Ölgerðin Egill Skallagrímsson hf.

Consolidated Financial Statements 2019 - 2020

These financial statements are translated from the original which is in Icelandic. Should there be discrepancies between the two versions, the Icelandic version will take priority over the translated version.

Grjóthálsi 7-11
110 Reykjavik, Iceland

Kt. 420369-7789

Index

Independent Auditor's Report

To the Board of Directors' and shareholders of Ölgerðin Egill Skallagrímsson hf.

Opinion

We have audited the consolidated financial statements of Ölgerðin Egill Skallagrímsson hf., which comprise the Board of Directors Report, statement of financial position as at December 31, 2020, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at February 28, 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Icelandic law on annual accounts and adopted accounting rules and that the directors report includes applicable information in accorandce with Icelandic law on annual accounts if not presented elsewhere in the consolidated financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the consolidated financial statements section of our report.

Independence

We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Iceland, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to endorsement by the board of directors discussion about events after the end of the fiscal year, where management discuss the effect of the Covid - 19 epidemic on the Group´s position. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Icelandic law on annual accounts and adopted accounting rules, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Groups's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Independent Auditor's Report

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

* Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

* Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

* Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Reykjavík, May 20, 2021.

PricewaterhouseCoopers ehf.

Kristinn F. Kristinsson

Board of Directors' Report

The consolidated financial statements are prepared in accordance with the Icelandic Act on Annual Accounts (act no. 3/2006). The significant accounting policies are essentially the same as the previous year.

Ölgerðin Egill Skallagrímsson hf. (the "Group") produces beverage products in Iceland since 1913.The Group operates production, sales and marketing of consumer products, drinking products and other products. . The Group employed an average of 367 employees during the year. At year end the Group employed, comprised of 32% women and 68% men. At year end the Board of Directors consisted of 40% women and 60% men.

The COVID-19 pandemic could have a significant impact on the Group's operations. Management is working to minimize the negative impact on the company's operations, but it is uncertain how long-lasting or serious the impact will be. Further information on the impact of COVID-19 on the company's operations is provided in Note no. 14

Net profit for the year amounted to ISK 578 million according to the income statement, and total equity at year end amounted to ISK 5.408 million according to the balance sheet.

The Board of Directors of Ölgerðin Egill Skallagrímsson hf. proposes that no dividend be paid in 2020 for the financial year 2019-2020.

At beginning of the year shareholders were 28 but at year end there were 27. The ten biggest shareholders are:

OA eignarhaldsfélag hf.	26,1%
Horn III slhf.	25,1%
Akur fjárfestingar slhf.	18,2%
Nitur ehf.	5,8%
Sjóvá-Almennar tryggingar hf.	5,1%
Sindrandi ehf.	4,0%
Vátryggingafélag Íslands hf.	2,5%
Landsbréf - Úrvalsbréf	2,2%
ISA ehf.	2,0%
EGG ehf.	2,0%

The Board of Directors of Ölgerðin Egill Skallagrímsson hf.ehf. hereby confirm the Company´s consolidated financial statements for the year ended 28 February 2020 with their signatures.

Reykjavík, May 20, 2021.

