions with owners, recognised directly in equity								
Dividends declared	0	0	0	0	0	0	-692	-692
Total transactions with owners, recognised directly in equity	0	0	0	0	0	0	-692	-692
Balance as at 31 December 2023 (Audited)	3 600	4 967	1 306	-20 002	64 249	54 120	2 743	56 863
Balance as at 31 December 2023 (Audited)	3 600	4 967	1 306	-20 002	64 249	54 120	2 743	56 863
Profit for the period	0	0	0	0	12 366	12 366	1 307	13 673
Other comprehensive income for the period	0	0	0	-493	0	-493	-109	-602
Total comprehensive income for the period	0	0	0	-493	12 366	11 873	1 198	13 071
Transactions with owners, recognised directly in equity								
Dividends declared	0	0	0	0	0	0	-603	-603
Total transactions with owners, recognised directly in equity	0	0	0	0	0	0	-603	-603
Balance as at 31 December 2024 (Unaudited)	3 600	4 967	1 306	-20 495	76 615	65 993	3 338	69 331

Notes to the Interim Report

Note 1 Summary of significant accounting policies

AS Silvano Fashion Group is a company registered in Estonia. This Interim Report of the Group is prepared for the reporting period ended 31 December 2024 and comprises parent company and its subsidiaries.

The principal accounting policies applied in the preparation of this Interim Report are set out below. The policies have been consistently applied to all the years presented unless otherwise stated.

The Interim Report has not been audited or reviewed by external auditors.

Basis for preparation

This Interim Report of AS Silvano Fashion Group for Q4 and 12 months 2024 ended on 31 December 2024 has been prepared in accordance with IAS 34 “Interim financial reporting” as adopted by the European Union. The Interim Report should be read in conjunction with the Annual Report for the financial year ended on 31 December 2023, which have been prepared in accordance with IFRS as adopted by the European Union.

This Interim Report is comprised in thousands of Euros (EUR).

The Group’s performance is not significantly affected by any seasonal or cyclical factors. Nevertheless, revenue during vacation periods and holidays in CIS countries is usually higher compared to other periods.

New standards and interpretations

In additions to disclosures already made in the Annual Report for the financial year ended on 31 December 2023 there are no new IFRSs or IFRIC interpretations that are effective for the financial year beginning on or after 1 January 2024 and that would be expected to have a material impact on the Group.

Note 2 Cash and cash equivalents

in thousands of EUR	31.12.24	31.12.23
Cash on hand	146	53
Current bank accounts in EUR	1 218	1 925
Current bank accounts in other currencies than EUR	879	466
Short-term bank deposits in EUR	4 941	29 500
Short-term bank deposits in other currencies than EUR	391	566
Cash in transit	108	368
Total	7 683	32 878

in thousands of EUR	31.12.24	31.12.23
Estonia	4 919	29 763
Latvia	517	61
Russia	706	943
Belarus	1 028	1 536
Ukraine	178	150
Monaco	335	425
Total	7 683	32 878

Short-term bank deposits over 3 months

in thousands of EUR	31.12.24	31.12.23
Estonia	32 007	0
Total	32 007	0

Note 3 Trade receivables and other assets

in thousands of EUR	31.12.24	31.12.23
Trade accounts receivable from third parties	1 075	1 301
Trade accounts receivable from related parties	0	0
Receivables on services rendered	31	33
Other receivables	195	133
	1 301	1 467
Allowance for expected credit losses	-95	-113
Total trade and other receivables	1 206	1 354
Prepayments and other tax receivables		
Prepayments issued to suppliers	504	409
VAT recoverable	979	704
Other tax prepayments	120	2
Total prepayments and other tax receivables	1 603	1 115

The fair values of trade and other receivables are not materially different from the carrying values based on the expected discounted cash flows.

Note 4 Inventories

in thousands of EUR	31.12.24	31.12.23
Raw and other materials	5 365	6 501
Work in progress	1 125	1 321
Finished goods	20 154	14 220
Other inventories	1 661	1 898
Total	28 305	23 940

