



Condensed Consolidated Interim Financial Statements

1 January to 31 March 2026

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

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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 31 March 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 three months of the year amounted to ISK 171 million, compared to a loss of ISK 188 million for the same period in 2025. Total sales for the period amounted to ISK 7.249 million according to the Income Statement, compared to ISK 7.173 million for the same period in 2025. Total assets amounted to ISK 47.174 million and total equity amounted to ISK 16.720 million according to the Statement of Financial Position. The Company's equity ratio was 35,4%.

On 23 October, an agreement was signed to acquire all shares in Greiðslumiðlun Íslands ehf. (GMÍ). The total enterprise value of GMÍ in the transaction amounts to ISK 3,500 million. On 18 December, 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.

Work is underway on a revised group structure, including the transfer of the telecommunications and media operations into a new subsidiary. The parent company of the Group will be named Ásar.

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.

On 11 March, Síminn completed the issuance of a new bond series, SIMINN 29 1. Bids totalling ISK 4.440 million in nominal value were accepted at a spread of 1.30% over 1M REIBOR.

The Financial Supervisory Committee of the Central Bank of Iceland concluded that Síminn should be fined ISK 76.5 million on the basis that the authority considered that Síminn had not published alleged inside information, nor made a decision to delay the publication of alleged inside information, on 31 August 2021 in connection with the sale of its subsidiary Míla ehf. Síminn appealed the decision to the District Court of Reykjavik seeking to have the decision annulled, but the District Court acquitted the Central Bank. Síminn appealed the judgment to the Court of Appeal, and the Court of Appeal acquitted the Central Bank in a judgment delivered on 12 February 2026. On 10 April the Supreme Court rejected the Company's application for leave to appeal. The Company has therefore recognised the amount as an expense in profit or loss.

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 Meeting in 2025 the Company has in the period purchased own shares for nominal value ISK 5 million, market value ISK 64 million.

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 three months ended 31 March 2026, its assets, liabilities and consolidated financial position as at 31 March 2026 and its consolidated cash flows for the three month period ended 31 March 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.

Endorsement and Statement by the Board of Directors and the CEO

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 31 March 2026 and confirm them by means of their signatures.

Reykjavík, 28 April 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 31 March 2026

	Notes	2026 1.1.-31.3.	2025 1.1.-31.3.
Net sales	5	7.058	7.003
Cost of sales	6	(4.637)	(4.526)
Gross profit		2.421	2.477
Other operating income		191	170
Operating expenses	7	(2.196)	(2.458)
Operating profit (EBIT)		416	189
Finance income		244	192
Finance costs		(462)	(517)
Net exchange rate differences		38	4
Net finance costs	8	(180)	(321)
Profit (loss) before tax		236	(132)
Income tax	9	(65)	(56)
Profit (loss) for the period		<u>171</u>	<u>(188)</u>
EBITDA	4	1.362	1.272
Earnings per share			
Basic earnings per share		0,07	(0,08)
Diluted earnings per share		0,07	(0,08)

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

Consolidated Statement of Financial Position as at 31 March 2026

	Notes	31.3.2026	31.12.2025
Assets			
Non-current assets			
Property, plant and equipment		3.662	3.555
Right-of-use assets		1.909	1.843
Intangible assets		26.585	27.048
Other financial assets	9	818	871
Non-current assets		<u>32.974</u>	<u>33.317</u>
Current assets			
Inventories	10	1.593	1.550
Accounts receivables	11	2.371	2.538
Loans (Síminn Pay)	12	4.055	4.204
Other assets	13	2.103	1.733
Cash and cash equivalents		4.078	980
Current assets		<u>14.200</u>	<u>11.005</u>
Total assets		<u><u>47.174</u></u>	<u><u>44.322</u></u>
Equity			
Share capital		2.326	2.331
Statutory reserve		583	583
Other reserve		1.502	1.390
Retained earnings		12.309	12.797
Equity		<u>16.720</u>	<u>17.101</u>
Liabilities			
Non-current liabilities			
Borrowings		17.571	13.127
Lease liabilities		1.645	1.573
Accounts payables		753	734
Deferred tax liabilities	14	583	629
Non-current liabilities		<u>20.552</u>	<u>16.063</u>
Current liabilities			
Bank loans		1.401	1.401
Accounts payables	15	4.247	4.596
Current maturities of borrowings		1.660	3.000
Current maturities of lease liabilities		398	396
Taxes to be paid		611	542
Other liabilities	16	1.585	1.223
Current liabilities		<u>9.902</u>	<u>11.158</u>
Total liabilities		<u>30.454</u>	<u>27.221</u>
Total equity and liabilities		<u><u>47.174</u></u>	<u><u>44.322</u></u>

