

# Presentation of Q4 and 12M 2023 results

8 February 2024

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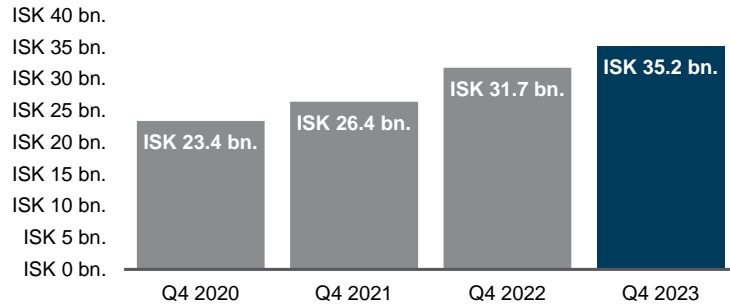
# Summary

- **Q4 operations**
- Q4 and 12M results 2023
- Position and outlook

# Consolidated highlights Q4 2023

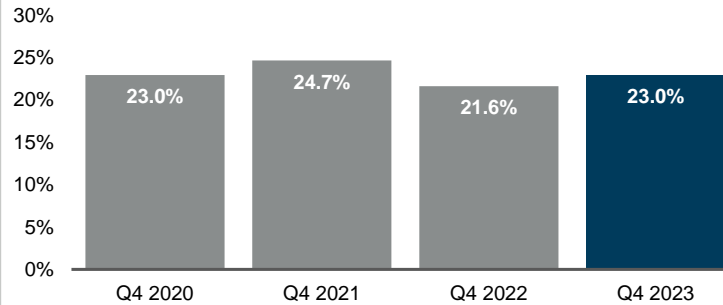
## Sale of goods and services ISK 35.2 bn.

+11.0% YoY



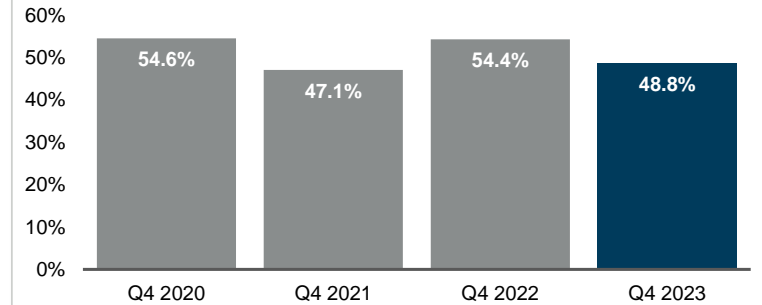
## Margin from sale 23.0%

+1.4 p.p. YoY



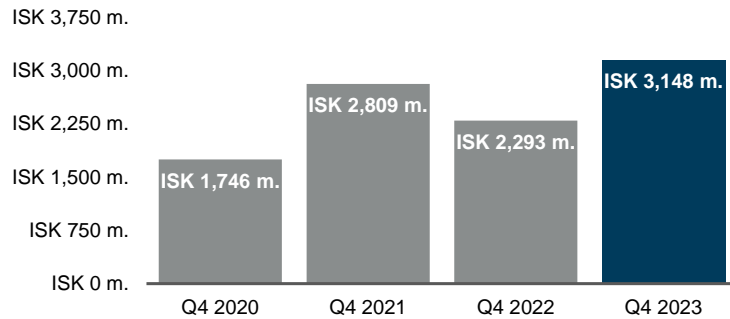
## Salaries/Margin from sale 48.8%

-5.6 p.p. YoY



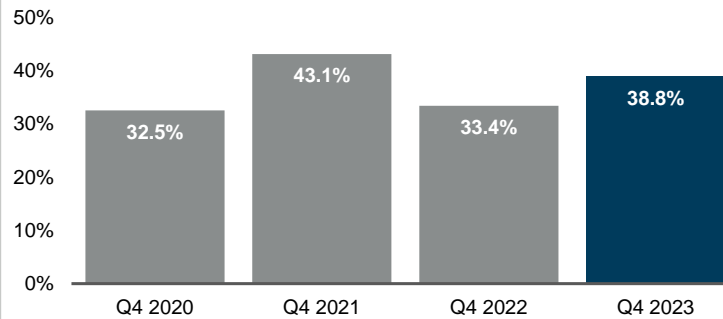
## EBITDA ISK 3,148 m.

+37.3% YoY



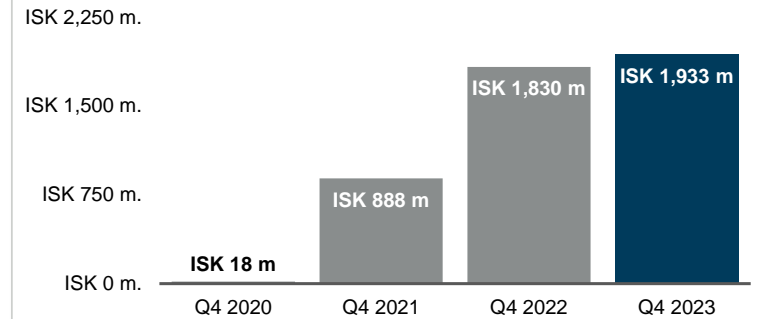
## EBITDA/Margin from sale 38.8%

+5.4 p.p. YoY



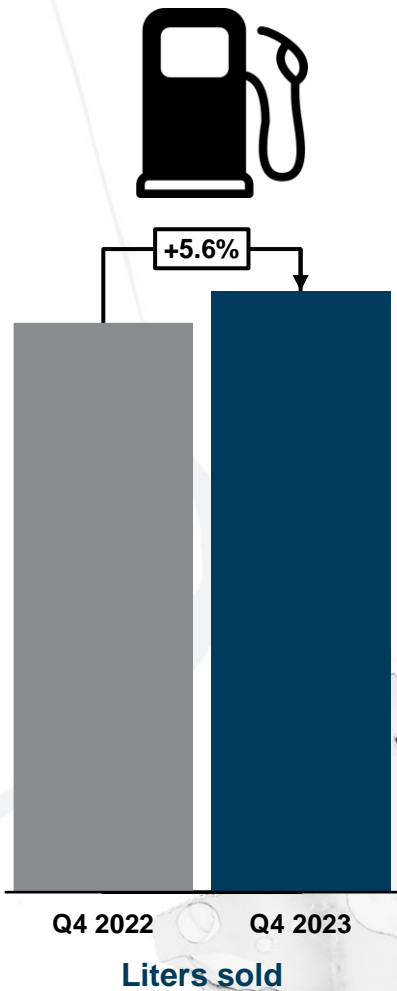
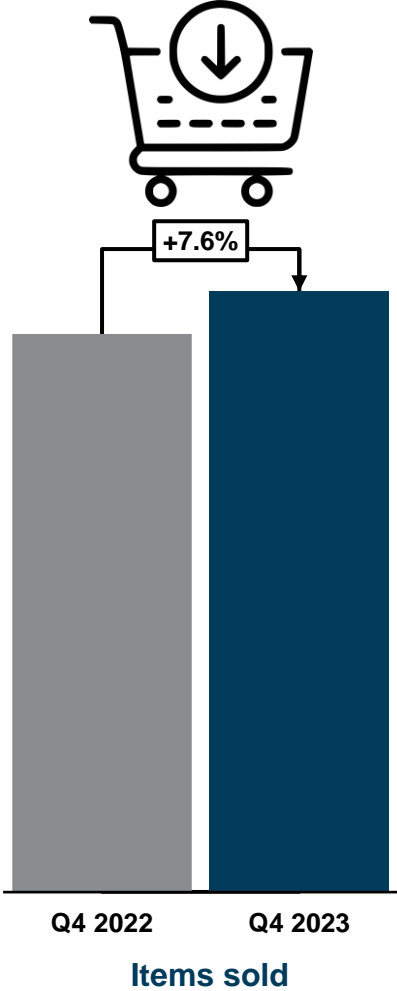
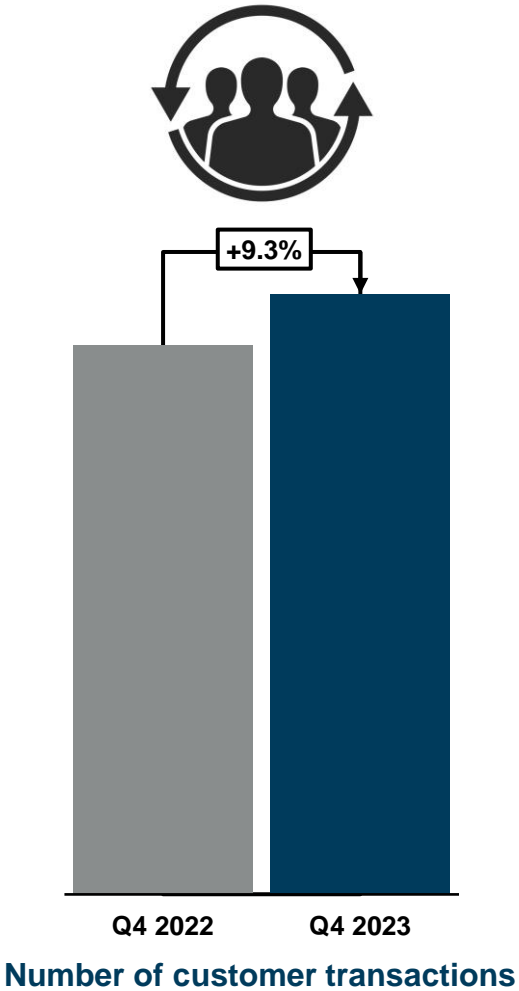
## Cash from operating activities ISK 1,933 m.

