



# Condensed consolidated interim financial statements

1.3.2024 – 30.11.2024



# Contents

---

Condensed consolidated statement of profit and loss and other comprehensive income	2
Condensed consolidated statement of financial position	3
Condensed consolidated statement of cash flows	4
Condensed consolidated statement of equity	5
Notes	6

**Ölgerðin Egill Skallagrímsson hf.**

Identification number 420369-7789

Grjóthálsi 7-11, 110 Reykjavík

## Condensed consolidated statement of profit or loss and other comprehensive income

### Statement of profit or loss

'000 ISK	Note	1 September - 30 November		1 March - 30 November	
		2024	2023	2024	2023
Product revenues	3	11.314.001	11.216.709	35.286.448	35.052.325
Alcohol tax and deposit charge		(2.898.938)	(2.790.456)	(9.115.657)	(9.012.949)
Net product revenues		8.415.063	8.426.254	26.170.791	26.039.376
Production expenses	4	(5.184.326)	(5.176.424)	(15.953.582)	(15.805.490)
<b>Gross profit</b>		<b>3.230.737</b>	<b>3.249.830</b>	<b>10.217.209</b>	<b>10.233.886</b>
Other operating income		9.378	16.639	27.413	40.037
Other operating expenses	4	(2.368.483)	(2.138.379)	(7.209.901)	(6.557.238)
<b>Oper. profit before int .and tax (EBIT)</b>		<b>871.632</b>	<b>1.128.090</b>	<b>3.034.721</b>	<b>3.716.686</b>
Effects of associates		9.753	11.877	29.259	403.170
Financial income		30.413	19.966	102.786	41.993
Financial expenses		(248.214)	(197.635)	(722.127)	(697.322)
Exchange rate difference		34.737	(86.329)	(11.381)	5.145
<b>Profit before tax</b>		<b>698.321</b>	<b>875.969</b>	<b>2.433.258</b>	<b>3.469.672</b>
Income tax		(129.916)	(147.818)	(453.575)	(588.300)
<b>Profit for the year</b>		<b>568.405</b>	<b>728.151</b>	<b>1.979.683</b>	<b>2.881.372</b>

### Attributable to:

Shareholders of Ölgerðin	545.955	691.753	1.874.430	2.820.228
Non-controlling interest	22.451	36.398	105.254	61.144
<b>Profit for the year</b>	<b>568.405</b>	<b>728.151</b>	<b>1.979.683</b>	<b>2.881.372</b>
Basic earnings per share	0,20	0,25	0,70	1,00
Diluted earnings per share	0,20	0,24	0,68	0,96

### Other comprehensive income

'000 ISK	1 September - 30 November		1 March - 30 November	
	2024	2023	2024	2023
Profit for the year	568.405	728.151	1.979.683	2.881.372
<b>Other comprehensive income</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Translation of foreign operations	(108.074)	(10.677)	(37.799)	(9.419)
<b>Total comprehensive income</b>	<b>460.331</b>	<b>717.473</b>	<b>1.941.884</b>	<b>2.871.952</b>
<b>Attributable to:</b>				
Shareholders of Ölgerðin	495.039	693.106	1.857.360	2.816.153
Non-controlling interest	(34.707)	24.367	84.525	55.800
<b>Total comprehensive income</b>	<b>460.331</b>	<b>717.473</b>	<b>1.941.884</b>	<b>2.871.952</b>

EBITDA and EBIT	1 September - 30 November		1 March - 30 November			
	2024	2023	2024	2023		
EBITDA	-16%	1.160.493	1.389.523	-14%	3.871.831	4.479.425
Depreciation and amort.	10%	288.861	261.433	10%	837.110	762.739
EBIT	-23%	871.632	1.128.090	-18%	3.034.721	3.716.686
Net financial items	-31%	(183.064)	(263.998)	-3%	(630.722)	(650.184)
Effects of associates	-18%	9.753	11.877	-93%	29.259	403.170

