



Investor Presentation

Six Months Results 2025



Revenue Growth Following Substantial Investments

Adding High-Quality Assets and Revenue Streams to a Strong Core Business

Real Revenue Growth

- Rental income increases by 4.9% year-over-year.
- 0.3% real revenue growth on a like-for-like portfolio, occupancy rate 97.0%.
- EBITDA totaled ISK 5.1bn, increasing by 4.5% year-over-year.
- Net profit for the quarter was ISK 1.1bn.

Major Investment Projects Completed During the Quarter

- Gróska (24,800 m²) and Exeter Hotel (5,500 m²) included in the consolidated financial statements of Heimar as of June 1.
- The revenue increase from these assets is estimated at approximately ISK 1.6bn on an annual basis from 2026 onwards.
- A new revenue and earnings outlook for 2025 will be presented at the meeting.

Transformation of Smáralind and Greater Emphasis on Ancillary Revenues

- Iceland's largest and most ambitious food hall opens in early November in Smáralind, with 13 restaurants and a refreshed appearance.
- Extensive preparatory work has been undertaken to strengthen Heimar's ancillary revenues from advertising screens, parking, and other activities that enhance customer experience and service.

Capital Increase and Share Buybacks

- A share buyback program of ISK 500 million was completed on May 19, and a new program was initiated on July 9 in line with the dividend policy.
- Share buybacks for the year could amount to up to ISK 2bn.
- Share capital was increased by ISK 258 million at nominal value to finance the acquisition of Gróska, corresponding to approximately 12.8% of the nominal share capital.
- The company's market cap stood at nearly ISK 74bn at period-end.



Achievements in the First Half of 2025

What We Said

"Heimar will undertake share buybacks in line with its dividend policy, and total buybacks for the year could amount to up to ISK 2bn."

Work is underway on the acquisition of high-quality assets in line with the company's strategy, namely Gróska and the Exeter Hotel.

Ensure that the most satisfied customers remain in Smáralind. Strengthen the revenue base and make Smáralind the first choice for leading brands.

"Focused work has begun on developing ancillary revenues, with a revenue plan to be released alongside the half-year report."

What We Achieved

Completed a ISK 500m buyback program on May 19 and launched a new program on July 9. Year-to-date, Heimar has repurchased shares worth around ISK 710m.

Gróska and Exeter Hotel acquisitions completed – consolidated into Heimar in June.

Iceland's largest food hall opening in November, Smárabíó being refurbished and expanded, and final negotiations ongoing with two premium retailers.

Contracts worth more than ISK 100m annually already secured – ambitious plan presented.



Revised Earnings Guidance for 2025

ISK 15,200 – 15,500 million

Estimated Rental Income

Initial Forecast: ISK 14,400 – 14,600m

ISK 10,800 – 11,100 million

Estimated EBITDA

Initial Forecast: ISK 10,300 – 10,500m

Rental income for the current portfolio over the next twelve months is estimated to range between **ISK 16.4 – 16.7bn**



Heimar – An Attractive Investment With Exciting Times Ahead

A Reliable and Responsible Investment Opportunity

Resilient Revenue Base
Inflation-linked revenues tied to long-term leases.

Strengthening Sustainable Revenues
Examples include revenues from parking, EV charging, and advertising displays.

Core Areas, Clear Strategy and Strong Execution

Eight Core Areas Identified
Core areas with strong value growth potential in the capital region and Akureyri.

Diversified Assets a Key Focus
Shaping vibrant urban environments through a mix of commerce, services, housing, and leisure.

Moderate LTV Ratio

Deleveraging Objective
Reduces risk in a rising interest rate environment

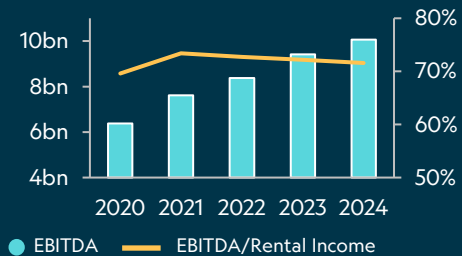
Strong Financial Position
Creates increased capacity for dividends along with flexibility to seize market opportunities.

Sustainability and Social Responsibility

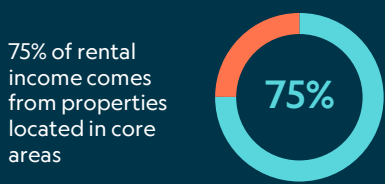
Driving Sustainability Forward
41% of the company's portfolio is environmentally certified, with an even higher share targeted.

Environmentally Certified Properties
Lower costs, enable green bond issuance, and boost appeal to global investors and lenders.

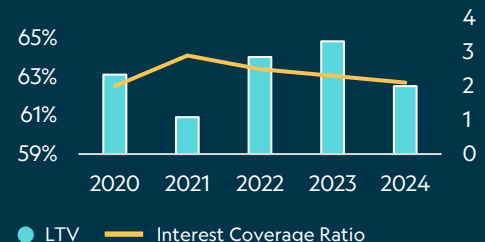
EBITDA Development



Rental Income from Core Areas



LTV and Interest Coverage Ratio






Key Sustainability Metrics

- 41% Proportion of Green Buildings
- 39% Proportion of Green Financing
- 12% Change in Carbon Footprint from 2019*



Strong Performance Driven by Heimar’s Core Areas

Key Financial and Operational Indicators Remain Strong

Operations 	Profitability 	Financial Position 
4.9% (0.5% real growth) Rental Income Increases year-over-year	1.1bn (4.3bn) Profit after Tax	218.6bn (190.8bn) Investment Properties
4.5% (0.1% real growth) EBITDA Increases year-over-year	1.4bn (6.2bn) Revaluation of Investment Properties	131.2bn (118.2bn) Interest-Bearing Liabilities
71.0% (71.3%) EBITDA % of Rental Income	5.3% (5.4%) Yield of Investment Properties	61.6% (63.0%) Leverage Ratio
97.0% (97.0%) Occupancy Rate	3.5% (14.3%) Return on Equity	32.2% (31.0%) Equity Ratio

(Same period 2024)



Purposeful Steps Toward Clear Goals

Clear Strategic Focus Delivers Measurable Results



Properties in the Portfolio
97



Occupancy Rate
97%



Customers
410



Proportion of Green Buildings
41%



Investment Properties
219 (ISK billion)



m² Located Within Core Areas
69%



Public Entites and Listed Companies
43%



Proportion of Green Financing
39%



Rental Income from Core Areas
75%



Total squaremeters
389 (thousand)



Average Lease Terms
6 years











EV Charging Stations
155



Heimar’s Deliberate Steps Toward Long-Term Goals

Strategic Investments Pay Off

		% of Rental Income		Long Term Goal	
	Core Areas	75%		70 - 80%	In recent years, Heimar has focused on investing in properties in designated core areas. According to the company’s investment strategy, property location is a key factor in investment decisions.
	Listed companies	12%		10 - 15%	A strong client base reduces counterparty risk for Heimar. The company has invested in recent years to increase the number of listed companies among its clients
	Public Entities	31%		30 - 40%	Heimar established early on a vision to place special emphasis on collaboration with public entities.
	Environmentally Certified Buildings	41%		50%	Heimar are committed to being leaders in the development of core areas, with a focus on sustainable property management that promotes community welfare, improved quality of life, and the environment for residents.

Finance and Operations

The background features an abstract geometric design. It includes several teal-colored triangles and rectangles, some of which are oriented diagonally. There are also orange-colored shapes, including a triangle and a rectangle. A white horizontal bar is positioned in the upper right area. The overall composition is modern and minimalist.



