Press release
April 27th, 2023

Sturdy operation in a challenging environment

Hagar's annual statements and statements for Q4 2022/23

The consolidated financial statements of Hagar plc. for the operating year 2022/23 was approved by the company's board of directors and CEO at a board meeting on April 27th, 2023. The statements cover the period March 1st, 2022, to February 28th, 2023. The consolidated financial statements include the consolidated financial statements of the company and its subsidiaries and are prepared according to International Financial Standards Reporting Standards (IFRS). The company's auditors, PricewaterhouseCoopers Ltd., have audited the statements and signed it without notice.

Key figures

- **Sales** in Q4 amounted to 40,160 m.ISK (13.8% growth from Q4 2021/22). Sales 12M amounted to 161,992 m.ISK (19.3% growth from 12M 2021/22). [Q4, 2021/22: 35,288 m.ISK, 12M 2021/22: 135,758 m.ISK]
- **Margin** in Q4 was 7,739 m.ISK (19.3%) and 30,987 m.ISK (19.1%) for 12M. [Q4 2021/22: 7,292 m.ISK (20.7%), 12M 2021/22: 28,441 m.ISK (20.9%)]
- **Earnings before interest, depreciation, and taxes (EBITDA)** in Q4 amounted to 2,406 m.ISK or 6.0% of sales. EBITDA 12M amounted to 12,041 m.ISK or 7.4% of sales. [Q4 2021/22: 2,442 m.ISK (6.9%), 12M 2021/22: 10,518 m.ISK (7.7%)]
- **Profit** in Q4 amounted to 735 m.ISK or 1.8% of sales. Profit 12M amounted to 4,949 m.ISK or 3.1% of sales. [Q4 2021/22: 724 m.ISK (2.1%), 12M 2021/22: 4,001 m.ISK (2.9%)]
- **Basic earnings per share** in Q4 was 0.66 and 4.40 ISK for 12M. [Q4 2021/22: 0.63 ISK, 12M 2021/22: 3.47 ISK.]. **Diluted earnings per share** in Q4 was 0.65 ISK and 4.32 ISK for 12M. [Q4 2021/22: 0.61 ISK, 12M 2021/22: 3.43 ISK.]
- **Equity** amounted 27,931 m.ISK at the end of the operating year and the **equity ratio** 38.8%. [End of year 2021/22: 26,726 m.ISK and 41.0%]
- **Management's guidance** for the operating year 2022/23 assumed that EBITDA would be 10,200-10,700 m.ISK, disregarding effects due to the Klasi transactions and reimbursement from the fuel equalisation fund. Effects from one-off-items on the company's EBITDA amounted to about 1,417 m.ISK.

Operational highlights

- **Considerable sales growth (13.8%) in Q4** compared to the same period last year. **Christmas sales excellent**, despite increased traveling of nationals abroad.
- **Sold units in groceries** in Q4 grows between the years and **customers visits** grew extensively compared to previous years. **Sold fuel litres** in Q4 decreased considerably due to reduced sale to bulk users. Sold fuel litres in retail grew on the other hand between the years.
- **Gross margin in ISK increases in Q4** by 6.1% between the years but the **margin ratio declines** by 1.4%-points. Decreased margin ratio can be contributed to higher world fuel market price and decreasing margin ratio in grocery retail.
- **The supply market prices grew considerably in the quarter**, similarly to the development in recent quarters. Special emphasis on **counteracting rise in market prices to customers,** a.o. by increased operational efficiency and purchases. The margin ratio in groceries has decreased but still the Bónus discount stores are leading in the fight against inflation in the grocery sector in Iceland.
- In January 2023 Hagar reached an agreement with the owners of Dista ehf. for **Hagar's purchase of all shares in Dista**. The purchase is subject to due diligence examination and approval by the Competition Authority.
- **Management's guidance** for the operating year 2023/24 assumes that EBITDA will be about 11,000-11,500 m.ISK which is, considering one-off items in 2022/23, considerably higher return than for the previous year.
- **The investment guidance for 2023/24** amounts to 5,000-5,500 m.ISK but the single furthermost investment is the purchase of the property at Norðlingabraut 2 in Reykjavík, that will house a new Bónus store, as other operations.