## Condensed consolidated statement of financial position

### Assets

'000 ISK	Note	30 November 2024	29 February 2024
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		15.968.251	14.095.346
Intangible assets		7.358.548	7.358.548
Right-of-use assets		116.395	131.905
Shares in associates		451.554	422.295
Bond holdings		872.361	396.690
<b>Non-current assets</b>		<b>24.767.109</b>	<b>22.404.784</b>
<b>CURRENT ASSETS</b>			
Inventories		4.113.325	3.418.505
Trade receivable		4.421.886	3.226.991
Other short-term receivables		80.268	91.336
Cash and cash equivalents		176.864	1.523.787
<b>Current assets</b>		<b>8.792.344</b>	<b>8.260.619</b>
<b>Total Assets</b>		<b>33.559.453</b>	<b>30.665.403</b>

### Liabilities and equity

'000 ISK	Note	30 November 2024	29 February 2024
<b>EQUITY</b>			
Share capital		2.837.397	2.806.647
Share premium		1.255.688	1.102.553
Other restricted equity		3.684.403	3.135.377
Retained earnings		6.292.458	6.386.165
<b>Attributable to owners of the parent</b>		<b>14.069.945</b>	<b>13.430.742</b>
Non-controlling interest		1.700.828	1.616.305
<b>Total equity</b>		<b>15.770.774</b>	<b>15.047.046</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Interest bearing long-term liabilities	5	5.358.819	4.443.034
Lease liabilities		103.725	119.241
Deferred tax liabilities		2.699.870	2.569.057
<b>Non-current liabilities</b>		<b>8.162.414</b>	<b>7.131.332</b>
<b>Current liabilities</b>			
Interest bearing short-term liabilities	5	3.370.572	2.150.147
Current maturities of long-term liab.	5	360.779	566.588
Income tax payable		487.836	555.873
Trade payables		2.797.586	2.821.983
Other current liabilities		2.609.492	2.392.433
<b>Current liabilities</b>		<b>9.626.266</b>	<b>8.487.025</b>
<b>Total liabilities</b>		<b>17.788.679</b>	<b>15.618.356</b>
<b>Total liabilities and equity</b>		<b>33.559.453</b>	<b>30.665.403</b>

## Condensed consolidated statement of cash flows

for the period 1 March to 30 November 2024

'000 ISK	Note	2024	2023
<b>Profit for the year</b>		1.979.683	2.881.372
<i>Adjustments for:</i>			
Stock options		43.898	41.722
Effects of associates		(29.259)	(403.170)
Gain on sale of property, plant and eq.		(19.930)	(21.129)
Depreciation and amortisation		837.110	762.740
Change in deferred tax liabilities		76.494	131.667
Change in accrued interest		42.427	0
<b>Net working capital from operations</b>		2.930.423	3.393.202
<i>Change in operating assets and liabilities:</i>			
Trade and other receivables		(1.183.475)	(625.766)
Inventories		(694.820)	(712.018)
Trade and other current payables		419.262	931.258
<b>Net cash from operating activities</b>		1.471.390	2.986.677
<i>Investing activities</i>			
Property, plant and equipment, change		(1.092.118)	(961.987)
Bonds and other financial assets, change		(475.671)	(40.300)
Related parties, change		0	45.757
Net cash from acquisition of subsidiary	6	(1.392.976)	(72.210)
<b>Net cash to investing activities</b>		(2.960.765)	(1.028.740)

'000 ISK	Note	2024	2023
<i>Financing activities</i>			
Proceeds from short-term financing	5	4.558.709	951.887
Repayments of short-term financing	5	(3.700.000)	0
Proceeds from long-term loans	5	1.000.000	155.107
Repayments of long-term loans	5	(471.670)	(3.153.491)
Repayments of lease liabilities		(19.056)	(17.432)
Paid dividends		(1.418.858)	0
Paid in share capital		183.885	0
<b>Net cash from (to) financing activities</b>		133.010	(2.063.929)
Change in cash and cash equivalents		(1.356.365)	(105.992)
Refund from Directorate of Customs		0	81.787
Effect of exchange rates on cash held		9.441	0
Cash at beginning of period		1.523.787	1.171.857
<b>Cash and cash equivalents at period end</b>		176.864	1.147.651
<b>Free cash flow</b>			
Net cash from operations		1.471.390	2.986.677
Cash to investments		(2.960.765)	(1.028.740)
Repayment of lease liabilities		(19.056)	(17.432)
<b>Free cash flow</b>		(1.508.431)	1.940.505
<b>Other information</b>			
Interest received		56.108	35.196
Interest paid		(776.189)	(776.952)
Income tax paid		(357.646)	(252.001)

