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

Amounts are in thousand USD / %	Actual	Actual	Actual	Actual 1)	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
Parent company	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															
Operating revenue	-	128,008	163,714	194,016	171,095	201,892	207,949	214,187	220,613	227,231	234,048	241,070	248,302	255,751	263,423
Cost of sales	-	-76,061	-96,686	-125,089	-129,608	-129,211	-133,087	-137,080	-141,192	-145,428	-149,791	-154,285	-158,913	-163,681	-168,591
Gross profit	-	51,947	67,028	68,927	41,487	72,681	74,862	77,107	79,421	81,803	84,257	86,785	89,389	92,070	94,832
Other operating revenue	-	896	837	647	3,917	647	666	686	707	728	750	773	796	820	844
Export and distribution costs	-	-1,018	-3,169	-5,133	-5,284	-5,047	-5,199	-5,355	-5,515	-5,681	-5,851	-6,027	-6,208	-6,394	-6,586
Other operating expenses	-	-4,971	-5,035	-7,195	-7,831	-8,076	-8,318	-8,567	-8,825	-9,089	-9,362	-9,643	-9,932	-10,230	-10,537
Operating profit (EBIT)	-	46,854	59,661	57,246	32,289	60,205	62,011	63,872	65,788	67,761	69,794	71,888	74,045	76,266	78,554
Net financial expenses	-	3,346	10,837	-10,400	-6,178	-3,816	-2,753	-3,751	-4,759	-5,748	-6,495	-7,670	-8,971	-10,336	-11,766
Results of subsidiaries and associates	-	473	4,139	1,513	-4,427	9,216	9,769	10,355	10,977	11,635	14,800	15,866	17,008	18,233	19,545
Income tax	-	-10,018	-13,324	-9,710	-5,566	-11,278	-11,852	-12,024	-12,206	-12,403	-12,660	-12,844	-13,015	-13,186	-13,358
Reassessment of fishing quotas	-	0	0	0	0	12,735	9,933	10,231	10,538	10,855	11,180	11,516	11,861	12,217	12,583
Other comp. income (loss)	-	-148	-670	2,658	-4,350	0	0	0	0	0	0	0	0	0	0
Total comprehensive income	-	40,507	60,643	41,307	11,768	67,063	67,109	68,683	70,338	72,100	76,620	78,756	80,928	83,193	85,559
Operating revenue, chg. in %	-	57.8%	27.9%	18.5%	-11.8%	18.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Gross profit margin in % (GM)	-	40.6%	40.9%	35.5%	24.2%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%	36.0%
EBITDA	-	55,927	69,939	70,694	48,194	77,395	79,801	82,195	84,660	87,200	89,816	92,511	95,286	98,145	101,089
EBITDA í %	-	43.7%	42.7%	36.4%	28.2%	38.3%	38.4%	38.4%	38.4%	38.4%	38.4%	38.4%	38.4%	38.4%	38.4%
Depreciation and amortisation %	-	10.3%	10.6%	11.1%	10.2%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
EBIT %	-	36.6%	36.4%	29.5%	18.9%	29.8%	29.8%	29.8%	29.8%	29.8%	29.8%	29.8%	29.8%	29.8%	29.8%
Interest rate on loans 2)	-	2.6%	4.5%	5.6%	6.5%	6.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
Return on equity (ROE) 3)	-	27.9%	35.1%	11.2%	2.2%	12.4%	12.0%	12.2%	12.4%	12.6%	13.3%	13.6%	13.8%	14.1%	14.4%
Financial Position															
Fishing quotas	-	127,506	127,506	399,566	397,975	413,894	426,311	439,100	452,273	465,841	479,817	494,211	509,037	524,309	540,038
Operating assets	-	95,407	98,589	142,657	168,523	175,264	180,522	185,937	191,516	197,261	203,179	209,274	215,553	222,019	228,680
Investments in equity-accounted investees	-	8,678	12,351	99,765	92,162	97,692	103,553	109,766	116,352	123,334	132,214	141,733	151,938	162,877	174,604
Other non-current assets	-	6,834	24,584	21,406	24,263	21,994	19,725	17,456	15,187	13,430	13,430	13,430	13,430	13,430	13,430
Current assets	-	75,923	72,250	140,991	95,143	85,544	88,845	91,991	95,244	96,257	99,814	103,571	107,453	111,468	115,622
Total assets	-	314,348	335,280	804,385	778,066	794,387	818,956	844,251	870,572	896,123	928,453	962,219	997,410	1,034,103	1,072,374
Equity	-	183,012	228,654	554,160	550,733	602,601	606,000	610,930	616,018	621,297	629,422	635,389	641,499	647,811	654,336
Non-current liabilities (incl. tax liab.)	-	107,598	80,627	201,293	188,621	156,467	174,971	193,100	212,003	230,012	251,534	276,383	302,402	329,594	358,018
Current liabilities	-	23,738	25,999	48,932	38,712	35,319	37,986	40,221	42,551	44,814	47,496	50,447	53,509	56,698	60,020
Total equity and liabilities	-	314,348	335,280	804,385	778,066	794,387	818,956	844,251	870,572	896,123	928,453	962,219	997,410	1,034,103	1,072,374
Interest bearing liabilities	-	84,854	52,451	142,564	126,882	84,401	102,023	119,151	137,047	153,872	174,472	198,639	223,998	250,550	278,356
Dividend paid	-	7,500	15,000	15,000	14,844	15,195	63,710	63,753	65,249	66,821	68,495	72,789	74,818	76,881	79,034
Dividend / prior-year total comp. income	-	53.6%	37.0%	24.7%	35.9%	129.1%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%	95.0%
Equity ratio	-	58.2%	68.2%	68.9%	70.8%	75.9%	74.0%	72.4%	70.8%	69.3%	67.8%	66.0%	64.3%	62.6%	61.0%
Valuation - ISK															
Wtd. avg. shares (k)	-	531,355	531,355	669,222	817,947	817,840	817,840	817,840	817,840	817,840	817,840	817,840	817,840	817,840	817,840
USD / ISK	-	130	142	136	138	138	138	138	138	138	138	138	138	138	138
Total comprehensive income (million ISK)	-	5,281	8,614	5,626	1,626	9,268	9,274	9,492	9,721	9,964	10,589	10,884	11,184	11,497	11,824
Dividend paid (million ISK)	-	978	2,131	2,043	2,051	2,100	8,805	8,811	9,017	9,235	9,466	10,059	10,340	10,625	10,922
Equity at year-end (million ISK)	-	23,861	32,478	75,477	76,111	83,279	83,749	84,430	85,134	85,863	86,986	87,811	88,655	89,527	90,429
EPS (including OCI)	-	9.9	16.2	8.4	2.0	11.3	11.3	11.6	11.9	12.2	12.9	13.3	13.7	14.1	14.5
DPS	-	1.8	4.0	3.1	2.5	2.6	10.8	10.8	11.0	11.3	11.6	12.3	12.6	13.0	13.4
BPS	-	44.9	61.1	92.2	93.1	101.8	102.4	103.2	104.1	105.0	106.4	107.4	108.4	109.5	110.6