Októ Einarsson

Jóhannes Hauksson

Hermann Már Þórisson

Rannveig Eir Einarsdóttir

Sylvía Kristín Ólafsdóttir

Forstjóri

Andri Þór Guðmundsson

Income statement 1st of March 2019 - 29th of February 2020

All amounts are in thousand ISK

Operating revenues	***Notes***	**2019-2020**	**2018-2019**
Sale of goods		25.944.376	24.877.169
Excise duties		(7.467.857)	(7.199.207)
Net sale of goods		18.476.519	17.677.962
Other operating income		33.674	38.993
		18.510.193	17.716.955
Operating expenses			
Production expenses		10.776.363	10.063.873
Other operating expenses		5.637.513	5.543.864
		16.413.876	15.607.737
Operating profit		2.096.317	2.109.218
Depriciation	6	(769.929)	(832.321)
Amortization	7	0	(102.431)
Net operating profit		1.326.388	1.174.466
Financial income and expenses			
Residual financial income (expenses)	5	(838.850)	(753.529)
Gain (loss) on sale of shares in companies		159.403	0
Effect of results of associates	8	109.883	(29.002)
		(569.564)	(782.531)
Profit before tax		756.824	391.935
Income tax	13	(178.855)	3.298
Profit after tax		577.968	395.233
Other items			
Minority interest	12	0	(581)
Gain (loss) of subsidiaries held for sale	15	0	5.809
Profit for the year		577.968	400.461

Balance sheet

All amounts are in thousand ISK

Assets

	Notes	29.2.2020	28.2.2019
Non-current assets			
Intangible assets	7	6.848.574	6.848.574
Property, plant and equipment	6	8.247.670	8.184.999
Investments in associated companies	8	516.164	362.093
Investments in other companies		0	5.913
Receivables from associate companies		257.830	145.457
Bonds and long-term securities		241.440	464.728
Deffered tax asset	13	35.928	68.180
Total non-current assets		16.147.606	16.079.944
Current assets			
Inventories	9	1.753.095	1.533.948
Accounts receivables	10	1.917.851	2.042.765
Other receivables		163.689	326.511
Cash		180.134	183.436
Current assets		4.014.769	4.086.660
Assets from subsiduaries held for sale	15	0	323.469
Total current assets		4.014.769	4.410.129
Total assets		20.162.377	20.490.073

29th of February 2020

All amounts are in thousand ISK

Equity and liabilities

	Notes	29.2.2020	28.2.2019
Equity			
Share capital		2.796.962	2.806.965
Share premium		1.085.052	1.114.155
Revaluation		321.888	304.225
Other equity		529.221	30.226
Retained earnings		674.607	593.352
		5.407.731	4.848.923
Minority interest		0	4.545
Total equity	12	5.407.731	4.853.469
Liabilites			
Non-current liabilities			
Interest bearing loans and borrowings	11	9.015.206	9.924.151
Deffered tax liabilities	13	1.775.426	1.759.420
Total non-current liabilites		10.790.632	11.683.571
Current liabilities			
Accounts payables		1.478.243	1.435.216
Interest bearing loans and borrowings		55.170	230.557
Current portion of long-term liabilities	11	1.004.133	483.301
Income tax payable	13	130.599	88.762
Other current liabilites		1.295.869	1.437.186
Current liabilities		3.964.014	3.675.022
Liabilities of subsidiares held for sale	15	0	278.012
Total current liabilites		3.964.014	3.953.033
Total liabilites		14.754.646	15.636.604
Total equity and liabilities		20.162.377	20.490.073

Cash flow statement 1st of March - 29th of February 2020

All amounts are in thousand ISK

	2019-2020	2018-2019
Operating activities		
Operating income	1.326.388	1.174.466
Non-cash adjustments to reconcile profit before tax to net cash flow:		
Loss (gain) on sale of assets	(1.053)	(1.464)
Depreciation of property, plant and equipment	769.929	832.321
Impairment of intangible assets	0	102.431
Net working capital from operations w/o interest or tax	2.095.264	2.107.755
Working capital adjustments		
Decrease (increase) in inventories	(219.147)	(113.974)
Decrese (increase) in accounts receivables	322.024	(337.705)
Increase (decrease) in trade and other payables	(439.662)	61.609
Net cash from operations w/o interest and tax	1.758.479	1.717.685
Interest income recieved	31.929	48.174
Paid other financial expenses	(31.916)	(60.566)
Paid taxes	(88.762)	(280.704)
Net cash from operating activities	1.669.730	1.424.588
Investing activities		
Sold (purchased) property, plant and equipment	(676.953)	(628.225)
Sold (purchased) shares in subsiduaries	183.696	0
Effects from merge with subsiduaries	0	(149.815)
Bonds, change	221.955	107.636
Investment in associated company	(19.375)	0
Net cash used in investing activites	(290.677)	(670.404)
Financing activities		
Changes in short-term borrowings	(175.387)	175.507
New long-term borrowings	0	500.000
Repayment of long-term borrowings	(557.885)	(994.670)
Purchased own shares	(21.443)	0
Interest expenses paid	(627.639)	(618.883)
Financing activities	(1.382.354)	(938.046)
Decrease in cash / cash equivalents	(3.301)	(183.862)
Cash / cash equivalents in the beginning of period	183.436	370.784
Cash / cash equivalents at the end of the period	180.134	183.436

