

Profit ISK 1,870 million in Q4 2025 and ISK 6,220 million 12M 2025

Main results in Q4 2025

- Sales of goods and services amounted to ISK 44,956 million, an increase of 7.2% between years.
- Margin from sales of goods and services amounted to ISK 11,415 million, an increase of 11.2% from the previous year.
- Profit margin was 25.4%, decreases by 0.2 p.p. from Q3 2025 but increases by 0.9 from Q4 2024.
- EBITDA amounted to ISK 4,255 million, increasing by 43.9% between years but 14.8% without the effects of one-off cost in Q4 2024.
- Profit for the quarter amounted to ISK 1,870 million, increasing by 35.3% between years without the effects of one-off cost in Q4 2024.
- Net Cash from operating activities amounted to ISK 1,508 million and increases by 72.3% between years.
- Repayment of interest-bearing debt amounted to ISK 957 million. Share buy-back amounted to ISK 365 million.
- Equity amounted to ISK 47,684 million, and the equity ratio was 41.2% at the end of 2025 compared to 37.9% the year before.
- EBITDA 2025 amounted to ISK 16,001 million and increases by 27.9% but 20.7% without the effects from one-off cost in 2024.
- The company's EBITDA guidance for the year 2026 is ISK 16,500 – 17,000 million.

ISK million	Q4 2025	Q4 2024	Change	%Change	12M 2025	12M 2024	Change	%Change
Income Statement								
Sale of goods and services	44,956	41,946	3,010	7.2%	173,414	154,463	18,951	12.3%
Margin from sale of goods and services	11,415	10,267	1,148	11.2%	43,692	36,722	6,970	19.0%
Other operating income	650	622	29	4.6%	2,313	2,245	69	3.1%
EBITDA	4,255	2,957	1,298	43.9%	16,001	12,511	3,491	27.9%
EBIT	2,745	1,388	1,357	97.8%	10,111	7,723	2,388	30.9%
EBT	2,294	966	1,328	137.4%	7,603	5,112	2,491	48.7%
Profit for the period	1,870	632	1,239	196.1%	6,220	4,018	2,201	54.8%
Statement of Financial Position								
					31.12.2025	31.12.2024	Change	%Change
Inventories					14,179	14,118	61	0.4%
Trade receivables					5,435	7,168	-1,733	-24.2%
Cash and cash equivalents					5,929	4,075	1,854	45.5%
Interest bearing liabilities					38,876	43,956	-5,081	-11.6%
Net interest bearing liabilities					32,947	39,881	-6,934	-17.4%
Net interest bearing debt/EBITDA					2.1	3.0	-0.9	-30.0%
Equity ratio					41.2%	37.9%	+3.3 p.p.	8.8%
Return on equity					13.9%	12.5%	+1.4 p.p.	11.3%
Statement of Cash Flows								
	Q4 2025	Q4 2024	Change	%Change	12M 2025	12M 2024	Change	%Change
Cash flows from operating activities	1,508	809	698	86.3%	15,784	9,053	6,730	74.3%
Investing activities	-729	-1,586	857	-54.0%	-4,425	-8,108	3,683	-45.4%
Financing activities	-1,656	-1,187	-469	39.5%	-9,527	-160	-9,367	5869.1%
Cash and cash equivalents at the end of the period	5,929	4,075	1,854	45.5%	5,929	4,075	1,854	45.5%
Key indicators								
Margin from sale	25.4%	24.5%	+0.9 p.p.	3.7%	25.2%	23.8%	+1.4 p.p.	6.0%
Personel expenses/margin from sale	48.7%	50.7%	-2.0 p.p.	-3.8%	49.6%	50.1%	-0.5 p.p.	-0.9%
EBITDA/margin from sale	37.3%	28.8%	+8.5 p.p.	29.4%	36.6%	34.1%	+2.5 p.p.	7.5%
Profit/margin from sale	16.4%	6.2%	+10.2 p.p.	166.3%	14.2%	10.9%	+3.3 p.p.	30.1%
Earnings per share	8.5	7.3	1.2	16.8%	20.0	13.1	6.9	52.3%
Cash flows from operations/margin from sale	13.2%	7.9%	+5.3 p.p.	67.5%	36.1%	24.7%	+11.4 p.p.	46.5%
Investments	1,806	1,701	105	6.2%	6,071	4,642	1,429	30.8%

