AS Silvano Fashion Group

Consolidated Interim Financial Report
for Q2 and 6 months of 2026 (unaudited)

(translation of the Estonian original) *

Beginning of the reporting period	1 January 2026
End of the reporting period	30 June 2026

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	Treetiger OÜ

** 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

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 2026, the Group employed 1 594 people (as of 31 December 2025: 1 639 people).

The Group comprises of the following entities:

	Location	Main activity	Ownership interest 30.06.2026	Ownership interest 31.12.2025
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 31.12.2025).
** Metropolitan Trade Company Milavitsa LLC is owned by AS Silvano Fashion Group and SIA Silvano Fashion, each holding 50% (same was effective as of 31.12.2025).

In addition, as of 30.06.2026 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 31.12.2025).

Business environment and results

The Group's sales amounted to 28 590 thousand EUR during the 06 months of 2026, representing a 0.6% increase as compared to the same period for the previous year. The Group's gross profit during the 06 months of 2026 amounted to 15 892 thousand EUR and increased by 5.3% compared to 06 months of 2025. The Gross margin during the 06 months of 2026 increased to 55.6% from 53.1% as compared to 06 months of 2025.

Consolidated operating profit for 06 months of 2026 decreased by 3.5% to 5 751 thousand EUR, compared to 5 961 thousand EUR for 06 months of 2025. Consolidated EBITDA for 06 months of 2026 decreased by 0.8% and was 7 508 thousand EUR, compared to 7 566 thousand EUR for 06 months of 2025.

Reported consolidated net profit for 06 months of 2026 amounted to 4 321 thousand EUR, as compared to net profit of 6 279 thousand EUR in the prior year's same period. Net profit attributable to equity holders of the Parent company for 06 months of 2026 amounted 3 961 thousand EUR.

Russia Economic Outlook

The Group's sales on the Russian market totalled 15 767 thousand EUR, decrease is 0.6% compared to 06 months of 2025. Local currency sales decreased by 7.8% during 06 months of 2026 compared to the same 06 months of 2025. 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 67 stores operated by the Group itself (as of 31 December 2025: 69 stores).

Belarus Economic Outlook

The Group's sales in Belarus in the 06 months of 2026 were 9 046 thousand EUR and increased by 6.4% compared to the 06 months of 2025. Sales in local currency increased by 2.7% during the same period. At the end of the reporting period, there were a total of 65 stores operated by the Group itself (as of 31 December 2025: 65 stores).

Ukraine Economic Outlook

The Group's sales in Ukraine in the 06 months of 2026 were 15 thousand EUR and decreased by 58.3% compared to the 06 months of 2025.

Sales structure

Sales by markets

Group sales in its 2 major markets – Russia and Belarus– were 86.7% of its total sales. Measured in local currencies sales increase was 2.7% in Belarus and in Russia local sales decrease by 7.8%.

	06m 2026	06m 2025	Change	Change, %
Russia, th RUB	1 375 076	1 491 709	-116 633	-7.8%
Belarus, th BYN	30 136	29 341	795	2,7%

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

in thousands of EUR	06m 2026	06m 2025	Change, EUR	Change, %	06m 2026, % of sales	06m 2025, % of sales
Russia	15 767	15 857	-90	-0.6%	55.1%	55.8%
Belarus	9 046	8 500	546	6.4%	31.6%	29.9%
Ukraine	15	36	-21	-58.3%	0.1%	0.1%
Baltics	484	581	-97	-16.7%	1.7%	2.0%
Other markets	3 278	3 454	-176	-5.1%	11.5%	12.2%
Total	**28 590**	**28 428**	**162**	**0.6%**	**100.0%**	**100.0%**

The majority of lingerie sales revenue during 06 months of 2026 in the amount 15 767 thousand EUR was generated in Russia, accounting for 55.1% of total sales. The second largest market was Belarus, where sales were 9 046 thousand EUR, contributing 31.6% of lingerie sales (both retail and wholesale).

Sales by business segments

in thousands of EUR	06m 2026	06m 2025	Change, EUR	Change, %	06m 2026, % of sales	06m 2025, % of sales
Wholesale	14 934	16 433	-1 499	-9.1%	52.2%	57.8%
Retail	13 548	11 921	1 627	13.6%	47.4%	41.9%
Other operations	108	74	34	45.4%	0.4%	0.3%
Total	**28 590**	**28 428**	**162**	**0.6%**	**100.0%**	**100.0%**

During 06 months of 2026 wholesale revenue amounted to 14 934 thousand EUR, representing 52.2% of the Group's total revenue (06 months of 2025: 57.8%). The main wholesale regions were Russia and Belarus.

