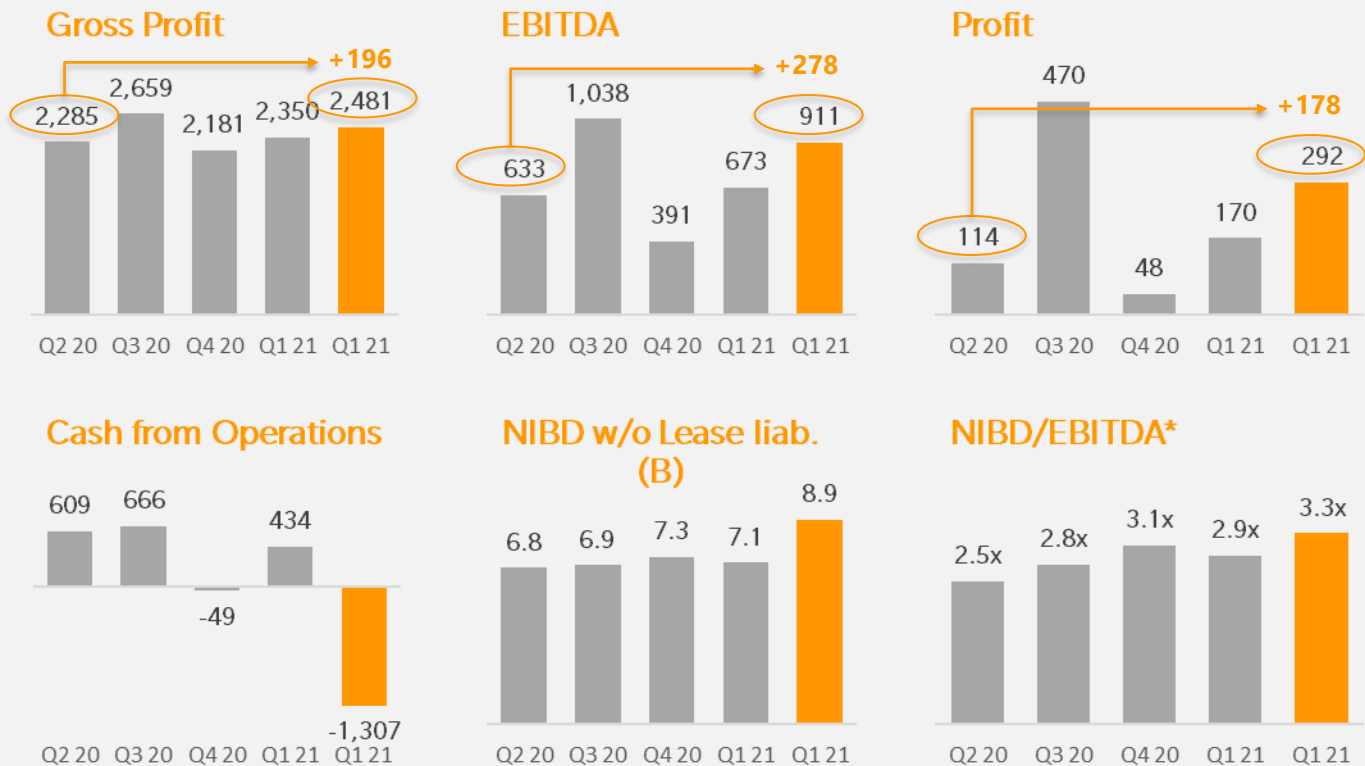




R E S U L T S - H 1 2 0 2 1



HIGHLIGHTS Q2 2021



*W/O IFRS 16 effect

Q2 2021

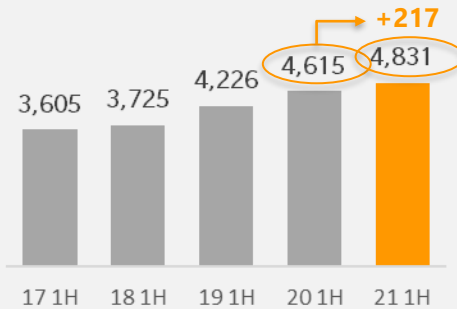
- ✓ Significant earnings improvement year over year in Iceland and Faroese Islands
- ✓ Business environment in Iceland is moving closer to normal, with factors such as increased tourism
- ✓ Operating expenses for the Group in Q2 lower by 5,8% from 2020
- ✓ Higher oil prices have a negative impact on cash flow due to increased working capital
- ✓ Expect lower working capital for 2H
- ✓ Strong quarter in Faroese Islands with increased activity
- ✓ Löður ehf. and Dælan ehf. will be included in the Group from 1st August 2021



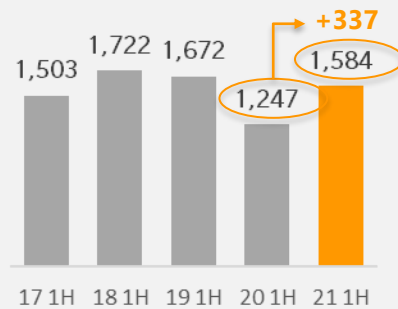
Skeljungur

HIGHLIGHTS H2 2021

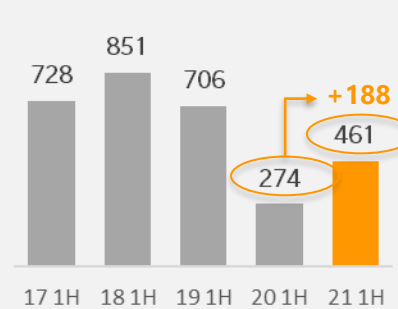
Gross Profit



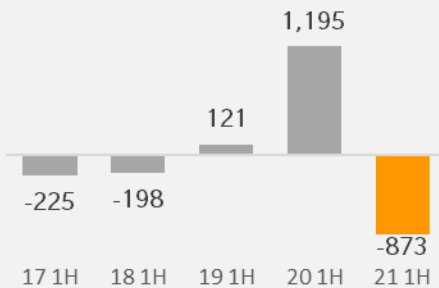
EBITDA *



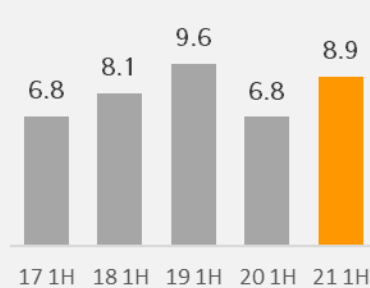
Profit



Cash from Operations



NIBD w/o Lease liab.



