



FINANCIAL SUMMARY*
1 MARCH - 31 MAY 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.

CONTENTS

Consolidated Statement of Comprehensive Income	3
Consolidated Balance Sheet	4
Consolidated Statement of Changes in Equity	5
Consolidated Statement of Cash Flows	6

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE THREE MONTHS ENDED 31 MAY 2022

	2022 1.3.-31.5.	2021 1.3.-31.5.
Sales	38.213	32.034
Cost of goods sold	(30.649)	(25.185)
Gross profit	<u>7.564</u>	<u>6.849</u>
Other operating income	202	104
Profit from sale of a subsidiary	0	80
Salaries and related expenses	(3.443)	(3.250)
Other operating expenses	(1.655)	(1.505)
Profit from operating activities before depreciation and amortisation	2.668	2.278
Depreciation and amortisation	(1.021)	(1.005)
Profit from operating activities	1.647	1.273
Finance income	8	7
Finance expenses	(552)	(397)
Net finance expense	<u>(544)</u>	<u>(390)</u>
Share of profit of associates	44	31
Profit before income tax	1.147	914
Income tax	(221)	(187)
Comprehensive income for the period	<u>926</u>	<u>727</u>
 Total comprehensive income for the period is attributable to		
Shareholders of Hagar hf.	926	717
Non-controlling interest	0	10
	<u>926</u>	<u>727</u>
 Earnings per share		
Basic earnings per share of ISK 1	0,82	0,63
Diluted earnings per share of ISK 1	0,81	0,63

CONSOLIDATED BALANCE SHEET AS AT 31 MAY 2022

	31.5.2022	28.2.2022
Assets		
Property, plant and equipment	21.180	21.215
Investment property	3.468	3.474
Intangible assets	10.776	10.723
Lease assets	8.572	8.151
Investments in associates	1.486	1.443
Investments in other companies	40	40
Bonds	17	18
Total non-current assets	<u>45.539</u>	<u>45.064</u>
Inventories	12.235	10.707
Trade and other receivables	5.258	4.871
Trade receivable - customers' credit cards	951	1.379
Cash and cash equivalents	1.213	783
Total current assets	<u>19.657</u>	<u>17.740</u>
Assets hold for sale	<u>2.388</u>	<u>2.388</u>
Total assets	<u><u>67.584</u></u>	<u><u>65.192</u></u>
Equity		
Share capital	1.133	1.139
Share premium	653	1.147
Legal reserve	285	285
Other restricted reserve	6.466	5.286
Retained earnings	18.615	18.869
Total equity	<u>27.152</u>	<u>26.726</u>
Liabilities		
Loans and borrowings	11.789	11.720
Lease liabilities	7.250	6.918
Deferred income tax liability	2.657	2.312
Total non-current liabilities	<u>21.696</u>	<u>20.950</u>
Borrowings	449	451
Current tax liabilities	843	770
Lease liabilities	2.067	1.966
Trade and other payables	15.377	14.329
Total current liabilities	<u>18.736</u>	<u>17.516</u>
Total liabilities	<u>40.432</u>	<u>38.466</u>
Total equity and liabilities	<u><u>67.584</u></u>	<u><u>65.192</u></u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MAY 2022

	Share capital	Share premium	Legal reserve	Restricted reserve	Revaluation reserve	Retained earnings	Total	Non- controlling interest	Total equity
Changes in equity from 1 March to 31 May 2022									
Equity at 1 March 2022	1.139	1.147	285	5.274	12	18.869	26.726	0	26.726
Purchased own share	(6)	(494)					(500)		(500)
Comprehensive income for the period						926	926		926
Transferred to restricted reserves				1.180		(1.180)	0		0
Equity at 31 May 2022	1.133	653	285	6.454	12	18.615	27.152	0	27.152
Changes in equity from 1 March to 31 May 2021									
Equity at 1 March 2021	1.154	2.132	289	4.433	0	17.181	25.189	(2)	25.187
Comprehensive income for the period						717	717	10	727
Transferred to restricted reserves				824		(824)	0		0
Non-controlling interests in sale of a subsidiary							0	(8)	(8)
Equity at 31 May 2021	1.154	2.132	289	5.257	0	17.074	25.906	0	25.906

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 2.266 million. 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.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE MONTHS ENDED 31 MAY 2022

	2022 1.3.-31.5.	2021 1.3.-31.5.
Cash flows from operating activities		
Profit for the period	926	727
Adjustments for:		
Gain on sale of assets	(68)	(136)
Depreciation and amortisation	1.021	1.005
Net finance expense	544	390
Effect of results of associates	(44)	(31)
Income tax	221	187
Working capital from operating activities	2.600	2.142
Change in current assets	(1.600)	(652)
Change in current liabilities	1.459	1.470
Cash from operations before interest and taxes	2.459	2.960
Interest income received	5	7
Interest expenses paid	(346)	(277)
Income taxes paid	(148)	(183)
Net cash from operating activities	1.970	2.507
Cash flows used in investing activities		
Acquisition of real estate	(25)	(49)
Acquisition of investments properties	0	(33)
Acquisition of fixtures and equipment	(479)	(489)
Acquisition of intangible assets	(112)	(15)
Proceeds from sale of intangible assets	70	0
Proceeds from sale of fixtures and equipment	40	24
Long-term bonds, change	2	(17)
Shares sold in a subsidiary	0	141
Net cash used in investing activities	(504)	(438)
Cash flows used in financing activities		
Repayments of borrowings	(125)	(114)
Bank borrowings	0	(601)
Purchased own share	(500)	0
Lease liabilities, repayments	(411)	(411)
Net cash used in financing activities	(1.036)	(1.126)
Net increase in cash and cash equivalents	430	943
Cash and cash equivalents at the beginning of the period	783	388
Cash and cash equivalents at the end of the period	1.213	1.331