



Condensed Interim Financial Statements

1 January – 31 March 2025

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Endorsement and Statement by the Board of Directors and the CEO

Operations of the Group

The Condensed Consolidated Interim Financial Statements of Festi hf. for the period from 1 January to 31 March 2025 have been prepared in accordance with International Accounting Standard IAS 34, Interim Financial Reporting, and should be read in conjunction with the Group's Annual Consolidated Financial Statements as at and for the year ended 31 December 2024. The interim financial statements comprise the Consolidated Interim Financial Statements of Festi hf. (the "Company") and its subsidiaries together referred to as the "Group". The Condensed Consolidated Interim Financial Statements have not been audited or reviewed by the Company's independent auditors.

Operations in the three-month period ended 31 March 2025

For the period from 1 January to 31 March 2025, profit amounted to ISK 279 million (2024 Q1: 202 million). Total comprehensive income for the period was ISK 294 million (2024 Q1: 202 million). At the end of the period equity amounted to ISK 42,421 million, including share capital in the amount of ISK 311 million. Based on the Company's 2025 Annual General Meeting resolution in March, a dividend of ISK 1.401 million was approved and paid to the shareholders in April and is therefore included in other short-term liabilities in these Condensed Consolidated Interim Financial Statements. Reference is made to the Consolidated Statement of Changes in Equity regarding information on changes in equity.

The operations in the quarter were good and in line with management expectations. Sale increased by 17.3% YoY thereof 14.4% from Lyfja which was not part of the Group in same quarter last year. Sale margin increased by 31.0% and margin contribution level increased by 2.5% p.p. YoY. General wage increases in the labour market took effect in the quarter with increases in salary cost of more than 5% going forward. Inflation has been steadily going down which gives hope to further interest rates cut later in the year. The effects of large increases in tariffs on imports into USA announced in April has created much volatility in price of commodities and global currency, especially US dollar against other currencies. In management view there are still no signs of major effects for the year from this in Festi operations with the important summer months coming up. Outlook remains good with EBITDA forecast unchanged, between ISK 14,400–14,800 million.

Statement by the Board of Directors and the CEO

The Company's Condensed Consolidated Interim Financial Statements have been prepared in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting as adopted by the European Union and, as applicable, additional requirements of the Icelandic Financial Statements Act.

According to the best of our knowledge, in our opinion the Condensed Consolidated Interim Financial Statements give a true and fair view of the financial performance of the Group for the three-month period ended 31 March 2025, its assets, liabilities and financial position as of 31 March 2025, and change in cash and cash equivalents for the period then ended. Furthermore, in our opinion the Condensed Consolidated Interim Financial Statements and the Endorsement and Statement by the Board of Directors and the CEO give a true and fair view of the development and results of the Group's operations and its position and describes the principal risk and uncertainties faced by the Group.

The Board of Directors and the CEO have today discussed the Company's Condensed Consolidated Interim Financial Statements of Festi hf. for the period from 1 January to 31 March 2025 and confirm them by means of their signatures.

Kópavogur, 29 April 2025.

Board of Directors

Hjörleifur Pálsson, Chairman
Guðjón Karl Reynisson, Vice-Chairman
Edda Blumenstein
Guðjón Auðunsson
Sigurlína Ingvarsdóttir

CEO

Ásta Sigríður Fjeldsted

Consolidated Statement of Comprehensive Income for the period from 1 January to 31 March 2025

	Notes	2025 1.1.-31.3.	2024 1.1.-31.3.
Sale of goods and services	6	37.785.855	32.223.073
Cost of goods sold		(28.573.796)	(25.190.249)
Margin from sale of goods and services	7	9.212.059	7.032.824
Other operating income	6	548.922	508.027
Salaries and other personnel expenses	8	(5.304.694)	(3.946.862)
Other operating expenses	9	(1.967.041)	(1.696.180)
		(6.722.813)	(5.135.015)
Operating profit before depreciation, amortisation and changes in value (EBITDA)		2.489.246	1.897.809
Depreciation of property and equipment and leased assets and amortisation of intangible assets		(1.438.808)	(1.037.639)
Changes in value of investment property		49.234	113.825
Operating profit before finance items (EBIT)		1.099.672	973.995
Finance income	10	121.487	84.458
Finance costs	10	(960.025)	(939.896)
Foreign currency differences		(19.015)	24.685
Share of profit of associates		86.751	87.152
		(770.802)	(743.601)
Profit before income tax (EBT)		328.870	230.394
Income tax		(49.698)	(28.638)
Profit for the period		279.172	201.756
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Translation difference arising from operations of a foreign associate		(9.252)	(3.482)
Effective portion of changes in fair value of cash flow hedges, net of income tax		24.219	3.319
Total other comprehensive (income) loss		14.967	(163)
Total comprehensive income for the period		294.139	201.593
Basic earnings per share in ISK		0,90	0,67
Diluted earnings per share in ISK		0,88	0,67

The notes on pages 8 to 16 are an integral part of these condensed financial statements.