Note 5 Property, plant and equipment

in thousands of EUR						
	Land and buildings	Plant and equipment	Other equipment and fixtures	Right- of-use asset	Assets under construction	Total
31.12.2022						
Cost	4 020	14 838	4 688	14 350	33	37 929
Accumulated depreciation	-2 280	-13 560	-4 127	-8 714	0	-28 681
Net book amount	1 740	1 278	561	5 636	33	9 248
Movements during 12m 2023						
Additions	0	21	529	3 524	583	4 657
Disposals	0	0	-40	-197	0	-237
Transfers to Investment property	-74	0	0	0	0	-74
Reclassifications	0	408	197	0	-605	0
Depreciation	-72	-335	-339	-2 327	0	-3 073
Unrealised exchange rate differences	-293	-245	-141	-1 203	-5	-1 887
Closing net book amount	1 301	1 127	767	5 433	6	8 634
31.12.2023						
Cost	3 242	12 775	4 464	13 470	6	33 957
Accumulated depreciation	-1 941	-11 648	-3 697	-8 037	0	-25 323
Net book amount	1 301	1 127	767	5 433	6	8 634
Movements during 12m 2024						
Additions	0	35	213	2 014	694	2 956
Modifications	0	0	0	6	0	6
Disposals	0	0	-29	-34	0	-63
Transfers to Investment property	14	0	0	0	0	14
Transfers and reclassification	4	375	244	0	-623	0
Depreciation	-65	-252	-346	-2 317	0	-2 980
Unrealised exchange rate differences	-30	-32	-49	-240	-2	-353
Closing net book amount	1 224	1 253	800	4 862	75	8 214
31.12.2024						
Cost	3 183	12 574	4 379	14 494	75	34 705
Accumulated depreciation	-1 959	-11 321	-3 579	-9 632	0	-26 491
Net book amount	1 224	1 253	800	4 862	75	8 214

The Group didn't have any significant binding commitments to purchase property plant and equipment as of 31 December 2024.

Note 6 Trade and other payables

in thousands of EUR	31.12.24	31.12.23
Trade accounts payable to third parties	4 643	5 349
Prepayments received from customers	743	669
Accrued expenses	757	552
Accounts payables to employees	442	422
Other payables	446	385
Total trade and other payables	7 031	7 377

Fair values of trade and other payables are not materially different from book values due to short maturities.

Note 7 Equity

Shares

As of 31 December 2024 registered share capital of AS Silvano Fashion Group amounted to 3 600 thousand EUR divided into 36 000 000 shares with a nominal value of 0.10 EUR each (as of 31 December 2023, 3 600 thousand EUR 36 000 000 shares and 0.10 EUR nominal value, respectively). All shares of AS Silvano Fashion Group are ordinary shares and all are registered. Each ordinary share gives a shareholder one vote in General Meeting of Shareholders. No share certificates are issued for registered shares. The share register is electronic and maintained at the Estonian Central Depository for Securities. All shares are fully paid shares.

As of 31 December 2024 AS Silvano Fashion Group had 2 830 shareholders (as of 31 December 2023: 3 336 shareholders).

Note 8 Earnings per share

The calculation of basic earnings per share for 12 months of 2024 (12 months of 2023) is based on profit attributable to owners and a weighted average number of ordinary shares.

in thousands of shares	12m 2024	12m 2023
Number of ordinary shares at the beginning of the period	36 000	36 000
Effect of own shares held at the beginning of the period	0	0
Number of ordinary shares at the end of the period	36 000	36 000
Effect of own shares held at the end of the period	0	0
Weighted average number of ordinary shares for the Period	36 000	36 000

in thousands of EUR	12m 2024	12m 2023
Profit (loss) for the period attributable to equity holders of the Parent company	12 366	9 927
Basic earnings per share (EUR)	0.34	0.28
Diluted earnings per share (EUR)	0.34	0.28

Diluted earnings per share do not differ from basic earnings per share as the Group has no financial instruments issued that could potentially dilute the earnings per share.

Note 9 Revenue from contracts with customers

in thousands of EUR	12m 2024	12m 2023
Revenue from wholesale	35 517	37 335
Revenue from retail	22 482	21 203
Subcontracting and services	64	35
Other sales	7	24
Total	58 070	58 597

Note 10 Transactions with related parties

The following parties are considered to be related;

- a) Shareholders owning, directly or indirectly, a voting power in the parent company or its significant subsidiaries that gives them significant influence over the parent company or its significant subsidiaries and companies under their control.
- b) Associates - enterprises in which parent company or its subsidiaries have significant influence;
- c) Members of the Management Board and Supervisory Boards of parent company and its significant subsidiaries and their immediate family members and companies under their control or significant influence.

The Group's owners are legal and physical persons and no sole shareholder has control over the Group's activities. According to management's assessment, the prices applied in transactions with related parties did not differ significantly from the market terms.

