

Hagar hf.

Financial Summary

1 March 2018 - 31 May 2018

*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.

Hagar hf.
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Consolidated Statement of Comprehensive Income for the three months ended 31 May 2018

	2018	2017
	1.3.-31.5.	1.3.-31.5.
Sales	18.592	19.048
Cost of goods sold	(14.000)	(14.312)
Gross profit	<u>4.592</u>	<u>4.736</u>
Other operating income	56	54
Salaries and related expenses	(2.054)	(2.043)
Other operating expenses	(1.401)	(1.470)
Profit from operating activities before depreciation and amortisation	1.193	1.277
Depreciation and amortisation	(249)	(225)
Profit from operating activities	944	1.052
Finance income	14	54
Finance expenses	(48)	(64)
Net finance expense	(34)	(10)
Share of profit of associates	0	20
Profit before income tax	910	1.062
Income tax	(182)	(212)
Comprehensive income for the year	<u>728</u>	<u>850</u>
 Earnings per share		
Basic earnings per share of ISK 1	0,66	0,74

Consolidated Balance Sheet as at 31 May 2018

	31.5.2018	28.2.2018
Assets		
Property, plant and equipment	10.755	10.733
Investment property	1.522	1.530
Intangible assets	8.046	8.101
Total non-current assets	20.323	20.364
Inventories	4.845	4.574
Trade and other receivables	953	678
Trade receivable - customers' credit cards	3.818	3.546
Cash and cash equivalents	373	222
Total current assets	9.989	9.020
Total assets	30.312	29.384
Equity		
Share capital	1.103	1.103
Legal reserve / share premium	275	239
Restricted reserve	4.442	3.664
Retained earnings	12.865	12.951
Total equity	18.685	17.957
Liabilities		
Loans and borrowings	2.025	2.217
Deferred income tax liability	718	718
Total non-current liabilities	2.743	2.935
Loans and borrowings	772	771
Current tax liabilities	250	379
Trade and other payables	7.461	6.897
Provisions	401	445
Total current liabilities	8.884	8.492
Total liabilities	11.627	11.427
Total equity and liabilities	30.312	29.384

Consolidated Statement of Changes in Equity for the three months ended 31 May 2018

	Share capital	Share premium	Legal reserve	Restricted reserve	Retained earnings	Total equity
Changes in equity from 1 March to 31 May 2017:						
Equity at 1 March 2017	1.153	291	0	3.893	12.075	17.412
Comprehensive income for the year					850	850
Transferred to restricted reserves				863	(863)	0
Equity at 31 May 2017	1.153	291	0	4.756	12.062	18.262
Changes in equity from 1 March to 31 May 2018:						
Equity at 1 March 2018	1.103	0	239	3.664	12.951	17.957
Comprehensive income for the year					728	728
Transferred to legal reserve			36		(36)	0
Transferred to restricted reserves				778	(778)	0
Equity at 31 May 2018	1.103	0	275	4.442	12.865	18.685

Consolidated Statement of Cash Flows

for the three months ended 31 May 2018

	2018	2017
	1.3.-31.5.	1.3.-31.5.
Cash flows from operating activities		
Profit for the year	728	850
Adjustments for:		
Gain on sale of assets	(1)	(1)
Depreciation and amortisation	249	225
Net finance expense	34	10
Share of profit of associates	0	(20)
Income tax	182	212
Working capital from by operating activities	1.192	1.276
Change in current assets	(818)	(57)
Change in current liabilities	442	132
Cash from operations before interest and taxes	816	1.351
Interest income received	12	41
Interest expenses paid	(45)	(60)
Income taxes paid	(233)	(242)
Net cash from by operating activities	550	1.090
Cash flows used in investing activities		
Acquisition of real estate	(121)	(74)
Acquisition of fixtures and equipment	(145)	(219)
Acquisition of intangible assets	49	(86)
Proceeds from sale of fixtures and equipment	10	4
Proceeds from sale of investments	0	9
Proceeds from results of associates	0	20
Net cash used in investing activities	(207)	(346)
Cash flows used in financing activities		
Repayments of loans and borrowings	(192)	(191)
Net cash used in financing activities	(192)	(191)
Net decrease in cash and cash equivalents	151	553
Cash and cash equivalents at the beginning of the year	222	2.474
Cash and cash equivalents at the end of the year	373	3.027