# Trading statement for the first quarter 2025

## Performance of Operating Companies and listed shares in Q1 2025

The performance of unlisted operating companies majority-owned by SKEL is generally in line with expectations and announced plans. SKEL categorizes the operating companies in its portfolio into two groups: consumer market companies and infrastructure and corporate market companies. Below, we will present the performance of key holdings and compare it to the published plans of the companies for the first three months of 2025, based on management accounts.

## Portfolio Highlights 1F 2025

### Consumer market

Orkan, i.e., Orkan, Löður, and Lyfjaval (81.25%) – Ownership 100%

| *ISK million.* | Actual Q1 | Proj. Q1 |
|---|---|---|
| Gross profit | 1,473 | 1,625 |
| EBITDA | 691 | 765 |
| EBIT | 364 | 426 |

The operations of Orkan and Löður are performing well but were slightly below plan during the first three months of the year. However, projections indicate that performance over the first four months of the year will be in line with the plan. March was Löður's best month on record, with car wash revenues increasing by 21.9% compared to the same month last year. SKEL's stake in Lyfjaval (81.25%) was sold to Orkan at the beginning of the year. Lyfjaval's operations are proceeding according to plan. Sales have increased by 19% compared to the same period last year, and the gross margin is 30%.

Following a share capital increase at Samkaup on 20 February, Samkaup and Heimkaup (now Atlaga ehf.) signed a merger agreement based on a head of terms agreement that the companies had signed at the end of 2024. Under the merger agreement, Samkaup was to be the acquiring company, merging with all of Heimkaup's grocery market operations, with payment made through newly issued share capital in Samkaup. Stores operating under the brands 10-11, Prís, and Extra, as well as three convenience stores located at Orkan service stations, were to be included in the operations of the merged company. The progress of the matter will be announced as appropriate.

INNO – Ownership Stake 50%

| *EUR million.* | Actual Q1 | LY. Q1 |
|---|---|---|
| Revenues | 155.7 | 153.6 |
| EBITDA | 7.3 | 5.7 |
| EBIT | 3.8 | 1.9 |

The operations of INNO are in line with the management's projections. Renovations of the company's stores in Brussels have been completed, which is an important part of the company's vision for the future. The company's financial year runs from October to September, and in the first six months of the financial year, the company's

EBITDA increased by 29% compared to the previous year, amounting to 7.3 million euros. Revenues increased by 2.1 million euros (+1.4%), and operating profit rose by 1.9 million euros (+97.2%) compared to the previous year.

## Corporate market and infrastructure

Styrkás, i.e., Skeljungur, Klettur, and Stólpi – Ownership Stake 63.4%

| *ISK million* | Actual Q1 | Proj. Q1 |
|---|---|---|
| Gross profit | 2,208 | 2,313 |
| EBITDA | 446 | 482 |
| EBIT | 343 | 372 |

The operating profit (EBIT) of Styrkás amounted to ISK 343 million in the first three months of the year, representing a 13% increase compared to the previous year. There is seasonality in Styrkás's operations, and the first quarter is generally the weakest. The group's service revenues increased by 19% year-on-year, while rental income grew by 11%. The annual plan anticipates that the group's operating profit will amount to ISK 2.4 billion in 2025.

Styrkás's management sees good prospects for the peak season in energy and chemical products. Service revenues have been growing in energy and chemical products, and Skeljungur took over fuel supply operations at Reykjavík Airport at the turn of the year.

Klettur reported over 20% revenue growth year-on-year in equipment and machinery, and continued strong growth in service revenues is expected following significant sales. Order books are ahead of plan for the year for both Scania and CAT. At Stólpi, revenue growth in asset management and leasing operations was 11% year-on-year, and operating profit (EBIT) is on plan. The project pipeline for modular buildings at Stólpi remains strong.

Gallon – Ownership 100%

| *ISK million* | Actual Q1 | Proj. Q1 |
|---|---|---|
| Revenues | 120 | 128 |
| EBITDA | 49 | 55 |
| EBIT | 6 | 18 |

Gallon's operations were below projections, primarily due to the absence of a capelin season and lower demand for oil for electricity generation compared to previous years. As previously reported, there is considerable activity in the domestic energy infrastructure market. SKEL and a specialized international investor are engaged in discussions regarding a transaction involving 100% of the share capital of Gallon, with due diligence currently underway. If the transaction goes through, it is expected that Gallon's 25% ownership stake in the fuel storage facility at Keflavík Airport, EBK ehf., will not be part of the sale. Further information regarding the progress of this matter will be disclosed as appropriate.

## Listed holdings

The loss from listed shares owned by the company amounted to ISK 570 million in the first quarter of the year. The main listed shareholdings at the end of the quarter were ISK 3,123 million in Skagi and ISK 4,226 million in

Kaldalón. Other listed shareholdings amounted to ISK 2,228 million at the end of the quarter. Among these is SKEL's stake in Sýn hf., as on March 11 SKEL purchased 25,000,000 shares in Sýn hf., equivalent to 10.05% of the company's share capital, at a price of ISK 22.52 per share. Sýn published a notification of the transaction on March 12.

## Real estate

In the investor presentation accompanying the 2024 annual financial results, it was announced that during the year SKEL intends to begin selling its apartments at Stefnisvogur as lease agreements expire. At the beginning of the year, SKEL owned 105 apartments with a market value of ISK 10.3 billion. Liabilities against the real estate at Stefnisvogur amounted to ISK 7.1 billion.

In mid-April, 13 apartments at Stefnisvogur were sold to a non-profit housing association for ISK 1,112 million. The plans to sell the apartments remain unchanged, and a portion of the properties has already been put up for sale.

## Venture investments

In April, investors and existing shareholders of Baridi Iceland hf. committed to participate in a share capital increase in the company totaling USD 7.0 million. The investor group includes both Icelandic and international private investors, with current shareholders subscribing for USD 3.0 million. Upon completion of the offering, SKEL's ownership in the company will amount to 31.8%. The total equity valuation of Baridi hf. in the transaction is USD 53 million, and the value of SKEL's stake, based on the transaction price, is USD 16.8 million.

The company's management will use the proceeds from the capital increase to fund development related to the planned copper processing operations at the company's mining license area near Tanzania's capital, Dodoma. According to management's plans, copper production is expected to commence around mid-next year.

## Payments to shareholders

At SKEL's Annual General Meeting held on March 6, 2025, the shareholders approved the Board's proposal to pay dividends to shareholders in 2025 in respect of the 2024 financial year in the amount of ISK 6,000 million, to be paid in two installments. The first dividend payment, amounting to ISK 3,000 million, equivalent to ISK 1.60 per share, was paid to shareholders on March 20, 2025.

The second dividend payment, also amounting to ISK 3,000 million or ISK 1.60 per share, will be distributed to shareholders on 20 October 2025 (payment date). Entitlement to this dividend will be based on the company's shareholder register at the close of trading on 14 October 2025 (record date). The ex-dividend date, i.e. the date on which trading of the company's shares begins without the right to the second dividend payment, is 13 October 2025.

The number of shareholders was 881 at the beginning of the year and had increased to 960 by the end of the first quarter.

## Financial calendar for SKEL fjárfestingafélag hf. for the year 2025:

1H: 14 August 2025

2H and annual report: 5 February 2026

Annual General Meeting (AGM) 2025: 5 March 2026

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## Disclaimer

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