



Investor presentation

H1 2024

Our mission is to develop opportunities, and target long-term value creation

H1 2024

Styrkás acquires
Stólpi and Kraftur

Merger negotiations
with Samkaup

Substitution of
development projects
for income generating
properties

Gallon in sales process

All shares of INNO
acquired in a joint
venture with Axcent of
Scandinavia (Åhléns)

Increased weight of
foreign investment

Loss for the period

314 million ISK

49 billion ISK

Total assets

37 billion ISK

Equity

(426) million ISK

Net loss of listed assets

4.3 billion ISK

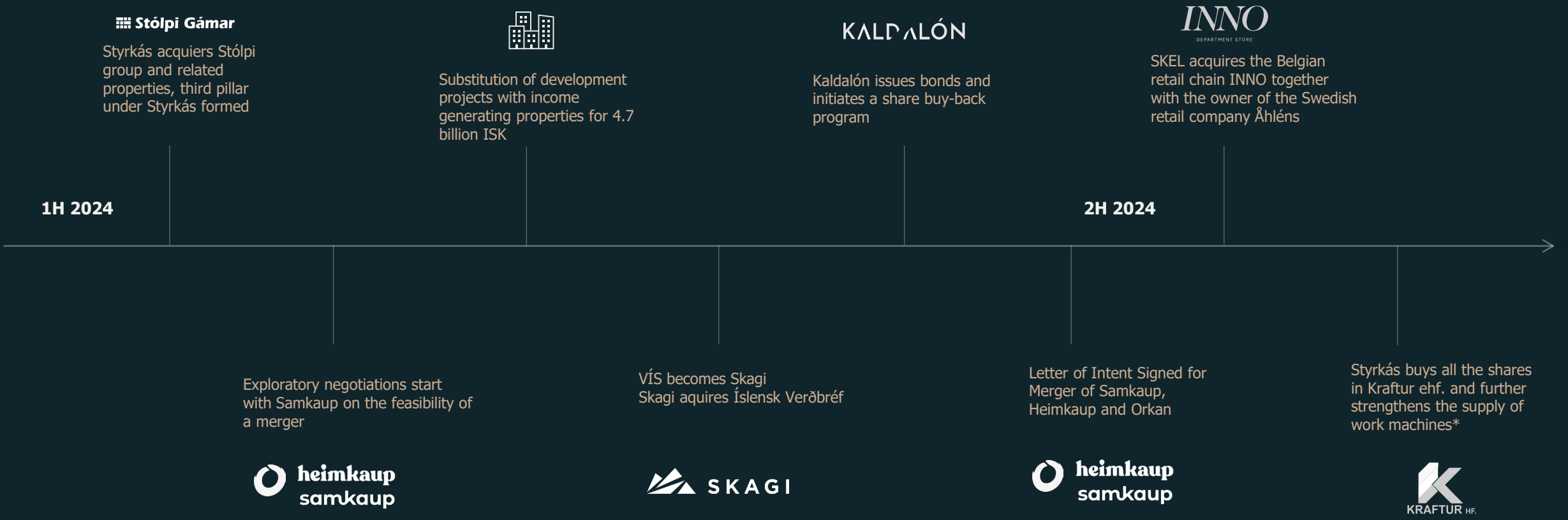
Cash and treasury bonds

750 million ISK

Dividends to shareholders

510 million ISK

Net profit of unlisted assets



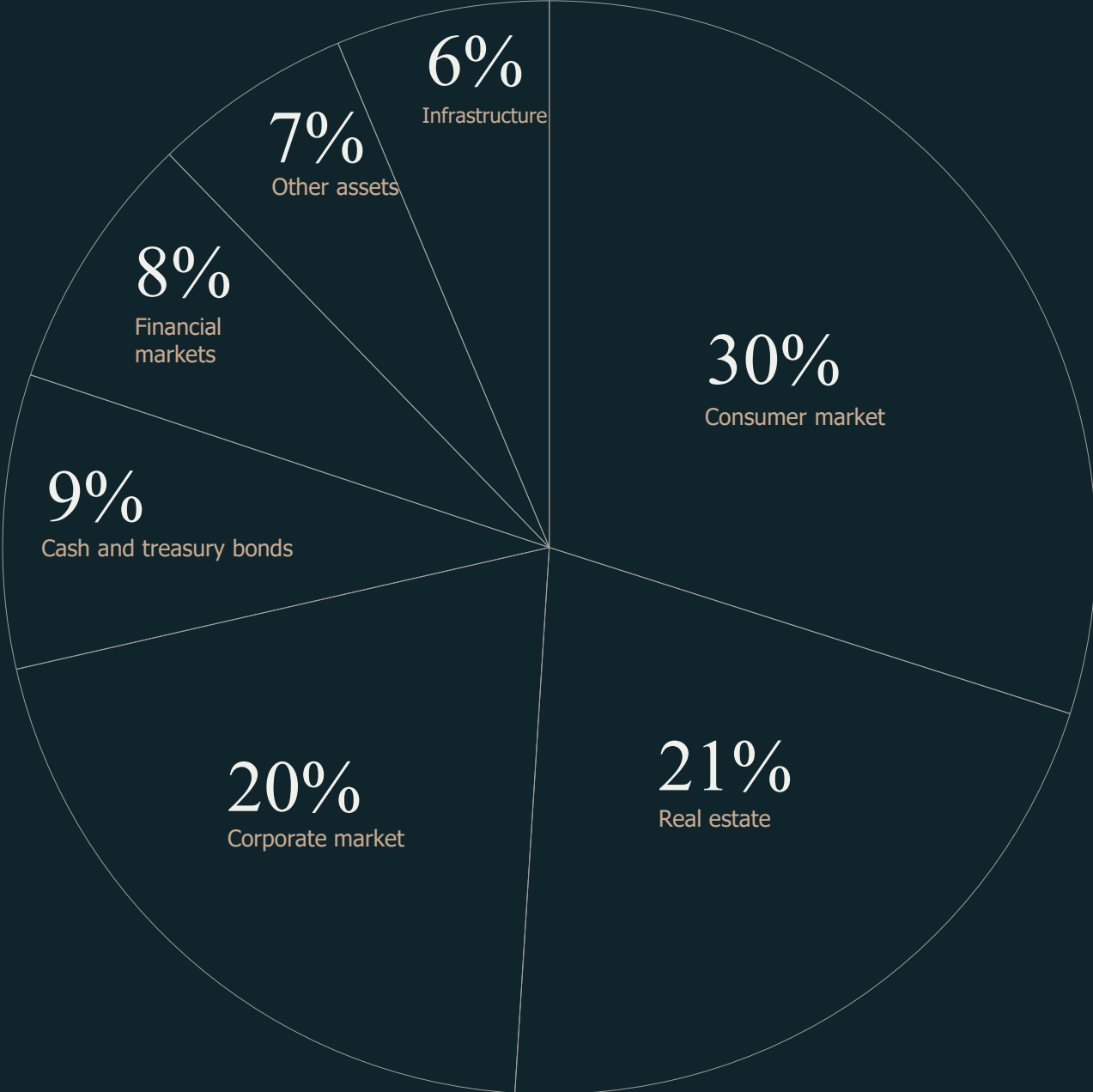
*Subject to approval of the Competitive Authorities and suppliers