Operations in Q4 2025

The company's operations were good in the fourth quarter, and the results exceeded expectations. Sales of goods and services increased in quantity in most business segments in the quarter. Transactions increased by 2.6%, number of goods sold by 8.2% but fuel liters decreased by 0.7% because of fewer sales at the end of the year. The sales margin was 25.4% in the quarter, down 0.2 p.p. from the previous quarter but up by 0.9 p.p. from the same quarter last year. The margin from sales of goods and services increased by 11.2% YoY and operating expenses decreased by 1.5%. The company's EBITDA was ISK 4,255 million for the quarter, an increase of 43.9% from the previous year but 14.8% without the effects from an administrative fine in Q4 2024. ELKO's EBITDA increased by ISK 159 million or 27.3% YoY. Krónan's EBITDA increased by ISK 367 million or 25.6% YoY. Lyfja's EBITDA increased by ISK 65 million or 17.6% YoY. N1's EBITDA increased by ISK 25 million or 1.8% YoY. Net profit for the quarter was ISK 1,870 million, an increase of 35.3% between years without the effects from one-off cost in Q4 2024.

Revenues in Q4 2025

- Total revenue was ISK 45,606 million, an increase of 7.1% YoY.
- Revenue from sales of goods and services was ISK 44,956 million in Q4 2025, an increase of 7.2% YoY.
- Sales of groceries and convenience goods amounted to ISK 22,717 million, up by 12.5% YoY.
- Sales of fuel and electricity amounted to ISK 8,571 million, a decrease of 3.7% YoY.
- Sales of electronic equipment amounted to ISK 6,290 million, an increase of 5.6% YoY.
- Sales of medicine, prescription and over the counter, amounted to ISK 3,859 million, an increase of 10.3% YoY.
- Sales of other goods and services were ISK 3,519 million, an increase of 3.8% YoY.
- Total revenue for the year 2025 increased by 12.1% but 6.2% if Lyfja had been a part of Festi for the whole year of 2024.

ISK million	Q4 2025	Q4 2024	Change	%Change	12M 2025	12M 2024	Change	%Change
Sale of goods and services								
Grocery and convenience goods	22,717	20,199	2,517	12.5%	87,548	78,357	9,191	11.7%
Fuel and electricity	8,571	8,902	-331	-3.7%	39,278	39,866	-588	-1.5%
Electronic equipment	6,290	5,954	336	5.6%	20,657	19,246	1,411	7.3%
Medicine, prescription and over the counter	3,859	3,500	359	10.3%	14,622	6,841	7,782	113.8%
Other goods and services	3,519	3,391	128	3.8%	11,308	10,153	1,154	11.4%
Total sale of goods and services	44,956	41,946	3,010	7.2%	173,414	154,463	18,951	12.3%
Total other operating income	650	622	29	4.6%	2,313	2,245	69	3.1%
Total income	45,606	42,568	3,038	7.1%	175,727	156,707	19,020	12.1%

Sales of groceries and convenience goods increased by 12.5% YoY, with Krónan increasing sales by 14.4%. Sales of fuel and electricity decreased by 3.7% YoY with fuel prices in the global market decreasing by 1-3% YoY, depending on fuel type. Fuel liters sold decreased by 0.7% between years because of fewer sales at the end of the year. Revenue from sales of electronics increased by 5.6%. Medicine, prescription and over the counter sales increased by 10.3% and revenue from other goods and services increased by 3.8% YoY.