Our retail revenue increased by 13.6% and amounted 13 548 thousand EUR, this represents 47.4% of the Group`s total revenue (06 months of 2025: 41.9%).

Own & franchise store locations, geography

	Own	Franchise	Total
Russia	67	304	371
Belarus	65	0	65
Baltics	3	17	20
Other regions	0	91	91
Total	**135**	**412**	**547**

At the end of the reporting period the Group and its franchising partners operated 525 Milavitsa and 22 Lauma Lingerie brand stores, including 135 stores operated directly by the Group (as of 31 December 2025: 137 stores).

Selected Financial Indicators

Summarized selected financial indicators of the Group for 06 months of 2026 compared to 06 months of 2025 and 30.06.2026 compared to 31.12.2025 were as follows:

in thousands of EUR	**06m 2026**	**06m 2025**	**Change**
Revenue	28 590	28 428	0.6%
Gross Profit	15 892	15 091	5.3%
Operating profit	5 751	5 961	-3.5%
EBITDA	7 508	7 566	-0.8%
Net profit for the period	4 321	6 279	-31.2%
Net profit attributable equity holders of the Parent company	3 961	5 781	-31.5%
Earnings per share (EUR)	0,11	0,16	-31.3%
Operating cash flow for the period	6 842	3 481	96.6%

in thousands of EUR	**30.06.2026**	**31.12.2025**	**Change**
Total assets	98 603	93 847	5.1%
Total current assets	85 377	79 659	7.2%
Total equity attributable to equity holders of the Parent company	81 479	76 768	6.1%
Cash and cash equivalents	12 443	6 639	87.4%
Short-term deposits over 3 months	38 707	38 311	1.0%

Margin analysis, %	**06m 2026**	**06m 2025**	**Change**
Gross profit	55.6	53.1	4.7%
Operating profit	20.1	21.0	-4.3%
EBITDA	26.3	26.6	-1.1%
Net profit	15.1	22.1	-31.7%
Net profit attributable to equity holders of the Parent company	13.9	20.3	-31.5%

Financial ratios, %	**30.06.2026**	**31.12.2025**	**Change**
ROA	7.8	10.0	-22.0%
ROE	9.5	12.5	-24.0%
Price to earnings ratio (P/E)	5.3	4.9	8.2%
Current ratio	10.3	8.6	19.8%
Quick ratio	6.7	5.2	28.8%

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 28 590 thousand EUR during 06 months of 2026, representing a 0.6% increase as compared to the same period of previous year. Overall, retail increased by 13.6%, measured in EUR.

The Group's gross profit during 06 months of 2026 amounted to 15 892 thousand EUR and increase by 5.3% compared to previous year. The gross margin during 06 months of 2026 increased by 4.7% compared to 06 months of 2025. The cost of sold goods decreased by 4.8%.

Consolidated operating profit for 06 months of 2026 amounted to 5 751 thousand EUR, compared to 5 961 thousand EUR for 06 months of 2025, decrease by 3.5%. The consolidated operating profit margin was 20.1% for 06 months of 2026 (21.0% for 06 months of 2025). Consolidated EBITDA for 06 months of 2026 decreased by 0.8% and amounted to 7 508 thousand EUR, which is 26.3% in margin terms (7 566 thousand EUR and 26.6% for 06 months of 2025).

Reported consolidated net profit attributable to equity holders of the Parent company for 06 months of 2026 amounted 3 961 thousand EUR, compared to net profit of 5 781 thousand EUR for 06 months of 2025, net profit margin attributable to equity holders of the Parent company for 06 months of 2026 was 13.9% against net profit margin 20.3% for 06 months of 2025.

Financial position

As of 30 June 2026, consolidated assets amounted to 98 603 thousand EUR representing increase by 5.1% as compared to the position as of 31 December 2025.

Trade and other receivables increased by 846 thousand EUR as compared to 31 December 2025 and amounted to 2 175 thousand EUR as of 30 June 2026. Inventory balance decreased by 1 535 thousand EUR and amounted to 29 702 thousand EUR as of 30 June 2026.

Equity attributable to equity holders of the Parent company increased by 4 711 thousand EUR and amounted to 81 479 thousand EUR as of 30 June 2026. Current liabilities decreased by 1 002 thousand EUR during 06 months of 2026.

