



AS Silvano Fashion Group

Consolidated Interim Financial Report for Q2 and 6 months of 2025 (unaudited)

(translation of the Estonian original) *

Beginning of the reporting period	1 January 2025
End of the reporting period	30 June 2025
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

** 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.*

Contents

Management Report.....	3
Declaration of the Management Board	11
Consolidated Statement of Financial Position.....	12
Consolidated Income Statement.....	13
Consolidated Statement of Comprehensive Income	13
Consolidated Statement of Cash Flows.....	14
Consolidated Statement of Changes in Equity	15
Notes to the Interim Report.....	16
Note 1 Summary of significant accounting policies.....	16
Note 2 Cash and cash equivalents	16
Note 3 Trade and other receivables.....	17
Note 4 Inventories.....	17
Note 5 Property, plant and equipment.....	18
Note 6 Trade and other payables.....	19
Note 7 Equity	19
Note 8 Earnings per share	19
Note 9 Revenue from contracts with customers.....	19
Note 10 Transactions with related parties	19
Note 11 Operating segments	20

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 30 June 2025, the Group employed 1 644 people (as of 31 December 2024: 1 655 people).

The Group comprises of the following entities:

	Location	Main activity	Ownership interest 30.06.2025	Ownership interest 31.12.2024
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 31.12.2024).

** Metropolitan Trade Company Milavitsa LLC is owned by AS Silvano Fashion Group and SIA Silvano Fashion, each holding 50% (same was effective as of 31.12.2024).

In addition, as of 30.06.2025 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 31.12.2024).

Business environment and results

The Group's sales amounted to 28 428 thousand EUR during the 06 months of 2025, representing a 5.7% decrease as compared to the same period for the previous year. The Group's gross profit during the 06 months of 2025 amounted to 15 091 thousand EUR and decreased by 12.2% compared to 06 months of 2024. The Gross margin during the 06 months of 2025 decreased to 53.1% from 57.0% as compared to 06 months of 2024.

Consolidated operating profit for 06 months of 2025 decreased by 30.4% to 5 961 thousand EUR, compared to 8 562 thousand EUR for 06 months of 2024. Consolidated EBITDA for 06 months of 2025 decreased by 24.8% and was 7 566 thousand EUR, compared to 10 055 thousand EUR for 06 months of 2024.

Reported consolidated net profit for 06 months of 2025 amounted to 6 279 thousand EUR, as compared to net profit of 7 786 thousand EUR in the prior year's same period. Net profit attributable to equity holders of the Parent company for 06 months of 2025 amounted 5 781 thousand EUR.

Russia Economic Outlook

The Group's sales on the Russian market totalled 15 857 thousand EUR, decrease is 10.7% compared to 06 months of 2024. Local currency sales decreased by 14.1% during 06 months of 2025 compared to the same 06 months of 2024. 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 60 stores operated by the Group itself (as of 31 December 2024: 57 stores).

Belarus Economic Outlook

The Group's sales in Belarus in the 06 months of 2025 were 8 500 thousand EUR and increased by 10.6% compared to the 06 months of 2024. Sales in local currency increased by 9.8% during the same period. At the end of the reporting period, there were a total of 64 stores operated by the Group itself (as of 31 December 2024: 62 stores).

Ukraine Economic Outlook

The Group's sales in Ukraine in the 06 months of 2025 were 36 thousand EUR and decreased by 41.0% compared to the 06 months of 2024.

Sales structure

Sales by markets

Group sales in its 2 major markets – Russia and Belarus– were 85.7% of its total sales. Measured in local currencies sales increase was 9.8% in Belarus and in Russia local sales decrease by 14.1%.

	06m 2025	06m 2024	Change	Change, %
Russia, th RUB	1 491 709	1 737 210	-245 501	-14.1%
Belarus, th BYN	29 341	26 725	2 616	9.8%

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

in thousands of EUR	06m 2025	06m 2024	Change, EUR	Change, %	06m 2025, % of sales	06m 2024, % of sales
Russia	15 857	17 761	-1 904	-10.7%	55.8%	58.9%
Belarus	8 500	7 686	814	10.6%	29.9%	25.5%
Ukraine	36	61	-25	-41.0%	0.1%	0.2%
Baltics	581	628	-47	-7.5%	2.0%	2.1%
Other markets	3 454	4 009	-555	-13.8%	12.2%	13.3%
Total	28 428	30 145	-1 717	-5.7%	100.0%	100.0%

The majority of lingerie sales revenue during 06 months of 2025 in the amount 15 857 thousand EUR was generated in Russia, accounting for 55.8% of total sales. The second largest market was Belarus, where sales were 8 500 thousand EUR, contributing 29.9% of lingerie sales (both retail and wholesale).

