



FINANCIAL SUMMARY*
1 MARCH - 31 AUGUST 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 SIX MONTHS ENDED 31 AUGUST 2022

	Second quarter*		First half	
	2022 1.6.-31.8.	2021 1.6.-31.8.	2022 1.3.-31.8.	2021 1.3.-31.8.
Sales	43.399	34.885	81.612	66.919
Cost of goods sold	(35.016)	(27.501)	(65.665)	(52.686)
Gross profit	8.383	7.384	15.947	14.233
Other operating income	147	125	349	229
Profit from sale of assets	882	269	882	349
Salaries and related expenses	(3.438)	(3.182)	(6.881)	(6.432)
Other operating expenses	(1.605)	(1.333)	(3.260)	(2.838)
Profit from operating activities before depreciation and amortisation	4.369	3.263	7.037	5.541
Depreciation and amortisation	(1.099)	(897)	(2.120)	(1.902)
Profit from operating activities	3.270	2.366	4.917	3.639
Net finance expense	(426)	(341)	(970)	(731)
Share of profit of associates	94	90	138	121
Profit before income tax	2.938	2.115	4.085	3.029
Income tax	(560)	(406)	(781)	(593)
Comprehensive income for the period	2.378	1.709	3.304	2.436
Total comprehensive income for the period is attributable to				
Shareholders of Hagar hf.	2.378	1.709	3.304	2.426
Non-controlling interest	0	0	0	10
	2.378	1.709	3.304	2.436
Earnings per share				
Basic earnings per share of ISK 1	2,10	1,48	2,92	2,11
Diluted earnings per share of ISK 1	2,03	1,47	2,84	2,10

*Quarterly financial information has not been reviewed by the Company's auditors.

CONSOLIDATED BALANCE SHEET AS AT 31 AUGUST 2022

	31.8.2022	28.2.2022
Assets		
Property, plant and equipment	20.981	21.215
Investment property	3.437	3.474
Intangible assets	10.722	10.723
Lease assets	8.478	8.151
Investments in associates	4.810	1.443
Investments in other companies	40	40
Bonds	16	18
Total non-current assets	48.484	45.064
Inventories	12.419	10.707
Trade and other receivables	7.083	6.250
Cash and cash equivalents	2.095	783
Total current assets	21.597	17.740
Assets hold for sale	0	2.388
Total assets	70.081	65.192
Equity		
Share capital	1.126	1.139
Share premium	160	1.147
Legal reserve	283	285
Other restricted reserve	5.184	5.286
Retained earnings	20.033	18.869
Total equity	26.786	26.726
Liabilities		
Loans and borrowings	11.879	11.720
Lease liabilities	7.169	6.918
Deferred income tax liability	2.495	2.312
Total non-current liabilities	21.543	20.950
Borrowings	448	451
Bank borrowings	1.746	0
Lease liabilities	2.065	1.966
Trade and other payables	17.493	15.099
Total current liabilities	21.752	17.516
Total liabilities	43.295	38.466
Total equity and liabilities	70.081	65.192

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 AUGUST 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 August 2022									
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	(7)	(493)					(500)		(500)
Comprehensive income for the period						3.304	3.304		3.304
Transferred from legal reserve			(2)			2	0		0
Accrued costs due to stock option agreements ...					21		21		21
Transferred from restricted reserve				(123)		123	0		0
Dividends paid, 2,00 ISK per share						(2.265)	(2.265)		(2.265)
Equity at 31 August 2022	1.126	160	283	5.151	33	20.033	26.786	0	26.786
Changes in equity from 1 March to 31 August 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						2.426	2.426	10	2.436
Transferred from restricted reserve				(1.125)		1.125	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 31 August 2021	1.154	2.132	289	3.308	12	19.266	26.161	0	26.161

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 7,0 million at the end of the period.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 AUGUST 2022

	Second quarter*		First half	
	2022 1.6.-31.8.	2021 1.6.-31.8.	2022 1.3.-31.8.	2021 1.3.-31.8.
Cash flows from operating activities				
Profit for the period	2.378	1.709	3.304	2.436
Adjustments for:				
(Gain) loss on sale	(926)	5	(994)	(131)
Depreciation and amortisation	1.099	897	2.120	1.902
Net finance expense	426	341	970	731
Effect of results of associates	(94)	(90)	(138)	(121)
Income tax	560	406	781	593
Other items	35	12	35	12
Working capital from operating activities	3.478	3.280	6.078	5.422
Change in current assets	(1.466)	(1.322)	(3.066)	(1.974)
Change in current liabilities	1.273	558	2.732	2.028
Cash from operations before interest and taxes	3.285	2.516	5.744	5.476
Interest income received	(1)	7	4	14
Interest expenses paid	(350)	(323)	(696)	(600)
Income taxes paid	(149)	(150)	(297)	(333)
Net cash from operating activities	2.785	2.050	4.755	4.557
Cash flows used in investing activities				
Acquisition of property, plant and equipment	(488)	(374)	(992)	(912)
Acquisition of investments properties	0	(41)	0	(74)
Acquisition of intangible assets	(91)	(29)	(203)	(44)
Proceeds from sale of property, plant and equipment	4	60	114	84
Investment in associates	0	(156)	0	(156)
Dividends received	174	124	174	124
Shares sold in a subsidiary	50	0	50	141
Skuldabréfaeign, breyting	(2)	0	0	(17)
Net cash used in investing activities	(353)	(416)	(857)	(854)
Cash flows used in financing activities				
Purchased own share	(500)	0	(1.000)	0
Dividends paid	(2.265)	(1.466)	(2.265)	(1.466)
Borrowings, repayment	(101)	(124)	(226)	(238)
Bank borrowings, change	1.747	0	1.747	(601)
Lease liabilities, repayments	(431)	(424)	(842)	(835)
Net cash used in financing activities	(1.550)	(2.014)	(2.586)	(3.140)
Net increase (decrease) in cash and cash equivalents	882	(380)	1.312	563
Cash and cash equivalents at the beginning of the period	1.213	1.331	783	388
Cash and cash equivalents at the end of the period	2.095	951	2.095	951
Investing activities without cash flow effect				
Proceeds from the sale of real estate	3.403	0	3.403	0
Investment in associates	(3.403)	0	(3.403)	0

*Quarterly financial information has not been reviewed by the Company's auditors.