

Hafnartorg Gallery

Food, Drink  
& Shopping

# FINANCIAL RESULTS 2022

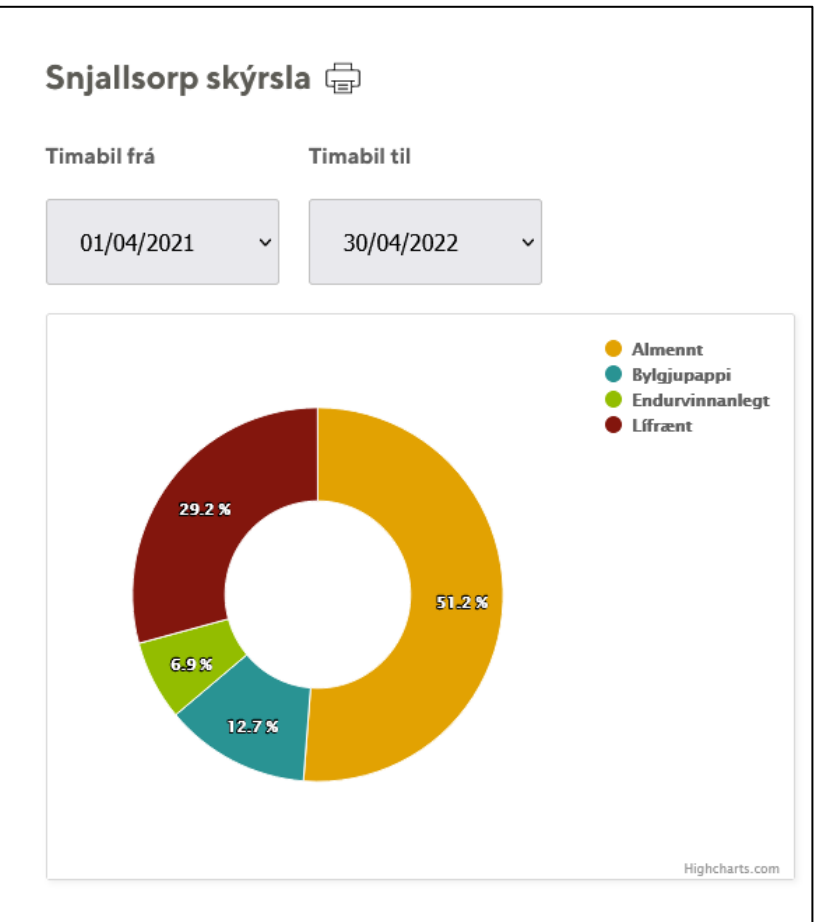
## INVESTOR PRESENTATION



# REGINN TOWARDS THE FUTURE

Clear and purposeful policy formulation has led the company forward to success. Reginn is dedicated to being a leader in the development and operation of properties as well as contributing to the well-being of society, improving the quality of life and the environment of the residents.

The company has a unique property portfolio with regards to quality, location and earning potential, which is not fully utilised. The company's financing is excellent and the need for refinancing in the coming years is "light". The combination of customers / lessees gives the company increased strength and operational security.



1

Great success has been achieved in strengthening the portfolio within desirable **URBAN NUCLEI** with an attractive environment and a desirable mix of economic activities, services, residency and recreation where people can live, play and work

2

The company has achieved great success in following up on its sustainability goals. Reginn's **SUSTAINABILITY POLICY** is a key element in this development and Reginn has a clear distinction among domestic real estate companies in this category.

3

With the specialisation of employees within sectors, a good knowledge of the needs and expectations of our customers is created, which ensures that **THE CUSTOMER IS AT THE FOREFRONT**

4

**DIGITAL JOURNEY** Reginn supports the Sustainability Policy and a focus on the customer. Detailed information on energy consumption, smart waste, etc. are now available to Reginn's customers. There will be continued development in this area.

5

Reginn is a progressive and leading real estate company, which makes informed decisions regarding investments for the future. **THE DEVELOPMENT OF THE COMPANY'S PROPERTIES** is given added value with the company's one-third share in the real estate development company Klasi ehf.



## WHAT ARE THE HIGHLIGHTS FROM THIS YEAR?

- ✓ The company's operations are going very well and the results are in line with estimates. Defaults have never been lower.
- ✓ Leasing is going well and the utilisation rate of the company's assets is very high or 98%.
- ✓ Excellent results have been achieved in the refinancing of the company's loans and bonds. The refinancing need for the coming years is "light".
- ✓ Good results were achieved in bringing the company's major development and restructuring projects to the final phase, e.g. Hafnartorg, Höfðatorg, and Smáralind.
- ✓ Reginn received an incentive award for success in the field of sustainability among Outstanding Companies in 2022 and this recognition means a lot to our employees.
- ✓ The company's goal of becoming a part of a strong development company was achieved during the year when Reginn bought a third of the shares in the real estate development company Klasi ehf.
- ✓ Great opportunities exist within the current portfolio to achieve improved profitability.



# KEY FIGURES 2022

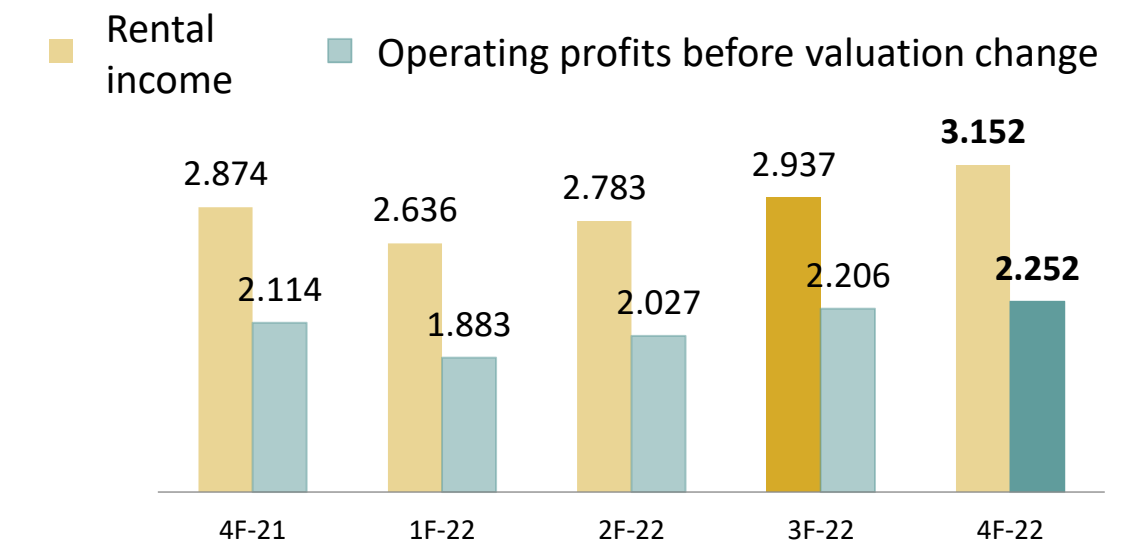
## COMPARISON 2021

Operations	RENTAL INCOME INCR. BETWEEN YEARS <b>11%</b> (13%)	EBITDA INCREASES BETWEEN YEARS <b>10%</b> (19%)	EBITDA RATIO OF RENTAL INCOME <b>73%</b> (73%)	UTILISATION RATIO <b>98%</b> (98%)
Profitability	PROFITS AFTER TAX ISK <b>2,914</b> million ISK6,171 million	PROFITABILITY OF INVESTMENT PROP. <b>5.0%</b> (5.0%)	REAL RATE OF RETURN IN EQUITY <b>5.4%</b> (13%)	VALUATION ADJ. TO INVESTMENT PROP. ISK <b>5,993</b> million ISK 6,935 million
Balance Sheet	GROUP INVESTMENT PROPERTIES ISK <b>170.4</b> billion (ISK157.8 billion)	LEVERAGE RATIO <b>64.0%</b> (60.9%)	EQUITY RATIO <b>29.8%</b> (31.9)	INTEREST-BEARING LIABILITIES ISK <b>109.1</b> billion ISK 96.1 billion
Sustainability	ENVIRONMENTAL CERTIFICATIONS (m²) <b>27%</b> (26%)	CARBON FOOTPRINT <b>↓ 19%</b> (↓ 3%)	ELECTRICITY CONSUMPTION <b>↓ 5.7%</b> (↓ 12%)	HOT WATER <b>↓ 3.5%</b> (↓ 3%)

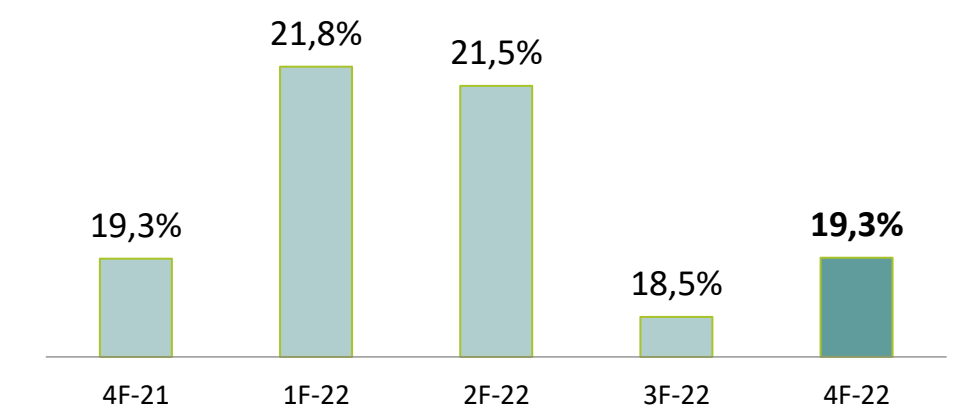
# FOURTH QUARTER 2022

## PROFIT AND LOSS ACCOUNT

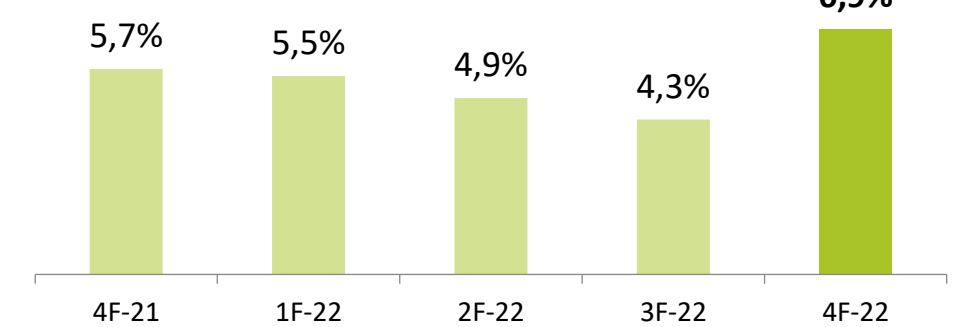
	4Q 2022	4Q 2021	%Δ
Rental income	3,152	2,874	10%
Income from property operations	177	176	1%
<b>Operating income</b>	<b>3,329</b>	<b>3,050</b>	<b>9%</b>
Operating costs of investment properties	-608	-554	10%
Property operations	-253	-217	17%
<b>Operating costs of investment properties</b>	<b>-861</b>	<b>-771</b>	<b>12%</b>
Administrative expenses	-216	-165	31%
<b>Operating profits before valuation change</b>	<b>2,252</b>	<b>2,114</b>	<b>7%</b>
Operating profit against rental income	71%	74%	
Valuation change of investment property, sales profit and depreciation	-2,665	1,905	
<b>Operating profits</b>	<b>-413</b>	<b>4,019</b>	
Net financial expenses	-1,825	-1,796	2%
Share of affiliate earnings	205	0	
<b>Profits before taxes</b>	<b>-2,033</b>	<b>2,223</b>	<b>-191%</b>
Income tax	360	-472	
<b>Profits and total profits during the period</b>	<b>-1,673</b>	<b>1,751</b>	<b>-196%</b>