Notes

All amounts are in thousand ISK

1. The company

Ölgerðin Egill Skallagrímsson (the "Group") is a limited liability company. The main operation of the Group consists of production, sales and marketing in the field of food, of beverages, food, and related consumer products. The registered address is Grjótháls 7-11, 110 Reykjavik, Iceland.

2. Summary of significant accounting policies

Basis of accounting method

The financial statements are prepared in accordance with the Icelandic Act on Annual Accounts (act no. 3/2006). The significant accounting policies are essentially the same as the previous year, except as noted below. The Group's management has assessed its operability and believes that the company has a basis for continued operations**.** The financial statement is in ISK and all amounts are in thousands unless otherwise stated.

The consolidated financial statement consists of Ölgerðin Egill Skallagrímsson hf. and its subsidiaries, Danól ehf., kt. 530902-2640 with the registered address Fossháls 17-25, 110 Reykjavik and G7-11 Fasteignafélag ehf., kt. 490911-2510 with the address Grjótháls 7-11, 110 Reykjavik. At the end of the accounting period Ölgerðin Egill Skallagrímsson hf. owns 100% shares in Danól ehf. and G7-11 fasteignafélag ehf.

Ölgerðin Egill Skallagrímsson owns 100% in subsidiaries Agla Gosgerð ehf., Borg Brugghús ehf., and Sól ehf. They are held outside of the consolidated financial report considering their immaterial effects on income according to paragraph 70 in the Icelandic Act on Annual Accounts.

Valuation method

The preparation of the financial statements requires management to make judgments, estimates and assumptions, which affect the application of accounting policies and the reported amounts of assets and liabilities, as well as income and expenses. These estimates are based on information available to management at the time and actual results may differ from these estimates.

Assets and liabilities indexed or denominated in foreign currencies

Assets and liabilities denominated in foreign currencies are converted into Icelandic krona at the closing rate for the reported year. Indexed assets and liabilities are translated using indices effective at 1st of March 2020. Exchange rate differences on assets and liabilities are recognized in the income statement

Property, plant and equipment

Property, plant and equipment is stated at aquisition cost less depreciation. Repairs and maintenance costs are expensed when incurred. Costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and that the cost of the item can be measured reliably. Major renovations are capitalized and depreciated over the estimated life of the related assets.

Intangible assets

Intangible assets that are purchased separately are valued at cost. The cost of intangible assets in a merger is the fair value on the acquisition date. After initial recognition, intangible assets are recognized at cost less accumulated impairment losses. All costs for intangible assets created within the company are expensed in the income statement in the year in which the costs incurred.

All amounts are in thousand ISK

Investments in associates

Investments in associates are recognized under the equity method. According to this approach, the Company's share of profits and losses of associates after purchase are included in the income statement and its share of other movements in equity are recognized in a separate equity account. Cumulative effects after purchase are included in the carrying amount of shares in associates. Associates are entities in which the Company generally holds between 20 and 50% of the shares or has significant influence without having direct control over the entity.

Investments in other companies

Investments in other companies are booked at cost.

Share capital

One vote for each ISK share of nominal value.

Share premium

The premium price of paid-in share capital was transferred to the premium account of paid-in share capital during the period.

Revaluation

The revaluation is the company's share in a revaluation of investments in associate , which is due to a revaluation of the company's water source and due to a special revaluation of the subsidiary's real estate.

