



CONDENSED INTERIM FINANCIAL STATEMENTS
1 MARCH - 31 MAY 2026



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ENDORSEMENT AND STATEMENT BY THE BOARD OF DIRECTORS AND THE CEO

Hagar hf. („the Company“) is a retail company with operations in Iceland, the Faroe Islands and the Netherlands, serving customers through a diverse range of well-established retail formats. The core business of Hagar focuses on the retail of convenience goods and related warehouses, as well as fuel sales and services. In Iceland, Hagar operates eight business units, comprising 40 grocery stores, one online grocery store for meal packages, 22 Olís service stations, and 45 ÓB self-service stations across the country. The company also runs two warehouses, one production facility, one wholesale store and one specialty store. In the Faroe Islands, Hagar operates the retail company SMS, which is a market leader in the Faroese market. SMS manages, among other things, 13 grocery stores, four specialty stores, and seven restaurants. In the Netherlands, Hagar operates an online store with alcoholic beverages.

The Condensed Consolidated Interim Financial Statements of Hagar hf. for the period from 1 March to 31 May 2026 have been prepared in accordance with the International Financial Reporting Standard for Interim Financial Statements, IAS 34. The Interim Financial Statements comprise the Condensed Consolidated Interim Financial Statements of Hagar hf. and its subsidiaries, together referred to as the Group. The Interim Financial Statements have neither been audited nor reviewed by the Company's auditors.

Operations during the period and financial position

According to the Consolidated Statement of Comprehensive Income, the profit for the period amounted to ISK 1,917 million (2025/26: ISK 1,165 million). Operating profit before depreciation and amortisation (EBITDA) amounted to ISK 5,136 million (2025/26: ISK 4,046 million). According to the Consolidated Balance Sheet, total assets amounted to ISK 118,543 million (year-end 2025/26: ISK 115,246 million). Equity at the end of the period amounted to ISK 44,741 million (year-end 2025/26: ISK 42,779 million) and the equity ratio was 37.7% (year-end 2025/26: 37.1%).

Operations in the first quarter were strong, with solid performance across all segments of the Group. Results were particularly strong in the Olís segment, where improved profitability was primarily driven by the temporary effects of the sharp increase in global oil prices since early March, primarily in relation to sales to large-volume customers rather than general retail fuel sales. Sales increased by 5.5% during the quarter year-on-year, with sales in stores and warehouses in Iceland up 6.4% and sales in the Faroe Islands up 7.9%. Sales at Olís increased by 2.1%; however, the abolition of fuel duties has reduced reported sales in ISK terms, meaning the underlying growth was stronger. Gross profit increased by 14.3%, while the gross margin reached 26.2%. Operating expenses increased by 7.3%, and EBITDA for the quarter rose by 26.9%. EBITDA increased by 14.8% for the stores and warehouses segment in Iceland and by 93.4% for the Olís segment. EBITDA in the SMS segment in the Faroe Islands declined by 10.8% compared with the same period last year, primarily due to lost revenue following disruptions to goods transportation and higher inventory shrinkage. Despite the strong first-quarter performance, management's EBITDA guidance for the 2026/27 financial year remains unchanged, as the improvement in profitability is largely temporary and is expected to partially reverse in the second quarter following the decline in global oil prices.

Management's guidance for the 2026/27 financial year assumes that operating profit before depreciation (EBITDA) will be in the range of ISK 18,800–19,300 million. The Group's financial position is strong, and financing is secured. Access to short-term financing through credit lines totalling ISK 3.0 billion with a commercial bank is in place, and the Company has also utilised short-term financing through a promissory note issuance. The issuance is in accordance with the base prospectus of the ISK 10 billion issuance framework approved by the Company's Board of Directors. The Company is expected to continue utilising market financing in the coming quarters.

Share capital and shareholders

The nominal value of the Company's issued share capital at the end of the period was ISK 1,106 million. Each share has a nominal value of one króna. All shares are in the same class and carry equal rights. Own shares amounted to ISK 17.8 million in nominal value at the beginning and at the end of the period.