Operating costs of investment properties



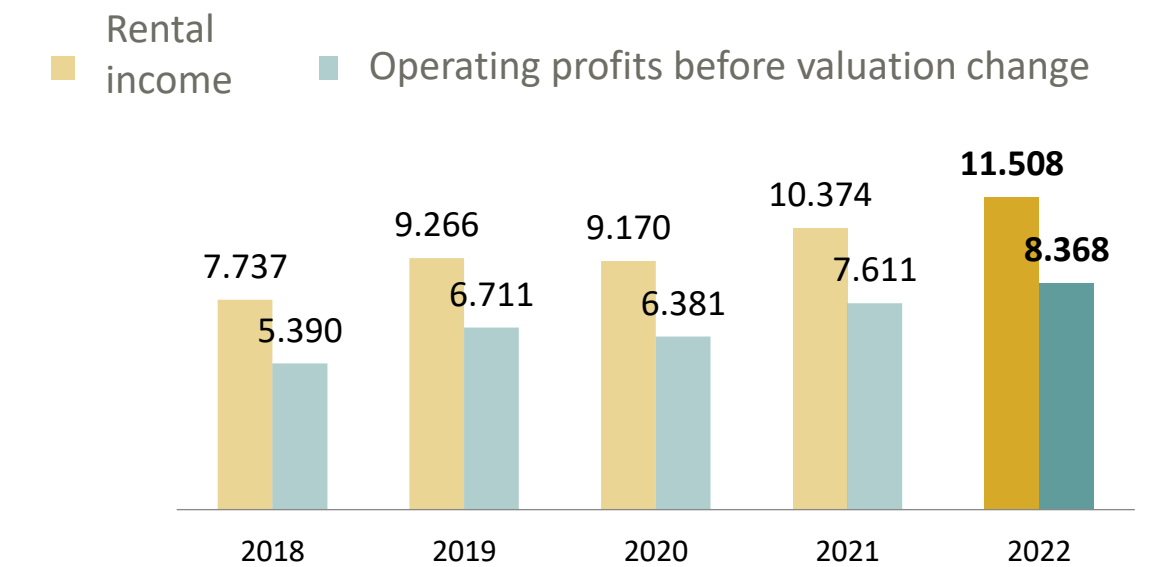
Administrative expenses



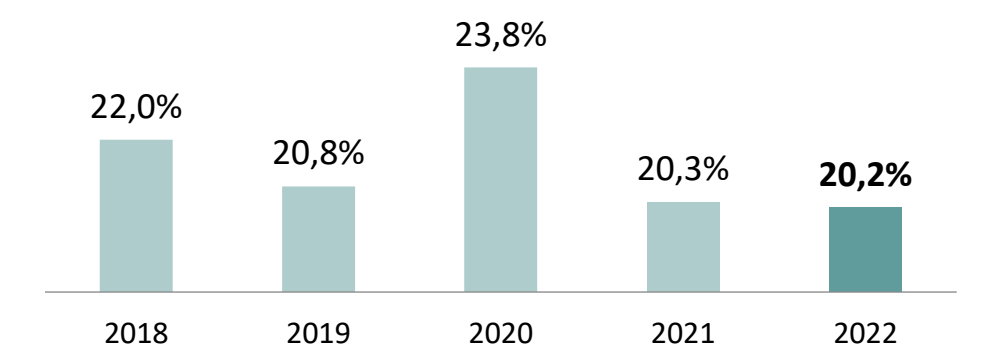
# 2022

## PROFIT AND LOSS ACCOUNT

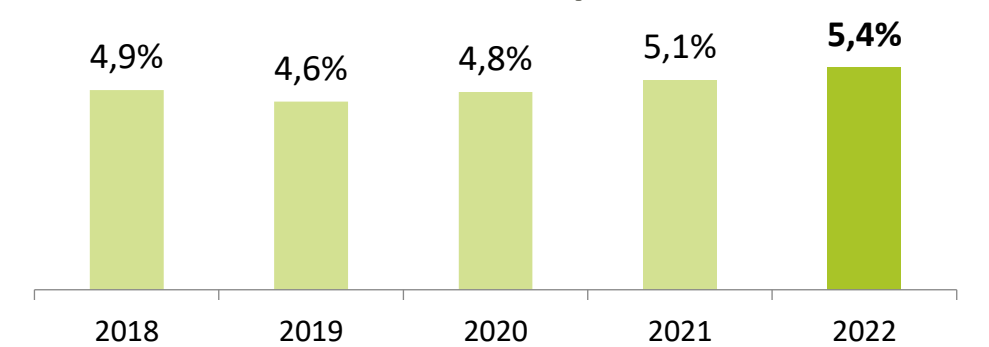
	2022	2021	%Δ
Rental income	11,508	10,374	11%
Income from property operations	689	641	7%
<b>Operating income</b>	<b>12,197</b>	<b>11,015</b>	<b>11%</b>
Operating costs of investment properties	-2,325	-2,110	10%
Property operations	-879	-762	15%
<b>Operating costs of investment properties</b>	<b>-3,204</b>	<b>-2,872</b>	<b>12%</b>
Administrative expenses	-626	-532	18%
<b>Operating profits before valuation change</b>	<b>8,368</b>	<b>7,611</b>	<b>10%</b>
Operating profit against rental income	73%	73%	
Valuation change of investment property, sales profit and depreciation	6,098	7,147	
<b>Operating profits</b>	<b>14,466</b>	<b>14,758</b>	
Net financial expenses	-10,970	-7,010	56%
Share of affiliate earnings	205	0	
<b>Profits before taxes</b>	<b>3,701</b>	<b>7,748</b>	<b>-52%</b>
Income tax	-787	-1,577	
<b>Profits and total profits during the period</b>	<b>2,914</b>	<b>6,171</b>	<b>-53%</b>



Operating costs of investment properties



Administrative expenses





# VALUATION OF INVESTMENT PROPERTIES

## RESTRUCTURING AND DEVELOPMENT OF THE PORTFOLIO

### CHANGES IN THE VALUE OF INVESTMENT PROPERTIES IN 2022

**New investment:** The biggest investments of the year were in hotel properties in the centre of Reykjavík and the purchase of a development project at Dvergshöfði 4. The year's investment amounted to almost ISK 8 billion.

**Renovation / Restructuring:** Are internal investments in the company's assets. These are projects such as Katrínartún 2, Ármúli 4 and 6, Smáralind, etc. A total of just over ISK 4 billion in the year.

**Index:** The increase in contractual rental income due to an increase in the index results in about ISK 15 billion increase in the valuation of investment properties.

**Interest rate development:** An increase in the base interest rate (risk-free interest rate) leads to a large increase in the cost of equity. The increase in base interest rate began to be felt in the valuation of investment properties in 2Q-2022. The effect of the increase in the base interest rate has a negative effect on the valuation of investments by a total of ISK 9 billion in the year 2022.

