



AS Silvano Fashion Group

Consolidated Interim Financial Report for Q1 of 2022 (unaudited)

(translation of the Estonian original) *

Beginning of the reporting period	1 January 2022
End of the reporting period	31 March 2022
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.*

Contents

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

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 March 2022 the Group employed 1 586 people (as of 31 December 2021: 1 602 people).

The Group comprises of the following entities:

Parent company	Location	Main activity	Ownership interest 31.03.2022	Ownership interest 31.12.2021
AS Silvano Fashion Group	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 and Wholesale	100%	100%
CJSC Milavitsa	Belarus	Manufacturing and Wholesale	85.02%	85.02%
JSC Sewig 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%
JSC Metropolitan Trade Company “Milavitsa”	Russia	Holding	100%	100%
LLC Baltsped logistik	Belarus	Logistics	50%	50%

Business environment and results

The Group's sales amounted to 11 036 thousand EUR during the Q1 of 2022, representing a 7.5% increase as compared to the same period for the previous year. The Group's gross profit during the Q1 of 2022 amounted to 6 518 thousand EUR and increased by 4.4% compared to Q1 of 2021. The Gross margin during the Q1 of 2022 decreased to 59.1% from 60.8% as compared to Q1 of 2021.

Consolidated operating profit for Q1 of 2022 decreased by 1.9% to 3 221 thousand EUR, compared to 3 285 thousand EUR in Q1 of 2021. Consolidated EBITDA for Q1 of 2022 decreased by 2.1% and was 3 993 thousand EUR, compared to 4 080 thousand EUR in Q1 of 2021.

Reported consolidated net loss for Q1 of 2022 amounted to -193 thousand EUR, as compared to net profit of 2 564 thousand EUR in the prior year's same period. Net loss attributable to equity holders of the Parent company for Q1 of 2022 amounted -266 thousand EUR.

Russia Economic Outlook

The Group's sales on the Russian market totalled 6 228 thousand EUR, decrease is 1.3% compared to Q1 of 2021. Local currency sales increased by 6.3% during Q1 of 2022 compared to the same Q1 of 2021. 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 46 stores operated by the Group itself.

Belarus Economic Outlook

The Group's sales in Belarus in the Q1 of 2022 were 2 648 thousand EUR and increased by 7.6% compared to the Q1 of 2021. Sales in local currency increased by 3.7% during the same period. There are currently a total of 59 stores operated by the Group itself.

Ukraine Economic Outlook

The Group's sales in Ukraine in the Q1 of 2022 were 222 thousand EUR and decreased by 24.5% compared to the Q1 of 2021. Sales in local currency decreased by 27.8% during the same period.

Sales structure

Sales by markets

Group sales in its 3 major markets – Russia, Belarus and Ukraine – were 82.4% of its total sales. Measured in local currencies sales increase was accordingly – 6.3% in Russia, 3.7% in Belarus and decrease 27.8% in Ukraine.

	03m 2022	03m 2021	Change	Change, %
Russia, th RUB	596 486	561 281	35 205	6.3%
Belarus, th BYN	8 278	7 985	293	3.7%
Ukraine, th UAH	7 127	9 867	-2 740	-27.8%

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

	03m 2022	03m 2021	Change, EUR	Change, %	03m 2022, % of sales	03m 2021, % of sales
in thousands of EUR						
Russia	6 228	6 313	-85	-1.3%	56.4%	61.5%
Belarus	2 648	2 460	188	7.6%	24.0%	24.0%
Ukraine	222	294	-72	-24.5%	2.0%	2.9%
Baltics	311	134	177	132.1%	2.8%	1.3%
Other markets	1 627	1 064	563	52.9%	14.8%	10.3%
Total	11 036	10 265	771	7.5%	100.0%	100.0%

The majority of lingerie sales revenue during Q1 of 2022 in the amount 6 228 thousand EUR was generated in Russia, accounting for 56.4% of total sales. The second largest market was Belarus, where sales were 2 648 thousand EUR, contributing 24.0% of lingerie sales (both retail and wholesale). Volumes in Ukraine were 222 thousand EUR, accounting for 2.0% of total sales.

