



CONDENSED INTERIM FINANCIAL STATEMENTS
1 MARCH - 30 NOVEMBER 2025

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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 30 November 2025 have been prepared in accordance with International Financial Reporting Standards (IFRS) for Interim Financial Statements (IAS 34). The Interim Financial Statements include the Consolidated Interim Financial Statements of Hagar hf. (the "Company") and its subsidiaries, together referred to as the "Group".

Operations during the period

According to the Consolidated Statement of Comprehensive Income, the profit for the period from 1 March to 30 November 2025 amounted to ISK 5,413 million (2024/25: ISK 3,964 million). Operating profit before depreciation, amortisation and changes in fair value (EBITDA) amounted to ISK 14,097 million (2024/25: ISK 10,881 million). According to the Consolidated Statement of Financial Position total assets amounted to ISK 118,786 million (year-end 2024/25: ISK 105,036 million). Equity as of 30 November 2025 amounted to ISK 41,380 million (year-end 2024/25: ISK 38,489 million) and equity ratio was 34.8% (year-end 2024/25: 36.6%).

P/F SMS in the Faroe Islands became part of Hagar Group in the fourth quarter of the 2024/25 financial year, and therefore the impact is not reflected in the previous year's comparative figures.

Operations in the third quarter delivered a strong performance and exceeded management's forecast. The strong quarterly result was driven by overall solid performance of all business units. Olís benefits from robust dry-goods sales, revenue from new service offerings and operational efficiencies at service stations. Demand in the Icelandic grocery market remained strong with significant year-on-year growth and improved profitability for both Bónus and Hagkaup. SMS in the Faroe Islands enjoyed similar growth and expansion of operations in a new location. As a result and due to a healthy holiday shopping season for Hagar stores, management's EBITDA guidance for the 2025/26 financial year has been increased by ISK 600 million in connection with the publication of these financial results.

Sales in the third quarter increased by 12.4% year-on-year (3.8% excluding SMS). Sales in stores and warehouses in Iceland grew by 7.6%, while sales at Olís declined by 5.5% compared to the same period last year. Gross profit increased by 24.8% (11.0% excluding SMS) and the gross margin was 25.1%. Operating expenses rose by 22.1% year-on-year (7.6% excluding SMS). EBITDA for the quarter increased by 25.0% versus the prior year (11.9% excluding SMS). The fair value adjustment of investment properties resulted in a total of ISK 76 million increase, net of a negative ISK 63 million adjustment related to leased properties operated by SMS. The book value of these properties was ISK 4,385 million at the end of the period.

Management's guidance for the 2025/26 financial year assumes that operating profit before depreciation (EBITDA) will be in the range of ISK 17,600–18,100 million. The Group's financial position remains strong, and financing is secured. Access to short-term financing through credit lines totaling ISK 3.0 billion is in place, and the Company has also utilised short-term financing through a promissory note issuance. The issuance is in accordance with the ISK 10 billion issuance framework approved by the Board of Directors. The Company expects to continue utilising market financing in the coming quarters.

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

Share capital and shareholders

The nominal value of Hagar's issued share capital at period end was ISK 1,106 million. The share capital is divided into an equal number of shares with a nominal value of ISK 1 each. The Company held own shares with a nominal value of ISK 13.8 million at the end of the period, compared to ISK 8.1 million at the beginning of the period.

There were 923 shareholders at the beginning of the period and 952 at the end.

On 27 May, 2025 the Annual General Meeting decided to pay dividends to shareholders amounting to 50% of last year's profit, without effect of changes in value of investment property and share of profit of associates, or the total of ISK 2,504 million. The total dividend therefore amounted to 2.28 ISK per share of the outstanding share capital. The dividend was paid on 5 June, 2025.

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 nine month period ended 30 November 2025, its assets, liabilities and consolidated financial position as at 30 November 2025 and its consolidated cash flows for the period then ended in accordance with IAS 34, Interim Financial Reporting.