Restricted equity account

The difference between a share that has been entered in the income statement for a subsidiary and / or an associated company, and the amount that is the dividend received or the dividend that has been decided to be allocated is entered in a restricted share account. The invoice is redeemed if the share is sold or written off.

Inventories

Inventories are stated at net realizable value. Net realizable value is the estimated selling price in the ordinary course of business less costs of completion and selling expenses. The impact of hedging due to purchases of inventory is included in the cost of inventories.

Account receivables

Account receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade receivables are carried at original invoice amount less allowance for doubtful accounts. An allowance against trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of receivables.

Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet and the Cash Flow Statement includes cash, deposits and short-term securities with a maturity of 3 months or less. Accounts in overdraft are shown as current liabilities on the balance sheet.

Lease

Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

Notes

All amounts are in thousand ISK

Revenue

Revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer and the amount can be reliably measured. Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services, net of VAT and discounts.

Interest income is recognized in the income statement when it is incurred.

Dividend income is recognized when the company's right to collect is available.

Deffered income tax liability (asset)

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities, and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

3. Salaries and related expenses

	2019 - 2020	2018 - 2019
Salaries	2.916.992	3.048.793
Pension funds	387.609	374.227
Related expenses	272.639	290.447
Total salaries and related expenses	3.577.240	3.713.467

The company employed an average of 367 employees during the year compared to 424 the year before.

Salaries paid to management amounted to 9,5 million ISK during the year compared to 8,4 million ISK of the year before. The total salary of the Chairman of the Board, the CEO and the Executive Board amounted to ISK 233.6 million kr. during the year compared to ISK 220.2 million. kr. the year before.

4. Auditor's fees

	2019 - 2020	2018 - 2019
Audit of financial statement	7.998	5.525
Review of interim financial statement	1.641	1.222
Other services	4.176	1.602
	13.815	8.349

5. Financial income and expenses

	2019-2020	2018-2019
Interest income	56.099	67.176
Interest expense	(706.232)	(721.469)
Exchange differences	(34.247)	(99.235)
Other financial expenses	(154.471)	0
	(838.850)	(753.529)

Notes

All amounts are in thousand ISK

6. Property, plant and equipment

Property plant and equipment are as follows:

	Buildings	Vehicles	Machinery and equipment	Total
Book value 1/3 2019	6.007.447	1.006.353	6.669.157	13.682.957
Total depriciation 1/3 2019	(1.022.753)	(532.250)	(3.942.955)	(5.497.958)
Additions during the period	244.159	179.197	544.451	967.807
Depriciation during the period	(171.467)	(106.974)	(491.488)	(769.929)
Disposals during the period	0	(90.403)	(44.805)	(135.208)
Book value 29/2 2020	5.057.386	455.924	2.734.360	8.247.670
Total cost 29/2 2020	6.251.605	879.313	6.358.186	13.489.104
Total depriciation 29/2 2020	(1.194.219)	(423.389)	(3.623.826)	(5.241.434)
Book value 29/2 2020	5.057.386	455.924	2.734.360	8.247.670
Depriciation rate	3%	15%	8%-33%	

7. Intangible assets

Intangible assets are as follows:

	Brand	Business Relationship	Total
Cost 1/3 2019	6.129.278	1.594.735	7.724.013
Total amortization 1/3 2019	0	(875.439)	(875.439)
Book value 29/2 2020	6.129.278	719.296	6.848.574
Total cost 29/2 2020	6.129.278	1.594.735	7.724.013
Total amortization 29/2 2020	0	(875.439)	(875.439)
Book value 29/2 2020	6.129.278	719.296	6.848.574

The Group's brands and business relationships have an indefinite life and is tested for impairment annually where the cash flow due to the company's own brands and business relationships is tested for impairment. In the event of impairment, it is charged to expenses. Business relationships were previously amortized on a straight-line basis but are now assessed for impairment through an impairment test.