Sales by business segments

	06m 2025	06m 2024	Change, EUR	Change, %	06m 2025, % of sales	06m 2024, % of sales
in thousands of EUR						
Wholesale	16 433	18 821	-2 388	-12.7%	57.8%	62.4%
Retail	11 921	11 289	632	5.6%	41.9%	37.5%
Other operations	74	35	39	111.4%	0.3%	0.1%
Total	28 428	30 145	-1 717	-5.7%	100.0%	100.0%

During 06 months of 2025 wholesale revenue amounted to 16 433 thousand EUR, representing 57.8% of the Group's total revenue (06 months of 2024: 62.4%). The main wholesale regions were Russia and Belarus.

Our retail revenue increased by 5.6% and amounted 11 921 thousand EUR, this represents 41.9% of the Group's total revenue.

Own & franchise store locations, geography

	Own	Franchise	Total
Russia	60	323	383
Belarus	64	0	64
Baltics	3	16	19
Other regions	0	90	90
Total	127	429	556

At the end of the reporting period the Group and its franchising partners operated 535 Milavitsa and 21 Lauma Lingerie brand stores, including 127 stores operated directly by the Group (as of 31 December 2024: 124 stores).

Selected Financial Indicators

Summarized selected financial indicators of the Group for 6 months of 2025 compared to 6 months of 2024 and 30.06.2025 compared to 31.12.2024 were as follows:

in thousands of EUR	06m 2025	06m 2024	Change
Revenue	28 428	30 145	-5.7%
Gross Profit	15 091	17 189	-12.2%
Operating profit	5 961	8 562	-30.4%
EBITDA	7 566	10 055	-24.8%
Net profit for the period	6 279	7 786	-19.4%
Net profit attributable equity holders of the Parent company	5 781	7 053	-18.0%
Earnings per share (EUR)	0,16	0,20	-20.0%
Operating cash flow for the period	3 481	4 137	-15.9%

in thousands of EUR	30.06.2025	31.12.2024	Change
Total assets	92 405	84 489	9.4%
Total current assets	78 392	70 871	10.6%
Total equity attributable to equity holders of the Parent company	72 852	65 993	10.4%
Cash and cash equivalents	5 881	7 683	-23.5%
Short-term deposits over 3 months	37 331	32 007	16.6%

Margin analysis, %	06m 2025	06m 2024	Change
Gross profit	53,1	57,0	-6.8%
Operating profit	21,0	28,4	-26.1%
EBITDA	26,6	33,4	-20.4%
Net profit	22,1	25,8	-14.3%
Net profit attributable to equity holders of the Parent company	20,3	23,4	-13.2%

Financial ratios, %	30.06.2025	31.12.2024	Change
ROA	12,8	15,8	-19.0%
ROE	16,3	20,6	-20.9%
Price to earnings ratio (P/E)	4,3	3,0	43.3%
Current ratio	7,5	6,6	13.6%
Quick ratio	4,5	4,0	12.5%

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 28 428 thousand EUR during 06 months of 2025, representing a 5.7% decrease as compared to the same period of previous year. Overall, wholesale decreased by 12.7%, measured in EUR.

The Group's gross profit during 06 months of 2025 amounted to 15 091 thousand EUR and decrease by 12.2% compared to previous year. The gross margin during 06 months of 2025 decreased by 6.8% compared to 06 months of 2024. The cost of sold goods increased by 2.9%.

Consolidated operating profit for 06 months of 2025 amounted to 5 961 thousand EUR, compared to 8 562 thousand EUR for 06 months of 2024, decrease by 30.4%. The consolidated operating profit margin was 21.0% for 06 months of 2025 (28.4% for 06 months of 2024). Consolidated EBITDA for 06 months of 2025 decreased by 24.8% and amounted to 7 566 thousand EUR, which is 26.6% in margin terms (10 055 thousand EUR and 33.4% for 06 months of 2024).

Reported consolidated net profit attributable to equity holders of the Parent company for 06 months of 2025 amounted 5 781 thousand EUR, compared to net profit of 7 053 thousand EUR for 06 months of 2024, net profit margin attributable to equity holders of the Parent company for 06 months of 2025 was 20.3% against net profit margin 23.4% for 06 months of 2024.

Financial position

As of 30 June 2025, consolidated assets amounted to 92 405 thousand EUR representing increase by 9.4% as compared to the position as of 31 December 2024.

Trade and other receivables increased by 958 thousand EUR as compared to 31 December 2024 and amounted to 2 164 thousand EUR as of 30 June 2025. Inventory balance increased by 3 269 thousand EUR and amounted to 31 574 thousand EUR as of 30 June 2025.

