

Stoðir hf.  
Condensed Interim  
Financial Statements  
30 June 2021

Stoðir hf.  
Suðurgata 12  
101 Reykjavík  
Iceland

Reg. no. 601273-0129

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# Endorsement and Statement by the Board of Directors and the CEO

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The condensed Interim Financial Statements comprise the financial statements of Stoðir hf. ("Stodir" or the "Company") for the period from 1 January to 30 June 2021 and have been prepared in accordance with the Icelandic Financial Statements Act.

According to the income statement, profit for the first six months 2021 amounted to ISK 12,640 million. According to the statement of financial position, equity at 30 June 2021 amounted to ISK 42,949 million.

Share capital amounted to 13,500 million at 30 June 2021, including own shares. During the period the Company acquired own shares in nominal amount of ISK 491.0 million for ISK 1,429.6 million. The Company owned 1,318.5 million own shares, 9.77% of its issued share capital at the end of the period. Outstanding shares were 12.181.474.375 on 30 June 2021.

Shareholders approved at the Annual General Meeting on 23 June 2021 to reduce issued share capital by 1,000,000,000 shares and cancel 1,000,000,000 own shares. The reduction of the share capital was not formally concluded on 30 June 2021 but once registered, total issued share capital will amount to 12,500 million and own shares will be 318.5 million, 2.55% of its issued share capital.

10 largest shareholders of the Company, excluding own shares, at end of June 2021 were the following:

<b>Shareholders:</b>	<b>Share</b>
S121 ehf. ....	56.13%
Stefnir -ÍS 5 .....	7.38%
Mótás hf. ....	5.89%
Stefnir -Innlend hlutabréf hs. ....	3.55%
M&M Capital ehf. ....	2.79%
Vindhamar ehf. ....	2.56%
Íslandsbanki hf. ....	2.16%
Strahan III Ltd. ....	1.79%
Arcus Invest ehf. ....	1.77%
Nataaqaq Fisheries Inc. ....	1.52%

## Statement by the Board of Directors and the CEO

The Condensed Interim Financial Statements for the six months ended 30 June 2021 have been prepared in accordance with Icelandic Financial Statement Act.

According to our best knowledge, it is our opinion that the Condensed Interim Financial Statements give a true and fair view of the financial performance of the Company for the period from 1 January to 30 June 2021, its assets, liabilities and financial position as at 30 June 2021 and its cash flows for the period then ended.

Further, in our opinion, the Condensed Interim Financial Statements and the endorsement of the Board of Directors and the CEO give a fair view of the development and performance of the Company's operations and its financial position and fairly describes the principal risks and uncertainties faced by the Company, as outlined in notes to the financial statements.

The Board of Directors and the CEO have today discussed the Condensed Interim Financial Statements of Stoðir hf. for the six-month period ended 30 June 2021 and confirm them by means of their signatures.

Reykjavík, 16 July 2021.

The Board of Directors:

Sigurjón Pálsson  
Jón Sigurðsson  
Órvar Kærnedsted

CEO:

Jón Sigurðsson

# Independent Auditor's Review Report

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To the Board of Directors of Stoðir hf.

We have reviewed the accompanying condensed interim financial statements of Stoðir hf., which comprise the statement of financial position as at 30 June 2021 and the income statement, statement of changes in equity and statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Board of Directors and CEO are responsible for the preparation and fair presentation of this interim financial information in accordance with the Icelandic Financial Statements Act No. 3/2006. Our responsibility is to express a conclusion on this interim financial information based on our review.

## **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the entity as at 30 June 2021, and of its financial performance and its cash flows for the six-month period then ended in accordance with the Icelandic Financial Statements Act.

Reykjavík, 16 July 2021.

**KPMG ehf.**

Sæmundur Valdimarsson

# Income Statement

## for the Six Months ended 30 June 2021

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	<b>Notes</b>	<b>2021</b>	<b>2020</b>
		<b>1.1.-30.6.</b>	<b>1.1.-30.6.</b>
<b>Net investment income:</b>			
Net income (loss) from investment securities .....		12.827.250	( 693.731)
Interest income .....		2.950	31.006
Interest expense .....		( 5)	( 669)
Net foreign exchange (loss) profit .....		( 11.303)	318.164
		<u>12.818.892</u>	<u>( 345.230)</u>
<b>Operating expenses:</b>			
Operating expenses .....		<u>178.615</u>	<u>131.449</u>
<b>Profit (loss) for the period .....</b>		<u>12.640.277</u>	<u>( 476.679)</u>