Investments

During 06 months of 2026 the Group's investments into property, plant and equipment totalled 115 thousand EUR, in previous year same 368 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 2026, the Group employed 1 594 employees, including 553 people in retail operations. The rest were employed in production, wholesale, administration and support operations. In 31.12.2025 there were 1 639 employees, including 552 people in retail operations.

Total salaries and related taxes during 06 months of 2026 amounted 8 838 thousand EUR (7 885 thousand EUR in 06 months 2025). The remuneration of key management of the Group, including the key executives of all subsidiaries, totalled 708 thousand EUR.

Decisions made by governing bodies during 06 months 2026

On the 21st of January 2026, 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 January 21, 2026, in the information system NASDAQ OMX Tallinn https://nasdaqbaltic.com/statistics/en/instrument/EE3100001751/news?date and Warsaw Stock Exchange, on the website of SFG https://www.silvanofashion.com/investors/company-announcements/ and in the newspaper Eesti Ekspress.

On February 12, 2026 Silvano Fashion Group Extraordinary Meeting of Shareholders adopted the following decisions:

1.1. To appoint the auditing company Treetiger OÜ (registry code 17235612, address Harju country, Saue municipality, Laagri town, Samblajuure str 11, 76401) 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 Treetiger OÜ for auditing the economic activities of AS Silvano Fashion Group 2025 and 2026.

The decisions of the general meeting were published in the information system NASDAQ OMX Tallinn https://nasdaqbaltic.com/statistics/en/instrument/EE3100001751/news?date and on the website of AS Silvano Fashion Group https://www.silvanofashion.com/investors/company-announcements/.

On the 29th of April 2026, 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 April 29, 2026, in the information system NASDAQ OMX Tallinn https://nasdaqbaltic.com/statistics/en/instrument/EE3100001751/news?date and Warsaw Stock Exchange, on the website of SFG https://www.silvanofashion.com/investors/company-announcements/ and in the newspaper Eesti Ekspress.

On May 21, 2026 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 2025.
2.1. To approve AS Silvano Fashion Group the net profit for the financial year 2025 of 9 229 000.- euros.
2.2. Not to separate AS Silvano Fashion Group funds from the net profit of the financial year 2025 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 2025 in the retained earnings.

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 2026 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 2026 AS Silvano Fashion Group had 2 408 shareholders (as of 31 December 2025: 2 485 shareholders).

As of 30 June 2026 shareholders, whose interest in AS Silvano Fashion Group exceeded 5% included:

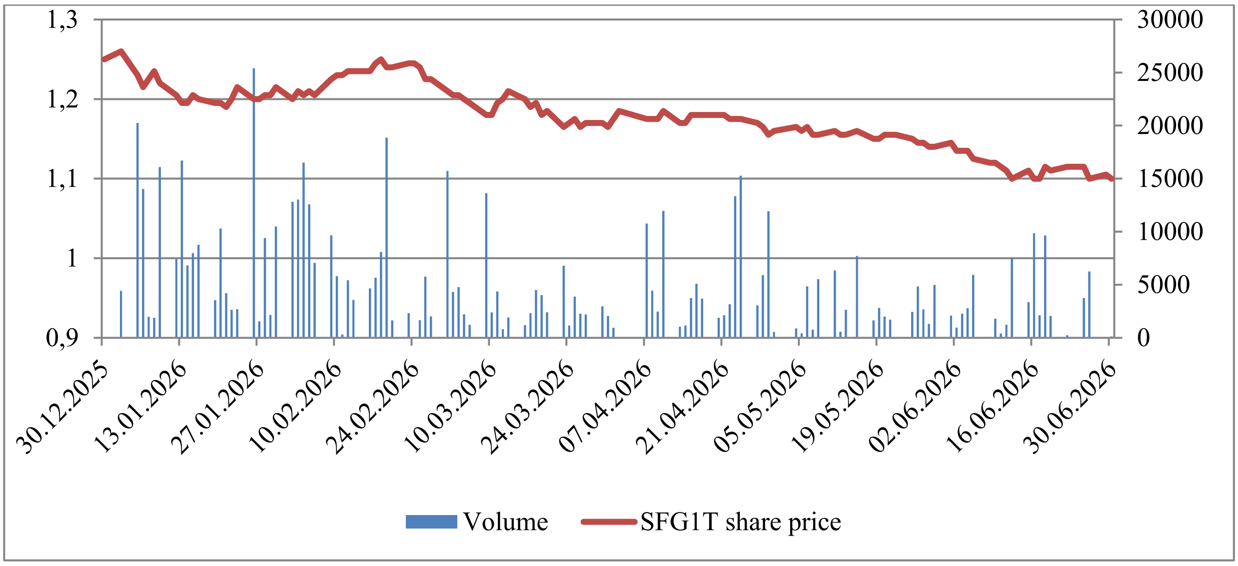
Name	Number of shares	Shareholding
Major shareholders	**21 925 552**	**60.91%**
BALTPLAST AS	8 007 208	22.24%
AS SEB PANK CLIENTS	8 000 000	22.22%
BREM AVARII OSAÜHING	2 000 000	5.56%
UNICREDIT BANK AUSTRIA AG	1 975 910	5.49%
SWEDBANK AB CLIENTS	1 942 434	5.40%
Other shareholders	**14 074 448**	**39.09%**
Total number of shares	**36 000 000**	**100.00%**