Equity attributable to equity holders of the Parent company increased by 6 859 thousand EUR and amounted to 72 852 thousand EUR as of 30 June 2025. Current liabilities decreased by 287 thousand EUR during 06 months of 2025.

Investments

During 06 months of 2025 the Group's investments into property, plant and equipment totalled 368 thousand EUR, in previous year same 476 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 2025, the Group employed 1 644 employees, including 536 people in retail operations. The rest were employed in production, wholesale, administration and support operations. In 31.12.2024 there were 1 655 employees, including 518 people in retail operations.

Total salaries and related taxes during 06 months of 2025 amounted 7 885 thousand EUR (7 117 thousand EUR in 06 months 2024). The remuneration of key management of the Group, including the key executives of all subsidiaries, totalled 419 thousand EUR.

Decisions made by governing bodies during 06 months 2025

On the 13th of May 2025, 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 May 13, 2025, in the information system NASDAQ OMX Tallinn <https://view.news.eu.nasdaq.com/view?id=be58dc9fa871859a0f8e05b509f4bf954&lang=et&src=listed> and Warsaw Stock Exchange, on the website of SFG <https://www.silvanofashion.com/investors/company-announcements/> and in the newspaper Eesti Ekspress.

On June 5, 2025 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 Rävala 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 2024.

On the 11th of June 2025, 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 11 June, 2025, in the information system NASDAQ OMX Tallinn <https://view.news.eu.nasdaq.com/view?id=bafae054b00155dd7b3f87a6bfda2a37e&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 July 03, 2025 Silvano Fashion Group held its regular Annual General Meeting of Shareholders. The Meeting adopted the following decisions:

- 1.1. To approve the annual report of AS Silvano Fashion Group for 2024.
- 2.1. To approve AS Silvano Fashion Group the net profit for the financial year 2024 of 12 366 000.- euros.
- 2.2. Not to separate AS Silvano Fashion Group funds from the net profit of the financial year 2024 to the reserve capital of AS Silvano Fashion Group or other reserves prescribed by law or the articles of association.
- 2.3. Leave the net profit undistributed and include the net profit of the financial year 2024 in the retained earnings.
3. To extend the term of office as members of the Supervisory Board for five (5) years until June 30, 2030 for Toomas Tool, Mari Tool, Triin Nellis, Risto Mägi, Stephan David Balkin.

The decisions of the general meeting were published in the information system NASDAQ OMX Tallinn and on the website of AS Silvano Fashion Group <https://www.silvanofashion.com/investors/company-announcements/>.

Shares of AS Silvano Fashion Group

As of 30 June 2025 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 30 June 2025 AS Silvano Fashion Group had 2 646 shareholders (as of 31 December 2024: 2 830 shareholders).

As of 30 June 2025 shareholders, whose interest in AS Silvano Fashion Group exceeded 5% included:

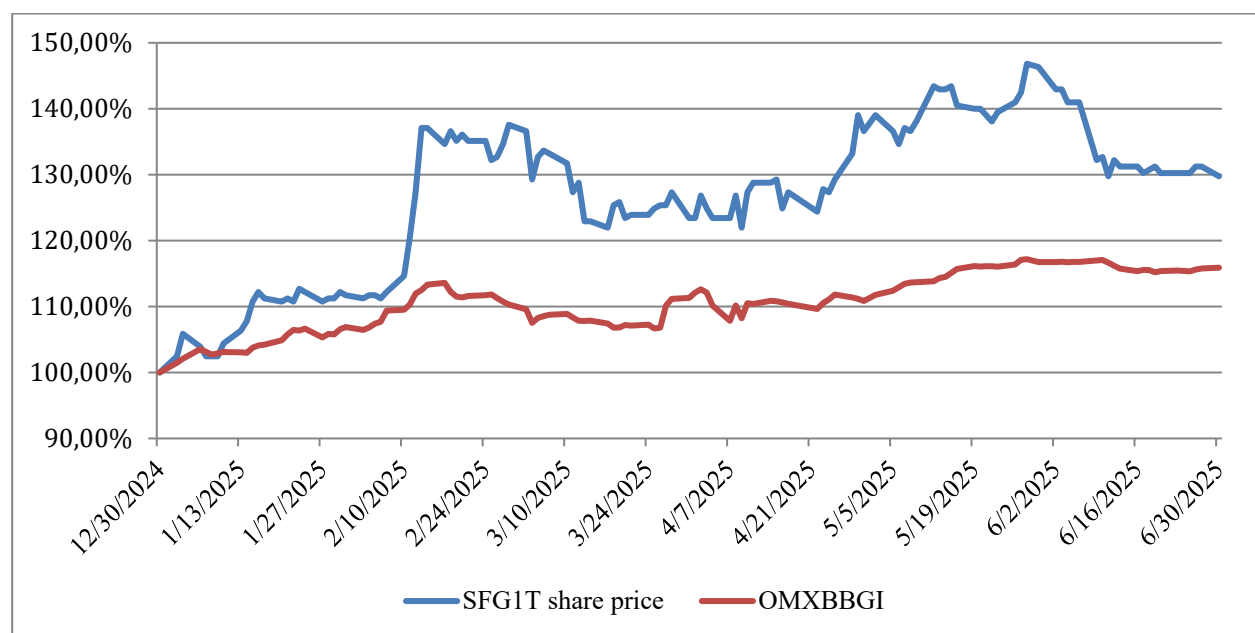
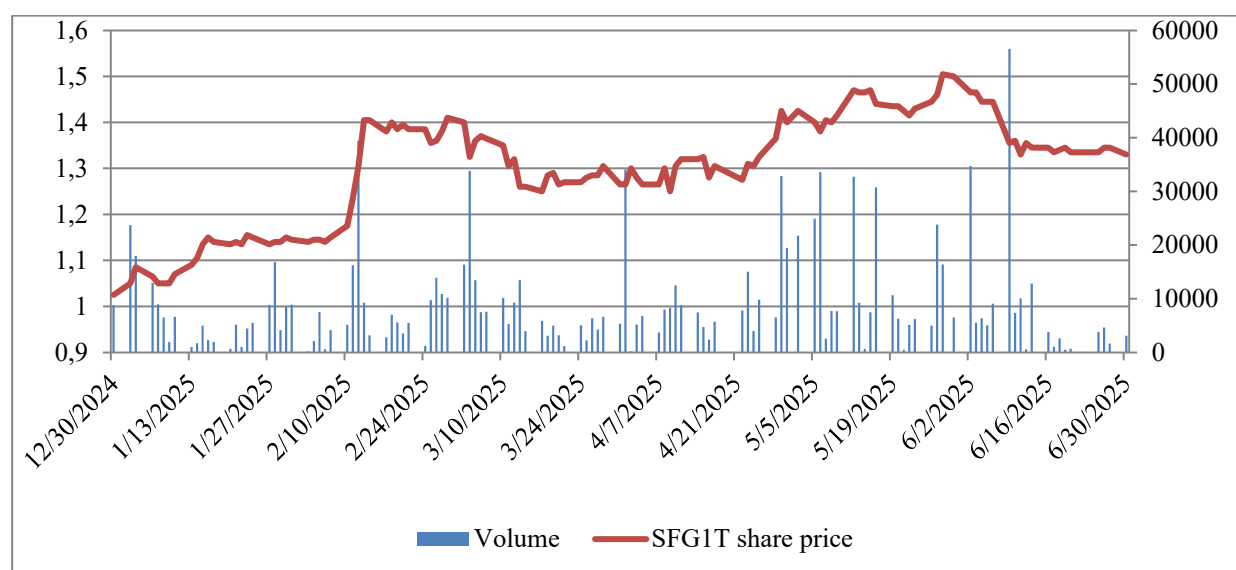
Name	Number of shares	Shareholding
Major shareholders	19 983 118	55.51%
BALTPLAST AS	8 007 208	22.24%
AS SEB PANK CLIENTS	8 000 000	22.22%
BREM AVARII OSAÜHING	2 000 000	5.56%
UNICREDIT BANK AUSTRIA AG	1 975 910	5.49%
Other shareholders	16 016 882	44.49%
Total number of shares	36 000 000	100.00%

