Condensed Consolidated Interim Financial Statements

1 January to 30 June 2026

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

Contents

Endorsement and Statement by the Board of Directors and the CEO

The Condensed Consolidated Interim Financial Statements of Síminn hf. and its subsidiaries (together referred to as "Síminn" or the "Company") for the period 1 January to 30 June 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 six months of the year amounted to ISK 440 million, compared to a profit of ISK 349 million for the same period in 2025. Total revenue for the period amounted to ISK 14.605 million according to the Income Statement, compared to ISK 14.369 million for the same period in 2025. Total assets amounted to ISK 44.999 million and total equity amounted to ISK 16.739 million according to the Statement of Financial Position. The Company's equity ratio was 37,2%.

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 transaction 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 Síminn, 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 approval by the Icelandic Competition Authority.

The Annual General Meeting of Síminn approved on 12 March 2026 a share capital decrease to cancel out own shares which amounted to ISK 75 million in nominal value. The same Annual General Meeting approved a share buyback program allowing buyback for up to ISK 240 million in nominal value and a proposal to pay ISK 500 million in dividend to shareholders, the dividend was paid on 30 March 2026. Based on the approval of the Annual General Meetings in 2025 and 2026 the Company has in the period purchased own shares for nominal value ISK 27 million, market value ISK 326 million. For further information, reference is made to the Consolidated Statement of Changes in Equity.

On 12 March, Síminn hf. and Sýn hf. reached an agreement on the principal terms for the potential acquisition by Síminn of Sýn’s web and radio media operations. The term sheet outlines the key assumptions underlying the transaction and assumes a total enterprise value of ISK 5.250 million for the business, with annual revenues of approximately ISK 3.000 million. Under the term sheet, the parties have undertaken to work towards the execution of a share purchase agreement based on the terms set out therein. The transaction is subject to the outcome of due diligence, agreement on a final purchase agreement, approval by the boards of both parties, and the approval of the relevant regulatory authorities.

The Financial Supervisory Committee of the Central Bank of Iceland decided to fine Síminn ISK 76.5 million on the grounds that Síminn 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. Síminn 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 has therefore recognised the amount as an expense.

On July 1, 2026, Síminn completed the acquisition of Greiðslumiðlun Íslands ehf. (GMÍ). The purchase price amounted to ISK 2.825 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.

Work has been underway on a revised Group structure, including the transfer of the telecommunications and media operations into a new subsidiary. These changes took effect on July 1, 2026. The parent company of the Group will be named Ásar, subject to approval at a shareholders’ meeting to be held on August 20. The parent company will provide specified support services to its subsidiaries and support the development of the Group as a whole.

On July 9, 2026, loan agreements were signed with Landsbankinn for the refinancing of Síminn 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 older loans of Síminn. The new loan agreements provide the growing Síminn Group with increased access to funding, greater flexibility in its financing structure and more favourable terms. Síminn will continue to consider market-based financing. On March 11, 2026, Síminn issued bonds amounting to ISK 4.4 billion (SIMINN 29-1). The proceeds from the issuance were partly used to repay bonds amounting to ISK 3.0 billion (SIMINN 26-1), which matured on June 30, 2026.

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 Síminn 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 Síminn hf. for the six months ended 30 June 2026, its assets, liabilities and consolidated financial position as at 30 June 2026 and its consolidated cash flows for the six month period ended 30 June 2026. Further, in our opinion the Condensed Consolidated Interim Financial Statements give a fair view of the development and performance of Síminn's operations and its position and describe the principal risks and uncertainties faced by Síminn hf.