H1 2021

- ✓ Improved results in challenging environment
- ✓ One-off charge 100m in Iceland in Q1 due to reorganization
- ✓ Record H1 in the Faroese Islands
- ✓ Operating expenses lower 6,9% year over year adjusted for one-off charge and FX
- ✓ Higher oil prices have negative impact on cash flow with higher working capital, vs. opposite impact prior year
- ✓ Working capital is historically higher in H1 with reversal in H2

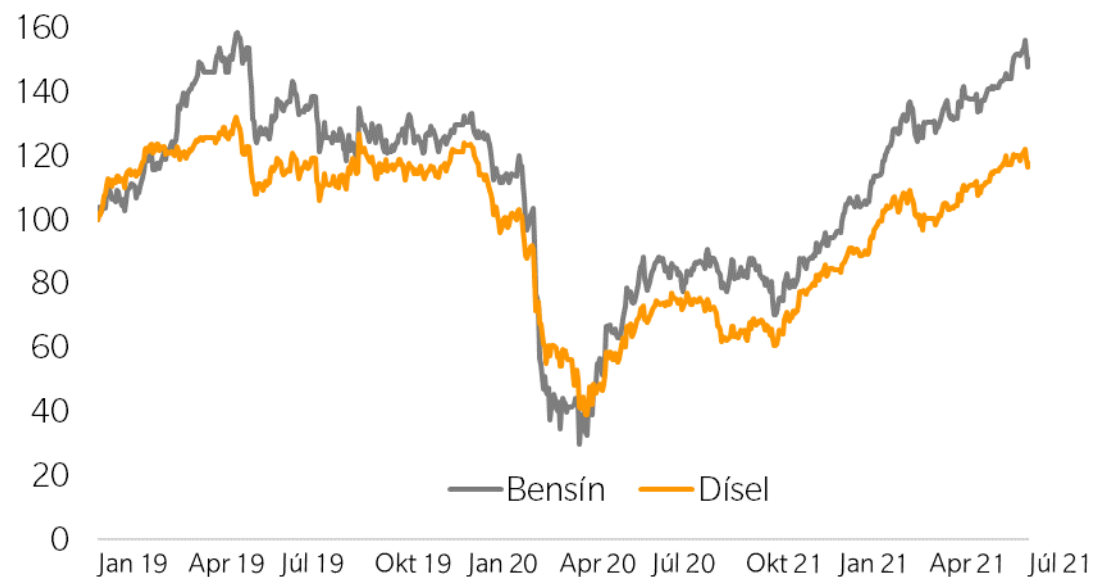
*2018 & older W/O IFRS 16 effect



Skeljungur

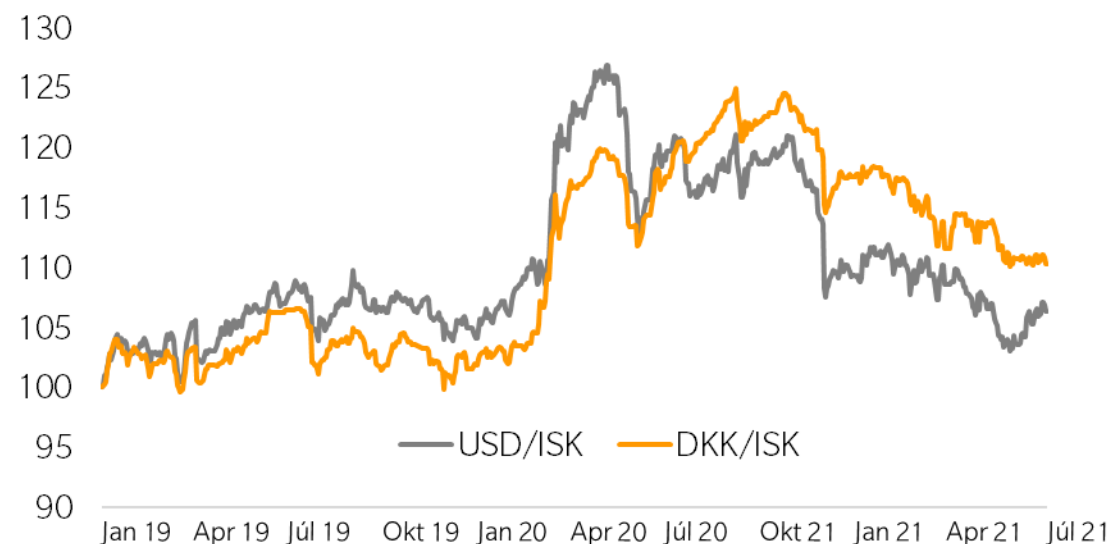
EXTERNAL FACTORS

OIL PRICE



| | 2021 Jan/Jun | % | Average 6M 20/21 | % |
|----------|-----------------|------|---------------------|------|
| Gasoline | 464/728 | +57% | 379/617 | +63% |
| Diesel | 428/601 | +40% | 380/528 | +39% |