Portfolio

Total assets

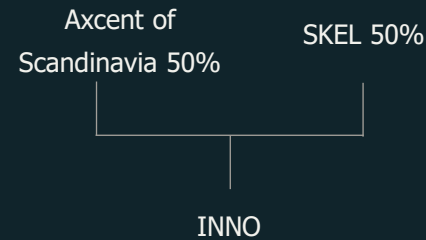
49,136

million
ISK



Increased weight of foreign investments

„One of Belgium’s largest department store group“



2023/24E

Income
314 m. EUR

EBITDA
9.4 m. EUR

Equity value (50%)

The purchase was in July 2024 and therefore not on SKEL's balance sheet at the end of June

Company

- INNO is one of the largest and most well-known department stores in Belgium, founded in 1897
- 16 department stores in sought-after locations in all major cities in the country
- INNO offers popular brands in fashion clothing, cosmetics, toys, housewares, household products, furniture and other product categories.
- INNO is Belgium's only retail chain offering a wide range of premium and mainstream brands.
- There are 1,360 employees

Investment

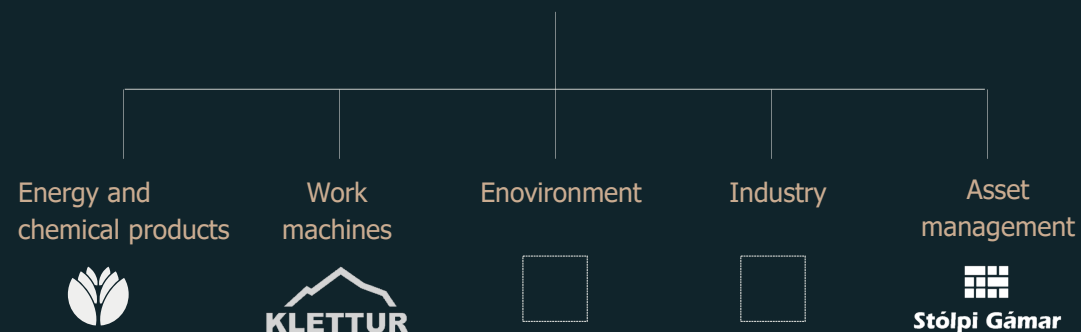
- INNO's seller was GALERIA Karstadt Kaufhof (GKK), which is the second largest department store group in Europe
- GKK became insolvent in April 2020 and received support from Germany's Stabilization Fund. In connection with further operational problems of GKK, the sale process of all shares in INNO began with the assistance of Clairfield
- SKEL's co-investor is Axcent of Scandinavia, which is led by Ayad Al-Saffar, who is also the company's largest shareholder
- Ayad Al-Saffar and his co-investors acquired the Åhléns retail chain in 2022 and have turned the company's operations around for the better. Åhléns operates 48 stores in Sweden and has around 3,000 employees

Operations and future vision

- The purchase of INNO marks the beginning of a collaboration with the owners of Åhléns, who have years of experience in the retail space and have achieved remarkable results with similar stores in Sweden and across Europe
- There are opportunities for synergy between Inno and Åhléns. Åhléns offers similar brands to INNO as well as selling its own brands, which in many cases generate higher margins
- INNO's new shareholders have well-defined plans with the intention of significantly improving the company's performance
- Planned actions include increasing the availability of products with lower price points, streamlining procurement and shutting down unprofitable operations
- The company's operations are on schedule for the year

Key assets

„Creation of a company servicing corporations across all industries“



Group
2024E

Gross profit
9,435 m.ISK

EBITDA
2,699 m.ISK

Equity value (63,4%)
9,684 m.ISK

Valuation methodology
Last transaction price

Income statement H1 2024

Million ISK	Actual	Fcst
Gross profit and other income	4,592	4,538
Operations expenses	(3,317)	(3,378)
EBITDA	1,275	1,160

Investments

- The acquisition of Stólpi was completed in April, and the company therefore became part of the Styrkás group as of the beginning of the year.
- In July, a purchase agreement was signed for the purchase of all shares in Kraftur ehf. which is a dealer for MAN, Palfinger and Bucher-Municipal in Iceland
- The purchase agreement is made subject to the approval of the Competition Authority and suppliers
- Kraftur turnover in 2023 was around ISK 2 billion and EBITDA without the impact of IFRS 16 in 2023 was ISK 180 million

Operations and future vision

- Styrkás operations are going well and the outlook for the company will be around 10% above the published forecast in 2024
- The operating company has taken shape, and the goal now is to achieve further synergy
- It is hoped that the company's investment in the environment-related industry will be completed this year
- Leverage the group's core capabilities for advances in the corporate market
- Present the company to customers and investors - listing on the Stock Exchange by 2027 at the latest

„Servicing vehicles in a simple way“



Group
2024E

Gross profit
5,189 m.ISK

EBITDA
2,161 m.ISK

Equity value (100%)
9,652 m.ISK

Valuation methodology

Third party
valuation

Income statement H1 2024

<i>Million ISK</i>	Actual	Fcst
Gross profit and other income	2,508	2,410
Operations expenses	(1,554)	(1,488)
EBITDA excl. IFRS 16	954	923

