Skagi hf.
Financial results
Q2 and H1 2026

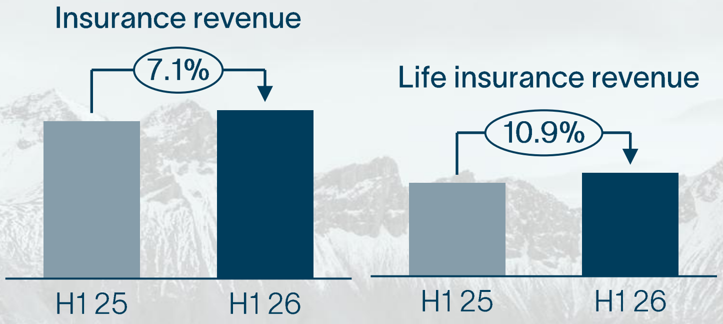
SKAGI

Key highlights H1 2026

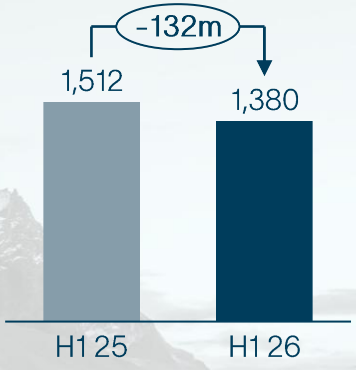
Significant improvement in Skagi Group profitability

Profit for the period **~400m**

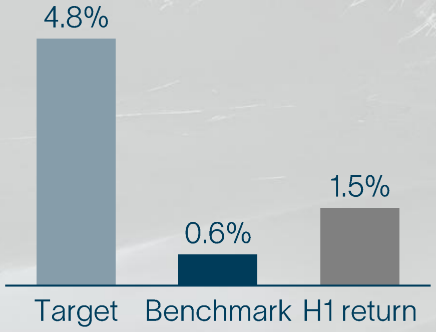
Continued profitable growth in premiums



Softer fee revenue in Financial Services

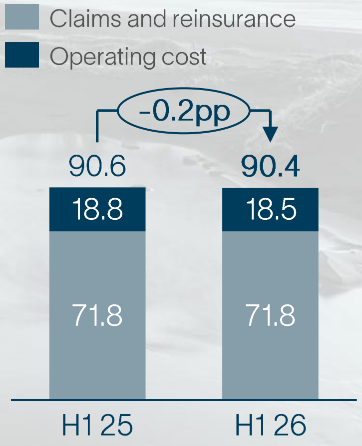


Investment results below target but significantly above benchmark



Organizational simplification and cost-efficiency initiatives implemented

Key ratios remain strong

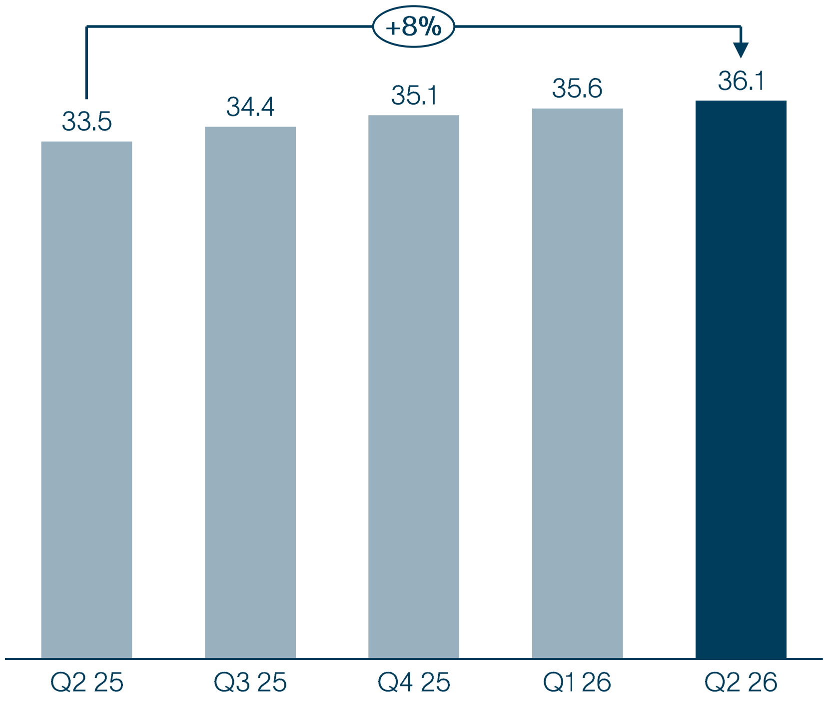


Combined ratio
↓ 0.2pp YoY

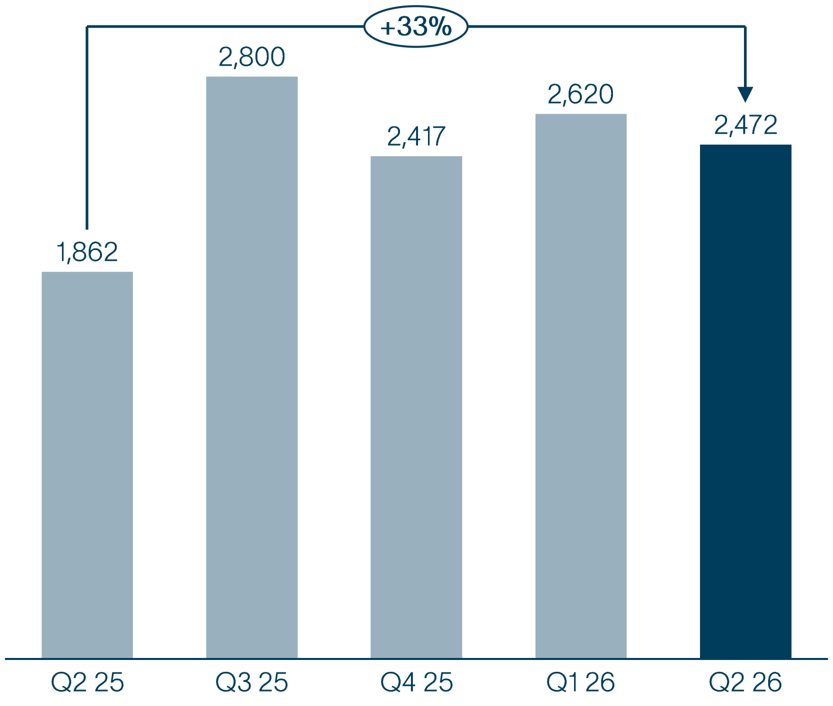
All amounts are in ISKm unless stated otherwise.

Continued revenue growth and profit contribution from core operations

LTM revenue from core operations, ISKbn



LTM profit before tax from core operations

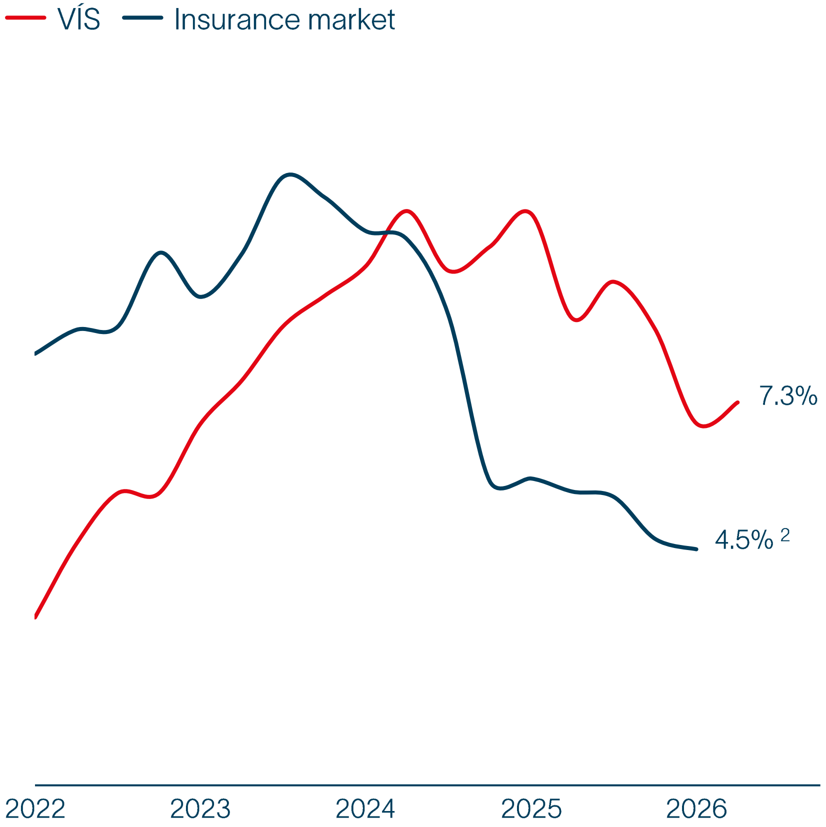


- Continued revenue growth and profit contribution from core operations
- Core operations are defined as Insurance and Financial Services operating segments, and exclude investment activities on pre-tax basis
- Core revenues increase 8% YoY on an LTM basis
- LTM profit before tax increases by 33% YoY
- Revenue target of >36bn from core operations by end of 2026 was achieved on LTM basis in Q2