Sensitivity analysis		Avg. change in OpRev, 2025-2034		
		2.4%	4.4%	6.4%
GM 2025-2034	34.0%	107.1	118.5	131.8
	36.0%	113.4	**125.8**	140.3
	38.0%	119.8	133.2	148.8

Key figures	2020-2024	2025-2034
OpRev chg.	20.5%	4.4%
GM	35.3%	36.0%
EBITDA	37.8%	38.4%
EBIT	30.4%	29.8%
Avg. ROE	19.1%	13.1%

Residual earnings		2.0	1.2	1.4	1.6	1.8	2.4	2.7	2.9	3.2	3.51
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		1.8	1.0	1.0	1.1	1.1	1.4	1.4	1.4	1.4	1.4
Total PV of RE	12.8										
PV of CV	19.9										
BV per share 1.1.2025	93.1										
PV per share	**125.8**	Value per share on 1.1.2025 in ISK, USD 1 = ISK 138									
Outstanding shares	818	million									
Equity value	**102,899**	Equity value on 1.1.2025 (ISK million)									

Continuing value (CV): RE 2034 x (1 + 3%) / (10% - 3%) = 51.7

Perpetuity growth rate **3.0%**

1) An accounting merger with Ramma hf. was completed on 30 June 2023, and Ramma's operating results are included from that date.
2) Interest rate on loans = Finance expenses ÷ [(Interest-bearing liabilities 1 Jan + 31 Dec) / 2]
3) ROE = Total comprehensive income ÷ [Equity at 1 Jan − (9/12 × Dividends) ± (6/12 × Other changes)]