There were 1.066 shareholders at the beginning of the period and 1.095 at the end.

ENDORSEMENT AND STATEMENT BY THE BOARD OF DIRECTORS AND THE CEO, CONTINUED:

Share capital and shareholders, continued:

On 21 May 2026, the Annual General Meeting of the Company approved the payment of a dividend to shareholders amounting to 50% of the profit of the last financial year, without the effect of changes in value of investment property and share of profit of associates, or a total of ISK 3,300 million (ISK 3.03 per share). The dividend was paid on 2 June 2026.

Statement by the Board of Directors and the CEO

According to our best knowledge, it is our opinion that the Condensed Consolidated Interim Financial Statements give a true and fair view of the financial performance of the Group for the period from 1 March to 31 May 2026, of its assets, liabilities and financial position as at 31 May 2026, and of the changes in cash and cash equivalents during the period, in accordance with International Financial Reporting Standards as adopted by the European Union.

Further, in our opinion, the Interim Financial Statements and the Endorsement of the Board of Directors and the CEO give a fair view of the development and performance of the Group's operations and its position, and describe the principal risks and uncertainties faced by the Group.

The Board of Directors and the CEO of Hagar hf. have today discussed the Condensed Consolidated Interim Financial Statements of the Group for the period 1 March to 31 May 2026 and confirm them by means of their signatures.

The Interim Financial Statements have been electronically signed in accordance with Act No. 55/2019 on electronic identification and trust services for electronic transactions.

Reykjavík, 30 June 2026

Board of Directors:

Eiríkur S. Jóhannsson, Chairman

Eva Bryndís Helgadóttir, Vice-Chairman

Einar Örn Einarsson, Board member

Orri Hauksson, Board member

Sigríður Olgeirsdóttir, Board member

CEO:

Finnur Oddsson

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1 MARCH 2026 TO 31 MAY 2026

	Notes	2026 1.3.-31.5.	2025 1.3.-31.5.
Sales	7	50.785	48.115
Cost of goods sold		(37.504)	(36.496)
Gross profit		<u>13.281</u>	<u>11.619</u>
Other operating income		320	318
Salaries and related expenses		(5.776)	(5.327)
Other operating expenses		(2.689)	(2.564)
Profit from operating activities before depreciation, amortisation and changes in value (EBITDA)		5.136	4.046
Depreciation and amortisation	8	(1.797)	(1.458)
Changes in value of investment property		(67)	(173)
Profit from operating activities (EBIT)		3.272	2.415
Finance income		67	34
Finance costs		(987)	(993)
Net finance expense	9	(920)	(959)
Share of profit of associates		56	32
Profit before income tax (EBT)		2.408	1.488
Income tax		(491)	(323)
Profit for the period		<u>1.917</u>	<u>1.165</u>
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Currency translation differences		(18)	(45)
Items that will not be reclassified to profit or loss:			
Revaluation of properties, net of income tax		112	69
Other comprehensive income for the period		<u>94</u>	<u>24</u>
Comprehensive income for the period		<u>2.011</u>	<u>1.189</u>
Total profit attributable to:			
Owners of the Company		1.927	1.164
Non-controlling interests		(10)	1
Profit for the period		<u>1.917</u>	<u>1.165</u>
Total comprehensive income attributable to:			
Owners of the Company		2.021	1.188
Non-controlling interests		(10)	1
Comprehensive income for the period		<u>2.011</u>	<u>1.189</u>
Earnings per share			
Basic earnings per share of ISK 1		1,77	1,06
Diluted earnings per share of ISK 1		1,76	1,05

The notes on pages 9 to 16 are an integral part of these Consolidated Interim Financial Statements.