Finnur Oddsson, CEO:

Hagar's operations in the last quarter of the operating year 2022/23 progressed well, especially when considering that the operating environment in retail business has hardly ever been more challenging. The quarter, like the entire year, was characterised by sharp rise in the prices of supplies and merchandise, which in turn can be attributed to the turbulence in the world market of raw materials and fuel due to the war in Ukraine and the remnants of the Covid pandemic. These increases largely explain the continued increase in revenue, the sales amounted to 40.2 b.ISK and increased by 14% compared to the same period last year. The gross margin in ISK grew by 6%, but the margin ratio decreased as in the last quarters, but now by 1.4%. The results for the quarter were similar to the same period last year, but EBITDA amounted to 2,406 m.ISK and profit to 735 m.ISK.

This quarter's result is topping Hagar's excellent operating year, where annual revenue increased by more than 19% and amounted to 162 b.ISK. EBITDA for the year, including one-off-items amounting to 1,417 m.ISK, was over 12 b.ISK or 7.4% of sales, and profit 4,949 m.ISK or 3.1% of sales. All in all, we are satisfied with the company's operation in the last operating year and not less by the milestones that have been achieved and are intended to strengthen the operations of the Hagar Group for the future.

When observing the company's sectional operations, there continues to be considerable growth in the sale of groceries, more than 11% during the quarter. This sales increase is explained on the one hand by large price escalations from manufacturers and wholesalers and on the other hand by an increase in the volume sold and increased customer visits, especially in Bónus. For the Bónus' activities, it is clear that both new and old emphasises are well received by customers, who welcome the longer stores opening hours, simplicity, good accessibility and, not least, the basic principles of Bónus, which always strives to offer the most economical grocery basket in the country. That promise has been kept for over 30 years, and Bónus plays literally the title role in keeping the inflation in Iceland not higher than it actually is, but in the last quarter it proved to be about the lowest in Europe and the lowest in the Nordic countries. Hagkaup had a favourable quarter, as it is particularly popular at Christmas sales and customers are responding well to changes in stores and innovations in the product range. Sales increased by more than 5% but compared to previous years the difference can be contributed to that considerably more nationals spent the Christmas holidays abroad.

Throughout the last operating year, not least during the fourth quarter, the grocery retail has been marked by the weakening of the ISK exchange rate and unprecedented price rise from suppliers. Thus, the margin has been under pressure and although it has increased in ISK due to higher sales, the margin ratio has been decreasing. In other words, the price increases have not been fully carried over to retail prices, which can be considered an important contribution of Hagar's stores in the fight against inflation.

Olís' revenue continued to grow in the last quarter of the year, about 13%, and amounted to 11.9 b.ISK, but since the volume sold is shrinking, the increase in income can mainly be attributed to the increase in the world market fuel price, which has characterised the company's operations since the beginning of the 2022/23 operating year. Fuel sales on the retail market increased in litres and as did sales of dry products, but the activity of bulk users decreased significantly, as it was unusually high at the same time last year. The quarter's operating performance was to some extent better than the previous year and in line with a strong year in Olís' operations, where the performance was good. This agreeable result can be attributed mainly to four factors. First, we now can see the tangible results of the changed emphasis in operations and the successful optimisation work of the last quarters. This foremost includes optimising and successful updating of Olís' service stations and simplifying sales and supply planning for bulk users. The aim of both was to prepare the company for a predictable decline in oil sales due to the effects of the energy transition. Secondly, demand was high the last year, with massive activity by bulk users and an increase in retail sales in parallel with the increase in the number of tourists. Thirdly, active inventory management on the bulk fuel sales side, together with increases in world market prices, has returned stronger margin during the period. Fourthly, one-off items had a considerable positive effect on the results in the third quarter, i.e., when profit was realised on the sale of assets related to Hagar's purchase of shares in the property development company Klasi.