+5.7% YoY



# Number of customers and sales in Q4 increases significantly year-over-year

2022 2023



# Increase in both domestic and foreign card turnover

2022 2023



Domestic card turnover



Foreign card turnover



# Updates from Festi



## Development plots

- **The development of plots** covered by the agreement on reducing the number of petrol stations **is in full swing.**
- The plots\* cover a total of **14,000 sqm** and are either residential or mixed building areas.
- **Design competition for Ægisíða 102 has started** with the aim of ensuring a design that meets expectations of shareholders, residents and the city of Reykjavík.

## ODR ownership

- A press release issued on December 1<sup>st</sup> stated that the **possibility of a change of ownership** of Olíudreifing ehf. (ODR), Eldsneytisafgreiðslan á Keflavíkurflugvelli ehf. (EAK ehf.) and EBK ehf. **is being explored.**
- The project is **progressing according to plan**, more news will be shared when relevant.

## Statement of Objections

- Press release sent out on 21<sup>st</sup> Dec about a statement of objections that Festi received end-of-day 20th Dec from the Icelandic Competition Authority.
- The statement is **part of an investigation procedure** that began with ICA's notification to Festi in December 2020.
- Festi remains of the **opinion** that it **has not broken conditions of the agreement** with ICA.
- Festi is in the process of **responding to the allegations.**

## Lyfja – timeline

- The case is in **phase II with the Icelandic Competition Authority**, which involves an investigation into the competitive impact of the merger.
- Expectations are of a final verdict in Q2.

# Strongest quarter in the history of ELKO

- Consumer electronics market grew by 10% in card turnover in the quarter while **ELKO grew by 9%**.
- **Strongest quarter in ELKO's history** with successful special offer days resulting in **17% increase in turnover** from last year and **Black Friday had the highest sales ever recorded for one day**.
- **Online store's share of sales stable at 28%** in Q4 between years.
- **New store in KEF Airport arrival hall** opened in November – had **45% increase in sales** between years in the first two months in business.
- **B2B sales** continue growing and were **17%** of the quarter's **total sales**.
- **Increase in purchasing of used electronics by 111%** between years following International E-Waste Day.
- **ELKO Lindir will be completely refurbished in 2024** – project starting in Q1 2024.
- In next months, ELKO will start product picking selected products from stores for [www.elko.is](http://www.elko.is), **increasing online product range up to 40%**.



# Krónan delivered excellent results in Q4



- **Q4 2023 the highest selling quarter of all time and December a record-breaking month for Krónan** with volume increasing by 5% between years.
- **Online sales increased by 56% YoY** with excellent customer experience resulting in repeated purchases in addition to new users.
- **Number of transactions in stores increased by over 14% YoY.**
- **Use of Scan and Go on the rise with 95% increase YoY.** New registers in „Christmas gifting game“ exceeded all expectations and ~19,000 Icelanders used Krónan’s app in December.
- **Krónan is expanding its home delivery services in rural areas,** adding Siglufjörður and Ólafsfjörður in Q4 and Húsavík early 2024. It’s clear that customers outside the capital area appreciate the service and that there is demand in more areas.
- **Krónan received the Icelandic Consumer Award for the 7th consecutive year** early 2024, confirming once again Krónan’s achievements in meeting customers needs and expectations.





# Tire rental popular in N1 app and new service station opens Keflavík opens in Keflavík



- **Largest quarter in history of N1 Automotive Services in tire volumes sold, service and turnover.**
  - In Q4, N1 launched novelty service of renting customers studded winter tires via N1's app which has received positive attention.
- New fast charging DC chargers put into use in Ártúnshöfði and Keflavík – **N1 now boasts 35 fast charging stations.**
- **Number of transactions at service centres increased by 2%** compared to Q4 2023 but remained stable for self-service – ongoing increase in delivery of Dropp packages supports traffic to the stations.
- **Self-service kiosks** deployed at selected service centres - **up to 23%** of **ordered** food and drink went **through self-service** during the quarter.
- **New and impressive N1 service station at Keflavík Airport** opened in January and will service the area which is in high demand.
- Opening of Nesti and Ísey **store-in-store concept** in Krónan Grandi on February 2nd.



# Development of extensive network of fast charging stations across the country

- N1 and Tesla and have signed a framework agreement for **the development of fast charging stations at N1 service stations across the country.**
- The aim is to **significantly increase services to electric vehicle users\*** and **build up an extensive network of fast charging stations.**
- Plans for the next two years:
  - **19 new fast charging parks** across the country.
  - **Over 150 new fast charging points** at N1 service stations.
- **Emphasis placed on development along busy routes outside capital area** but also on servicing more rural areas of Iceland.
- Necessary to **accelerate the development of an EV charging network throughout Iceland** in order to **achieve tangible results in Iceland's energy transition.**



\* Tesla fast charging stations will be open to all electric cars

# Summary



- Q4 2023 operations
- **Q4 and 12M results 2023**
- Position and outlook



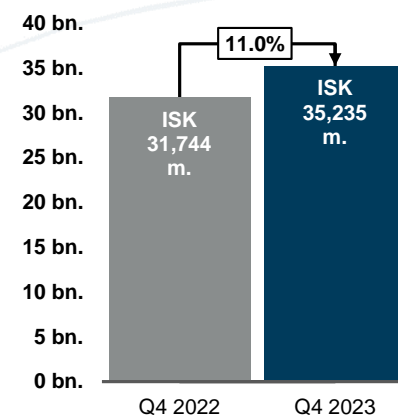
# Operations of the group in Q4 2023



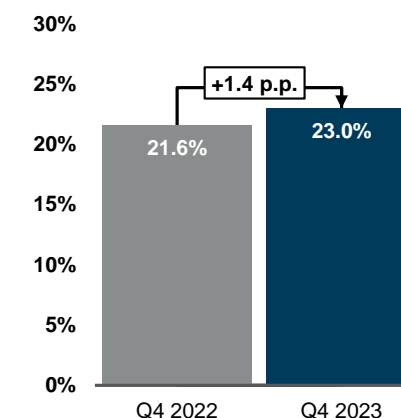
- **Sale of goods and services** increased by ISK 3.5 billion or 11% YoY.
- **Margin from sale** was ISK 8,109 million, an increase of ISK 1,238 million or 18% YoY.
- **Margin percent** is 23.0% unchanged from last quarter and up 1.4 p.p. from previous year.
- **Salaries and personnel expenses** ISK 3,954 million, increase of ISK 219 million or 5.9% YoY.
- **Number of full-time employees** 1,336, an increase of 52 or 4% YoY.
- **Other operating expenses** increase by 8.6% YoY.
- **EBITDA** ISK 3,148 million in Q4, an increase of ISK 855 million or 37.3% YoY.
- **Profit for the period** ISK 975 million, increase by 37.7% YoY.