CONSOLIDATED BALANCE SHEET AS AT 31 MAY 2026

	Notes	31.5.2026	28.2.2026
Assets			
Property, plant and equipment		38.255	37.836
Investment property		9.076	9.117
Intangible assets		16.137	16.167
Lease assets	10	19.515	19.840
Investments in associates		6.980	7.265
Other non-current assets		159	156
Total non-current assets		90.122	90.381
Inventories	11	17.235	14.393
Trade and other receivables	12	8.114	6.597
Cash and cash equivalents		3.072	3.875
Total current assets		28.421	24.865
Total assets		118.543	115.246
Equity			
Share capital		1.089	1.089
Other restricted equity		21.194	18.678
Retained earnings		22.508	23.040
Equity attributable to equity holders of the Company		44.791	42.807
Non-controlling interests		(50)	(28)
Total equity		44.741	42.779
Liabilities			
Loans and borrowings	13	14.281	14.351
Lease liabilities	14	20.768	21.022
Deferred income tax liability		4.436	3.918
Total non-current liabilities		39.485	39.291
Loans and borrowings	13	9.482	9.040
Lease liabilities	14	3.925	3.932
Trade and other payables	15	20.910	20.204
Total current liabilities		34.317	33.176
Total liabilities		73.802	72.467
Total equity and liabilities		118.543	115.246

The notes on pages 9 to 16 are an integral part of these Consolidated Interim Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS ENDED 31 MAY 2026

	Share capital	Statutory reserve	Reserves			Translation difference	Retained earnings	Total	Non-controlling interest	Total equity
			Revaluation reserve	Other restricted reserve	Unrealised profit of subsidiaries					
<i>Changes in equity from 1 March 2025 to 31 May 2025</i>										
Equity at 1 March 2025	1.098	277	3.677	83	9.833	(8)	23.561	38.521	(32)	38.489
Effects of profit of subsidiaries					1.586		(1.586)	0		0
Revaluation of properties			69					69		69
Dissolution of revaluation			(18)				18	0		0
Settlement of stock options				(11)			6	(5)		(5)
Profit for the period							1.164	1.164	1	1.165
Currency translation differences						(45)		(45)		(45)
Equity at 31 May 2025	<u>1.098</u>	<u>277</u>	<u>3.728</u>	<u>72</u>	<u>11.419</u>	<u>(53)</u>	<u>23.163</u>	<u>39.704</u>	<u>(31)</u>	<u>39.673</u>
Total reserves						<u>15.443</u>				
<i>1 March 2026 to 31 May 2026</i>										
Equity at 1 March 2026	1.089	277	4.087	151	14.317	(154)	23.040	42.807	(28)	42.779
Corrected equity 1 March 2026							(31)	(31)	(12)	(43)
Shares in negative equity							(3)	(3)		(3)
Effects of profit of subsidiaries					2.455		(2.455)	0		0
Revaluation of properties			112					112		112
Dissolution of revaluation			(21)				21	0		0
Stock option agreements				4				4		4
Settlement of stock options	0			(16)			9	(7)		(7)
Profit for the period							1.927	1.927	(10)	1.917
Currency translation differences						(18)		(18)		(18)
Equity at 31 May 2026	<u>1.089</u>	<u>277</u>	<u>4.178</u>	<u>139</u>	<u>16.772</u>	<u>(172)</u>	<u>22.508</u>	<u>44.791</u>	<u>(50)</u>	<u>44.741</u>
Total reserves						<u>21.194</u>				

The notes on pages 9 to 16 are an integral part of these Consolidated Interim Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