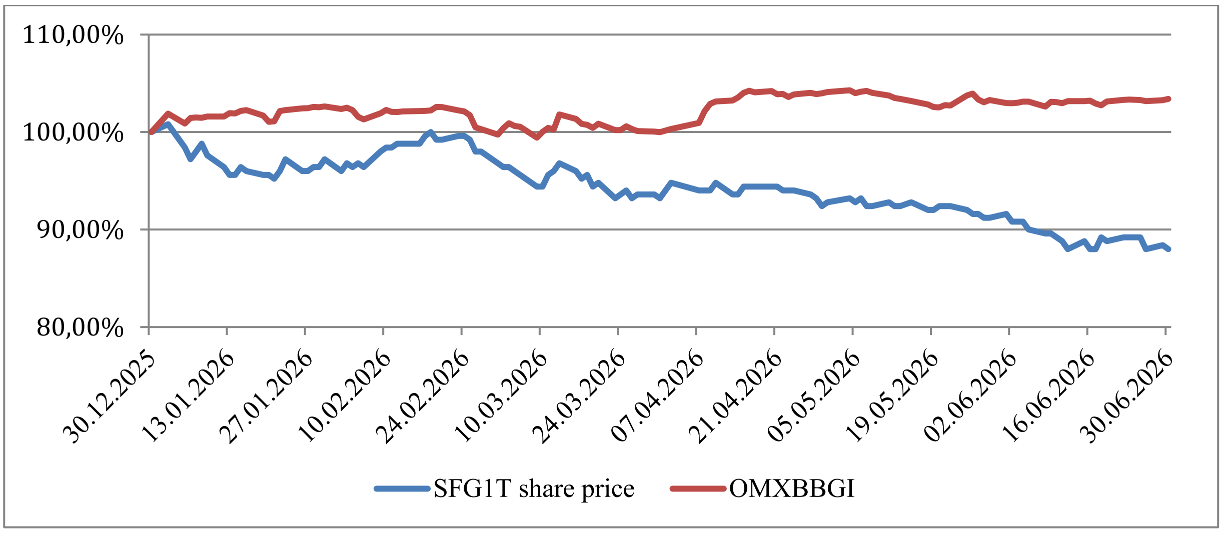
As of 31 December 2025 shareholders, whose interest in AS Silvano Fashion Group exceeded 5% included:

Name	Number of shares	Shareholding
Major shareholders	**21 871 296**	**60.75%**
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%
SWEDBANK AB CLIENTS	1 888 178	5.24%
Other shareholders	**14 128 704**	**39.25%**
Total number of shares	**36 000 000**	**100.00%**

Share price development and turnover on the Tallinn Stock Exchange during 06 months of 2026 (EUR)