Revenue and EBITDA Growth Outpaces Inflation

Higher WACC Lowers Valuation Changes and Profit For the Period

Income Statement

Million ISK

	6M 25	6M 24	Δ %
Rental Income	7,169	6,831	4.9%
Other Income	409	393	4.1%
Operating Income	7,578	7,224	4.9%
Operating Costs of Investment Properties	-1,464	-1,354	8.1%
Operations Within Real Estate	-599	-538	11.3%
Administrative Costs	-427	-461	-7.4%
Operating Profit Before Valuation Change (EBITDA)	5,088	4,871	4.5%
EBITDA as Proportion of Rental Income	71.0%	71.3%	
Valuation Change of Investment Properties, Capital Gains and Depreciation	1,383	6,203	
Operating Profit After Valuation Change	6,471	11,074	
Net Financial Expenses	-5,092	-5,905	-13.8%
Share in the Profits of Associates	13	33	
Profit Before Income Tax	1,393	5,202	-73.2%
Income Tax	-279	-940	
Profit for the Period	1,114	4,261	-73.9%

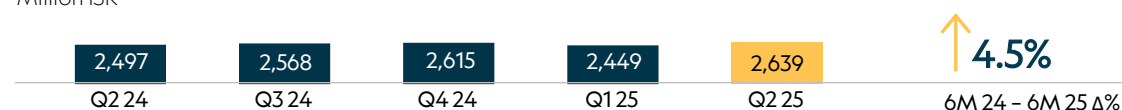
Rental Income

Million ISK



EBITDA

Million ISK



Operating Costs of Investment Properties

% of Rental Income



Administrative Costs

% of Rental Income





Strong Financial Position

Deleveraging in Line With Policy

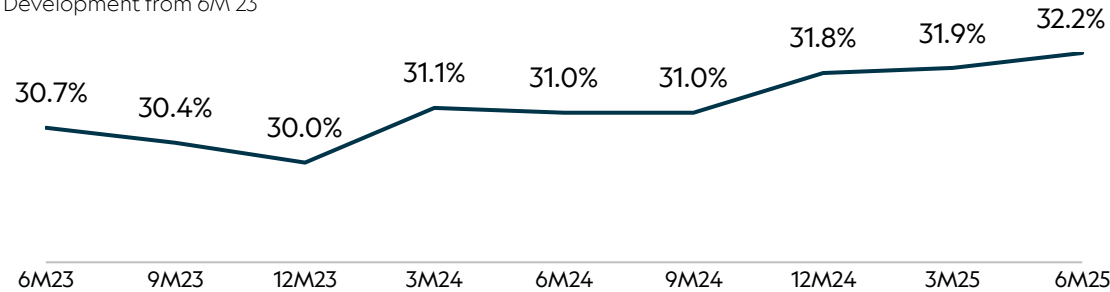
Balance Sheet

Million ISK

	30.06.25	31.12.24
Investment Propetries and Associates	223,893	196,985
Other Assets	1,098	1,171
Current Assets	4,729	4,707
Total Assets	229,719	202,862
Interest-Bearing Liabilities	131,169	117,688
Other Liabilities	24,662	20,654
Total Liabilities	155,831	138,341
Equity	73,888	64,521

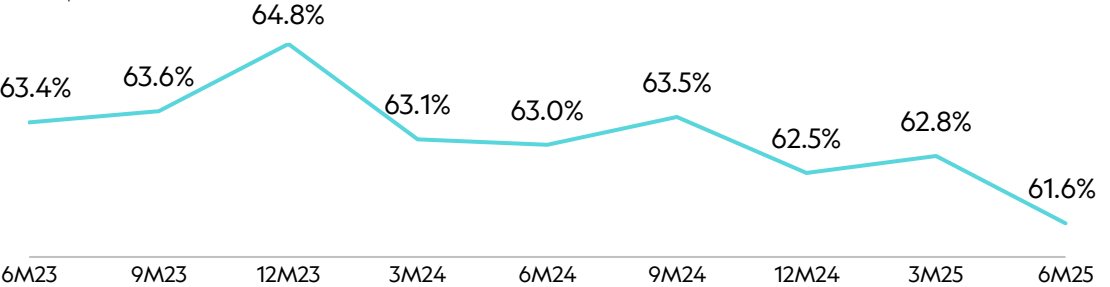
Equity Ratio

Development from 6M 23



Leverage Ratio

Development from 6M 23



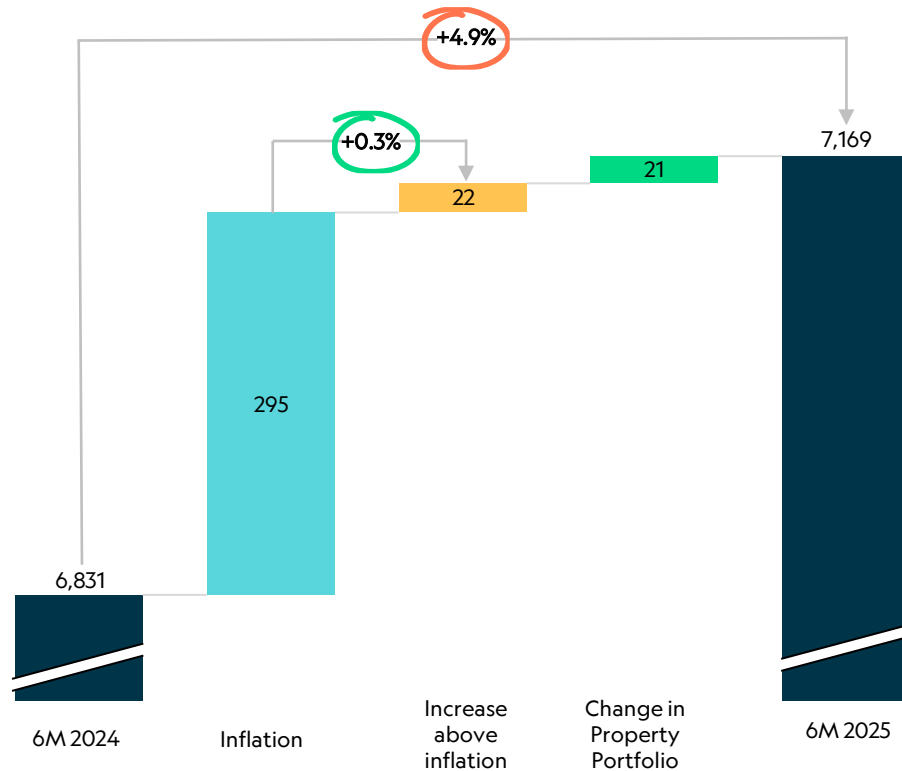


Real Revenue Growth

New Assets Consolidated in June

Revenue Development

Million ISK 6M 24 – 6M 25



- Rental income grew by 4.9% year-over-year.
- Price levels increased by 4.4% year-over-year.
- Changes in the property portfolio positively affect year-over-year revenue growth.
- Real revenue growth of 0.5% year-over-year.
- Real revenue growth on a like-for-like portfolio of 0.3%.
- There is strong demand for commercial real estate within the company, with occupancy rates remaining high at 97%.
- 36 lease agreements were signed in Q2 2025 for over 17 thousand square meters.

