

Condensed Consolidated Interim Financial Statements

1 January to 30 September 2026

Ásar hf.
Ármúla 25
108 Reykjavík
Kt. 460207-0880

Contents

	Page
Endorsement and Statement by the Board of Directors and the CEO	2 - 3
Consolidated Income Statement	4
Consolidated Statement of Financial Position	5
Consolidated Statement of Changes in Equity	6
Consolidated Statement of Cash Flows	7
Notes to the Consolidated Financial Statements	8 - 13
Quarterly Statements	14

Endorsement and Statement by the Board of Directors and the CEO

The Condensed Consolidated Interim Financial Statements of Ásar hf. and its subsidiaries (together referred to as "Ásar" or the "Company") for the period 1 January to 30 September 2026 are prepared and presented in accordance with International Financial Reporting Standards (IFRS) for Interim Financial Statements (IAS 34) as adopted by the EU. The Financial Statements are neither audited nor reviewed by the Company's auditors.

Net profit for the first nine months of the year amounted to ISK 843 million, compared to a profit of ISK 971 million for the same period in 2025. Total revenue for the period amounted to ISK 22.451 million, compared to ISK 21.431 million for the same period in 2025. Total assets amounted to ISK 49.959 million and total equity amounted to ISK 16.881 million according to the Statement of Financial Position. The Company's equity ratio was 33,8%.

On 1 July 2026, the telecommunications and media operations were sold to a new subsidiary, Síminn Rekstur ehf. Following a shareholders' meeting held on 20 August 2026, the name of the Group's parent company was changed to Ásar hf. The name of Síminn Rekstur ehf. was subsequently changed to Síminn ehf. The parent company will provide specified support services to its subsidiaries and support the development of the Group as a whole.

On 18 December 2025, an agreement was signed to acquire all shares in Opin kerfi hf. (OK) and Öryggismiðstöð Íslands hf. (ÖMÍ). The combined enterprise value of OK and ÖMÍ in the transactions amounts to ISK 13.750 million, in addition to lease liabilities estimated at approximately ISK 1.000 million. The acquisitions will be financed through equity in Ásar, borrowings and cash. It is expected that approximately ISK 6.125 million will be paid through the delivery of approximately 428 million shares. The transactions are subject to customary conditions, including approval by the Icelandic Competition Authority.

The Annual General Meeting of the Company approved on 12 March 2026 a share capital decrease to cancel treasury shares amounting to ISK 75 million in nominal value. The same Annual General Meeting approved a share buyback programme allowing repurchases of up to ISK 240 million in nominal value and a proposal to pay ISK 500 million in dividends to shareholders. The dividend was paid on 30 March 2026. Based on the authorisations granted by the Annual General Meetings in 2025 and 2026, the Company purchased treasury shares with a nominal value of ISK 65 million for a total market value of ISK 781 million during the period from January to September. For further information, reference is made to the Consolidated Statement of Changes in Equity.

The Financial Supervisory Committee of the Central Bank of Iceland decided to fine Ásar ISK 76,5 million on the grounds that the Company had not disclosed alleged inside information, nor decided to delay its disclosure, on 31 August 2021 in connection with the sale of its subsidiary Míla ehf. Ásar appealed the decision, first to the District Court of Reykjavík and subsequently to the Court of Appeal, but the Central Bank prevailed in both instances. On 10 April 2026, the Supreme Court rejected the Company's application for leave to appeal. The Company therefore recognised the amount as an expense in the first quarter of 2026.

On 1 July 2026, Ásar completed the acquisition of Greiðslumiðlun Íslands ehf. (GMÍ). The purchase price amounted to ISK 2.830 million, taking into account adjustments for net working capital, Pei's loan portfolio and net interest-bearing liabilities on the completion date. The purchase price was paid in cash.

On 12 March 2026, Ásar hf. and Sýn hf. reached an agreement on the principal terms for the potential acquisition by Ásar of Sýn's web and broadcasting media operations. The proposed transaction assumed a total enterprise value of ISK 5.250 million. The transaction was subject to certain conditions, including the outcome of due diligence. Following discussions between the parties after the due diligence process, it became clear that they would not reach an agreement on the transaction. It was therefore decided not to proceed with the transaction, and an announcement to that effect was made to Nasdaq Iceland on 23 August 2026.