Further, in our opinion, the Condensed Consolidated 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 describes the principal risks and uncertainties faced by the Group.

The Board of Directors and the CEO have today discussed the Condensed Consolidated Interim Financial Statements of Hagar hf. for the period 1 March to 30 November 2025 and confirm them by means of their signatures.

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

Reykjavík, 15 January 2026

Board of Directors:

Eiríkur S. Jóhannsson, Chairman

Eva Bryndís Helgadóttir, Vice-Chairman

Einar Örn Einarsson, Board member

Jensína K. Böðvarsdóttir, Board member

Sigríður Olgeirsdóttir, Board member

CEO:

Finnur Oddsson

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED 30 NOVEMBER 2025

	Notes	2025 1.9.-30.11.	2024 1.9.-30.11.	2025 1.3.-30.11.	2024 1.3.-30.11.
Sales	7	49.068	43.659	149.000	134.305
Cost of goods sold		(36.733)	(33.774)	(112.172)	(104.709)
Gross profit		<u>12.335</u>	<u>9.885</u>	<u>36.828</u>	<u>29.596</u>
Other operating income		255	341	968	604
Salaries and related expenses		(5.528)	(4.444)	(16.156)	(13.069)
Other operating expenses		(2.496)	(2.129)	(7.543)	(6.250)
Profit from operating activities before depreciation and amortisation (EBITDA)		4.566	3.653	14.097	10.881
Depreciation and amortisation	8	(1.612)	(1.283)	(4.614)	(3.895)
Changes in value of investment property		<u>76</u>	<u>0</u>	<u>(221)</u>	<u>0</u>
Profit from operating activities (EBIT)		<u>3.030</u>	<u>2.370</u>	<u>9.262</u>	<u>6.986</u>
Net finance expense	9	(978)	(658)	(2.771)	(2.193)
Share of profit of associates		<u>53</u>	<u>40</u>	<u>250</u>	<u>192</u>
Profit before income tax (EBT)		<u>2.105</u>	<u>1.752</u>	<u>6.741</u>	<u>4.985</u>
Income tax		(413)	(361)	(1.328)	(1.021)
Profit for the period		<u>1.692</u>	<u>1.391</u>	<u>5.413</u>	<u>3.964</u>
Other comprehensive income					
<i>Items that are or may be reclassified subsequently to profit or loss:</i>					
Currency translation differences		274	0	126	0
<i>Items that will not be reclassified to profit or loss:</i>					
Revaluation of properties, net of income tax		298	0	366	0
Other comprehensive income for the period		<u>572</u>	<u>0</u>	<u>492</u>	<u>0</u>
Comprehensive income for the period		<u>2.264</u>	<u>1.391</u>	<u>5.905</u>	<u>3.964</u>
Total profit attributable to:					
Owners of the Company		1.690	1.391	5.409	3.964
Non-controlling interests		2	0	4	0
Profit for the period		<u>1.692</u>	<u>1.391</u>	<u>5.413</u>	<u>3.964</u>
Total comprehensive income attributable to:					
Owners of the Company		2.262	1.391	5.901	3.964
Non-controlling interests		2	0	4	0
Comprehensive income for the period		<u>2.264</u>	<u>1.391</u>	<u>5.905</u>	<u>3.964</u>
Earnings per share					
Basic earnings per share of ISK 1		1,55	1,29	4,94	3,66
Diluted earnings per share of ISK 1		1,29	1,26	4,28	3,59