Sales by business segments

	03m 2022	03m 2021	Change, EUR	Change, %	03m 2022, % of sales	03m 2021, % of sales
in thousands of EUR						
Wholesale	7 440	6 910	530	7.7%	67.4%	67.3%
Retail	3 584	3 326	258	7.8%	32.5%	32.4%
Other operations	12	29	-17	-58.6%	0.1%	0.3%
Total	11 036	10 265	771	7.5%	100.0%	100.0%

During Q1 of 2022 wholesale revenue amounted to 7 440 thousand EUR, representing 67.4% of the Group's total revenue (Q1 of 2021: 67.3%). The main wholesale regions were Russia and Belarus.

Our retail revenue increased by 7.8% and amounted to 3 584 thousand EUR, this represents 32.5% of the Group's total revenue.

Own & franchise store locations, geography

	Own	Franchise	Total
Russia	46	346	392
Ukraine	0	20	20
Belarus	59	0	59
Baltics	6	21	27
Other regions	0	91	91
Total	111	478	589

At the end of the reporting period the Group and its franchising partners operated 556 Milavitsa and 33 Lauma Lingerie brand stores, including 111 stores operated directly by the Group.

Selected Financial Indicators

Summarized selected financial indicators of the Group for Q1 of 2022 compared to Q1 of 2021 and 31.03.2022 compared to 31.12.2021 were as follows:

in thousands of EUR	03m 2022	03m 2021	Change
Revenue	11 036	10 265	7.5%
Gross Profit	6 518	6 242	4.4%
Operating profit	3 221	3 285	-1.9%
EBITDA	3 993	4 080	-2.1%
Net profit (loss) for the period	-193	2 564	-107.5%
Net profit (loss) attributable equity holders of the Parent company	-266	2 261	-111,8%
Earnings per share (EUR)	-0.01	0.06	-116.7%
Operating cash flow for the period	3 143	3 589	-12.4%

in thousands of EUR	31.03.2022	31.12.2021	Change
Total assets	50 694	53 753	-5.7%
Total current assets	38 728	40 331	-4.0%
Total equity attributable to equity holders of the Parent company	32 310	34 148	-5.4%
Cash and cash equivalents	17 224	17 098	0.7%

Margin analysis, %	03m 2022	03m 2021	Change
Gross profit	59.1	60.8	-2.8%
Operating profit	29.2	32.0	-8.8%
EBITDA	36.2	39.7	-8.8%
Net profit (loss)	-1.7	25.0	-106.8%
Net profit (loss) attributable to equity holders of the Parent company	-2.4	22.0	-110.9%

Financial ratios, %	31.03.2022	31.12.2021	Change
ROA	12.6	17.9	-29.6%
ROE	19.8	28.7	-31.0%
Price to earnings ratio (P/E)	5.3	7.8	-32.1%
Current ratio	5.0	4.3	16.3%
Quick ratio	2.6	2.1	23.8%

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 to 11 036 thousand EUR during Q1 of 2022, representing a 7.5% increase as compared to the same period of previous year. Overall, retail increased by 7.8%, measured in EUR.

The Group's gross profit during Q1 of 2022 amounted to 6 518 thousand EUR and increase by 4.4% compared to previous year. The gross margin during Q1 of 2022 decreased to 59.1%, from 60.8% in the respective period of previous year. The cost of sold goods increased by 12.3%.

Consolidated operating profit for Q1 of 2022 amounted to 3 221 thousand EUR, compared to 3 285 thousand EUR in Q1 of 2021, decrease by 1.9%. The consolidated operating profit margin was 29.2% for Q1 of 2022 (32.0 in Q1 of 2021). Consolidated EBITDA for Q1 of 2022 decreased by 2.1% and amounted to 3 993 thousand EUR, which is 36.2% in margin terms (4 080 thousand EUR and 39.7% for Q1 of 2021).

Reported consolidated net loss attributable to equity holders of the Parent company for Q1 of 2022 amounted to -266 thousand EUR, compared to net profit of 2 261 thousand EUR in Q1 of 2021, net loss margin attributable to equity holders of the Parent company for Q1 of 2022 was -2.4% against net profit 22.0% in Q1 of 2021.

Financial position

As of 31 March 2022 consolidated assets amounted to 50 694 thousand EUR representing decrease by 5.7% as compared to the position as of 31 December 2021.