Amounts are in ISK million	Q4 2023	Q4 2022	Change	% Chg.
Sale of goods and services	35,235	31,744	3,490	11.0%
Margin from sale of goods and services	8,109	6,871	1,238	18.0%
Lease revenue and operating income	639	673	(33)	-4.9%
Salaries and personnel expenses	(3,954)	(3,735)	(219)	5.9%
Other operating expenses	(1,646)	(1,515)	(131)	8.6%
EBITDA	3,148	2,293	855	37.3%
EBIT	2,052	1,529	524	34.3%
EBT	1,187	835	352	42.1%
Profit for the period	975	708	267	37.7%
<b>Key Figures</b>				
EBITDA/Margin from sales	38.8%	33.4%	+5.5 p.p.	16.3%
Salaries/Margin from sales	48.8%	54.4%	-5.6 p.p.	-10.3%
Earnings per share	3.20	2.30	0.90	39.1%

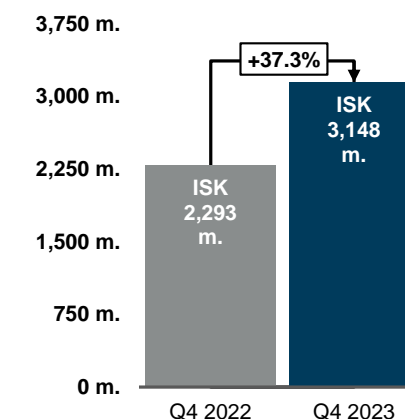
Sale of goods and services



Margin from sale



EBITDA





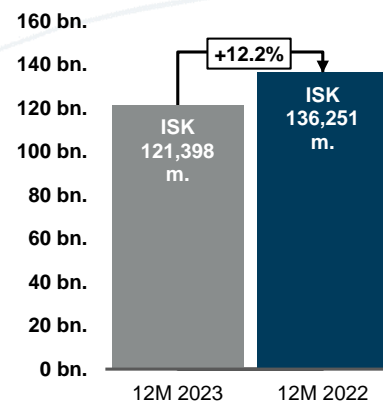
# Operations of the group in 2023



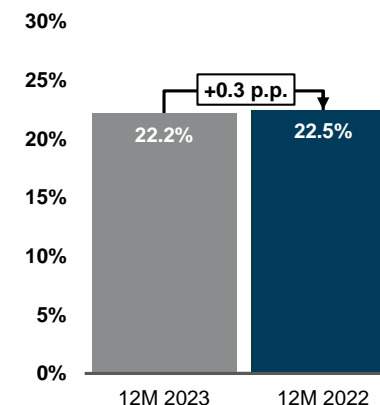
- **Sale of goods and services** increased by ISK 14.9 billion or 12.2% between years.
- **Margin from sale** was ISK 30,667 million, increase of ISK 3,673 million or 13.6% between years.
- **Margin percent** is 22.5% and increases by 0.3 p.p. from previous year.
- **Salaries and personnel expenses** were ISK 15,440 million, increase of ISK 1,984 million or 14.7% YoY.
- **Number of full-time employees** 1,352, increase of 101 or 8.1% between years.
- **Other operating expenses** increase by 8.4% between years.
- **EBITDA** ISK 11,015 million, increase of ISK 996 million or 9.9% between years.
- **Profit for the period** amounted to ISK 3,438 million, decrease by 15.8% between years.
- **Earnings per share** amounted to ISK 11.31 and return on equity was 10.0%

Amounts are in ISK million	12M 2023	12M 2022	Change	% Chg.
Sale of goods and services	136,251	121,398	14,853	12.2%
Margin from sale of goods and services	30,667	26,994	3,673	13.6%
Lease revenue and operating income	2,189	2,386	(197)	-8.3%
Salaries and personnel expenses	(15,440)	(13,456)	(1,984)	14.7%
Other operating expenses	(6,400)	(5,905)	(495)	8.4%
EBITDA	11,015	10,020	996	9.9%
EBIT	7,053	6,707	345	5.1%
EBT	4,136	4,936	(800)	-16.2%
Profit for the period	3,438	4,082	(644)	-15.8%
<b>Key Figures</b>				
EBITDA/Sales margin	35.9%	37.1%	-1.2 p.p.	-3.2%
Salaries/Sales margin	50.3%	49.8%	+0.5 p.p.	1.0%
Earnings per share	11.31	13.19	-1.88	-14.3%

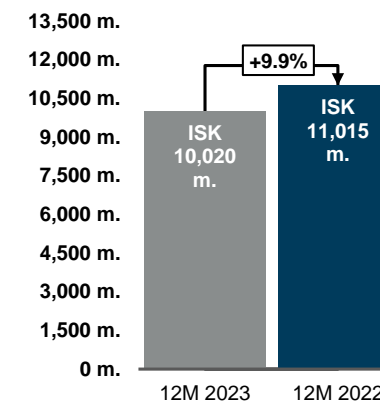
Sale of goods and services



Margin from sale



EBITDA

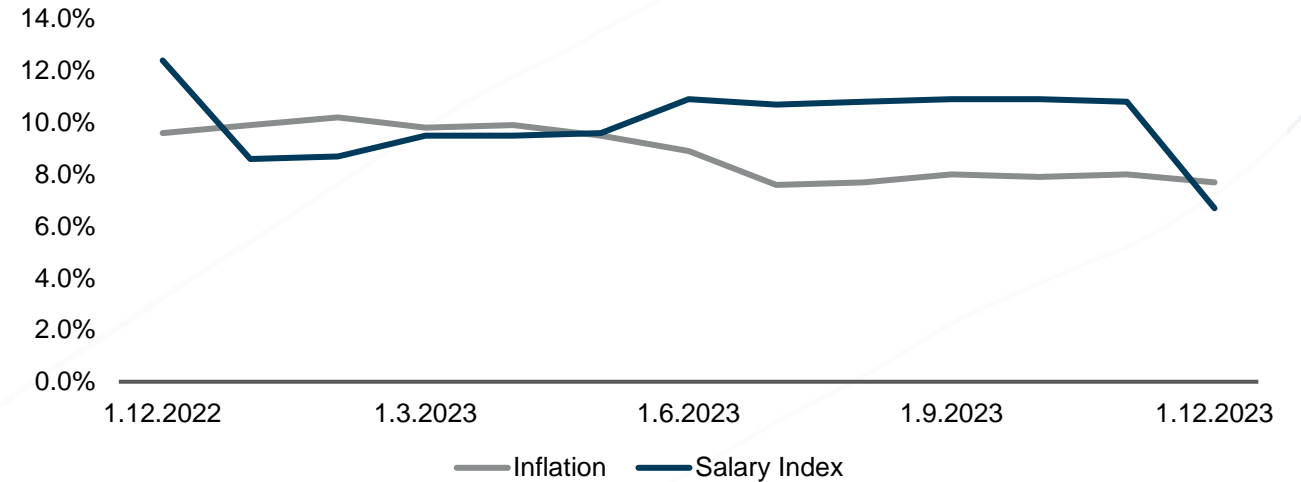


# External factors Q4 2023

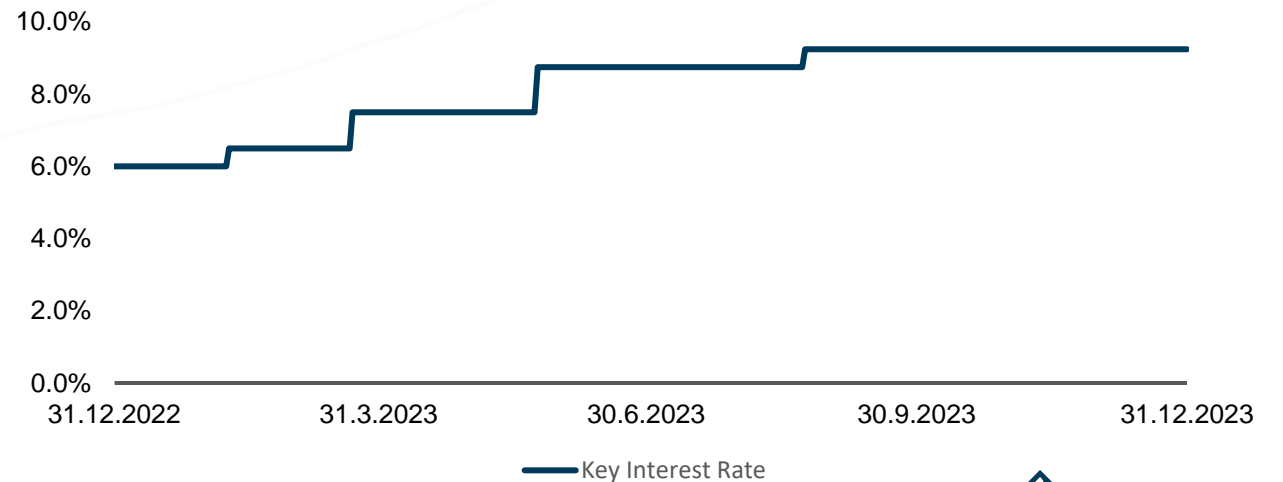
## Price, salary and interest rate development

- **Salary index increased 6.7% over the last 12 months.** Salary index was at 966.3 points at the end of year compared to 905.6 at the end of 2022.
- **Consumer price index increased 7.7% over the last 12 months.** Consumer price index was measured at 608.3 points at year-end 2023 compared to 564.6 at the end of 2022.
- **Key interest rate increased by 325 p.p. over the last 12 months.** Key interest rates were 9.25% at the end of the quarter compared to 6.0% at the year-end of 2022.