Margin for sales of goods and services in Q4 2025

- Margin for sales of goods and services amounted to ISK 11,415 million, an increase of 11.2% YoY. The margin level was 25.4%, a 0.2 p.p. decrease from last quarter but increases by 0.9 p.p. YoY.
- Margin for grocery and convenience goods was ISK 5,332 million, an increase of 15.7% YoY. The margin level was 23.5%, a decrease of 0.6 p.p. from last quarter but increases by 0.7 p.p. YoY.
- Margin for fuel and electricity was ISK 1,882 million, an increase of 2.2% YoY. The margin level was 22.0%, a decrease of 2.8 p.p. from last quarter but increases by 1.3 p.p. YoY.
- Margin for electronics was ISK 1,702 million, an increase of 17.3% YoY. The margin level was 27.2%, a decrease of 0.2 p.p. from last quarter but increases by 2.7 p.p. YoY.
- Margin for medicine, prescription and over the counter was ISK 972 million, an increase of 2.3% YoY. The margin level was 25.2%, a decrease of 0.7 p.p. from last quarter and a decrease of 2.0 p.p. YoY.
- Margin for other goods and services was ISK 1,526 million, an increase of 7.9% YoY. The margin level was 43.4%, an increase of 1.7 p.p. YoY.
- Margin for the year 2025 increases by 19.0% but 6.8% if Lyfja had been part of Festi for the whole year 2024.

ISK million	Q4 2025	Q4 2024	Change	%Change	12M 2025	12M 2024	Change	%Change
Margin from sale of goods and services								
Grocery and convenience goods	5,332	4,609	723	15.7%	20,697	18,190	2,507	13.8%
Fuel and electricity	1,882	1,842	40	2.2%	9,061	7,760	1,301	16.8%
Electronic equipment	1,702	1,452	251	17.3%	5,502	4,866	636	13.1%
Medicine, prescription and over the counter	972	950	22	2.3%	3,820	1,887	1,933	102.4%
Other goods and services	1,526	1,415	112	7.9%	4,613	4,019	594	14.8%
Total margin from sale of goods and services	11,415	10,267	1,148	11.2%	43,692	36,722	6,970	19.0%

The total margin for sales of goods and services was ISK 11,415 million compared to ISK 10,267 million for the same quarter last year, an increase of 11.2%. Margin for sales of groceries and convenience goods was ISK 5,332 million, up by 15.7% YoY. Margin for fuel and electricity was ISK 1,882 million, an increase of 2.2% YoY. Margin for sales of electronics was ISK 1,702 million, an increase of 17.3%. Margin for medicine, prescription and over the counter was ISK 972 million, an increase of 2.3% YoY. The margin for other goods and services was ISK 1,526 million, an increase of 7.9% YoY.

Operating expenses in Q4 2025

- Operating expenses in Q4 2025 were ISK 7,810 million, a decrease of ISK 122 million or 1.5% YoY but increases by 8.7% without the effects from an administrative fine in Q4 2024.
- Salaries and other personnel expenses increased by ISK 359 million or 6.9% YoY.
- The number of full-time equivalents was 1,682 in Q4 2025, an increase of 3.8% YoY.
- Total other operating expenses decreased by ISK 481 million or 17.6% YoY, but increases by 13.6% without the effects of administrative fine.
- Total operating expenses for the year 2025 increases by 13.4% YoY but 3.7% if Lyfja had been part of Festi for the whole year 2024 and without the effects of administrative fine.

ISK million	Q4 2025	Q4 2024	Change	%Change	12M 2025	12M 2024	Change	%Change
Operating expenses								
Salaries and other personnel expenses	5,561	5,202	359	6.9%	21,676	18,385	3,290	17.9%
Other operating expenses								
Operating costs of real estate	625	594	31	5.2%	2,448	2,218	229	10.3%
Maintenance expenses	355	248	107	43.2%	1,271	1,072	199	18.6%
Sales and marketing expenses	562	525	38	7.2%	2,039	1,824	215	11.8%
Office and administrative expenses	222	171	50	29.3%	613	529	84	15.9%
Communication expenses	353	356	-3	-0.9%	1,377	1,173	203	17.3%
Insurance and claims	51	6	45	745.1%	152	155	-3	-2.2%
Administrative fine	0	750	-750	-100.0%	0	750	-750	-100.0%
Other expenses	82	80	1	1.3%	429	349	80	23.0%
Total other operating expenses	2,249	2,731	-481	-17.6%	8,328	8,071	257	3.2%
Total operating expenses	7,810	7,932	-122	-1.5%	30,004	26,456	3,548	13.4%

Salaries and other personnel expenses amounted to ISK 5,561 million in Q4 2025 compared to ISK 5,202 million in Q4 2024, which is an increase of 6.9% YoY. Full-time equivalents were 1,682 in the quarter, an increase of 62 full-time equivalents (FTE) or 3.8% YoY. Average salary cost per FTE increases YoY by 3.0%. Total increase in salaries and other personnel expenses is 3.9% if cost relating to change in FTE is not included. The table below shows analysis of the increase in salaries and other personnel expenses in ISK million YoY:

Salaries and other personnel expenses Q4 2024	5,202
Change in full-time position equivalents	68
Contractual wage increases	230
Change in personnel expenses	-29
Share options	-8
Other changes	-238
Salaries and other personnel expenses Q4 2025	5,225

Other operating expenses were ISK 2,249 million compared to ISK 2,731 million in Q4 2024, which is a decrease of ISK 481 million or 17.6%. An administrative fine of ISK 750 million was recognized in the fourth quarter last year, without its effects the increase is 13.6% due to increased costs related to maintenance improvement initiatives. Overall, it can be said that good results were achieved in restraining all operating expenses in 2025, with costs increasing by 3.7% compared to the previous year.

Financial items in Q4 2025

- Net finance expenses and the impact of affiliates were negative by ISK 451 million in Q4 2025 compared to negative ISK 422 million in Q4 2024, an expense increase of ISK 29 million YoY.
- Finance income amounted to ISK 251 million, an increase of ISK 36 million YoY.
- Finance expenses amounted to ISK 687 million, a decrease of ISK 173 million YoY.
- Currency difference was negative by ISK 66 million and decreases by ISK 152 million YoY.
- The share of profit from associates amounted to ISK 50 million, decreased by ISK 87 million YoY.

ISK million	Q4 2025	Q4 2024	Change	%Change	12M 2025	12M 2024	Change	%Change
Finance income	126	215	-89	-41.5%	459	483	-24	-4.9%
Finance expenses	-687	-860	173	-20.2%	-3,575	-3,768	194	-5.1%
Foreign currency differences	-66	86	-152	-177.2%	-92	66	-158	-240.5%
Share of profit from associates	176	137	38	27.9%	700	608	92	15.1%
Total	-451	-422	-29	7.0%	-2,508	-2,612	104	-4.0%

Statement of financial position at the end of Q4 2025

- Total assets amounted to ISK 115.8 bn., an increase of ISK 0.9 bn. from year-end 2024.
- Non-current assets amounted to ISK 89.1 bn., an increase of ISK 0.8 bn. from year-end 2024.
- Current assets amounted to ISK 26.7 bn., an increase of ISK 0.1 bn. from year-end 2024.
- Cash and cash equivalents amount to ISK 5.9 bn., an increase of ISK 1.9 bn. from year-end 2024.
- Net interest-bearing liabilities amounted to ISK 32.9 bn., a decrease of ISK 6.9 bn. from year-end 2024.
- Equity ratio was 41.2% at the end of Q4 2025 compared to 37.9% at year-end 2024.

ISK million	31.12.2025	31.12.2024	Change	%Change
Goodwill	18,367	18,367	0	0.0%
Other intangible assets	7,659	8,197	-538	-6.6%
Property and equipment	43,655	41,217	2,437	5.9%
Leased assets	10,510	10,535	-25	-0.2%
Investment properties	6,731	7,012	-281	-4.0%
Inventories	14,179	14,118	61	0.4%
Trade receivables	5,435	7,168	-1,733	-24.2%
Cash and cash equivalents	5,929	4,075	1,854	45.5%
Interest bearing liabilities	38,876	43,956	-5,081	-11.6%
Net interest bearing liabilities	32,947	39,881	-6,934	-17.4%
Equity ratio	41.2%	37.9%	+3.3 p.p.	8.8%
Inventory turnover	9.0	8.3	0.7	8.4%

Goodwill amounted to ISK 18,367 million which amounts to 15.8% of total assets. Other intangible assets were ISK 7,659 million at the end of Q4 2025, a decrease of ISK 538 million. Property and equipment amounted to ISK 43,655 million, an increase of ISK 2,437 million and investment properties amounted to ISK 6,731 million at the end of Q4 2025, a decrease of ISK 281 million from year-end 2024.

Net interest-bearing liabilities amounted to ISK 32,947 million which is a decrease of ISK 6,934 million from year-end 2024. Equity ratio was 41.2% at the end of Q4 2025 compared to 37.9% at year-end 2024. The company's cash position remains strong as well as the balance sheet.