CONSOLIDATED BALANCE SHEET AS AT 30 NOVEMBER 2025

	Notes	30.11.2025	28.2.2025
Assets			
Property, plant and equipment		37.620	35.632
Investment property		9.323	9.449
Intangible assets		15.523	15.601
Lease assets	10	20.275	14.645
Investments in associates		6.311	6.332
Other non-current assets		191	217
		<u>89.243</u>	<u>81.876</u>
Inventories	11	15.193	13.974
Trade and other receivables	12	8.224	6.887
Cash and cash equivalents		6.126	2.299
		<u>29.543</u>	<u>23.160</u>
	Total assets	<u>118.786</u>	<u>105.036</u>
Equity			
Share capital		1.093	1.098
Other restricted equity	13	17.119	13.862
Retained earnings		23.196	23.561
		<u>41.408</u>	<u>38.521</u>
Equity attributable to equity holders of the Company			
Non-controlling interests		(28)	(32)
		<u>41.380</u>	<u>38.489</u>
Liabilities			
Loans and borrowings	14	14.567	17.137
Lease liabilities	15	21.358	15.947
Deferred income tax liability		4.831	3.883
		<u>40.756</u>	<u>36.967</u>
Loans and borrowings	14	9.206	6.278
Lease liabilities	15	3.985	3.630
Trade and other payables	16	23.459	19.672
		<u>36.650</u>	<u>29.580</u>
	Total liabilities	<u>77.406</u>	<u>66.547</u>
	Total equity and liabilities	<u>118.786</u>	<u>105.036</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 NOVEMBER 2025

	Notes	Share capital	Other restricted equity	Retained earnings	Total equity	Non-controlling interest	Total equity
<i>Changes in equity from 1 March to 30 November 2024</i>							
<i>Equity at 1 March 2024</i>							
Equity at 1 March 2024		1.084	8.928	18.176	28.188	0	28.188
Settlement of stock options				10	10		10
Profit for the period				3.964	3.964		3.964
Changes in other restricted equity	13		(453)	482	29		29
Dividends paid, 2.33 ISK per share				(2.522)	(2.522)		(2.522)
Equity at 30 November 2024		1.084	8.475	20.110	29.669	0	29.669
<i>Changes in equity from 1 March to 30 November 2025</i>							
<i>Equity at 1 March 2025</i>							
Equity at 1 March 2025		1.098	13.862	23.561	38.521	(32)	38.489
Purchased own share		(5)		(598)	(603)		(603)
Settlement of stock options		0		6	6		6
Profit for the period				5.409	5.409	4	5.413
Changes in other restricted equity	13		3.257	(2.678)	579		579
Dividends paid, 2.28 ISK per share				(2.504)	(2.504)		(2.504)
Equity at 30 November 2025		1.093	17.119	23.196	41.408	(28)	41.380

On 27 May, 2025 the Annual General Meeting decided to pay dividends to shareholders amounting to 50% of last year's profit, without effect of changes in value of investment property and share of profit of associates, or the total of ISK 2,504 million. The total dividend therefore amounted to 2.28 ISK per share of the outstanding share capital. The dividend was paid on 5 June, 2025.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE NINE MONTHS ENDED 30 NOVEMBER 2025