## Condensed consolidated statement of changes in equity

For the period 1 March to 30 November 2024	Share capital	Share premium	Revaluation reserve	Other restricted equity	Retained earnings	Attributable to owners of the parent	Non-controlling interest	Total equity
'000 ISK								
<b>Balance at 1 March 2024</b>	2.806.647	1.102.553	0	3.135.377	6.386.165	13.430.742	1.616.305	15.047.046
Adjustment to retained earnings (see note 1)					(27.082)	(27.082)		(27.082)
Profit for the period					1.874.430	1.874.430	105.254	1.979.683
Translation difference				(17.070)		(17.070)	(20.729)	(37.799)
<b>Total comprehensive income</b>				(17.070)	1.874.430	1.857.360	84.525	1.941.884
Stock options exercised	30.750	153.135		(14.453)	14.453	183.885		183.885
Stock option expense				43.898		43.898		43.898
Restricted share in profit of subs. and assoc.				536.650	(536.650)	0		0
Paid dividends					(1.418.858)	(1.418.858)		(1.418.858)
<b>Balance at 30 November 2024</b>	2.837.397	1.255.688	0	3.684.403	6.292.458	14.069.945	1.700.830	15.770.774
<b>For the period 1 March to 30 November 2023</b>								
'000 ISK								
<b>Balance at 1 March 2023</b>	2.806.647	1.102.553	688.464	2.168.543	3.315.180	10.081.387	0	10.081.387
Adjustment to retained earnings (see note 1)					81.825	81.825		81.825
Profit for the period					2.820.228	2.820.228	61.144	2.881.372
Translation difference				(4.074)		(4.074)	(5.345)	(9.419)
<b>Total comprehensive income</b>				(4.074)	2.820.228	2.816.153	55.799	2.871.952
Reclassification of revaluation reserve			(688.464)		688.464	0		0
NCI on acquisition of subsidiary						0	1.545.004	1.545.004
Stock option expense				41.772		41.772		41.772
Restricted share in profit of subs. and assoc.				779.548	(779.548)	0		0
<b>Balance at 30 November 2023</b>	2.806.647	1.102.553	0	2.985.789	6.126.149	13.021.138	1.600.803	14.621.941

## Notes

### 1. General information

Ölgerðin Egill Skallagrímsson hf. (hereinafter “Ölgerðin” or “the Company”) is a public limited company, and the principal operations of the Company concern production, sale and marketing in the field of foodstuffs, beverages, and related products. Ölgerðin is domiciled in Iceland. The registered address of the Group is Grjótháls 7-11, 110 Reykjavík, Iceland.

The condensed consolidated interim financial statements of the Ölgerðin Group for the period 1 March to 30 November 2024 are prepared in accordance with the International Financial Reporting Standard for interim reporting, IAS 34, as endorsed by the European Union (EU) and additional requirements in the Financial statements act no. 3/2006. The condensed consolidated interim financial statements include the financial statements of the Company and its subsidiaries, which are collectively referred to as “the Group”, and individually as “Group companies”. These condensed consolidated interim financial statements are prepared and presented in Icelandic króna (ISK), which is the Company's functional currency. All amounts are in Icelandic króna (ISK) and ISK thousand, unless otherwise stated.

The subsidiaries Collab ehf. and Collab DK ApS, established in 2023, are for the first time in this financial year included in the consolidated financial statements of Ölgerðin. These companies were not consolidated in previous consolidated financial statements due to immaterial significance for the Group's operations and finances in prior periods. An adjustment to retained earnings in the amount of ISK 27,1 million reflects the negative equity of the Collab Group as of 1 March 2024. Adjustment to equity in the comparative period is due to a refund of surcharge from the Directorate of Customs in the amount of ISK 81 million.