Löður

- Löður started to offer subscription for car wash in collaboration with Parka. The subscription model has exceeded expectations and will be further promoted in the second half of the year
- A new washing station opened at Einhella in Hfj. in May, but it is the first car wash in the country that is designed for larger vehicles
- A bigger car wash recently opened on Vesturlandsvegur. There are also plans to open in Fellsmúli, Akureyri and Lambhagavegi in the coming seasons
- The lease agreement with N1 for 8 washing stations expired in March and those stations were closed. The company's forecasts assumed the closure of said stations

Orkan

- Overall, operations are going well and are exceeding forecasts
- Sales at service centers increase by 3% year-on-year and liters by 1%
- Orkan intends to continue to be a participant in the energy transition with offering of all major energy sources
- There are now 8 fast charging stations and with further expansion in the coming seasons
- Aim to continue offering smart solutions and innovations in a simple way

„Prís – opening of a new discount store“



2024E

Income
12,966 m.ISK

EBITDA
195 m. ISK

Equity value (81%)
3,138 m. ISK

Valuation methodology

Valuation - conservative

Income statement H1 2024

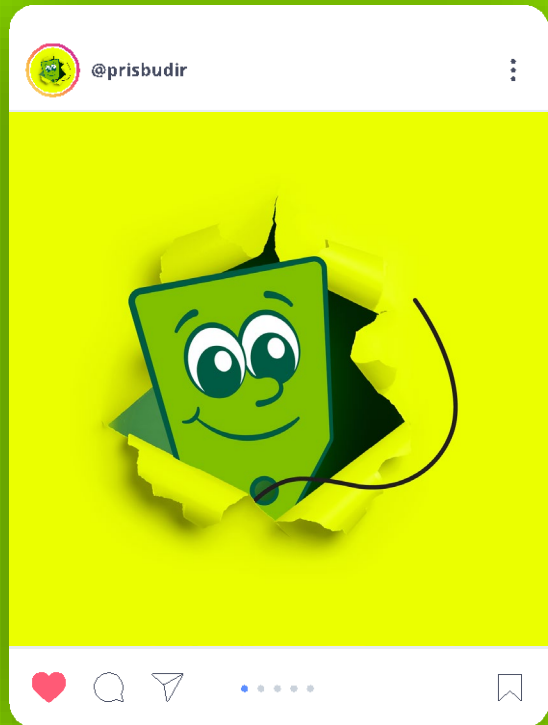
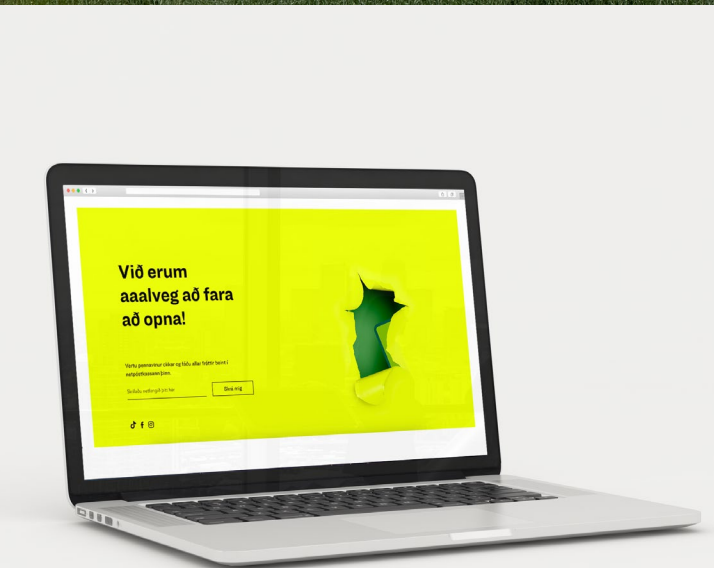
M. kr.	Raun	Áætlun
Gross profit and other income	5,517	5,252
Gross profit	1,789	1,942
EBITDA excl. IFRS 16	(48)	128

Lyfjaval

- Sales increase of 10% year-on-year in the first 6 months of the year and the margin ratio increased
- A new pharmacy opened on Miklubraut in February
- Planned to open a pharmacy in Selfoss before the end of the year, bringing the total number of pharmacies to 8
- 24/7 opening in Hæðasmári is going well and the number of visits increased by 14% from the same period last year

Prís / Heimkaup

- Prís, a new discount store opens in August on Smáratorg
- The main focus of Prís is to have the lowest price on the market
- The cost of opening Prís is about 400 m.kr.
- Other retail operations is below forecast, both in revenues and EBITDA



„An infrastructure company in the energy market “



2024E

Income
580 m. ISK

EBITDA
285 m. ISK

Equity value (100%)
2,903 m. ISK

Valuation methodology

Third party valuation

Income statement H1 2024

<i>Million ISK</i>	Actual	Fcst
Income	264	255
Operational expenses	(163)	(162)
EBITDA	100	93

Operations

- Operations are on track
- Utilization of tanks today around 30-50% and therefore the opportunity to increase utilization especially if market conditions change to contango
- The value of equity increases by ISK 64 million since the beginning of the year

Sales process

- Several parties have shown interest in buying the company
- Negotiations at an early stage with one party regarding the purchase of 80% of the share capital
- The outcome of the negotiations will depend on the results of the due diligence and other customary conditions
- A more detailed account of the progress of the case will be provided as appropriate

Key listed assets



8,23% value 2.339 billion ISK

"The first quarter results for the group are overall positive. The financial and insurance operations delivered performance above expectations, setting a strong start to the year.

After last year's turnaround in the insurance business, we are seeing continued positive developments heading into 2024, with solid premium growth and decreasing costs.

The insurance operations are performing well, with nearly 10% revenue growth year-on-year, and it is gratifying to see record increases in the sales of life and health insurance for the second quarter in a row.

The return on the VÍS investment portfolio was 2.2%, which is above the benchmark. Income from financial operations exceeded our expectations, which is a positive sign given the current economic environment.

We recently announced that Íslensk verðbréf will be joining the group of strong companies within the group, pending regulatory approval, which aligns with our stated strategy of external growth in the financial market.

We have a clear vision for the future and are in a key position to be an active participant in further developments in financial operations here in Iceland."

From the press release for Q1 2024.



15,28% value 2.840 billion ISK

Kaldalón hf. completed in February a bond offering for a new bond series, KALD 150234, issued under the company's ISK 30,000,000,000 issuance framework. Bonds with a nominal value of ISK 3,140,000,000 were sold at a yield of 4.00%. The proceeds from the bond offering will be used for investments and refinancing the company's debt.