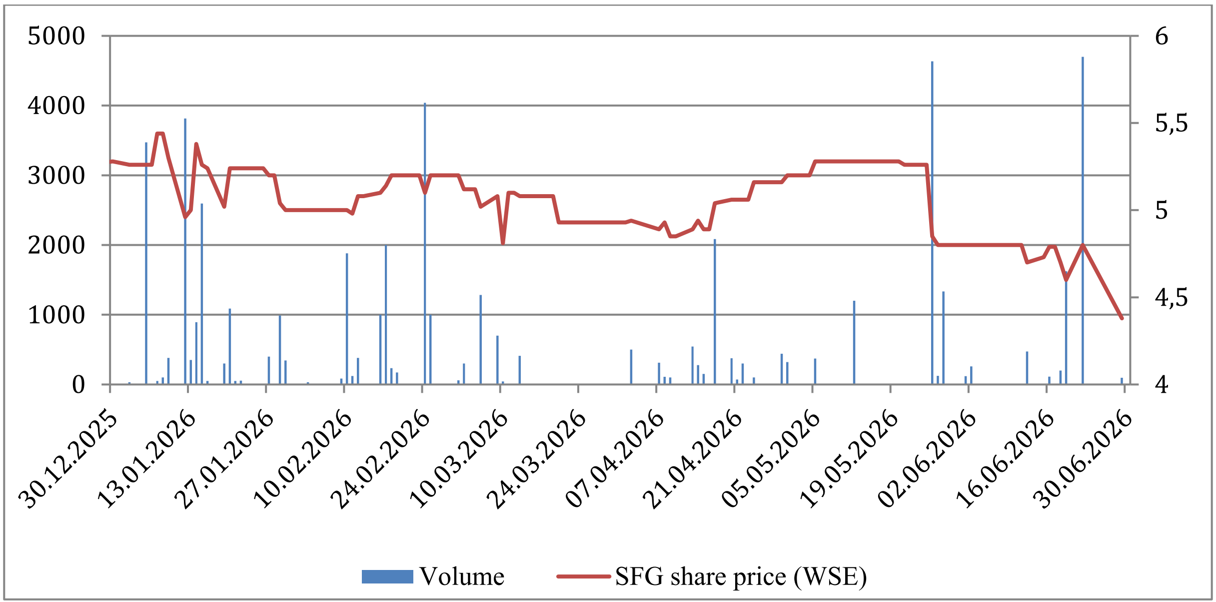
During 06 months of 2026 the highest and lowest prices of the AS Silvano Fashion Group` share on the Tallinn Stock Exchange were 1.265 EUR and 1.095 EUR, respectively.

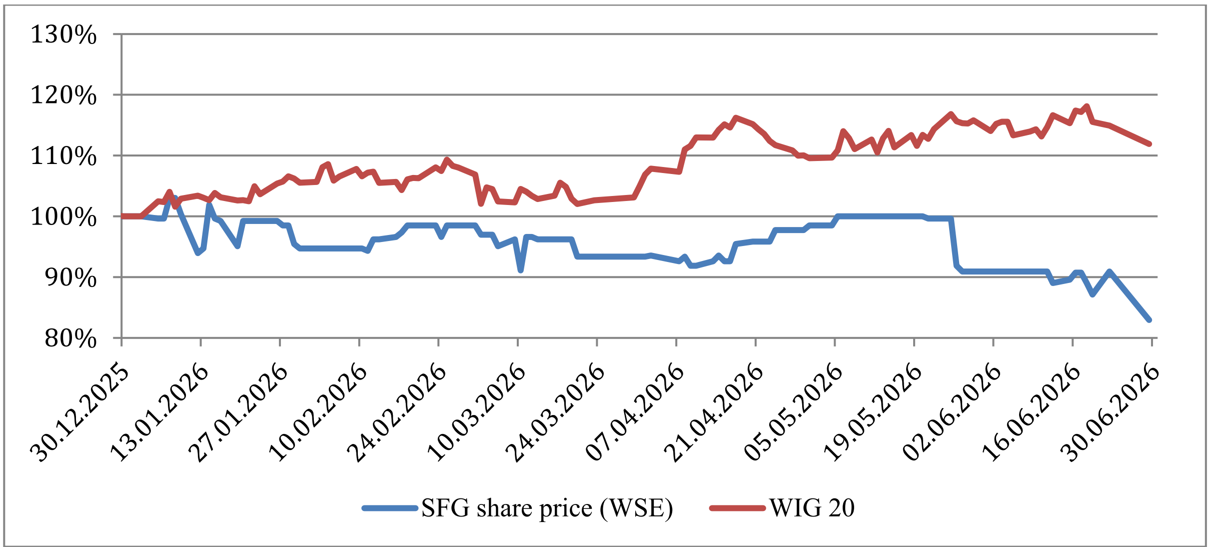




Share price development on the Warsaw Stock Exchange during 06 months of 2026(PLN)

During 06 months of 2026, the highest and lowest prices of the AS Silvano Fashion Group` share on the Warsaw Stock Exchange were 5.44 PLN and 4.38 PLN respectively.