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

Reykjavík, 19 August 2026

Board of Directors

Jón Sigurðsson, Chairman

Sigrún Ragna Ólafsdóttir, vice chairman

Arnar Þór Másson

Bjarni Þorvarðarson

Valgerður Halldórsdóttir

CEO

María Björk Einarsdóttir

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

	Notes	2026 1.4.-30.6.	2025 1.4.-30.6.	2026 1.1.-30.6.	2025 1.1.-30.6.
Net sales	5	7.194	7.017	14.252	14.020
Cost of sales	6	(4.636)	(4.375)	(9.273)	(8.901)
Gross profit		2.558	2.642	4.979	5.119
Other operating income		162	179	353	349
Operating expenses	7	(2.100)	(1.890)	(4.296)	(4.348)
Operating profit (EBIT)		620	931	1.036	1.120
Finance income		274	238	518	430
Finance costs		(552)	(505)	(1.014)	(1.022)
Net exchange rate differences		(3)	10	35	14
Net finance costs	8	(281)	(257)	(461)	(578)
Profit before tax		339	674	575	542
Income tax		(70)	(137)	(135)	(193)
Profit for the period		269	537	440	349
EBITDA	4	1.599	1.924	2.961	3.196

Earnings per share

Basic earnings per share		0,12	0,22	0,19	0,14
Diluted earnings per share		0,12	0,22	0,19	0,14

The notes on pages 8 to 12 are an integral part of these consolidated financial statements

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Consolidated Statement of Financial Position as at 30 June 2026

	Notes	30.6.2026	31.12.2025
Assets			
Non-current assets			
Property, plant and equipment		3.566	3.555
Right-of-use assets		2.016	1.843
Intangible assets		26.425	27.048
Other financial assets	9	538	871
Non-current assets		32.545	33.317
Current assets			
Inventories	10	1.843	1.550
Accounts receivable	11	2.479	2.538
Loans (Síminn Pay)	12	3.995	4.204
Other assets	13	2.072	1.733
Cash and cash equivalents		2.065	980
Current assets		12.454	11.005
Total assets		44.999	44.322
Equity			
Share capital		2.304	2.331
Statutory reserve		583	583
Other reserve		1.661	1.390
Retained earnings		12.191	12.797
Equity		16.739	17.101
Liabilities			
Non-current liabilities			
Borrowings		17.576	13.127
Lease liabilities		1.733	1.573
Accounts payable		630	734
Deferred tax liabilities	14	650	629
Non-current liabilities		20.589	16.063
Current liabilities			
Bank loans		1.056	1.401
Accounts payables	15	4.045	4.596
Current maturities of borrowings		0	3.000
Current maturities of lease liabilities		427	396
Taxes to be paid		548	542
Other liabilities	16	1.595	1.223
Current liabilities		7.671	11.158
Total liabilities		28.260	27.221
Total equity and liabilities		44.999	44.322

The notes on pages 8 to 12 are an integral part of these consolidated financial statements

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Consolidated Statement of Changes in Equity 1 January to 30 June 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				349	349
Payment of dividends (0,2 per share)				(498)	(498)
Buyback of ordinary shares	(78)	(19)		(974)	(1.071)
Transfer to restricted reserve			227	(227)	0
Share option charge				21	21
Total equity 30.6.2025	2.405	602	1.055	12.855	16.917
Total equity 1.1.2026	2.331	583	1.390	12.797	17.101
Net profit for the period				440	440
Payment of dividends (0,2 per share)				(500)	(500)
Buyback of ordinary shares	(27)			(299)	(326)
Transfer to restricted reserve			271	(271)	0
Share option charge				24	24
Total equity 30.6.2026	2.304	583	1.661	12.191	16.739

The notes on pages 8 to 12 are an integral part of these consolidated financial statements

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Consolidated Statement of Cash Flow 1 January to 30 June 2026