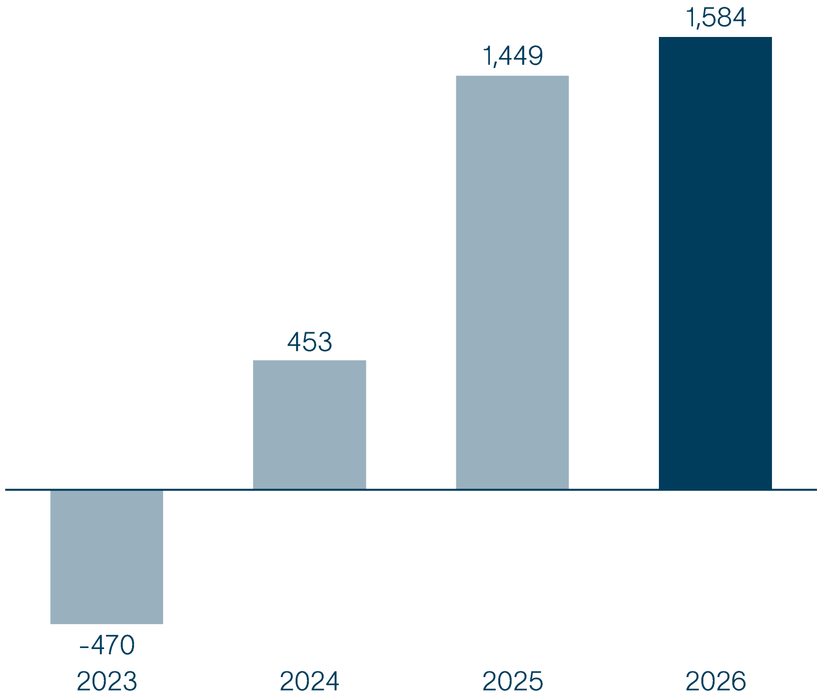
All amounts are in ISKm unless stated otherwise.

Continued profitability growth for VÍS insurance

YoY insurance premium growth by quarter
VÍS vs insurance market in Iceland[1]



H1 insurance service results by year



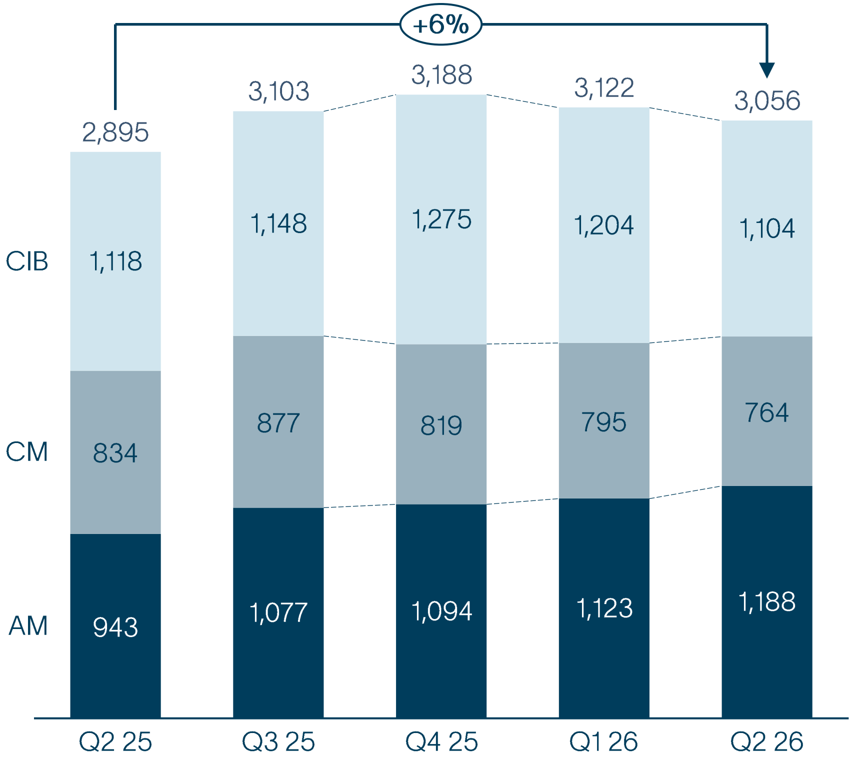
- VÍS delivers strongest H1 insurance service results since 2007, with combined ratio of 90.4%
- Premiums in life & health increased by 10.9% in H1
- Continued improvement in the underlying business, supporting a sustained reduction in the combined ratio
- Premium growth remains solid year-on-year, moderating in the 2nd quarter and in line with targets
- Ongoing improvement in customer satisfaction

1. Weighted average growth of VÍS, Sjóvá, TM and Vörður.
2. Market growth Q2 2026 based on Q1 26 reported figures.

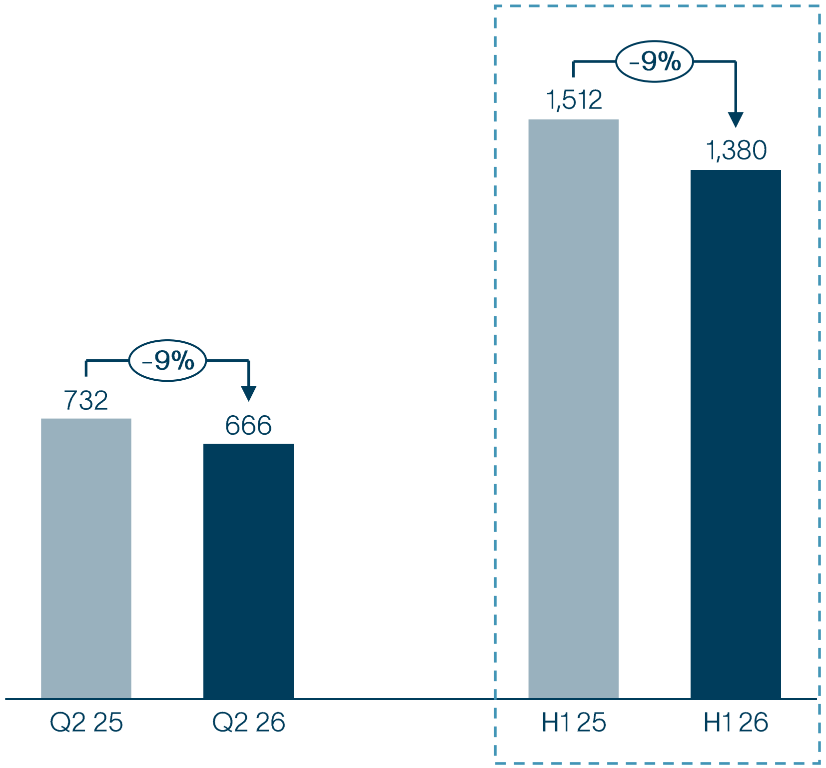
All amounts are in ISKm unless stated otherwise.

Profitability in Financial Services decreases due to soft revenue quarter

Financial Services LTM revenues by quarter



Financial Services revenues (excluding intra-group adj.)