On 9 July 2026, loan agreements were signed with Landsbankinn for the refinancing of Ásar hf. and its subsidiaries. The agreements amount to ISK 31 billion in total and have a five-year maturity. ISK 15 billion was drawn under the facilities and used to refinance existing loans of Ásar. The new loan agreements provide the growing Ásar Group with increased access to funding, greater flexibility in its financing structure and more favourable terms. Ásar will continue to consider market-based financing and has listed bonds (SIMINN 28-1 and SIMINN 29-1) and commercial paper.

Endorsement and Statement by the Board of Directors and the CEO

Statement by the Board of Directors and the CEO

According to the best of our knowledge the Condensed Consolidated Interim Financial Statements of Ásar hf. are prepared and presented in accordance with International Financial Reporting Standards (IFRS) for Interim Financial Statements (IAS 34) as adopted by the EU. It is our opinion that these Condensed Consolidated Interim Financial Statements give a true and fair view of the consolidated financial performance of Ásar hf. for the nine months ended 30 September 2026, its assets, liabilities and consolidated financial position as at 30 September 2026 and its consolidated cash flows for the nine month period ended 30 September 2026. Further, in our opinion the Condensed Consolidated Interim Financial Statements and the Statement by the Board of Directors and the CEO give a fair view of the development and performance of the Company's operations and its position and describe the principal risks and uncertainties faced by Ásar hf.

The Board of Directors and the CEO have today discussed the Condensed Consolidated Interim Financial Statements of Ásar hf. for the period 1 January to 30 September 2026 and confirm them by means of their signatures.

Reykjavík, 27 October 2026

Board of Directors

Jón Sigurðsson, Chairman

Sigrún Ragna Ólafsdóttir, vice chairman

Arnar Þór Másson

Bjarni Þorvarðarson

Valgerður Halldórsdóttir

CEO

María Björk Einarsdóttir

Income Statement and other comprehensive income for the period 1 January to 30 September 2026

	Notes	2026 1.7.-30.9.	2025 1.7.-30.9.	2026 1.1.-30.9.	2025 1.1.-30.9.
Net sales	5	7.647	6.888	21.899	20.908
Cost of sales	6	(4.724)	(4.099)	(13.997)	(13.000)
Gross profit		2.923	2.789	7.902	7.908
Other operating income		199	174	552	523
Operating expenses	7	(2.235)	(1.938)	(6.531)	(6.286)
Operating profit (EBIT)		887	1.025	1.923	2.145
Finance income		293	240	811	670
Finance costs		(731)	(486)	(1.745)	(1.508)
Net exchange rate differences		58	1	93	15
Net finance costs	8	(380)	(245)	(841)	(823)
Profit before tax		507	780	1.082	1.322
Income tax		(104)	(158)	(239)	(351)
Profit for the period		403	622	843	971
EBITDA	4	1.939	1.848	4.900	5.044
Earnings per share					
Basic earnings per share		0,17	0,26	0,36	0,40
Diluted earnings per share		0,17	0,26	0,36	0,40

The notes on pages 8 to 13 are an integral part of these consolidated financial statements

Statement of Financial Position as at 30 September 2026

	Notes	30.9.2026	31.12.2025
Assets			
Non-current assets			
Property, plant and equipment		3.535	3.555
Right-of-use assets		2.786	1.843
Intangible assets		28.823	27.048
Other financial assets	9	1.166	871
Non-current assets		36.310	33.317
Current assets			
Inventories	10	1.673	1.550
Accounts receivable	11	2.717	2.538
Loans	12	4.841	4.204
Other assets	13	2.121	1.733
Cash and cash equivalents		2.297	980
Current assets		13.649	11.005
Total assets		49.959	44.322
Equity			
Share capital		2.284	2.331
Statutory reserve		583	583
Other reserve		2.287	1.390
Retained earnings		11.727	12.797
Equity		16.881	17.101
Liabilities			
Non-current liabilities			
Borrowings		20.569	13.127
Lease liabilities		2.575	1.573
Accounts payable		508	734
Deferred tax liabilities	15	406	629
Non-current liabilities		24.058	16.063
Current liabilities			
Bank loans		1.507	1.401
Accounts payable	16	4.035	4.596
Current maturities of borrowings		0	3.000
Current maturities of lease liabilities		532	396
Taxes to be paid		905	542
Other liabilities	17	2.041	1.223
Current liabilities		9.020	11.158
Total liabilities		33.078	27.221
Total equity and liabilities		49.959	44.322