EXCHANGE RATE



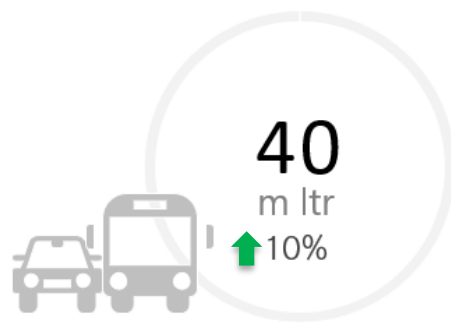
| | 2021 Jan/Jun | % | Average 6M 20/21 | % |
|---------|-----------------|-------|---------------------|-------|
| USD/ISK | 127,2/123,2 | -3,1% | 134,7/125,8 | -6,6% |
| DKK/ISK | 21,0/19,7 | -6,1% | 19,9/20,4 | 2,5% |

FUEL SALES – Q2 2021

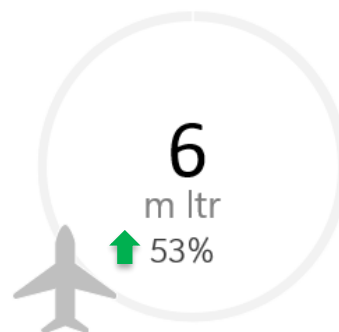
TOTAL SALES



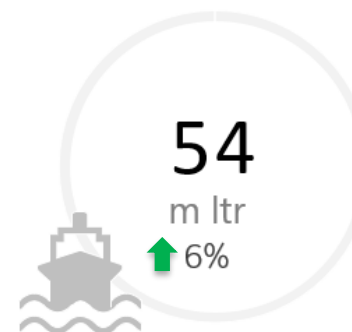
GASOLINE & DIESEL



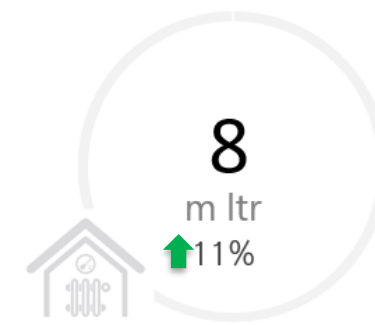
JET



MARINE



HEATING



ICELAND

34 m ltr | 10%

6 m ltr | 53%

23 m ltr | 14%

-

FAROE ISLANDS

6 m ltr | 8%

-

31m ltr | 1%

8 m ltr | 11%



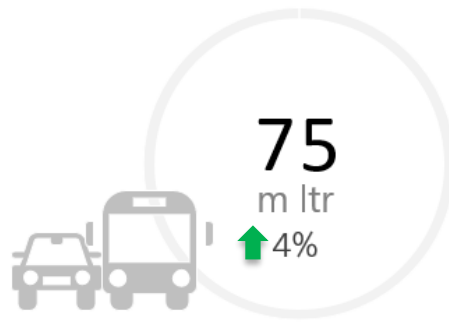
Skeljungur

FUEL SALES – H1 2021

TOTAL SALES



GASOLINE & DIESEL



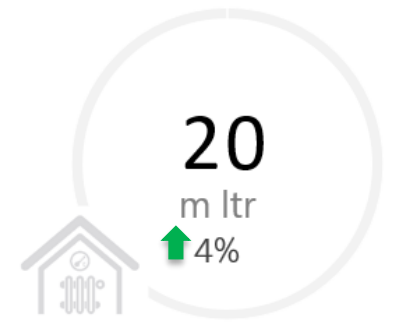
JET



MARINE



HEATING



ICELAND

63 m ltr | 3%

11 m ltr | -26%

41 m ltr | 16%

-

FAROE ISLANDS

13 m ltr | 12%

-

59 m ltr | 3%

20 m ltr | 4%



Skeljungur

INCOME STATEMENT Q2 2021

| | 2021 Q2 | 2020 Q2 | Δ | Δ% |
|----------------------------|------------|------------|-----|--------|
| Gross Profit | 2.481 | 2.285 | 196 | 8,6% |
| Other Income | 77 | 81 | -4 | |
| Salaries | -893 | -1.031 | 137 | |
| Sales and Dist. | -602 | -566 | -37 | |
| Other Opex | -151 | -137 | -15 | |
| EBITDA | 911 | 633 | 278 | 43,9% |
| EBIT | 574 | 302 | 272 | 90,2% |
| Financial Items | -133 | -101 | -32 | |
| Associated Companies | -67 | -53 | -14 | |
| Taxes | -82 | -33 | -49 | |
| Profit | 292 | 114 | 178 | 155,7% |
| Total Comprehensive Income | 280 | 130 | 150 | 115,2% |
| EBITDA ratio | 36,7% | 27,7% | | |
| EBIT | 23,1% | 13,2% | | |
| OPEX/Gross Profit | -63,3% | -72,3% | | |

Q2 2021

- ✓ Gross profit increases 196m, 8,6% yoy
- ✓ Excluding fx gross profit higher by 169m
- ✓ Operating expenses lower by 100m (5,8%) yoy adjusted for fx
- ✓ Share from associated companies:
 - ✓ Wedo -60m
 - ✓ Other -7m
- ✓ EBITDA higher by 278m between quarters yoy
- ✓ EBIT higher by 272m between quarters yoy
- ✓ Profit was 292m up by 178m yoy



