



FINANCIAL SUMMARY*
1 MARCH - 30 NOVEMBER 2023



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*This financial summary is translated from the Consolidated Financial Statements of Hagar hf. which is in Icelandic. Should there be discrepancies between the two versions, the Icelandic version will take priority over the translated version.

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 NOVEMBER 2023

	Q3 2023 1.9.-30.11.	Q3 2022 1.9.-30.11.	2023 1.3.-30.11.	2022 1.3.-30.11.
Sales	43.683	40.220	130.482	121.832
Cost of goods sold	(34.621)	(32.919)	(103.445)	(98.584)
Gross profit	<u>9.062</u>	<u>7.301</u>	<u>27.037</u>	<u>23.248</u>
Other operating income	139	587	543	936
Profit from sale of assets	0	0	0	882
Salaries and related expenses	(4.094)	(3.578)	(11.907)	(10.459)
Other operating expenses	(1.877)	(1.712)	(5.450)	(4.972)
Profit from operating activities before depreciation and amortisation	<u>3.230</u>	<u>2.598</u>	<u>10.223</u>	<u>9.635</u>
Depreciation and amortisation	(1.285)	(1.085)	(3.767)	(3.205)
Profit from operating activities	<u>1.945</u>	<u>1.513</u>	<u>6.456</u>	<u>6.430</u>
Net finance expense	(625)	(414)	(1.890)	(1.384)
Share of profit of associates	<u>60</u>	<u>34</u>	<u>209</u>	<u>172</u>
Profit before income tax	<u>1.380</u>	<u>1.133</u>	<u>4.775</u>	<u>5.218</u>
Income tax	(264)	(223)	(922)	(1.004)
Comprehensive income for the period	<u><u>1.116</u></u>	<u><u>910</u></u>	<u><u>3.853</u></u>	<u><u>4.214</u></u>
Earnings per share				
Basic earnings per share of ISK 1	1,03	0,82	3,50	3,74
Diluted earnings per share of ISK 1	1,01	0,82	3,43	3,67

CONSOLIDATED BALANCE SHEET AS AT 30 NOVEMBER 2023

	30.11.2023	28.2.2023
Assets		
Property, plant and equipment	22.426	21.236
Investment property	3.857	3.402
Intangible assets	12.783	12.430
Lease assets	9.854	8.287
Investments in associates	5.029	5.064
Other non-current assets	240	83
Total non-current assets	54.189	50.502
Inventories	12.929	12.717
Trade and other receivables	7.514	5.919
Cash and cash equivalents	1.883	2.869
Total current assets	22.326	21.505
Total assets	76.515	72.007
Equity		
Share capital	1.084	1.119
Other restricted reserve	7.841	7.290
Retained earnings	18.072	19.522
Total equity	26.997	27.931
Liabilities		
Loans and borrowings	11.357	11.829
Lease liabilities	8.232	7.056
Deferred income tax liability	3.119	2.216
Total non-current liabilities	22.708	21.101
Loans and borrowings	6.318	3.325
Lease liabilities	2.484	2.012
Trade and other payables	18.008	17.638
Total current liabilities	26.810	22.975
Total liabilities	49.518	44.076
Total equity and liabilities	76.515	72.007

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 NOVEMBER 2023

	Share capital	Share premium	Other restricted reserve	Retained earnings	Total equity
<i>Changes in equity from 1 March to 30 November 2022</i>					
Equity at 1 March 2022	1.139	1.147	5.571	18.869	26.726
Purchased own share	(14)	(653)		(333)	(1.000)
Purchased own share - invalid	(6)	(494)			(500)
Comprehensive income for the period				4.214	4.214
Change in other restricted reserves			851	(830)	21
Dividends paid, 2.00 ISK per share				(2.265)	(2.265)
Equity at 30 November 2022	<u>1.119</u>	<u>0</u>	<u>6.422</u>	<u>19.655</u>	<u>27.196</u>
<i>1 March to 30 November 2023</i>					
Equity at 1 March 2023	1.119	0	7.290	19.522	27.931
Purchased own share	(22)			(1.478)	(1.500)
Purchased own share - invalid	(13)			(820)	(833)
Comprehensive income for the period				3.853	3.853
Change in other restricted reserves			551	(530)	21
Dividends paid, 2.24 ISK per share				(2.475)	(2.475)
Equity at 30 November 2023	<u>1.084</u>	<u>0</u>	<u>7.841</u>	<u>18.072</u>	<u>26.997</u>