Cashflow in Q4 2025

- Net cash from operating activities was ISK 1,508 million, an increase of ISK 698 million from the year before.
- Net cash used in investing activities was negative ISK 729 million, an increase of ISK 857 million from the year before.
- Net cash used in financing activities was negative ISK 1,656 million, an increase of ISK 469 million from last year.
- Net cash from operating activities for the year 2025 was ISK 15,784 million and increases by ISK 6,730 million YoY.

ISK million	Q4 2025	Q4 2024	Change	%Change	12M 2025	12M 2024	Change	%Change
Cash flow								
Cash and cash equivalents, beginning of period	6,811	6,064	747	12.3%	4,075	3,362	713	21.2%
Net cash to operating activities	1,508	809	698	86.3%	15,784	9,053	6,730	74.3%
Net cash used in investing activities	-729	-1,586	857	-54.0%	-4,425	-8,108	3,683	-45.4%
Net cash used in financing activities	-1,656	-1,187	-469	39.5%	-9,527	-160	-9,367	5869.1%
Effect of movements in exchange rates on cash	-4	-25	21	-82.3%	22	-72	94	-129.9%
Cash and cash equivalents change	-878	-1,964	1,086	-55.3%	1,832	785	1,047	133.3%
Cash and cash equivalents, end of period	5,929	4,075	1,854	45.5%	5,929	4,075	1,854	45.5%

Net cash from operations in Q4 2025 amounted to ISK 1,508 million, an increase of ISK 698 million between years. Net cash used in Investments amounted to ISK 729 million, an increase of ISK 857 million between years. Investments amounted to ISK 1,806 million, an increase of ISK 105 million YoY. Net cash used in financing activities amounted to ISK 1,656 million, an increase of ISK 469 million between years. Installments on interest-bearing loans amounted to ISK 957 million, lease liabilities ISK 375 million and share buybacks ISK 365 million during the quarter. Cash and cash equivalents decreased by ISK 878 million in the second quarter of 2025 and amounted to ISK 5,929 million at the end of Q4 2025.

Outlook for Festi hf. operations, EBITDA and CAPEX budget for 2026

- Overall operating outlook remains positive despite uncertainty in economic developments with rising inflation outlook in the first half of the year.
- The number of tourists is expected to be similar to last year's and all operations are expected to improve between years
- Special emphasis is placed on the overhaul and development of key units within the group.
- Work is underway on many integration and development projects that will be fun to present to the company's customers in 2026.
- The company is financially strong and well positioned to pursue further growth and seek opportunities to enhance profitability even further.

EBITDA guidance for the year 2025 is ISK 16,500 – 17,000 million.

CAPEX forecast for the year 2025 is ISK 7,500 – 8,000 million.

Shareholders

- The Company's market capitalization at the end of Q4 2025 amounted to ISK 100.2 billion, an increase of 13.3% from the beginning of the year.
- The number of shareholders was 1,729 at the end of Q4 2025 and increase by 510 from year end 2024.

Investor meeting and online presentation on Friday, February 6th, 2025

An investor meeting and online presentation for market participants will take place on Friday, February 6th where Ásta S. Fjeldsted, CEO of Festi, and Magnús Kr. Ingason, CFO of Festi, will present the Group's performance and answer questions. The meeting starts at 08:30 local time at the company's headquarters at Dalvegur 10-14, 3rd floor.

Registration for the web stream takes place at: <https://www.festi.is/en/tenglar/results-Q4-2025>

Participants attending virtually will be able to ask questions during the meeting via the e-mail fjarfestatengsl@festi.is. Answers will be provided at the end of the presentation.

The presentation will be held in Icelandic. Promotional material for the meeting will be available after that on the Festi website:

<https://www.festi.is/en/fjarhagsupplysingar>

Financial calendar

- Q4 2025: February 5th, 2026
- Annual general meeting 2026: March 5th, 2026
- Q1 2026: April 29th, 2026
- Q2 2026: July 28th, 2026
- Q3 2026: October 28th, 2026
- Q4 2026: February 3rd, 2026

For further information please contact Ásta S. Fjeldsted, CEO (asta@festi.is) or Magnús Kr. Ingason, CFO (mki@festi.is).