Consolidated Statement of Financial Position as at 31 March 2025

	Notes	31.3.2025	31.12.2024
Assets			
Goodwill		18.367.104	18.367.104
Other intangible assets		8.104.806	8.196.611
Property and equipment	11	41.098.166	41.217.494
Leased assets		10.540.855	10.535.014
Investment properties		7.098.475	7.012.240
Shares in associates		2.877.702	2.914.790
Shares in other companies		14.140	14.140
Long-term receivables		40.045	35.336
Non-current assets		<u>88.141.293</u>	<u>88.292.729</u>
Inventories		15.362.440	14.117.878
Trade receivables		5.667.576	7.167.970
Other short-term receivables		1.053.069	1.180.705
Cash and cash equivalents		5.028.571	4.075.358
Current assets		<u>27.111.656</u>	<u>26.541.911</u>
Total assets		<u><u>115.252.949</u></u>	<u><u>114.834.640</u></u>
Equity			
Share capital		311.254	311.254
Share premium		9.803.982	9.803.982
Other restricted equity		18.975.921	18.258.010
Retained earnings		13.330.083	15.119.951
Equity		<u>42.421.240</u>	<u>43.493.197</u>
Liabilities			
Loans from credit institutions	12	29.186.899	29.339.934
Lease liabilities	13	10.006.562	10.001.415
Deferred tax liability		7.805.132	7.763.839
Non-current liabilities		<u>46.998.593</u>	<u>47.105.188</u>
Loans from credit institutions	12	3.239.723	3.227.122
Lease liabilities	13	1.413.554	1.387.796
Trade payables		11.108.914	11.787.327
Other short-term liabilities		10.070.925	7.834.010
Current liabilities		<u>25.833.116</u>	<u>24.236.255</u>
Total liabilities		<u>72.831.709</u>	<u>71.341.443</u>
Total equity and liabilities		<u><u>115.252.949</u></u>	<u><u>114.834.640</u></u>

The notes on pages 8 to 16 are an integral part of these condensed financial statements.

Consolidated Statement of Changes in Equity for the period from 1 January to 31 March 2025

	Other restricted equity							
	Share capital	Share premium	Statutory reserve	Revaluation reserve	Unrealised profit of subsidiaries and associates	Other restricted accounts	Retained earnings	Total equity
1 January to 31 March 2024								
Equity 1.1.2024	301.254	7.773.982	75.314	4.565.998	8.322.414	(25.517)	14.828.910	35.842.355
Loss for the period							201.756	201.756
Total other comprehensive loss						(163)	(163)	
Restricted due to subsidiaries and associates					577.554	(577.554)		0
Dissolution of revaluation of an associate			(3.678)				3.678	0
Dissolution of revaluation of property and equipment			(32.418)				32.418	0
	301.254	7.773.982	75.314	4.529.902	8.899.968	(25.680)	14.489.208	36.043.948
<i>Transactions with shareholders:</i>								
Dividend declared to shareholders (ISK 3 per share)							(903.761)	(903.761)
Equity 31.3.2024	301.254	7.773.982	75.314	4.529.902	8.899.968	(25.680)	13.585.447	35.140.187
Total other restricted equity						13.479.504		
1 January to 31 March 2025								
Equity 1.1.2025	311.254	9.803.982	77.814	6.834.403	11.405.001	(59.208)	15.119.951	43.493.197
Profit for the period							279.172	279.172
Total other comprehensive income						14.967		14.967
Restricted due to subsidiaries and associates					745.920	(745.920)		0
Dissolution of revaluation of an associate			(2.129)				2.129	0
Dissolution of revaluation of property and equipment			(40.847)				40.847	0
	311.254	9.803.982	77.814	6.791.427	12.150.921	(44.241)	14.696.179	43.787.336
<i>Transactions with shareholders:</i>								
Share options							34.546	34.546
Dividend declared to shareholders (ISK 4.50 per share)							(1.400.642)	(1.400.642)
Equity 31.3.2025	311.254	9.803.982	77.814	6.791.427	12.150.921	(44.241)	13.330.083	42.421.240
Total other restricted equity						18.975.921		

The notes on pages 8 to 16 are an integral part of these condensed financial statements.