The notes on pages 8 to 13 are an integral part of these consolidated financial statements

Statement of Changes in Equity 1 January to 30 September 2026

	Share capital	Statutory reserve	Other restricted reserve	Retained earnings	Total equity
Total equity 1.1.2025	2.483	621	828	14.184	18.116
Net profit for the period				971	971
Payment of dividends (0,2 per share)				(498)	(498)
Buyback of ordinary shares	(126)	(32)		(1.543)	(1.701)
Sold ordinary shares	19	5		173	197
Transfer to restricted reserve			321	(321)	0
Share option charge				26	26
Total equity 30.9.2025	2.376	594	1.149	12.992	17.111
Total equity 1.1.2026	2.331	583	1.390	12.797	17.101
Net profit for the period				843	843
Payment of dividends (0,2 per share)				(500)	(500)
Buyback of ordinary shares	(65)			(716)	(781)
Sold ordinary shares	18			166	184
Transfer to restricted reserve			897	(897)	0
Share option charge				34	34
Total equity 30.9.2026	2.284	583	2.287	11.727	16.881

The notes on pages 8 to 13 are an integral part of these consolidated financial statements

Statement of Cash Flows 1 January to 30 September 2026

	Notes	2026 1.7.-30.9.	2025 1.7.-30.9.*	2026 1.1.-30.9.	2025 1.1.-30.9.*
Cash flow from operating activities					
Operating profit		887	1.025	1.923	2.145
Operational items not affecting cash flow:					
Depreciation		1.052	823	2.977	2.899
Gain on sale of fixed assets		(16)	(3)	(16)	(7)
Other items not affecting cash flow		11	5	35	26
		1.934	1.850	4.919	5.063
Changes in current assets and liabilities:					
Changes in inventories		241	(84)	179	(64)
Changes in operating assets		(20)	(231)	(264)	(580)
Changes in loans		(88)	53	210	78
Changes in operating liabilities		(91)	246	(66)	295
Changes in current assets and liabilities		42	(16)	59	(271)
Cash generated from operating activities		1.976	1.834	4.978	4.792
Interest income received		269	232	751	649
Interest expenses paid		(668)	(428)	(1.654)	(1.389)
Payments of taxes		(65)	(73)	(172)	(196)
Net cash from operating activities		1.512	1.565	3.903	3.856
Investing activities					
Investment in property, plant and equipment		(244)	(350)	(816)	(943)
Investment in intangible assets		(425)	(209)	(1.218)	(859)
Proceeds from sale of property, plant and equipment		50	3	54	10
Investment in loan portfolio		0	0	0	(1.429)
Acquisition of subsidiary, net of cash acquired	14	(2.779)	0	(2.779)	0
Investment activities		(3.398)	(556)	(4.759)	(3.221)
Financing activities					
Dividend paid		0	0	(500)	(498)
Buyback of ordinary shares		(455)	(630)	(781)	(1.701)
Sold ordinary shares		184	197	184	197
New borrowings		15.000	0	19.440	2.700
Payments of non-current liabilities		(12.467)	(107)	(15.467)	(321)
Payment of long term lease		(140)	(95)	(351)	(272)
Change in short-term borrowings		0	0	(345)	(449)
Financing activities		2.122	(635)	2.180	(344)
Increase in cash and cash equivalents		236	374	1.324	291
Effect of exchange rate fluctuations on cash held		(4)	(2)	(7)	(10)
Cash and cash equivalents at the beginning of the period		2.065	744	980	835
Cash and cash equivalents at the end of the period		2.297	1.116	2.297	1.116

* Comparative figures have been reclassified. See Note 3 for further details.