### Inflation and Salary Index (YoY)



### Central Bank Key Interest Rate



# External factors Q4 2023



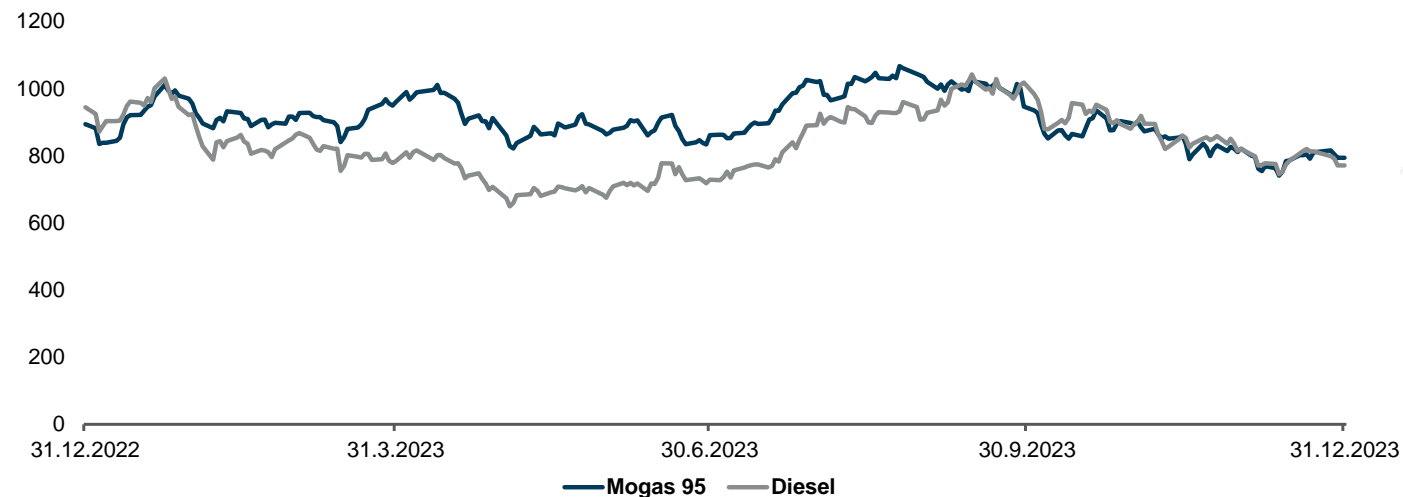
**Fluctuations in fuel prices** between Q4 2022 and Q4 2023:

- **Diesel prices** decreased by 21.6% within Q4 2023 compared to a decrease of 8.4% in Q4 2022
- **Gasoline price** decreased by 15.1% within Q4 2023 compared to a decrease of 5.5% in Q4 2022
- **Diesel average price** was USD 856 compared to USD 1,058 in Q4 2022, decrease by 19.1%.
- **Gasoline average price** was USD 841 compared to USD 927 dollar in Q4 2022, decrease by 9.3%.

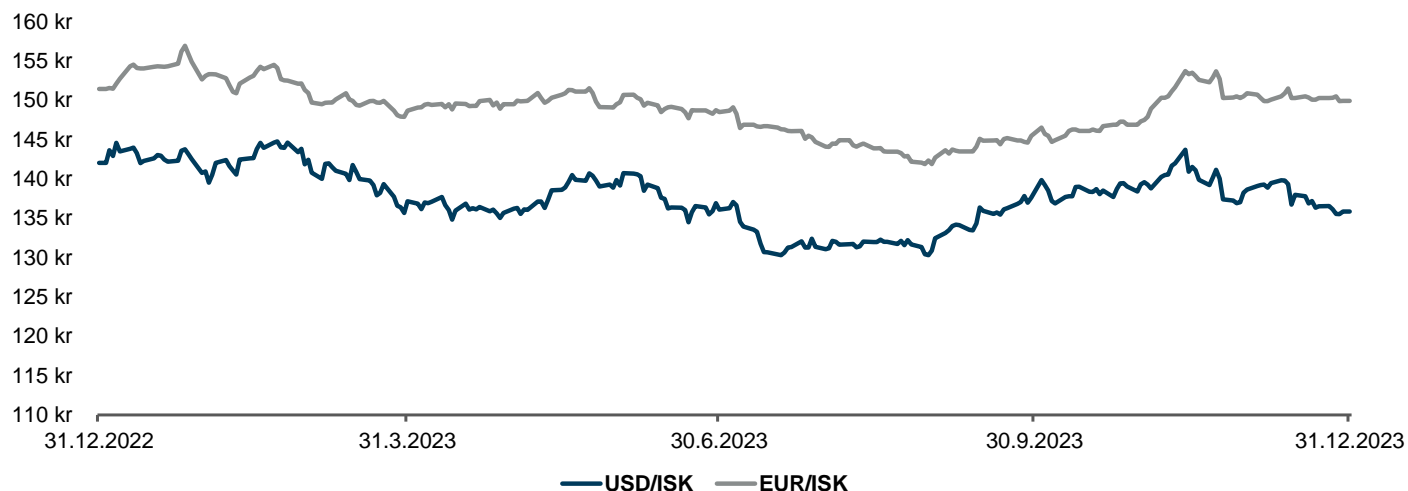
**Fluctuations in currency USD/ISK and EUR/ISK** between Q4 2022 and Q4 2023:

- **USD/ISK weakened** by 1.3% against ISK and the difference between the highest and lowest exchange rate in Q3 was 6.5%.
- **EUR/ISK strengthened** by 3.1% against ISK and the difference between highest and lowest exchange rate in Q3 was 6.7%.

Price development of Mogas 95 and Diesel



Fluctuations in currency USD/ISK and EUR/ISK

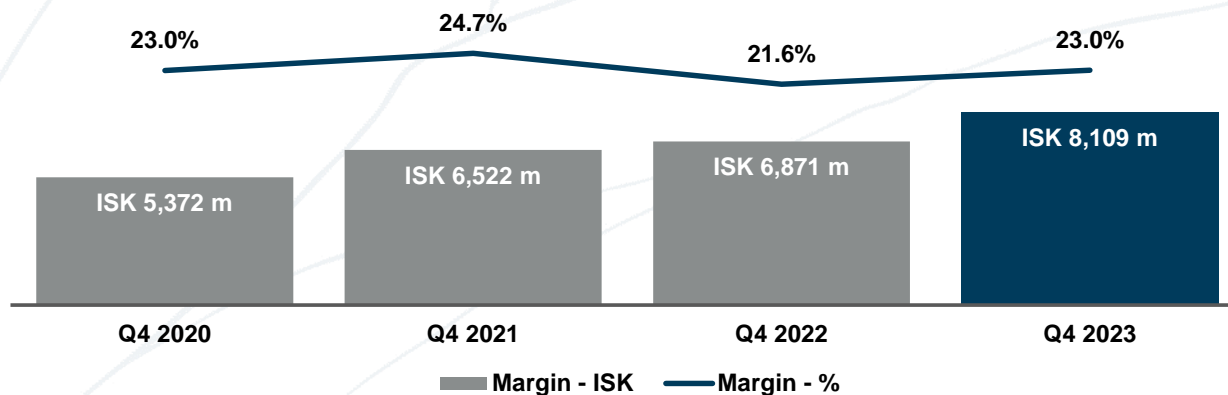


# Margin from sale in Q4

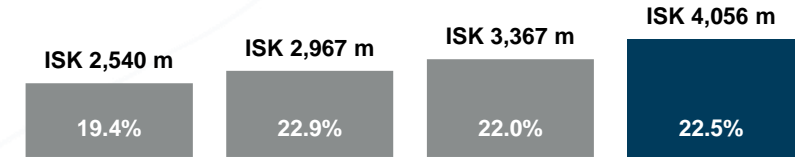


- **Turnover increases** in every sector. **Margin from sales also increases** in every sector from last year.
- **Total margin from sales** increases by 18% from last year and is ISK 8,109 million.
- **Margin ratio in Q4 2023 was 23.0%** an increase of 1.4 p.p. YoY and is unchanged from Q3 2023.
- **Margin from sales in ISK in grocery and convenience goods** increases 20.5% from last year, **Fuel and electricity** increases 19.4%, **electronic equipment** increases 13.6% and **other goods and services** increase 14.7% from last year.