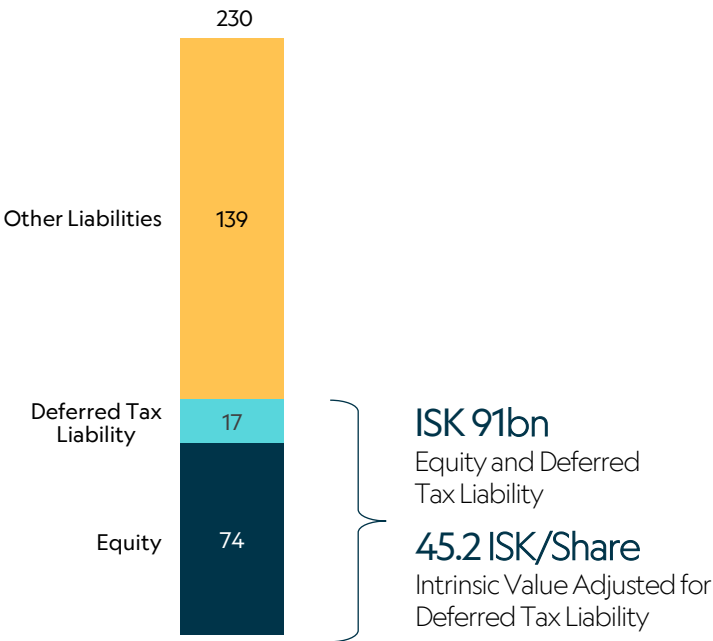


Shareholder-Focused: Intrinsic Value is the Benchmark for Buybacks

P/B Ratio Adjusted For Non-Interest-Bearing Deferred Tax Liability

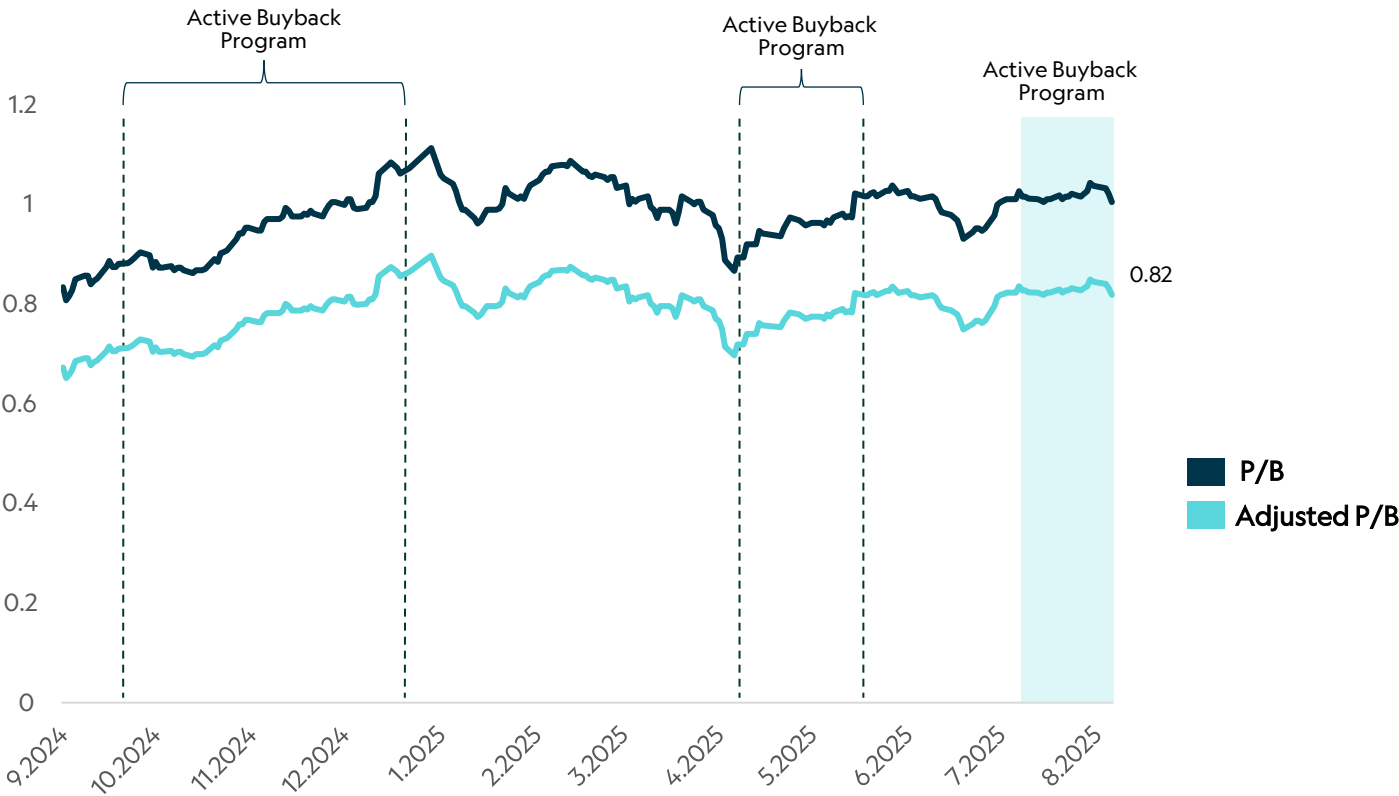
Equity and Liabilities

Billion ISK



P/B Ratio

Development



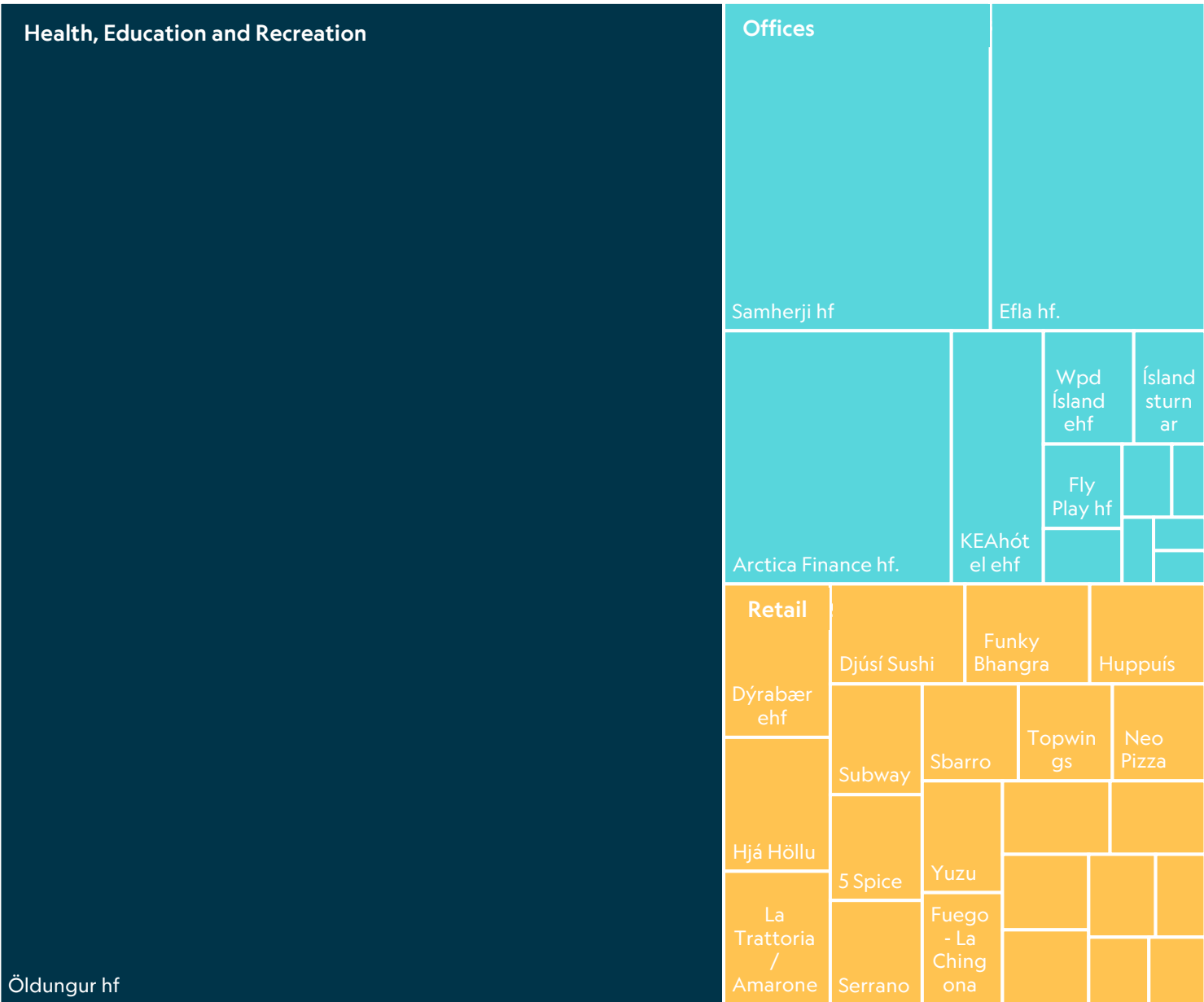


36 Lease Agreements Signed in Q2 2025

4 Renewed Agreements
~1,193 m²

32 New Agreements
~16,097 m²

36 Total Agreements
~17,290 m²





New Revenue

Upcoming
Deliveries

Tenant	Property	Square Meters	Revenue Generating
Kjarni endurhæfing	Síðumúli 28	326	Q3
As we grow	Hafnartorg	93	Q3
Starbucks	Hafnartorg	125.6	Q3
Smárabíó, stækkun	Smáralind	320	Q4
Reykjavíkurborg	Ármúli 6	914.1	Q4
Samherji hf.	Hagasmári 1	1255	Q4
Gaeta Ís	Smáralind	58.7	Q4
Sbarro	Smáralind	133.5	Q4
Serrano	Smáralind	136.9	Q4
Subway	Smáralind	145.6	Q4
Neo Pizza	Smáralind	128.8	Q4
Funky Bhangra	Smáralind	178.3	Q4
Hjá Höllu	Smáralind	203.8	Q4
La Trattoria / Amarone	Smáralind	203.5	Q4
Djúsi Sushi	Smáralind	192.6	Q4
Yuzu	Smáralind	128.8	Q4
Topwings	Smáralind	130.4	Q4
5 Spice	Smáralind	139.3	Q4
Fuego / La Chingona	Smáralind	128.8	Q4
Öldungur, stækkun	Sóltún 2	3,512.5	Q3 27

8,455



Rising Interest Rates Reduce the Change in Fair Value

- Fair value change for the first six months of the year amounted to ISK 1,414 million.
- Approximately **ISK 23bn** has been invested year-to-date.
- WACC increases by 9 basis points from year-end and is now 6.55%.