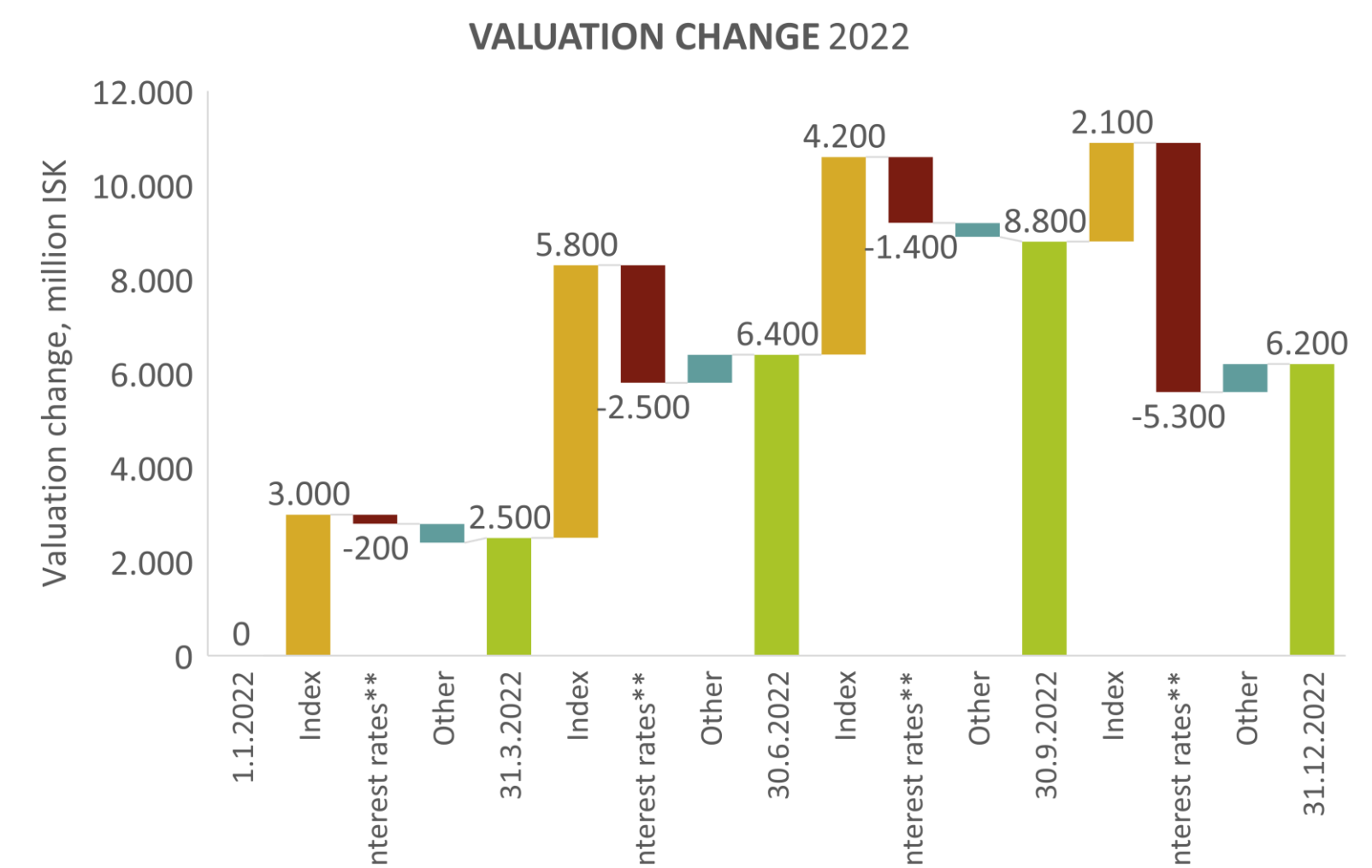
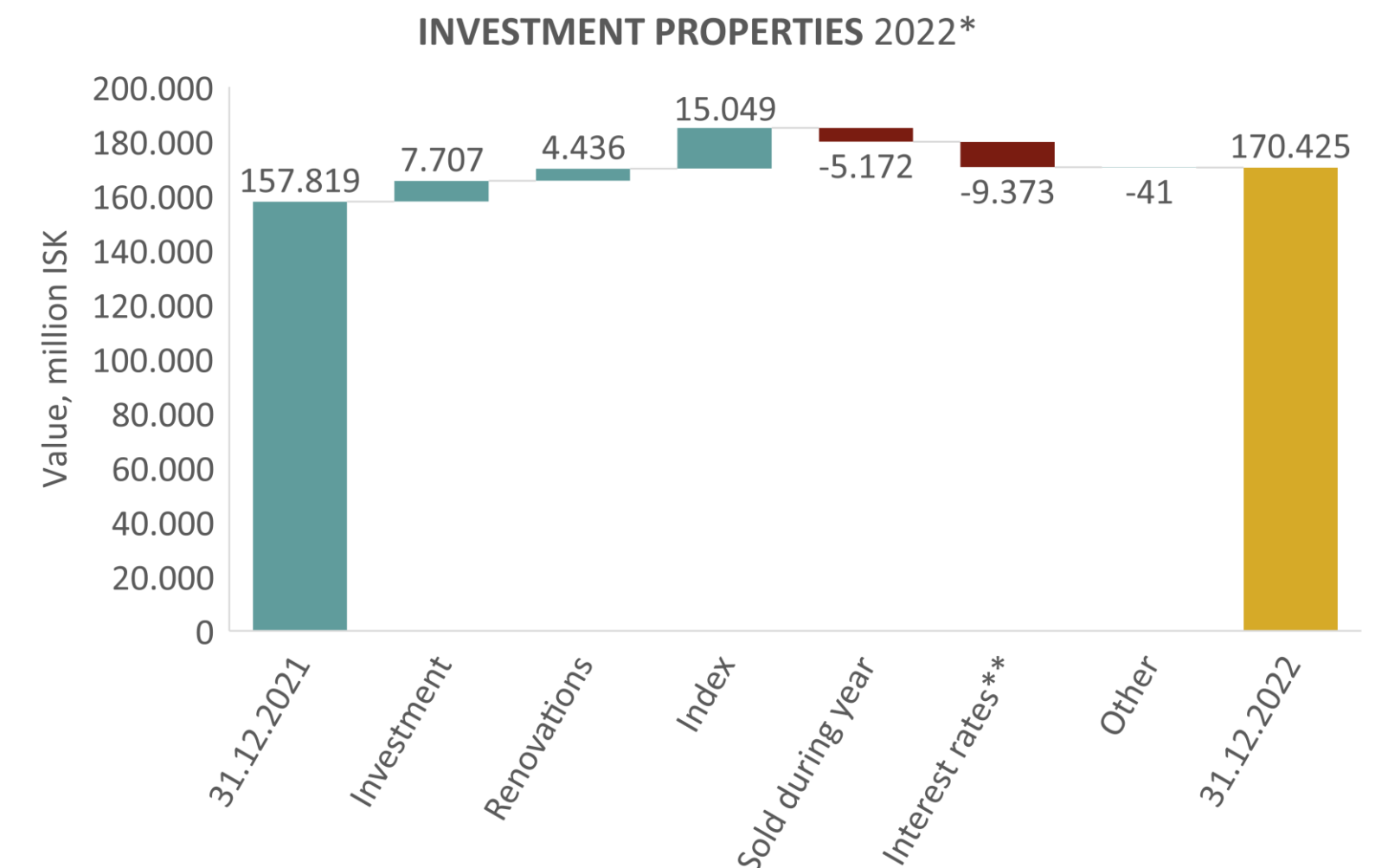
**Sold during the year:** During the year, assets were sold for around ISK 5 billion. In particular, properties and plots of land that were invested in the development company Klasi. Hádegismóar 4 was also sold during the year.

### DEVELOPMENT OF VALUATION CHANGE OVER THE YEAR

In the first half of the year, price changes were the main influencing factor of changes in the valuation of investment properties.

In the second half of the year, the increase in the base rate began to have a significant effect on the downward revision of the valuation of investment assets.

Other factors affecting the valuation of investment properties are insignificant during the year.



\*Investment properties owned by the Group

\*\*Risk-free interest

# FINANCING

## ADVANTAGEOUS GROWTH ENVIRONMENT UTILISED FOR REFINANCING

### REFINANCING NEED

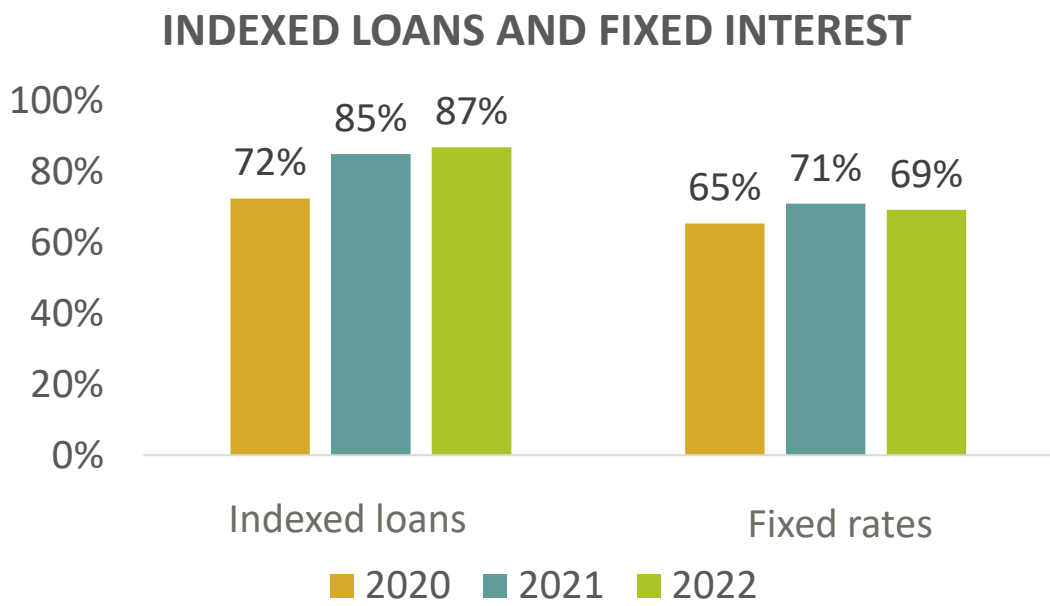
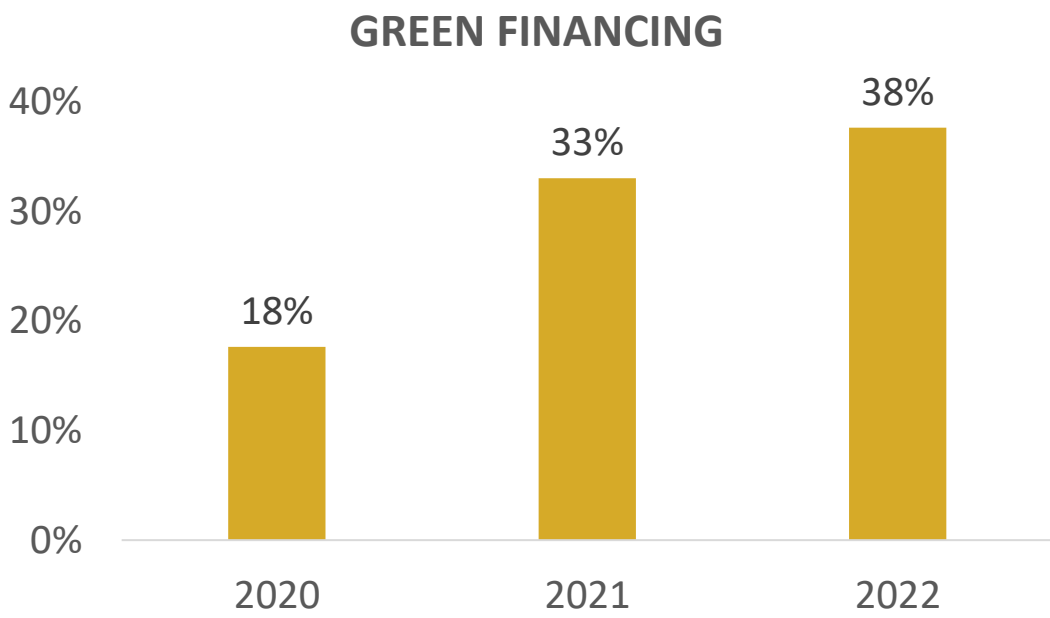
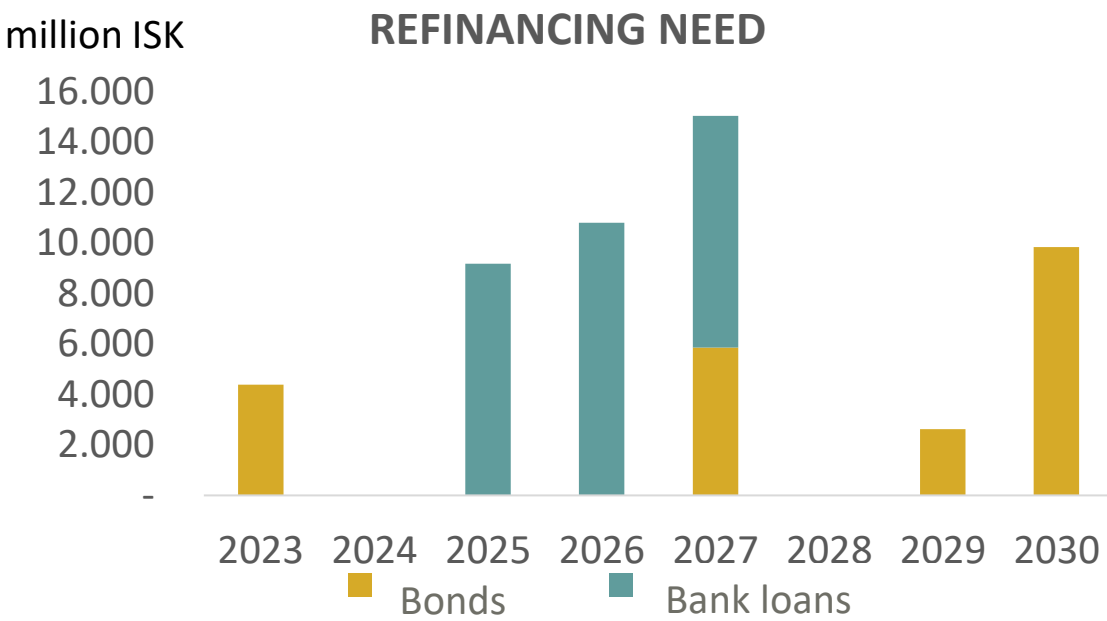
- The refinancing need for the coming years is limited.
- The total refinancing need in 2023 is ISK 4,380 million but REGINN23 GB which is under the framework of green financing is due on 30 June 2023.
- No loans are due in 2024. As of 2024, Reginn is authorised to pay off a bond class due in 2047. As of 2028, Reginn is authorised to pay off a bond class due in 2048. Conditions in the financial markets will determine if and when these classes will be refinanced.
- About 30% of interest-bearing loans are bank loans and their loan term is 5–7 years. Refinancing in the years 2025–2027 mainly concerns financing from banks.