	Notes	2025 1.9.-30.11.	2024 1.9.-30.11.	2025 1.3.-30.11.	2024 1.3.-30.11.
Cash flows from operating activities					
Profit for the period		1.692	1.391	5.413	3.964
Adjustments for:					
Gain on sale		0	(171)	(39)	(178)
Depreciation and amortisation	8	1.612	1.283	4.614	3.895
Changes in value of investment property		(76)	0	221	0
Net finance expense	9	978	658	2.771	2.193
Effect of results of associates		(53)	(40)	(250)	(192)
Income tax		413	361	1.328	1.021
Other items		39	(11)	136	54
Working capital from operating activities		4.605	3.471	14.194	10.757
Change in current assets		(1.301)	685	(2.527)	(1.553)
Change in current liabilities		1.391	(518)	4.294	1.910
Cash from operations before interest and taxes		4.695	3.638	15.961	11.114
Interest income received		65	72	158	169
Interest expenses paid		(849)	(721)	(2.454)	(2.114)
Income taxes paid		(670)	(294)	(1.243)	(917)
Net cash from operating activities		3.241	2.695	12.422	8.252
Cash flows used in investing activities					
Acquisition of property, plant and equipment		(1.335)	(781)	(3.247)	(1.711)
Proceeds from sale of property, plant and equipment		35	7	102	34
Acquisition of investment property		(6)	(58)	(40)	(107)
Proceeds from sale of investment property		0	204	3	204
Acquisition of intangible assets		(312)	(224)	(821)	(576)
Acquisition of P/F SMS		0	(5.191)	0	(5.191)
Dividends received		0	0	272	190
Other non-current assets, change		8	(15)	22	0
Net cash used in investing activities		(1.610)	(6.058)	(3.709)	(7.157)
Cash flows used in financing activities					
Purchased own share		(208)	0	(603)	0
Dividends paid		0	0	(2.504)	(2.522)
New long-term loans and borrowings		458	2.560	691	2.560
Repayments of long-term loans and borrowings		(205)	(2.612)	(602)	(2.834)
Repayments of lease liabilities		(558)	(426)	(1.665)	(1.262)
Short-term loans and borrowings, change		76	2.391	(219)	2.670
Net cash (used in) from financing activities		(437)	1.913	(4.902)	(1.388)
Net increase (decrease) in cash and cash equivalents		1.194	(1.450)	3.811	(293)
Effect of exchange rate fluctuations on cash held		28	0	16	0
Cash and cash equivalents at the beginning of the period		4.904	2.984	2.299	1.827
Cash and cash equivalents at the end of the period		6.126	1.534	6.126	1.534

NOTES

1. Reporting entity

Hagar hf. (the "Company" or the "group") is an Icelandic public limited liability company and the Company's headquarters are located at Holtavegur 10, Reykjavík. The Company's Condensed Consolidated Interim Financial Statements for the period 1 March 2025 to 30 November 2025 comprise the Company and its subsidiaries, together referred to as the "Group" and individually as "Group entities". The main business activities of the Company consists of groceries and sale of fuel. An overview of the companies in the Group is included in note 17.

2. Basis of accounting

Statement of compliance

The Group's Condensed Consolidated Interim Financial Statements have been prepared in accordance with IAS 34, Interim Financial Reporting. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual Consolidated Financial Statements as at and for the year ended 28 February 2025.

These Condensed Consolidated Interim Financial Statements were approved for issue by the Board of Directors on 15 January 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 as at and for the year ended 28 February 2025. The Group's Consolidated Financial Statements are available at its website address, www.hagar.is.

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

4. Use of estimates and judgements

In preparing these Condensed Consolidated Interim Financial Statements, management has made judgements, estimates and assumptions that affect the application of the Group's 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 30 November, 2025 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. The operations of stores and warehouses, both in Iceland and the Faroe Islands, are largely in the retail operation of groceries. 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 operates a large number of ÓB self-service stations, as well as several touchless car wash stations under the Glans brand.

The stores and warehouses segment in Iceland includes the operations of Bónus, Hagkaup, Aðföng, Bananar, Stórkup, Noron and Eldum rétt. The operations of Hagar Wine B.V. in the Netherlands are likewise included here, but due to the small size of the operations and their characteristics, they are not a separate segment, despite being located in a different geographical area. Management has assessed the retail operations in Iceland, categorized by different types of stores, and considers them to share similar economic characteristics, products, customers, and suppliers. The wholesale operations of groceries and the retail operations of specialty goods are insignificant and falls below the thresholds for revenue, profit, and assets that require separate segment reporting.

The stores and warehouses section in the Faroe Islands includes all the SMS Group's operations, which primarily consist of the operation of the grocery stores Bónus, Miklagarður and Mylnan. Additionally, it includes 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 considered immaterial in relation to the revenue, profit, and asset of the Hagar Group that are used as benchmarks for segment reporting. Therefore, the operations of the SMS Group are regarded as a single operating segment.