<https://kaldalon.is/nidurstada-skuldabrefautbods-6-februar-2024/>

Kaldalón hf. has completed the sale of unsecured six-month bills in the KALD 24 1202 series. Bids were received for ISK 1,580 million with flat interest rates ranging from 10.15% to 10.70% per annum. Bills with a nominal value of ISK 1,000 million were sold at an interest rate of 10.29%.

<https://kaldalon.is/utgafa-a-vixlum-nidurstada-utbods-3/>

A shareholders' meeting of Kaldalón hf. was held on July 2, 2024. At the meeting, it was approved to authorize the company's board to purchase shares in the company, allowing the company, subject to other legal conditions being met, to own up to 10% of its share capital, i.e., a maximum of ISK 1,119,568,483 or 111,956,848 shares.

<https://kaldalon.is/kaldalon-hf-tilkynning-um-framkvaemd-endurkaupaaetlunar/>

Substitution of development projects for income-generating properties

Real estate transactions– Stefnisvogur

55 apartments handed over at year-end 2023

Book value 31.12.2023	4,968
Increase in the housing price index 1.1.-30.6.2024	6,2%
Increase in the valuation of 55 apartments in Stefnisvogur	309
	5,277 m.ISK

55 apartments
5,905 sq. m.
894 thou. ISK per sq. m.
NOI 200 m. ISK (4%)

Purchase agreement – 50 apartments handed over at year-end 2024

Cash	683
Stake in REIR Þróun	728
Borrowings	3,293
	4,704 m.ISK

50 apartments
5,534 sq.m.
850 thou. ISK per sq. m.

Summary

- We wanted to simplify the portfolio and see that the housing needs are not met in today's market
- SKEL purchased 55 apartments that were delivered at the end of 2023. All purchased apartments were rented out and have a net rental income (NOI) of ISK 200 million per year which corresponds to about 4% of the purchase price
- The value of the flats was calculated based on the change in the flat price index from 1.1. – 30.6.2024
- An additional 50 apartments were purchased and will be delivered at the end of 2024
- In total, SKEL's deferred gains on sales amount to ISK 9.5 billion due to sold real estate in the years 2021-2022
- For that reason, SKEL has an income tax liability of ISK 1,786 million
- Deferred tax due to capital gains is payable if no reinvestment is made in similar assets in 2023 and 2024
- The reinvestment needs of the years 2023 and 2024 have been met with these purchases
- When tax benefits are taken into account, the return on equity from the investment is estimated at 18% at fixed price

Venture capital

Focal pay

Retail and payment solution,
Sweden Investment 235 m.ISK

<https://focalpay.se/>

Zen Educate

A smart way to find teaching work, UK
Investment 104 m.ISK

<https://www.zeneducate.com/>

Fuel Active

Delivering cleaner fuel to the engine, UK
Investment 43 m.ISK

<https://fuelactive.com/>

Baridi

Mining license, Tansania
Investment 318 m.ISK

<https://baridigroup.com/>

First water

Onshore fish farming, Iceland
Investment 225 m.ISK

<https://www.firstwater.is/>

Geosalmo

Onshore fish farming, Iceland
Investment 150 m.ISK

<https://www.geosalmo.com/>



Financials

Balance Sheet

SKEL

Balance sheet 30.6.2024

ISK million	30.6.24	31.12.23
Cash	3,203	3,139
Government bonds	1,060	2,524
Listed securities	8,844	9,396
Investment properties at fair value	6,382	6,107
Other assets at fair value	27,585	27,138
Other assets	1,813	1,442
Total assets	49,136	49,745
Equity	36,602	37,610
Debt related to real estate	3,929	3,674
Other debts to credit institutions	5,169	4,768
Deferred income tax liability	1,786	1,892
Other liabilities	1,650	1,949
Total liabilities	12,534	12,135
Total equity and liabilities	49,136	49,745

Assets in m. ISK

Price to book

19.5 kr.

	6,382		4,271
	Income generating real estates		Loans, receivables and other assets
9,684			
Styrkás			
	4,263	3,138	2,903
	Cash and Government bonds	Heimkaup, Lyfjaval	Gallon
9,652	3,666	2,840	2,339
Orkan, Löður, Real estates	Other listed assets	Kaldalón	Skagi

Overview of assets

Cash and listed assets

Cash and treasury bonds	4,263
Kaldalón	2,840
Skagi	2,339
Other listed assets	3,666
	13,107 m.ISK