1 MARCH 2026 TO 31 MAY 2026

	Notes	2026 1.3.-31.5.	2025 1.3.-31.5.	
Cash flows from operating activities				
Profit for the period		1.917	1.165	
Operating items not affecting cash flows:				
Gain on sale of operating assets	(5)	(2)
Depreciation and amortisation	8	1.797	1.458	
Changes in value of investment property		67	173	
Net finance expense	9	920	959	
Share of profit of associates	(56)	(32)
Income tax		491	323	
Other items		18	(11)
Working capital from operating activities		5.149	4.033	
Changes in operating assets	(4.312)	(140)
Changes in operating liabilities		977	2.593	
Cash generated from operations before interest and income tax		1.814	6.486	
Interest income received		55	34	
Interest expenses paid	(868)	(832)
Income taxes paid	(366)	(287)
Net cash from operating activities		635	5.401	
Investing activities				
Acquisition of operating assets	(1.243)	(1.039)
Proceeds from sale of operating assets		21	3	
Acquisition of investment property	(29)	(12)
Acquisition of intangible assets	(112)	(250)
Other non-current assets, change	(3)	7	
Investing activities		(1.366)	(1.291)	
Financing activities				
Dividends received from associates		342	250	
New long-term interest-bearing loans		0	98	
Repayments of long-term loans	(220)	(196)
Change in short-term interest-bearing loans		414	(134)
Repayments of lease liabilities	(607)	(545)
Financing activities		(71)	(527)	
(Decrease) increase in cash and cash equivalents	(802)	3.583	
Effect of exchange rate changes on cash and cash equivalents		(1)	(6)	
Cash and cash equivalents at the beginning of the period		3.875	2.299	
Cash and cash equivalents at the end of the period		3.072	5.876	

The notes on pages 9 to 16 are an integral part of these Consolidated Interim Financial Statements.

NOTES

1. Reporting entity

Hagar hf. (the "Company" or the "Group") is an Icelandic public limited liability company and the Company's registered office is at Holtavegur 10, Reykjavík. The Company's Condensed Consolidated Interim Financial Statements for the period 1 March to 31 May 2026 comprise the Company and its subsidiaries, together referred to as the "Group" and individually as "Group entities". The main business activities of the Company consist of the operation of retail stores and related warehouses, as well as the sale of fuel. An overview of the subsidiaries in the Group is included in note 16.

2. Basis of accounting

Statement of compliance

The Group's Condensed Consolidated Interim Financial Statements have been prepared in accordance with the International Financial Reporting Standard for Interim Financial Statements, IAS 34, as adopted by the European Union. The Condensed Consolidated Interim Financial Statements do not include all the information required for a complete set of annual financial statements and should be read in conjunction with the Group's Consolidated Financial Statements for the year ended 28 February 2026.

These Condensed Consolidated Interim Financial Statements were approved for issue by the Board of Directors on 30 June 2026.

3. Significant accounting policies

The accounting policies and methods of computation applied in these Condensed Consolidated Interim Financial Statements are the same as those applied by the Group in its Consolidated Financial Statements for the year ended 28 February 2026. The Consolidated Financial Statements are available at the Company's website, www.hagar.is.

The Condensed Consolidated Interim Financial Statements are presented in Icelandic króna (ISK), which is the Company's functional currency. All amounts are presented in millions of króna.

4. Use of estimates and judgements

In preparing the Condensed Consolidated Interim Financial Statements in accordance with International Financial Reporting Standards, management is required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

5. Goodwill

There was no indication of goodwill impairment as of 31 May 2026 and therefore an impairment test was not performed.

NOTES, CONTINUED:

6. Operating segments

The Group has three operating segments: stores and warehouses in Iceland, stores and warehouses in the Faroe Islands, and Olís. Segments are determined by the Company's management, which regularly reviews the Group's segments so as to decide upon how assets are allocated as well as to assess their performance. The operations of stores and warehouses, both in Iceland and the Faroe Islands, are largely in the retail of convenience goods. Olís' operations are largely in the sale of fuel and related services, in addition to the sale of fast food and various essential products. Olís operates service stations throughout the country under the Olís brand and, in addition, operates a large number of ÓB self-service stations.

The stores and warehouses segment in Iceland comprises the operations of Bónus, Hagkaup, Aðföng, Bananar, Stórkaup, Noron, Eldum rétt and the parent company. The operations of Hagar Wine B.V. in the Netherlands are also included here, but due to the small size and characteristics of the operations they do not constitute a separate segment, despite being located in a different geographical area. Management has assessed the retail operations in Iceland, by different types of stores, and considers them to share similar economic characteristics, products, customers and suppliers. The wholesale operations of convenience goods and the retail operations of specialty goods are insignificant and fall below the revenue, profit and asset thresholds used as benchmarks for segment reporting.