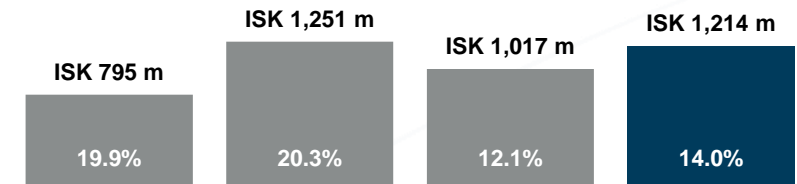
Margin from sale of goods and services



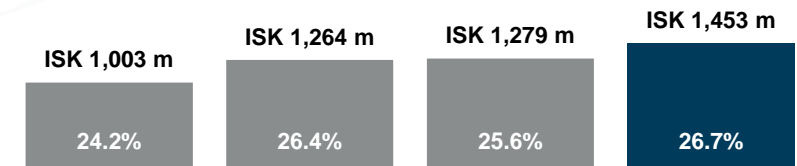
Grocery and convenience goods



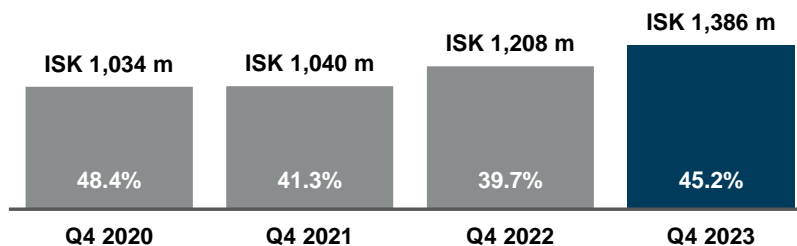
Fuel and electricity



Electronic equipment



Other goods and services

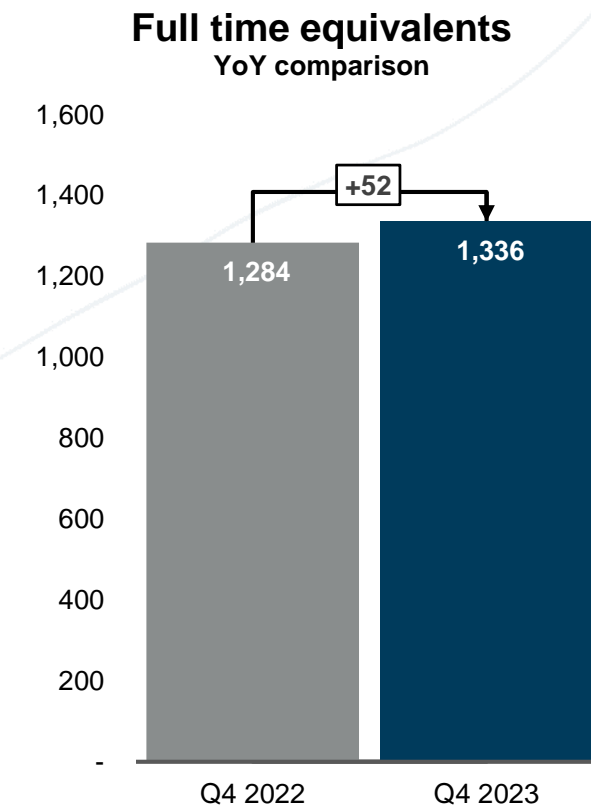
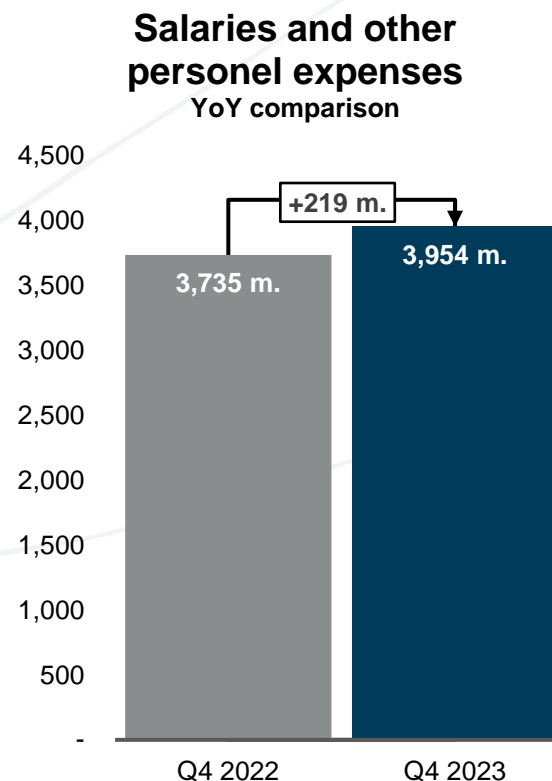




# Salaries and other personnel expenses in Q4 2023



- **Salaries and other personnel expenses** amounted to ISK 3,954, and increases by ISK 219 million or 5.9% YoY.
- **Full-time equivalents increased by 52** YoY and the increase amounts to ISK 140 million.
  - Icelandic Food Company and new Krónan store together with increased activity explain the year-on-year increase.
- **Contractual wage increases** had an effect of ISK 84 million YoY increase.
- **YoY increase of 2.1%** without the effects of increases in full-time equivalents.



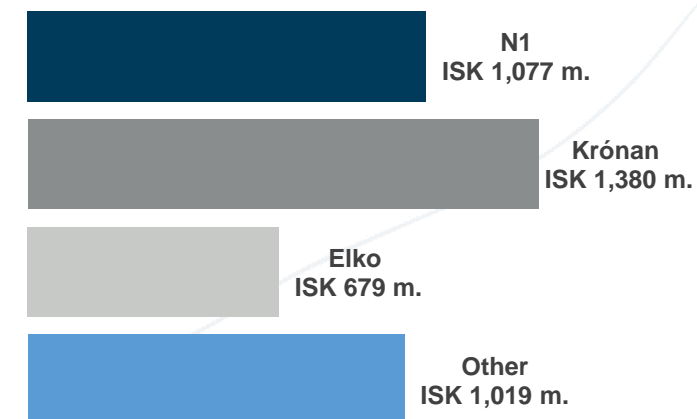
<b>Salaries and other personnel expenses Q4 2022</b>	<b>3,735</b>
Change in full-time position equivalents	140
Contractual wage increases	84
Accrued vacation, change	-21
Other changes	16
<b>Salaries and other personnel expenses Q4 2023</b>	<b>3,954</b>

# Operating segments of the group – Q4 2023

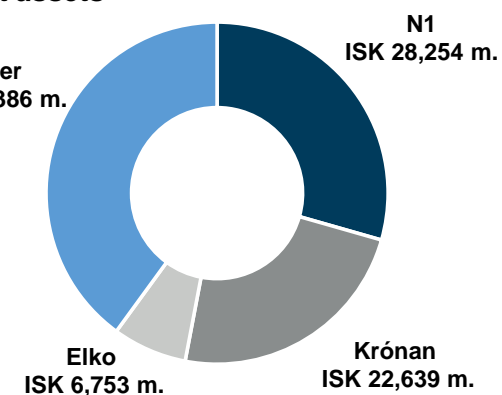


Amounts are in ISK million	N1	Krónan	Elko	Other	Total
Operating revenue outside of group	13,296	16,759	5,503	316	35,874
Other revenue within group	91	392	3	1,839	2,325
<b>Total segment revenue</b>	<b>13,387</b>	<b>17,151</b>	<b>5,507</b>	<b>2,155</b>	<b>38,199</b>
Total operating expenses of segments	(12,310)	(15,771)	(4,827)	(1,136)	(34,043)
<b>Segment EBITDA</b>	<b>1,077</b>	<b>1,380</b>	<b>679</b>	<b>1,019</b>	<b>4,156</b>
Segment depreciation and amortisation	(748)	(689)	(153)	(340)	(1,929)
Fair value changes of investment properties	0	0	0	126	126
<b>Operating result of segments</b>	<b>329</b>	<b>692</b>	<b>526</b>	<b>806</b>	<b>2,353</b>
Financial expenses	(167)	(109)	(77)	(839)	(1,192)
Share of profit from associates	0	0	0	(12)	(12)
Income tax expense	(24)	(109)	(90)	18	(204)
<b>Profit</b>	<b>139</b>	<b>474</b>	<b>359</b>	<b>(28)</b>	<b>944</b>
Segment assets	28,254	22,639	6,753	38,386	96,032
Segment capital expenditure	1,400	995	260	1,359	4,015
Segment liabilities	18,290	17,537	4,807	19,556	60,190