In the last operating year, we have seen the advantages from new emphasises at Hagar materialize in the company's operations and have a positive effect on operations, with a better customer service, new revenue streams and interesting opportunities for the future. In this regard, it can be mentioned that the digital drive at Hagar has both better ensured the basic operation of information systems and at the same time strengthened customer service, a.o. in the form of online stores for Hagkaup and Stórkaup that serve customers anytime and anywhere in the country. Eldum rétt became part of the Hagar Group in November 2022, but the purchase is part of Hagar's efforts to respond to the changing customers' needs, with an increased focus on healthy, simple, and time-saving solutions where food waste is minimal. Eldum rétt ticks all these boxes and we feel an ever-increasing demand for the company's services, primarily through subscriptions in the online store and now recently in the sale of individual dishes in the Hagkaup' stores. Today, we consider Eldum rétt to be one of the largest online grocery stores in the country.

During the year, Hagar's development and property projects were successfully launched through Klasi, in which Hagar now owns a third share. The objective is to accelerate value growth based on the Group's development assets, create new opportunities related to Klasi's other assets and enable the Hagar's management to focus primarily on core operations in grocery and fuel sections. Ahead are exciting projects in the development of Klasi's properties, where the expected building volume will be greater than 300,000 m^2, of which up to 1,500 are apartments. Considerable work has also been carried out to strengthen the infrastructure at Aðföng and Bananar, with improvements in quality processing, product development, information technology and enlargement of warehouses. These units of Hagar form an important backbone of Hagar's supply and distribution network on which the efficient operation of our stores is based. With the establishment of Stórkaup, this strong resource infrastructure of Hagar has been utilised even better, now to serve the hotel and restaurant market and other bulk users of operational and food products. Finally, it can be mentioned that good results have been achieved in strengthening Hagar's positive social footprint, but there has been an emphasis on sharpening performance in environmental and sustainability issues, a.o. with increased classification and the use of environmentally friendly refrigerants in stores, support for entrepreneurship in food production and other good causes.

In the last operating year, it can be said that conditions have arisen that are both unusual and challenging for all commercial operations. The weakening of the ISK and very significant rise in the prices of domestic and foreign supplies drove up product prices while operating costs increased greatly, both due to wage increases and general cost increases. This combination is not good for consumers or companies in the trade, as it is inevitable that the price level to consumers will rise at the same time as the margin ratio in operations is under pressure. In this context, we cannot help but be satisfied with Hagar's operation in the past year. The company's position is strong, both financially and in the market. We have experienced staff who are constantly looking for ways to optimise purchases and operations so that the need for price increases to customers can be reduced as much as possible and thus working against rising inflation. This was our most important project last year and will continue to be in the next.

The management's guidance assumes that the Group's EBITDA in the operating year 2023/24 will be between 11,000-11,500 m. ISK.