The notes on pages 8 to 13 are an integral part of these consolidated financial statements

Notes to the Consolidated Financial Statements

1. Reporting entity

Ásar hf. (the "Company") is a public limited liability company domiciled in Iceland. The address of the Company's registered office is Ármúli 25, Reykjavík. These condensed consolidated interim financial statements ('interim financial statements') for the nine months ended 30 September 2026 comprise the Company and its subsidiaries (together referred to as "Ásar" or the "Company"). The subsidiaries are Síminn ehf., Síminn Pay ehf., Radíómiðun ehf., Billboard ehf., BBI ehf., Noona Iceland ehf., Greiðslumiðlun Íslands ehf., Motus ehf. and Greiðslumiðlun ehf.

The Company's principal activity is to operate as a holding company and to manage its subsidiaries and associates engaged in digital services, including telecommunications, information technology, media, financial technology (fintech) and security services, together with all related and ancillary activities permitted by law.

2. Basis of accounting

2.1. Statement of compliance

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Company's last annual consolidated financial statements as at and for the year ended 31 December 2025. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The Company's last annual consolidated financial statements are available on the company's website, www.asar.is, and in the company news release distribution network of Nasdaq Nordic: www.nasdaqomxnordic.com.

The Board of Directors and the CEO approved these interim financial statements and authorised them for issue at a Board meeting held on 27 October 2026.

2.2. Basis of measurement

These interim financial statements have been prepared on a historical cost basis.

2.3. Presentation and functional currency

These interim financial statements are presented in Icelandic Krona (ISK), which is the Company's functional currency. All financial information presented in ISK has been rounded to the nearest million unless otherwise stated.

2.4. Use of judgements and estimates

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

3. Changes in accounting policies

The accounting policies applied in the interim financial statements are the same as those applied in the Company's consolidated financial statements as at and for the year ended 31 December 2025.

Effective 1 January 2026, changes in loans in the statement of cash flows are classified within changes in operating assets and liabilities. Previously, such changes were classified as investing activities. Comparative figures have been reclassified accordingly, and a decrease of ISK 78 million in the loan portfolio, previously classified as investing activities, has been reclassified to changes in operating assets and liabilities.

4. Operating segments

An overview of operating segments is presented in the same manner as reported to the Board of Directors.
The Company operates within six segments that sell services and equipment in different markets. The operating segments are as follows:

Operating segment:	Description:
Mobile:	Revenue from mobile services domestic and abroad, whether traditional GSM service, satellite service or other mobile service.
Internet & network:	Revenue from data service, incl. xDSL service, GPON, Internet, IP net, local loop and access network.
TV:	Distribution of television content, subscriptions and use of the Company's media services.
Advertising:	Revenue in outdoor advertising and TV.
Equipment sales:	Revenue from sale of telco equipment.
Other revenue:	Financial technology and other activities not included in other segments.

Operating segments 1.1.-30.9.2026	Mobile	Internet & network	TV	Advertising	Equipment sales	Other revenues	Total
Revenue	5.434	6.284	5.354	1.965	1.288	2.126	22.451
Expenses							(17.551)
EBITDA							4.900
Depreciation							(2.977)
Net finance costs							(841)
Taxes							(239)
Net earnings for the period							843
Capital additions							(1.980)
Assets 30.9.2026							49.959
Liabilities 30.9.2026							33.078

Operating segments 1.1.-30.9.2025	Mobile	Internet & network	TV	Advertising	Equipment sales	Other revenues	Total
Revenue	5.265	6.221	5.385	1.776	1.121	1.663	21.431
Expenses							(16.387)
EBITDA							5.044
Depreciation							(2.899)
Net finance costs							(823)
Taxes							(351)
Net earnings for the period							971
Capital additions							(1.792)
Assets 30.9.2025							42.491
Liabilities 30.9.2025							25.380

5. Net sales

Sales of services and goods are specified as follows:

	2026 1.1.-30.9.	2025 1.1.-30.9.
Sales of service	18.561	17.943
Advertising sales	1.939	1.753
Sales of goods	1.399	1.212
	21.899	20.908

No customer comprises more than 10% of net sales.