Declaration of the Management Board

The Management Board of AS Silvano Fashion Group has reviewed and approved Consolidated Interim Financial Report for Q2 and 6 months of 2026 (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
July 30, 2026

Consolidated Statement of Financial Position

in thousands of EUR	Note	30.06.2026	31.12.2025
		Unaudited	**Audited**
ASSETS			
Current assets			
Cash and cash equivalents	2	12 443	6 639
Short-term deposits over 3 months	2	38 707	38 311
Trade and other receivables	3	2 175	1 329
Prepayments and other tax receivables	3	2 302	2 106
Other assets		48	37
Inventories	4	29 702	31 237
Total current assets		**85 377**	**79 659**
Non-current assets			
Non-current receivables		331	313
Investments in associates		97	97
Investments in other shares		228	221
Deferred tax asset		3 323	3 656
Intangible assets		666	658
Investment property		870	859
Property, plant and equipment	5	7 711	8 384
Total non-current assets		**13 226**	**14 188**
TOTAL ASSETS		**98 603**	**93 847**
LIABILITIES AND EQUITY			
Current liabilities			
Current lease liabilities		1 318	2 519
Trade and other payables	6	4 295	5 506
Tax liabilities		2 677	1 267
Total current liabilities		**8 290**	**9 292**
Non-current liabilities			
Non-current lease liabilities		3 969	3 389
Non-current provisions		47	45
Total non-current liabilities		**4 016**	**3 434**
Total liabilities		**12 306**	**12 726**
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		-18 199	-18 949
Retained earnings		89 805	85 844
Total equity attributable to equity holders of the Parent company		**81 479**	**76 768**
Non-controlling interest		4 818	4 353
Total equity		**86 297**	**81 121**
TOTAL EQUITY AND LIABILITIES		**98 603**	**93 847**

Consolidated Income Statement

in thousands of EUR	Note	2Q 2026	2Q 2025	06m 2026	06m 2025
		Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
Revenue from contracts with customers	9	16 774	16 412	28 590	28 428
Cost of goods sold		-7 538	-7 165	-12 698	-13 337
Gross Profit		**9 236**	**9 247**	**15 892**	**15 091**
Distribution expenses		-3 566	-3 210	-6 912	-6 230
Administrative expenses		-1 542	-1 389	-3 084	-2 672
Other operating income		108	95	210	158
Other operating expenses		-176	-184	-355	-386
Operating profit		**4 060**	**4 559**	**5 751**	**5 961**
Currency exchange income/(expense)		411	-395	152	1 438
Other finance income/(expenses)		171	102	292	214
Net finance income		**582**	**-293**	**444**	**1 652**
Profit (loss) from associates using equity method		0	-5	-4	-12
Profit before tax		**4 642**	**4 261**	**6 191**	**7 601**
Income tax expense		-1 367	-951	-1 870	-1 322
Profit for the period		**3 275**	**3 310**	**4 321**	**6 279**
Attributable to :					
Equity holders of the Parent company		3 048	3 029	3 961	5 781
Non-controlling interest		227	281	360	498
Earnings per share from profit attributable to equity holders of the Parent company, both basic and diluted (EUR)	8	0,08	0,08	0,11	0,16

Consolidated Statement of Comprehensive Income

in thousands of EUR	Note	2Q 2026	2Q 2025	06m 2026	06m 2025
		Unaudited	**Unaudited**	**Unaudited**	**Unaudited**
Profit for the period		**3 275**	**3 310**	**4 321**	**6 279**
Other comprehensive income (loss) that will be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations		571	-696	855	1 219
Total other comprehensive income for the period		**571**	**-696**	**855**	**1 219**
Total comprehensive income (loss) for the period		**3 846**	**2 614**	**5 176**	**7 498**
Attributable to:					
Equity holders of the Parent company		3 547	2 462	4 711	6 859
Non-controlling interest		299	152	465	639