### GREEN FINANCING

- In 2022, the number of the company's environmentally certified properties increased and scope for green financing expanded. It is expected that the number of certified properties will increase further in 2023.
- Green financing amounts to 38% of the company's total financing at the end of the year. Egilshöll's refinancing was in the form of a green bond category under the company's green issuance framework and under the general insurance scheme

### AVERAGE INTEREST RATE

- The average interest rate on indexed loans was 2.80% at the end of the year, but was 2.82% at the end of 2021.
- The average interest rate on non-indexed loans was 6.33% at the end of the year, but was 3.94% at the end of 2021. The central bank's key interest rate increased from 2.00% to 6.00% in 2022.

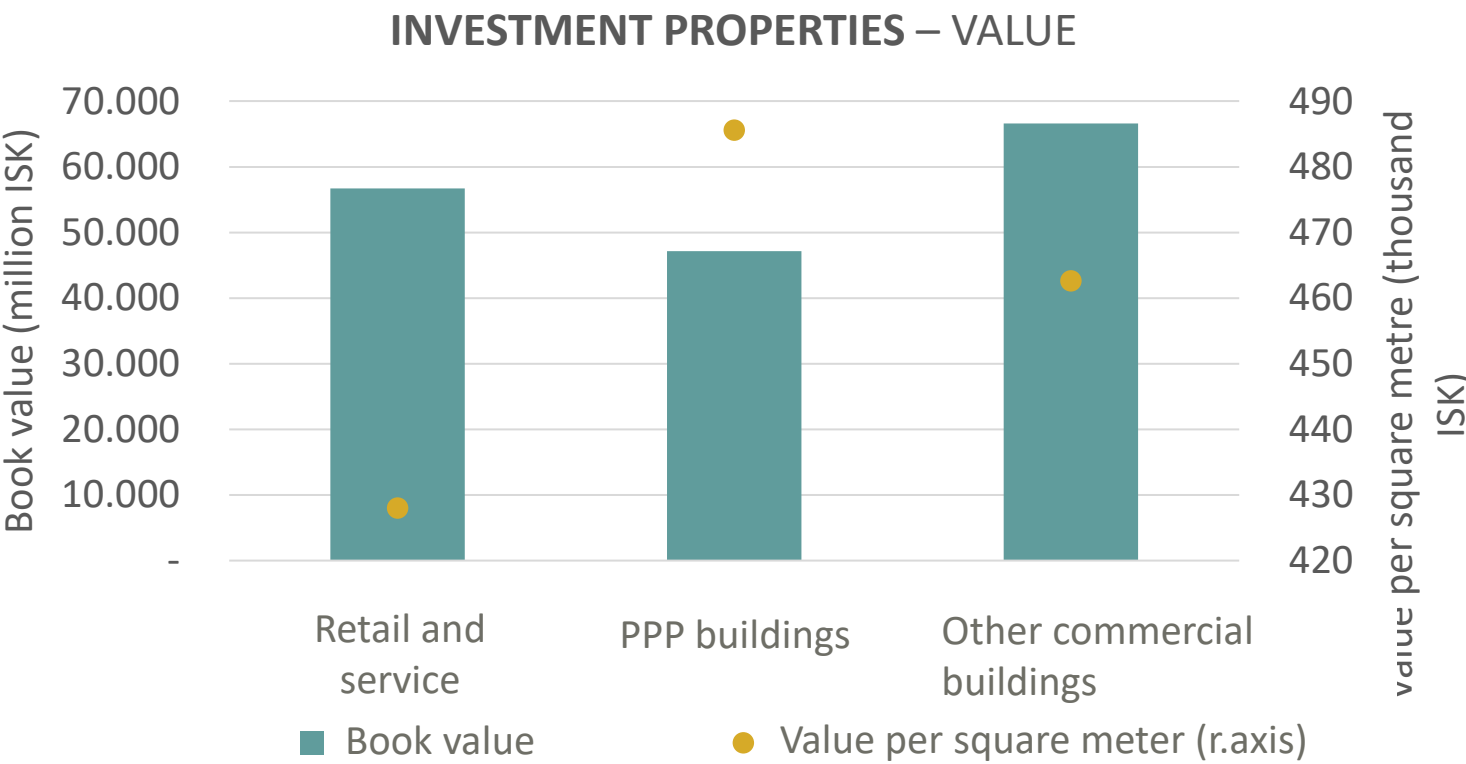
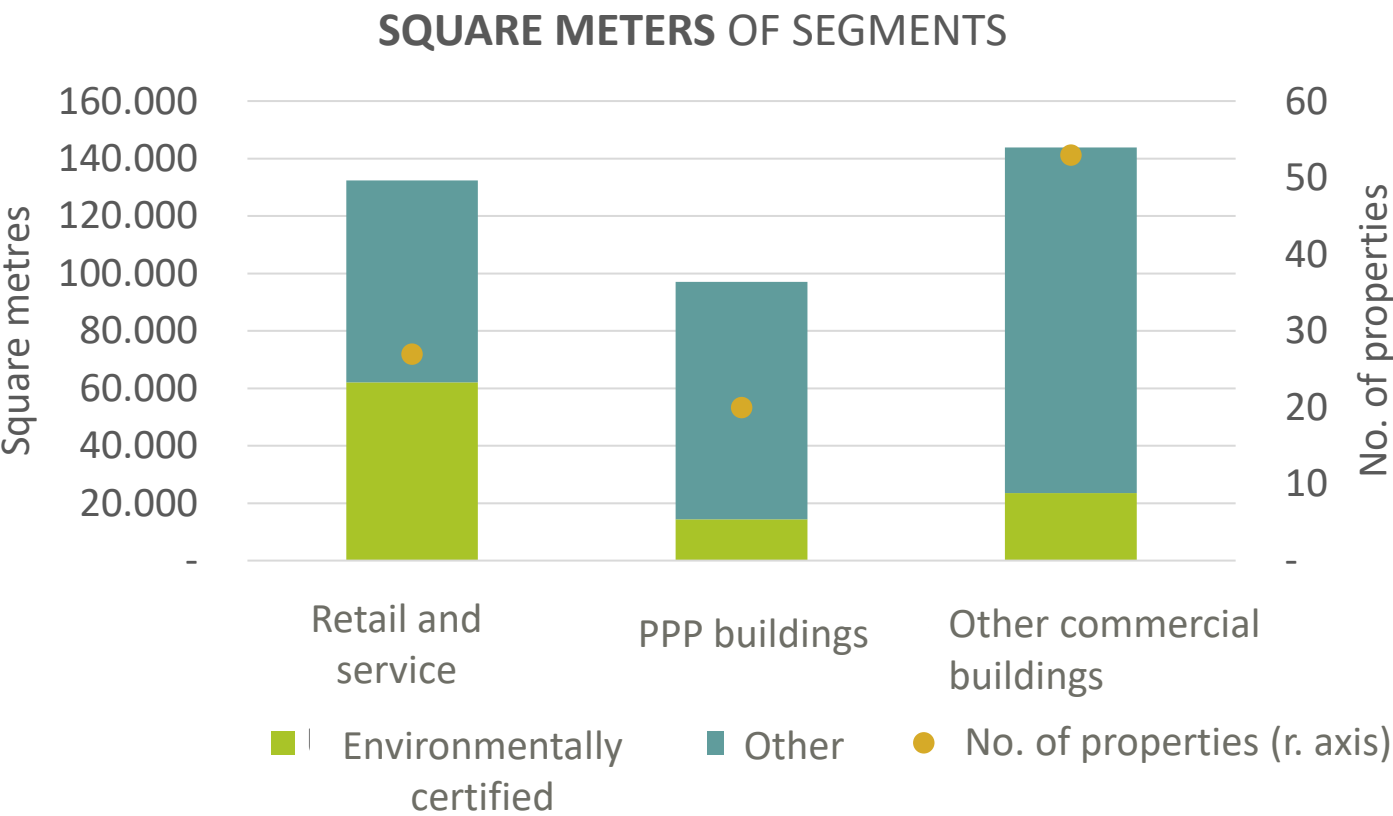




# SEGMENTS

## SCOPE AND EMPHASES

The company's portfolio is divided into three segments based on the nature of the customers' activities.



### RETAIL OPERATIONS AND SERVICES

**Examples of properties:** Smáralind, Hafnartorg, Garðatorg, Kvikmyndahöllin in Egilshöll,

**Nature:** Properties in well-known shopping centers

**Operations:** A large portion of the properties has been in the process of restructuring and development in recent years. Great opportunities for income growth.

**Profitability:** The portion of properties that have not begun to generate full income will reduce profitability in the short term, but will increase in the coming years along with income growth.

**Rental income increase 2022:** 14.8%

**Profitability 2022:** 4.2%

**Expected rate of return:** 6.1%

**GREAT OPPORTUNITIES FOR INCOME GROWTH**

### COLLABORATION AND LEASING PROJECTS WITH PUBLIC BODIES

**Examples of properties:** Knatthöllin in Egilshöll, Borgartún 8–16 (the City of Reykjavík), Áslandsskóli, Suðurhraun 3 (the Icelandic Road Administration), Sóltún (Nursing home), the National Museum, preschools, the Greater Reykjavík Area District Magistrate, etc.

**Nature:** Properties that have been adapted and leased to public bodies for the long-term.

**Operations:** Properties fully let, in some cases with services.

**Profitability:** The profitability of properties in this category is high due to full occupancy, stability and the nature of the client.

**Rental income increase 2022:** 12.8%

**Profitability 2022:** 6.2%

**Expected rate of return:** 5.8%

**STABLE INCOME**

### COMMERCIAL HOUSING AND THE GENERAL MARKET

**Examples of properties:**  
Offices; Katrínartún 2 and Ofanleiti 2  
Hotels; Hótel Klettur and Konsúlat  
Industry; Vesturvör 29 and Íshella 8

**Nature:** Diverse properties that serve customers in various types of activities.

**Operations:** Properties for rent with various future opportunities.

**Profitability:** Portfolio in constant development and income growth. New properties and rental projects generated income part of last year, profitability is increasing.