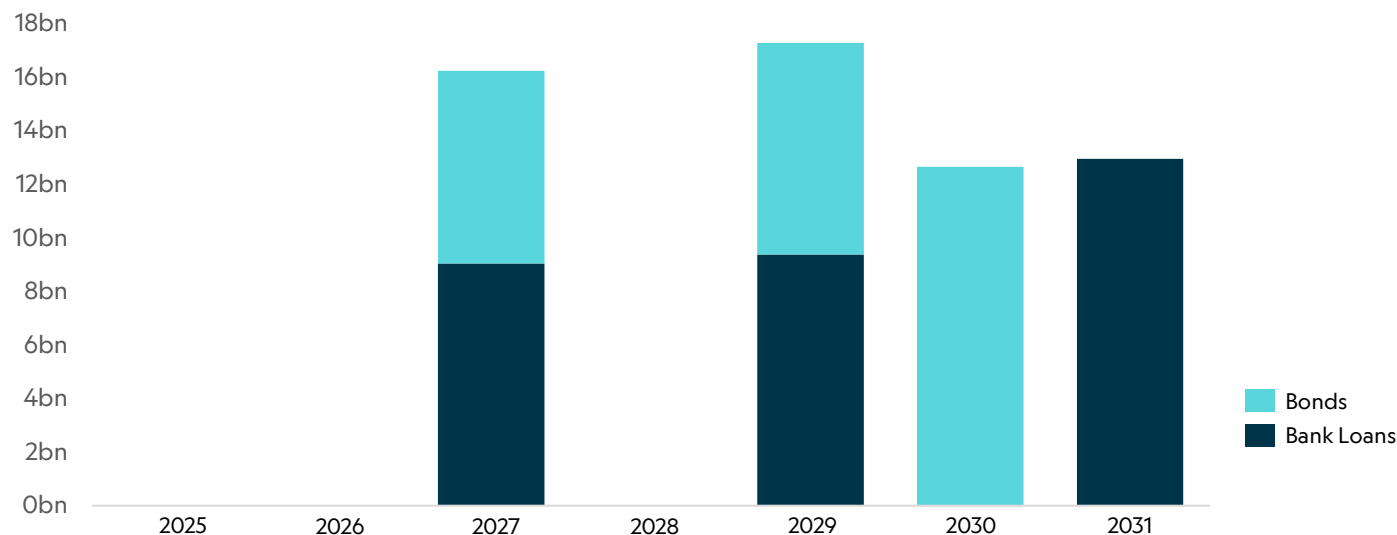


Limited Refinancing Need in the Coming Years

Enviably Debt Profile

Refinancing Plan*

2025-2031



- No refinancing need through 2026.
- Heimar took over the bond series GRÓSKA 29 GB, with final maturity in 2029.
- In June, the HEIMAR50 GB bond series was expanded by ISK 1.8bn.
- Green financing accounts for 39% of total interest-bearing debt.
- Approximately 30% of interest-bearing loans are bank loans.
- The effective average interest rate on indexed loans was 3.38% at the end of Q2 2025.

* As of 21.08.2025
Refinancing due in 2032-2050 not included in the graph

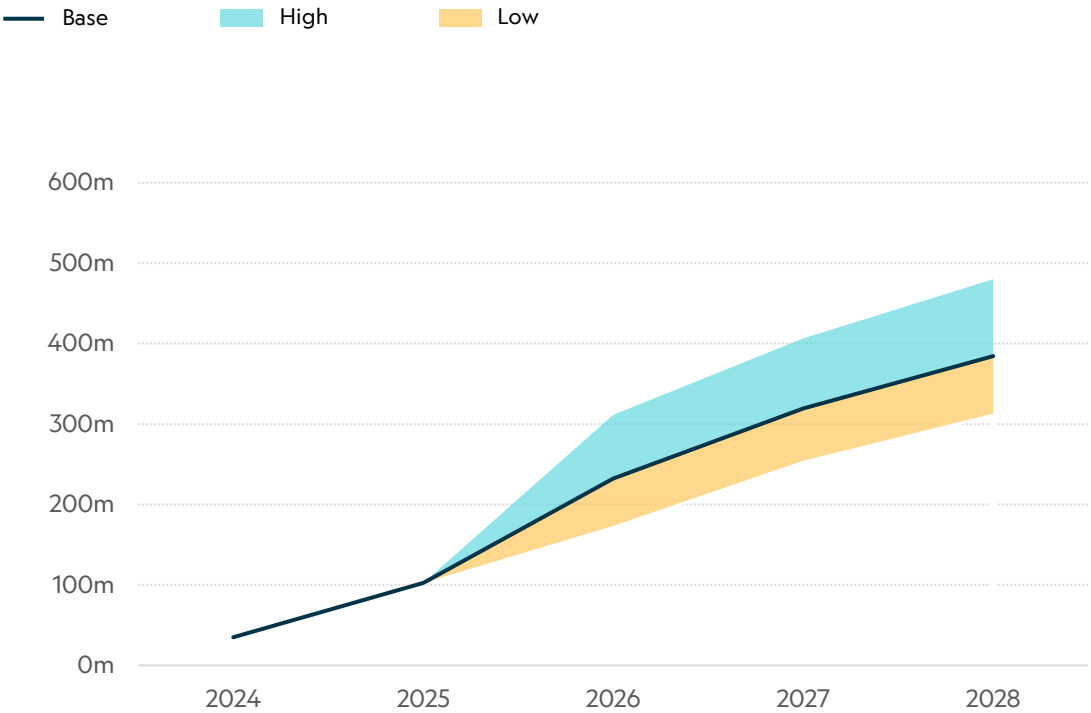


Ancillary Revenues

Enhanced Service and New Revenue Streams

- Systematic efforts began at the start of the year to analyze opportunities and challenges associated with the introduction of ancillary revenues.
- The company sees significant opportunity to enhance the experience and services at its properties while expanding sustainable revenue streams.
- As of the beginning of 2025, ancillary revenues were ISK 35 million annualized, and have since risen to more than 100 million annualized.
- Low investment needs and outsourced operations mean ancillary revenues flow more efficiently into cash flow.
- The company’s projections assume ancillary revenues of about ISK 200 million in 2026, reaching up to 3% of total revenues by 2028.