NOTES, CONTINUED:

6. Operating segments, continued:

	Stores and warehouses Iceland	Stores and warehouses Olís ehf. Faroe Islands	Eliminations	Total
<i>First 9 months 2025/26</i>				
Sales	100.748	37.076	11.176	0 149.000
Intercompany sales	637	86	0 (723)	0
Other operating income	338	158	472	0 968
Intercompany other operating income	224	2	0 (226)	0
Total segments revenue.....	101.947	37.322	11.648 (949)	149.968
Total operating cost	(93.130)	(33.641)	(10.049) 949	(135.871)
Segments EBITDA	8.817	3.681	1.599 0	14.097
Segments depreciation	(3.239)	(848)	(527) 0	(4.614)
Changes in value of investment property ...	74	(5)	(290) 0	(221)
Share of profit of associates	31	219	0 0	250
Operating profit of segments.....	5.683	3.047	782 0	9.512
Net finance expense	(2.022)	(425)	(324) 0	(2.771)
Income tax				(1.328)
Profit for the period				5.413
30 November 2025				
Total assets	74.240	25.782	18.764	0 118.786
Total liabilities	53.336	11.101	12.969	0 77.406
Segment capital expenditure (net)	1.759	1.036	1.208	0 4.003
<i>First 9 months 2024/25</i>				
Sales	94.122	40.183	0 0	134.305
Intercompany sales	560	83	0 (643)	0
Other operating income	340	264	0 0	604
Intercompany other operating income	209	1	0 (210)	0
Total segments revenue.....	95.231	40.531	0 (853)	134.909
Total operating cost	(87.340)	(37.541)	0 853	(124.028)
Segments EBITDA	7.891	2.990	0 0	10.881
Segments depreciation	(2.989)	(906)	0 0	(3.895)
Changes in value of investment property ...	0	0	0 0	0
Share of profit of associates	39	153	0 0	192
Operating profit of segments.....	4.941	2.237	0 0	7.178
Net finance expense	(1.780)	(413)	0 0	(2.193)
Income tax				(1.021)
Profit for the period				3.964
30 November 2024				
Total assets	60.791	23.099	0 0	83.890
Total liabilities	44.343	9.878	0 0	54.221
Segment capital expenditure (net)	1.639	517	0 0	2.156

NOTES, CONTINUED:

7. Sales

Sales are specified as follows:

	2025 1.9.-30.11.	2024 1.9.-30.11.	2025 1.3.-30.11.	2024 1.3.-30.11.
Convenience goods	34.476	29.014	105.473	89.202
Specialty goods	5.002	4.295	13.452	11.467
Fuel	9.590	10.350	30.075	33.636
Sales total	49.068	43.659	149.000	134.305

Sales in Iceland are specified as follows:

Convenience goods	31.067	28.996	95.123	89.184
Specialty goods	4.639	4.295	12.542	11.467
Fuel	9.590	10.350	30.075	33.636
Sales total	45.296	43.641	137.740	134.287

Sales in the Faroe Islands are specified as follows:

Convenience goods	3.386	0	10.266	0
Specialty goods	178	0	459	0
Sales total	3.564	0	10.725	0

Sales in other areas are specified as follows:

Convenience goods	23	18	84	18
Specialty goods	185	0	451	0
Sales total	208	18	535	18

8. Depreciation and amortisation

Depreciation and amortisation are specified as follows:

Depreciation of operating assets	785	627	2.259	1.965
Depreciation of lease assets	638	494	1.746	1.476
Amortisation of intangible assets	144	121	479	341
Share of depreciation in Olíudreifing ehf.	45	41	130	113
Depreciation and amortization total	1.612	1.283	4.614	3.895

9. Finance income and finance cost

Finance income and finance cost are specified as follows:

	2025 1.9.-30.11.	2024 1.9.-30.11.	2025 1.3.-30.11.	2024 1.3.-30.11.
Interest income on cash and cash equivalents and receivables	64	72	157	169
Finance income total	64	72	157	169
Interest expense and indexation on loans	(505)	(424)	(1.680)	(1.527)
Interest on lease liabilities	(420)	(276)	(1.120)	(824)
Net currency exchange loss	(117)	(30)	(128)	(11)
Finance cost total	(1.042)	(730)	(2.928)	(2.362)
Net finance cost	(978)	(658)	(2.771)	(2.193)

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 15.