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%

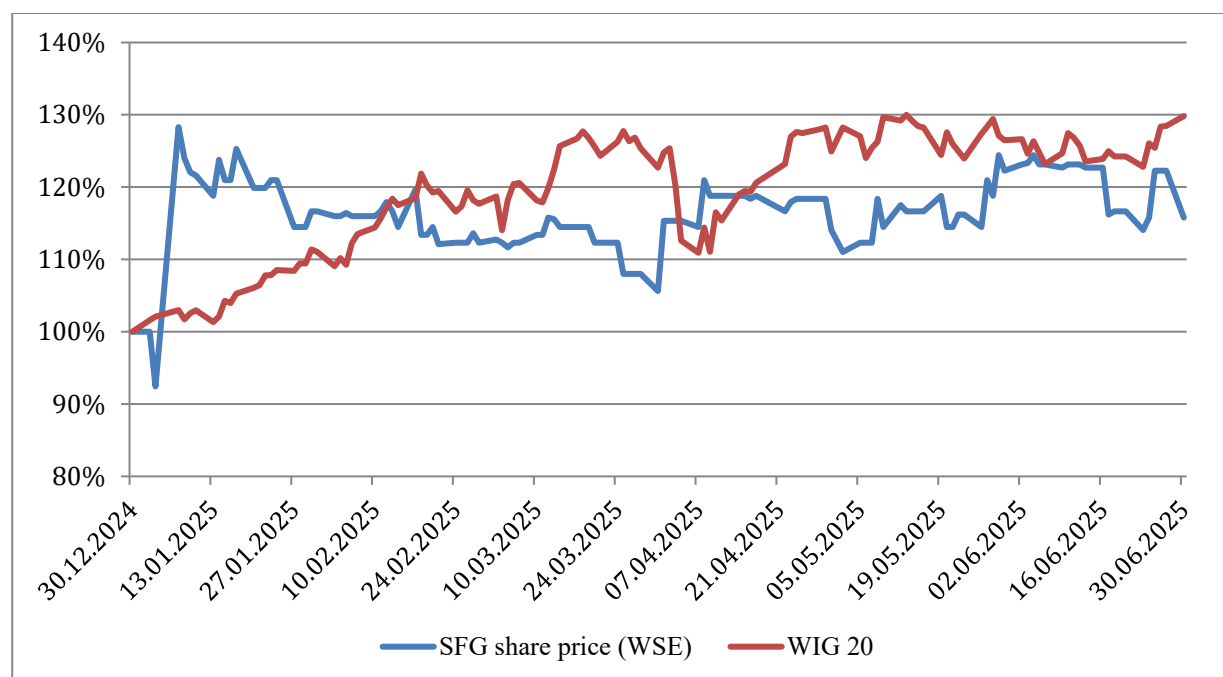
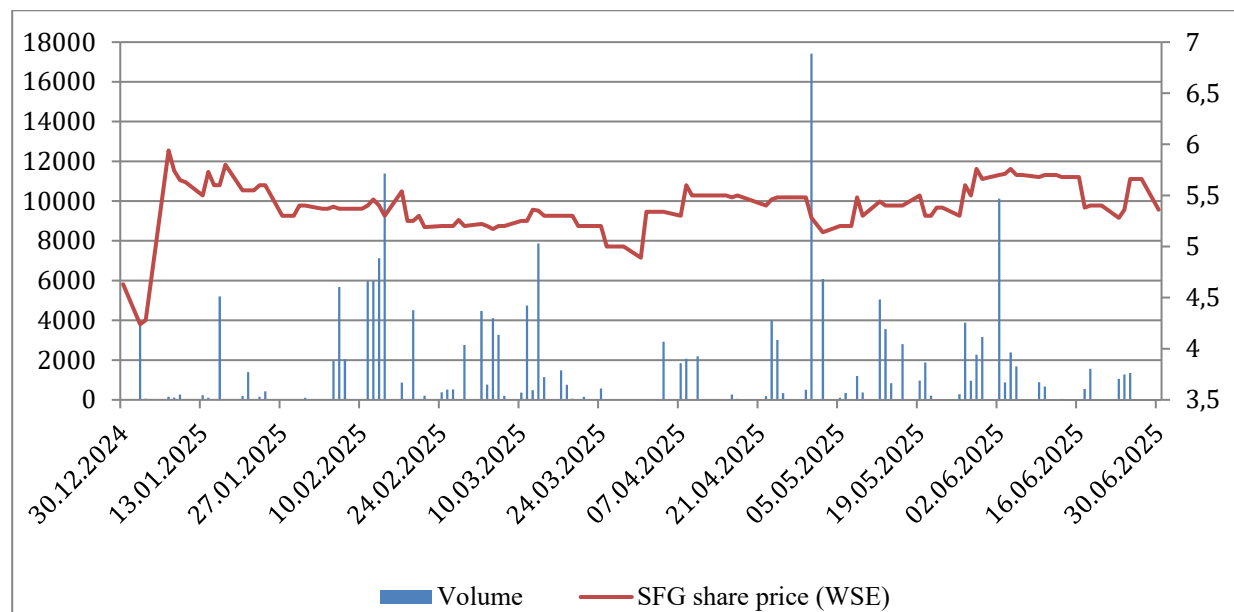
Share price development and turnover on the Tallinn Stock Exchange during 06 months of 2025 (EUR)

During 06 months of 2025 the highest and lowest prices of the AS Silvano Fashion Group` share on the Tallinn Stock Exchange were 1.535 EUR and 1.02 EUR, respectively.



Share price development on the Warsaw Stock Exchange during 06 months of 2025(PLN)

During 06 months of 2025, the highest and lowest prices of the AS Silvano Fashion Group' share on the Warsaw Stock Exchange were 5.94 PLN and 4.24 PLN respectively.