6. Cost of sales

Cost of sales is specified as follows:

Salaries and related expenses	1.509	1.199
Cost of service sold	9.466	8.858
Cost of goods sold	1.244	1.076
Capitalised work	(176)	(129)
Depreciation cost of sold services	1.954	1.996
	13.997	13.000

Cost of services sold comprises material costs, service agreements, licence fees, purchased services and telecommunications costs.

7. Operating expenses

Operating expenses are specified as follows:

Salaries and related expenses	2.981	2.799
Marketing and sales expenses	507	501
Housing and transportation expenses	181	178
IT expenses	878	810
General and administrative expenses	884	633
Administrative fine and damages	77	461
Depreciation included in operating expenses	1.023	904
	6.531	6.286

8. Net finance costs

Finance income and finance costs are specified as follows:

Finance income		
Interest income	269	165
Interest income from loans	542	505
	811	670
Finance costs		
Interest on borrowings	(1.428)	(1.237)
Interest expense from lease liability	(132)	(125)
Loan write-downs	(79)	(72)
Other finance expenses	(106)	(74)
	(1.745)	(1.508)
Net exchange rate differences	93	15
Net financial costs	(841)	(823)

9. Other financial assets

Other financial assets are specified as follows:

	30.9.2026	31.12.2025
Investment in other companies	57	57
TV programs	166	468
Loans	793	346
Finance lease receivable from property sublease	150	0
Other financial assets total	1.166	871

10. Inventories

Inventories are specified as follows:

Goods for resale and operating supplies	858	724
TV programs	815	826
Inventory total	1.673	1.550

11. Accounts Receivable

Accounts receivable are specified as follows:

Accounts receivable	2.862	2.653
Allowances for doubtful accounts	(145)	(115)
Accounts receivable total	2.717	2.538

12. Loans

The loans comprise loans granted by the Company's subsidiaries, Síminn Pay ehf. and Greiðslumiðlun ehf., exclusively to individuals, with terms ranging from 1 to 60 months.

Loans 30.9.2026:	Gross carrying amount	Classified as non-current	Expected credit loss allowance	Loans current
Loans, from 1 - 60 months	2.327	(793)	(66)	1.468
Credit card, flexible payments	3.512	0	(139)	3.373
	5.839	(793)	(205)	4.841

Loans 31.12.2025:

Loans, from 1 - 36 months	1.599	(345)	(74)	1.180
Credit card, flexible payments	3.158	0	(134)	3.024
	4.757	(345)	(208)	4.204

13. Other assets

Other assets are specified as follows:

	30.9.2026	31.12.2025
Prepayments	1.023	724
Other current assets	1.098	1.009
Other assets total	2.121	1.733

14. Acquisition of subsidiaries

On 23 October 2025, Ásar hf. entered into an agreement to acquire 100% of the shares in Greiðslumiðlun Íslands ehf. The acquired company owns and operates Pei, a payment solutions provider, and Motus, a debt collection company. The acquisition will strengthen the Group's operations in financial technology and payment services. The acquisition was subject to approval by the Icelandic Competition Authority, which was subsequently obtained. The acquisition date was 1 July 2026. The purchase consideration amounted to ISK 2.830 million, after adjustments for net working capital, the Pei loan portfolio and net interest-bearing debt at the closing date. The consideration was paid in full in cash. Acquisition-related costs of ISK 72 million were recognised as an expense within operating expenses.

The purchase price allocation had not been finalised at the date of preparation of these interim financial statements. The provisional purchase price allocation is presented in the table below. In accordance with IFRS 3, adjustments to the provisional purchase price allocation may be made during the measurement period, which cannot exceed 12 months from the acquisition date.