## Segment EBITDA



## Segment assets



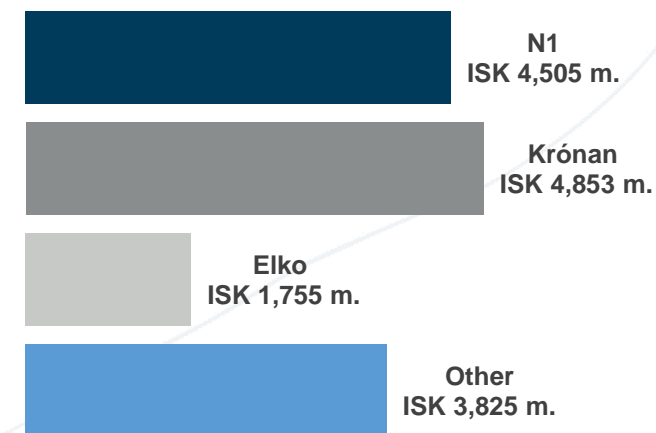
# Operating segments of the group – 12M 2023



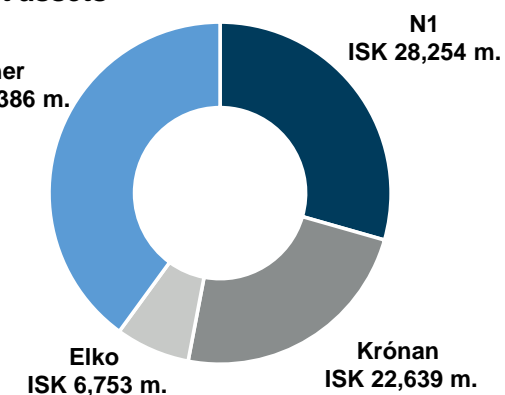
Amounts are in ISK million

	N1	Krónan	Elko	Other	Total
Operating revenue outside of group	55,923	63,158	18,238	1,120	138,440
Other revenue within group	344	1,401	15	7,103	8,863
<b>Total segment revenue</b>	<b>56,267</b>	<b>64,559</b>	<b>18,253</b>	<b>8,223</b>	<b>147,303</b>
Total operating expenses of segments	(51,762)	(59,707)	(16,499)	(4,398)	(132,365)
<b>Segment EBITDA</b>	<b>4,505</b>	<b>4,853</b>	<b>1,755</b>	<b>3,825</b>	<b>14,938</b>
Segment depreciation and amortisation	(2,914)	(2,279)	(575)	(1,129)	(6,897)
Fair value changes of investment properties	0	0	0	139	139
<b>Operating result of segments</b>	<b>1,591</b>	<b>2,573</b>	<b>1,179</b>	<b>2,836</b>	<b>8,179</b>
Financial expenses	(990)	(401)	(154)	(3,184)	(4,729)
Share of profit from associates	0	0	0	418	418
Income tax expense	(111)	(427)	(205)	99	(644)
<b>Profit</b>	<b>490</b>	<b>1,745</b>	<b>820</b>	<b>169</b>	<b>3,224</b>
Segment assets	28,254	22,639	6,753	38,386	96,032
Segment capital expenditure	1,400	995	260	1,359	4,015
Segment liabilities	18,290	17,537	4,807	19,556	60,190

Segment EBITDA



Segment assets



# N1 – Highlights Q4 2023



- Revenue was ISK 13,387 million, an increase of ISK 378 million or 2.9% YoY.
- Sales of fuel and electricity increased by ISK 276 million or 3,3% YoY. Sales in liters were 44,1 million, 5,6% more volume than last year. Volume increase in all categories.
- Margin levels increase between years in all product categories.
- EBITDA was ISK 1,077 million, an increase of ISK 301 million or 38.9% YoY.
- Profit was ISK 139 million, a turnaround of 336 million between years.

 **96**  
Fuel dispenser  
locations

 **12**  
Tire and oil  
service stations

 **13**  
EV charging  
locations

	Q4 2023	Q4 2022	Change	%
Total revenue	<b>13,387</b>	13,009	378	2.9%
Total cost	<b>(12,310)</b>	(12,233)	(77)	0.6%
EBITDA	<b>1,077</b>	776	301	38.9%
EBITDA-ratio	<b>8.0%</b>	6.0%	+2.1 p.p.	34.9%
EBIT	<b>329</b>	88	241	274.1%
EBIT-ratio	<b>2.5%</b>	0.7%	+1.8 p.p.	263.6%
Profit (loss)	<b>139</b>	(198)	336	-170.1%



# Krónan – Highlights Q4 2023



- Revenue was ISK 17,151 million, an increase of ISK 3,041 million or 21.6% YoY.
- Icelandic Food Company a part of Krónan's group from January 1<sup>st</sup>, 2023.
- New store opened in Akureyri in December 2022. Like for like revenues are up by 17,1% YoY.
- Margin levels under pressure, but the margin is improving year-on-year.
- EBITDA was ISK 1,380 million, an increase of ISK 409 million or 42.2% YoY.
- Profit was ISK 474 million, an increase of ISK 166 million or 53.9% YoY.



Grocery stores



First Swan certified  
Icelandic grocery school  
chain



Happiest customers  
in the grocery market

	Q4 2023	Q4 2022	Change	%
Total revenue	17,151	14,110	3,041	21.6%
Total cost	(15,771)	(13,139)	(2,631)	20.0%
EBITDA	1,380	971	409	42.2%
EBITDA-ratio	8.0%	6.9%	+1.2 p.p.	17.0%
EBIT	692	477	215	45.0%
EBIT-ratio	4.0%	3.4%	+0.7 p.p.	19.3%
Profit (loss)	474	308	166	53.9%

# ELKO – Highlights Q4 2023



- Revenue was ISK 5,507 million, increase of ISK 410 million or 8.0% YoY.
- Sales in stores in Keflavik airport increase due to increasing tourism and Icelander's travels, the increase amounts to 33.3% YoY.
- Increased turnover in all stores except Grandi where the turnover decreases insignificantly.
- Margin levels increase from last quarter and between years.
- EBITDA was ISK 679 million, an increase of 71 million or 11.6% YoY.
- Profit was ISK 359 million, an increase of 27 million or 8.2% YoY.



	Q4 2023	Q4 2022	Change	%
Total revenue	<b>5,507</b>	5,096	410	8.0%
Total cost	<b>(4,827)</b>	(4,488)	(339)	7.6%
EBITDA	<b>679</b>	609	71	11.6%
EBITDA-ratio	<b>12.3%</b>	11.9%	+0.4 p.p.	3.3%
EBIT	<b>526</b>	470	56	12.0%
EBIT-ratio	<b>9.6%</b>	9.2%	+0.3 p.p.	3.7%
Profit (loss)	<b>359</b>	332	27	8.2%

# Other entities - Highlights Q4 2023

**BAKKINN**  
vöruhótel

**FESTI**  
fasteignir

- Revenue was ISK 2,155 million, increase of ISK 221 million or 11.4% YoY.
- Net operating income of properties were ISK 1,007 million, compared to ISK 828 million Q4 2022.
- Utilization ratio was 98%, compared to 97% in Q4 2022, an increase of 1 p.p.
- Own utilization of property was 88% and stays the same between years.
- EBITDA ISK 1,019 million, an increase of 28% YoY.
- Profit was ISK negative 28 million, a decrease of ISK 341 million between years, due to the effect of raised key interest rates on cost of capital.