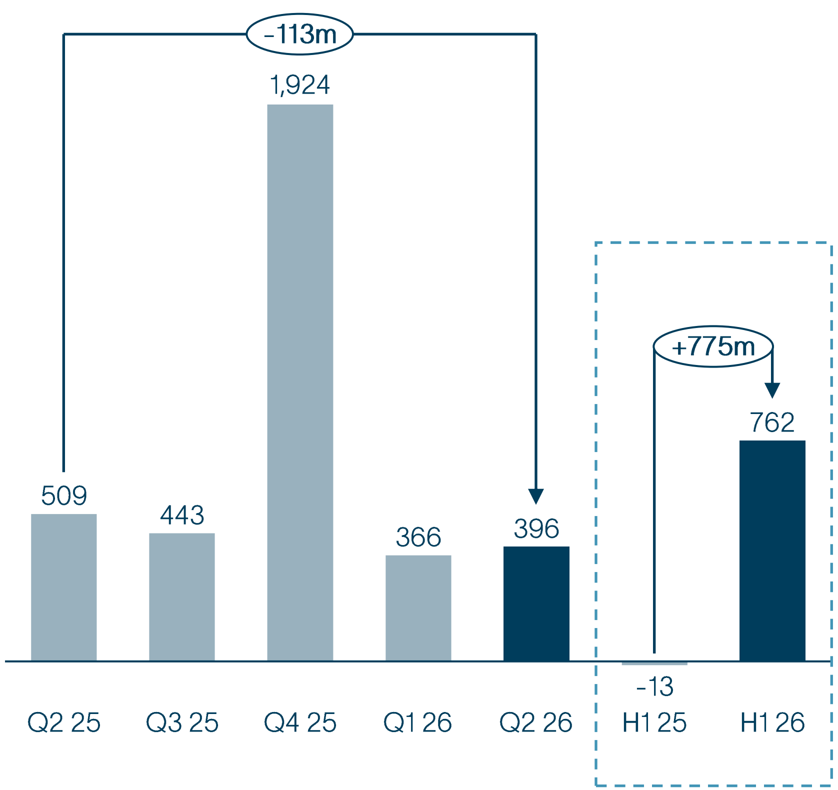


- Asset Management revenue up 26% LTM on YoY basis
- Weaker corporate finance fees, partly offset by higher net interest income, result in CIB broadly flat with revenue down 1% LTM
- Capital Markets impacted by market conditions with revenue down 8% LTM on weaker trading activity
- Financial Services revenue down 9% YoY in both Q2 and H1, on lower market turnover and softer corporate finance activity
- Group AuM of ISK 251bn at end of Q2 2026 (+8.3% YoY)

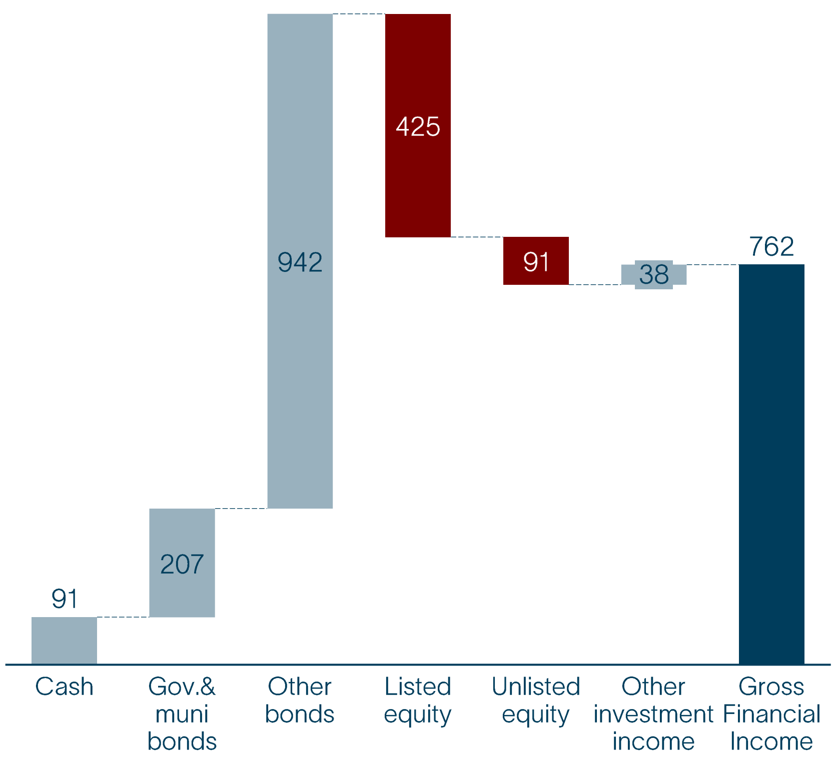
CIB: Corporate Finance and Investment Banking, CM: Capital Markets and AM: Asset Management.
All amounts are in ISKm unless stated otherwise.

Weak equity markets continue to negatively affect investment income

Investment income[1]



Investment income from assets in H1 2026



- Investment income 396m in the quarter, decreasing by 113m YoY
- Portfolio returned 0.8% in Q2 versus 1.4% benchmark return
- Quarterly return affected by negative returns of -642m from Annata and Oculis (-1.3% portfolio impact in Q2)
- Investment income 762m in H1 2026, increasing by 775m YoY
- Net financial investment income remained negative at -396m (+753m YoY)
- YTD return of 1.5%, ahead of the 0.6% benchmark
- Broad-based outperformance across all asset classes YTD, except government bonds

1. The presentation of comparative figures has been revised.
All amounts are in ISKm unless stated otherwise.

Financial targets 2026 updated

Updated guidance reflecting performance and outlook

✓ Target currently on track or outperforming ■ Target currently underperforming

	KPI		2026 target	Outlook
Group				
	ROE		>15%	■
	Core operations PBT		>2,400m	✓
Insurance				
	Combined ratio	UPDATED	90 – 93%	✓
	Revenue growth		>7%	✓
Financial Services				
	Financial Services revenue	UPDATED	2,700 – 3,200m	✓
	AuM		>270bn	■
Investments				
	Investment return		>9.5%[1]	■

1. Investment return target relates to projected return on insurance investment assets as set out at beginning of the year. Deviations will not be disclosed.
All amounts are in ISKm unless stated otherwise.

SKAGI

- Improved operating performance supported by continued premium growth and positive development in the combined ratio ahead of plan
- Combined ratio guidance improved to 90–93% with target <91.5%
- Financial Services revenue guidance revised down to reflect a slower-than-expected first half with target >2,900m
- Updated guidance reflects performance across the Group and management's expectations for the second half

Q2 Financials

SKAGI

Income statement Q2 2026

Investment returns impact profitability

Income statement	Q2 2026	Q2 2025	Δ	Δ%
Insurance service result	1,446	1,499	-53	-4%
Net interest income	131	92	39	42%
Net fee and commission income	518	657	-139	-21%
Net financial income	-207	-140	-67	-48%
Other income	94	99	-5	-5%
Net Operating Income	**1,982**	**2,208**	**-226**	**-10%**
Operating expenses	-890	-890	-1	0%
Amortization of intangible assets	-49	-50	1	2%
Net impairments	-5	-1	-4	-400%
Profit before taxes	**1,037**	**1,267**	**-230**	**-18%**
Income tax	-306	-295	-11	-4%
Profit	**731**	**972**	**-242**	**-25%**
Group KPIs				
Core Revenues	9,092	8,587	505	6%
ROE - annualised	12.9%	18.4%	-5.7pp	
Profit per share	0.39	0.51	-0.12	-24%
Business Unit KPIs				
Insurance revenue	8,426	7,855	571	7%
Combined ratio	82.8%	80.9%	1.9pp	
Financial Services income	666	732	-66	-9%
Investment income	396	509	-113	-22%
Investment income return %	0.8%	1.1%	-0.3pp	

All amounts are in ISKm unless stated otherwise.

SKAGI

Insurance
- Insurance revenue 8,426m (+7% YoY)
- Combined ratio 82.8% (+1.9pp YoY) and insurance service result 1,446m (-53m YoY)

Financial Services
- Net interest income 131m (+42% YoY)
- Net fee and commission income 518m (–21% YoY)

Investments
- Investment income 396m, with a 0.8% return in the period (-0.3pp YoY)
- Net financial income -207m (-67m YoY)

Net operating income
- Net operating income 1,982m (-225m YoY)

Expenses
- Operating expenses 890m (0% YoY)

Results
- Pre-tax profit of 1,037m (-229m YoY)
- Profit after tax of 731m (-242m YoY)

Income statement H1 2026

Strong profit improvement YoY

Income statement	H1 2026	H1 2025	Δ	Δ%
Insurance service result	1,584	1,449	135	9%
Net interest income	285	200	85	43%
Net fee and commission income	1,051	1,192	-141	-12%
Net financial income	-492	-1,236	744	60%
Other income	144	175	-31	-18%
Net Operating Income	**2,573**	**1,779**	**794**	**45%**
Operating expenses	-1,764	-1,782	18	1%
Amortization of intangible assets	-99	-97	-2	-2%
Net impairments	-7	-4	-3	-75%
Profit before taxes	**704**	**-104**	**808**	**776%**
Income tax	-309	-276	-33	-12%
Profit	**396**	**-380**	**775**	**204%**
Group KPIs				
Core Revenues	17,854	16,898	956	6%
ROE - annualised	3.4%	2.6%	+0.8pp	
Profit per share	0.21	-0.20	0.41	204%
Business Unit KPIs				
Insurance revenue	16,474	15,386	1,088	7%
Combined ratio	90.4%	90.6%	-0.2pp	
Financial Services income	1,380	1,512	-132	-9%
Investment income	762	-13	775	
Investment income return %	1.5%	0.0%	+1.5pp	

All amounts are in ISKm unless stated otherwise.