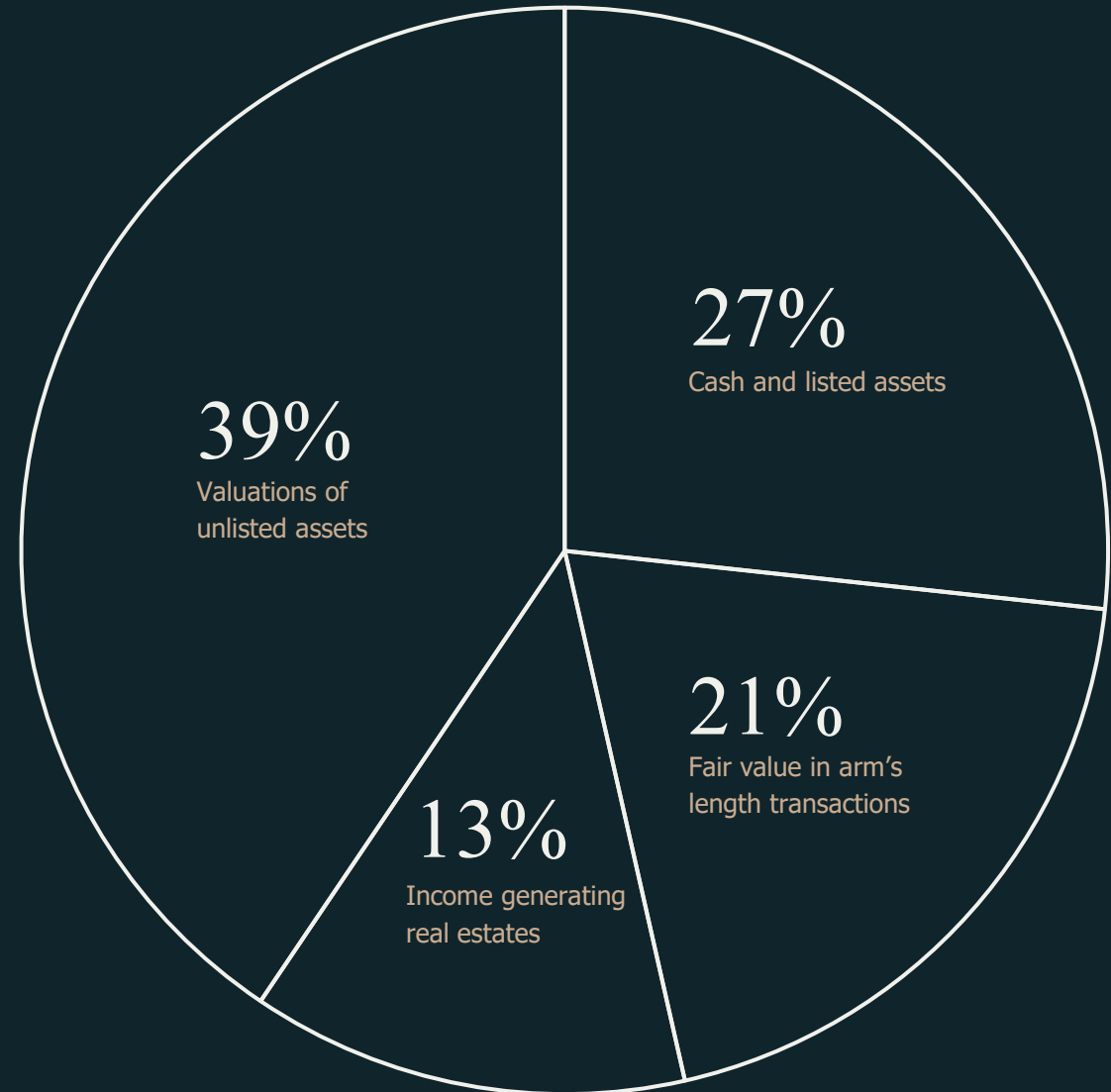
Based on recent arm's length transactions

Styrkás	9,684
Eignarhaldsfélagið Bjarmi	650
	10,334 m.ISK

Income generating real estates **6,382** m.kr.

Based on valuation

Orkan	9,652
Heimkaup	3,138
Gallon	2,903
Loan, receivables and other assets	3,621
	19,314 m.ISK



Operations H1 2024

Income Statement 1.1. - 30.6.24

ISK million	H1 2024	H1 2023
Fair value change of financial assets	84	2,232
Financial income (-expenses)	(213)	120
Income from investment properties	121	23
Expenses for investment properties	(18)	(4)
Loss from investments	(26)	2,371
Other income	38	50
Salaries and payroll expenses	(295)	(266)
Other operating expenses	(137)	(138)
Net operating expenses	(394)	(353)
Loss before taxes	(420)	2,017
Income tax	106	43
Loss for the period	(314)	2,060

Loss for the period

314 m. ISK

510 m. ISK

Net profit of unlisted assets

(426) m. ISK

Net loss of listed assets

Change in fair value

Overview of fair value changes H1

Orkan	479
Gallon	64
Heimkaup	(794)
Other unlisted assets	361
Total unlisted assets	110
Kaldalón	(160)
Skagi	(342)
Other listed assets	(105)
Total listed assets	(607)
Total	(496)
Dividends	581

84 m.ISK

Total fair value changes and dividends

Assumptions regarding fair value changes

Orkan - Lööður

The operations of Orkan for the period have exceeded management's forecast. EBITDA for the period was 954 m.ISK which is about 3% more than was budgeted. The number of transactions increased by 3% between years and the quantity of sold liters increased by 1%. The outlook for the second half of the year is positive.

Lööður's operations have been somewhat below management's forecast for the period which can be explained by, among other things, delays in the construction of new washing stations, e.g. on Vesturlandsvegur, which has now been opened. The subscription model has been a success and is generating revenues for the company. The EBITDA for the year will be below estimates in light of the operating results of H1 2024, but the investment in new stations will pay off in the future.

Styrkás

Styrkás's companies are doing well, and EBITDA exceeded estimates for the year. Healthy growth is expected to continue. At the end of the period, the parent company had about 2.3 billion ISK in cash. Valuation is based on the price of Styrkas in the transaction of Stólpi.

Gallon

Gallon's operations so far this year have been in line with the company's plans. The main reason for the increase in valuation is the high positive balance of current assets.

Heimkaup - Lyfjaval

Lyfjaval's operations are somewhat below management's plans so far this year. Revenues are about 4% below plan, which, together with labor costs exceeding plans, means that EBITDA is below the company's plans so far this year.

Heimkaup's total income is in line with plans so far this year, but the margin and profit are somewhat below. It was decided to make a precautionary entry of ISK 800 m. on the value of SKEL's equity in the company.