**Rental income increase 2022:** 6.7%

**Profitability 2022:** 5.1%

**Expected rate of return:** 6.3%

**A STRONG FOUNDATION FOR GROWTH**



# REGINN’S PORTFOLIO

## FEWER PROPERTIES AND SQUARE METERS BUT INCREASED INCOME

### SALE OF PROPERTIES IN ACCORDANCE WITH INVESTMENT POLICY

- Over the past year, development properties and properties that did not fit the company's investment policy were sold, or a total of about **13,600** m²
- Hádegismóar 4 was sold to lessees in the middle of last year. In total **3,850** m²

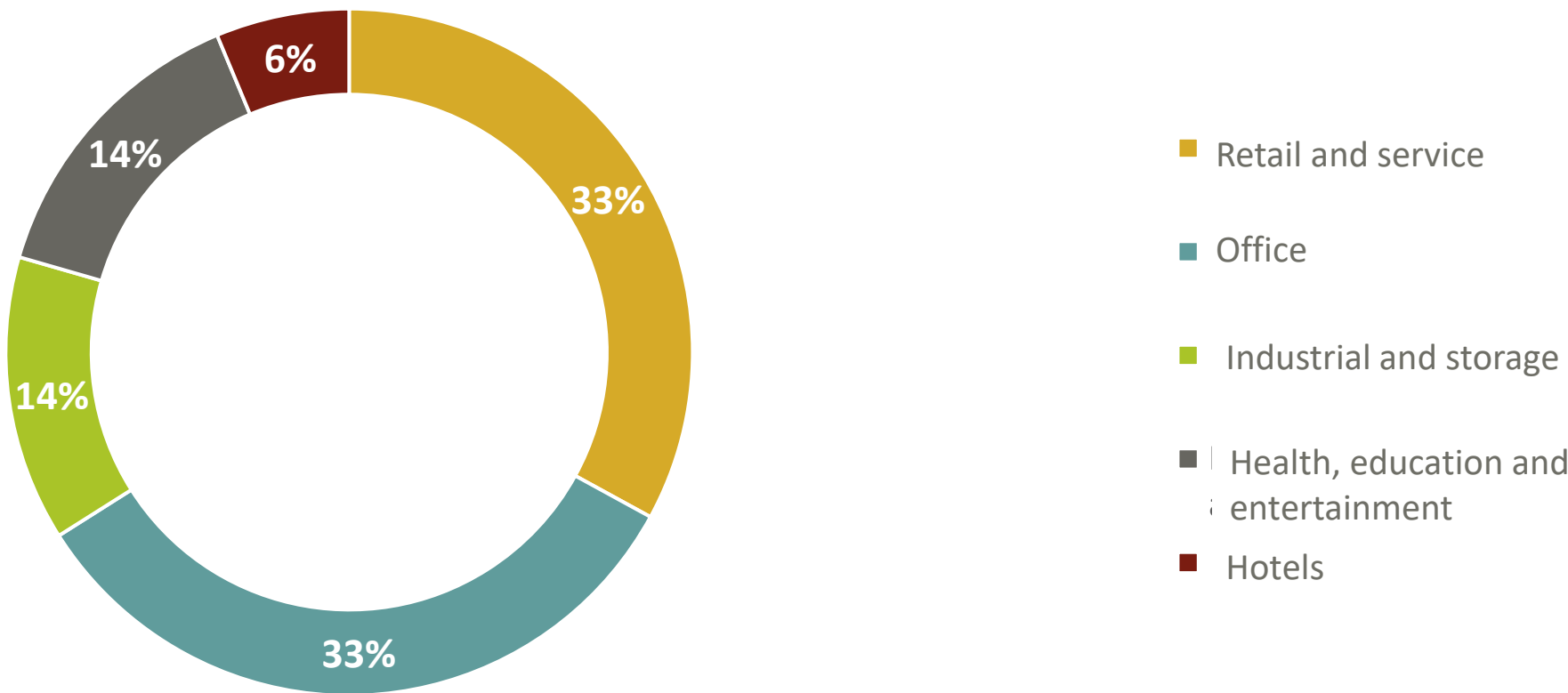
### PURCHASED PROPERTY

- In the middle of last year, the company bought a portfolio in the centre of Reykjavík. In total **6,800** m²
  - Hafnarstræti 17–19
  - Hafnarstræti 18
  - Þingholtsstræti 2–4

### PROSPECTIVE PROPERTIES

- Sunnuhlíð 12 in Akureyri will be put into use at the end of 2023. It will house a newly furnished healthcare centre and various related support activities totalling around **4,500** m².
- Dvergshöfði 4 which is a **10,000** m² office building under construction was purchased in the middle of last year. Work is underway to review the design in parallel with the conclusion of lease agreements with prospective tenants. The property will be taken into use in 2024.
- At Sunnusmári and Silfursmári, south of Smáralind, there are retail and service spaces on the ground floor that the company will receive in autumn 2023. This is high-quality housing that is about **1,800** m².