SKAGI

Insurance
- Insurance revenue 16,474m (+7% YoY)
- Combined ratio 90.4% (–0.2pp YoY) and insurance service result 1,584m (+135m YoY)

Financial Services
- Net interest income 285m (+43% YoY)
- Net fee and commission income 1,051m (–12% YoY)

Investments
- Investment income 762m, with a 1.5% return in the period (+1.5pp YoY)
- Net financial income –492m (+744m YoY)

Net operating income
- Net operating income 2,573m (+794m YoY)

Expenses
- Operating expenses 1,764m (-1%YoY)

Results
- Pre-tax profit of 704m (+808m YoY)
- Profit after tax of 396m (+775m YoY)

Balance sheet

Strong and robust balance sheet

Balance sheet	30.06.2026	31.03.2026	Δ% Quarter	30.06.2025	Δ% YoY
Assets					
Cash	2,852	3,273	-13%	2,317	23%
Insurance investment assets	48,993	49,306	-1%	45,720	7%
Fixed income securities	5,525	6,570	-16%	5,360	3%
Shares and other variable income securities	236	583	-60%	494	-52%
Securities used for hedging	4,408	3,401	30%	6,023	-27%
Loans to customers	10,942	12,388	-12%	9,598	14%
Goodwill and intangible assets	5,479	5,622	-3%	5,878	-7%
Other assets	6,196	6,088	2%	7,056	-12%
Total Assets	84,631	87,231	-3%	82,446	3%
Liabilities and Equity					
Insurance liabilities	32,124	32,350	-1%	30,340	6%
Money market deposits	6,544	5,195	26%	10,682	-39%
Bonds and bills	8,215	8,019	2%	4,222	95%
Other liabilities	11,172	15,107	-26%	11,949	-7%
Subordinated liabilities	4,019	3,884	3%	3,859	4%
Total Liabilities	62,073	64,556	-4%	61,053	2%
Equity	22,558	22,675	-1%	21,393	5%
Total Liabilities and Equity	84,631	87,231	-3%	82,446	3%

All amounts are in ISKm unless stated otherwise.

SKAGI

Assets

- Total Group assets are ~ 85bn (+3% YoY)
- Insurance investment assets stand at ~49bn (51.8bn including cash)
- Loans to customers consist in part of financing with security in liquid listed assets (+14% YoY)
- Goodwill and intangible assets are mainly related to acquisitions and mergers in Financial Services

Liabilities

- Insurance liabilities 32.1bn (+6% YoY)
- Balance sheet of Fossar consists mainly of liquid government bonds and listed assets
- Fossar has diversified funding with longer term bonds money market deposits and bills

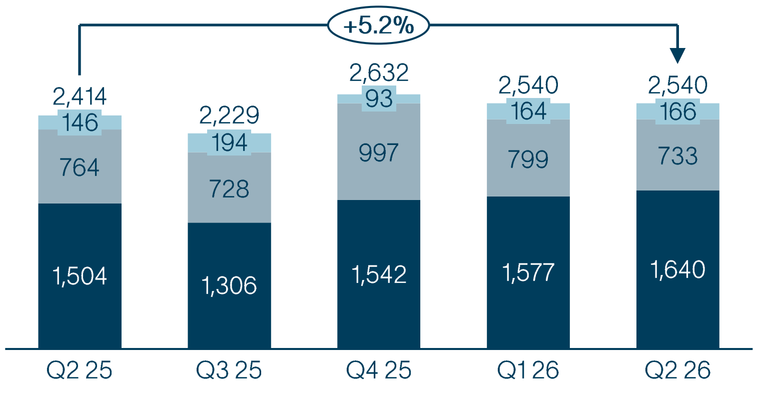
Equity

- Equity of the Group stands at 22.6bn and has increased by 1.2bn YoY

Operating costs

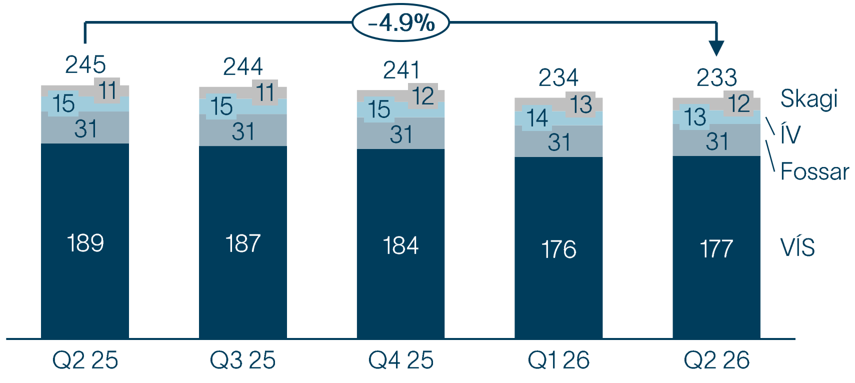
Restraint in cost increase across all operating segments

Operating costs



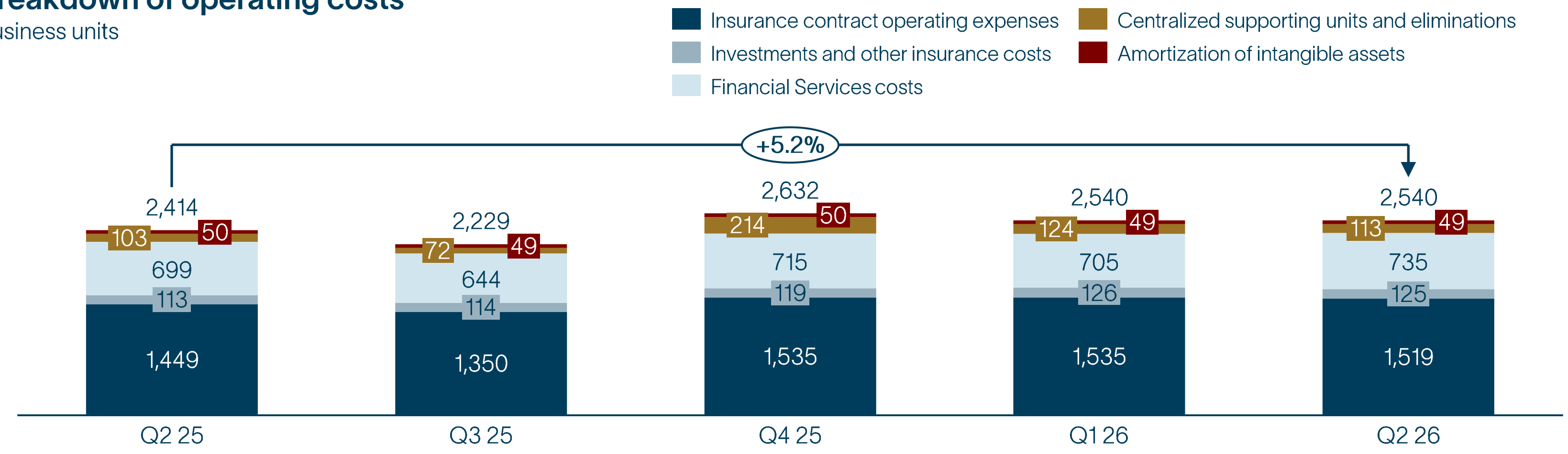
Employees (FTEs)

Number of FTEs over period



Breakdown of operating costs

Business units



All amounts are in ISKm unless stated otherwise.

