



SKEL

Fjárfestingafélag

1F 2022 – Investor presentation 5.maí

Jón Ásgeir Jóhannesson,
Chairman

SKEL



100%
ORKAN IS
B2C



100%
SKELJUNGUR IS
B2B



100%
GALLON IS
Storage



48%
SP/F ORKUFELAGIÐ
Heildarorkulausnir
Færeyjum

KALDALÓN

18%
KALDALÓN
Real estates

REIR

50%
REIR
Real estate
development

Q2 2022

Q1 2022



Profit 3,3 billion ISK after tax

Capital gain from sale of real estate to Kaldalón

Improved operations in a challenging environment

New revenue streams operational entities



Continued focus on transformation of the organization

Sale of real estate portfolio to Kaldalón completed

Internal work and focus on our three new companies after transformation

Going forward SKEL reports as a parent company compared to consolidated reporting prior



Investment Company moving forward

First full quarter for SKEL Fjárfestingafélag and our newly formed entities

Equity position in VÍS acquired

Ásgeir Helgi Reykfjörð Gylfason, CEO and Magnús Ingi Einarsson, CFO start work 9th of July

Income statement SKEL 1Q 2022

M.ISK

Change in Fair value	299
Financial income	20
Financial expenses	(11)
<u>Earnings from real estate assets</u>	<u>4.226</u>
Investing income	4.533
Salaries	(112)
Other expenses	(144)
<u>Operating expenses</u>	<u>(255)</u>
EBIT	4.278
Taxes	(935)
Total income	3.342

- ✓ As an investment company and according to the new Articles of Association new accounting standards will be implemented and assets will be valued on a fair value basis
- ✓ Fair value of assets:
 - Operating entities 200m
 - Listed equities 99m
- ✓ Capital gain, real estate 4,1 billion
- ✓ Operational expenses are affected by reorganization and severance (60m)
- ✓ The goal is that operational expenses will be less than 2% of total assets

Investments highlights



Orkan



- Improved operations with increased tourism and general recovery after Covid
- Bad weather had negative effects during Q1
- Continued new offerings at our service stations
- New openings of pharmacies for Lyfjaval
- New openings of car wash in pipe line for Løður



Skeljungur



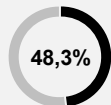
- Strong results for Q1
- Ongoing war has large impact on fuel prices
- Challenging environment for procurement, inventory and risk management
- Head office moved to Skútuvogur 1 – more visibility and convenience for customers
- New store opens in May



Gallon



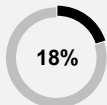
- An important part of the infrastructure of energy distribution
- Increased understanding about the importance of strategic petroleum reserves globally
- On going exploring strategic options for development of business



Sp/f Orkufélagið

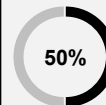


- Strong results for Q1
- The economy in the Faroe Islands has been robust
- Less effected by the war in Ukraine
- Windmill project (18MW) on schedule and estimated completion is end of year



KALDALÓN

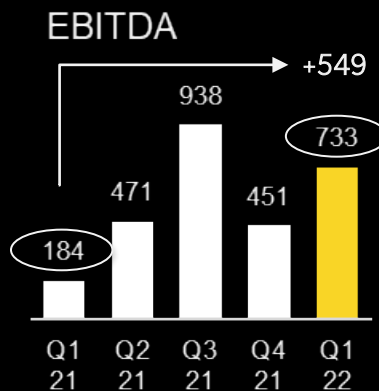
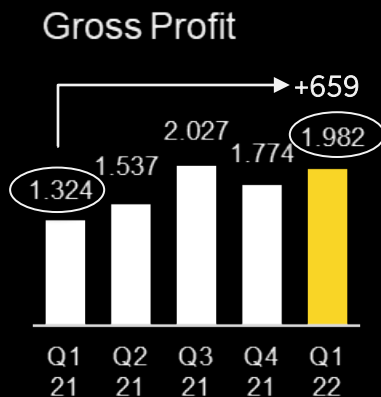
- Income-bearing assets increased in portfolio
- Key holding in Skel portfolio
- SKEL has requested a shareholder meeting which will be held on the 25th of May



