



FINANCIAL SUMMARY*

1 MARCH - 30 NOVEMBER 2022

*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 2022

	Q3 2022 1.9.-30.11.	Q3 2021 1.9.-30.11.	2022 1.3.-30.11.	2021 1.3.-30.11.
Sales	40.220	33.551	121.832	100.470
Cost of goods sold	(32.919)	(26.635)	(98.584)	(79.321)
Gross profit	7.301	6.916	23.248	21.149
Other operating income	587	125	936	354
Profit from sale of assets	0	0	882	349
Salaries and related expenses	(3.578)	(3.132)	(10.459)	(9.564)
Other operating expenses	(1.712)	(1.374)	(4.972)	(4.212)
Profit from operating activities before depreciation and amortisation	2.598	2.535	9.635	8.076
Depreciation and amortisation	(1.085)	(1.105)	(3.205)	(3.007)
Profit from operating activities	1.513	1.430	6.430	5.069
Net finance expense	(414)	(373)	(1.384)	(1.104)
Share of profit of associates	34	23	172	144
Profit before income tax	1.133	1.080	5.218	4.109
Income tax	(223)	(239)	(1.004)	(832)
Comprehensive income for the period	910	841	4.214	3.277
Total comprehensive income for the period is attributable to				
Shareholders of Hagar hf.	910	841	4.214	3.267
Non-controlling interest	0	0	0	10
	910	841	4.214	3.277
Earnings per share				
Basic earnings per share of ISK 1	0,82	0,73	3,74	2,84
Diluted earnings per share of ISK 1	0,82	0,73	3,67	2,82

CONSOLIDATED BALANCE SHEET AS AT 30 NOVEMBER 2022

	30.11.2022	28.2.2022
Assets		
Property, plant and equipment	21.076	21.215
Investment property	3.420	3.474
Intangible assets	12.194	10.723
Lease assets	8.464	8.151
Investments in associates	4.844	1.443
Other non-current assets	60	58
Total non-current assets	50.058	45.064
Inventories	14.258	10.707
Trade and other receivables	6.266	6.250
Cash and cash equivalents	1.318	783
Total current assets	21.842	17.740
Assets hold for sale	0	2.388
Total assets	71.900	65.192
Equity		
Share capital	1.119	1.139
Share premium	0	1.147
Legal reserve	283	285
Other restricted reserve	6.139	5.286
Retained earnings	19.655	18.869
Total equity	27.196	26.726
Liabilities		
Loans and borrowings	11.855	11.720
Lease liabilities	7.192	6.918
Deferred income tax liability	3.372	2.312
Total non-current liabilities	22.419	20.950
Borrowings	443	451
Bank borrowings	2.150	0
Lease liabilities	2.041	1.966
Trade and other payables	17.651	15.099
Total current liabilities	22.285	17.516
Total liabilities	44.704	38.466
Total equity and liabilities	71.900	65.192

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 NOVEMBER 2022

	Share capital	Share premium	Legal reserve	Restricted reserve	Revaluation reserve	Retained earnings	Total	Non-controlling interest	Total equity
<i>Changes in equity from 1 March to 30 November 2022</i>									
Equity at 1 March 2022	1.139	1.147	285	5.274	12	18.869	26.726	0	26.726
Purchased own share - invalid*	(6)	(494)					(500)		(500)
Purchased own share	(14)	(653)				(333)	(1.000)		(1.000)
Comprehensive income for the period						4.214	4.214		4.214
Transferred to legal reserve			(2)			2	0		0
Accrued costs due to stock option agreements ..					21		21		21
Transferred from restricted reserve				832		(832)	0		0
Dividends paid, 2,00 ISK per share						(2.265)	(2.265)		(2.265)
Equity at 30 November 2022	1.119	0	283	6.106	33	19.655	27.196	0	27.196

Changes in equity from 1 March to 30 November 2021

Equity at 1 March 2021	1.154	2.132	289	4.433	0	17.181	25.189	(2)	25.187
Purchased own share	(8)	(492)					(500)		(500)
Comprehensive income for the period						3.267	3.267	10	3.277
Transferred from legal reserve			(2)			2	0		0
Transferred from restricted reserve				(63)		63	0		0
Accrued costs due to stock option agreements ..					12		12		12
Non-controlling interests in sale of a subsidiary ..							0	(8)	(8)
Dividends paid, 1,27 ISK per share						(1.466)	(1.466)		(1.466)
Equity at 30 November 2021	1.146	1.640	287	4.370	12	19.047	26.502	0	26.502

At June 1, 2022 the annual general meeting approved that dividends should be paid to shareholders for the year 2021/22, amounting to ISK 2,0 per share or about ISK 2.265 million. The dividends was paid on June 15, 2022.

*The annual general meeting also agreed to reduce the share capital of the company by nominal value ISK 21,6 million, by invalidating its own shares. The registered share capital after the reduction will be ISK 1.133 million and own share are total ISK 13,9 million at the end of the period.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 NOVEMBER 2022

	Q3 2022 1.9.-30.11.	Q3 2021 1.9.-30.11.	2022 1.3.-30.11.	2021 1.3.-30.11.
Cash flows from operating activities				
Profit for the period	910	841	4.214	3.277
Adjustments for:				
Gain loss on sale	(16)	0	(1.010)	(131)
Depreciation and amortisation	1.085	1.105	3.205	3.007
Net finance expense	414	373	1.384	1.104
Effect of results of associates	(34)	(23)	(172)	(144)
Income tax	223	239	1.004	832
Other items	(14)	0	21	12
Working capital from operating activities	2.568	2.535	8.646	7.957
Change in current assets	(569)	(780)	(3.635)	(2.754)
Change in current liabilities	701	1.141	3.433	3.169
Cash from operations before interest and taxes	2.700	2.896	8.444	8.372
Interest income received	17	(5)	21	9
Interest expenses paid	(435)	(275)	(1.131)	(875)
Income taxes paid	(474)	(138)	(771)	(471)
Net cash from operating activities	1.808	2.478	6.563	7.035
Cash flows used in investing activities				
Acquisition of property, plant and equipment	(463)	(331)	(1.455)	(1.243)
Acquisition of investments properties	(4)	(6)	(4)	(80)
Acquisition of intangible assets	(183)	(147)	(386)	(191)
Proceeds from sale of property, plant and equipment	27	23	141	107
Investment in associates	0	0	0	(156)
Dividends received	0	0	174	124
Payment for acquisition of sub., net of cash acquired	(1.305)	0	(1.305)	0
Shares sold in a subsidiary	0	0	50	141
Other non-current assets, change	33	94	33	77
Net cash used in investing activities	(1.895)	(367)	(2.752)	(1.221)
Cash flows used in financing activities				
Purchased own share	(500)	(500)	(1.500)	(500)
Dividends paid	0	0	(2.265)	(1.466)
New bank borrowings	0	2.500	0	2.500
Borrowings, repayment	(156)	(2.606)	(382)	(2.844)
Bank borrowings, change	403	0	2.150	(601)
Lease liabilities, repayments	(437)	(400)	(1.279)	(1.235)
Net cash used in financing activities	(690)	(1.006)	(3.276)	(4.146)
Net (decrease) increase in cash and cash fé	(777)	1.105	535	1.668
Cash and cash equivalents at the beginning of the period..	2.095	951	783	388
Cash and cash equivalents at the end of the period tímabil	1.318	2.056	1.318	2.056
Investing activities without cash flow effect				
Proceeds from the sale of real estate	0	0	3.403	0
Investment in associates	0	0	(3.403)	0