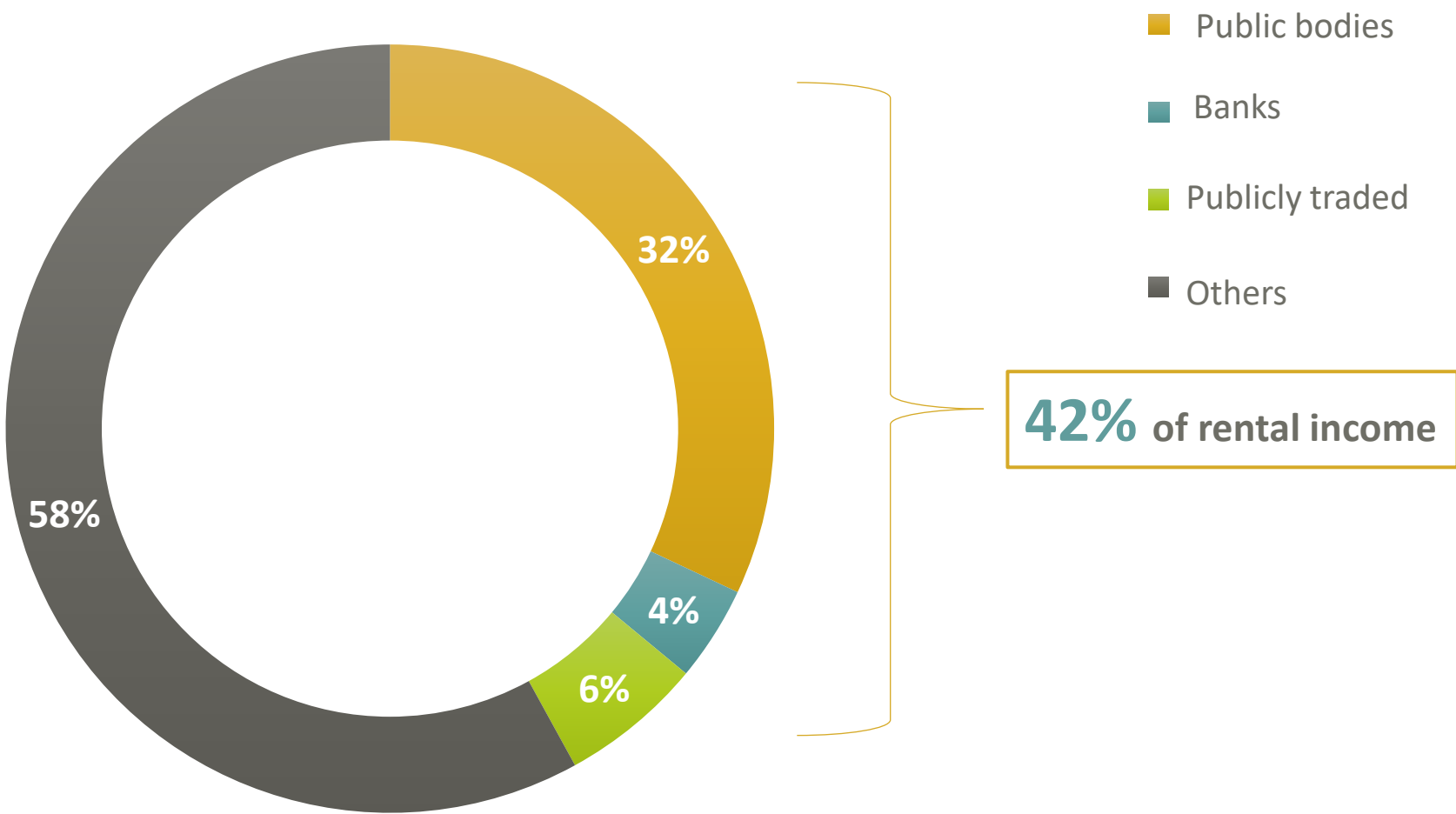
## SQUARE METRES



100 PROPERTIES

373,400 SQUARE METRES

## RENTAL INCOME



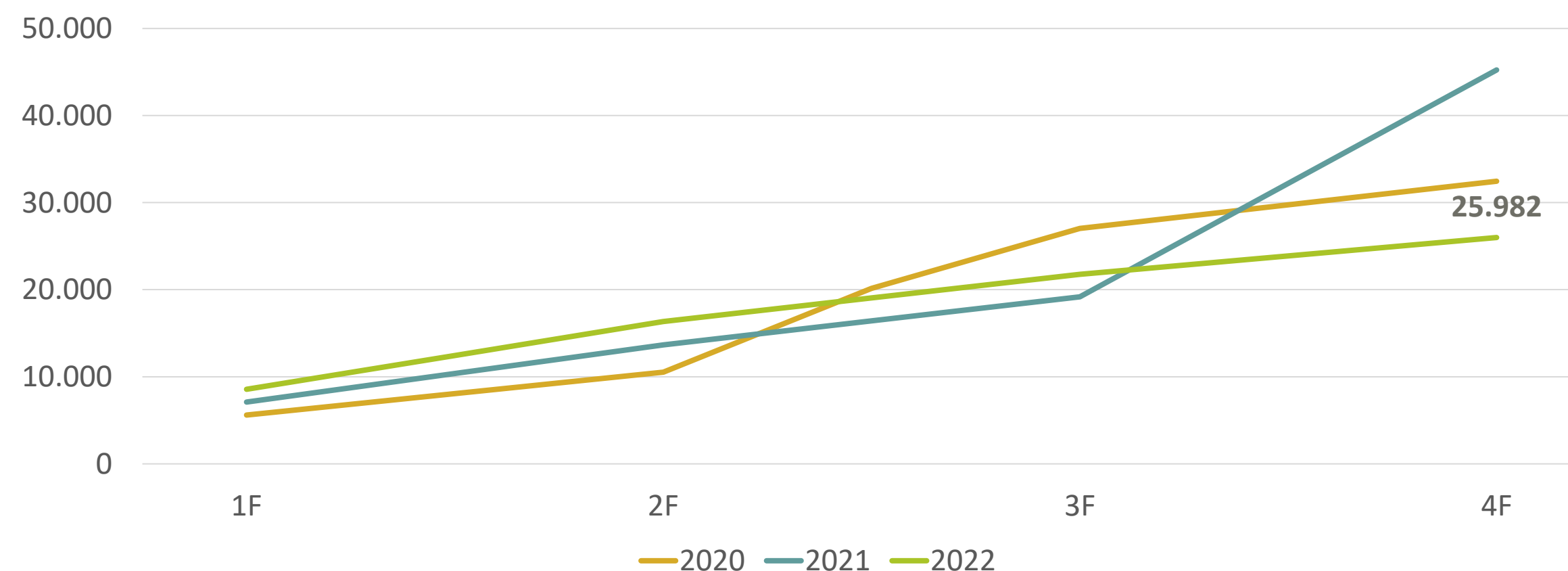


# LEASING – STRENGTHENING IN CORE AREAS

## INCREASED QUALITY AND RANGE OF PRODUCTS

- Leasing has been successful in 2022 and is characterised by a transformation within the portfolio, and the letting rate remains high, at 98%,
- A total of 79 contracts were signed in 2022 for around 26,000 m<sup>2</sup>, which is significantly fewer square meters than in previous years. There were few large rental spaces available during the year, and that explains this in part. About 80% (62) of the contracts concluded were new contracts, other contracts were renewals. The decrease in the number of rented square meters is explained by less availability at the company, as well as the fact that the leasing team is working on larger projects.
- There has been a positive trend in rental prices for the company.
- There have been good results in contracts with public bodies, but about 22% of the income from contracts made during the year was with public bodies, i.e. state and municipalities.
- Among the biggest contracts of the year were contracts with BM Vallá, Dropp, Smárabíó, and with Ríkiseignir for guest houses in Dalshraun and Norðurland's Healthcare Centre.
- The final phase in the construction and leasing of Hafnartorg has gone well and, e.g. Hafnartorg Gallery has been received very well and been a great attraction for the area.
- There are indications that demand will continue to be strong and the company will meet this and offer new high-quality spaces for rent in 2023, a total of about 15,000 m<sup>2</sup> at Dvergshöfði 4, Hafnarstræti 18, Sunnuhlíð 12, and at Silfursmári and Sunnusmári. Development and a lot of preparation for these spaces took place during the year, and there is therefore a great opportunity in being able to respond to the good demand of the market with these new solutions.

### LEASED SQUARE METERS PER YEAR



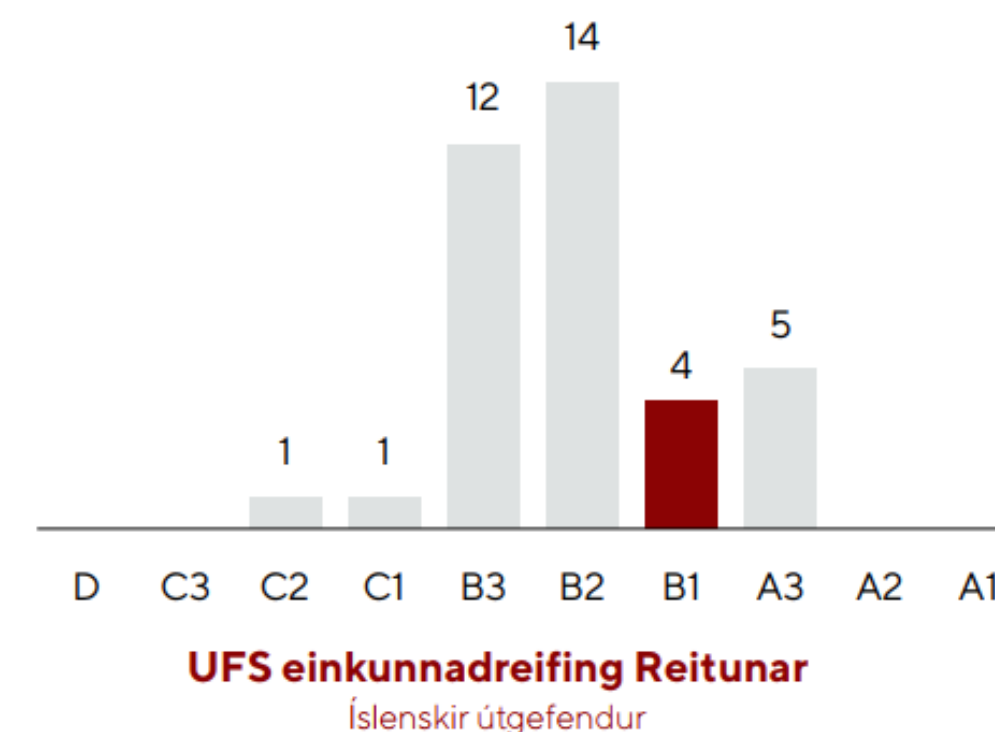
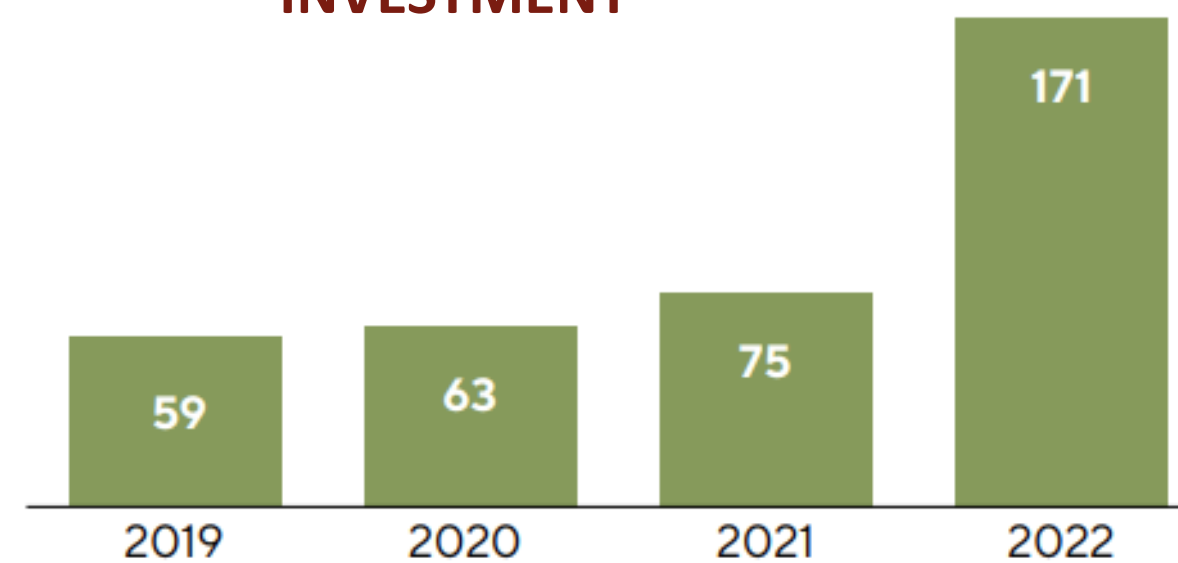


# SUSTAINABILITY

## IMPORTANT MILESTONES IN THE YEAR

- To achieve greater and faster results in sustainability efforts, the company has worked with a so-called green financial framework within the company's budget. This has yielded good results and the green financial framework for the financial years 2023 to 2027 was approved at the end of the year.
- Reginn received an incentive award for success in the field of sustainability among Outstanding Companies in 2022. This encourages the company to continue on this journey.
- Reitun assessed the company's position regarding risks related to environmental and social aspects as well as governance. The company rose by 2 points between years and ended up in category B1 with 82 points out of a possible 100.
- Increased importance was given to the acquisition of knowledge and the education of employees during the year. On average, Reginn's employees attended 43 hours of continuing education, conferences and lectures. Of these, eleven hours were dedicated to sustainability-related matters.

### GREEN INVESTMENT

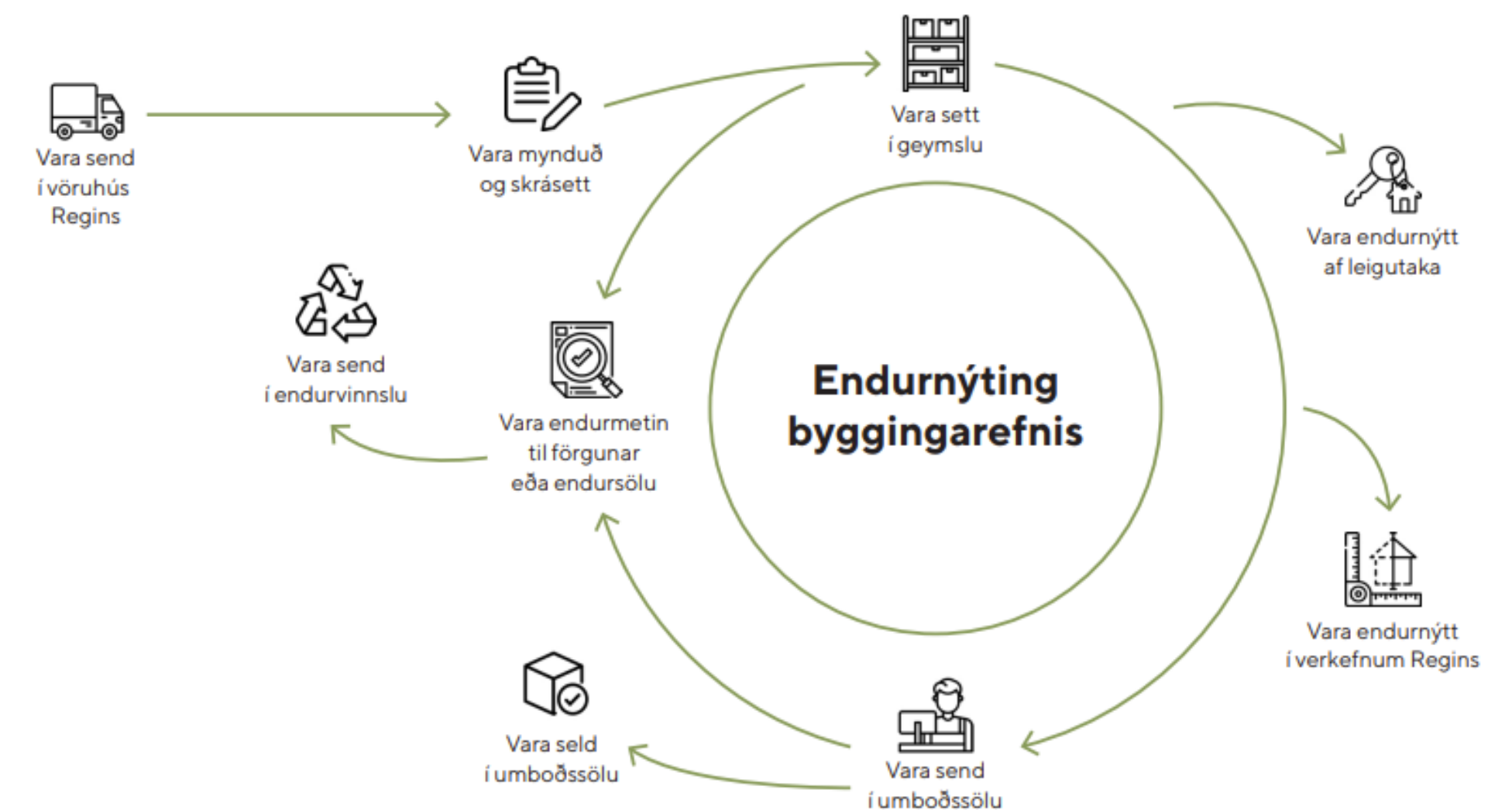




# SUSTAINABILITY

## PRINCIPAL TASKS IN THE YEAR

- Emphasis was placed on green transportation at the company's properties with an increase in the number of electric car parking spaces and scooter and bicycle parking spaces. The proportion of electric and plug-in hybrid vehicles owned by the company also increased during the year. A development that is in line with the development of energy transition in Iceland.
- Working towards a BREEAM In-use certification for Egilshöll and re-certification of Smáralind. Work has begun on the certification of Áslandsskóli in Hafnarfjörður.
- In line with the ideology of the circulation system, a central storage facility for all reusable building materials, furniture, appliances and products was installed and put into use. All materials are then recorded in a database. With this, the company wants to promote responsible consumption and production.
- Smart waste was put into use in Smáralind and work is underway to install it in Höfðatorg. Work was also done on the design of a new smart waste storage facility in Egilshöll.