Consolidated Statement of Cash Flows for the period from 1 January to 31 March 2025

	Notes	2025 1.1.-31.3.	2024 1.1.-31.3.
Cash flows from operating activities			
Profit before depreciation, amortisation and changes in value (EBITDA)		2.489.246	1.897.809
Operating items not affecting cash flows:			
Gain on sale of property and equipment		(6.665)	(1.577)
		<u>2.482.581</u>	<u>1.896.232</u>
Changes in operating assets and liabilities:			
Inventories, increase		(1.244.562)	(842.028)
Trade and other short-term receivables, decrease (increase)		1.606.730	(761.077)
Trade and other short-term liabilities, increase		556.069	1.051.291
Changes in operating assets and liabilities		<u>918.237</u>	<u>(551.814)</u>
Interest received		32.966	39.799
Interest paid		(853.641)	(792.096)
Income tax paid		(173.119)	(54.615)
Net cash from operating activities		<u>2.407.024</u>	<u>537.506</u>
Cash flows used in investing activities			
Purchased intangible assets		(194.170)	(176.218)
Purchased property and equipment	11	(669.657)	(499.228)
Sold property and equipment		27.103	7.340
Purchase of investment properties		(37.001)	(65.299)
Dividend received		114.588	0
Long-term receivables, change		(4.917)	(923)
Net cash used in investing activities		<u>(764.054)</u>	<u>(734.328)</u>
Cash flows used in financing activities			
Repayment of long-term loans from credit institutions		(322.902)	(1.171)
Repayment of lease liabilities		(359.301)	(223.620)
Net cash used in financing activities		<u>(682.203)</u>	<u>(224.791)</u>
Increase (decrease) in cash and cash equivalents		960.767	(421.613)
Foreign currency difference on cash and cash equivalents		(7.554)	20.554
Cash and cash equivalents at the beginning of the period		4.075.358	3.362.212
Cash and cash equivalents at the end of the period		<u>5.028.571</u>	<u>2.961.153</u>
Investing and financing activities not affecting cash flows			
New lease contracts and their remeasurement		(390.206)	(518.473)
New lease liabilities and their remeasurement		390.206	518.473
Trade and other short-term receivables		1.400.642	903.761
Dividend declared		(1.400.642)	(903.761)

The notes on pages 8 to 16 are an integral part of these condensed financial statements.

Notes to the Condensed Consolidated Interim Financial Statements

1. Reporting entity

Festi hf. (the "Company" or "the Group") is an Icelandic public limited liability company incorporated and domiciled in Iceland. The Company's headquarters are located at Dalvegur 10-14, Kópavogur, Iceland. The main business activities of the Company and its subsidiaries (together referred to as the "Group") consists of sale of fuel, goods and services in service stations, groceries and related products, sale of medicines, sale of electronic equipment and leasing of properties. These Condensed Consolidated Interim Financial Statements of the Company as at and for the three months ended 31 March 2025 comprise of the Company and its subsidiaries. The Company is listed on Nasdaq Iceland.

2. Basis of preparation

The Condensed Consolidated Interim Financial Statements for the three months ended 31 March 2025 have been prepared in accordance with International Accounting Standard IAS 34, Interim Financial Reporting, as adopted by the European Union and, as applicable, additional requirements of the Icelandic Financial Statements Act. The Condensed Consolidated Interim Financial Statements have been prepared under the historical cost convention, except for financial assets and liabilities, which are valued at fair value through Other Comprehensive Income and the Company's real estate leased to third parties are revalued to fair value. 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 31 December 2024.

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 31 December 2024.

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 thousands of Icelandic krona unless otherwise stated. The Board of Directors of Festi hf. approved the Condensed Consolidated Interim Financial Statements on 29 April 2025.

3. Use of estimates and judgements

The preparation of the Condensed Consolidated Interim Financial Statements in conformity with IFRSs requires management to make judgements, estimates and assumptions, which affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were in all major matters the same as those applied to the Consolidated Financial Statements as at and for the year ended 31 December 2024.