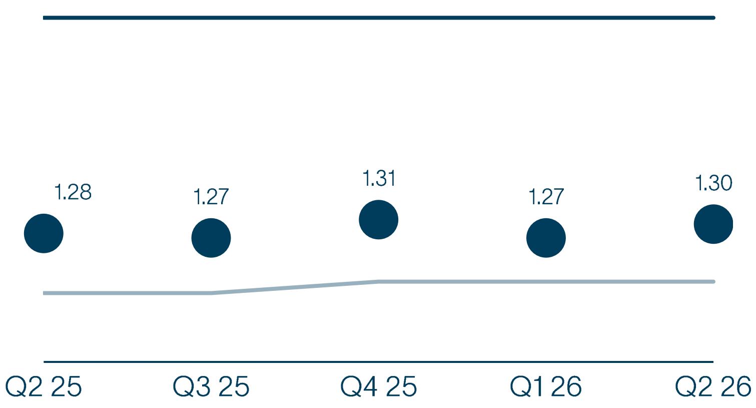
SKAGI

- Group operating costs remain stable, broadly in line with CPI increases
- Cost discipline at VÍS despite high growth and inflationary price and wage increases
- Cost reduction in relation to structural changes in the period is expected to amount to 300m annually
- Actions taken in Financial Services in relation to CEO change and headcount reductions bear a 110m one-off cost effect in H1
- Group FTEs 233 in Q2, down from 245 YoY, with most of the reduction taking place in VÍS

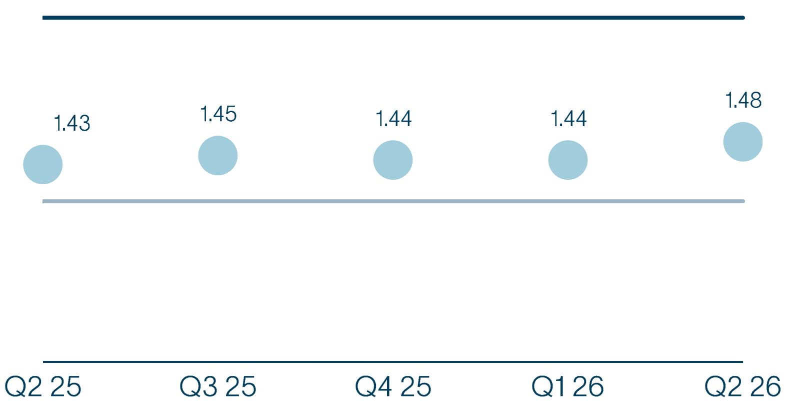
Solvency ratio and inv. bank capital

Strong solvency position after capital distributions supporting future growth

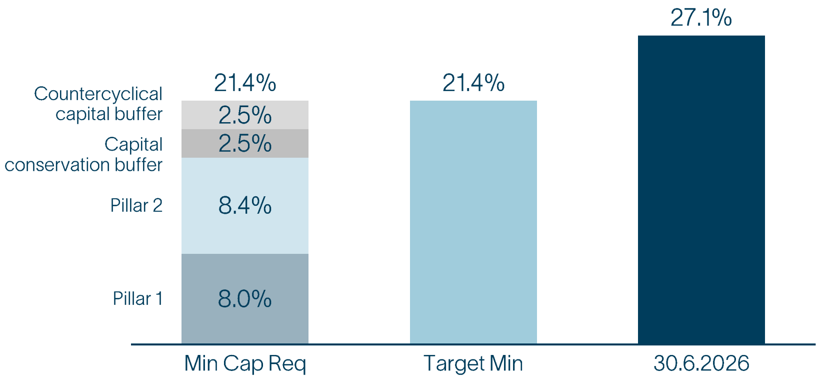
Group solvency ratio[1]



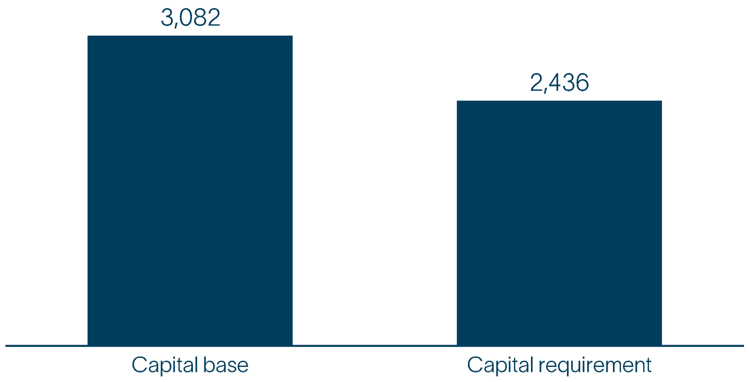
Insurance solvency ratio[1]



Fossar – capital ratio



Fossar – capital and requirement



1. Solvency ratios are presented on a post-dividend and share repurchase basis.
All amounts are in ISKm unless stated otherwise.

Solvency position

- Strong Group solvency ratio at 1.30 in end of quarter, supporting future growth and returns
- Insurance solvency remains ahead of internal targets
- Dividend and share repurchase in H1 amount to 1.8bn
- Own funds are within target policy levels

Fossar capital position

- Fossar capital ratio of 27.1%
- Fossar capital position is ~650m above capital requirement
- Fossar share capital was increased by 300m in June to support future growth

Capital allocation

- Capital allocation optimization within the Group to support internal and external growth is consistently monitored

Key takeaways

- **Insurance remains strong** – continued premium growth and lowest H1 combined ratio since 2007
- **Financial Services impacted by weaker market activity** – despite solid growth in net interest income and asset management revenues
- **Investment income resilient** – softer Q2 offset by H1 returns well above benchmark
- **Strong capital position** – solvency of ~1.3 after dividends and share buybacks
- **Lower cost base** – organizational simplification supports future profitability

Appendix:
Further information

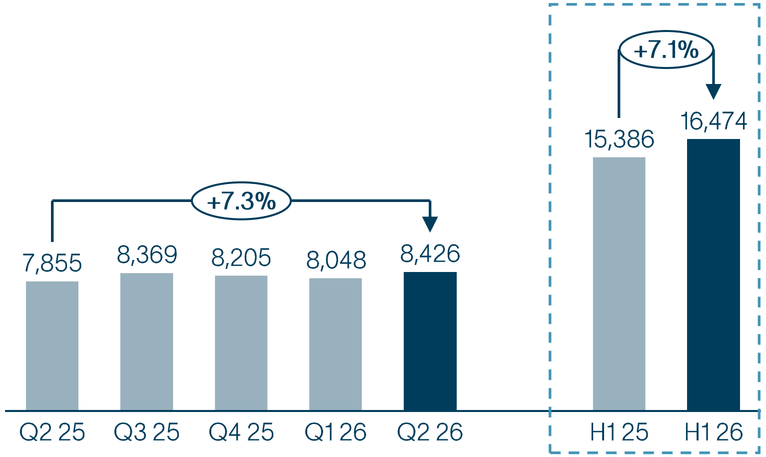
Q2 Business unit financials

Insurance
Financial Services
Investments

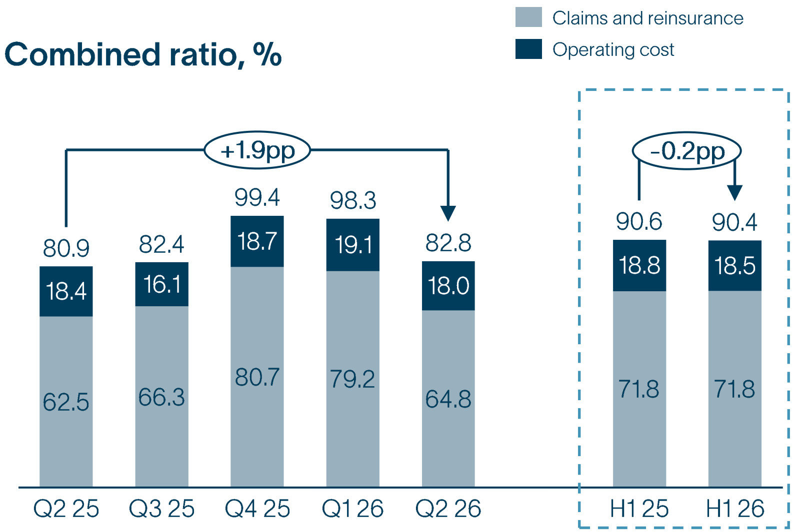
Insurance

Customer satisfaction continues to improve with strong metrics trending positively