Trade and other receivables increased by 463 thousand EUR as compared to 31 December 2021 and amounted to 2 788 thousand EUR as of 31 March 2022. Inventory balance decreased by 2 199 thousand EUR and amounted to 18 707 thousand EUR as of 31 March 2022.

Equity attributable to equity holders of the Parent company decreased by 1 838 thousand EUR and amounted to 32 310 thousand EUR as of 31 March 2022. Current liabilities decreased by 1 594 thousand EUR during Q1 of 2022.

Investments

During Q1 of 2022 the Group's investments into property, plant and equipment totalled 60 thousand EUR, in previous year same period 78 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 2022, the Group employed 1 586 employees, including 484 people in retail operations. The rest were employed in production, wholesale, administration and support operations. In 31.12.2021 there were 1 602 employees, including 485 people in retail operations.

Total salaries and related taxes during Q1 of 2022 amounted to 2 546 thousand EUR (2 359 thousand EUR in Q1 of 2021). The remuneration of key management of the Group, including the key executives of all subsidiaries, totalled 144 thousand EUR.

Shares of AS Silvano Fashion Group

As of 31 March 2022 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 March 2022 AS Silvano Fashion Group 3 567 shareholders (as of 31 December 2021: 3 389 shareholders).

As of 31 March 2022 shareholders, whose interest in AS Silvano Fashion Group exceeded 5% included:

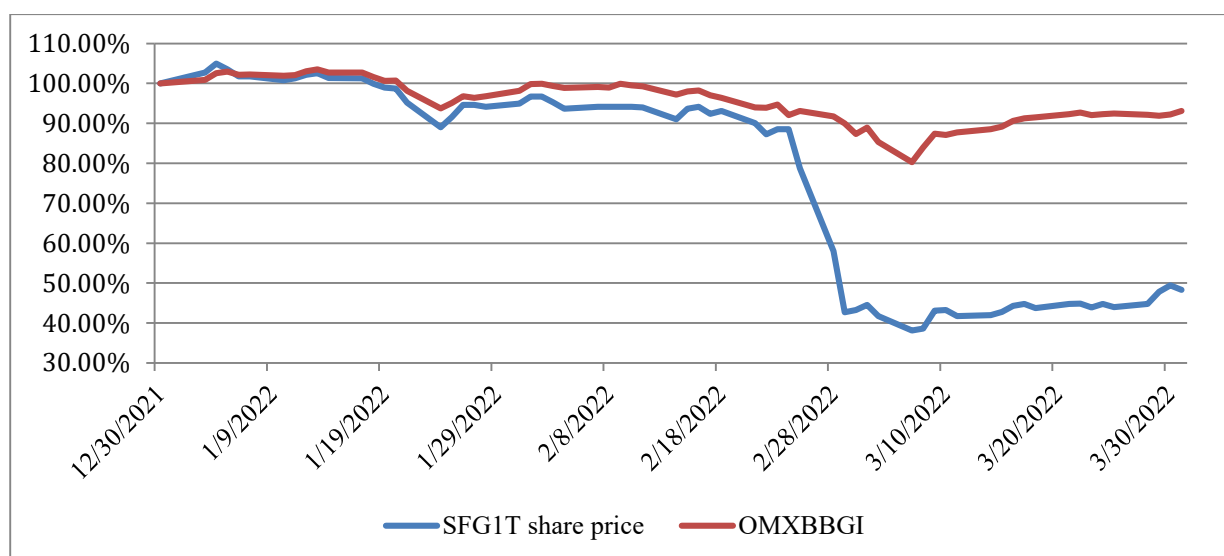
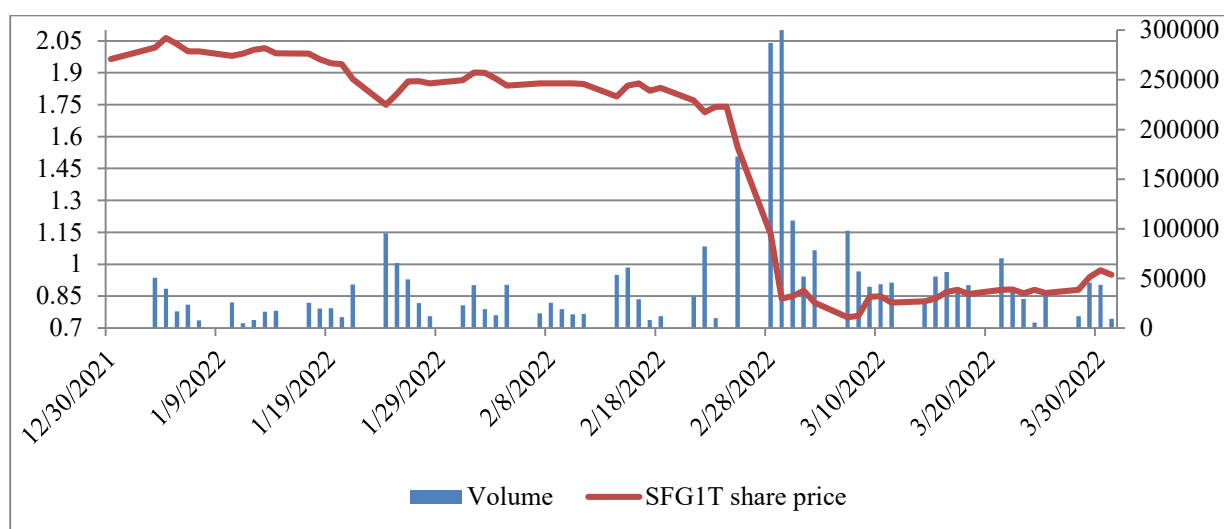
Name	Number of shares	Shareholding
Major shareholders	18 904 509	52.51%
BALTPLAST AS	9 049 804	25.14%
AS SEB PANK CLIENTS	8 000 000	22.22%
Clearstream Banking AG	1 854 705	5.15%
Other shareholders	17 095 491	47.49%
Total number of shares	36 000 000	100.00%