4. New and revised IFRS's

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 31 December 2024. A few new standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, the Group has not early adopted the new or amended standards in preparing these Condensed Consolidated Interim Financial Statements as they are not considered to have significant impact on the Condensed Consolidated Interim Financial Statements.

Notes, continued:

5. Operating segments

An operating segment is a component of the Group that engages in business activity from which it may earn revenue and incur expenses, including revenue and expenses relating to transactions with other segments of the Group. Segments are determined by the Company's management, which regularly reviews the Group's segments to decide upon how assets are allocated as well as to monitor their financial performance.

Operating results of segments, their assets and liabilities consist of items directly attributable to individual segments as well as those items which can be allocated in a logical way. Capital expenditure of segments consists of the total cost of acquisition of operating and intangible assets. Transactions between segments are priced on an arm's length basis.

The operating companies of ELKO, Krónan, Lyfja, N1 and Yrkir eignir are individual operating segments. The Group's other entities comprise the sixth segment. That segment consists of the operations of the Parent Company Festi and Bakinn Vöruhótel. The operations of Lyfja were included in the Group from July 2024.

Reportable segments for the three months ended 31 March 2025

	ELKO	Krónan	Lyfja	N1	Yrkir eignir	Other companies	Segments total
External revenue	4.359.512	17.702.279	4.641.779	11.377.894	151.964	101.349	38.334.777
Intra-group revenue	4.903	408.454	93.113	138.589	943.645	1.497.523	3.086.227
Total segment revenue	4.364.415	18.110.733	4.734.892	11.516.483	1.095.609	1.598.872	41.421.004
Operating profit before depreciation, amortisation and changes in value (EBITDA)	252.762	1.267.810	342.762	759.791	856.172	399.338	3.878.635
Segment depreciation and amortisation	(174.664)	(607.273)	(264.934)	(724.633)	(516.642)	(211.616)	(2.499.762)
Changes in value of investment property	0	0	0	0	49.234	0	49.234
Operating profit of segments (EBIT)	78.098	660.537	77.828	35.158	388.764	187.722	1.428.107
Net finance costs	(36.474)	(48.066)	(39.231)	(165.069)	(411.000)	(478.642)	(1.178.482)
Share of profit of associates	0	0	0	0	0	86.751	86.751
Income tax	(8.325)	(122.494)	(7.581)	27.461	4.447	55.293	(51.199)
Profit (loss) for the period	33.299	489.977	31.016	(102.450)	(17.789)	(148.876)	285.177
31 March 2025							
Segment assets	6.747.899	24.048.711	11.938.487	27.354.308	32.034.571	85.518.756	187.642.732
Segment capital expenditure	81.348	266.203	57.563	271.681	104.006	120.027	900.828
Segment liabilities	4.551.318	17.383.401	6.190.463	16.842.076	24.109.763	41.346.232	110.423.253

Reportable segments for the three months ended 31 March 2024

	ELKO	Krónan	Lyfja	N1	Yrkir eignir	Other companies	Segments total
External revenue	4.082.314	16.728.666	-	11.647.181	141.938	131.001	32.731.100
Intra-group revenue	4.975	372.510	-	118.262	908.396	1.847.785	3.251.928
Total segment revenue	4.087.289	17.101.176	-	11.765.443	1.050.334	1.978.786	35.983.028
Operating profit before depreciation, amortisation and changes in value (EBITDA)	292.227	1.236.548	-	390.594	815.003	496.963	3.231.335
Segment depreciation and amortisation	(148.638)	(548.852)	-	(673.375)	(482.029)	(205.142)	(2.058.036)
Changes in value of investment property	0	0	-	0	113.825	0	113.825
Operating profit (loss) of segments (EBIT)	143.589	687.696	-	(282.781)	446.799	291.821	1.287.124
Net finance costs	(12.351)	(97.449)	-	(193.561)	(431.687)	(464.608)	(1.199.656)
Share of profit of associates	0	0	-	0	0	87.152	87.152
Income tax	(14.524)	(127.444)	-	100.061	(6.085)	30.509	(17.483)
Profit (loss) for the period	116.714	462.803	-	(376.281)	9.027	(55.126)	157.137
31 March 2024							
Segment assets	6.196.393	23.665.359	-	27.769.916	31.757.413	70.323.255	159.712.336
Segment capital expenditure	46.089	177.618	-	405.308	106.252	40.669	775.936
Segment liabilities	4.121.761	18.072.494	-	18.187.441	24.502.704	32.908.384	97.792.784

Notes, continued:

5. Operating segments, continued:

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities, and other material items in the Consolidated Statement of Comprehensive Income.