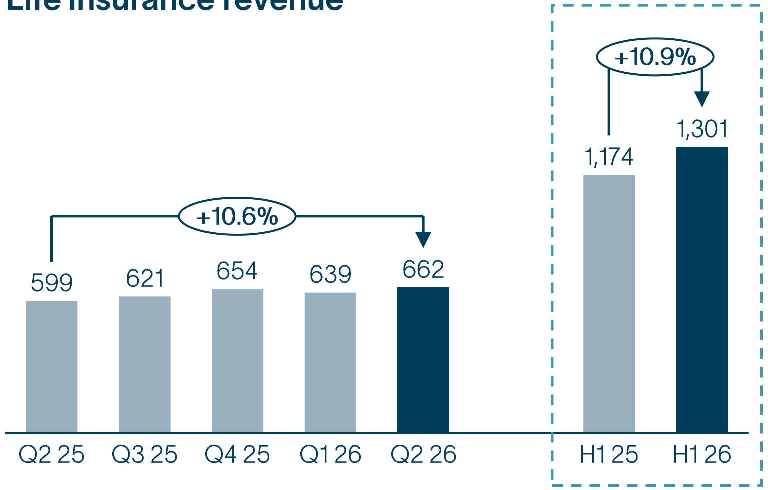
Insurance revenue



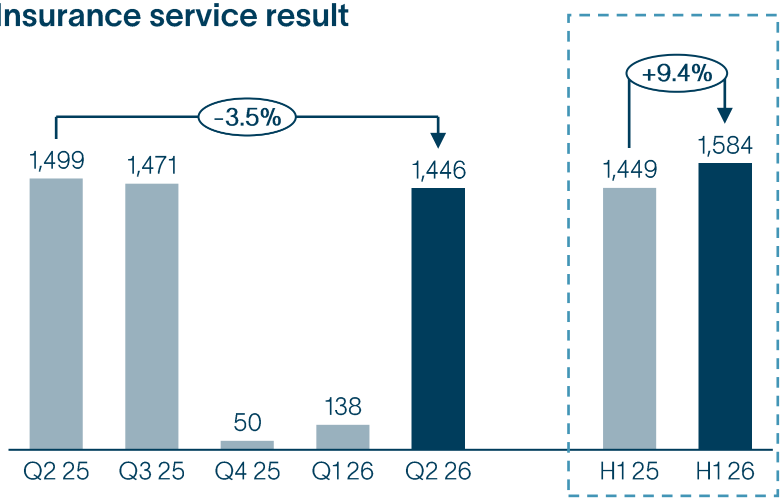
Combined ratio, %



Life insurance revenue



Insurance service result



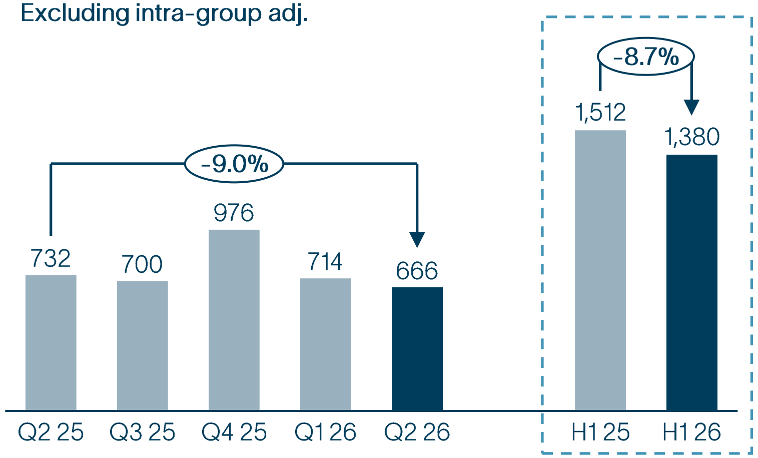
All amounts are in ISKm unless stated otherwise.

- Insurance revenue grew by 7.3% YoY in Q2 2026 to ISK 8.4bn, supported by profitable portfolio growth
- In first half of the year combined ratio improved by 0.2pp to 90.4%, the lowest level for the first half since 2007, reflecting strong underlying performance and cost discipline
- Life insurance revenue increased by 10.6% YoY to ISK 0.7bn, driven by steady growth in the customer base
- Customer satisfaction and service metrics continued to improve, underlining VÍS's focus on excellent service and strengthening long-term customer relationships
- On an underlying basis, adjusting for the ISK 259m non-recurring gain in Q2 2025, the insurance service result improved to ISK 1.4bn in Q2 2026

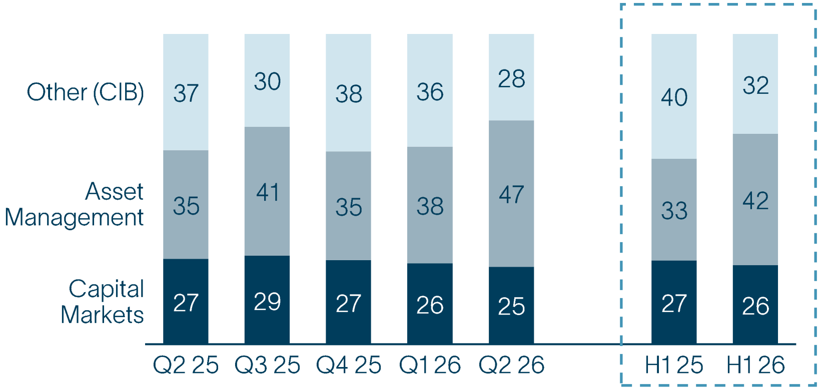
Financial Services

Soft revenue quarter in certain segments of the business

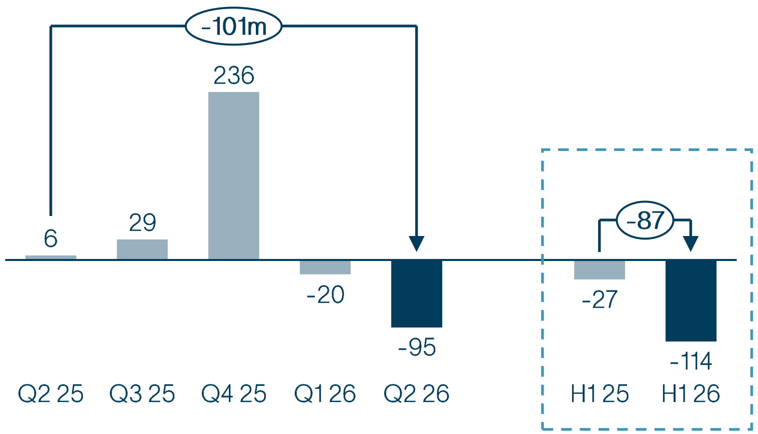
Financial Services revenue
Excluding intra-group adj.



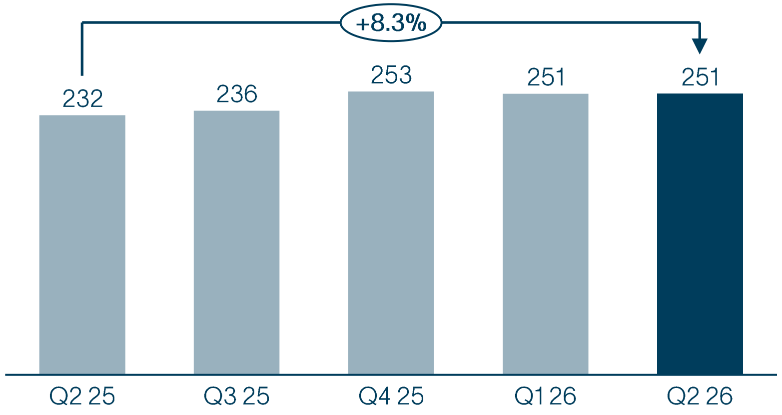
Composition of Financial Services income, %
Excluding financial income



Financial Services profit before tax



Assets under management, ISKbn



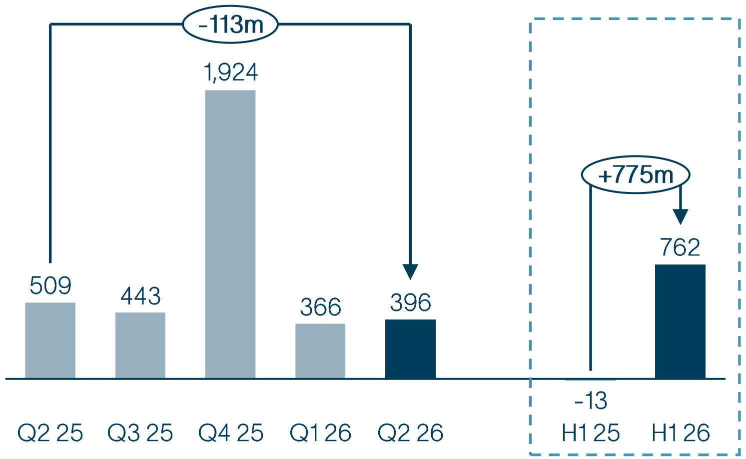
All amounts are in ISKm unless stated otherwise.