Consolidated Statement of Cash Flows

in thousands of EUR	Note	06m 2026	06m 2025
Cash flow from operating activities		**Unaudited**	**Unaudited**
Profit for the period		**4 321**	**6 279**
Adjustments for:			
Depreciation and amortization of non-current assets		1 757	1 605
Share of profit of equity accounted investees		4	12
Gains/Losses on the sale of property, plant and equipment		6	1
Net finance income / costs		-444	-1 652
Provision for impairment losses on trade receivables		2	2
Provision for inventories		6	3
Income tax expense		1 870	1 322
Change in inventories		1 535	-3 269
Change in trade and other receivables		-1 118	-712
Change in trade and other payables		-338	680
Interest paid		0	-7
Income tax paid		-759	-783
Net cash flow from operating activities		**6 842**	**3 481**
Cash flow from investing activities			
Interest received		674	820
Dividends received		0	12
Purchase of other financial investments		-26 650	-37 100
Proceeds from other financial investments		26 300	31 800
Proceeds from disposal of property, plant and equipment		3	7
Loans granted		0	-11
Proceeds from repayments of loans granted		0	7
Acquisition of property, plant and equipment		-115	-368
Acquisition of intangible assets		-27	-38
Net cash flow from investing activities		**185**	**-4 871**
Cash flow from financing activities			
Proceeds from borrowings		0	500
Repayment of borrowings		0	-500
Payment of principal portion of lease liabilities		-1 503	-1 207
Interest paid on lease liabilities		-426	-423
Dividends paid		0	0
Net cash flow from financing activities		**-1 929**	**-1 630**
Net increase/decrease in cash and cash equivalents		**5 098**	**-3 020**
Cash and cash equivalents at the beginning of period	2	**6 639**	**7 683**
Effect of translation to presentation currency		979	1 358
Effect of exchange rate fluctuations on cash held		-273	-140
Cash and cash equivalents at the end of period	**2**	**12 443**	**5 881**

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 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**
Balance as at 31 December 2025 (Audited)	**3 600**	**4 967**	**1 306**	**-18 949**	**85 844**	**76 768**	**4 353**	**81 121**
Profit for the period	0	0	0	0	3 961	**3 961**	360	**4 321**
Other comprehensive income for the period	0	0	0	750	0	**750**	105	**855**
Total comprehensive income for the period	**0**	**0**	**0**	**750**	**3 961**	**4 711**	**465**	**5 176**
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 2026 (Unaudited)	**3 600**	**4 967**	**1 306**	**-18 199**	**89 805**	**81 479**	**4 818**	**86 297**

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 2026 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 Q2 and 6 months ended on 30 June 2026 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 2025, 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 2025 there are no new IFRSs or IFRIC interpretations that are effective for the financial year beginning on or after 1 January 2026 and that would be expected to have a material impact on the Group.

Note 2 Cash and cash equivalents

in thousands of EUR	**30.06.26**	**31.12.25**
Cash on hand	80	136
Current bank accounts in EUR	3 548	2 027
Current bank accounts in other currencies than EUR	1 925	532
Short-term bank deposits in EUR	550	340
Short-term bank deposits in other currencies than EUR	6 233	3 434
Cash in transit	107	170
Total	**12 443**	**6 639**

in thousands of EUR	**30.06.26**	**31.12.25**
Estonia	682	427
Latvia	184	402
Russia	7 783	4 387
Belarus	3 251	964
Ukraine	100	125
Monaco	443	334
Total	**12 443**	**6 639**

Short-term deposits over 3 months

in thousands of EUR	**30.06.26**	**31.12.25**
Estonia	38 707	38 311
Total	**38 707**	**38 311**

Note 3 Trade receivables and other assets

in thousands of EUR	30.06.26	31.12.25
Trade accounts receivable from third parties	2 074	1 233
Trade accounts receivable from related parties	0	0
Receivables on services rended	35	35
Other receivables	186	179
	2 295	1 447
Allowance for expected credit losses	-120	-118
Total trade and other receivables	2 175	1 329

Prepayments and other tax receivables

in thousands of EUR	30.06.26	31.12.25
Prepayments issued to suppliers	1 616	1 412
VAT recoverable	643	508
Other tax prepayments	43	186
Total prepayments and other tax receivables	2 302	2 106

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	30.06.26	31.12.25
Raw and other materials	3 062	4 814
Work in progress	1 123	1 211
Finished goods	24 444	23 748
Other inventories	1 073	1 464
Total	**29 702**	**31 237**