As of 31 December 2021 shareholders, whose interest in AS Silvano Fashion Group exceeded 5% included:

Name	Number of shares	Shareholding
Major shareholders	18 882 079	52.45%
BALTPLAST AS	9 049 804	25.14%
AS SEB PANK CLIENTS	8 000 000	22.22%
Clearstream Banking AG	1 832 275	5.09%
Other shareholders	17 117 921	47.55%
Total number of shares	36 000 000	100.00%

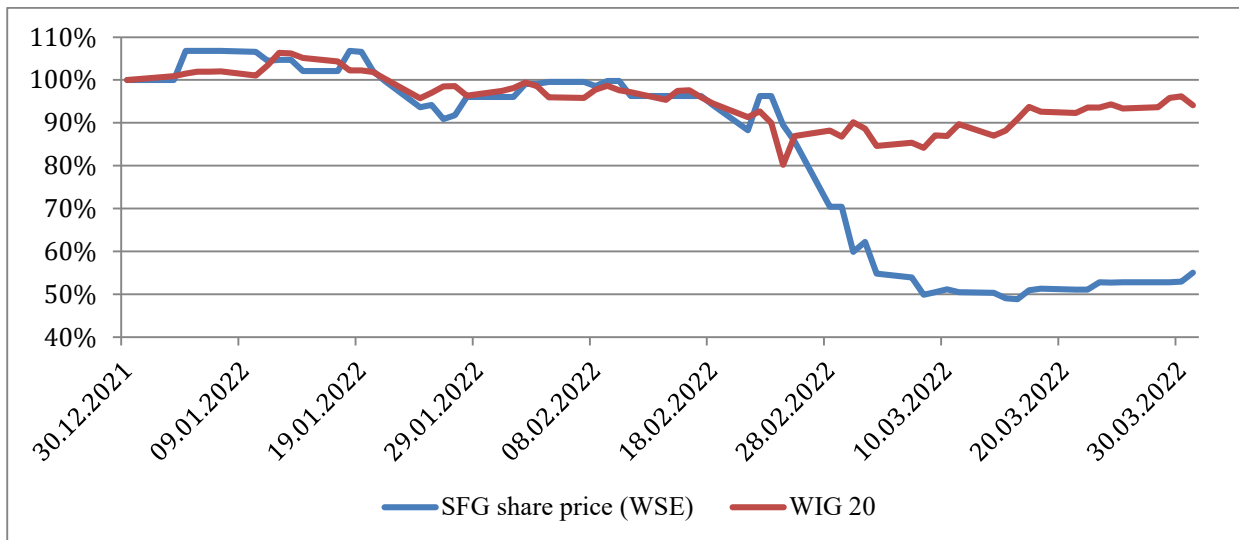
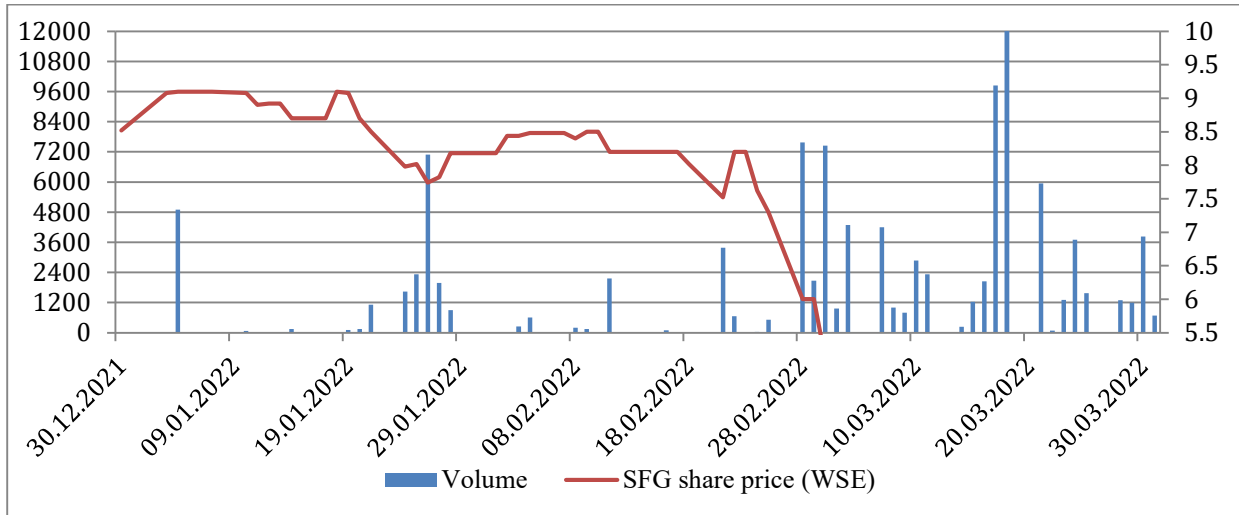
Share price development and turnover on the Tallinn Stock Exchange during Q1 of 2022 (EUR)

During Q1 of 2022 the highest and lowest prices of the AS Silvano Fashion Group` share on the Tallinn Stock Exchange were 2.078 EUR and 0.71 EUR, respectively



Share price development on the Warsaw Stock Exchange during Q1 of 2022 (PLN)

During Q1 of 2022, the highest and lowest prices of the AS Silvano Fashion Group` share on the Warsaw Stock Exchange were 9.1 PLN and 4.16 PLN respectively.



Declaration of the Management Board

The Management Board of AS Silvano Fashion Group has reviewed and approved Consolidated Interim Financial Report for Q1 of 2022 (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
May 20, 2022

Consolidated Statement of Financial Position

in thousands of EUR	Note	31.03.2022	31.12.2021