INCOME STATEMENT 1H 2021

| | 2021 1H | 2020 1H | Δ | Δ% |
|---------------------------------|------------|------------|------|--------|
| Gross Profit | 4.831 | 4.615 | 217 | 4,7% |
| Other Income | 139 | 129 | 10 | |
| Salaries | -1.876 | -2.030 | 154 | |
| Sales and Dist. | -1.187 | -1.162 | -25 | |
| Other Opex | -324 | -306 | -18 | |
| EBITDA | 1.584 | 1.247 | 337 | 27,1% |
| EBIT | 912 | 604 | 309 | 51,2% |
| Financial Items | -224 | -184 | -40 | |
| Associated Companies | -102 | -70 | -31 | |
| Taxes | -126 | -76 | -49 | |
| Profit | 461 | 274 | 188 | 68,7% |
| Total Comprehensive Income | 359 | 545 | -187 | -34,3% |
| EBITDA ratio | 32,8% | 27,0% | | |
| EBIT | 18,9% | 13,1% | | |
| OPEX/Gross Profit | -67,2% | -73,0% | | |
| Return on Equity (yearly basis) | 9,5% | 5,7% | | |

1H 2021

- ✓ Gross profit increases 217m yoy
- ✓ Excluding fx gross profit higher by 162m
- ✓ One off charge 100m in Iceland in Q1 due to reorganization
- ✓ Operating expenses lower by 240m (6,9%) yoy adjusted for fx and one-off charge
- ✓ Share from associated companies:
 - ✓ Wedo - 87m
 - ✓ Other -15m
- ✓ Profit 461m higher by 188m yoy



GEOGRAPHICAL INFORMATION H1 2021

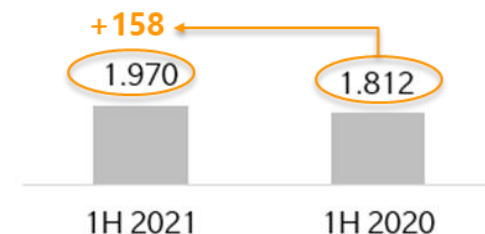
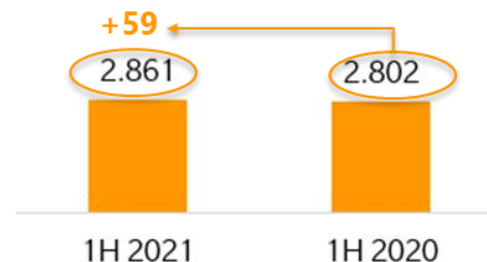
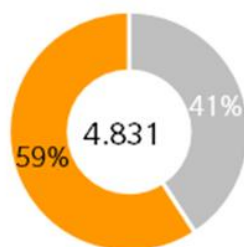
MILLION ISK

H1 2021

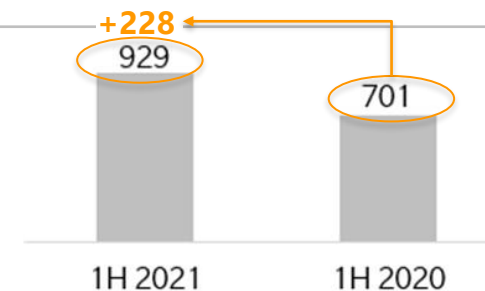
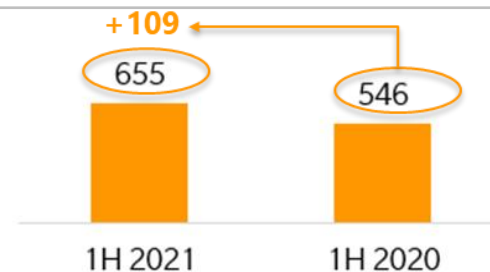
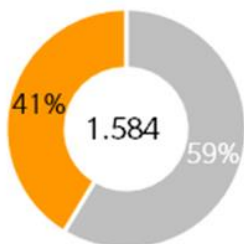
ICELAND

FAROE ISLANDS

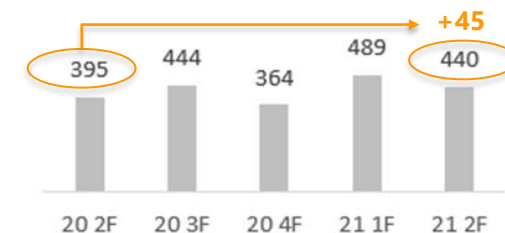
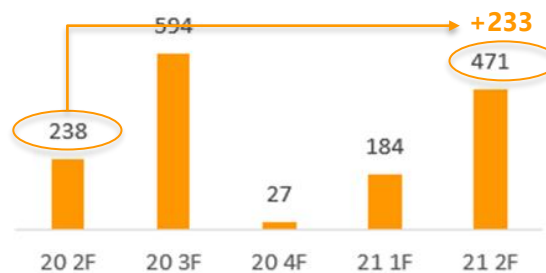
GROSS PROFIT