# ENVIRONMENTAL STATEMENT

## MAIN CONCLUSIONS

- Reginn's environmental statement covering all six properties where the company is responsible for day-to-day operations. They correspond to about 33% of the company's total portfolio.
- Main conclusions when comparing 2022 with 2019:
  - Greenhouse gas emissions have been reduced by 19%
  - Hot water consumption has decreased by 3.5% per square meter.
  - Electricity consumption has decreased by 5.7% per square meter.

Reginn's sustainability report was certified by an assurance provider, KPMG, which verified, with limited assurance, the information contained in the report in accordance with the international standard for approval.



↓ 19%

Carbon footprint



27%

Environmentally certified properties in m²



↓ 5,7%

Electricity consumption



↓ 3,5%

Hot water consumption





# THE YEAR'S PROJECTS



# NEW PROPERTIES

## PROPERTIES IN THE CENTRE OF REYKJAVÍK

In June 2022, Reginn bought the properties Hafnarstræti 17–19, Hafnarstræti 18 and Þingholtsstræti 2–4, which total about 6,800 square meters.

The largest property, Hafnarstræti 17–19 houses the Reykjavík Konsúlat Hotel operated by Berjaya Hotels.

Hafnarstræti 18 is an office and commercial building under construction. 1/3 leased.

Þingholtsstræti 2–4 is a 31-room apartment hotel that Miðbæjarhótel ehf. will lease in February 2023.





# SUNNUHLÍÐ

## HEALTH-RELATED SERVICE CENTRE

- A contract was signed with Framkvæmdasýslan – Ríkiseignir in July 2022 for the lease of a 1,840 m<sup>2</sup> healthcare centre at Sunnuhlíð 12.
- Construction began at the end of the summer and delivery is scheduled to take place in December 2023.
- Sunnuhlíð 12 is an approx. 4,500 m<sup>2</sup> commercial housing and the building will be extended by around 800 square meters.
- The healthcare centre will be located on the 2nd floor of the building and there will be support spaces in the basement.
- In the fall of 2022, the marketing of Sunnuhlíð began, where the property was presented as a new health-related service core.
- There was a strong response from the local community. It is assumed that in addition to a healthcare centre, the building can house e.g. pharmacies, physiotherapists, psychologists, ophthalmologists, specialist doctors, etc.





# KATRÍNARTÚN 2

## KVIKA EXPANDS

- At the end of 2021, an agreement was signed with Kvika banki to increase the number of their rental square meters in Katrínartún 2.
- Kvika previously leased the 7th–9th floor of the building, but with the new agreement they added a new reception space on the ground floor and the entire 2nd and 3rd floor of the building.
- After the expansion, Kvika's total lease size is around 6,700 m<sup>2</sup>.
- During the alterations to the 2nd floor, Kvika's cafeteria was moved down from the 9th floor to a magnificent new cafeteria and kitchen area. At the same time, part of the 9th floor was converted into meeting facilities of the highest quality.
- An elegant staircase and bridge connection, designed by PK architects, was built in Katrínartún's lobby in parallel with the construction of Kvika's space. The stairs and the bridge are intended to greatly improve the flow between areas and strengthen the utilisation of spaces.





# ÁRMÚLI 4–6

## UPGRADE AND CHANGED USE

### ÁRMÚLI 4

- An agreement was signed with the City of Reykjavík in August 2021 for the lease of approx. 1,600 m<sup>2</sup> office and service housing in Ármúli 4. The Reykjavík Child Protection Services building was put into use in mid-2022.
- Design and implementation of the project began in August 2021, and the building was handed over to the lessee completed in May 2022.
- The project consisted of renovations to the building to meet the needs of the Child Protection Services, as well as to meet the requirements of the building specifications. The building was almost completely renovated both internally and externally.
- The project is a typical conversion project where the property is completely transformed and updated to meet today's requirements in terms of quality, technology and utilisation.

### ÁRMÚLI 6

- A lease agreement was signed with the City of Reykjavík in August 2022 for the lease of approx. 770 m<sup>2</sup> school housing in Ármúli 6. The building houses the preschool Múlaborg and the premises are intended as an independent extension to the existing Múlaborg preschool, which is located in Ármúli 8a.
- The project consisted of renovations to the building to meet the needs of the preschool, as well as to meet the requirements of the building specifications. The preschool's rental space is located on the ground floor and basement of the building. The floors were almost completely renovated, and the building was also extensively renovated on the outside.
- Design and implementation of the project began in February 2022, and the building was handed over to the lessee completed in October 2022.





# DVERGSHÖFÐI 4

## THINKING FOR THE FUTURE

- At the beginning of March 2022, Reginn hosted a design competition in which the company invited four architectural agencies to participate. The Swiss architectural agency Kunz und Mösch (KuM) emerged as the winner of the competition, and the preparation and design of the building began as a result.
- KuM's proposals were interesting and ambitious, where the main focus was on flexibility, technology and sustainability.
- Design is in full swing and the aim is to start construction in the summer of 2023. Estimated completion is at the end of 2024/2025.
- From May 2022, we have been working with prospective lessees to plan the internal arrangement.