1.1.-31.3.2025	Segments total	Eliminations	According to financial statements
Operating profit before depreciation, amortisation and changes in value (EBITDA)	3.878.635 (	1.389.389)	2.489.246
Depreciation of property and equipment and leased assets and amortisation of intangible assets	(2.499.762)	1.060.954 (	1.438.808)
Changes in value of investment property	49.234		49.234
Operating profit (EBIT)	1.428.107 (	328.435)	1.099.672
Net finance costs	(1.178.482)	320.929 (	857.553)
Share of profit of associates	86.751		86.751
Income tax	(51.199)	1.501 (	49.698)
Profit for the period	285.177 (	6.005)	279.172
31 March 2025			
Segment assets	187.642.732 (	72.389.783)	115.252.949
Segment capital expenditure	900.828		900.828
Segment liabilities	110.423.253 (	37.591.544)	72.831.709
1.1.-31.3.2024			
Operating profit before depreciation, amortisation and changes in value (EBITDA)	3.231.335 (	1.333.526)	1.897.809
Depreciation of property and equipment and leased assets and amortisation of intangible assets	(2.058.036)	1.020.397 (	1.037.639)
Changes in value of investment property	113.825		113.825
Operating profit (EBIT)	1.287.124 (	313.129)	973.995
Net finance costs	(1.199.656)	368.903 (	830.753)
Share of profit of associates	87.152		87.152
Income tax	(17.483) (	11.155) (	28.638)
Profit for the period	157.137	44.619	201.756
31 March 2024			
Segment assets	159.712.336 (	62.014.516)	97.697.820
Segment capital expenditure	775.936 (	35.191)	740.745
Segment liabilities	97.792.784 (	35.235.151)	62.557.633

Notes, continued:

6. Operating income

Sale of goods and services

Sale of goods and services are recognised based on the fundamental principle of recognising revenue as or when control of goods and services are transferred to the customer.

Income from lease of real estate

Properties leased to parties outside the Group are recognised as investment properties. Investment properties are properties held to earn rentals or for capital appreciation or both. Investment properties are recognised at fair value. Fair value changes of investment properties are presented separately in the Consolidated Statement of Comprehensive Income and therefore presented separately from lease income from those same assets.

Other operating revenue

Revenue from warehouse services, commissions, gain on sale of property and equipment, market grants and other income are presented in other operating income.

Operating income is specified as follows:

	2025	2024
	1.1. - 31.3.	1.1. - 31.3.
Sale of goods and services:		
Convenience goods	19.629.132	17.973.991
Fuel and electricity	8.188.910	8.452.579
Electronic equipment	4.309.030	4.033.667
Prescription and over-the-counter medicine	3.473.036	0
Sale of other goods and services	2.185.747	1.762.836
Total sale of goods and services	<u>37.785.855</u>	<u>32.223.073</u>
Other operating income:		
Lease income from properties	203.722	183.619
Warehouse services	93.126	104.835
Commissions	129.428	111.914
Gain on sale of property and equipment	6.665	1.577
Other operating income	115.981	106.082
Total other operating income	<u>548.922</u>	<u>508.027</u>
Total operating revenue	<u>38.334.777</u>	<u>32.731.100</u>

7. Margin from sale of goods and services

Cost of goods sold consists of the purchase price as well as related transportation cost, excise tax, duties and distribution costs. Any decrease in the cost of inventories to net realisable value is expensed as part of cost of goods sold.

Gross profit from sale of goods and services is specified as follows:

	2025	2024
	1.1. - 31.3.	1.1. - 31.3.
Convenience goods	4.581.645	3.982.860
Fuel and electricity	1.830.187	1.408.180
Electronic equipment	1.108.225	1.031.531
Prescription and over-the-counter medicine	932.567	0
Other goods and services	759.435	610.253
Margin from sale of goods and services	<u>9.212.059</u>	<u>7.032.824</u>

Notes, continued:

8. Salaries and other personnel expenses

Salaries and other personnel expenses are specified as follows:

	2025	2024
	1.1. - 31.3.	1.1. - 31.3.
Salaries	3.900.632	2.950.409
Salary-related expenses	1.083.839	833.417
Other personnel expenses	320.223	163.036
Total salaries and other personnel expenses	<u>5.304.694</u>	<u>3.946.862</u>