- Financial Services revenue down 9% YoY in both Q2 and H1
- Composition changes in H1 2026 result in a 10% increase in Financial Services income from Asset Management YoY, increasing its share of the segment's revenue
- Corporate Finance and Investment Banking (CIB) revenue down 1% LTM, as weaker corporate finance fees are partly offset by higher net interest income
- Capital Markets (CM) revenue down 8% LTM due to challenging market conditions and weaker trading activity
- Segment profit before tax of -95m in Q2 and -114m in H1, an 87m YoY deterioration in H1
- Group AuM of ISK 251bn at end of Q2 2026 (+8.3% YoY)

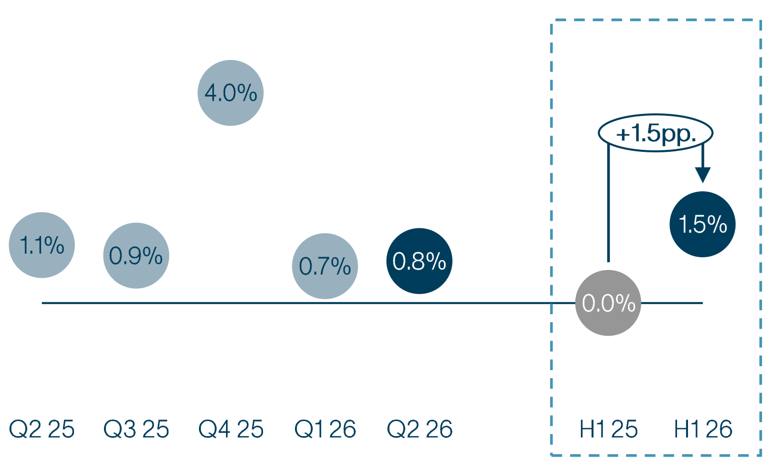
Investments

Weak equity markets negatively affect investment income

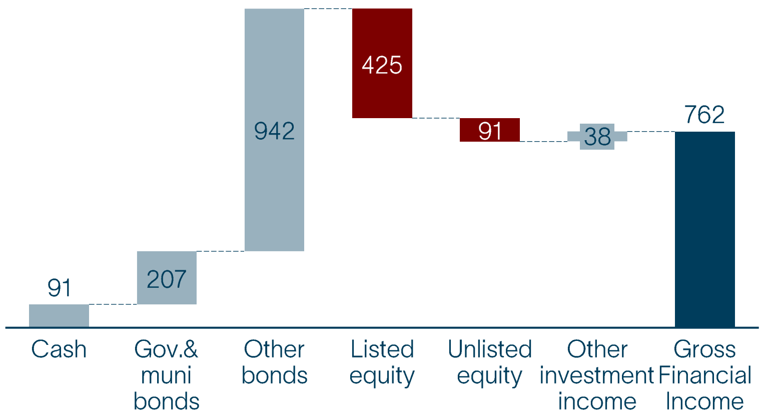
Investment income[1]



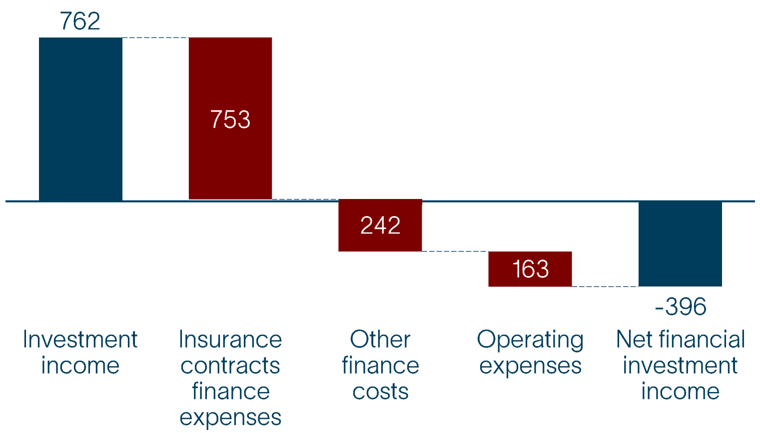
Return on investment assets[1]



Investment income from assets in H1 2026



Net financial income breakdown of investments in H1 2026



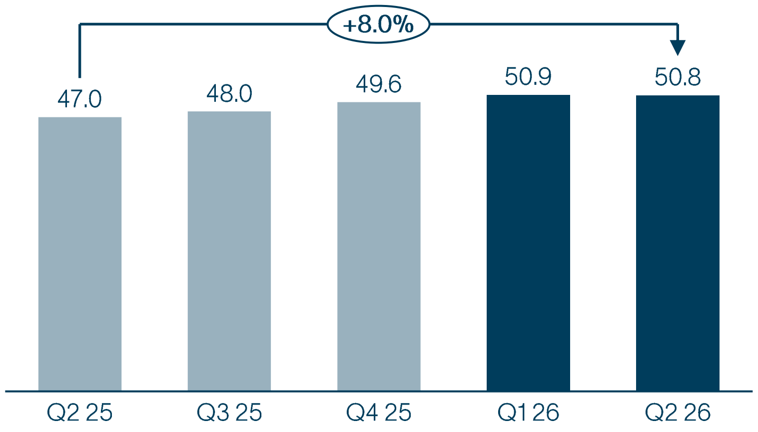
1. The presentation of comparative figures has been revised.
All amounts are in ISKm unless stated otherwise.

- Q2 investment income amounted to ISK 396m, down ISK 113m YoY
- Quarterly return affected by negative returns from Annata and Oculis (-1.3% portfolio impact in Q2), masking otherwise solid underlying performance
- Despite a softer Q2, H1 2026 investment income of ISK 762m is significantly higher YoY, driven by strong performance of bond portfolio
- Current interest rate environment drives high financial expenses from insurance contracts and other finance costs, totaling around ISK 1bn in the first half

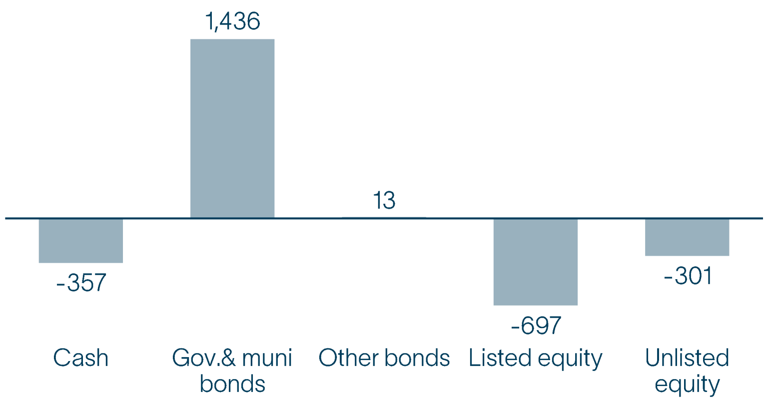
Investment portfolio

Defensive positioning taken by gradually reducing listed equity position

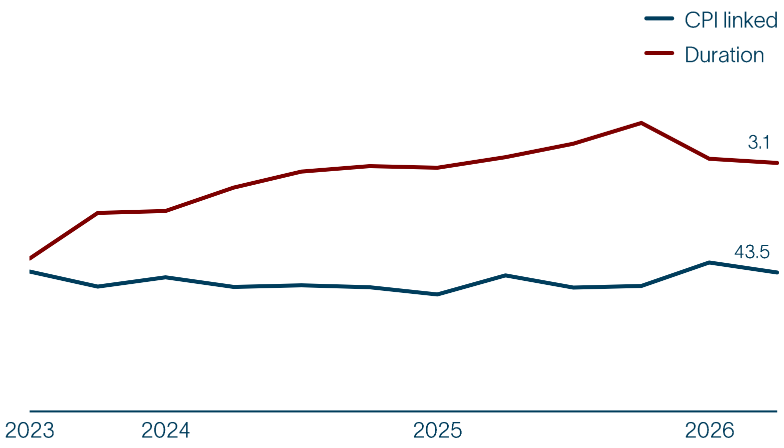
Investment assets[1], ISKbn



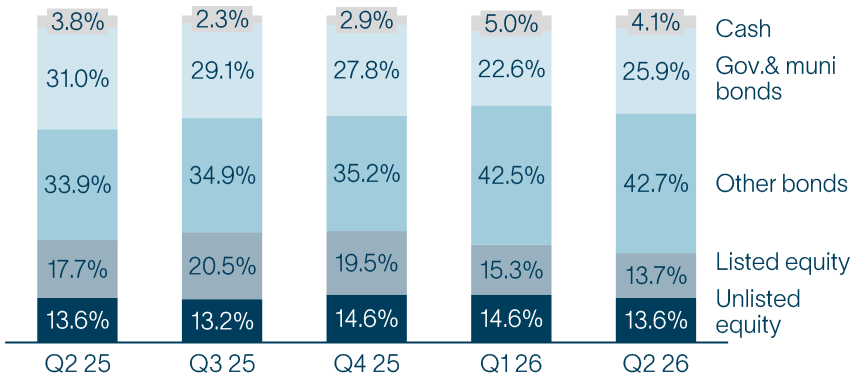
Asset allocation shift in Q2 2026



Bonds - duration and CPI-linked ratio p. quarter



Asset allocation



1. The investment portfolio consists of insurance investment assets of VÍS and Lífís.
All amounts are in ISKm unless stated otherwise.