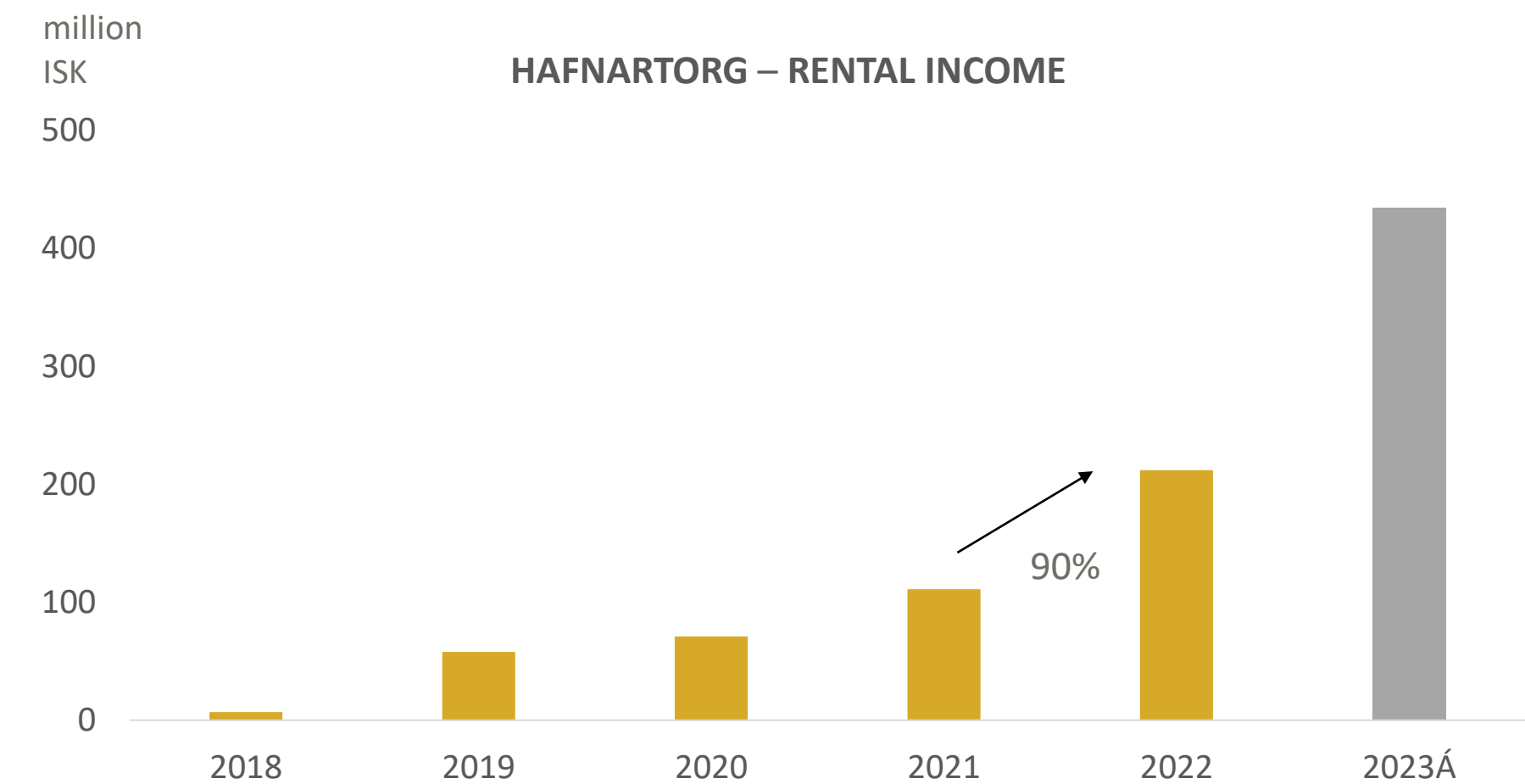




# HAFNARTORG

## EXPANDS

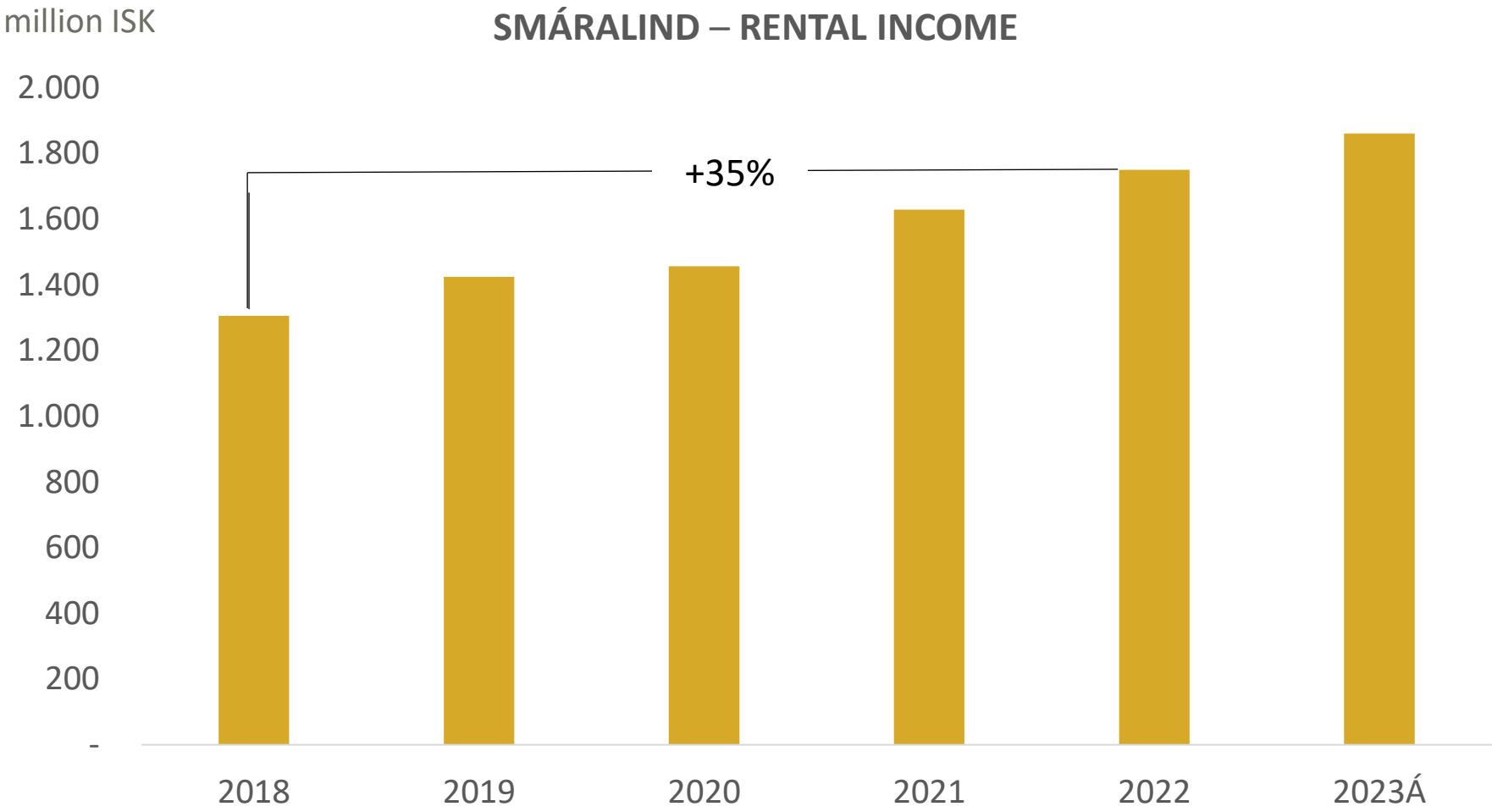
- Hafnartorg expanded with the opening of ten shops and restaurants at Hafnartorg Gallery, which over 200,000 people have visited since its opening in August.
- The number of operators in Hafnartorg doubled during the year with the opening of the Gallery and the purchase of properties in Hafnarstræti.
- Over 30 operators in the area in retail, catering, services, and entertainment.
- 55% increase in turnover of operators in the area compared to the previous year.
- Hafnartorg's brand promoted with a marketing campaign.
- Emphasis on linking the area with culture and arts, e.g. the focal point of Design March.
- A number of art exhibitions are held in the area, including the first digital "gallery" with an exhibition by Högni Egilsson and Karlsson Wilker.
- Soon, more stores will be opened in the area, i.a. Collage the Shop, which will be run by the Danish company Group 88, which owns and operates over 40 fashion stores in the Nordics with brands such as Gucci, Burberry, Mulberry and Balenciaga.





## GOOD STATUS IN LEASING AND INCOME

- Operator turnover on par with the record year 2021. Turnover has increased by 36% in four years. During the same period, rental income has increased by 35%.
- Record sales of gift cards.
- Smáralind ranked at the top of the Icelandic satisfaction scale among shopping centres for the third year in a row.
- New marketing campaign and HÉR ER breaks attendance records.
- The Smáralind school's first full year of operation.
- Sustainability focus a driving force for further improvements in operations:
  - Working on re-certification of the BREEAM environmental certification.
  - Use of charging stations doubled.
  - New Smart Waste System delivers over 30% better sorting.
- A transformation of the Winter Garden is planned, with increased entertainment and a wider selection of restaurants.



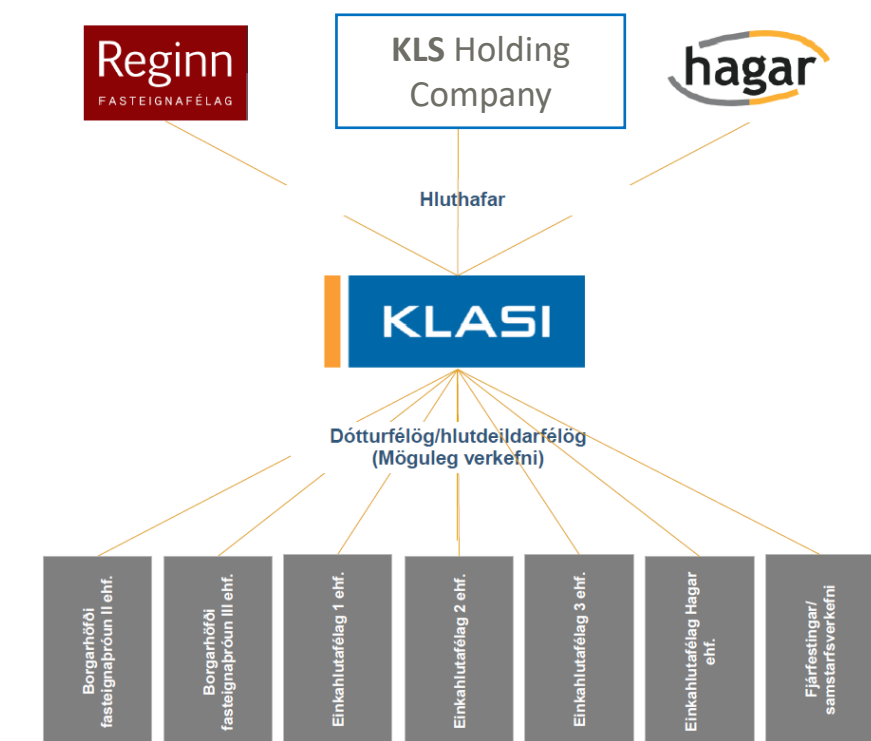


# KLASI REAL ESTATE DEVELOPMENT COMPANY



## EXPECTATIONS FOR THE COMPANY

- The real estate development company is a platform where the development and construction of Reginn's future properties in core areas takes place. Within the company, increased value creation is also taking place in the development projects and plots that were previously within Reginn but were sold to the development company.
- Klasi ehf.'s total assets on 31.12.2022 were ISK 15,375 million, and equity ratio 79%.
- Reginn hf. and Hagar hf. each own 1/3 of the company's capital against the previous owners who own 1/3 of the company.
- Klasi also manages the development of the companies Grunnur I ehf. and Smárabýggð ehf. of 720 apartments south of Smáralind. Reginn hf. is the direct owner of a 20.6% stake in that development. It is expected that the project will be completed at the beginning of 2024.
- Reginn's objectives in joining the Development Company are:
  - That the development and construction of Reginn's existing development assets occurs in a dynamic knowledge-based company in the field of real estate development and thereby increasing the value of those properties.
  - To participate in the development and construction of large core areas within the Greater Reykjavík Area in the coming years in order to create business opportunities for the company.
  - To make Reginn's core activities more concise.



## THE PROJECTS AHEAD

- Borgarhöfði is one of the largest development and construction areas in the Greater Reykjavík Area and is largely owned by Klasi. A regional plan is in place and works are underway to make the plots suitable for the construction. It is expected that the project will be developed and sold in the next 5–7 years.
- Mjódd is a development area on the City Line (Borgarlína), close to the main road and the focal point of the Greater Reykjavík Area. A wide variety of infrastructure is available, along with a connection to the outdoor recreation area of Elliðaárdalur. It is expected that the project will be developed, organised, constructed and sold in the next 7–10 years.
- There are numerous medium and large development and construction projects within the company. These are residential settlements and plots, commercial areas and commercial plots.





## OPERATING PLAN FOR 2023

- Based on an unchanged portfolio and 6% inflation, it is estimated that the company's rental income in 2023 will be around **12,700 –12,900** million ISK
- Furthermore, it is expected that the operating profit before valuation change and depreciation will be around **9,200–9,400** million ISK in the year 2023.
- The company's management costs are estimated at **5.2%** of the rental income for the year 2023.
- The operating costs of investment properties are estimated at **19.8%** of the rental income for the year 2023.



## 20 LARGEST SHAREHOLDERS ON 2 FEBRUARY 2023

No.	Name	Equity	%
1	The Pension Fund for State Employees (LSR)	194,000,000	10.64%
2	The Commercial Workers' Pension Fund (LV)	193,071,555	10.59%
3	Brú Pension Fund	186,699,046	10.24%
4	Birta Pension Fund	159,687,253	8.76%
5	Gildi Pension Fund	142,593,488	7.82%
6	Stapi Pension Fund	82,464,900	4.52%
7	Festa – Pension Fund	74,753,020	4.10%
8	Arion banki hf.	72,028,232	3.95%
9	The Free Pension Fund	71,364,596	3.91%
10	Brimgarðar ehf.	70,769,349	3.88%
11	Sigla ehf.	61,700,759	3.38%
12	Söfnunarsjóður lífeyrisréttinda	50,367,779	2.76%
13	Stefnir hf.	46,726,746	2.56%
14	Lífsverk Pension Fund	45,464,493	2.49%
15	Kvika bank	27,595,629	1.51%
16	FM eignir 1 ehf.	25,771,241	1.41%
17	FM eignir 2 ehf.	25,771,240	1.41%
18	Landsbréf	25,724,954	1.41%
19	The Icelandic Pension Fund	20,801,650	1.14%
20	Íslandssjóðir hf.	18,524,883	1.02%
		1,595,880,813	87.53%

The company is backed by a strong group of investors. The company's largest group of shareholders are pension funds with around 70% of the total share capital.

Banks and investment funds own around 11% of the company's shares, while insurance companies, private limited companies, individuals and foreign shareholders own 19%.

On 6 May of last year, the company announced that purchases under the buyback plan had been completed. The company had then purchased a total of 13,605,127 shares in the company, and their total purchase price was around ISK 500 million.

### FINANCIAL CALENDAR

- 7 March 2023 – Annual General Meeting
- 10 May 2023 – First quarter results
- 30 August 2023 – Second quarter results



Hafnartorg Gallery

Food, Drink  
& Shopping

FINANCIAL RESULTS 2022  
THANK YOU

Drink & Shopping