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

Consolidated Statement of Changes in Equity 1 January to 31 March 2026

	Share capital	Other statutory reserve	Translation- and other reserve	Retained earnings	Total equity
Total equity 1.1.2025	2.483	621	828	14.184	18.116
Net profit (loss) for the period .....			(	188)	(188)
Payment of dividends (0,2 per share) .....			(	498)	(498)
Buyback of ordinary shares	(38)	(9)	(	478)	(525)
Other changes			91	(91)	0
Share option charge				11	11
Total equity 31.3.2025	<u>2.445</u>	<u>612</u>	<u>919</u>	<u>12.940</u>	<u>16.916</u>
Total equity 1.1.2026	2.331	583	1.390	12.797	17.101
Net profit for the period				171	171
Payment of dividends (0,2 per share) .....			(	500)	(500)
Buyback of ordinary shares	(5)		(	59)	(64)
Other changes			112	(112)	0
Share option charge				12	12
Total equity 31.3.2026	<u>2.326</u>	<u>583</u>	<u>1.502</u>	<u>12.309</u>	<u>16.720</u>

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

Consolidated Statement of Cash Flow 1 January to 31 March 2026

	Notes	2026	2025
		1.1.-31.3.	1.1.-31.3.*
Cash flow from operating activities			
Operating profit		416	189
Operational items not affecting cash flow:			
Depreciation		946	1.083
Other items not affecting cash flow		12	11
		<u>1.374</u>	<u>1.283</u>
Changes in current assets and liabilities:			
Changes in inventories .....	(	43)	10
Changes in operating assets .....	(	179)	(509)
Changes in loans (Síminn Pay)		206	(17)
Changes in operating liabilities		182	377
		<u>166</u>	<u>(139)</u>
		<u>1.540</u>	<u>1.144</u>
Interest income received		220	184
Interest expenses paid .....	(	428)	(420)
Payments of taxes .....	(	43)	(53)
		<u>1.289</u>	<u>855</u>
Investing activities			
Investment in property, plant and equipment .....	(	375)	(363)
Investment in intangible assets .....	(	252)	(184)
Proceeds from sale of property, plant and equipment		3	0
Investment in loan portfolio		0	(1.429)
		<u>(624)</u>	<u>(1.976)</u>
Financing activities			
Dividend paid .....	(	500)	(498)
Buyback of ordinary shares .....	(	64)	(525)
New borrowings		4.440	1.500
Payments of non-current liabilities .....	(	1.340)	(107)
Payment of long term lease .....	(	100)	(87)
Bank loans, decrease		0	400
		<u>2.436</u>	<u>683</u>
Increase (decrease) in cash and cash equivalents		3.101	(438)
Effect of exchange rate fluctuations on cash held .....	(	3)	(4)
Cash and cash equivalents at the beginning of the period		980	835
		<u>4.078</u>	<u>393</u>

* 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

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 three months ended 31 March 2026 comprise the Company and its subsidiaries (together referred to as "Síminn" or the "Company"). The subsidiaries are Síminn Pay ehf., Radiómiðun 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 April 28, 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 restated accordingly, and an increase of ISK 17 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:	Revenues from TV content, subscriptions, traffic and advertising on the company's media platform.
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.-31.3.2026	Internet &		TV	Advertising	Equipment sales	Other revenues	Total
	Mobile	network					
Revenue	1.704	2.099	1.847	607	450	542	7.249
Expenses							(5.887)
EBITDA							1.362
Depreciation							(946)
Net finance costs							(180)
Taxes							(65)
Net earnings for the period							171
Capital additions							(624)
Assets 31.3.2026							47.174
Liabilities 31.3.2026							30.454

Operating segments 1.1.-31.3.2025	Internet &		TV	Advertising	Equipment sales	Other revenues	Total
	Mobile	network					
Revenue	1.685	2.067	1.901	563	415	542	7.173
Expenses							(5.901)
EBITDA							1.272
Depreciation							(1.083)
Net finance costs							(321)
Taxes							(56)
Net earnings for the period							(188)
Capital additions							(547)
Assets 31.3.2025							42.135
Liabilities 31.3.2025							25.219

Notes to the Consolidated Financial Statements

5. Net sales

Sales of services and goods is specified as follows:

	2026	2025
	1.1.-31.3.	1.1.-31.3.
Sales of service	5.972	6.012
Advertising sales	597	551
Sales of goods	489	440
	<u>7.058</u>	<u>7.003</u>

No customer comprises more than 10% of net sales.

6. Cost of sales

Cost of sales is specified as follows:

Salaries and related expenses	453	421
Cost of service sold	3.171	2.968
Cost of goods sold	434	395
Capitalised work	(49)	(46)
Depreciation cost of sold services	628	788
	<u>4.637</u>	<u>4.526</u>

Cost of service sold consists of; material costs, service contracts, license fees, purchased services and telecommunications costs.