Reir þróun

- Estimated holding value approx. 2 billion
- Partnership with Reir ehf
- Portfolio of real estate development projects in Reykjavik greater area
- In final stages expected to be finalized Q2 2022

Highlights SKEL & operating entities in Iceland



- ✓ Operating entities 100% owned by SKEL, Skeljungur, Orkan and Gallon
- ✓ EBITDA Q1 without capital gain of real estate 733m
- ✓ Capital gain real estate 4,104m
- ✓ Lööur is included in Q3 21 and Lyfsalinn in Q4 21
- ✓ Major change in world commodity prices and bad weather effected the results for Q1 22

Balance sheet Q1 2022

<i>M.ISK</i>	31.3.2022	Pro-forma
Investment assets	12.299	14.695
Real estate assets	867	867
Receivables and other assets	6.245	528
Cash and cash equivalents	8.015	8.928
Total assets	27.425	25.017
Equity	21.765	21.765
Interest bearing debt	3.017	609
Deferred tax liability	1.890	1.890
Payables and other liabilities	254	254
Dividend	500	500
Total liabilities	5.661	3.253
Total equity and liabilities	27.425	25.017

- ✓ Pro-forma shows impact of payment of loan from Kaldalon and repayment of 133m DKK
- ✓ Receivables and other assets include 5,7 billion balance from the sale of assets to Kaldalon
- ✓ Total equity after dividend 21,8 billion
- ✓ Dividend 500m paid April 13th
- ✓ Equity ratio 79,4%

Assets, pro-forma

Book value billion ISK

Investment Assets

Unlisted equities, Iceland	8,6
Listed equities, Iceland	3,2
Unlisted equities, Foreign	2,5
Other Investments	1,2
	15,5

Other Assets

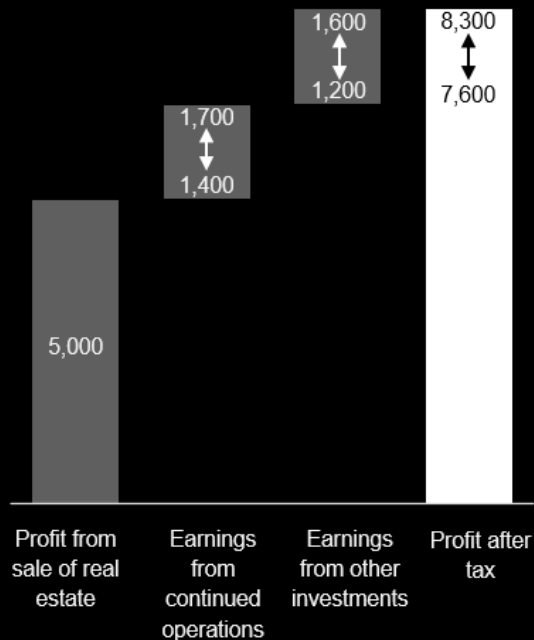
Cash and cash equivalents	8,9
Receivables and other assets	0,6
	9,5

Total Assets 25,0



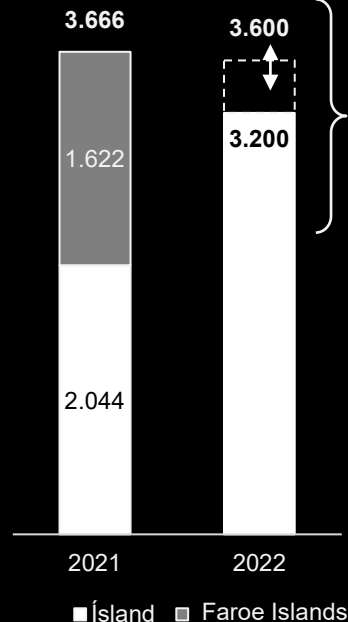
Guidance for 2022, Previously published estimate February 2022