9. Other operating expenses

Other operating expenses are specified as follows:

	2025	2024
	1.1. - 31.3.	1.1. - 31.3.
Operating expenses of properties	591.905	525.801
Maintenance expenses	296.696	282.944
Sales and marketing expenses	444.491	372.275
Office and administrative expenses, including fees to auditors	153.798	115.915
Communication expenses	336.469	249.996
Insurance and claims expenses	32.087	53.861
Other expenses	111.595	95.388
Total other operating expenses	<u>1.967.041</u>	<u>1.696.180</u>

10. Finance income and finance costs

Finance income is specified as follows:

	2025	2024
	1.1. - 31.3.	1.1. - 31.3.
Interest income on cash and cash equivalents	88.550	58.514
Interest income on receivables	32.937	25.944
Total finance income	<u>121.487</u>	<u>84.458</u>

Finance costs are specified as follows:

Interest expense and CPI-indexation on loans from credit institutions	779.645	784.800
Interest expense on lease liabilities	157.091	124.799
Other interest expense	23.289	30.297
Total finance costs	<u>960.025</u>	<u>939.896</u>

11. Operating assets

Acquisition of operating assets in the first three months of 2025 amounted to ISK 670 million (2024 Q1: 499 million). Thereof investment in buildings is ISK 78 million (2024 Q1: 156 million), interiors, equipment and tools was ISK 558 million (2024 Q1: 322 million) and investment in computers and other IT hardware was ISK 34 million (2024 Q1: 21 million).

Notes, continued:

12. Loans from credit institutions

All loans from credit institutions are denominated in Icelandic krona. The loans are secured by pledge in real estate and inventories.

The loans are specified as follows:

	2025 1.1. - 31.3.	2024 1.1. - 31.12.
Long-term loans		
Balance at the beginning of the year	29.339.934	26.680.829
Repayments	(322.902)	(2.083.084)
New loans	0	3.985.802
Taken over on acquisition of subsidiary	0	1.563.782
Expensed borrowing costs	5.107	18.566
CPI-indexation	177.361	594.147
Change in current portion	(12.601)	(1.420.108)
Balance at end of period	29.186.899	29.339.934
Short-term loans		
Current portion of long-term loans	3.239.723	3.227.122
Balance at end of period	3.239.723	3.227.122
Total loans from credit institutions	32.426.622	32.567.056

	Wheighted average interest rates		Outstanding at end of period	
	2025	2024	31.3.2025	31.12.2024
Non-indexed loans at floating interest rates	9,8%	10,8%	15.406.786	15.407.277
CPI-indexed loans at floating interest rates	4,8%	4,7%	17.019.836	17.159.779
Total loans from credit institutions			32.426.622	32.567.056

The maturities of the loans are specified as follows:

Year 2025	2.920.151	3.227.122
Year 2026	2.288.090	2.275.502
Year 2027	2.289.266	2.275.718
Year 2028	2.089.092	2.075.511
Year 2029	1.890.025	1.876.444
Year 2030	1.890.208	1.876.627
Due for payment onwards	19.059.790	18.960.132
Total loans from credit institutions	32.426.622	32.567.056

As of 31 March 2025, the Group had undrawn credit lines in the amount of ISK 500 million.

Notes, continued:

13. Lease liabilities

Lease liabilities are specified as follows:

	2025	2024
	1.1. - 31.3.	1.1. - 31.12.
Carrying amount at the beginning of the year	11.389.211	8.652.596
New lease contracts	267.729	797.325
Taken over on acquisition of subsidiary	0	2.275.544
Increase due to indexation of lease payments	122.477	822.301
Payment of lease liabilities during the year	(359.301)	(1.158.555)
Total lease liabilities	11.420.116	11.389.211
Current portion	(1.413.554)	(1.387.796)
Total non-current portion of lease liabilities	10.006.562	10.001.415

The maturity analysis of lease liabilities is specified as follows at end of period:

Year 2025	1.060.220	1.387.796
Year 2026	1.413.554	1.376.195
Year 2027	1.407.342	1.299.119
Year 2028	1.262.103	1.051.443
Year 2029	1.019.799	730.951
Year 2030	737.184	649.432
Due for payment onwards	4.519.914	4.894.275
Total	11.420.116	11.389.211

	2025	2024
	1.1. - 31.3.	1.1. - 31.3.
Impact of lease liabilities in profit or loss are as follows:		
Deprecation of lease assets	384.366	254.290
Interest expensed on lease liabilities	157.091	124.799

Expensed rent due to lease agreements which are not capitalised:

Property rent	63.118	77.233
Other rent payments	2.283	3.714

Impact of rental agreements on Statement of Cash Flows:

Payments due to lease contracts, principal and interest	516.392	348.420
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All lease liabilities are denominated in Icelandic krona.