 **83**

Properties owned  
by Group

 **98%**

Properties rented out

 **88%**

Own use of properties

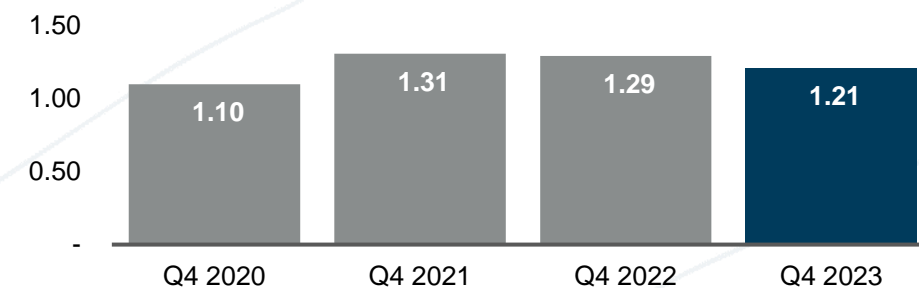
	Q4 2023	Q4 2022	Change	%
Total revenue	<b>2,155</b>	1,934	221	11.4%
Total cost	<b>(1,136)</b>	(1,138)	2	-0.1%
EBITDA	<b>1,019</b>	796	223	28.0%
EBITDA-ratio	<b>47.3%</b>	41.2%	+6.1 p.p.	14.8%
EBIT	<b>806</b>	881	(75)	-8.5%
EBIT-ratio	<b>37.4%</b>	45.5%	-8.1 p.p.	-17.9%
Profit (loss)	<b>(28)</b>	314	(341)	-108.8%

# Statement of Financial Position 31.12.2023

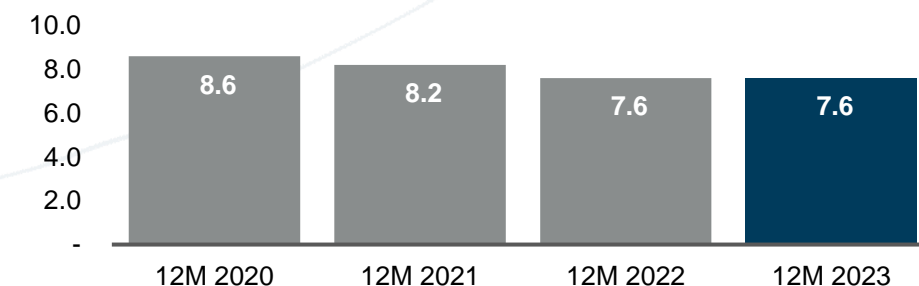


Amounts are in ISK million	31.12.2023	31.12.2022	Change	%
Goodwill	14,842	14,862	(20)	-0.1%
Other Intangible assets	4,260	4,517	(257)	-5.7%
Property and equipment	35,779	34,815	964	2.8%
Leased assets	8,097	8,012	84	1.1%
Investment properties	6,647	6,479	168	2.6%
Shares in associates	2,621	2,601	20	0.8%
Shares in other companies	14	14	0	0.0%
Long-term receivables	145	150	(5)	-3.4%
<b>Non-current assets</b>	<b>72,405</b>	<b>71,450</b>	<b>954</b>	<b>1.3%</b>
Inventories	13,557	13,086	471	3.6%
Trade receivables	5,985	5,960	25	0.4%
Other short-term receivables	723	764	(41)	-5.4%
Cash and cash equivalents	3,362	2,112	1,250	59.2%
<b>Current assets</b>	<b>23,627</b>	<b>21,923</b>	<b>1,705</b>	<b>7.8%</b>
<b>Total assets</b>	<b>96,032</b>	<b>93,373</b>	<b>2,659</b>	<b>2.8%</b>

Current ratio



Inventory turnover



- **Total assets ISK 96,032 million and increase by ISK 2,659 million from year-end.**
- **Operational- and investment assets increase by ISK 1,132 million from year-end.**
- **Inventories increased by 471 million from year-end due increased activities.**
- **Accounts receivable and other short-term receivables decrease by 16 million from year-end.**
- **Cash and cash equivalents was ISK 3,362 million at year-end, an increase of 1,250 million from year-end 2022.**

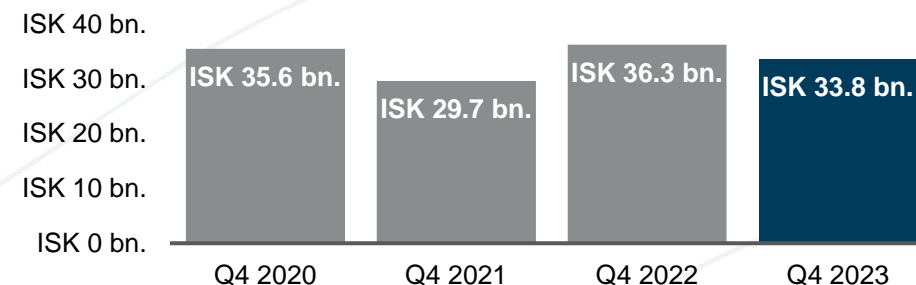


# Statement of Financial Position 31.12.2023

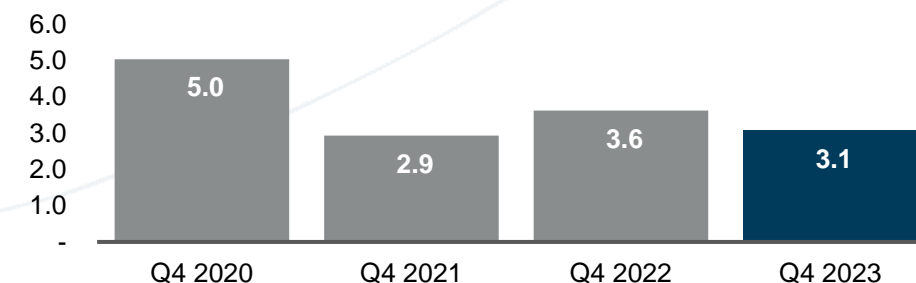


Amounts are in ISK million	31.12.2023	31.12.2022	Change	%
<b>Equity</b>	35,842	34,460	1,382	4.0%
Payable to credit institutions	26,681	28,224	(1,543)	-5.5%
Lease liabilities	7,793	7,715	78	1.0%
Deferred tax liabilities	6,185	6,001	184	3.1%
<b>Non-current liabilities</b>	40,659	41,940	(1,281)	-3.1%
Payable to credit institutions	1,807	1,790	17	1.0%
Lease liabilities	859	712	148	20.8%
Trade payables	9,760	8,630	1,130	13.1%
Other short-term liabilities	7,104	5,841	1,262	21.6%
<b>Current liabilities</b>	19,531	16,973	2,558	15.1%
<b>Total equity and liabilities</b>	96,032	93,373	2,659	2.8%

## Net interest bearing debt



## Net interest bearing debt/EBITDA



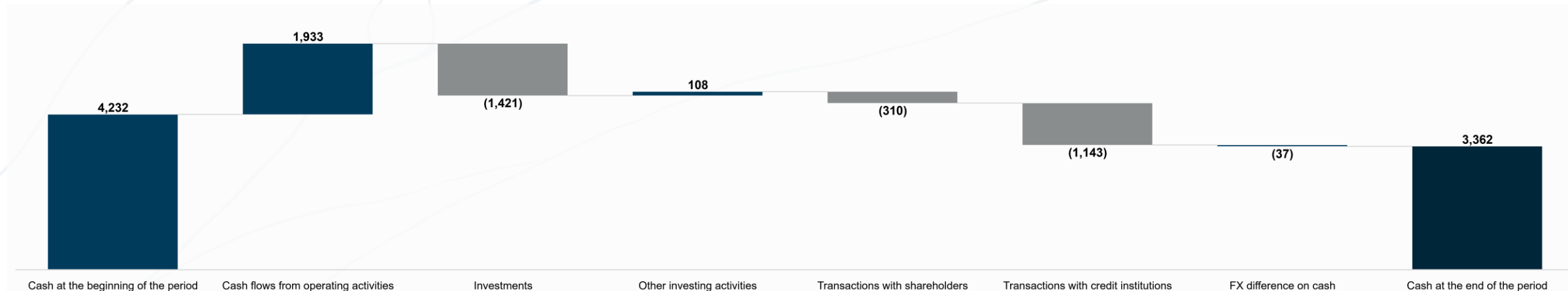
- **Equity ratio of 37.3%** at year-end.
- **Purchase of own shares and dividend paid amounts to ISK 2,046 million** during the year, or **50% of last years profits**.
- **Trade payables and other short-term liabilities** increased by ISK 2,392 million, of which ISK 1,130 million are due to Trade payables.
- **Net-interest bearing liabilities** amounted ISK 33,778 million and decrease by 2,550 million from year-end.
- Current capital structure is **in line with company strategy** and **well within the covenant agreements with credit institutions**.