		Unaudited	Audited
ASSETS			
Current assets			
Cash and cash equivalents	2	17 224	17 098
Current loans granted		9	2
Trade receivables and other assets	3	2 788	2 325
Inventories	4	18 707	20 906
Total current assets		38 728	40 331
Non-current assets			
Non-current receivables		237	262
Investments in associates		56	80
Investments in other shares		228	262
Deferred tax asset		1 348	1 226
Intangible assets		470	535
Investment property		939	1 086
Property, plant and equipment	5	8 688	9 971
Total non-current assets		11 966	13 422
TOTAL ASSETS		50 694	53 753
LIABILITIES AND EQUITY			
Current liabilities			
Current lease liabilities		1 682	2 193
Trade and other payables	6	4 788	6 504
Tax liabilities		1 304	671
Total current liabilities		7 774	9 368
Non-current liabilities			
Deferred tax liability		1 534	1 746
Non-current lease liabilities		4 969	4 727
Non-current provisions		44	51
Total non-current liabilities		6 547	6 524
Total liabilities		14 321	15 892
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		-19 823	-18 251
Retained earnings		42 260	42 526
Total equity attributable to equity holders of the Parent company		32 310	34 148
Non-controlling interest		4 063	3 713
Total equity		36 373	37 861
TOTAL EQUITY AND LIABILITIES		50 694	53 753