Lease assets are specified as follows:	30.11.2025	28.2.2025
Balance at the beginning of the period	14.645	11.252
New lease contracts	4.759	0
Taken over on acquisition of subsidiary	0	2.539
Changes to lease contracts	2.100	2.447
Indexation	483	599
Depreciation	(1.746)	(2.067)
Currency translation differences	34	(125)
Balance at the end of the period	<u>20.275</u>	<u>14.645</u>

11. Inventories

Inventories are specified as follows:	30.11.2025	28.2.2025
Convenience goods	7.810	7.603
Specialty goods	3.635	2.868
Fuel	3.314	3.190
Goods in transit	434	313
Total inventories	<u>15.193</u>	<u>13.974</u>
Inventory allowance at period end	391	424

12. Trade and other receivables

Trade and other receivables are specified as follows:	30.11.2025	28.2.2025
Trade receivables	6.319	5.722
Write-down of trade receivables	(277)	(258)
Currency swap agreements	0	131
Other receivables	386	560
Trade and other receivables	<u>6.428</u>	<u>6.155</u>
Credit cards receivables	1.796	732
Trade and other receivables total	<u>8.224</u>	<u>6.887</u>

NOTES, CONTINUED:

13. Other restricted equity

Other restricted equity is specified as follows:

	Statutory reserve	Revaluation reserve	Unrealised profit of subsidiaries
Other restricted equity 1.3.2024	277	0	8.597
Effects of profit of subsidiaries			(482)
Other restricted equity 30.11.2024	277	0	8.115
Other restricted equity 1.3.2025	277	3.677	9.833
Effects of profit of subsidiaries			2.739
Revaluation of properties		366	
Dissolution of revaluation		(61)	
Other restricted equity 30.11.2025	277	3.982	12.572
	Translation difference	Other restricted reserve	Other restricted equity total
Other restricted equity 1.3.2024		54	8.928
Stock option agreements		29	29
Effects of profit of subsidiaries		(482)	
Other restricted equity 30.11.2024	0	83	8.475
Other restricted equity 1.3.2025	(8)	83	13.862
Settlement of stock options		(11)	(11)
Stock option agreements		98	98
Effects of profit of subsidiaries			2.739
Revaluation of properties			366
Dissolution of revaluation			(61)
Currency translation differences	126		126
Other restricted equity 30.11.2025	118	170	17.119

14. Loans and borrowings

Loans and borrowings are specified as follows:

	Weighted average interest rates		Total remaining balance	
	30.11.2025	28.2.2025	30.11.2025	28.2.2025
Long-term loans in ISK, non-indexed	8,52%	9,03%	7.819	7.983
Long-term loans in ISK, indexed	2,80%	2,80%	6.189	6.134
Long-term loans in DKK, non-indexed	4,16%	4,41%	4.266	3.649
Short-term loans in DKK, non-indexed	4,27%	4,77%	3.969	3.907
Promissory notes in ISK	7,96%	8,64%	1.160	1.440
Line of credit in DKK	4,25%	4,55%	370	302
Total loans and borrowings			23.773	23.415
Current portion of loans and borrowings			(9.206)	(6.278)
Total non-current loans and borrowings			14.567	17.137

NOTES, CONTINUED:

14. Loans and borrowings, continued:

Repayments of loans and borrowings are specified as follows:

Repayments less than one year	9.206	6.278
Repayments 1 to 2 years	2.281	3.665
Repayments 2 to 3 years	731	2.245
Repayments 3 to 4 years	5.892	686
Repayments 4 to 5 years	499	5.594
Subsequent repayments	5.164	4.947
Total	23.773	23.415