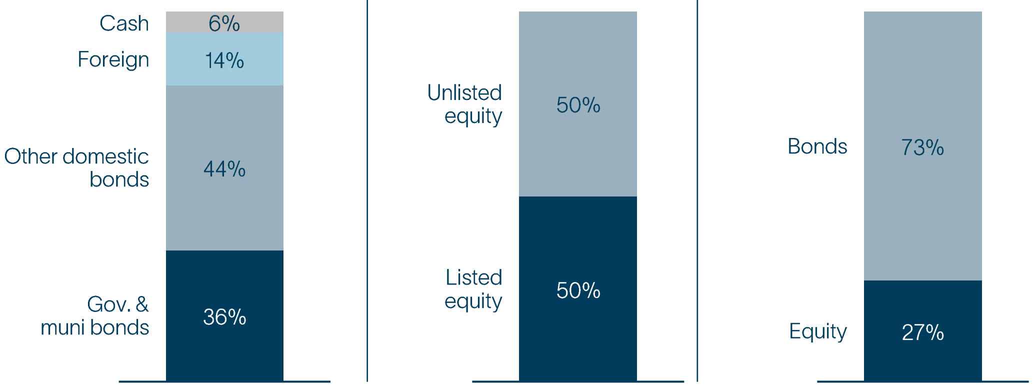
- Insurance investment assets increased to ISK 50.8bn in Q2 2026, an 8% rise vs. Q2 2025
- During Q2 2026 there was a rotation from cash and listed equities into government & municipal bonds, and unlisted equity exposure was selectively reduced, in line with a more defensive positioning
- Bond portfolio duration has been reduced since year-end 2025 to 3.1 years
- Listed equity exposure has been gradually reduced over the last quarters, while the share of government & municipal bonds and other fixed-income has increased

Investment portfolio – additional information

Breakdown of asset allocation and major positions in the portfolio

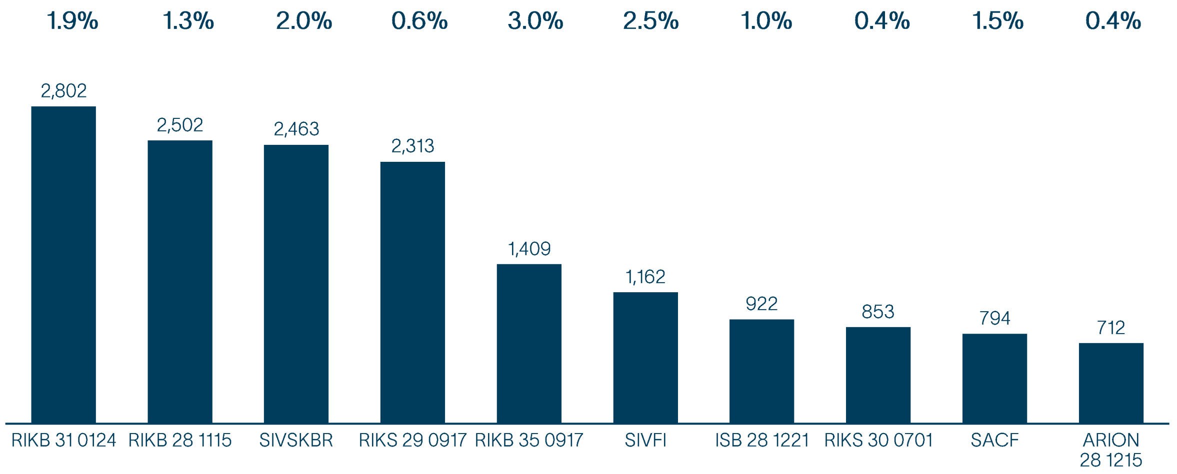
Allocation of bonds and equity

Bonds & Cash 37bn | Equity 14bn | Total Portfolio 51bn



Target Portfolio
Bonds 67.5% / Equity 32.5%

Bonds – 10 largest and return in quarter

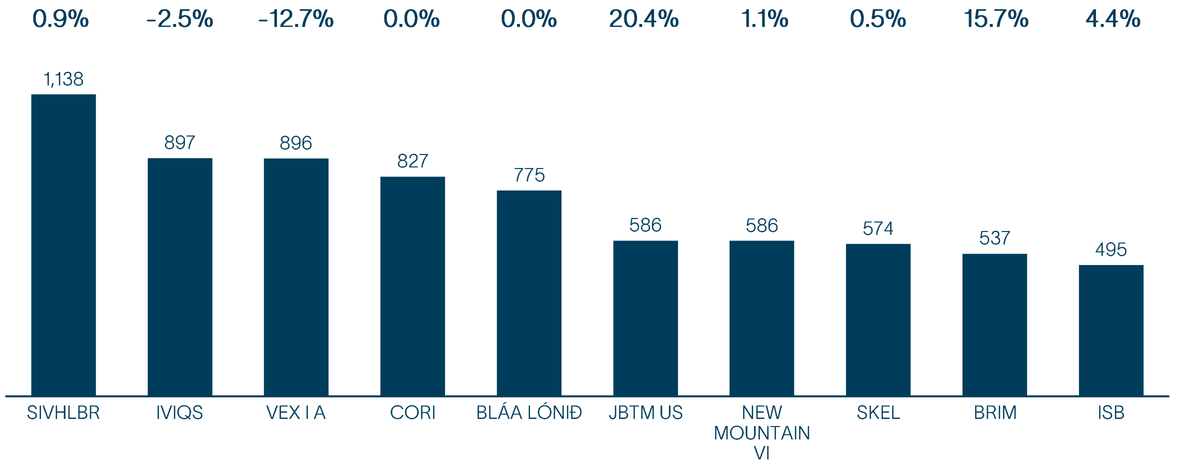


Unlisted assets – 5 largest

	Value 30.06.2026	Value 31.03.2026	Difference	Share price 30.06.2026
CORIPHARMA	827	827	*0*	13.7
BLUE LAGOON	775	773	*+2*	87.8
annata	449	623	*-174*	99.2*
nox HEALTH	437	437	*0*	83.5**
Styrkás	374	374	*0*	25.5

* indirect via VPE AN (VEX) | **indirect via Nox Holding ehf.

Equity – 10 largest and return in quarter



All amounts are in ISKm unless stated otherwise.

Fossar Investment Bank – balance sheet

Strong balance sheet with majority of assets in listed assets

FOSSAR

Balance sheet	30.06.2026	31.03.2026	Δ%
Assets			
Fixed income securities	5,212	6,262	-17%
Shares and other variable income securities	236	583	60%
Securities used for hedging	4,408	3,401	30%
Cash	888	750	19%
Loans to customers	10,942	12,388	-12%
Claims and other assets	1,389	1,381	1%
Total assets	23,075	24,764	-7%
Liabilities and Equity			
Borrowings	3,800	6,900	-45%
Money market deposits	6,544	5,195	-26%
Bills and marketable instruments	8,215	8,019	2%
Other liabilities	1,221	1,500	-15%
Total Liabilities	19,779	21,614	-8%
Total Equity	3,296	3,151	4%
Total Liabilities and Equity	23,075	24,764	-7%

LCR ratio and net stable funding ratio

Liquidity coverage ratio (LCR)	30.06.2026	31.03.2026
High quality liquid assets	3,156	1,207
Net outflow	475	434
Liquidity coverage ratio (LCR)	**664%**	**278%**
Minimum regulatory requirement	*100%*	*100%*

Net stable funding ratio (NSFR)	30.06.2026	31.03.2026
Available stable funding	6,651	9,024
Required stable funding	4,812	3,926
Net stable funding ratio (NSFR)	**138%**	**230%**
Minimum regulatory requirement	*100%*	*100%*

All amounts are in ISKm unless stated otherwise.

Disclaimer

The information in this presentation is based on sources that Skagi hf. (“Skagi” or “the Company”) deems reliable at a given time but it is not possible to guarantee that they are infallible. Skagi is not responsible for the quality, accuracy, or reliability of information in this presentation and Skagi shall not be liable for damages that can be attributed to the fact that the information turns out to be inaccurate, unreliable, or insufficient.

All information in this presentation is property of Skagi. Neither the presentation nor the information it contains can be copied, altered, or distributed in any way, either in part or full.

This presentation is intended for information purposes only and is not in any way intended as part of or basis for decision making of its recipients. Recipients should not in any way interpret the content of this presentation as a guarantee, instructions or investment advice.

Skagi is not obligated in any way to provide recipients of this presentation with further information about the company or update or amend the presentation if the underlying information changes.

The future outlook of Skagi is subject to various risk- and uncertainty factors, which can mean that actual future results could differ considerably from the statements in this presentation. External factors, such as supply of capital, laws and regulations coming into effect, impact of regulatory authorities can all have substantial effect. Skagi reiterates that the recipients of this presentation should not rely on statements in this presentation later as they are only applicable on the date of publication. Any forward-looking statements are fully valid with respect to this disclaimer.

By receiving this presentation, its recipients confirm that they are bound by the above disclaimers and limitations.

SKAGI