The stores and warehouses segment in the Faroe Islands comprises all of the SMS Group's operations, which primarily consist of the operation of the grocery stores Bónus, Miklagarður and Mylnan, but also the operation of restaurants, specialty stores, meat processing, bakery and confectionery production, as well as property management. The operations of the SMS Group, excluding retail grocery operations, are immaterial in relation to the revenue, profit and asset thresholds of the Hagar Group used as benchmarks for segment reporting, and therefore the operations of the SMS Group are regarded as a single operating segment.

NOTES, CONTINUED:

6. Operating segments, continued:

	Stores and warehouses - Iceland	Olís ehf.	Stores and warehouses - Faroe Islands	Elimi- nations	Total
<i>First quarter 2026/27</i>					
Sales	35.336	11.551	3.898	0	50.785
Intercompany sales	200	20	0	(220)	0
Other operating income	126	26	168	0	320
Intercompany other operating income	80	1	0	(81)	0
Total segments revenue	35.742	11.598	4.066	(301)	51.105
Total operating cost	(32.620)	(10.055)	(3.595)	301	(45.969)
Segments EBITDA	3.122	1.543	471	0	5.136
Segments depreciation	(1.166)	(439)	(192)	0	(1.797)
Changes in value of investment property ...	34	7	(108)	0	(67)
Share of profit of associates	34	22	0	0	56
Operating profit of segments	2.024	1.133	171	0	3.328
Net finance expense	(746)	(91)	(83)	0	(920)
Income tax					(491)
Profit for the period					1.917
31 May 2026					
Total assets	78.103	22.609	17.831	0	118.543
Total liabilities	54.666	6.920	12.216	0	73.802
Segment capital expenditure (net)	969	192	202	0	1.363
<i>First quarter 2025/26</i>					
Sales	33.202	11.299	3.614	0	48.115
Intercompany sales	203	29	0	(232)	0
Other operating income	116	26	176	0	318
Intercompany other operating income	74	1	0	(75)	0
Total segments revenue	33.595	11.355	3.790	(307)	48.433
Total operating cost	(30.875)	(10.557)	(3.262)	307	(44.387)
Segments EBITDA	2.720	798	528	0	4.046
Segments depreciation	(994)	(285)	(179)	0	(1.458)
Changes in value of investment property ...	2	(9)	(166)	0	(173)
Share of profit of associates	(11)	43	0	0	32
Operating profit of segments	1.717	547	183	0	2.447
Net finance expense	(664)	(185)	(110)	0	(959)
Income tax					(323)
Profit for the period					1.165
31 May 2025					
Total assets	66.702	24.348	17.169	0	108.219
Total liabilities	46.555	10.519	11.472	0	68.546
Segment capital expenditure (net)	726	436	136	0	1.298

NOTES, CONTINUED:

7. Sales	2026	2025
Sales are specified as follows:	1.3-31.5.	1.3-31.5.
Convenience goods and foodservice	36.915	34.783
Specialty goods	4.507	4.296
Fuel	9.363	9.036
Sales total	<u>50.785</u>	<u>48.115</u>
Sales in Iceland are specified as follows:		
Convenience goods and foodservice	33.296	31.392
Specialty goods	4.204	4.042
Fuel	9.363	9.036
Sales total	<u>46.863</u>	<u>44.470</u>
Sales in the Faroe Islands are specified as follows:		
Convenience goods and foodservice	3.595	3.360
Specialty goods	163	143
Sales total	<u>3.758</u>	<u>3.503</u>
Sales in other areas are specified as follows:		
Convenience goods and foodservice	24	31
Specialty goods	140	111
Sales total	<u>164</u>	<u>142</u>
8. Depreciation and amortisation	2026	2025
Depreciation and amortisation are specified as follows:	1.3-31.5.	1.3-31.5.
Depreciation of operating assets	913	737
Depreciation of lease assets	672	518
Amortisation of intangible assets	167	162
Share of depreciation in Ólíudreifing ehf.	45	41
Depreciation and amortisation total	<u>1.797</u>	<u>1.458</u>
9. Finance income and finance cost	2026	2025
Finance income and finance cost are specified as follows:	1.3-31.5.	1.3-31.5.
Interest income on cash and cash equivalents and receivables	55	34
Net currency exchange gain	12	0
Finance income total	<u>67</u>	<u>34</u>
Interest expense and indexation on loans	(533)	(610)
Interest on lease liabilities	(454)	(351)
Net currency exchange loss	0	(32)
Finance cost total	<u>(987)</u>	<u>(993)</u>
Net finance cost	<u>(920)</u>	<u>(959)</u>

NOTES, CONTINUED:

10. Lease assets

The Group's lease assets and lease liabilities are solely for housing. Lease assets and lease liabilities for land leases are not recognized. Information on lease liabilities are included in note 14.

Lease assets are specified as follows:	31.5.2026	28.2.2026
Balance at the beginning of the period	19.840	14.645
New lease contracts	0	4.852
Changes to lease contracts	15	2.080
Indexation	335	706
Depreciation	(672)	(2.406)
Currency translation differences	(3)	(37)
Balance at the end of the period	<u>19.515</u>	<u>19.840</u>

11. Inventories

Inventories are specified as	31.5.2026	28.2.2026
Convenience goods and foodservice products	7.252	7.555
Specialty goods	3.293	3.076
Fuel	6.274	2.844
Goods in transit	416	918
Total inventories	<u>17.235</u>	<u>14.393</u>
Inventory allowance at period end	707	424

The inventory allowance at period end amounted to ISK 707 million, of which ISK 308 million related to a write-down of fuel inventories, as the net realisable value of certain fuel products was lower than their cost.

12. Trade and other receivables

Trade and other receivables are specified as follows:	31.5.2026	28.2.2026
Trade receivables	6.201	4.883
Write-down of trade receivables	(242)	(229)
Currency swap agreements	41	0
Other receivables	509	605
Trade and other receivables	<u>6.509</u>	<u>5.259</u>
Credit cards receivables	<u>1.605</u>	<u>1.338</u>
Trade and other receivables total	<u>8.114</u>	<u>6.597</u>

NOTES, CONTINUED:

13. Loans and borrowings

Loans and borrowings are specified as follows:	Weighted average interest rates		Balance 31.5.2026	Balance 28.2.2026
	31.5.2026	28.2.2026		
Long-term loans in ISK, non-indexed	8,91%	8,51%	7.706	7.763
Long-term loans in ISK, indexed	2,80%	2,80%	6.265	6.189
Long-term loans in DKK, non-indexed	4,21%	4,16%	4.024	4.081
Short-term loans in DKK, non-indexed	4,40%	4,27%	3.838	3.841
Promissory notes in ISK	8,04%	7,77%	1.640	1.240
Line of credit in DKK	4,25%	4,25%	290	277
Total loans and borrowings, incl. current portion			23.763	23.391
Current portion of loans and borrowings			(9.482)	(9.040)
Total non-current loans and borrowings			14.281	14.351

Repayments of loans and borrowings are specified as follows:

Repayments less than one year	9.482	9.040
Repayments 1 to 2 years	2.269	2.287
Repayments 2 to 3 years	731	729
Repayments 3 to 4 years	5.949	5.888
Repayments 4 to 5 years	508	503
Subsequent repayments	4.824	4.944
Total	23.763	23.391

Change in loans and borrowings during the period are specified as follows:	31.5.2026	28.2.2026
Total interest-bearing debt at the beginning of the period	23.391	23.415
New long-term loans	0	694
Repayment of borrowings	(220)	(820)
Change in promissory notes	400	(200)
Change in line of credit	14	(20)
Indexation	142	309
Currency exchange difference	(3)	(66)
Accrued interest added to the loan balance	44	149
Currency translation differences	(5)	(70)
Total interest-bearing debt at the end of the period	23.763	23.391

The fair value of financial assets and financial liabilities equals their carrying amount.