EBITDA



QUARTERLY EBITDA



Skeljungur

BALANCE SHEET H1 2021

| M.kr. | 30.6.2021 | 31.12.2020 | Δ | 30.6.2020 | Δ |
|-------------------------------------|---------------|---------------|--------------|---------------|--------------|
| Intangible assets | 4,401 | 4,629 | -228 | 4,641 | -240 |
| Operating assets | 10,946 | 11,264 | -318 | 11,075 | -129 |
| Leasing assets | 1,618 | 1,682 | -64 | 1,573 | 45 |
| Associated companies | 762 | 551 | 212 | 402 | 360 |
| Non-current assets | 17,727 | 18,125 | -398 | 17,691 | 36 |
| Inventory | 3,956 | 2,705 | 1,251 | 2,899 | 1,057 |
| Receivables | 5,742 | 3,373 | 2,369 | 4,110 | 1,632 |
| Trading investment | 0 | 223 | -223 | 391 | -391 |
| Cash and Cash equivalents | 751 | 1,078 | -327 | 1,692 | -941 |
| Current assets | 10,449 | 7,378 | 3,070 | 9,092 | 1,357 |
| Total assets | 28,176 | 25,503 | 2,673 | 26,783 | 1,392 |
| Equity | 9,916 | 9,921 | -5 | 9,603 | 314 |
| Deferred tax liability | 428 | 392 | 36 | 328 | 101 |
| Lease liabilities | 1,781 | 1,820 | -38 | 1,699 | 82 |
| Interest bearing debt | 9,693 | 8,606 | 1,087 | 8,507 | 1,186 |
| Payables | 3,104 | 2,448 | 656 | 3,370 | -266 |
| Other current liabilities | 2,957 | 2,105 | 852 | 3,151 | -194 |
| Other | 296 | 212 | 85 | 126 | 171 |
| Total Liabilities | 18,260 | 15,582 | 2,677 | 17,181 | 1,079 |
| Total equity and liabilities | 28,176 | 25,503 | 2,673 | 26,783 | 1,392 |

| M.kr. | 30.6.2021 | 31.12.2020 | Δ | 30.6.2020 | Δ |
|-----------------|-----------|------------|-------|-----------|-------|
| Working Capital | 3,637 | 1,525 | 2,112 | 487 | 3,150 |
| NIBD | 8,942 | 7,305 | 1,637 | 6,815 | 2,127 |
| Equity Ratio | 35.2% | 38.9% | | 35.9% | |
| Current Ratio | 0.96 | 0.94 | | 0.95 | |

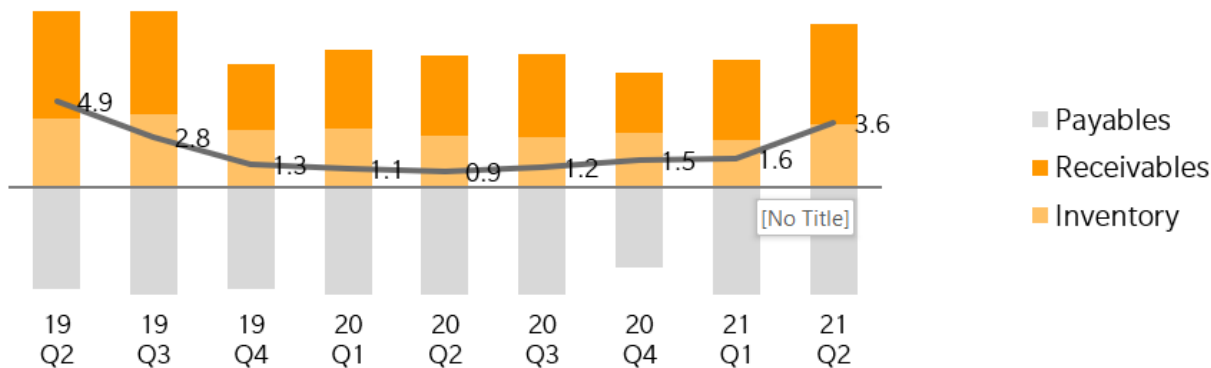
H1 2021

- ✓ Net Interest bearing debt (NIBD) , included market securites, increase by 1,637m from year end 2020
- ✓ Higher oil prices cause increase in working capital reversal from prior year
- ✓ Working capital up by 2,112m from year end 2020
- ✓ Equity ratio 35.2%
- ✓ Dividend 350m paid out early April
- ✓ Changes in DKK decreased the consolidated balance sheet by 0.60 billion ISK from year end of 2020