Consolidated Income Statement

in thousands of EUR	Note	1Q 2022	1Q 2021
		Unaudited	Unaudited
Revenue from contracts with customers	9	11 036	10 265
Cost of goods sold		-4 518	-4 023
Gross Profit		6 518	6 242
Distribution expenses		-2 251	-2 110
Administrative expenses		-952	-885
Other operating income		90	181
Other operating expenses		-184	-143
Operating profit		3 221	3 285
Currency exchange income/(expense)		-2 470	455
Other finance income/(expenses)		-104	-110
Net finance income (loss)		-2 574	345
Profit (loss) from associates using equity method		-13	-6
Profit before tax		634	3 624
Income tax expense		-827	-1 060
Profit (loss) for the period		-193	2 564
Attributable to :			
Equity holders of the Parent company		-266	2 261
Non-controlling interest		73	303
Earnings per share from profit attributable to equity holders of the Parent company, both basic and diluted (EUR)	8	-0,01	0,06

Consolidated Statement of Comprehensive Income

in thousands of EUR	Note	1Q 2022	1Q 2021
		Unaudited	Unaudited
Profit (loss) for the period		-193	2 564
Other comprehensive income (loss) that will be reclassified to profit or loss in subsequent periods :			
Exchange differences on translation of foreign operations		-1 295	229
Total other comprehensive income(loss) for the period		-1 295	229
Total comprehensive income (loss) for the period		-1 488	2 793
Attributable to :			
Equity holders of the Parent company		-1 838	2 164
Non-controlling interest		350	629

Consolidated Statement of Cash Flows

in thousands of EUR	Note	03m 2022	03m 2021
		Unaudited	Unaudited
Cash flow from operating activities			
Profit (loss) for the period		-193	2 564
Adjustments for:			
Depreciation and amortization of non-current assets		772	795
Share of profit of equity accounted investees		13	6
Gains/Losses on the sale of property, plant and equipment		2	0
Net finance income / costs		2 574	-604
Provision for inventories		0	3
Receipt of government grants		0	150
Movements in provisions and government grants		0	-98
Income tax expense		827	1 060
Change in inventories		2 199	-1 124
Change in trade and other receivables		-772	-208
Change in trade and other payables		-1 716	1 192
Interest paid		0	-2
Income tax paid		-563	-145
Net cash flow from operating activities		3 143	3 589
Cash flow from investing activities			
Interest received		3	4
Dividends received		1	0
Proceeds from disposal of property, plant and equipment		6	0
Loans granted		-7	0
Acquisition of property, plant and equipment		-60	-78
Acquisition of intangible assets		-14	-48
Net cash flow from investing activities		-71	-122
Cash flow from financing activities			
Repayment of borrowings		0	-800
Payment of principal portion of lease liabilities		-509	-530
Interest paid on lease liabilities		-108	-114
Net cash flow from financing activities		-617	-1 444
Net increase in cash and cash equivalents		2 455	2 023
Cash and cash equivalents at the beginning of period	7	17 098	8 980
Effect of translation to presentation currency		-2 428	0
Effect of exchange rate fluctuations on cash held	7	99	21
Cash and cash equivalents at the end of period		17 224	11 024