Notes, continued:

14. Group entities

The Condensed Consolidated Interim Financial Statements include the following entities. All subsidiaries are directly or indirectly fully owned by the Parent Company, Festi.

Company	Business activity
Festi hf.	Festi is a holding company that specialises in operating companies that are leading in the retail and fuel sale in Iceland. Festi's role is to support its operating companies in fulfilling customers' demands so as to enable them to continue to be at the forefront in providing goods and services across the country. Festi provides its subsidiaries with supporting services, among other things in the area of finance, operations and business development.
Bakkinn vöruhótel ehf.	Bakkinn vöruhótel specialises in product storage, packaging, labelling, handling and distribution of products for customers that elect to outsource their warehouse activities.
ELKO ehf.	ELKO specialises in selling household appliances and electronic equipment. The company operates stores in the capital region, Akureyri and at the Leifur Eiríksson International Airport in Keflavík, as well as an online shop.
Krónan ehf.	Krónan is a retail company that operates convenience stores in Iceland. The company operates stores throughout the country under the brand name of Krónan and Smart shop with home deliveries.
Icelandic Food Company ehf.	Icelandic Food Company specialises in production of convenience goods sold in Krónan and N1.
Vínportið ehf.	Vínportið specialises in imports and wholesales of alcohol to ÁTVR stores and to hotels and restaurants.
Lyfja hf.	Lyfja specialises in pharmacy operations as well as wholesale and retail sales of health-related products. The company operates 45 pharmacies and branches as well as an online store and app.
Heilsa ehf.	Heilsa specialises in imports and wholesales of pharmacy products and cosmetic and health related products sold in stores all around the country.
Mengi ehf.	Mengi leases non-residential real estate to retail companies.
N1 ehf.	N1 specialises in wholesale and retail of fuel, operation of service stations, including tire and lubrication service stations around the country. The Company's service stations sell fuel in addition to refreshments, sale of various convenience goods, purchases of electricity in the wholesale market and the retail sale to individuals and companies in Iceland.
Yrkir eignir ehf.	Yrkir eignir runs the property operations of the Group and leases out non-residential buildings to retail companies, both within and outside the Group. The company also operates the security and development departments, which run projects related to security matters, maintenance of properties and their development with the objective of profitability.

Notes, continued:

15. Other matters

Sales process for the shares of the Company in Oliudreifing

On 26 September 2024 it was announced that Festi and Olís have reached an agreement to initiate the preparation of the sales process of the shares of the companies in Oliudreifing, whereas 60% of Oliudreifing is owned by Festi and 40% by Olís. On 3 December 2024 it was announced that non-binding offers had been received for all shares in Oliudreifing and that a decision had been made to invite three parties to continue in the sales process and provide them with access to further information. The sales process is still ongoing, but it is not certain at this stage whether the aforementioned process will lead to binding offers for Oliudreifing, which could result in the sale of the company.

16. Financial ratios

The Group's key financial ratios

	2025	2024
	1.1. - 31.3.	1.1. - 31.3.
Operations		
Turnover rate of inventories		
Utilisation of goods / average balance of inventories during the period	8,5	7,7
Sales days in trade receivables:		
Average balance of trade receivables during the period / goods and		
services sold	12,3	13,5
EBITDA / margin from sales of goods and services	27,0%	27,0%
Salaries and other personnel expenses / margin from sales of		
goods and services	57,6%	56,1%
Other operating expenses / margin from sales of goods and services	21,4%	24,1%
	31.3.2025	31.12.2024
Financial position		
Current ratio: current assets / current liabilities	1,05	1,10
Liquidity ratio: (current assets - inventories) / current liabilities	0,45	0,51
Leverage: net interest bearing liabilities excluding		
lease liabilities / EBITDA	2,09	2,28
Equity ratio: equity / total capital	36,8%	37,9%
Return on equity: profit for last 12 months period / average balance of equity	10,1%	10,5%