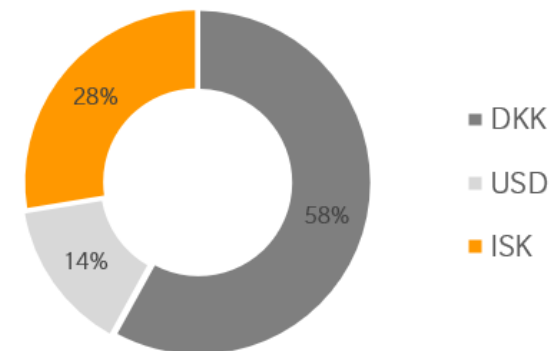


WORKING CAPITAL & INTEREST BEARING DEBT

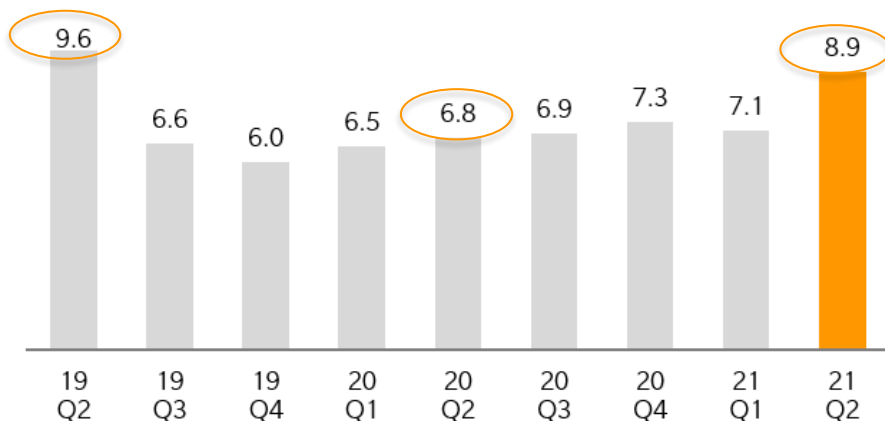
WORKING CAPITAL



CURRENCY MIX



NET INTEREST BEARING DEBT

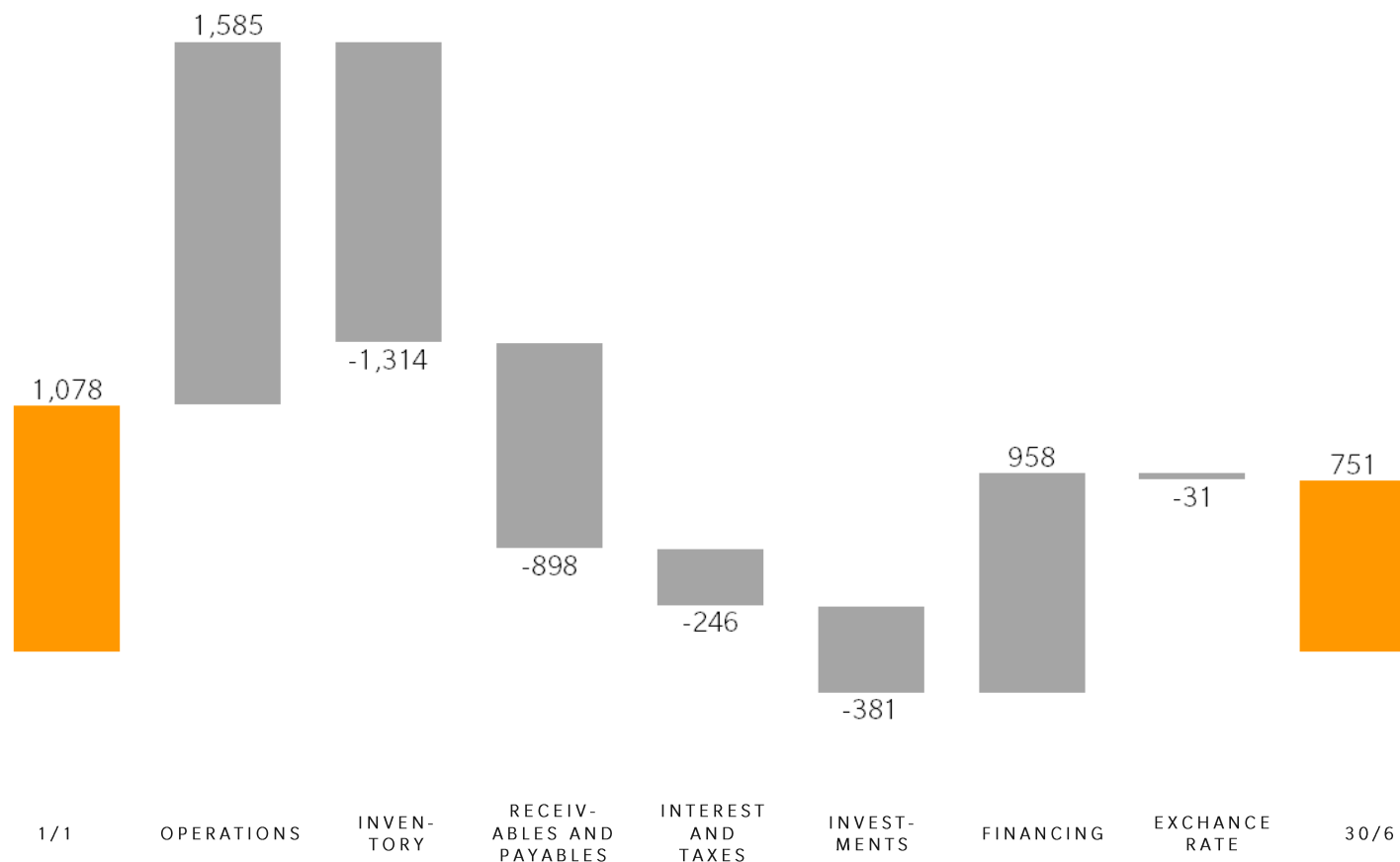


H1 2021

- ✓ Unused credit lines 2.15 billion ISK end of H1 2021
- ✓ Weighted average interest rate 2,8%

*numbers in billion ISK

CASH FLOW H1 2021

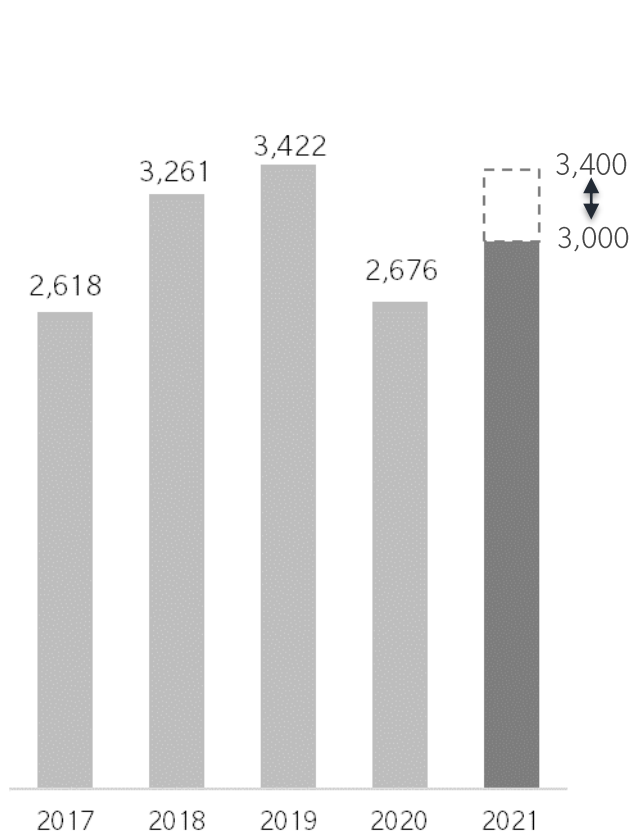


| M.kr. | H1 2021 | H1 2020 | Δ |
|--|---------|---------|--------|
| Cash from operations before interest and taxes | -627 | 1,473 | -2,100 |
| Taxes and interests | -246 | -279 | 33 |
| Net Cash from operations | -873 | 1,195 | -2,068 |
| Investing activities | -381 | -436 | 56 |
| Financing activities | 958 | 341 | 617 |
| Net change in cash and cash equivalents | -296 | 1,100 | -1,395 |
| Cash at beginning of year | 1,078 | 506 | 572 |
| Effect from exchange rates | -31 | 86 | -117 |
| Cash at end of period | 751 | 1,692 | -941 |