SKEL fjárfestingafélag Profit after tax



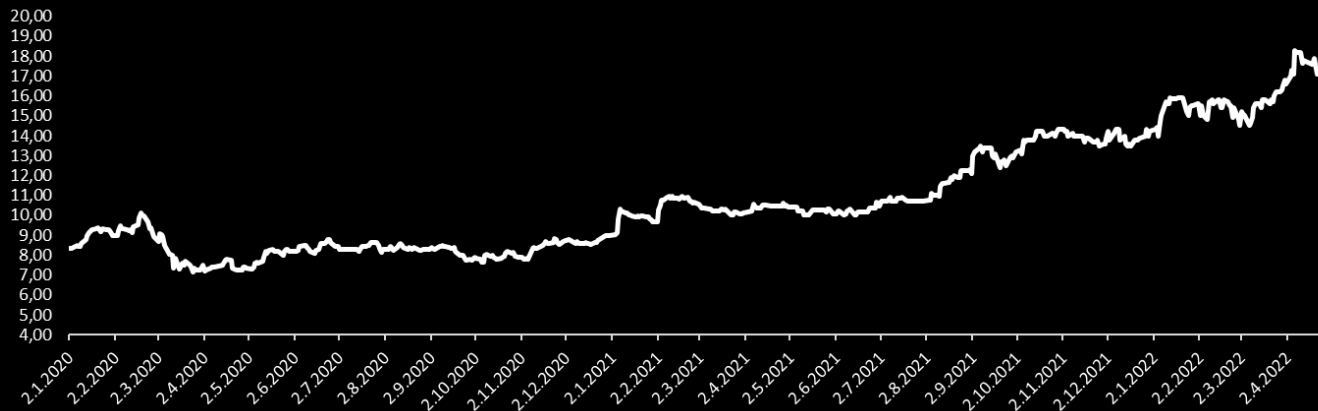
- ✓ Change in accounting standards will affect future income for SKEL because of fair value of assets

EBITDA With operating entities in Iceland



- ✓ Lööur and Lyf included 2022 but only partially 2021
- ✓ Increased tourism and economic activities
- ✓ Q1 2021 was soft
- ✓ Long-term interest bearing debt of operating entities 4,381m (w/o SKEL)

Market Information SKEL



- The AGM granted the Board authority to purchase own shares up to 10% and the option to increase share count by 200m shares
- No transactions with own shares during the period
- Change in share price of Skeljungur was 18,3% in Q1 2022 (closing price 16,8)

Shareholder	Nominal value of share in million Share	
Strengur hf.	969	50,1%
Frjálsi lífeyrissjóðurinn	166	8,6%
Arion banki hf.	149	7,7%
TCA ECDF III Holding S.á.r.l.	97	5,0%
Birta lífeyrissjóður	82	4,2%
Íslandsbanki hf.	37	1,9%
Stefnir - Innlend hlutabréf hs.	36	1,9%
Kvíka banki hf.	30	1,5%
Stefnir - ÍS 5 hs.	25	1,3%
Eftirlaunasj atvinnuflugmanna	24	1,2%
10 largest shareholders total	1.613	83,3%
Other shareholders	323	16,7%
Total outstanding shares	1.936	100,0%
Shares owned by Skeljungur	0	0,0%
Total shares as in articles of association	1.936	100,0%

Market information	
Total shares	1.936 M ISK
Number of shareholders	921
Market value at listing	14,849 B ISK
Market value at 31.12.19	17,754 B ISK
Market value at 31.12.20	17,812 B ISK
Market value at 31.12.21	27,492 B ISK
Market value at 31.3.22	32,525 B ISK

Next steps for SKEL



Work with existing assets and support their continued growth

Acquisition of companies in related operations to expand operations and increase turnover

Optimization of operations and balance sheet



Utilize the company's investment capacity and invest in new industries

Listed and unlisted investments

Investment in VÍS first example

Emphasis on opportunities where profitability can be increased with the support of SKEL



SKEL

Q&A

Further information

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