Declaration of the Management Board

The Management Board of AS Silvano Fashion Group has reviewed and approved Consolidated Interim Financial Report for 06 months of 2025 (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 Sārgava
Member of the Management Board
August 29, 2025

Consolidated Statement of Financial Position

in thousands of EUR	Note	30.06.2025	31.12.2024
		Unaudited	Audited
ASSETS			
Current assets			
Cash and cash equivalents	2	5 881	7 683
Short-term deposits over 3 months	2	37 331	32 007
Trade and other receivables	3	2 164	1 206
Prepayments and other tax receivables	3	1 357	1 603
Current loans granted		4	0
Other assets		81	67
Inventories	4	31 574	28 305
Total current assets		78 392	70 871
Non-current assets			
Non-current receivables		329	271
Investments in associates		96	92
Investments in other shares		217	208
Deferred tax asset		3 676	3 347
Intangible assets		680	649
Investment property		859	837
Property, plant and equipment	5	8 156	8 214
Total non-current assets		14 013	13 618
TOTAL ASSETS		92 405	84 489
LIABILITIES AND EQUITY			
Current liabilities			
Current lease liabilities		1 285	2 252
Trade and other payables	6	6 593	7 031
Tax liabilities		2 541	1 423
Total current liabilities		10 419	10 706
Non-current liabilities			
Deferred tax liability		744	715
Non-current lease liabilities		4 369	3 694
Non-current provisions		44	43
Total non-current liabilities		5 157	4 452
Total liabilities		15 576	15 158
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		-19 417	-20 495
Retained earnings		82 396	76 615
Total equity attributable to equity holders of the Parent company		72 852	65 993
Non-controlling interest		3 977	3 338
Total equity		76 829	69 331
TOTAL EQUITY AND LIABILITIES		92 405	84 489

Consolidated Income Statement

in thousands of EUR	Note	2Q 2025	2Q 2024	06m 2025	06m 2024
		Unaudited	Unaudited	Unaudited	Unaudited
Revenue from contracts with customers	9	16 412	16 241	28 428	30 145
Cost of goods sold		-7 165	-6 841	-13 337	-12 956
Gross Profit		9 247	9 400	15 091	17 189
Distribution expenses		-3 210	-3 001	-6 230	-5 773
Administrative expenses		-1 389	-1 191	-2 672	-2 454
Other operating income		95	59	158	107
Other operating expenses		-184	-253	-386	-507
Operating profit		4 559	5 014	5 961	8 562
Currency exchange income/(expense)		-395	916	1 438	865
Other finance income/(expenses)		102	-56	214	72
Net finance income		-293	860	1 652	937
Profit (loss) from associates using equity method		-5	-2	-12	14
Profit before tax		4 261	5 872	7 601	9 513
Income tax expense		-951	-1 002	-1 322	-1 727
Profit for the period		3 310	4 870	6 279	7 786
Attributable to :					
Equity holders of the Parent company		3 029	4 499	5 781	7 053
Non-controlling interest		281	371	498	733
Earnings per share from profit attributable to equity holders of the Parent company, both basic and diluted (EUR)	8	0,08	0,12	0,16	0,20

Consolidated Statement of Comprehensive Income

in thousands of EUR	Note	2Q 2025	2Q 2024	06m 2025	06m 2024
		Unaudited	Unaudited	Unaudited	Unaudited
Profit for the period		3 310	4 870	6 279	7 786
Other comprehensive income (loss) that will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations		-696	670	1 219	406
Total other comprehensive income for the period		-696	670	1 219	406
Total comprehensive income (loss) for the period		2 614	5 540	7 498	8 192
Attributable to :					
Equity holders of the Parent company		2 462	5 049	6 859	7 313
Non-controlling interest		152	491	639	879

Consolidated Statement of Cash Flows

in thousands of EUR	Note	06m 2025	06m 2024
Cash flow from operating activities		Unaudited	Unaudited
Profit for the period		6 279	7 786
Adjustments for:			
Depreciation and amortization of non-current assets		1 605	1 493
Share of profit of equity accounted investees		12	-14
Gains/Losses on the sale of property, plant and equipment		1	10
Net finance income / costs		-1 652	-937
Provision for impairment losses on trade receivables		2	3
Provision for inventories		3	1
Income tax expense		1 322	1 727
Change in inventories		-3 269	-1 922
Change in trade and other receivables		-712	-358
Change in trade and other payables		680	-1 912
Interest paid		-7	-48
Income tax paid		-783	-1 692
Net cash flow from operating activities		3 481	4 137
Cash flow from investing activities			
Interest received		820	482
Dividends received		12	8
Purchase of other financial investments		-37 100	0
Proceeds from other financial investments		31 800	0
Proceeds from disposal of property, plant and equipment		7	20
Loans granted		-11	0
Proceeds from repayments of loans granted		7	9
Acquisition of property, plant and equipment		-368	-476
Acquisition of intangible assets		-38	-72
Net cash flow from investing activities		-4 871	-29
Cash flow from financing activities			
Proceeds from borrowings		500	4 000
Repayment of borrowings		-500	-1 700
Payment of principal portion of lease liabilities		-1 207	-1 085
Interest paid on lease liabilities		-423	-375
Dividends paid		0	-646
Net cash flow from financing activities		-1 630	194
Net increase/decrease in cash and cash equivalents		-3 020	4 302
Cash and cash equivalents at the beginning of period	2	7 683	32 878
Effect of translation to presentation currency		1 358	1 837
Effect of exchange rate fluctuations on cash held		-140	-150
Cash and cash equivalents at the end of period		5 881	38 867