#### Significant accounting policies

The same accounting policies are applied in these condensed consolidated interim financial statements as were applied in the latest financial statements for the year ended 29 February 2024. The condensed consolidated interim financial statements do not include all of the information required for a complete set of consolidated annual financial statements and should be read in conjunction with the most recent consolidated financial statements of the Group, which are available on the Company's website, [www.olgerdin.is/investors](http://www.olgerdin.is/investors). The classification of expenses in the statement of profit or loss was updated for these financial statements from the comparative period which affected the presentation of line items in the statement of profit or loss, but no amounts or totals were changed.

### 2. Estimates and judgement

When preparing the condensed consolidated interim financial statements, management must, to conform with the Financial statements act no. 3/2006 and IFRS, assess and draw conclusions that impact estimates of assets and liabilities on the reporting date, the information provided in the notes as well as income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities that are not readily apparent from other sources. Even though the estimates are made to the best of management knowledge, the actual values of those items that are thus assessed may differ from the result according to the assessment.

**3. Operating segments**

<b>1 March - 30 November 2024</b>	Egils alcoholic <sup>1)</sup>	Egils non-alcoholic <sup>2)</sup>	Danól <sup>3)</sup>	Export <sup>4)</sup>	Total
Operating and other income	15.920.243	9.235.617	8.084.492	2.073.507	35.313.859
EBITDA	1.339.981	1.848.079	410.769	273.001	3.871.831
Operating profit	912.111	1.513.873	370.905	237.833	3.034.721
Finance inc/exp and assoc.					(601.463)
Income tax					(453.575)
Profit for the period					1.979.683

<b>1 March - 30 November 2023</b>	Egils alcoholic <sup>1)</sup>	Egils non-alcoholic <sup>2)</sup>	Danól <sup>3)</sup>	Export <sup>4)</sup>	Total
Operating and other income	15.755.014	9.457.146	8.187.113	1.693.090	35.092.362
EBITDA	1.595.789	2.006.569	638.116	238.951	4.479.425
Operating profit	1.210.654	1.702.729	599.443	203.859	3.716.686
Finance inc/exp and assoc.					(247.014)
Income tax					(588.300)
Profit for the period					2.881.372

<sup>1)</sup> Income for Egils alcoholic comes from the production, sale and marketing of beverages and related products for customers who mainly trade in alcoholic beverages.

<sup>2)</sup> Income for Egils non-alcoholic comes from the production, sale and marketing of beverages and related products for customers who mainly trade in non-alcoholic beverages.

<sup>3)</sup> Income for Danól comes from the sale and marketing of foodstuffs, beverages, related products and other specialty products.

<sup>4)</sup> Export includes income from all exports of the Group, mainly from Iceland Spring and Collab.

**Operating segments**

An operating segment is a separable part of the Group due to different material or geographical factors that concern risk and performance of other operating segments of the Group. Operating segments are defined in accordance with internal organisation and reporting to management that are used in decision-making. The Group defines its operations into four operating segments.

Common expenses are allocated to the Company's income divisions in proportion to turnover less alcohol tax and deposit charges.

**Revenue recognition**

Revenue from the sale of goods and services is measured at the fair value of the consideration received or receivable, less discounts and refunds. Revenue is recognised in the statement of profit or loss when the Group has fulfilled its performance obligations, which is usually upon delivery, it is probable that the consideration will be collected, and the cost of the transaction and possible product returns can be estimated in a reliable manner.

## 4. Expenses disaggregated by nature

	1 March - 30 November	
	2024	2023
<b>Presentation in statement of profit or loss</b>		
Production expenses	15.953.582	15.805.490
Other operating expenses	7.209.901	6.557.238
<b>Total</b>	<b>23.163.482</b>	<b>22.362.728</b>
<b>Disaggregation by nature of expense</b>		
Cost of materials	13.724.131	13.888.565
Other production costs	687.363	489.975
Sales and marketing expenses	2.232.026	1.945.529
Salaries and related expenses	3.890.830	3.563.822
Depreciation and amortisation	837.110	762.739
Other operating expenses	1.792.022	1.712.098
<b>Total</b>	<b>23.163.482</b>	<b>22.362.728</b>
<i>Depreciation and amortisation is presented as follows in the statement of profit or loss</i>		
Production expenses	467.548	426.010
Other operating expenses	369.561	336.729
<b>Total</b>	<b>837.110</b>	<b>762.739</b>
<i>Salaries and related expenses are presented as follows in the statement of profit or loss</i>		
Production expenses	824.055	770.775
Other operating expenses	3.066.775	2.793.047
<b>Total</b>	<b>3.890.830</b>	<b>3.563.822</b>