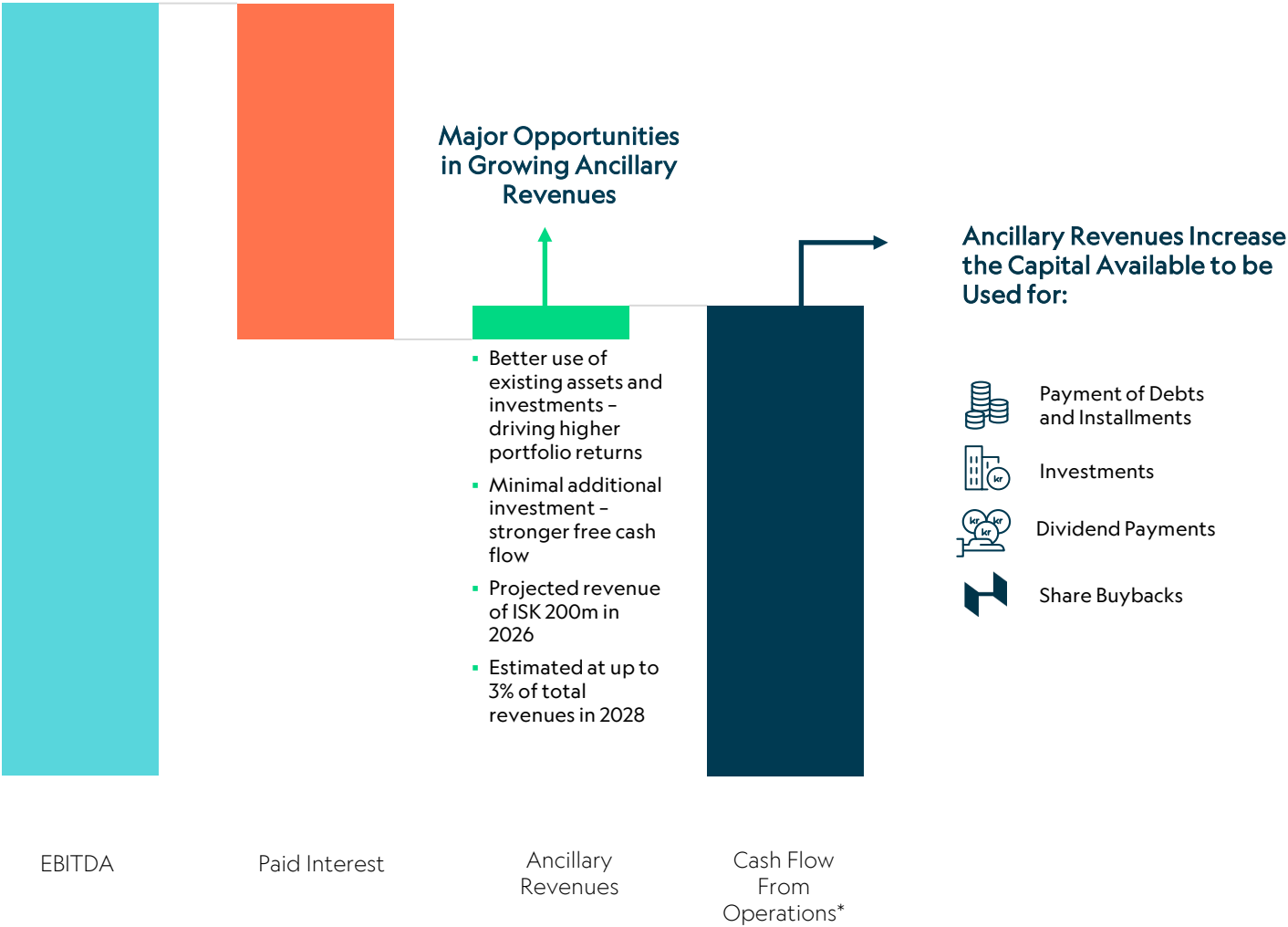
Ancillary Revenue Forecast





Increased Ancillary Revenues Flow Directly to Profit and Enhance Free Cash Flow

Mighty Oaks From Little Acorns Grow



* Excluding Changes in Operational Assets and Liabilities

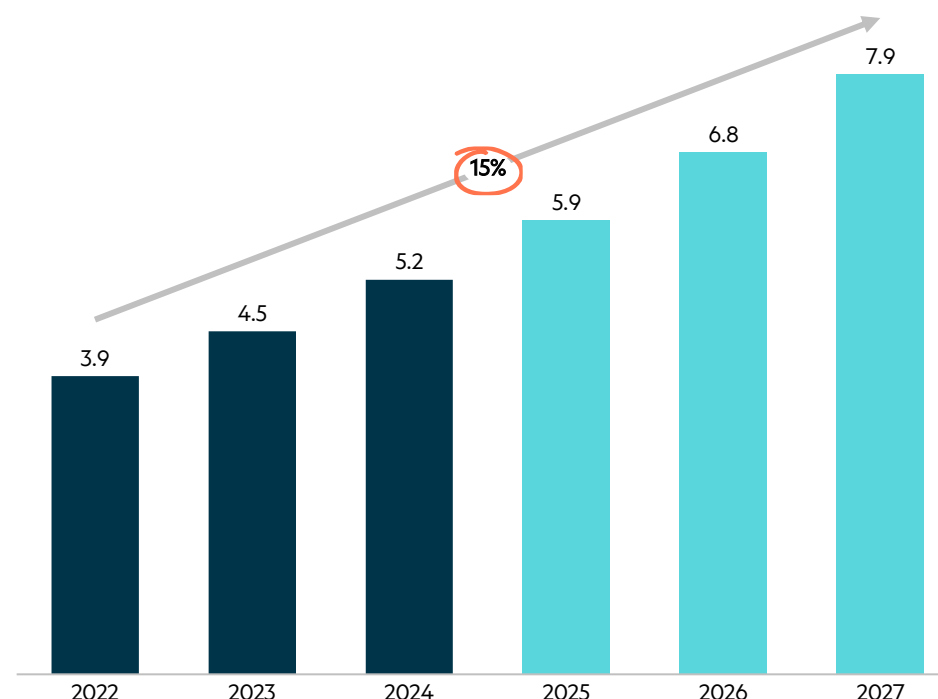


Heimar's Stake in Klasi Expected at Just Under ISK 8bn Book Value in 2027

- The book value of Heimar's stake in Klasi has increased from ISK 3.9bn in 2022 to ISK 5.2bn at year-end 2024.
- A 15% return requirement is set on Klasi's equity, supporting an increase in the book value of Heimar's stake to nearly ISK 8bn by 2027 and total equity to approximately ISK 24bn.
- Realistic expectations that will yield returns for shareholders.

Estimated Development of the Book Value of Heimar's Stake in Klasi

ISK Billion

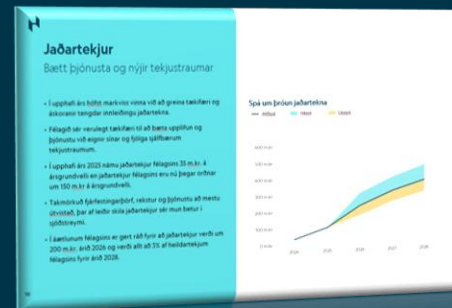




Core Operations



Ancillary Revenues



ISK 100 – 500m

Klasi



ISK 700 – 900m

ISK 800 – 1,400m
Impact on Annual Profit

Sustainability





Growth in Sustainable Properties

Steady Growth in Certified Green Properties

- Gróska now part of Heimar's BREEAM-certified assets.
- Certification of Dvergshöfði 2 is expected in the fall.

Certified Properties

- 41% of the company's portfolio is now environmentally certified, or just over 160,000 m².
- Environmentally certified properties in the portfolio:
 - Smáralind
 - Katrínartún 2
 - Borgartún 8-16
 - Egilshöll
 - Áslandsskóli
 - Gróska

Impact Report - Green Financing

- Twice a year, the company publishes an Impact Report covering all certified properties in relation to green financing.
- Reported on:
 - Financial metrics
 - Electricity and water consumption
 - Carbon footprint



Development of the Property Portfolio





Major Deals Closed This Quarter

Gróska

- Heimar completed the acquisition of all shares in Gróska ehf. og Gróðurhúsið ehf.
- Gróska ehf. owns the property Gróska, located at Bjargargata 1, 102 Reykjavík.
- The property comprises approximately 18,600 m² of floor area and a 6,200 m² car park, totaling approximately 24,800 m².
- The purchase price was settled through issuance and delivery of 258 million new shares in Heimar.
- As a result of the transaction, Heimar's market capitalization rose by nearly ISK 10bn.

