Festi hf. - Forecast 2025-2034 and valuation as of 1 Jan 2025

Amounts are in million ISK / %	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Consolidated basis	31/12/2020	31/12/2021	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026	31/12/2027	31/12/2028	31/12/2029	31/12/2030	31/12/2031	31/12/2032	31/12/2033	31/12/2034
Statement of Comprehensive Income															
Sale of goods and services	86,260	98,736	121,398	136,251	154,462	172,380	181,860	191,863	202,415	213,548	225,293	237,684	250,757	264,549	279,099
Cost of goods sold	-65,576	-74,090	-94,404	-105,584	-117,741	-131,439	-138,669	-146,295	-154,342	-162,830	-172,913	-182,423	-192,456	-203,041	-214,208
Other operating revenue	1,658	2,316	2,386	2,189	2,245	2,505	2,643	2,789	2,942	3,104	3,274	3,455	3,645	3,845	4,057
Other operating expenses (Other OpEx)	-15,286	-16,845	-19,361	-21,840	-26,455	-28,443	-30,007	-31,657	-33,399	-35,235	-37,173	-39,218	-41,375	-43,651	-46,051
Operating profit before D&A (EBITDA)	7,056	10,117	10,019	11,016	12,511	15,003	15,828	16,699	17,617	18,586	18,482	19,498	20,571	21,702	22,896
Depreciation and amortisation	-2,867	-3,193	-3,528	-4,101	-5,090	-6,028	-6,274	-6,502	-6,740	-6,989	-7,262	-7,559	-7,871	-8,196	-8,523
Changes in value of investment property	240	736	216	138	302	280	219	225	232	239	246	254	261	269	277
Operating profit (EBIT)	4,429	7,660	6,707	7,053	7,723	9,256	9,773	10,422	11,109	11,836	11,466	12,192	12,961	13,775	14,650
Net finance cost	-1,919	-1,800	-2,225	-3,335	-3,219	-3,785	-2,964	-3,034	-3,125	-3,216	-3,359	-3,526	-3,667	-3,811	-3,957
Share of profit of associates	268	301	453	418	608	496	546	602	663	731	805	888	978	1,078	1,188
Profit before tax and OCI	2,778	6,161	4,935	4,136	5,112	5,966	7,355	7,990	8,648	9,351	8,913	9,554	10,272	11,042	11,881
Income tax	-511	-1,189	-853	-698	-1,093	-1,094	-1,362	-1,478	-1,597	-1,724	-1,621	-1,733	-1,859	-1,993	-2,139
Other comprehensive income (loss)	214	1,585	-37	-10	2,403	0	0	0	0	0	0	0	0	0	0
Total comprehensive income	2,481	6,557	4,045	3,428	6,422	4,872	5,993	6,513	7,051	7,627	7,291	7,821	8,413	9,049	9,742
Sale of goods and services, chg. in %	1.3%	14.5%	23.0%	12.2%	13.4%	11.6%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Gross profit margin from sales in % (GM) ...	24.0%	25.0%	22.2%	22.5%	23.8%	23.8%	23.8%	23.8%	23.8%	23.8%	23.3%	23.3%	23.3%	23.3%	23.3%
Other operating expenses / sale	17.7%	17.1%	15.9%	16.0%	17.1%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%	16.5%
EBITDA %	8.2%	10.2%	8.3%	8.1%	8.1%	8.7%	8.7%	8.7%	8.7%	8.7%	8.2%	8.2%	8.2%	8.2%	8.2%
Depreciation and amortisation %	6.9%	7.4%	7.8%	8.6%	9.4%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%
EBIT %	5.1%	7.8%	5.5%	5.2%	5.0%	5.4%	5.4%	5.4%	5.5%	5.5%	5.1%	5.1%	5.2%	5.2%	5.2%
Interest rate on loans 1)	5.4%	5.4%	6.7%	9.4%	9.3%	9.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Return on equity (ROE) 2)	8.9%	23.1%	12.7%	10.3%	17.7%	11.5%	13.5%	14.0%	14.6%	15.1%	13.7%	14.2%	14.6%	15.0%	15.4%
Financial Position															
Non-current assets	67,258	66,777	71,450	72,405	88,293	91,605	94,418	97,375	100,483	103,751	107,441	111,321	115,406	119,705	123,954
Current assets	16,107	19,194	21,923	23,627	26,542	30,248	31,833	33,483	35,222	37,055	39,127	41,182	43,349	45,634	48,735
Total assets	83,365	85,971	93,373	96,032	114,835	121,853	126,252	130,858	135,705	140,807	146,568	152,503	158,754	165,339	172,689
Equity	29,783	33,910	34,460	35,842	43,493	46,964	49,547	51,864	54,356	57,047	59,000	61,717	64,656	67,816	71,223
Non-current liabilities	38,920	37,389	41,940	40,659	47,105	48,102	48,836	50,097	51,377	52,659	55,262	57,192	59,146	61,144	60,129
Current liabilities	14,662	14,672	16,973	19,531	24,237	26,787	27,869	28,897	29,972	31,101	32,306	33,595	34,953	36,380	41,336
Total equity and liabilities	83,365	85,971	93,373	96,032	114,835	121,853	126,252	130,858	135,705	140,807	146,568	152,503	158,754	165,339	172,689
Sale / OA (incl. ROU; incl. IA; excl. GW) ..	2.02	2.27	2.56	2.83	2.58	2.75	2.80	2.85	2.90	2.95	2.99	3.03	3.07	3.11	3.16
Inv. assets (ex-GW) / sales	6.2%	3.3%	5.9%	3.5%	10.7%	5.1%	4.7%	4.6%	4.6%	4.5%	4.5%	4.5%	4.4%	4.4%	4.2%
Interest bearing liabilities (incl. leases)	38,160	33,735	38,441	37,140	43,956	45,054	45,878	47,288	48,720	50,154	53,057	55,213	57,396	59,629	62,308
Dividend paid	648	969	1,563	913	904	1,401	3,410	4,195	4,559	4,936	5,339	5,104	5,475	5,889	6,335
Dividend / prior-year total comp. income ...	22.7%	39.1%	23.8%	22.6%	26.4%	34.9%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%	70.0%
Equity ratio	35.7%	39.4%	36.9%	37.3%	37.9%	38.5%	39.2%	39.6%	40.1%	40.5%	40.3%	40.5%	40.7%	41.0%	41.2%
Valuation - ISK															
Wtd. avg. shares (m)	326	321	309	304	306	311	311	311	311	311	311	311	311	311	311
Total comp. income (million ISK)	2,481	6,557	4,045	3,428	6,422	4,872	5,993	6,513	7,051	7,627	7,291	7,821	8,413	9,049	9,742
EPS (including OCI)	7.6	20.4	13.1	11.3	21.0	15.7	19.3	20.9	22.7	24.5	23.4	25.1	27.1	29.1	31.3
DPS	2.0	3.0	5.1	3.0	3.0	4.5	11.0	13.5	14.7	15.9	17.2	16.4	17.6	18.9	20.4
BPS	92.2	107.3	111.9	119.1	139.8	151.0	159.3	166.8	174.8	183.4	189.7	198.4	207.9	218.1	229.0