The recoverable amount of trademarks and business relationships is based on estimated margins for the future, and margin percentages are based on management's estimates of the future margins of trademarks and business relationships. Managements' plan for the brands and the business relationships is discounted with a required rate of return, which is the weighted average cost of capital for the company. The present value is then compared with the asset base of each brand and business relationship to assess possible impairment.

Calculation of the recoverable amount did not result in an impairment loss.

Notes

All amounts are in thousand ISK

8. Investments in associates

Investments in associates are as follows:

	Ownership	Share of profit 2019-2020	Book value 29.2.2020	Book value 28. 2.2019
Iceland Spring ehf., Grjóthálsi 7-11	21,24%	(106.397)	275.641	362.093
Endurvinnslan hf., Reykjavík	20,00%	216.280	240.523	0
		109.883	516.164	362.093

During the period Ölgerðin aquired a 12.5% share in Endurvinnslan resulting in Ölgerðin's total ownership in Endurvinnslan equal to 20% and a change to Ölgerðin's investment in Endurvinnslan being recognized under the equity method. The company recognized income of 216 m.kr. due to the acquisition, which amounts to the company's share in Endurvinnslan hf. in excess of the purchase price.

9. Inventories

Inventories are as follows:

	29.2.2020	28.2.2019
Produce for resale	1.444.943	1.221.115
Raw materials and packaging	284.316	302.094
Other products	41.060	32.786
Allowance for obsolete and excess inventory	(17.225)	(22.047)
	1.753.095	1.533.948

Insurance value of inventories is ISK 2.488 million at year end.

10. Accounts recievables

Accounts receivables are as follows:

	29.2.2020	28.2.2019
Accounts recievables	2.052.165	2.094.384
Allowance for doubtful accounts	(134.314)	(51.619)
Accounts recievables, net	1.917.851	2.042.765
Final write-off, bad debt provision	87.300	32.083

All amounts are in thousand ISK

11. Interest bearing long term liabilities

Interest bearing long term liabilities are as follows:

Non-index linked liabilities	10.019.339
Long term liabilities,	10.019.339
Current portion of long term liabilities	(1.004.133)
Long term liabilities, total	9.015.206

Upcoming payments of long term liabilities

Payments March 2020 - February 2021	1.004.133
Payments March 2021 - February 2022	462.730
Payments March 2022 - February 2023	1.982.647
Payments March 2023 - February 2024	373.159
Payments March 2024 and later	6.196.670
	10.019.339

The Group's non-current and current assets are mortaged as collateral for Interest bearing long term liabilities, which were worth ISK 15.9 billion at end of period.

12. Equity

Statement of changes in equity:

	Share capital	Share premium	Statutory reserve	Other items	Retained earnings	Total equity
Balance 1/3/2019	2.806.965	1.114.155	304.225	30.226	593.352	4.848.923
Purchased own shares	(10.003)	(29.103)	0	0	0	(39.106)
Translation difference	0	0	17.663	2.283	0	19.946
Share of subsiduaries	0	0	0	496.712	(496.712)	0
Profit for the year	0	0	0	0	577.967	577.967
Balance 29/2 2020	2.796.962	1.085.052	321.888	529.221	674.607	5.407.730

Other items are as follows:

	Translation difference	Restricted equity account	Other items total
Equity 1/3 2019	(14.573)	44.799	30.226
Translation difference	2.283	0	2.283
Share of subsiduaries	0	496.712	496.712
Equity 29/2 2020	(12.290)	541.511	529.220

One vote is attached to each ISK share of the nominal value. The Group's total issued share capital is ISK 2,806 million nominal value and the Group owns own shares with a nominal value of ISK 10 million. The statutory reserve fund is included in the share premium account.