Focus on Expansion is Expected to Increase Interest From a Broader Group of Investors

- Lower WACC
- Increased competitiveness
- Positive impact on society

Exeter Hotel

- Heimar finalized the acquisition of all shares in Tryggvagata ehf.
- Tryggvagata ehf. owns properties located at Tryggvagata 10 and 14, downtown Reykjavík.
- Acquisition of a 106-room 4-star hotel in downtown Reykjavík with adjoining office building, totaling approximately 5,500 m².
- Exeter Hotel has in recent years established itself as one of Reykjavík's top hotels, situated in a prime location with distinctive harbor views.
- A long-term lease agreement is in place with the hotel operator.

Assets expected to generate approximately ISK 1,600 million annually from 2026



Dvergshöfði 4

Construction Underway

- Dvergshöfði 4 will be a high-quality office building of over 10,000 m² across seven floors, with an underground car park, totaling around 14,000 m².
- The building is very well located in Heimar's new core area at Borgarhöfði and offers diverse opportunities for companies seeking to benefit from a strong location in a rapidly developing district.
- The first lease spaces are expected to be delivered at the beginning of 2027.

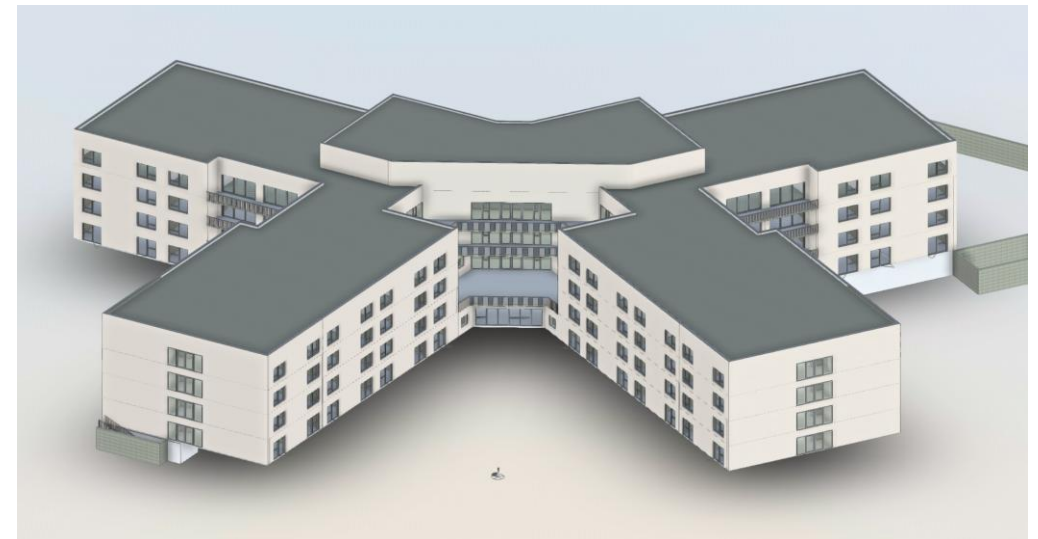




Sóltún 2

Expansion of the Nursing Home

- A new long-term lease for the Sóltún nursing home was concluded in June 2025.
- The agreement provides for an expansion of the existing nursing home by 3,500 m², or 67 nursing rooms, bringing the total capacity to 159 rooms upon completion.
- Groundbreaking has already been carried out by the Minister of Social Affairs and Housing, and the design phase is fully underway.
- Completion expected in fall 2027.





Smáralind Food Hall

Iceland's Most Ambitious Food Hall



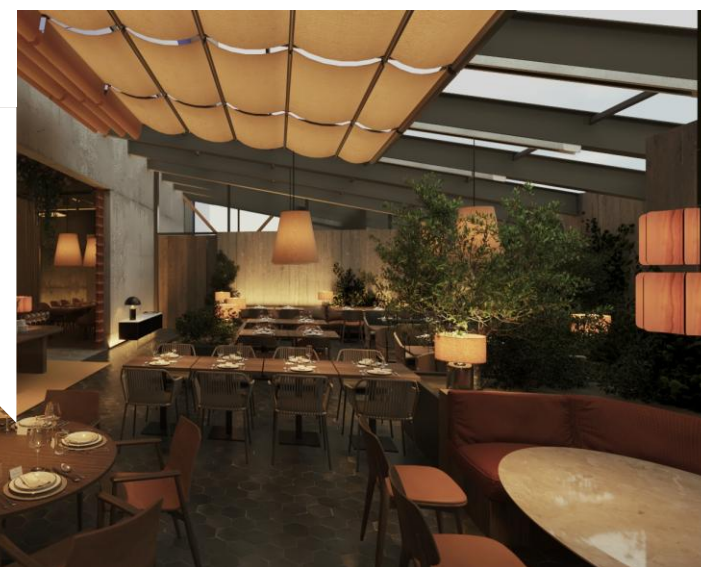
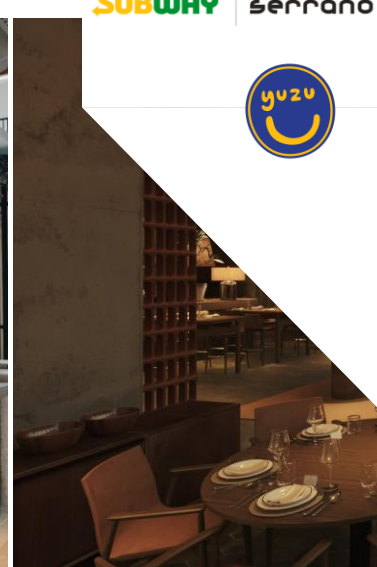
13 Restaurants