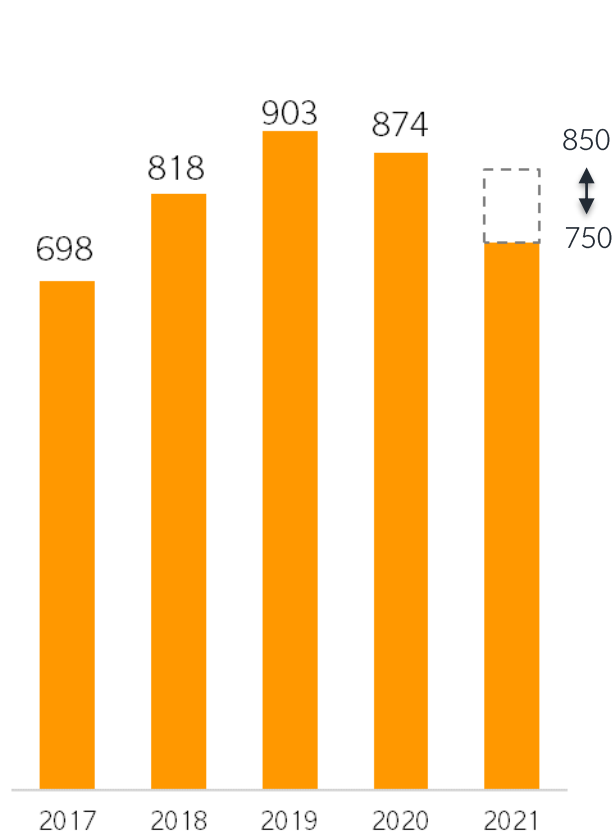


GUIDANCE FOR 2021

EBITDA



CAPEX



2021

- ✓ Expect higher EBITDA for Faroe Islands 2021
- ✓ In Iceland we expect operations to stabilize following impact from reorganization and increased tourism
- ✓ Port I (Löður & Dælan) will be included in the Group from 1st August 2021
- ✓ Unchanged guidance for 2021

MARKET INFORMATION



H1 2020

- ✓ Own shares (2,5%) cancelled
- ✓ Dividends paid April 2021, 350m
- ✓ The AGM granted the Board authority to purchase own shares up to 10%
- ✓ No own shares bought during H1

| Shareholder | Nominal value of share in million | Share |
|---|--------------------------------------|---------------|
| Strengur hf. | 969 | 50.06% |
| Gildi - lífeyrissjóður | 200 | 10.34% |
| Frjálsi lífeyrissjóðurinn | 163 | 8.44% |
| Birta lífeyrissjóður | 129 | 6.66% |
| Festa - lífeyrissjóður | 100 | 5.18% |
| Lífsværk lífeyrissjóður | 67 | 3.46% |
| Stapi lífeyrissjóður | 66 | 3.39% |
| Lífeyrissjóður Vestmannaeyja | 25 | 1.29% |
| Eftirlaunasj atvinnuflugmanna | 24 | 1.24% |
| Lífeyrissjóður bænda | 17 | 0.87% |
| 10 largest shareholders total | 1,761 | 90.95% |
| Other shareholders | 175 | 9.05% |
| Total outstanding shares | 1,936 | 100% |
| Shares owned by Skeljungur | 0 | 0.0% |
| Total shares as in articles of association | 1,936 | |

Market information

| | |
|---------------------------------|---------------------|
| Total shares | 1,936 M ISK |
| Number of shareholders | 579 |
| Market value at listing | 14.849 B ISK |
| Market value at 31.12.19 | 17.754 B ISK |
| Market value at 30.09.20 | 17.812 B ISK |
| Market value at 30.06.21 | 20.522 B ISK |

As of 30.06.2021



Skeljungur

Q2 2021 Highlights

Agreement City of Reykjavik



Letter of Understanding (LOU) signed with City of Reykjavik regarding **closing of selected gas stations** in Reykjavik against certain conditions.

No fixed timeline has been determined, **work in progress** between parties to finalize.



Q2 2021 Highlights

The acquisition of **Port I**, the holding company of Lööður and Dælan has **been finalized**:

Acquisition Port I



- *Lööður*
 - Planned **upgrades** for selected car-wash locations.
 - Out door **self-service car-washing locations likely to be closed** due to environmental concerns.
 - Solid **operations**.
 - **Buildings** at Fiskislóð and Hæðasmára are **included** in the acquisition as well as land plot by Lambhagavegur.
- *Dælan*
 - **Rebranding to Orkan**, total **70** stations across Iceland after acquisition.



2F 2021 Fréttir

100% in Gló



Acquired **all equity** in Gló ehf.

Gló **produces** products which are **sold across our stations** and have received **favourable reception**.