	Notes	2026 1.4.-30.6.	2025 1.4.-30.6.	2026 1.1.-30.6.	2025 1.1.-30.6.*
Cash flow from operating activities					
Operating profit		620	931	1.036	1.120
Operational items not affecting cash flow:					
Depreciation		979	993	1.925	2.076
Gain on sale of fixed assets		0	(4)	0	(4)
Other items not affecting cash flow		12	10	24	21
		1.611	1.930	2.985	3.213
Changes in current assets and liabilities:					
Changes in inventories		(19)	10	(62)	20
Changes in operating assets		(65)	160	(244)	(349)
Changes in loans (Síminn Pay)		92	42	298	25
Changes in operating liabilities		(157)	(328)	25	49
Changes in current assets and liabilities		(149)	(116)	17	(255)
Cash generated from operating activities		1.462	1.814	3.002	2.958
Interest income received		262	233	482	417
Interest expenses paid		(558)	(541)	(986)	(961)
Payments of taxes		(64)	(70)	(107)	(123)
Net cash from operating activities		1.102	1.436	2.391	2.291
Investing activities					
Investment in property, plant and equipment		(197)	(230)	(572)	(593)
Investment in intangible assets		(541)	(466)	(793)	(650)
Proceeds from sale of property, plant and equipment		1	7	4	7
Investment in loan portfolio		0	0	0	(1.429)
Investment activities		(737)	(689)	(1.361)	(2.665)
Financing activities					
Dividend paid		0	0	(500)	(498)
Buyback of ordinary shares		(262)	(546)	(326)	(1.071)
New borrowings		0	1.200	4.440	2.700
Payments of non-current liabilities		(1.660)	(107)	(3.000)	(214)
Payment of long term lease		(111)	(90)	(211)	(177)
Change in short-term borrowings		(345)	(849)	(345)	(449)
Financing activities		(2.378)	(392)	58	291
Increase (decrease) in cash and cash equivalents		(2.013)	355	1.088	(83)
Effect of exchange rate fluctuations on cash held		0	(4)	(3)	(8)
Cash and cash equivalents at the beginning of the period		4.078	393	980	835
Cash and cash equivalents at the end of the period		2.065	744	2.065	744

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

The notes on pages 8 to 12 are an integral part of these consolidated financial statements

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Notes to the Consolidated Financial Statements

1. Reporting entity

Síminn 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 six months ended 30 June 2026 comprise the Company and its subsidiaries (together referred to as "Síminn" or the "Company"). The subsidiaries are Síminn Pay ehf., Radíómiðun ehf., Billboard ehf., BBI ehf. and Noona Iceland ehf.

The Company's core operations are in the fields of telecommunications, fintech, and media.

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.siminn.is, and in the company news release distribution network of Nasdaq Nordic: www.nasdaqomxnordic.com.

These interim financial statements were authorised for issue by the Company's board of directors on August 19, 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 25 million in the loan portfolio, previously classified as investing activities, has been reclassified to changes in operating assets and liabilities.

Notes to the Consolidated Financial Statements

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:	Revenue from other telecommunications services and financial services.

Operating segments 1.1.-30.6.2026	**Mobile**	**Internet & network**	**TV**	**Advertising**	**Equipment sales**	**Other revenues**	**Total**
Revenue	3.496	4.184	3.623	1.312	903	1.087	14.605
Expenses							(11.644)
EBITDA							2.961
Depreciation							(1.925)
Net finance costs							(461)
Taxes							(135)
Net earnings for the period							440
Capital additions							(1.361)
Assets 30.6.2026							44.999
Liabilities 30.6.2026							28.260

Operating segments 1.1.-30.6.2025	**Mobile**	**Internet & network**	**TV**	**Advertising**	**Equipment sales**	**Other revenues**	**Total**
Revenue	3.428	4.152	3.723	1.167	792	1.107	14.369
Expenses							(11.173)
EBITDA							3.196
Depreciation							(2.076)
Net finance costs							(578)
Taxes							(193)
Net earnings for the period							349
Capital additions							(1.236)
Assets 30.6.2025							42.006
Liabilities 30.6.2025							25.089

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Notes to the Consolidated Financial Statements

5. Net sales

Sales of services and goods are specified as follows:

	2026 1.1.-30.6.	2025 1.1.-30.6.
Sales of service	11.974	12.016
Advertising sales	1.296	1.153
Sales of goods	982	851
	14.252	14.020

No customer comprises more than 10% of net sales.