Expected opening in early November

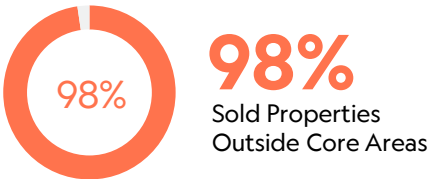


Emphasis on Quality and Variety in Dining

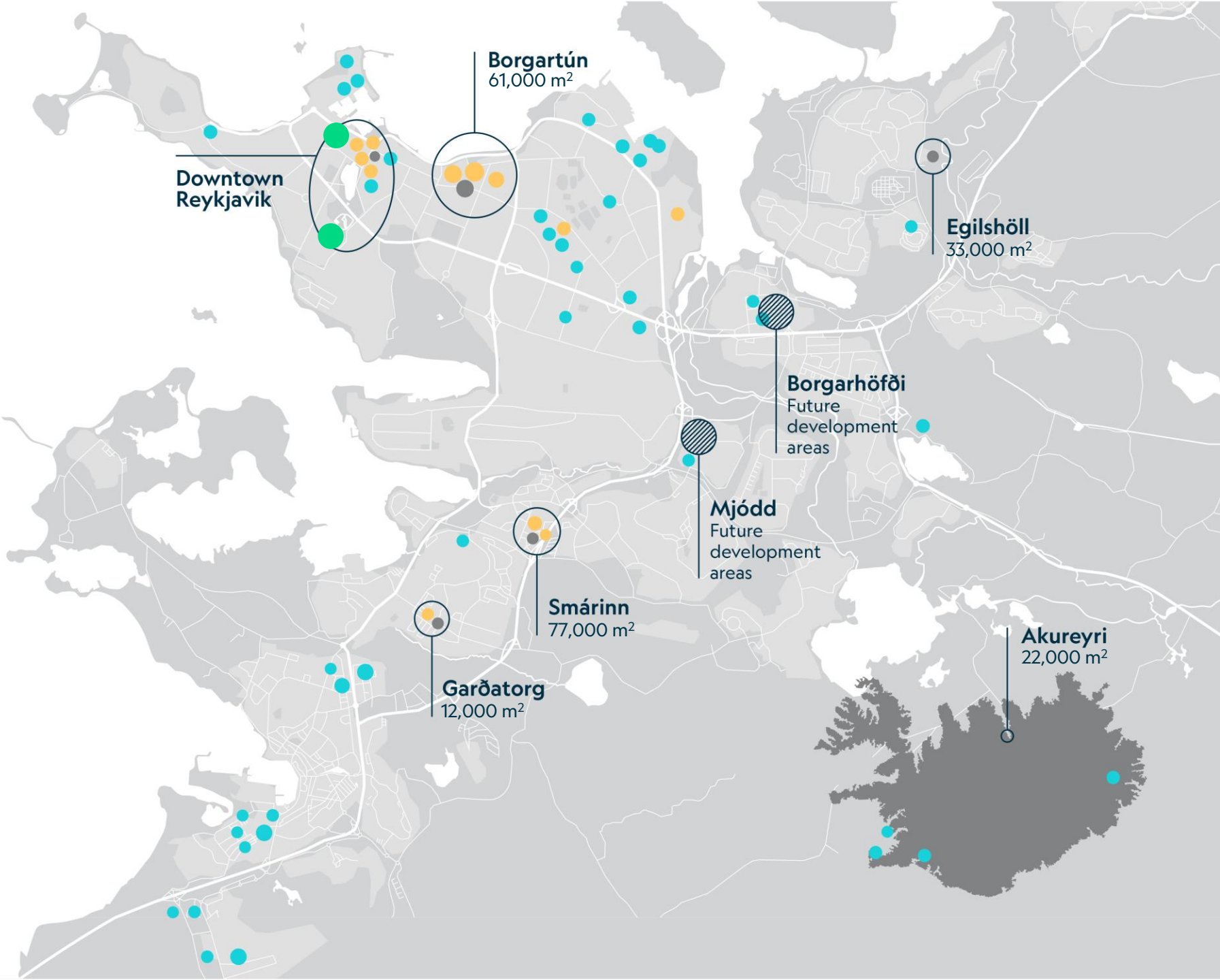




Heimar's Core Areas



- Properties acquired from 2018
85,000 m² | 16 properties
- Sold Properties
41,000 m² | 42 properties
- Properties acquired in 2025
- Properties in Core Areas
Acquired/Built Before 2018





Heimar's Largest Properties are in the Heart of Core Areas

Key Properties in the Capital Area



Smáralind
Iceland's largest shopping center – 62,100 m²



Höfðatorg
Offices – 37,867 m²



Gróska
Offices, Retail and Services – 24,800 m²



Egilshöll
Sport and entertainment – 33,057 m²



Hafnartorg
Retail and services – 11,354 m²



Other Significant Assets

High-Quality Properties in Prime Locations



Mjólnisholt 12-14
Hotels and Tourism – 6,742 m²



Litlatún 3
Retail and Services – 5,261 m²



Austurstræti 16
Hotels and Tourism – 2,773 m²



Áslandsskóli
Education and Sports – 6,162 m²



Tryggvagata 14
Hotels and Tourism – 5,004 m²



Suðurhraun 3
Offices – 5,963 m²



Diverse Properties for Public Entities

Number of Properties in Core Areas Leased and Operated for Public Entities



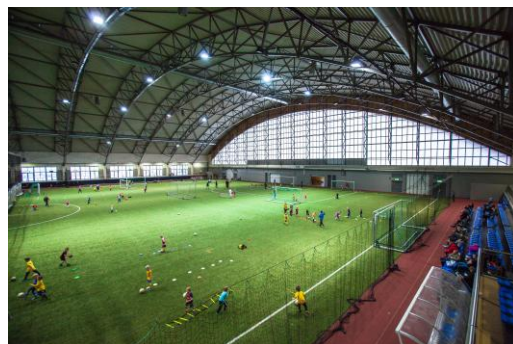
Schools

Primary Schools:

- Áslandsskóli in Hafnarfjörður

Preschools:

- Tjarnarás Hafnarfirði
- Hörðuvellir Hafnarfirði
- Sjaland Garðabæ
- Múlaborg Reykjavík



Sport Facilities

Egilshöll in Reykjavík:

- Football Hall
- Gymnastics Center
- Multipurpose Sports Hall
- Ice Rink
- Shooting Range
- Track and Field Facilities
- In addition to leasing the Egilshöll facility, Heimar manages all operations and staffing.



Offices

Number of institutions rent offices from Heimar for their operations:

- Reykjavíkurborg
- Akureyrarbær
- Landsvirkjun
- Vegagerðin
- Sýslumaðurinn á höfuðborgarsvæðinu
- Tryggingastofnun
- RARIK



Other

- The National Museum – Conservation and Research Center, Tjarnarvellir 11
- Guesthouse for Refugees and Asylum Seekers.
- Icelandic Museum of Design and Applied Art, Garðabær
- Sóltún Nursing Home