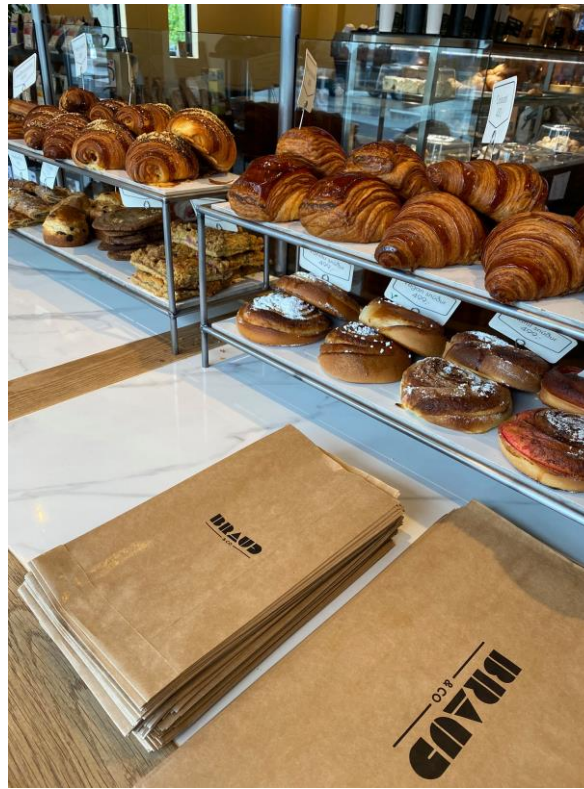
Q2 2021 Highlights

Increased holding Brauð & Co



Skeljungur currently owns **38%** share in Brauð & Co ehf.

Brauð & Co. expects to **open a bakery at Laugavegur 180** in H2. Customers will have the option to use a **car drive-through** which is a **new offering** in Iceland



Q2 2021 Highlights

Sale process Magn



Discussions on going with selected parties that participated in the non-binding tender for Magn.

We expect a **conclusion in August** with a potential sale of Magn. In an event of sale, it is subject to **approval of a shareholders meeting**.

Operating results of Magn 6 months 2021 is historically the **best** one so far.



Q2 2021 Highlights

Properties and Land



In continuation of work with Islandsbanki to **evaluate future opportunities** regarding properties and land around the greater Reykjavik area the Board of Skeljungur has decided to **engage Islandsbanki** to **explore the possibility** of sale of selected properties and land in the Reykjavik area, Vesturland and Reykjanes.

Around **25 properties** fall under the definition above

Skeljungur will **retain** other properties and land.



Q2 2021 Highlights

Offer for Lyfjaval



Lyfsalinn ehf. has signed **an agreement** to acquire Lyfjaval ehf.

Lyfjaval owns and operates **three pharmacy locations**, including the **drive-trough pharmacy** Hæðarsmára **one of the largest** pharmacies in Iceland

The acquisition is under review with the Competition Authority. Pending approval Skeljungur will own 56% in the merged entity.



Q2 2021 Highlights

Baulan re-opens



Baulan **opened in July** after **extensive remodelling** of the property.

New **fast charging station** will be opened for electric vehicles in **co-operation with ON**.



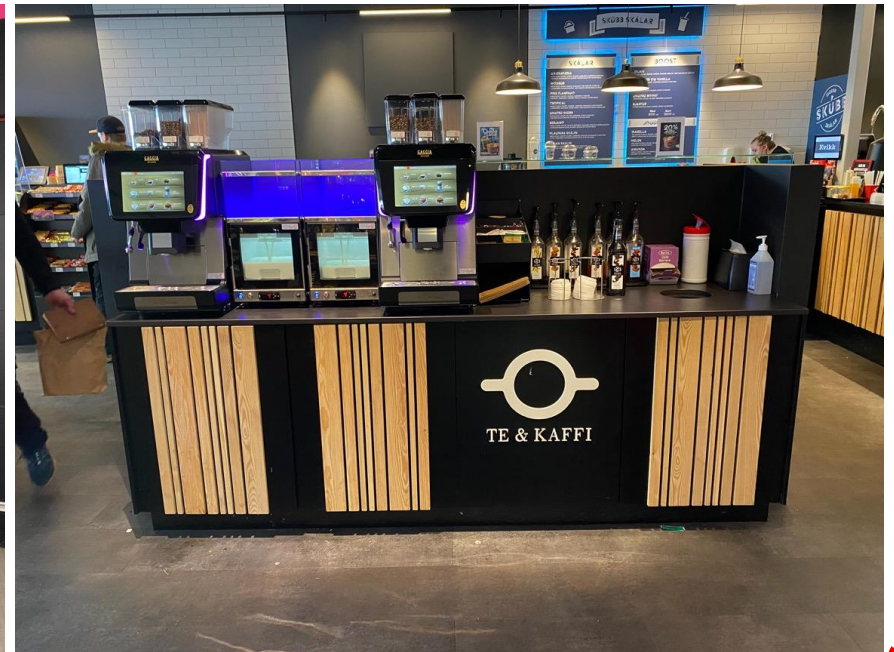
Q2 2021 Highlights

New Look



Changes to **Orkan** locations by **Vesturlandsvegur**, **Suðurfell** and **Dalvegur** have been completed.

„**Bæjarins bezta**“ drive-through opened in Dalvegur.



Q2 2021 Highlights

Convenience

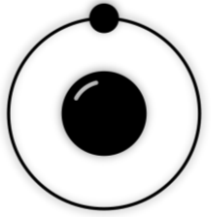
With increased tourism our convenience stores have seen **material operational improvement**.

Still **closed**: 10-11 Leifstöð and Kvosin.



Q2 2021 Highlights

Íslenska vetnisfélagið



Strong interest for Íslenska Vetnisfélagið, from both **investors** and potential **partners**.

Work in progress to **evaluate next steps** and it is our view that hydrogen will play a **substantial role** in the coming energy transition.





Skeljungur



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