7. Operating expenses

Operating expenses are specified as follows:

Salaries and related expenses	1.047	959
Marketing and sales expenses	159	174
Housing and transportation expenses	72	74
IT-Expenses	295	257
General and administrative expenses	228	239
Administrative fine and damages	77	461
Depreciation operating expenses	318	294
	<u>2.196</u>	<u>2.458</u>

8. Net finance costs

Finance income and finance costs are specified as follows:

Finance income

Interest income	77	52
Interest income from loans	167	140
	<u>244</u>	<u>192</u>

Finance costs

Interest on borrowings	(407)	(397)
Interest expense from lease liability	(40)	(42)
Loan write-downs	4	(30)
Other finance expenses	(19)	(48)
	<u>(462)</u>	<u>(517)</u>

Net exchange rate differences	38	4
Net financial costs	<u>(180)</u>	<u>(321)</u>

Notes to the Consolidated Financial Statements

9. Other financial assets

Other financial assets are specified as follows:	31.3.2026	31.12.2025
Investment in other companies	57	57
TV programs	468	468
Loans (Síminn Pay)	293	346
Other financial assets total	<u>818</u>	<u>871</u>

10. Inventories

Inventories are specified as follows:

Finished goods	851	724
TV programs	742	826
Inventory total	<u>1.593</u>	<u>1.550</u>

11. Accounts Receivables

Accounts receivables are specified as follows:

Accounts receivables	2.491	2.653
Allowances for doubtful accounts	(120)	(115)
Accounts receivables total	<u>2.371</u>	<u>2.538</u>

12. Loans (Síminn Pay)

Loans consist of loans from Company's subsidiary, Síminn Pay ehf. They are loans to individuals, between 1-36 months.

	Gross carrying amount	Moved to Non- current	Loss allowance	Loans current
Loans 31.3.2026:				
Loans, from 1 - 36 months	1.370	(293)	(77)	1.000
Creditcard, flexible payments	3.162	0	(107)	3.055
	<u>4.532</u>	<u>(293)</u>	<u>(184)</u>	<u>4.055</u>
Loans 31.12.2025:				
Loans, from 1 - 36 months	1.599	(345)	(74)	1.180
Creditcard, flexible payments	3.158	0	(134)	3.024
	<u>4.757</u>	<u>(345)</u>	<u>(208)</u>	<u>4.204</u>

13. Other assets

Other assets are specified as follows:	31.3.2026	31.12.2025
Prepayments	1.154	724
Other current assets	949	1.009
Other assets total	<u>2.103</u>	<u>1.733</u>

Notes to the Consolidated Financial Statements

14. Deferred tax

Analysis of movements in the net deferred tax balances during the period is as follows:	31.3.2026	31.12.2025
Deferred tax at the beginning of the year.....	629	686
Income tax posted to the income statement.....	65	485
Taxes to be paid.....	(111)	(542)
Deferred tax liability at the end of the period.....	<u>583</u>	<u>629</u>

15. Payables

Payables are specified as follows:

Payables	3.112	3.374
Accrued expenses	<u>1.135</u>	<u>1.222</u>
Payables total	<u>4.247</u>	<u>4.596</u>

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

16. Other liabilities

Other liabilities are specified as follows:

Accrued expenses	762	664
Salaries and related expenses	442	203
VAT	378	355
Other	<u>3</u>	<u>1</u>
Other liabilities total	<u>1.585</u>	<u>1.223</u>

17. Legal proceedings

The Financial Supervisory Committee of the Central Bank of Iceland concluded that Síminn should be fined ISK 76.5 million on the basis that the authority considered that Síminn had not published alleged inside information, nor made a decision to delay the publication of alleged inside information, on 31 August 2021 in connection with the sale of its subsidiary Míla ehf. Síminn appealed the decision to the District Court of Reykjavík seeking to have the decision annulled, but the District Court acquitted the Central Bank. Síminn appealed the judgment to the Court of Appeal, and the Court of Appeal acquitted the Central Bank in a judgment delivered on 12 February 2026. On 10 April the Supreme Court rejected the Company's application for leave to appeal. The Company has therefore recognised the amount as an expense in profit or loss.

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 issues regarding non-compliance with the possible implementation of the merger prior to the 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

There are no subsequent events to report.

Quarterly Statements

Summary of the Company's operating results by quarters:

	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026
Net sales	7.003	7.017	6.888	7.090	7.058
Cost of sales	(4.526)	(4.375)	(4.099)	(4.288)	(4.637)
Gross profit	2.477	2.642	2.789	2.802	2.421
Other operating income	170	179	174	246	191
Operating expenses	(2.458)	(1.890)	(1.938)	(2.056)	(2.196)
Operating profit	189	931	1.025	992	416
Net finance costs	(321)	(257)	(245)	(238)	(180)
Profit before tax	(132)	674	780	754	236
Income tax	(56)	(137)	(158)	(134)	(65)
Profit for the period	(188)	537	622	620	171
EBITDA	1.272	1.924	1.848	1.916	1.362