Sales of goods and services

in thousands of EUR	12m 2024	12m 2023
Associates	348	475
Total	348	475

Balances with related parties

in thousands of EUR	31.12.2024	31.12.2023
Trade receivables from associates	0	0
Total	0	0

Benefits to key management of the group

in thousands of EUR	12m 2024	12m 2023
Remunerations and benefits	679	552
Total	679	552

Note 11 Operating segments

The Group's operating segments have been determined based on regular reports being monitored and analysed by Management and Supervisory Boards of the parent company on an on-going basis.

The Management and Supervisory Board consider the business primarily from the activity perspective, monitoring separately wholesale and retail activities.

- The wholesale segment includes purchasing and production of women's lingerie, and distribution to external wholesale customers and the retail segment. The Group's manufacturing facilities are located in Latvia and Belarus.
- The retail segment sells the lingerie through own retail network in Latvia, Belarus and Russia.

There is a strong integration between wholesale and retail segments. The accounting policies of reportable segments are the same. Management estimates that intersegment transactions have been done on arm's length basis.

Primary measures monitored by the Supervisory Board are segment revenues, segment EBITDA (which is defined as profit before depreciation, amortisation, net financial income, income tax expense and gain on net monetary position) and segment net profit. These measures are included in the internal management reports that are reviewed by the Management Board and the Supervisory Board. Segment EBITDA is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segment relative to other entities that operate within the industry.

Interest income and interest expenses are not core activities of operating segments and are not provided to management and are not evaluated by management as performance assessment criteria of segments' performance. Therefore, interest income and interest expenses are presented on net basis.

Unallocated revenues include revenues from services, commissions and rental income. Unallocated assets include cash and bank deposits not used in daily operations of either of the segments.

AS Silvano Fashion Group Consolidated Interim Financial Report for Q4 and 12 months of 2024

Operating segments <i>in thousands of EUR</i>	12m 2024 and as of 31.12.2024					
	Lingerie retail	Lingerie wholesale	Total segments	Unallocated	Eliminations	Total
Revenue from external customers	22 482	35 517	57 999	71		58 070
Intersegment revenues	0	-34 740	-34 740	-3 484	38 224	0
EBITDA	10 446	10 034	20 480	-164		20 316
Amortization and depreciation	-2 133	-612	-2 745	-323		-3 068
Operating income, EBIT	8 313	9 422	17 735	-487	0	17 248
Profit from associates using equity method	0	14	14	0		14
Net financial income	-595	-151	-746	729		-17
Income tax	-905	-1 916	-2 821	-751		-3 572
Net profit	6 813	7 369	14 182	-509	0	13 673
Investments in associates	0	92	92	0		92
Other operating segments assets	13 588	32 041	45 629	38 768		84 397
Reportable segments liabilities	3 799	9 320	13 119	2 039		15 158
Capital expenditures	2 262	792	3 054	49		3 103
Number of employees as of reporting date	518	1 035	1 553	102		1 655
Operating segments <i>in thousands of EUR</i>	12m 2023 and as of 31.12.2023					
	Lingerie retail	Lingerie wholesale	Total segments	Unallocated	Eliminations	Total
Revenue from external customers	21 203	37 335	58 538	59		58 597
Intersegment revenues	0	-32 482	-32 482	-3 083	35 565	0
EBITDA	8 888	12 376	21 264	-144		21 120
Amortization and depreciation	-2 105	-596	-2 701	-446		-3 147
Operating income, EBIT	6 783	11 780	18 563	-590	0	17 973
Profit from associates using equity method	0	24	24	0		24
Net financial income	-704	-233	-937	-2 501		-3 438
Income tax	-819	-2 082	-2 901	-551		-3 452
Net profit	5 260	9 489	14 749	-3 642	0	11 107
Investments in associates	0	85	85	0		85
Other operating segments assets	16 331	23 641	39 972	32 195		72 167
Reportable segments liabilities	9 840	3 304	13 144	2 245		15 389
Capital expenditures	1 927	871	2 798	36		2 834
Number of employees as of reporting date	500	1 028	1 528	98		1 626

Revenue and non-current assets breakdown by geographical areas

Revenues in the table below are based on the geographical location of customers; segment assets are based on the geographical location of the assets.

Geographical segments

in thousands of EUR	Revenue 12m 2024	Revenue 12m 2023	Non-current assets 31.12.2024	Non-current assets 31.12.2023
Russia	33 959	34 692	3 590	3 638
Belarus	15 914	15 013	9 680	8 784
Ukraine	108	161	0	0
Baltics	1 294	1 443	323	410
Other countries	6 795	7 288	25	25
Total	58 070	58 597	13 618	12 857