Consolidated Statement of Changes in Equity

in thousands of EUR	Share Capital	Share Premium	Statutory reserve capital	Revaluation reserve	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 2020 (Audited)	3 600	4 967	1 306	355	-18 864	33 140	24 504	3 314	27 818
Profit for the period	0	0	0	0	0	2 261	2 261	303	2 564
Other comprehensive income for the period	0	0	0	0	-97	0	-97	326	229
Total comprehensive income for the period	0	0	0	0	-97	2 261	2 164	629	2 793
Transactions with owners, recognised directly in equity									
Dividends declared	0	0	0	0	0	0	0	-693	-693
Total transactions with owners, recognised directly in equity	0	0	0	0	0	0	0	-693	-693
Balance as at 31 March 2021 (Unaudited)	3 600	4 967	1 306	355	-18 961	35 401	26 668	3 250	29 918
Balance as at 31 December 2021 (Audited)	3 600	4 967	1 306	0	-18 251	42 526	34 148	3 713	37 861
Profit for the period	0	0	0	0	0	-266	-266	73	-193
Other comprehensive income for the period	0	0	0	0	-1 572	0	-1 572	277	-1 295
Total comprehensive income for the period	0	0	0	0	-1 572	-266	-1 838	350	-1 488
Transactions with owners, recognised directly in equity									
Dividends declared	0	0	0	0	0	0	0	0	0
Total transactions with owners, recognised directly in equity	0	0	0	0	0	0	0	0	0
Balance as at 31 March 2022 (Unaudited)	3 600	4 967	1 306	0	-19 823	42 260	32 310	4 063	36 373

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 March 2022 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 Q1 of 2022 ended on 31 March 2022 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 2021, 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 2021 there are no new IFRSs or IFRIC interpretations that are effective for the financial year beginning on or after 1 January 2022 and that would be expected to have a material impact on the Group.

Note 2 Cash and cash equivalents

in thousands of EUR	31.03.22	31.12.21
Cash on hand	32	123
Current bank accounts in EUR	7 097	11 591
Current bank accounts in other currencies than EUR	380	552
Short-term bank deposits in all currencies	9 656	4 661
Short-term guarantee deposits	13	13
Cash in transit	46	158
Total	17 224	17 098

Note 3 Trade receivables and other assets

Trade and other receivables

in thousands of EUR	31.03.2022	31.12.2021
Trade accounts receivable from third parties	1 697	910
Trade accounts receivable from related parties	27	56
Receivables on services rendered	92	79
Other receivables	104	97
Deffered expenses	81	91
	2 001	1 233
Allowance for expected credit losses	-53	-57
Total trade and other receivables	1 948	1 176
Prepayments and other tax receivables		
Prepayments issued to suppliers	477	502
VAT recoverable	362	646
Other tax prepayments	1	1
Total prepayments and other tax receivables	840	1 149
Total trade receivables and other assets	2 788	2 325

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	31.03.22	31.12.21
Raw and other materials	3 736	4 760
Work in progress	1 007	1 010
Finished goods	12 545	13 914
Other inventories	1 419	1 222
Total	18 707	20 906

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
31.12.2020						
Cost	3 709	13 734	4 271	9 372	34	31 120
Accumulated depreciation	-1 932	-11 789	-3 671	-4 037	0	-21 429
Net book amount	1 777	1 945	600	5 335	34	9 691
Movements during 03m 2021						
Additions	0	7	61	972	10	1 050
Reclassifications	0	0	20	0	-20	0
Depreciation	-22	-134	-88	-545	0	-789
Unrealised exchange rate differences	50	56	-18	196	0	284
Closing net book amount	1 805	1 874	575	5 958	24	10 236
31.03.2021						
Cost	3 811	14 081	4 399	10 636	24	32 951
Accumulated depreciation	-2 006	-12 207	-3 824	-4 678	0	-22 715
Net book amount	1 805	1 874	575	5 958	24	10 236
31.12.2021						
Cost	4 065	14 992	4 625	12 499	64	36 245
Accumulated depreciation	-2 209	-13 325	-4 118	-6 622	0	-26 274
Net book amount	1 856	1 667	507	5 877	64	9 971
Movements during 03m 2022						
Additions	0	2	49	551	9	611
Disposals	0	0	-4	-47	0	-51
Reclassifications	0	5	9	0	-14	0
Depreciation	-25	-136	-69	-530	0	-760
Unrealised exchange rate differences	-235	-188	-34	-619	-7	-1 083
Closing net book amount	1 596	1 350	458	5 232	52	8 688
31.03.2022						
Cost	3 556	13 285	4 049	11 534	52	32 476
Accumulated depreciation	-1 960	-11 935	-3 591	-6 302	0	-23 788
Net book amount	1 596	1 350	458	5 232	52	8 688

The Group didn't have any significant binding commitments to purchase property plant and equipment as of 31 March 2022.