The Group's Consolidated Statement of Comprehensive Income

in ISK million	Q4 2022/23 01.12-28.02	Q4 2021/22 01.12-28.02	Change	%	12M 2022/23 01.03-28.02	12M 2021/22 01.03-28.02	Change	%
Sales	40.160	35.288	4.872	13,8%	161.992	135.758	26.234	19,3%
Cost of goods sold	(32.421)	(27.996)	(4.425)	15,8%	(131.005)	(107.317)	(23.688)	22,1%
Gross profit	**7.739**	**7.292**	**447**	**6,1%**	**30.987**	**28.441**	**2.546**	**9,0%**
Gross profit %	**19,3%**	**20,7%**	**-**	**-1,4%**	**19,1%**	**20,9%**	**-**	**-1,8%**
Other operating income	179	171	8	4,7%	1.031	525	506	96,4%
Profit from sale of assets	--	--	--	-	966	349	617	176,8%
Salaries and related expenses	(3.886)	(3.428)	(458)	13,4%	(14.345)	(12.992)	(1.353)	10,4%
Other operating expenses	(1.626)	(1.593)	(33)	2,1%	(6.598)	(5.805)	(793)	13,7%
Profit from operating activities before depreciation and amortisation (EBITDA)	**2.406**	**2.442**	**(36)**	**-1,5%**	**12.041**	**10.518**	**1.523**	**14,5%**
EBITDA %	**6,0%**	**6,9%**	**-**	**-0,9%**	**7,4%**	**7,7%**	**-**	**-0,3%**
Depreciation and amortisation	(1.248)	(1.234)	(14)	1,1%	(4.453)	(4.241)	(212)	5,0%
Profit from operating activities (EBIT)	**1.158**	**1.208**	**(50)**	**-4,1%**	**7.588**	**6.277**	**1.311**	**20,9%**
Net finance expense	(503)	(399)	(104)	26,1%	(1.887)	(1.503)	(384)	25,5%
Effect of results of associates	220	65	155	238,5%	392	209	183	87,6%
Profit before income tax	**875**	**874**	**1**	**0,1%**	**6.093**	**4.983**	**1.110**	**22,3%**
Income tax	(140)	(150)	10	-6,7%	(1.144)	(982)	(162)	16,5%
Comprehensive income for the period	**735**	**724**	**11**	**1,5%**	**4.949**	**4.001**	**948**	**23,7%**
Total comprehensive income for the period is attributable to:								
Shareholders of Hagar hf.	735	724	**11**	**1,5%**	4.949	3.991	**958**	**24,0%**
Non-controlling interest	--	--	**--**	**-**	--	10	**(10)**	**-**
	735	**724**	**11**	**1,5%**	**4.949**	**4.001**	**948**	**23,7%**

Key figures in Q4

Sales in Q4 grew by 13.8% between the years. The number of items sold in grocery stores grew during the quarter and customer visits increased significantly. The quantity of fuel litres sold at Olís in Q4 decreased considerably between the years due to a decline in sales to bulk users. Increase was in sold fuel litres in retail.

Gross margin in Q4 increased by 6.1% in ISK, year-on-year, but the margin ratio decreased from 20.7% to 19.3%. The margin decreased in both the grocery and fuel sections of the Group.

Salaries expenses rose considerably during the quarter compared to the previous year, or about 13.4%. The salaries ratio is 9.7% and remains unchanged from last year.

Other operating expenses rose by 2.1% year-on-year and the cost ratio for the quarter is 4.0% compared to 4.5% in the previous year.

EBITDA Q4 was 2,406 m.ISK compared to 2,442 m.ISK in the previous year or a 1.5% decrease. The EBITDA ratio was 6.0%, compared to 6.9% in the previous year. The EBITDA of stores and warehouses decreased by 4.7% between the years, while the EBITDA of Olís rose by 28.9%.

Total profit Q4 amounted to 735 m.ISK and increased by 1.5% between the years.

Comprehensive income for the year 2022/23

Sales for the year amounted to 161,992 m.ISK, compared to 135,758 m.ISK the year before. Sales growth between the years amounted to 19.3%. Sales growth of stores and warehouses amounted to 10.6% and sales increase at Olís amounted to 37.0%.

The number of items sold in grocery stores increased somewhat during the year, and the number of customer visits also increased. There was a slight decrease in fuel litres sold at Olís, but the number of fuel litres sold to bulk users decreased while the number of fuel litres sold in retail increased.

The Group's gross margin was 30,987 m.ISK, compared to 28,441 m.ISK the previous year, or an increase of 9.0%. However, the margin decreased and was 19.1% compared to 20.9% in the previous year. The margin of grocery products decreases slightly, but the decrease can mostly be attributed to the Group's fuel section.

One-off items during the year amounted to over 1.4 b.ISK. which have arisen as a result of Hagar's transaction with Klasi (966 m.ISK) and the repayment of the government transport fuel equalisation fee (451 m.ISK). For comparison, one-off items of the previous year amounted to 349 m.ISK.

Salaries increased by 10.4% between the years, both due to greater activity at Bónus and due to the impact of labour agreements. Full time positions increased by 52 at the Group during the year. Other operating costs rose by 13.7% during the year, mainly because of inflation, higher fuel prices, etc.