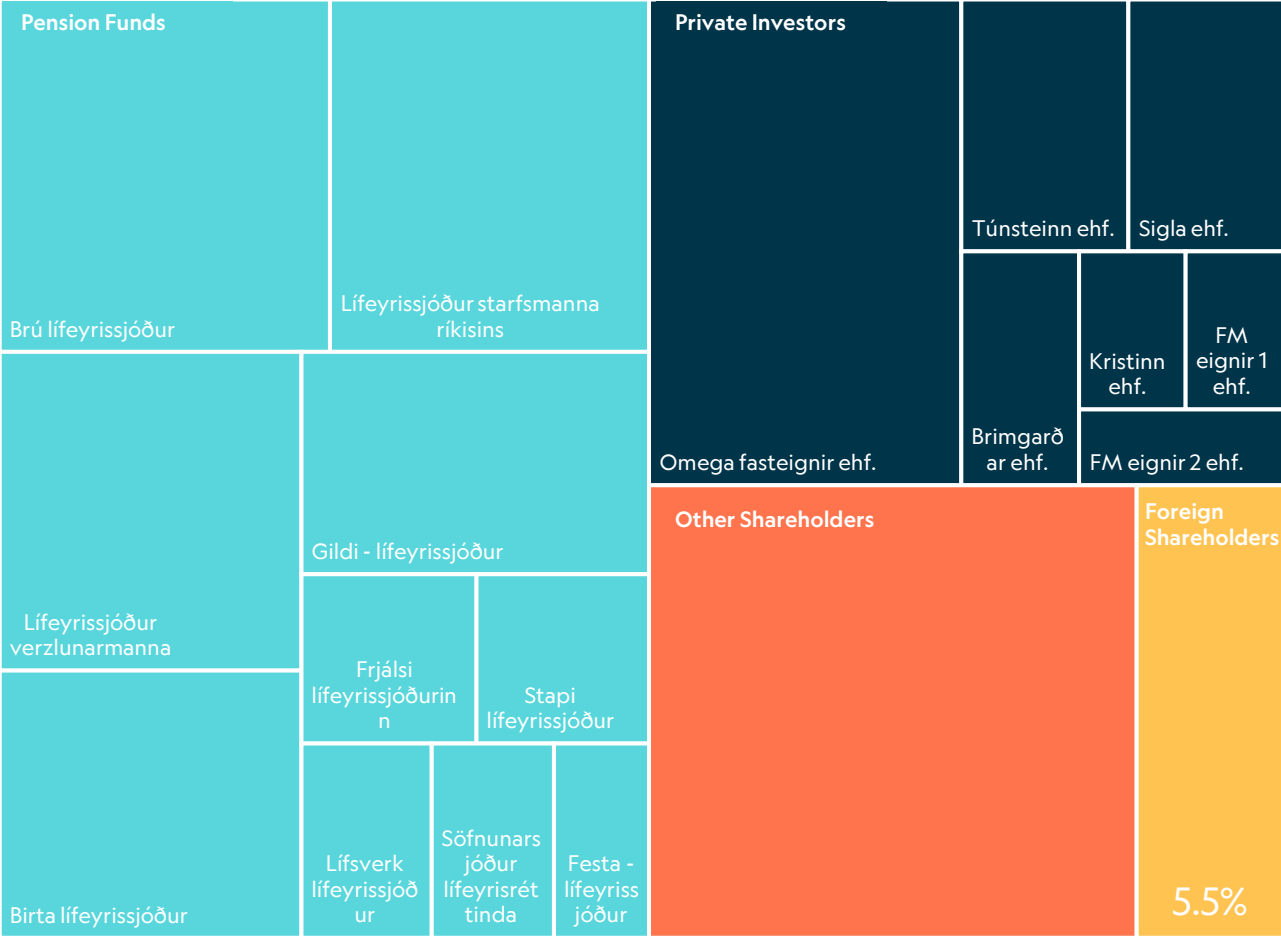
Shareholders





20 Largest Shareholders of Heimar

Distribution



Nr.	Name	Shares	%	Δ*
1	Omega fasteignir ehf.	252,273,929	12.60%	▲
2	Brú lífeyrissjóður	193,459,192	9.66%	▼
3	Lífeyrissjóður starfsmanna ríkisins	186,787,919	9.33%	-
4	Lífeyrissjóður verzlunarmanna	159,880,876	7.98%	▲
5	Birta lífeyrissjóður	134,069,562	6.69%	-
6	Gildi - lífeyrissjóður	128,395,988	6.41%	-
7	Túnsteinn ehf.	70,000,000	3.50%	-
8	Sigla ehf.	65,000,000	3.25%	-
9	Vanguard	55,372,635	2.76%	▼
10	Frjálsi lífeyrissjóðurinn	49,298,684	2.46%	-
11	Stapi lífeyrissjóður	48,581,044	2.43%	▼
12	Brimgarðar ehf.	45,769,349	2.29%	▲
13	Íslandsbanki hf.	42,990,001	2.15%	▲
14	Lífsverk lífeyrissjóður	42,016,842	2.10%	-
15	Söfnunarsjóður lífeyrisréttinda	39,441,779	1.97%	-
16	Arion banki hf.	32,532,610	1.62%	▲
17	Festa - lífeyrissjóður	30,644,234	1.53%	-
18	Stefnir hf.	30,259,320	1.51%	▼
19	Kristinn ehf.	28,000,000	1.40%	-
20	FM eignir 1 ehf.	25,771,241	1.29%	-
20 Largest		1,660,545,205	82.91%	

Shareholders on 14.8.2025

* Change in equity holding since 8.5.25

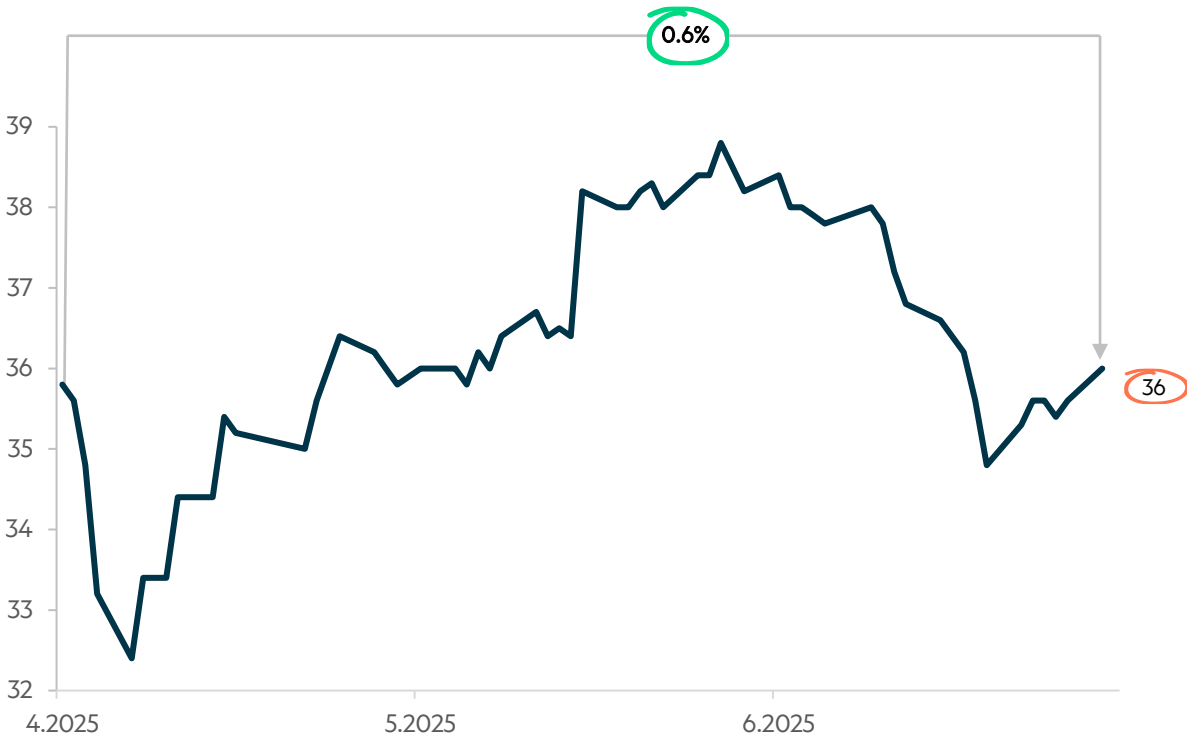


Heimar – One of the Market’s Most Traded Stocks

Share Price Up Slightly in Q2 2025

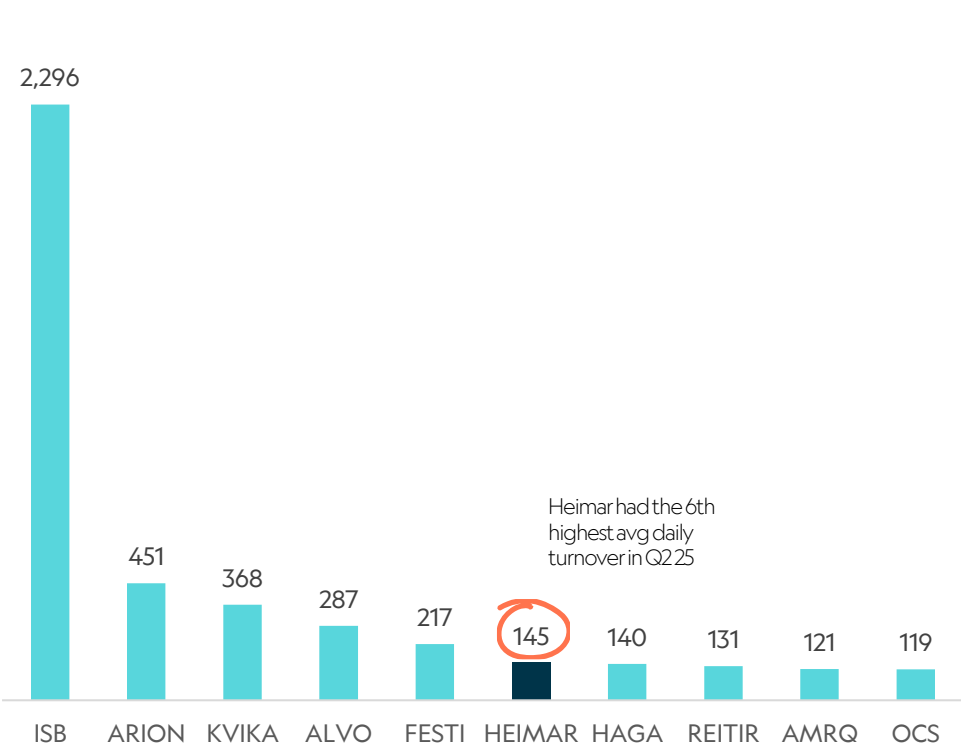
Heimar’s Share Price

Closing Price in ISK – Q2 2025



Most Actively Traded Shares on Nasdaq Iceland

Average Daily Turnover in ISK – Q2 2025





Heimar's Financial Calendar

Q3 Earnings Preview	October 22, 2025
Preliminary Financial Report	February 4, 2026
Q4 2025 Results	March 4, 2026
AGM	March 26, 2026





Við erum annað og meira



Disclaimers

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