6. Cost of sales

Cost of sales is specified as follows:

Salaries and related expenses	886	827
Cost of service sold	6.341	5.926
Cost of goods sold	872	754
Capitalised work	(100)	(87)
Depreciation cost of sold services	1.274	1.481
	9.273	8.901

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	2.068	1.875
Marketing and sales expenses	332	324
Housing and transportation expenses	124	128
IT expenses	586	534
General and administrative expenses	458	431
Administrative fine and damages	77	461
Depreciation included in operating expenses	651	595
	4.296	4.348

8. Net finance costs

Finance income and finance costs are specified as follows:

Finance income		
Interest income	192	108
Interest income from loans	326	322
	518	430
Finance costs		
Interest on borrowings	(887)	(821)
Interest expense from lease liability	(82)	(84)
Loan write-downs	(13)	(55)
Other finance expenses	(32)	(62)
	(1.014)	(1.022)
Net exchange rate differences	35	14
Net financial costs	(461)	(578)

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Notes to the Consolidated Financial Statements

9. Other financial assets

Other financial assets are specified as follows:	30.6.2026	31.12.2025
Investment in other companies	57	57
TV programs	237	468
Loans (Síminn Pay)	244	346
Other financial assets total	538	871

10. Inventories

Inventories are specified as follows:

Finished goods	941	724
TV programs	902	826
Inventory total	1.843	1.550

11. Accounts Receivable

Accounts receivable are specified as follows:

Accounts receivable	2.600	2.653
Allowances for doubtful accounts	(121)	(115)
Accounts receivable total	2.479	2.538

12. Loans (Síminn Pay)

The loans comprise loans granted by the Company's subsidiary, Síminn Pay ehf., exclusively to individuals, with terms ranging from 1 to 36 months.

Loans 30.6.2026:	Gross carrying amount	Classified as non-current	Loss allowance	Loans current
Loans, from 1 - 36 months	1.097	(244)	(56)	797
Credit card, flexible payments	3.314	0	(116)	3.198
	4.411	(244)	(172)	3.995

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:	30.6.2026	31.12.2025
Prepayments	1.055	724
Other current assets	1.017	1.009
Other assets total	2.072	1.733

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Notes to the Consolidated Financial Statements

14. Deferred tax

Analysis of movements in the net deferred tax balances during the period is as follows:

	30.6.2026	31.12.2025
Deferred tax at the beginning of the year	629	686
Income tax expensed for the period	135	485
Taxes to be paid	(114)	(542)
Deferred tax liability at the end of the period	650	629

15. Payables

Payables are specified as follows:

Payables	2.985	3.374
Accrued expenses	1.060	1.222
Payables total	4.045	4.596

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

16. Other liabilities

Other liabilities are specified as follows:

Accrued expenses	767	664
Salaries and related expenses	465	203
VAT	362	355
Other	1	1
Other liabilities total	1.595	1.223

17. Legal proceedings

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

Síminn has 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 Competition Authority during its review of the merger. The Authority has also raised concerns regarding the possible implementation of the merger before completion of its investigation. Síminn has responded to the statement of objections and has presented the Company's views.

Despite the uncertain nature of the outcome of this case, it is management's opinion that the case will not result in substantial financial cost. The Company has not recognised any expense in its financial statements in respect of potential claims related to the aforementioned matter.

18. Events after reporting date

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

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Quarterly Statements

Summary of the Company's operating results by quarters:

	Q1 2026	Q2 2026	Total
Net sales	7.058	7.194	14.252
Cost of sales	(4.637)	(4.636)	(9.273)
Gross profit	2.421	2.558	4.979
Other operating income	191	162	353
Operating expenses	(2.196)	(2.100)	(4.296)
Operating profit	416	620	1.036
Net finance costs	(180)	(281)	(461)
Profit (loss) before tax	236	339	575
Income tax	(65)	(70)	(135)
Profit (loss) for the period	171	269	440
EBITDA	1.362	1.599	2.961

	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

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