Note 6 Trade and other payables

in thousands of EUR		
	31.03.22	31.12.21
Trade accounts payable to third parties	3 143	4 795
Prepayments received from customers	497	581
Accrued expenses	518	459
Accounts payables to employees	452	386
Other payables	178	283
Total trade and other payables	4 788	6 504

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 March 2022 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 2021, 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 March 2022 AS Silvano Fashion Group had 3 567 shareholders (as of 31 December 2021: 3 389 shareholders).

Note 8 Earnings per share

The calculation of basic earnings per share for Q1 of 2022 (Q1 of 2021) is based on profit attributable to owners and a weighted average number of ordinary shares.

in thousands of shares	Q1 2022	Q1 2021
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	Q1 2022	Q1 2021
Profit (loss) for the period attributable to equity holders of the Parent company	-266	2 261
Basic earnings per share (EUR)	-0.01	0.06
Diluted earnings per share (EUR)	-0.01	0.06

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	03m 2022	03m 2021
Revenue from wholesale	7 440	6 910
Revenue from retail	3 584	3 326
Subcontracting and services	9	27
Other sales	3	2
Total	11 036	10 265

Note 10 Transactions with related parties

The following parties are considered to be related;

- 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.
- Associates - enterprises in which parent company or its subsidiaries have significant influence;
- 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	03m 2022	03m 2021
Associates	65	19
Total	65	19

Balances with related parties		
in thousands of EUR	31.03.2022	31.12.2021
Trade receivables from associates	27	56
Total	27	56

Benefits to key management of the group		
in thousands of EUR	03m 2022	03m 2021
Remunerations and benefits	144	148
Total	144	148

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>	03m 2022 and as of 31.03.2022			Unallocated	Eliminations	Total
	Lingerie retail	Lingerie wholesale	Total segments			
Revenue from external customers	3 584	7 440	11 024	12		11 036
Intersegment revenues	0	6 870	6 870	596	-7 466	0
EBITDA	1 741	2 201	3 942	51		3 993
Amortization and depreciation	-488	-150	-638	-134		-772
Operating income, EBIT	1 253	2 051	3 304	-83	0	3 221
Profit from associates using equity method	0	-13	-13	0		-13
Net financial income	-205	-673	-878	-1 696		-2 574
Income tax	-99	-362	-461	-366		-827
Net profit	949	1 003	1 952	-2 145	0	-193
Investments in associates	0	56	56	0		56
Other operating segments assets	3 893	28 453	32 346	18 292		50 638
Reportable segments liabilities	1 900	9 051	10 951	3 370		14 321
Capital expenditures	596	27	623	2		625
Number of employees as of reporting date	484	994	1 478	108		1 586
Operating segments <i>in thousands of EUR</i>	03m 2021 and as of 31.03.2021					
	Lingerie retail	Lingerie wholesale	Total segments	Unallocated	Eliminations	Total
Revenue from external customers	3 326	6 910	10 236	29		10 265
Intersegment revenues	0	6 177	6 177	619	-6 796	0
EBITDA	1 538	2 416	3 954	126		4 080
Amortization and depreciation	-525	-135	-660	-135		-795
Operating income, EBIT	1 013	2 281	3 294	-9	0	3 285
Profit from associates using equity method	0	-6	-6	0		-6
Net financial income	6	-64	-58	403		345
Income tax	-113	-477	-590	-470		-1 060
Net profit	906	1 734	2 640	-76	0	2 564
Investments in associates	0	53	53	0		53
Other operating segments assets	4 654	31 263	35 917	10 309		46 226
Reportable segments liabilities	2 012	10 586	12 598	3 763		16 361
Capital expenditures	975	123	1 098	0		1 098
Number of employees as of reporting date	510	1 109	1 619	115		1 734

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 Q1 2022	Revenue Q1 2021	Non-current assets 31.03.2022	Non-current assets 31.12.2021
Russia	6 228	6 313	2 533	2 646
Belarus	2 648	2 460	9 084	10 379
Ukraine	222	294	0	0
Baltics	311	134	323	372
Other countries	1 627	1 064	26	25
Total	11 036	10 265	11 966	13 422