

Festi hf. - Forecast 2026-2035 and valuation as of 1 Jan 2026

Amounts are in million ISK / %	Actual	Actual	Actual	Actual	Actual	Forecast										
Consolidated basis	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	31/12/2035	
Statement of Comprehensive Income																
Sale of goods and services	98,736	121,398	136,251	154,462	173,414	184,686	196,690	207,508	218,921	230,962	243,665	257,067	271,205	286,122	301,858	
Cost of goods sold	-74,090	-94,404	-105,584	-117,741	-129,722	-138,514	-147,518	-155,631	-164,191	-173,222	-183,967	-194,085	-204,760	-217,452	-229,412	
Other operating revenue	2,316	2,386	2,189	2,245	2,313	2,463	2,623	2,768	2,920	3,081	3,250	3,429	3,617	3,816	4,026	
Other operating expenses (Other OpEx)	-16,845	-19,361	-21,840	-26,455	-30,004	-31,397	-33,437	-35,276	-37,217	-39,264	-41,423	-43,701	-46,105	-48,641	-51,316	
Operating profit before D&A (EBITDA)	10,117	10,019	11,016	12,511	16,001	17,238	18,359	19,368	20,434	21,558	22,709	23,958	25,156	26,385	27,656	
Depreciation and amortisation	-3,193	-3,528	-4,101	-5,090	-6,049	-6,287	-6,640	-6,916	-7,171	-7,438	-7,731	-8,049	-8,383	-8,745	-9,139	
Changes in value of investment property	736	216	138	302	159	269	280	218	225	232	239	246	253	261	269	
Operating profit (EBIT)	7,660	6,707	7,053	7,723	10,111	11,221	11,998	12,671	13,487	14,351	14,033	14,905	15,828	16,745	17,517	
Net finance cost	-1,800	-2,225	-3,335	-3,219	-3,082	-3,036	-3,026	-2,844	-2,910	-2,979	-3,093	-3,229	-3,339	-3,503	-3,700	
Share of profit of associates	301	453	418	608	574	374	394	416	438	462	487	513	541	570	601	
Profit before tax and OCI	6,161	4,935	4,136	5,112	7,603	8,560	9,366	10,243	11,016	11,834	11,426	12,189	13,031	13,928	14,817	
Income tax	-1,189	-853	-698	-1,093	-1,383	-1,637	-1,794	-1,966	-2,115	-2,274	-2,188	-2,335	-2,498	-2,672	-2,851	
Other comprehensive income (loss)	1,585	-37	-10	2,403	75	0	0	0	0	0	0	0	0	0	0	
Total comprehensive income	6,557	4,045	3,428	6,422	6,295	6,923	7,572	8,278	8,900	9,559	9,238	9,854	10,533	11,273	12,068	
Financial Ratios																
Sale of goods and services, chg. in %	14.5%	23.0%	12.2%	13.4%	12.3%	6.5%	6.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%	
Gross margin from sales in % (GM)	25.0%	22.2%	22.5%	23.8%	25.2%	25.0%	25.0%	25.0%	25.0%	25.0%	24.5%	24.5%	24.5%	24.0%	24.0%	
Other operating expenses / sale	17.1%	15.9%	16.0%	17.1%	17.3%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	17.0%	
EBITDA %	10.2%	8.3%	8.1%	8.1%	9.2%	9.3%	9.3%	9.3%	9.3%	9.3%	8.8%	8.8%	8.8%	8.3%	8.3%	
Depreciation and amortisation %	7.4%	7.8%	8.6%	9.4%	9.9%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	9.8%	
EBIT %	7.8%	5.5%	5.2%	5.0%	5.8%	6.1%	6.1%	6.1%	6.2%	6.2%	5.8%	5.8%	5.8%	5.4%	5.4%	
Interest rate on loans 1)	5.4%	6.7%	9.4%	9.3%	8.6%	8.2%	7.7%	7.0%	7.0%	6.9%	6.9%	7.0%	6.9%	7.0%	7.0%	
Return on equity (ROE) 2)	23.1%	12.7%	10.3%	17.7%	15.0%	15.0%	15.7%	16.6%	17.2%	17.8%	16.6%	17.1%	17.7%	16.3%	16.7%	
Financial Position																
Non-current assets	66,777	71,450	72,405	88,293	89,096	93,613	97,066	99,950	102,962	106,109	109,659	113,369	117,246	121,586	126,126	
Current assets	19,194	21,923	23,627	26,542	26,665	30,857	32,843	34,617	36,490	38,464	40,763	42,982	45,321	48,043	51,050	
Total assets	85,971	93,373	96,032	114,835	115,761	124,470	129,909	134,567	139,452	144,573	150,423	156,352	162,567	169,628	177,177	
Equity	33,910	34,460	35,842	43,493	47,684	52,444	54,478	56,698	58,976	61,415	63,006	65,469	68,118	69,748	72,373	
Non-current liabilities	37,389	41,940	40,659	47,105	41,665	44,252	45,949	46,926	47,987	49,046	51,242	52,833	54,432	57,377	58,135	
Current liabilities	14,672	16,973	19,531	24,237	26,412	27,774	29,482	30,943	32,489	34,112	36,175	38,050	40,017	42,503	46,668	
Total equity and liabilities	85,971	93,373	96,032	114,835	115,761	124,470	129,909	134,567	139,452	144,573	150,423	156,352	162,567	169,628	177,177	
Valuation - ISK																
Wtd. avg. shares (m)	321	309	304	306	311	309	309	309	309	309	309	309	309	309	309	
Total comp. income (million ISK)	6,557	4,045	3,428	6,422	6,295	6,923	7,572	8,278	8,900	9,559	9,238	9,854	10,533	11,273	12,068	
EPS (including OCI)	20.4	13.1	11.3	21.0	20.2	22.4	24.5	26.8	28.8	30.9	29.9	31.9	34.1	32.5	34.5	
DPS	3.0	5.1	3.0	3.0	4.5	7.0	17.9	19.6	21.4	23.0	24.7	23.9	25.5	27.3	26.0	
BPS	107.3	111.9	119.1	139.8	154.3	169.7	176.3	183.5	190.9	198.8	203.9	211.9	220.4	225.7	234.2	
Value sensitivity																
Value sensitivity per share	Other OpEx / sale 2026-2035				Residual earnings ...	6.3	7.0	7.5	9.2	10.5	11.9	10.0	11.5	12.9	10.5	12.0
					Discount rate	10.0%	1.1	1.2	1.3	1.5	1.6	1.8	1.9	2.1	2.4	2.6
GM avg. 2026-2035					Present value of RE ..	6.3	6.2	6.9	7.1	7.4	5.7	5.9	6.0	4.5	4.6	
					Total PV of RE	60.6										
					PV of CV	87.6										
				BV per share 1.1.2026	154.3											
				PV per share	302.5											
Continuing value (CV): RE 2035 x (1 + 4.5%) / (10% - 4.5%) = 227.2																
Perpetuity growth rate 4.5%																
Key figures																
Key figures		2021-2025	2026-2035													
Sale, chg.		15.0%	5.7%													
GM		23.7%	24.7%													
Cost ratio		16.7%	17.0%													
EBIT		5.9%	5.9%													
Avg. ROE ..		15.8%	16.7%													
Outstanding shares ..		309 million														
Equity value		93,469 Equity value on 1.1.2026 (ISK million)														

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)]