NOTES, CONTINUED:

14. Lease liabilities

The Group's lease assets and lease liabilities are solely for housing. Lease assets and lease liabilities for land leases are not recognized. Information on lease assets are included in note 10.

Lease liabilities are specified as follows from beginning to end of the period:	31.5.2026	28.2.2026
Lease liabilities at the beginning of the period	24.954	19.577
New lease contracts	0	4.852
Changes to lease contracts	15	2.169
Payment of lease liabilities	(606)	(2.252)
Indexation	335	706
Currency translation differences	(5)	(98)
Total lease liabilities, incl. current portion	24.693	24.954
Current portion of lease liabilities	(3.925)	(3.932)
Total non-current lease liabilities	20.768	21.022

Repayments of lease liabilities are specified as follows:

Repayments less than one year	3.925	3.932
Repayments 1 to 2 years	3.400	3.417
Repayments 2 to 3 years	2.919	2.902
Repayments 3 to 4 years	2.623	2.600
Repayments 4 to 5 years	2.291	2.297
Subsequent repayments	9.535	9.806
Total	24.693	24.954

Total lease payments due to lease contracts which are capitalised in accordance with IFRS 16 amounted to ISK 1.060 million during the period (2025/26: ISK 895 million).

15. Trade and other payables

Trade and other payables are specified as follows:	31.5.2026	28.2.2026
Unpaid income tax	1.523	1.486
Trade payables	15.726	14.944
Other payables	3.661	3.774
Trade and other payables total	20.910	20.204

16. Group entities

The subsidiaries of Hagar hf. were eight at the beginning and the end of the period. The subsidiaries are as follows:

	Location	Ownership interest	
		31.5.2026	28.2.2026
Hagar verslanir ehf.	Iceland	100%	100%
Olís ehf.	Iceland	100%	100%
Bananar ehf.	Iceland	100%	100%
Noron ehf.	Iceland	100%	100%
Stórkaup ehf.	Iceland	100%	100%
Eldum rétt ehf.	Iceland	100%	100%
Hagar Wine B.V.	Netherlands	100%	100%
P/F SMS	Faroe Islands	100%	100%

NOTES, CONTINUED:

17. Related parties

The Group has a related party relationship with its shareholders with significant influence, subsidiaries, associates, and with its directors and executive officers. Transactions between the company and its subsidiaries, which are defined as related parties, have been eliminated in the consolidation and are therefore not a part of this note.

Transactions with related parties

Transactions with related parties are with associates and are specified as follows:

	2026	2025
	1.3.-31.5.	1.3.-31.5.
Sold goods and services	89	50
Purchased goods and services (529) (607)
Trade receivables at end of period	59	105
Trade payables at end of period (104) (263)

18. Financial ratios

The Group's key financial ratios are specified as follows:

	2026	2025
	1.3.-31.5.	1.3.-31.5.
Operations		
EBITDA margin (EBITDA / sales)	10,1%	8,4%
Salary ratio (salary and salary related expense / sales)	11,4%	11,1%
Cost ratio (other operating expense / sales)	5,3%	5,3%
Inventory turnover ratio (cost of sales / average balance of inventories)	9,7	10,7
Number of days for outstanding trade receivables	11,3	11,6
Financial position	31.5.2026	28.2.2026
Current ratio (current assets / current liabilities)	0,83	0,75
Liquidity ratio ((current assets - inventories) / current liabilities)	0,33	0,32
Leverage (net interest bearing liabilities / EBITDA)	2,4	2,5
Equity ratio (equity / total assets)	37,7%	37,1%
Internal value of shares (equity / share capital)	41,13	39,31