EBITDA amounted to 12,041 m.ISK, compared to 10,518 m.ISK the previous year. The EBITDA ratio was 7.4%, compared to 7.7% in the previous year. EBITDA without one-off items amounted to 10,624 m.ISK and 10,169 m.ISK in the previous year or a 4.5% increase between the years.

The total profit for the period amounted to 4,949 m.ISK which is equivalent to 3.1% of sales, while the total profit in the previous year was 4,001 m.ISK or 2.9% of sales.

The Group's Consolidated Balance Sheet

in ISK million	28.02.2023	28.02.2022	Change	%
Assets				
Non-current assets	50.502	45.064	5.438	12,1%
Current assets	21.505	17.740	3.765	21,2%
Assets held for sale	--	2.388	(2.388)	-
Total assets	**72.007**	**65.192**	**6.815**	**10,5%**
Equity and liabilities				
Share capital	1.119	1.139	(20)	-1,8%
Other equity	26.812	25.587	1.225	4,8%
Equity total	**27.931**	**26.726**	**1.205**	**4,5%**
Non-current liabilities	21.101	20.950	151	0,7%
Current borrowings	3.325	451	2.874	637,3%
Other payables	19.650	17.065	2.585	15,1%
Total liabilities	**44.076**	**38.466**	**5.610**	**14,6%**
Total equity and liabilities	**72.007**	**65.192**	**6.815**	**10,5%**

Financial key figures 28.02.2023

- The Group's total assets at the end of the operating year amounted to 72,007 m.ISK and grew by 6,815 m.ISK from the end of the year 2021/22 or about 10.5%.
- Non-current assets were 50,502 m.ISK and increased by 5,438 m.ISK from the end of the year 2021/22. This mainly includes Hagar's ownership stake in Klasi, which was booked at the end of the second quarter, and the increase in intangible assets due to Hagar's purchase of Eldum rétt in the third quarter.
- Current assets were 21,505 m.ISK and increased by 1,377 m.ISK from the end of the year 2021/22, including assets held for sale in the previous year.
- Inventories at the end of February were 12,717 m.ISK and inventory turnover ratio 11.2. Inventories increased by 2,010 m.ISK from the end of the year 2021/22, but the increase in inventories can mostly be attributed to higher fuel inventories, which is caused by a higher volume in litres but mainly due to a rise in world market fuel prices between years. The inventory turnover ratio last year was 11.0.
- Accounts receivable and other short-term receivables decrease by 331 m.ISK during the year. The credit period for trade receivables was 11.1 days compared to 11.7 days in the previous year.
- The current ratio was 0.94 and the liquidity ratio was 0.38 at the end of the operating year. Access to short-term financing in the form of credit lines in the amount of 6.2 b.ISK at a commercial bank is secured.
- Equity at the end of the operating year amounted to 27,931 m.ISK and equity ratio of 38.8%. Return on equity was 18.5%. The equity ratio at the end of the last operating year was 41.0% and the return on equity was 15.9%. The company had 13.9 million own shares at the end of the operating year.
- The Group's total liabilities at the end of the operating year were 44,076 m.ISK of which interest-bearing debts were 15,154 m.ISK and leasing debts 9,068 m.ISK. Net interest-bearing debts, including leasing debts, at the end of the operating year were 21,353 m.ISK or 1.8 x EBITDA for the year. Net interest-bearing debts, excluding leasing debts, were 1.0 x EBITDA.
- Including the interest-bearing short-term debts are bills of exchange in the amount of 1,080 m.ISK in addition, the utilisation of credit line by 1,800 m.ISK at the end of the year. On November 23rd, 2022, Hagar's board of directors approved the issuance of framework bonds series and bills of exchange in the amount of 10,000 m.ISK. On January 19th, 2023, a bill of exchange auction was held for the 5-month bill class, and bids totalling 1,080 m.ISK were accepted. The bill of exchange class was admitted to trading on Nasdaq Iceland on last January 27th.