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 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	7 053	7 053	733	7 786
Other comprehensive income for the period	0	0	0	260	0	260	146	406
Total comprehensive income for the period	0	0	0	260	7 053	7 313	879	8 192
Transactions with owners, recognised directly in equity								
Dividends declared	0	0	0	0	0	0	-646	-646
Total transactions with owners, recognised directly in equity	0	0	0	0	0	0	-646	-646
Balance as at 30 June 2024 (Unaudited)	3 600	4 967	1 306	-19 742	71 302	61 433	2 976	64 409
Balance as at 31 December 2024 (Audited)	3 600	4 967	1 306	-20 495	76 615	65 993	3 338	69 331
Profit for the period	0	0	0	0	5 781	5 781	498	6 279
Other comprehensive income for the period	0	0	0	1 078	0	1 078	141	1 219
Total comprehensive income for the period	0	0	0	1 078	5 781	6 859	639	7 498
Transactions with owners, recognised directly in equity								
Dividends declared	0	0	0	0	0	0	0	0
Total transactions with owners, recognised directly in equity	0	0	0	0	0	0	0	0
Balance as at 30 June 2025 (Unaudited)	3 600	4 967	1 306	-19 417	82 396	72 852	3 977	76 829

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 30 June 2025 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 6 months ended on 30 June 2025 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 2024, 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 2024 there are no new IFRSs or IFRIC interpretations that are effective for the financial year beginning on or after 1 January 2025 and that would be expected to have a material impact on the Group.

Note 2 Cash and cash equivalents

in thousands of EUR	30.06.25	31.12.24
Cash on hand	66	146
Current bank accounts in EUR	653	1 218
Current bank accounts in other currencies than EUR	2 235	879
Short-term bank deposits in EUR	430	4 941
Short-term bank deposits in other currencies than EUR	2 417	391
Cash in transit	80	108
Total	5 881	7 683

in thousands of EUR	30.06.25	31.12.24
Estonia	502	4 919
Latvia	194	517
Russia	2 048	706
Belarus	2 769	1 028
Ukraine	144	178
Monaco	224	335
Total	5 881	7 683

Short-term deposits over 6 months

in thousands of EUR	30.06.25	31.12.24
Estonia	37 331	32 007
Total	37 331	32 007

Note 3 Trade receivables and other assets

in thousands of EUR	30.06.25	31.12.24
Trade accounts receivable from third parties	2 003	1 075
Trade accounts receivable from related parties	68	0
Receivables on services rendered	31	31
Other receivables	159	195
	2 261	1 301
Allowance for expected credit losses	-97	-95
Total trade and other receivables	2 164	1 206
Prepayments and other tax receivables		
Prepayments issued to suppliers	422	504
VAT recoverable	905	979
Other tax prepayments	30	120
Total prepayments and other tax receivables	1 357	1 603

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	30.06.25	31.12.24
Raw and other materials	5 023	5 365
Work in progress	1 196	1 125
Finished goods	23 437	20 154
Other inventories	1 918	1 661
Total	31 574	28 305

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
31.12.2023						
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 06m 2024						
Additions	0	0	100	326	376	802
Modification	0	0	0	41	0	41
Disposals	0	0	-30	-34	0	-64
Transfers to Investment property	14	0	0	0	0	14
Reclassifications	0	190	104	0	-294	0
Depreciation	-32	-123	-168	-1 128	0	-1 451
Unrealised exchange rate differences	59	53	45	349	3	509
Closing net book amount	1 342	1 247	818	4 987	91	8 485
30.06.2024						
Cost	3 399	13 232	4 634	14 556	91	35 912
Accumulated depreciation	-2 057	-11 985	-3 816	-9 569	0	-27 427
Net book amount	1 342	1 247	818	4 987	91	8 485
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
Movements during 06m 2025						
Additions	0	0	185	539	183	907
Modifications	0	0	0	-40	0	-40
Disposals	0	0	-8	-89	0	-97
Transfers and reclassification	36	30	149	0	-215	0
Depreciation	-34	-139	-193	-1 190	0	-1 556
Unrealised exchange rate differences	53	54	70	546	5	728
Closing net book amount	1 279	1 198	1 003	4 628	48	8 156
30.06.2025						
Cost	3 352	12 896	4 901	16 514	48	37 711
Accumulated depreciation	-2 073	-11 698	-3 898	-11 886	0	-29 555
Net book amount	1 279	1 198	1 003	4 628	48	8 156

The Group didn't have any significant binding commitments to purchase property plant and equipment as of 30 June 2025.