At June 1, 2023 the annual general meeting approved that dividends should be paid to shareholders for the year 2022/23, amounting to 50% of comprehensive income last year or ISK 2,475 million. The dividend was paid on June 13, 2023.

The annual general meeting also agreed to reduce the share capital of the company by nominal value ISK 26.2 million, by invalidating its own shares. The registered share capital after the reduction will be ISK 1,106 million and own share are total ISK 22.1 million at the end of the period.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 NOVEMBER 2023

	Q3 2023 1.9.-30.11.	Q3 2022 1.9.-30.11.	2023 1.3.-30.11.	2022 1.3.-30.11.
Cash flows from operating activities				
Profit for the period	1.116	910	3.853	4.214
Adjustments for:				
Gain loss on sale	(2)	(16)	(148)	(1.010)
Depreciation and amortisation	1.285	1.085	3.767	3.205
Net finance expense	625	414	1.890	1.384
Effect of results of associates	(60)	(34)	(209)	(172)
Income tax	264	223	922	1.004
Other items	0	(14)	35	21
Working capital from operating activities	<u>3.228</u>	<u>2.568</u>	<u>10.110</u>	<u>8.646</u>
Change in current assets	(656)	(569)	(1.779)	(3.635)
Change in current liabilities	(341)	701	1.107	3.433
Cash from operations before interest and taxes	<u>2.231</u>	<u>2.700</u>	<u>9.438</u>	<u>8.444</u>
Interest income received	31	17	61	21
Interest expenses paid	(641)	(435)	(1.637)	(1.131)
Income taxes paid	(377)	(474)	(832)	(771)
Net cash from operating activities	<u>1.244</u>	<u>1.808</u>	<u>7.030</u>	<u>6.563</u>
Cash flows used in investing activities				
Acquisition of property, plant and equipment	(669)	(463)	(3.223)	(1.455)
Proceeds from sale of property, plant and equipment	2	27	301	141
Acquisition of investments properties	(12)	(4)	(516)	(4)
Acquisition of intangible assets	(162)	(183)	(597)	(386)
Dividends received	0	0	244	174
Payment for acquisition of sub., net of cash acquired	(30)	(1.305)	(30)	(1.305)
Shares sold in a subsidiary	0	0	0	50
Other non-current assets, change	(9)	33	(186)	33
Net cash used in investing activities	<u>(880)</u>	<u>(1.895)</u>	<u>(4.007)</u>	<u>(2.752)</u>
Cash flows used in financing activities				
Purchased own share	(1.500)	(500)	(2.333)	(1.500)
Dividends paid	0	0	(2.475)	(2.265)
New long-term liabilities	2.000	0	2.000	0
Repayments of long-term loans and borrowings	(111)	(156)	(332)	(382)
Repayments of lease liabilities	(446)	(437)	(1.369)	(1.279)
Short-term loans and borrowings, change	(1.150)	403	500	2.150
Net cash used in financing activities	<u>(1.207)</u>	<u>(690)</u>	<u>(4.009)</u>	<u>(3.276)</u>
Net (decrease) increase in cash and cash equivalents	(843)	(777)	(986)	535
Cash and cash equivalents at the beginning of the period..	2.726	2.095	2.869	783
Cash and cash equivalents at the end of the period	<u>1.883</u>	<u>1.318</u>	<u>1.883</u>	<u>1.318</u>
Investing activities without cash flow effect				
Proceeds from the sale of real estate	0	0	0	3.403
Investment in associates	0	0	0	(3.403)