Upcoming

Conclude negotiations
with Samkaup

Operational turnaround
for INNO

Styrkás' further growth
in the process and plans
for listing in 2027

Completion of the
purchase of 50 apartments
before year-end

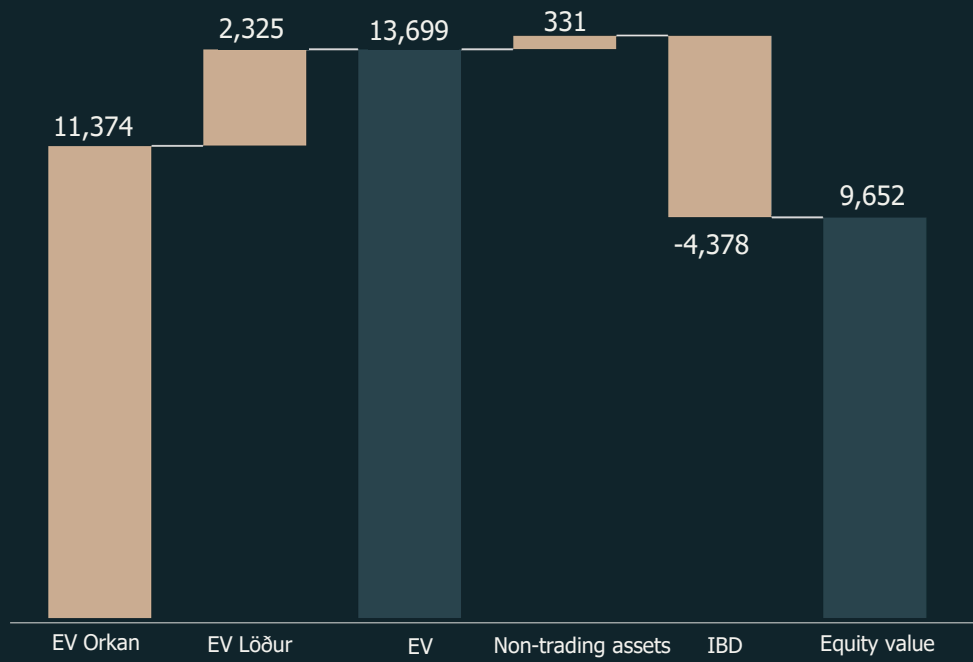
Gallon sales process

SKEL

Appendix

Orkan Group - valuation

Orkan - Löður



Equity value of Orkan's consolidation

9,652 m. ISK

479 m. ISK

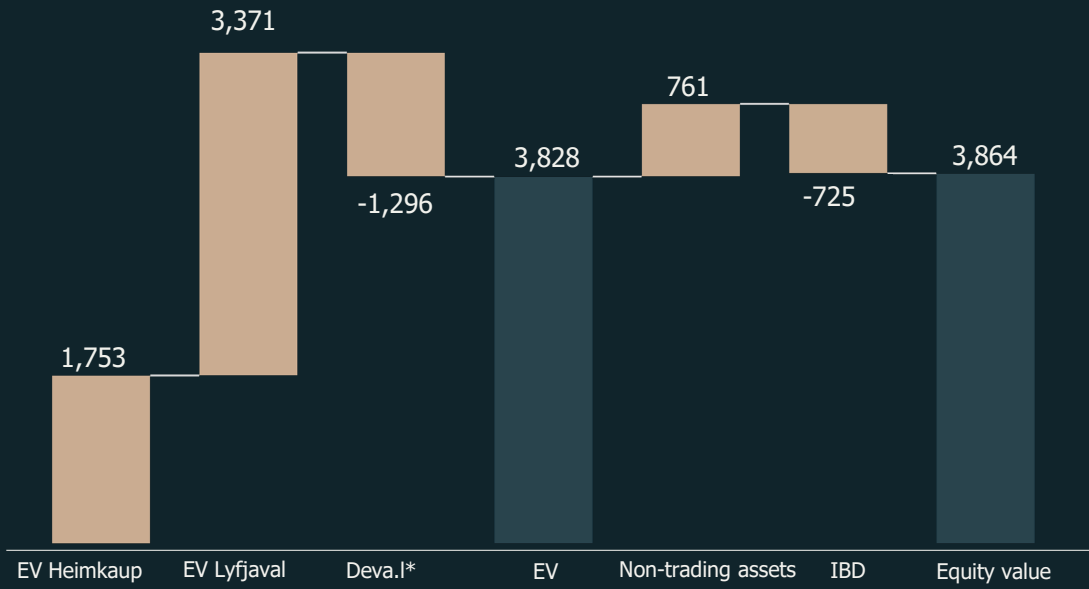
Change in fair value

300 m. ISK

Dividends

Heimkaup Group - valuation

Lyfjaval - Heimkaup



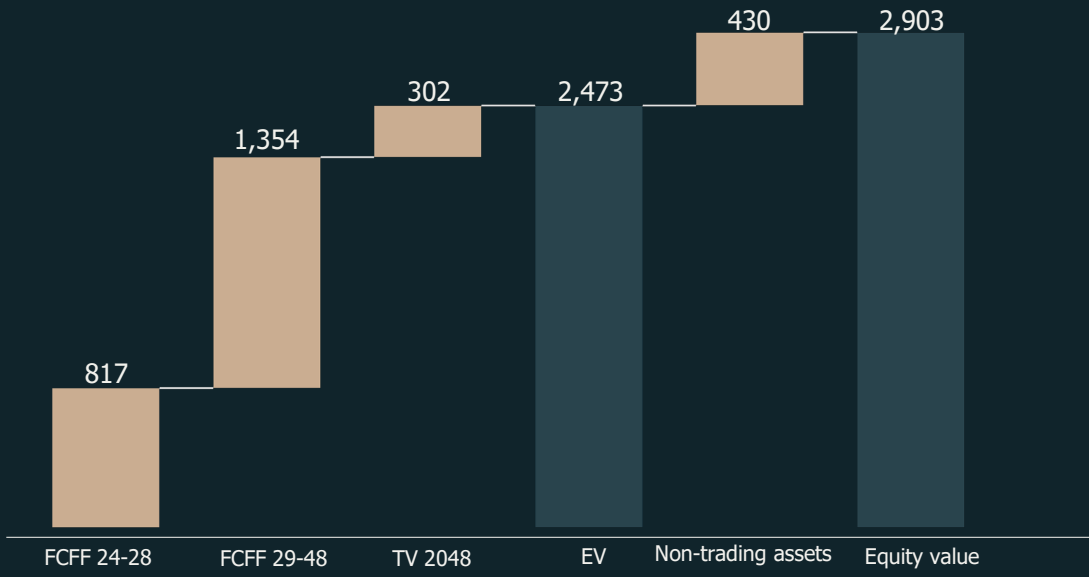
Value of SKEL's holding in the Heimkaup's consolidation (81%)

3,138 m. ISK

(794) m. ISK
Change in fair value

*Management's decision to devalue EV due to loss in operation of Heimkaup

Gallon - valuation



Gallon's Equity value (100%)

2,903 m. ISK

64 m. ISK

Change in fair value

100 m. ISK

Dividends

FOCALPAY

Investment 235 m. ISK

- Focalpay is a software company that specializes in retail and payment systems that have been built from the ground up with modern needs and technology in mind.
- Focalpay is designed as a SaaS solution (software as a service). A characteristic of such solutions is that the manufacturer sells a subscription to the system rather than selling the system itself to users, as is customary with traditional systems.
- Special emphasis has been placed on giving shop owners freedom when it comes to choosing hardware and services related to operations, as well as increasing the security of information systems
- Focalpay, which has offices in Stockholm, has 20 employees. The managing director and one of the founders of Focalpay is Birkir Veigarsson, who has lived in Sweden for the past ten years
- The company currently services over 500 shops. Customers include Systembolaget, Reitan and Matrebellerna
- The future vision is to continue entering more markets in Europe
- SKEL has bought shares for SEK 17.5m and owns almost 10% of the company