# Statement of Financial Position

## as at 30 June 2021

	Notes	30.6.2021	31.12.2020
<b>Assets</b>			
Cash, cash equivalents and liquid funds .....		3.510.969	2.587.343
Investments .....	5	39.166.196	28.852.647
Loans .....		273.152	277.680
Receivables .....		54.318	51.480
Operating assets .....		2.276	9.697
<b>Total assets</b>		<u>43.006.911</u>	<u>31.778.847</u>
<b>Equity</b>			
Ordinary share capital .....		12.181.474	12.671.958
Share premium .....		968	435.595
Statutory reserve .....		3.045.369	3.167.990
Unrealized fair value changes of investments .....		19.287.087	9.226.318
Retained earnings .....		8.434.193	6.235.085
Total equity		<u>42.949.091</u>	<u>31.736.946</u>
<b>Liabilities</b>			
Trade and other payables .....		57.820	41.901
Total liabilities		<u>57.820</u>	<u>41.901</u>
<b>Total equity and liabilities</b>		<u>43.006.911</u>	<u>31.778.847</u>

# Statement of Changes in Equity for Six Months ended 30 June 2021

	Ordinary share capital	Share premium	Statutory reserve	Unrealised fair value changes of investments	Retained earnings	Total equity
<b>1 January to 30 June 2020</b>						
Equity 1.1.2020 .....	13.153.167	947.120	2.859.986	3.328.873	4.883.327	25.172.473
Loss for the period .....					( 476.679)	( 476.679)
Transferred from						
fair value reserve .....				( 859.210)	859.210	0
Equity 30.6.2020 .....	<u>13.153.167</u>	<u>947.120</u>	<u>2.859.986</u>	<u>2.469.663</u>	<u>5.265.858</u>	<u>24.695.794</u>
<b>1 January to 30 June 2021</b>						
Equity 1.1.2021 .....	12.671.958	435.595	3.167.990	9.226.318	6.235.085	31.736.946
Profit for the period .....					12.640.277	12.640.277
Transferred from						
statutory reserve .....			( 122.621)		122.621	
Transferred to						
fair value reserve .....				10.060.769	(10.060.769)	0
Own shares purchased .....	( 490.983)	( 435.595)			( 503.021)	( 1.429.599)
Own shares sold .....	499	968				1.467
Equity 30.6.2021 .....	<u>12.181.474</u>	<u>968</u>	<u>3.045.369</u>	<u>19.287.087</u>	<u>8.434.193</u>	<u>42.949.091</u>

# Statement of Cash Flows

## for the Six Months ended 30 June 2021

	Notes	2021 1.1.-30.6.	2020 1.1.-30.6.
<b>Cash flows from operating activities:</b>			
Profit (loss) for the period .....		12.640.277	( 476.679)
Adjustments for:			
Change in fair value .....		( 9.381.661)	1.290.345
Depreciation .....		253	2.021
Working capital from operations		<u>3.258.869</u>	<u>815.687</u>
Net change in operating assets and liabilities .....		13.082	( 20.334)
Net cash from operating activities		<u>3.271.951</u>	<u>795.353</u>
<b>Cash flows from investing activities:</b>			
Investment securities purchased .....		( 1.727.139)	( 2.478.309)
Investment securities sold .....		795.250	1.968.119
Loans, change .....		4.528	( 101.195)
Operating assets sold .....		7.168	0
Net cash used in investing activities		<u>( 920.193)</u>	<u>( 611.385)</u>
<b>Cash flows from financing activities:</b>			
Own shares acquired .....		( 1.429.599)	0
Own shares sold .....		1.467	0
Net cash used in financing activities		<u>( 1.428.132)</u>	<u>0</u>
<b>Net increase in cash and cash equivalents .....</b>		923.626	183.968
<b>Cash and cash equivalents at 1 January .....</b>		<u>2.587.343</u>	<u>3.157.103</u>
<b>Cash and cash equivalents at 30 June .....</b>		<u><u>3.510.969</u></u>	<u><u>3.341.071</u></u>

# Notes

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## 1. Reporting Entity

Stoðir hf. is an investment company registered at Suðurgata 12 in Reykjavík, Iceland. The Condensed Interim Financial Statements of Stoðir hf. ("Stoðir" or the "Company") as at and for the six months ended 30 June 2021 comprise the Financial Statements of the Company.

## 2. Statement of compliance

These Condensed Interim Financial Statements have been prepared in accordance with Icelandic Financial Statements Act. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Financial Statements of the Company as at and for the year ended 31 December 2020.

These Condensed Interim Financial Statements were approved by the Board of Directors on 16 July 2021.

## 3. Significant accounting policies

The accounting policies and methods of computation applied by the Company in these Condensed Interim Financial Statements are the same as those applied by the Company in its Financial Statements as at and for the year ended 31 December 2020.

### a. Functional and presentation currency

The Condensed Interim Financial Statements are prepared in Icelandic Krona (ISK), which is the Company's functional currency. All financial information has been rounded to the nearest thousand, unless otherwise stated.

## 4. Use of estimates and judgements

The preparation of interim financial statements in conformity with Icelandic Financial Statements Act requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

## 5. Investments

Investments are specified as follows:

	<b>30.6.2021</b>	<b>31.12.2020</b>
Listed investments .....	35.407.799	25.843.023
Unlisted investments .....	3.179.279	2.132.083
Bonds .....	411.000	807.087
Derivatives, net .....	168.118	70.454
Total investments .....	<u>39.166.196</u>	<u>28.852.647</u>