Sensitivity analysis		Other OpEx / sale 2025-2034		
		17.5%	16.5%	15.5%
GM 2025-2034	22.5%	85.7	164.5	243.2
	23.5%	164.6	**243.4**	322.2
	24.5%	243.6	322.3	401.1

Key figures	2020-2024	2025-2034
Sale, chg.	12.6%	6.1%
GM	23.5%	23.5%
Cost ratio	16.8%	16.5%
EBIT	5.7%	5.3%
Avg. ROE .	14.6%	14.2%

Residual earnings ...	9.1	1.7	4.2	5.0	6.0	7.0	5.1	6.2	7.2	8.3	9.5
Discount rate	**10.0%**	1.1	1.2	1.3	1.5	1.6	1.8	1.9	2.1	2.4	2.6
Present value of RE .		1.5	3.4	3.8	4.1	4.4	2.9	3.2	3.4	3.5	3.7
Total PV of RE	33.8										
PV of CV	69.7										
BV per share 1.1.2025	139.8										
PV per share	**243.4**	Value per share on 1.1.2025 in ISK									
Outstanding shares ..	311	million									
Equity value	**75,698**	Equity value on 1.1.2025 (ISK million)									

Continuing value (CV): RE 2034 x (1 + 4.5%) / (10% - 4.5%) = 180.9

Perpetuity growth rate **4.5%**

1) Interest rate on loans = Finance expenses ÷ [(Interest-bearing liabilities 1 Jan + 31 Dec) / 2]

2) ROE = Total comprehensive income ÷ [Equity at 1 Jan − (9/12 × Dividends) ± (6/12 × Other changes)]