# Consolidated Statement of Cash Flow Q4 2023



- **Cash from operating activities was ISK 1,933 million, an increase of ISK 103 million YoY.**
- **Investments amounted to ISK 1,421 million in Q4 2023, a decrease of ISK 19 million YoY.**
- **Purchase of own shares** amounted ISK 310 million in Q4 2023.
- **Repayments of interest-bearing debt and lease liabilities** amounted to ISK 1,143 million.
- **Decrease in cash position** in Q4 2023 amounted to ISK 870 million.

ISK millions	Q4 2023	Q4 2022	Change	%
Cash at the beginning of the period	4,232	1,144	3,087	269.8%
Cash flows from operating activities	1,933	1,830	103	5.7%
Investments	(1,421)	(1,440)	19	-1.3%
Other investing activities	108	80	29	36.2%
Transactions with shareholders	(310)	0	(310)	
Transactions with credit institutions	(1,143)	475	(1,617)	-340.8%
FX difference on cash	(37)	24	(61)	-253.8%
<b>Cash at the end of the period</b>	<b>3,362</b>	<b>2,112</b>	<b>1,250</b>	<b>59.2%</b>

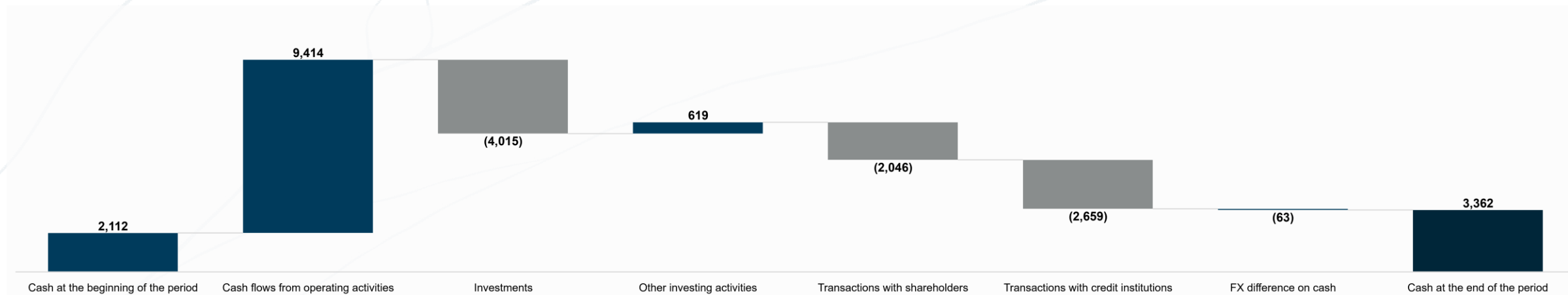


# Consolidated Statement of Cash Flow 12M 2023



- **Cash from operating activities was ISK 9,414 million, an increase of ISK 4,806 million YoY.**
- **Investments amounted to ISK 4,015 million** in 2023, a decrease of ISK 1,765 million YoY.
- **Purchase of own shares** amounted ISK 1,133 million in 2023.
- **Repayments of interest-bearing debt and lease liabilities** amounted to ISK 2,658 million.
- **Increase in cash position** in 2023 amounted to ISK 1,250 million.

ISK millions	12M 2023	12M 2022	Change	%
Cash at the beginning of the period	2,112	4,003	(1,891)	-47.2%
Cash flows from operating activities	9,414	4,607	4,806	104.3%
Investments	(4,015)	(5,779)	1,765	-30.5%
Other investing activities	619	1,015	(397)	-39.1%
Transactions with shareholders	(2,046)	(3,495)	1,448	-41.4%
Transactions with credit institutions	(2,659)	1,687	(4,346)	-257.6%
FX difference on cash	(63)	74	(136)	-185.1%
<b>Cash at the end of the period</b>	<b>3,362</b>	<b>2,112</b>	<b>1,250</b>	<b>59.2%</b>



# Summary



- Q4 2023 operations
- Q4 and 12M results 2023
- **Position and outlook**

# Share price development – Nasdaq OMX

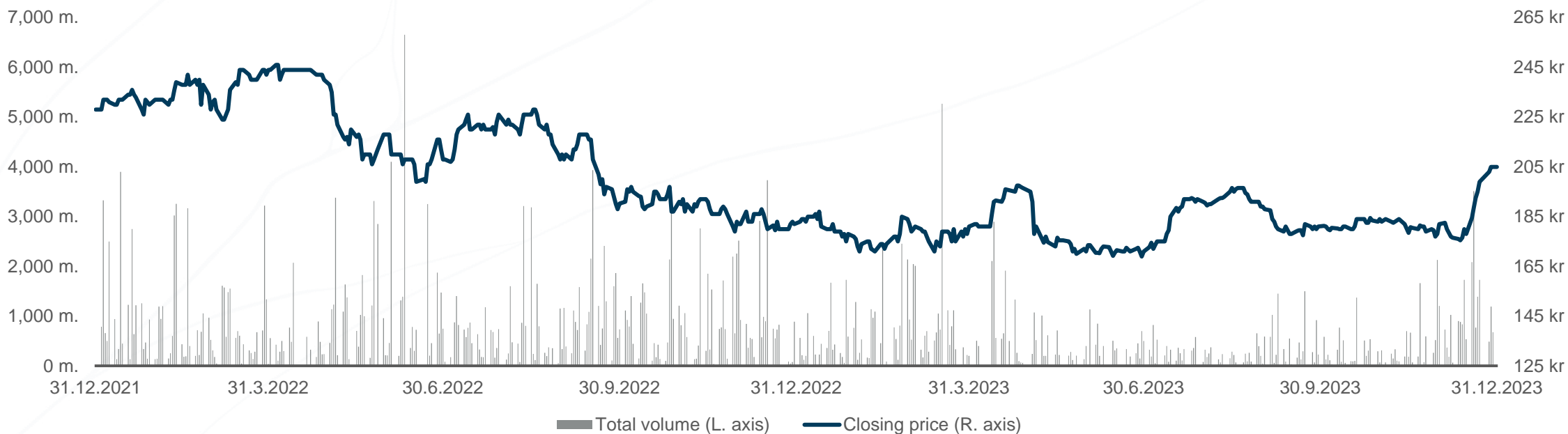


## Shareholders (10 largest)

	%
Lífeyrissj.startsm.rik. A-deild	11.3
Lífeyrissjóður verzlunarmanna	10.9
Gildi - lífeyrissjóður	9.6
Brú Lífeyrissjóður starfs sveit	8.6
Birta lífeyrissjóður	5.7
Almenni lífeyrissjóðurinn	4.7
Stapi lífeyrissjóður	4.6
Frjálsi lífeyrissjóðurinn	3.3
Söfnunarsjóður lífeyrisréttinda	3.0
Stefnir - Innlend hlutabréf hs.	2.9

## Market information

	31.12.2023	31.12.2022	Change
Issued shares	301 m.	308 m.	-2.0%
Price at the end of the period	ISK 205	ISK 182	12.6%
Market cap	ISK 61,757 M	ISK 55,965 M	10.3%
Turnover 12m	ISK 22,781 M	ISK 48,808 M	-53.3%
Number of shareholders	1,191	1,269	-6.1%





# Highlights and outlook 2024

## Highlights:

- **Operations in the quarter performed well** and the results exceeded the company's initial budget.
- **Sales of goods and services in the quarter increased by 11.0% and margin from sales by 18.0%**
- **Margin level increases in all sectors** from last quarter
- **Continued focus** on operational expenses, optimization of operations and finding ways to lower unit costs within the Group.
- **Collaboration between N1 and Tesla** on the development of fast charging stations throughout the country to speed up the energy exchange.
- The company's **board proposes to pay a dividend share of ISK 3 per share** or a total of ISK 904 million, which is 26.3% of the year's profit.

## EBITDA guidance and CAPEX budget 2024

- **EBITDA guidance** for the year 2024 is **ISK 11,200 – 11,600 million.**
- **CAPEX forecast** for the year 2024 is **ISK 4,400 – 4,800 million.**

## Asumptions and risk factors:

- Effects of Icelandic Central Bank's interest rate hikes on the economy.
- Impact of armed conflicts on commodity prices and supply variety.
- High inflation and weakening of the Icelandic krona.
- Uncertainty about the number of tourist arrivals in Iceland and Icelanders' travels abroad.

# Thank you



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