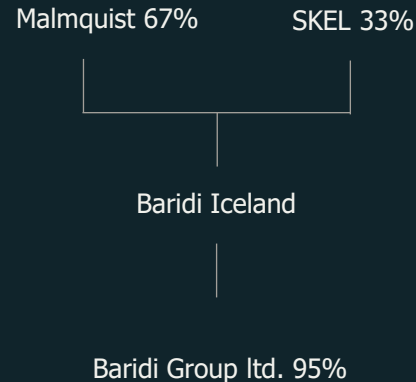


Investment 104 m. ISK

- Zen Educate offers an online solution that meets both the short- and long-term staffing needs of UK schools
- The company works with over 1000 schools in London, Manchester, Birmingham, Bristol and Leeds
- The company's goal is to change recruitment processes in the education system. By registering on the Zen Educate website, schools have access to thousands of teachers and support staff that they can book with only one click
- Teachers get higher salaries and jobs that suit them better, while schools pay less for the recruitment than through recruitment agencies
- The company was founded in 2017 by Slava Kremerman and Oren Cohen, who are still managing the company today
- SKEL invested 104 million ISK in the company in May 2024

Venture capital

„The structure of resource utilization in Tanzania“



Exploration license

47

SKEL's holding

33%

Investment

318 m.ISK

For more information:

<https://baridigroup.com>

<https://baridifuturefoundation.com/>

The company

- Baridi Group is a Tanzanian company founded in 2022 by Kristinn Már Gunnarsson, who is the company's CEO
- Kristinn lived in Tanzania as a teenager and therefore knows the country well
- Today, the company employs 25 people, of which 24 are Tanzanian citizens
- The company puts a lot of effort into creating a good work environment and with positive impact on Tanzanian society and has, among other things, through the Baridi Future Foundation built a school in Kristin's childhood
- In 2023, the company was recognized by the Konrad Adenaer Stiftung and the German Chamber of Commerce as the leading mining company in East Africa. The company has also received an award from the East African Community for its contribution to the industry and society

Investment

- Earlier in the year, SKEL invested in a 33% stake in Baridi Iceland ehf.
- The conditions for mining are favorable, materials lie close to the surface and the quality is good
- Baridi Group Ltd. owns 47 exploration licenses across Tanzania; 12 lithium, 7 copper, 9 graphite, 11 nickel, 8 gold
- Energy transitions have caused an increase in demand for metals such as lithium, nickel and graphite
- A changed landscape of international politics
- A changed legal environment that facilitates foreign investment has allowed Tanzania to become a key player in the global mining industry. There is a lot of foreign investment and infrastructure development ahead

Operations and future vision

- The company is currently operating with a profit of \$360,000 in the first half of the year and has a positive cash flow of \$400,000, the company is debt free
- Under consideration is to transfer the ownership of Baridi Iceland to an institutional investor fund operated by an Icelandic fund manager
- Ahead is to raise 10 m. USD in new capital to finance the first copper processing plant that would be put into operation in Q3 2025. There is interest in raising the capital in Iceland
- Establish gold CIL plant by Q4 2026
- Open another copper plant by the year-end of 2028

First Water

Investment 225 m. ISK

- First Water works to develop environmentally friendly and sustainable salmon farming in Iceland
- The company operates a juvenile hatchery at Hveragerði and a hatchery at Þorlákshöfn
- The company has completed an environmental assessment and has obtained all the permits to raise about 8 thousand tons of salmon annually, but the company's goal is that the company's production capacity will eventually be about 50 thousand tons per year
- Standing biomass is predicted to reach 1,394 tonnes by the end of 2024
- It is planned to slaughter 2,033 tons of HOG during the year
- The aim is to list the company on the main market of Iceland 2026
- SKEL invested in the company for 225 million ISK in 2023

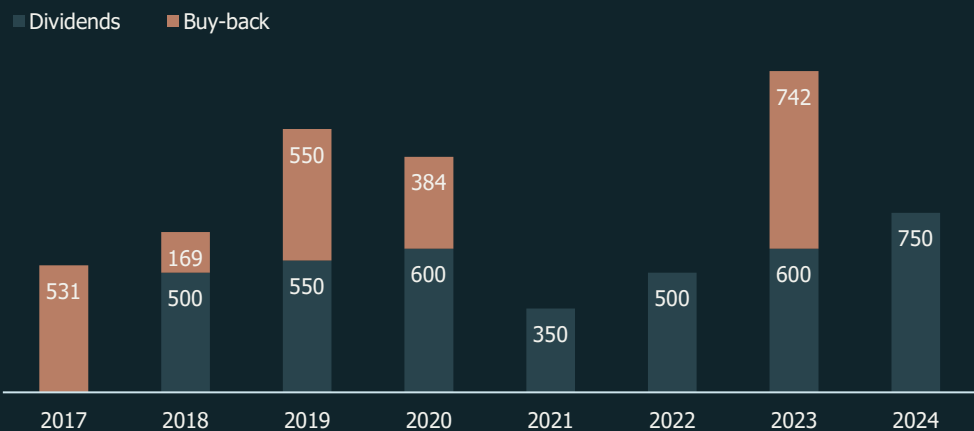
GeoSalmo

Investment 150 m. ISK

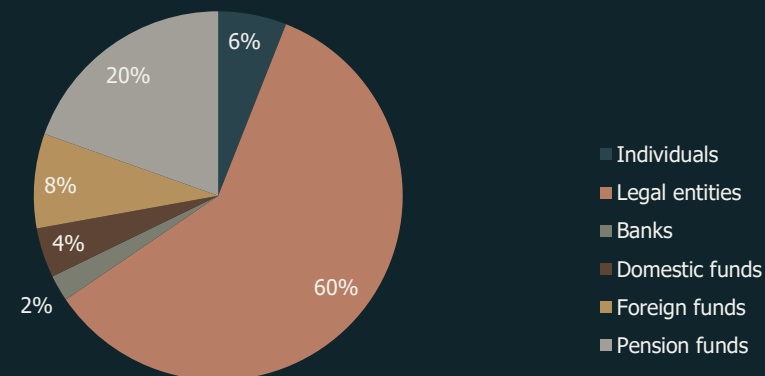
- GeoSalmo has started the construction of an onshore farm west of Þorlákshöfn that will be able to produce up to 24,000 tons annually
- The initial phase of the project will produce approximately 7,500 tons
- The first products are expected to enter the market in 2027
- The company focuses on responsible use of resources, sustainability and circular economy
- The company has secured sufficient electricity for the development of its activities
- The National Planning Agency has sent an opinion to confirm the company's environmental assessment report. The agency's opinion confirms GeoSalmo's planned actions in that regard
- The company is seeking funding to support the first phase of construction