Production expenses consist of direct and indirect costs of producing finished goods that generate revenue during the year. Production expenses include raw materials, salaries and related expenses and other production expenses that consists of housing costs, rent and depreciation for property, plant and equipment used in production.

Other operating expenses consist of the distribution and sales expenses of finished goods and services that generate revenue during the year, along with the expenses related to the management and operation of the Group. Other operating expenses includes salaries and related expenses, housing costs, rent, depreciation of property, plant and equipment and amortisation of intangible assets, insurance, as well as other general and administrative expenses.

**5. Loans**

	<b>30.11.2024</b>	<b>29.2.2024</b>
Borrowings in ISK	5.693.717	4.700.491
Borrowings in USD	-	283.846
<b>Total borrowings</b>	<b>5.693.717</b>	<b>4.984.337</b>
Current maturities	(334.898)	(541.303)
<b>Total non-current liabilities</b>	<b>5.358.819</b>	<b>4.443.034</b>
Bills in ISK	2.788.645	1.927.934
Other short-term interest bearing debt in ISK	303.932	0
Short-term interest bearing debt in USD	277.995	222.213
<b>Total interest bearing current liabilities</b>	<b>3.370.572</b>	<b>2.150.147</b>
Current maturities of borrowings	334.898	541.303
Current maturities of lease liabilities	25.881	25.285
<b>Total current maturities</b>	<b>360.779</b>	<b>566.588</b>
Instalments on long-term liabilities are specified as follows:	<b>30.11.2024</b>	<b>29.2.2024</b>
Instalments within 12 months	334.898	541.303
Instalments in 12-24 months	337.874	269.970
Instalments in 24-36 months	1.475.712	273.013
Instalments in 36-48 months	198.575	1.333.789
Subsequent instalments	3.346.658	2.566.262
<b>Total</b>	<b>5.693.717</b>	<b>4.984.337</b>

**6. Acquisition of subsidiary**

G7-11 fasteignafélag ehf., a subsidiary of Ölgerðin, purchased all shares of KK6 fasteignafélag ehf. (formerly Á.Ó. eignarhaldsfélag ehf.) during the period. The purchase price amounted to ISK 1,550 million and was fully paid in cash on 18 October. KK6 fasteignafélag owns a 2.300 square metre warehouse at Köllunarklettsvegur 6 and building rights for an equivalent space. The purchase is considered an asset acquisition according to IFRS 3, and the premium in the transaction is attributed to the real estate property at Köllunarklettsvegur. The value of KK6 assets on the acquisition date amounted to ISK 1.779 million, including ISK 157 million in cash, and the value of liabilities amounted to ISK 229 million.

Liabilities, including borrowings, are initially recognised at fair value less transaction cost and subsequently at amortised cost according to the effective interest rate method. Liabilities denominated in foreign currencies are recognised at the exchange rate prevailing at the end of the reporting period. Exchange rate differences are recognised in the statement of profit and loss. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

Part of long-term liabilities is subject to specific covenants regarding equity, profit margin and financial leverage. At period end, the Company was in compliance with all debt covenants.

Loans are classified as current liabilities unless the Group has an unconditional right to defer settlement of the debt for at least 12 months after the reporting period.

All borrowings are at non-indexed variable interest rates. The average interest rate on 30 November 2024 was 10,5% (29 February 2024: 11,1%).

Other liabilities, including trade payables, payables to related parties, value added tax and other current liabilities are measured at amortised cost, which normally corresponds to their nominal value.

**7. Events after the reporting period**

On 7 January 2025, the board of Ölgerðin approved an increase in the Company's share capital to fulfil stock option agreements of a former executive of the Company. The number of issued shares amounted to 5.687.739 at nominal value, with each share valued at one ISK and carrying one vote per share.