Intangible assets and property, plant and equipment	658
Loans receivable	1.342
Trade and other receivables	214
Cash and cash equivalents	51
Total assets	2.265
Deferred tax liabilities	59
Interest-bearing liabilities	922
Trade and other payables	498
Total liabilities	1.478
Net identifiable assets acquired	787
Purchase price	2.830
Goodwill	2.043

15. Deferred tax

Analysis of movements in the net deferred tax balances during the period is as follows:	**30.9.2026**	**31.12.2025**
Deferred tax at the beginning of the year	629	686
Acquisition of subsidiaries	59	0
Income tax expensed for the period	239	485
Taxes to be paid	(521)	(542)
Deferred tax liability at the end of the period	406	629

16. Payables

Payables are specified as follows:

Payables	2.911	3.374
Accrued expenses	1.124	1.222
Payables total	4.035	4.596

Payables due in 12 months or more are classified as long-term liabilities.

17. Other liabilities

Other liabilities are specified as follows:

Accrued expenses	709	664
Salaries and related expenses	630	203
VAT	663	355
Other	39	1
Other liabilities total	2.041	1.223

18. Legal proceedings

On 15 September 2026, Síminn ehf., a subsidiary of Ásar hf., received a statement of objections from the Icelandic Competition Authority in connection with the Authority's investigation into the sale of telecommunications and television services through the Heimilispakkinn package by the company (then Síminn hf.). The Authority's preliminary assessment, as set out in the statement of objections, was that temporary promotional offers for Heimilispakkinn may have constituted predatory pricing, contrary to Article 11 of the Icelandic Competition Act and certain conditions imposed under the Icelandic Competition Authority's Decision No. 6/2015. The case concerns the period 2019–2021 and therefore relates to events that occurred five to seven years ago. Furthermore, the conditions imposed under Decision No. 6/2015 have been annulled by the Court of Appeal. The statement of objections does not constitute a binding administrative decision but forms part of the proceedings, allowing the company to submit explanations, comments and supporting documentation before a decision is made on how to proceed with the case. Síminn ehf. intends to submit its comments on the statement of objections.

The status of the following legal case has not changed since the publication of the 2025 financial statements.

On 8 January 2026, Ásar received a statement of objections from the Icelandic Competition Authority in connection with the acquisition of Noona Iceland. The Authority's preliminary assessment is that provisions of the Competition Act may have been infringed in relation to the information provided to the Authority during its review of the acquisition. The Authority has also raised concerns regarding the possible implementation of the merger before completion of its investigation. Ásar has responded to the statement of objections and has presented the Company's views.

Although the outcomes of the matters described above remain uncertain, management does not expect either matter to result in material financial consequences for the Company. No expenses have been recognised in the financial statements in respect of potential claims arising from these matters.

19. Events after reporting date

No events have occurred after the reporting date that have affected the interim financial statements.

Quarterly Statements

Summary of the Company's operating results by quarters:

	Q1 2026	Q2 2026	Q3 2026	Total
Net sales	7.058	7.194	7.647	21.899
Cost of sales	(4.637)	(4.636)	(4.724)	(13.997)
Gross profit	2.421	2.558	2.923	7.902
Other operating income	191	162	199	552
Operating expenses	(2.196)	(2.100)	(2.235)	(6.531)
Operating profit	416	620	887	1.923
Net finance costs	(180)	(281)	(380)	(841)
Profit before tax	236	339	507	1.082
Income tax	(65)	(70)	(104)	(239)
Profit for the period	171	269	403	843
EBITDA	1.362	1.599	1.939	4.900

	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Total
Net sales	7.003	7.017	6.888	7.090	27.998
Cost of sales	(4.526)	(4.375)	(4.099)	(4.288)	(17.288)
Gross profit	2.477	2.642	2.789	2.802	10.710
Other operating income	170	179	174	246	769
Operating expenses	(2.458)	(1.890)	(1.938)	(2.056)	(8.342)
Operating profit	189	931	1.025	992	3.137
Net finance costs	(321)	(257)	(245)	(238)	(1.061)
Profit before tax	(132)	674	780	754	2.076
Income tax	(56)	(137)	(158)	(134)	(485)
Profit for the period	(188)	537	622	620	1.591
EBITDA	1.272	1.924	1.848	1.916	6.960