Shareholders

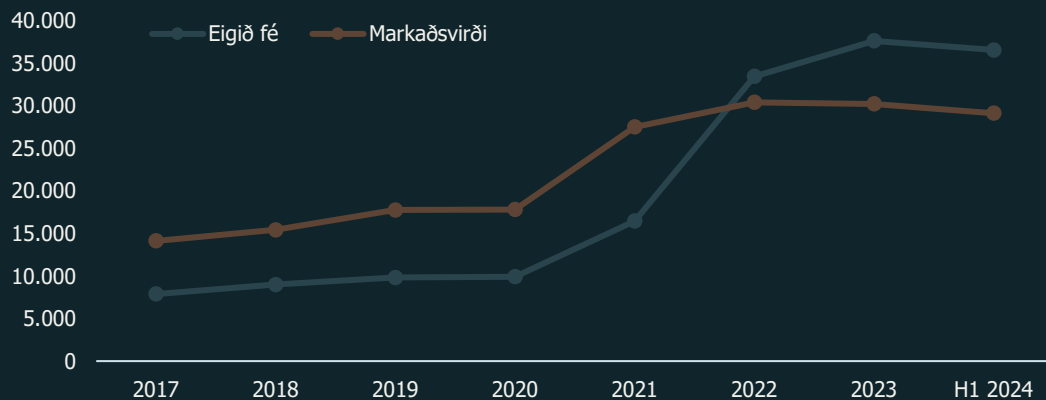
Payments to shareholders in ISK million



Shareholders 31.12.23



Equity and market value since listing m.kr.



10 largest shareholders 31.12.23

Strengur hf.	51,6%
Frjálsi lífeyrissjóðurinn	8,9%
Birta lífeyrissjóður	7,8%
TCA ECDF III Holding S.á.r.l.	5,2%
NO.9 Investments Limited	3,1%
Eftirlaunasjóður FÍA	1,3%
Íslandsbanki hf.	1,1%
Hofgarðar ehf.	1,1%
Vátryggingafélag Íslands hf.	1,1%
Landsbréf - Úrvalsbréf hs.	0,8%

Disclaimer

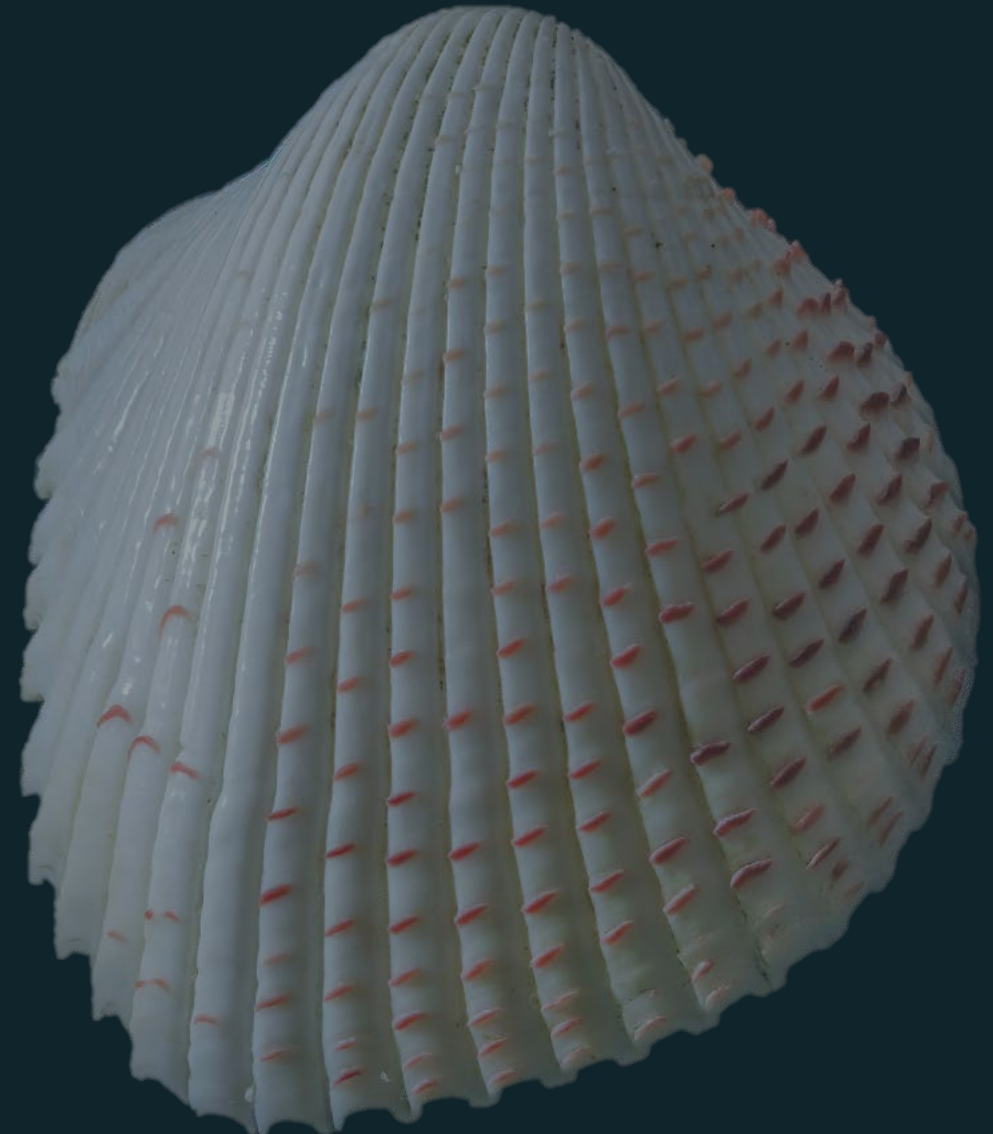
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