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
31.12.2024						
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**
Modification	0	0	0	-40	0	**-40**
Disposals	0	0	-8	-89	0	**-97**
Reclassifications	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**
31.12.2025						
Cost	3 439	13 144	5 278	16 529	22	**38 412**
Accumulated depreciation	-2 140	-11 990	-4 113	-11 785	0	**-30 028**
Net book amount	**1 299**	**1 154**	**1 165**	**4 744**	**22**	**8 384**
Movements during 06m 2026						
Additions	0	0	31	761	84	**876**
Modifications	0	0	0	128	0	**128**
Disposals	-52	0	-9	-180	0	**-241**
Transfers and reclassification	0	2	56	0	-58	**0**
Depreciation	-33	-137	-231	-1 301	0	**-1 702**
Unrealised exchange rate differences	40	34	27	163	2	**266**
Closing net book amount	**1 254**	**1 053**	**1 039**	**4 315**	**50**	**7 711**
30.06.2026						
Cost	3 475	13 421	5 469	17 686	50	**40 101**
Accumulated depreciation	-2 221	-12 368	-4 430	-13 371	0	**-32 390**
Net book amount	**1 254**	**1 053**	**1 039**	**4 315**	**50**	**7 711**

The Group didn't have any significant binding commitments to purchase property plant and equipment as of 30 June 2026.

Note 6 Trade and other payables

in thousands of EUR	30.06.26	31.12.25
Trade accounts payable to third parties	1 948	3 272
Prepayments received from customers	652	812
Accrued expenses	820	776
Accounts payables to employees	690	459
Other payables	185	187
Total trade and other payables	**4 295**	**5 506**

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 2026 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 2025, 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 Depositary for Securities. All shares are fully paid shares.

As of 30 June 2026 AS Silvano Fashion Group had 2 408 shareholders (as of 31 December 2025: 2 485 shareholders).

Note 8 Earnings per share

The calculation of basic earnings per share for 6 months of 2026 (6 months of 2025) is based on profit attributable to owners and a weighted average number of ordinary shares.

in thousands of shares	06m 2026	06m 2025
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 2026**	**06m 2025**
Profit (loss)for the period attributable to equity holders of the Parent company	3 961	5 781
Basic earnings per share (EUR)	0.11	0.16
Diluted earnings per share (EUR)	0.11	0.16

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 2026	06m 2025
Revenue from wholesale	14 934	16 433
Revenue from retail	13 548	11 921
Subcontracting and services	108	70
Other sales	0	4
Total	**28 590**	**28 428**

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 2026**	**06m 2025**
Associates	96	186
Total	**96**	**186**

Balances with related parties

in thousands of EUR	**30.06.2026**	**31.12.2025**
Trade receivables from associates	0	0
Total	**0**	**0**

Benefits to key management of the group

in thousands of EUR	**06m 2026**	**06m 2025**
Remunerations and benefits	708	419
Total	**708**	**419**

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	**06m 2026**	**and as of 30.06.2026**				
in thousands of EUR	**Lingerie retail**	**Lingerie wholesale**	**Total segments**	**Unallocated**	**Eliminations**	**Total**
Revenue from external customers	13 548	14 934	**28 482**	108		**28 590**
Intersegment revenues	0	-14 810	**-14 810**	-1 562	16 372	**0**
EBITDA	**4 587**	**3 018**	**7 605**	**-97**		**7 508**
Amortization and depreciation	-1 235	-334	**-1 569**	-188		**-1 757**
Operating income, EBIT	**3 352**	**2 684**	**6 036**	**-285**		**5 751**
Profit from associates using equity method	0	-4	**-4**	0		**-4**
Net financial income	-357	-74	**-431**	875		**444**
Income tax	-447	-1 120	**-1 567**	-303		**-1 870**
Net profit	**2 548**	**1 486**	**4 034**	**287**		**4 321**
Investments in associates	0	97	**97**	0		**97**
Other operating segments assets	13 361	36 578	**49 939**	48 567		**98 506**
Reportable segments liabilities	2 255	8 380	**10 635**	1 671		**12 306**
Capital expenditures	829	63	**892**	11		**903**
Number of employees as of reporting date	553	941	**1 494**	100		**1 594**

Operating segments	**06m 2025**	**and as of 30.06.2025**				
in thousands of EUR						
	Lingerie retail	**Lingerie wholesale**	**Total segments**	**Unallocated**	**Eliminations**	**Total**
Revenue from external customers	**11 921**	**16 433**	**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**		**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**		**6 279**
						0
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**

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 06 m 2026	Revenue 06m 2025	Non-current assets 30.06.2026	Non-current assets 31.12.2025
Russia	15 767	15 857	3 299	4 417
Belarus	9 046	8 500	9 593	9 366
Ukraine	15	36	0	0
Baltics	484	581	307	378
Other countries	3 278	3 454	27	27
Total	**28 590**	**28 428**	**13 226**	**14 188**