Note 6 Trade and other payables

in thousands of EUR	30.06.25	31.12.24
Trade accounts payable to third parties	4 265	4 643
Prepayments received from customers	681	743
Accrued expenses	745	757
Accounts payables to employees	621	442
Other payables	281	446
Total trade and other payables	6 593	7 031

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

Note 7 Equity

Shares

As of 30 June 2025 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 2024, 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 30 June 2025 AS Silvano Fashion Group had 2 646 shareholders (as of 31 December 2024: 2 830 shareholders).

Note 8 Earnings per share

The calculation of basic earnings per share for 6 months of 2025 (6 months of 2024) is based on profit attributable to owners and a weighted average number of ordinary shares.

in thousands of shares	06m 2025	06m 2024
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	06m 2025	06m 2024
Profit (loss) for the period attributable to equity holders of the Parent company	5 781	7 053
Basic earnings per share (EUR)	0.16	0.20
Diluted earnings per share (EUR)	0.16	0.20

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	06m 2025	06m 2024
Revenue from wholesale	16 433	18 821
Revenue from retail	11 921	11 289
Subcontracting and services	70	31
Other sales	4	4
Total	28 428	30 145

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	06m 2025	06m 2024
Associates	186	239
Total	186	239

Balances with related parties		
in thousands of EUR	30.06.2025	31.12.2024
Trade receivables from associates	68	0
Total	68	0

Benefits to key management of the group		
in thousands of EUR	06m 2025	06m 2024
Remunerations and benefits	419	305
Total	419	305

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.

Operating segments <i>in thousands of EUR</i>	06m 2025	and as of 30.06.2025				
	Lingerie retail	Lingerie wholesale	Total segments	Unallocated	Eliminations	Total
Revenue from external customers	11 922	16 432	28 354	74		28 428
Intersegment revenues	0	-16 312	-16 312	-1 743	18 055	0
EBITDA	4 112	3 526	7 638	-72		7 566
Amortization and depreciation	-1 122	-315	-1 437	-168		-1 605
Operating income, EBIT	2 990	3 211	6 201	-240	0	5 961
Profit from associates using equity method	0	-12	-12	0		-12
Net financial income	-284	277	-7	1 659		1 652
Income tax	-458	-745	-1 203	-119		-1 322
Net profit	2 248	2 731	4 979	1 300	0	6 279
Investments in associates	0	96	96	0		96
Other operating segments assets	12 736	38 129	50 865	41 444		92 309
Reportable segments liabilities	2 510	11 344	13 854	1 722		15 576
Capital expenditures	836	59	895	50		945
Number of employees as of reporting date	536	1 005	1 541	103		1 644
Operating segments <i>in thousands of EUR</i>	06m 2024	and as of 30.06.2024				
	Lingerie retail	Lingerie wholesale	Total segments	Unallocated	Eliminations	Total
Revenue from external customers	11 289	18 821	30 110	35		30 145
Intersegment revenues	0	-17 886	-17 886	-1 740	19 626	0
EBITDA	4 981	5 093	10 074	-19		10 055
Amortization and depreciation	-1 045	-287	-1 332	-161		-1 493
Operating income, EBIT	3 936	4 806	8 742	-180	0	8 562
Profit from associates using equity method	0	14	14	0		14
Net financial income	-178	124	-54	991		937
Income tax	-461	-611	-1 072	-655		-1 727
Net profit	3 297	4 333	7 630	156	0	7 786
Investments in associates	0	109	109	0		109
Other operating segments assets	15 295	26 807	42 102	38 323		80 425
Reportable segments liabilities	8 062	6 176	14 238	1 887		16 125
Capital expenditures	478	372	850	25		875
Number of employees as of reporting date	507	1 016	1 523	102		1 625

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 06m 2025	Revenue 06m 2024	Non-current assets 30.06.2025	Non-current assets 31.12.2024
Russia	15 857	17 761	3 794	3 590
Belarus	8 500	7 686	10 003	9 680
Ukraine	36	61	0	0
Baltics	581	628	191	323
Other countries	3 454	4 009	25	25
Total	28 428	30 145	14 013	13 618