Change in loans and borrowings during the period are specified as follows:

	30.11.2025	28.2.2025
Total interest-bearing debt at the beginning of the period	23.415	17.104
New long-term loans	691	3.169
New short-term loans	0	3.890
Taken over on acquisition of subsidiary	0	3.597
Repayment of borrowings	(602)	(3.020)
Change in promissory notes	(280)	(1.440)
Change in line of credit	61	(231)
Indexation	245	280
Currency exchange difference	62	17
Accrued interest added to the loan balance	101	52
Currency translation differences	80	(3)
Total interest-bearing debt at the end of the period	23.773	23.415

15. Lease liabilities

Lease liabilities are specified as follows from beginning to end of the period:

	30.11.2025	28.2.2025
Lease liabilities at the beginning of the period	19.577	12.239
New lease contracts	4.759	0
Taken over on acquisition of subsidiary	0	6.227
Changes to lease contracts	2.100	2.447
Payment of lease liabilities	(1.665)	(1.810)
Indexation	483	599
Currency translation differences	89	(125)
Total lease liabilities	25.343	19.577
Current portion of lease liabilities	(3.985)	(3.630)
Total non-current lease liabilities	21.358	15.947

Repayments of lease liabilities are specified as follows:

Repayments less than one year	3.985	3.630
Repayments 1 to 2 years	3.459	2.849
Repayments 2 to 3 years	2.952	2.261
Repayments 3 to 4 years	2.586	1.843
Repayments 4 to 5 years	2.286	1.646
Subsequent repayments	10.075	7.348
Total	25.343	19.577

Total lease payments due to lease contracts which are capitalised in accordance with IFRS 16 amounted to ISK 2,785 million during the period (2024/25: ISK 2,086 million).

NOTES, CONTINUED:

16. Trade and other payables

30.11.2025 28.2.2025

Trade and other payables are specified as follows:

Unpaid income tax	1.317	1.242
Trade payables	18.738	14.977
Other payables	3.404	3.453
Trade and other payables total	23.459	19.672

17. Group entities

The Condensed Consolidated Interim Financial Statements include the following entities.:

Location	Ownership interest	
	30.11.2025	28.2.2025
Hagar verslanir ehf.	Ísland	100%
Olís ehf.	Ísland	100%
Bananar ehf.	Ísland	100%
Noron ehf.	Ísland	100%
Stórkup ehf.	Ísland	100%
Eldum rétt ehf.	Ísland	100%
Hagar Wine B.V.	Holland	100%
P/F SMS	Færeyjar	100%

18. 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:

	2025 1.9.-30.11.	2024 1.9.-30.11.	2025 1.3.-30.11.	2024 1.3.-30.11.
Sold goods and services	87	56	202	245
Purchased goods and services	(510)	(534)	(1.729)	(1.653)
Trade receivables at end of period			61	9
Trade payables at end of period			(203)	(164)

NOTES, CONTINUED:

19. Financial ratios

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

	2025 1.3.-30.11.	2024 1.3.-30.11.
Operations		
EBITDA margin (EBITDA / sales)	9,5%	8,1%
Profit ratio (Profit after income tax / sales)	3,6%	3,0%
Salary ratio (salary and salary related expense / sales)	10,8%	9,7%
Cost ratio (other operating expense / sales)	5,1%	4,7%
Inventory turnover ratio (cost of sales / average balance of inventories)	10,2	10,5
Number of days for outstanding trade receivables	11,6	12,3
Financial position	30.11.2025	28.2.2025
Current ratio (current assets / current liabilities)	0,81	0,78
Liquidity ratio ((current assets - inventories) / current liabilities)	0,39	0,31
Leverage (net interest bearing liabilities / EBITDA)	2,4	2,8
Equity ratio (equity / total assets)	34,8%	36,6%
Internal value of shares (equity / share capital)	37,86	35,08