The Group’s Consolidated Cash Flow Statement

in ISK million	Q4 2022/23 01.12-28.02	Q4 2021/22 01.12-28.02	Change	%	12M 2022/23 01.03-28.02	12M 2021/22 01.03-28.02	Change	%
Net cash provided by operating activities	2.575	376	2.199	584,8%	9.138	7.411	1.727	23,3%
Net cash used in investing activities	(1.210)	(643)	(567)	88,2%	(3.962)	(1.864)	(2.098)	112,6%
Net cash used in financing activities	186	(1.006)	1.192	-118,5%	(3.090)	(5.152)	2.062	-40,0%
Net increase in cash and cash equivalents	**1.551**	**(1.273)**	**2.824**	**-221,8%**	**2.086**	**395**	**1.691**	**428,1%**
Cash and cash equivalents at beginning of the period	1.318	2.056	(738)	-35,9%	783	388	395	101,8%
Cash and cash equivalents at the end of the period	**2.869**	**783**	**2.086**	**266,4%**	**2.869**	**783**	**2.086**	**266,4%**

Cash Flows for the year 2022/23

- Net cash provided by operating activities during the year amounted to 9,138 m.ISK, compared to 7,411 m.ISK in the previous year.
- Net cash used in investment activities for the year were 3,962 m.ISK, compared to 1,864 m.ISK in the previous year. Investment in operating assets amounted to 2,301 m.ISK during the year, which is mainly due to the opening of the new Bónus store at Norðurtorg in Akureyri and the renovation of the Bónus and Hagkaup stores together with the renovation of the Olís service stations. Investment in intangible assets amounted to 709 m.ISK and the cash flow changes of an investment in a subsidiary amounted to 1,275 m.ISK.
- Net cash used in financing activities for the year were 3,090 m.ISK, compared to 5,152 m.ISK in the previous year. Buy-back of own shares during the operating year amounted to 1,500 m.ISK and dividend payment in June 2022 amounted to 2,265 m.ISK. For comparison, the previous year’s buy-back amounted to 1,000 m.ISK and the dividend payment in 2021 amounted to 1,466 m.ISK.
- Cash at the end of the operating year amounted to 2,869 m.ISK in comparison with 783 m.ISK at the end of the previous year.

Status and prospects

The past year was characterised by sharp increase in the commodity markets, mainly due to the war in Ukraine. Turmoil in the markets over the past three years, first due to the pandemic and now due to the war, has caused disruptions in the manufacture of food products and in the entire supply chain. This has led to large increases in the price of supplies. In a turbulent and demanding environment of rising interest costs, large price rises and inflation, sales have increased in ISK terms, but at the same time the margin ratio has decreased somewhat, especially in the fuel section of the Group. Hagar has put a massive emphasis on encountering rising product prices to consumers, which is reflected in the company's reduced margin ratio, thus contributing to ensure its customers products and services at the most cost-effective prices. At the same time, Hagar has put extensive effort into keeping inflation at bay.

The management's guidance for the operating year that has just passed, assumed that the operating profit before depreciation (EBITDA) would be in the range of 10,200-10,700 m.ISK, excluding the effects of one-off-items related to the sale of assets to Klasi and the repayment of the government transport fuel equalisation fee. The impact of one-off-items on the Group's EBITDA in the second quarter was about 966 m.ISK due to the sale of assets to Klasi and in the third quarter 451 m.ISK due to the refund of the government transport fuel equalisation fee. Operating profit for the year before depreciation (EBITDA) without the impact of defined one-off-items is 10,624 m.ISK and is within the published guidance.

The management's guidance for the operating year 2023/24, which was just beginning, assumes that the operating profit before depreciation (EBITDA) will be in the range of 11,000-11,500 m.ISK, which, taking into account one-off-items in 2022/23, somewhat exceeds the last operating year's performance.

The investment guidance for the year 2023/24 amounts to 5,000-5,500 m.ISK but the largest individual item is an investment in property at Norðlingabraut 2 in Reykjavík, which was originally planned for in the year 2022/23. The opening of three new Bonus stores, large implementation projects in IT and digital development, together with the renovation of service centres and grocery stores, are also on the horizon. a.o. in further sustainability-related projects, such as the use of carbon dioxide in refrigeration and freezer equipment.