Minority interest is as follows:

	29.2.2020	28.2.2019
Balance 1/3 2019	4.545	3.964
Sale of subsidiary	(4.545)	0
Minority share in the results of a subsidiary	0	581
Balance 29/2 2020	0	4.545

All amounts are in thousand ISK

13. Deffered income tax liability

The Group's income tax liability amounted to ISK 1,775.4 million. kr. at the end of the year according to the balance sheet and income tax credit amounted to ISK 45.3 million. kr. The change in the obligation and the credit during the year is as follows

	Income tax liability	**Income tax asset**	**Total**
Income tax liability (-asset) 1/3 2019	1.759.420	(68.180)	1.691.240
Income tax	102.346	32.252	134.598
Effects from premium price of property	44.257	0	44.257
Income tax payable	(130.599)	0	(130.599)
Income tax liability (-asset) 29/2 2020	1.775.426	(35.928)	1.739.496

Income tax payable is as follows:

Income tax from profits	(166.355)	(32.248)	(198.602)
Effects from premium price of property	(44.257)	0	(44.257)
Effect of results of associates	64.018	0	64.018
Non-deductable expenses	(10)	(4)	(13)
Income tax in income statement	(146.604)	(32.251)	(178.855)

Deferred income tax liabilities (assets) are broken down into the following items:

Property, plant and equipment	226.423	62.022	288.444
Intangible assets	1.359.042	0	1.359.042
Inventories	17.531	0	17.531
Accounts receivables	(40.038)	0	(40.038)
Exchange rate differences	(11.109)	(92)	(11.201)
Carry forward losses	0	(97.857)	(97.857)
Other items	223.576	0	223.576
Income tax liabilitiy (-asset) 28/2 2020	1.775.426	(35.928)	1.739.496

The Group's unequal tax loss at the end of the year, which may be carried forward according to tax law, amounts to ISK 489.3 million. kr. The tax loss will be used to deduct profits for the next ten years after it is incurred.

Carry forward losses at year end is as follows:

Loss for 2013, expires end of 2023	143.576
Loss for 2014, expires end of 2024	27.122
Loss for 2015, expires end of 2025	68.984
Loss for 2016, expires end of 2026	126.790
Loss for 2017, expires end of 2027	21.992
Loss for the financial year, usable until the end of 2028	100.822
	489.287

Notes

All amounts are in thousand ISK

14. Subsequent Events

Due to the impact of the COVID-19 pandemic on the Group's customers, the allowance for doubtful accounts and debt has been increased. The final effects of the pandemic are subject to great uncertainty, but management is closely monitoring the situation and taking measures to reduce the negative effects on Ölgerðin hf.. In the opinion of the management, the Group is well placed to deal with a temporary downturn.

No other factors have emerged that have a significant impact on the Group's operations, finances and future prospects

15. Mjöll Frigg ehf. - subsidiary held for sale (sold during the period)

Income statement

	28.2.2019
Operating revenues	662.994
Other operating income	178
Operating expenses	(655.906)
Profit before tax	7.266
Income tax	(1.457)
Total profit of subsiduarie held for sale	5.809

Balance sheet

Assets:	
Non-current assets	**28.2.2019**
Property, plant and equipment	84.099
Intangible assest	8.435
Investments in other companies	100
Deffered tax asset	14.769
Total non-current assets	107.404
Current assets	
Inventories	110.376
Accounts receivables	87.180
Other receivables	336
Cash	18.173
Total current assets	216.065
Total assets	323.469
Equity and liabilities	
Equity and liabilities	
Share capital	100.000
Share premium	7.500
Retained earnings	(62.043)
Total equity	45.457
Liabilities	
Long term liabilities	113.178
Accounts payables	73.216
Liabilities with associated companies	31.296
Current portion of long term liabilities	23.817
Other current liabilities	36.504
Total liabilities	278.012
Total equity and liabilities	323.469

Notes

All amounts are in thousand ISK

Cash Flow statement

Net working capital from operations w/o interest or tax	11.578
Interest income received	271
Paid financial expenses	(897)
Net cash from operating activities	10.952
Investing activities	(20.059)
Financing activities	23.793
Increase (decrease) in cash / cash equivalents	14.686
Cash / cash equivalents in the beginning of period	3.486
Cash / cash equivalents at the end of the period	18.172