The financial position of the Hagar Group is strong and the company is well equipped to deal with challenging conditions in the Icelandic economy. The group's financing is guaranteed for the long term and the access to short-term financing in the form of credit lines in the amount of 4.5 b.ISK and USD 12.5 m. is also secured. Recently, the company has used short-term financing in the form of bills of exchange, but the bills are issued in accordance with the basic description of a 10 b.ISK publishing framework approved by the company's board of directors. It may be assumed that the company will increasingly look to market financing in the coming seasons.

In January 2023, Hagar reached an agreement with the owners of Dista ehf. for the Hagar's purchase of Dista's entire share capital. Dista is a wholesaler of alcoholic and non-alcoholic beverages and was founded in 2000. The purchase is subject to the results of a due diligence and the approval of the Competition Authority.

Share capital and shareholders

- Hagar's market value at the end of the operating year amounted to 78.2 b.ISK and the closing price on February 28th, 2023, was 69.0 ISK /share.
- Hagar's registered share capital at the end of the operating year amounted to 1,133 m.ISK. The company had 13.9 million own shares at the end of the year and outstanding shares were therefore 1,119 million.
- On June 1st, 2022, the annual general meeting agreed to reduce the company's share capital by the cancellation of its own shares with a nominal value of 21.6 m.ISK. The reduction was implemented on June 21st, 2022, and thus reduced Hagar's share capital from 1,154 m.ISK at nominal value to 1,133 m.ISK at nominal value.
- The annual general meeting also agreed that a dividend would be paid to shareholders for the past year, amounting to 2.0 ISK per share or 2,265 m.ISK. The dividend was paid on June 15th, 2022.
- Based on the approval of the annual general meeting from June 1st, 2022, Hagar's board of directors has launched two buy-back plans during the period with the aim of reducing the company's issued share capital. The buy-back has been completed, but is amounted to 1,000 m.ISK or 13.9 million shares. However, the total buy-back for the operating year amounted to 1,500 m.ISK.
- After the end of the operating year, buy-back has been carried out with a reversed bidding arrangement, where bids were accepted for 7.3 million shares or in the amount of 500 m.ISK.
- The Hagar's board will propose at the company's general meeting on June 1st that dividend will be paid to shareholders amounting to 50.0% of the year's total profit or about 2.2. ISK dividend per share of outstanding capital.
- There were 986 shareholders at the beginning of the operating year and 1,055 at the end. The company's 10 largest shareholders owned 77.9% of the company at the end of the year, while the same shareholders owned 75.1% of the company at the end of 2021/22.

Presentation meeting Friday, April 28th, 2023

Presentation meeting for market participants and shareholders will be held at Nauthóll, Nauthólsvegi 106 in Reykjavík Friday April 28th at 8:30. There Finnur Oddsson, CEO, and Guðrún Eva Gunnarsdóttir, CFO, will present the company's operations and results, as well as answer questions.

The meeting will be cast over the internet: https://www.hagar.is/skraning

Presentation papers will be available at the commencement of the meeting at Hagar's webpage, www.hagar.is.

Financial calendar 2023/24

Financial information will be published after the market closes.

Accounting period	Weekday	Publication day
Q1 – 1st March to 31st May	Wednesday	28th June 2023
Q2 – 1st March to 31st August	Wednesday	18th October 2023
Q3 – 1st March to 30th November	Thursday	11th January 2024
Q4 – 1st March to 29th February	Tuesday	23rd April 2024
Annual General Meeting 2024	Thursday	30th May 2024

For further information contact Finnur Oddsson, CEO (fo@hagar.is) and Guðrún Eva Gunnarsdóttir, CFO (geg@hagar.is), by telephone 530-5500 or email.

This press release is translated from the Icelandic version which was published on April 27th, 2023. Should there be discrepancies between the two versions, the Icelandic version will take priority over the translated version.
