Condensed
Interim Financial Statement
January 1st - June 30th 2026

Landsnet hf.
Gylfaflöt 9
112 Reykjavík

Reg.no. 580804-2410

Contents

Report of the Board of Directors and the CEO

The role of Landsnet is to administer the transmission of electricity and system operation in accordance with the provisions of Chapter III of the Electricity Act No. 65/2003.

The Interim Financial Statements are prepared in accordance with IAS 34 Interim Financial Reporting.

Profit of the period amounted to 20.1 million USD compared to 11.5 million USD in prior year period. The company's equity at the end of the period amounted to USD 662.7 million USD, of which share capital was 45.5 million USD.

Share capital at the end of June 2026 is divided between two shareholders:

	Share
Icelandic State	93.22%
Orkuveita Reykjavíkur	6.78%

Operational year and outlook

Profit for the first six months of the year amounted to USD 20.1 million. The Company's operations remain strong and in line with expectations. Profit for the period was higher than in the corresponding period of the previous year, primarily due to credit notes issued at the beginning of 2025 in connection with the reimbursement of electricity charges for feeding electricity (feed-in) into the grid. The reimbursement amounted to approximately USD 22.4 million, plus interest. The reimbursement followed a ruling by the Supreme Court in Case No. 2/2024, agreements with the parties concerned, and consultation with the National Energy Regulatory Authority.

In October 2025, a malfunction occurred at Norðurál's aluminium smelter at Grundartangi, resulting in a reduction of approximately two-thirds in Norðurál's aluminium production. The impact of the incident on Landsnet was limited in 2025, although uncertainty remained regarding its impact on the Company's 2026 financial year, as the timing of the plant's return to full production capacity was unknown. In April, Norðurál commenced restarting the affected potlines in accordance with a scheduled plan. The ramp-up has progressed well; further details are provided in Note 16.

The Company's operations remain stable and are based on a clearly defined regulatory framework established under the Electricity Act. This framework includes provisions governing the calculation of allowed revenues, which are determined through revenue caps. During the first half of 2026, the National Energy Regulatory Authority was preparing two major decisions relating to the Company's revenue allowances and financial performance. A special expert committee was expected to submit an opinion on the review of Landsnet's allowed rate of return for the coming years. A decision was expected in early May; however, a final decision has yet to be published. The National Energy Regulatory Authority also announced that it would impose an efficiency requirement on concession-based companies engaged in the transmission and distribution of electricity, with a decision originally expected in early July 2026. The decision on the efficiency requirement has been postponed following the Authority's comprehensive assessment of the methodology and underlying data used in the analysis, as well as its consideration of comments submitted by the companies concerned. The Authority has announced increased consultation with the concession-based companies regarding benchmarking and analysis. This work is expected to commence in the autumn, although its completion date remains uncertain. The regulatory environment for concession-based companies in the energy sector has remained stable for a considerable period. Given the challenges ahead in operating and developing the transmission system, clear rules and regulatory predictability are essential foundations for sound decision-making. This also supports transparency and provides a clear framework for decisions that promote cost-effectiveness and efficiency for system

Work on Landsnet's strategy for the coming years is ongoing, with key priorities focused on efficiently connecting power generation and customers to the transmission system while simultaneously strengthening the underlying infrastructure. The reliability and resilience of the electricity system are critical, and Landsnet is therefore placing strong emphasis on system analysis and digital solutions. The Company also aims to strengthen collaboration with stakeholders and participants in the electricity market.

At the Company's Annual General Meeting in March 2026, a new dividend policy for Landsnet was approved. The policy is based on an annex to the general ownership policy applicable to companies owned by the Icelandic state. It sets out guidelines regarding the profitability, capital structure and dividend payments of state-owned companies. Landsnet's dividend policy is available on the Company's website.

Landsnet's role in operating and developing critical energy infrastructure is clearly defined by law. Cost-effectiveness and efficiency must underpin infrastructure development decisions while ensuring the required levels of system security and transmission capacity.

Report of the Board of Directors and the CEO, continued:

Statement of the Board of Directors and the CEO

According to the best knowledge of the Board of Director's and the CEO's, the Interim Financial Statements are in accordance with the International Financial Reporting Standards as adopted by the EU and it is the Board's and CEO's opinion that the Interim Financial Statements give a true an fair view of the financial performance of the Company for the six month period ended 30 June 2026, its assets, liabilities and financial position as at 30 June 2026 and its cash flow for the period then ended.

Further, in our opinion the financial statements and the endorsement 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 describes the principal risks and uncertainties faced by the Company.

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

Reykjavík, 20. ágúst 2026.

The Board of Directors:

Haraldur Flosi Tryggvason Klein

Kristján Arinbjarnar

Ruth Elfarsdóttir

Stefán Pétursson

Harpa Þuríður Böðvarsdóttir

CEO:

Ragna Árnadóttir

Independent Auditors' Review Report

To the Board of Directors and Shareholders of Landsnet hf.

We have on behalf of The Icelandic National Audit Office, reviewed the accompanying Condensed Interim Financial Statements of Landsnet hf., which comprise the endorsement by the Board of Directors and the CEO, the income statement, statement of comprehensive income, statement of financial position, statement of changes in equity and cash flow statement for the six-month period then ended, and a summary of accounting policies and other explanatory notes.

Management´s responsibility for the financial statements
The Board of Directors and CEO are responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with IAS 34 as adopted by the EU.

Auditor´s responsibility
Our responsibility is to express an opinion on these Condensed Interim Financial Statements.

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

Conclusion
Based on our review, nothing has come to our attention that causes us to believe that the Condensed Interim Financial Statements does not give a true and fair view of the financial position of Landsnet hf. as at June 30, 2026, and of its financial performance and its cash flows for the six-month period then ended in accordance with International Financial Reporting Standard, IAS 34, as adopted by the EU.

Reykjavík, 20. ágúst 2026.

Deloitte ehf.

Gunnar Þorvarðarson
Certified Public Accountant

Berglind Klara Daníelsdóttir
Certified Public Accountant

Income Statement
for the period from 1 january - 30 June 2026

	Notes	1.1-30.6.2026	1.1-30.6.2025
Operating revenue			
Transmission	5	99,166	90,298
Other income		606	1,459
		99,772	91,757
Operating expenses			
Energy procurement costs	6	13,100	19,808
Transmission costs	7	35,190	31,172
System operation	7	2,897	2,614
Other operating expenses	7	12,333	10,159
		63,520	63,753
Operating profit		36,252	28,004
Financial income		1,196	1,935
Financial expenses		(12,171)	(15,468)
Net financial expenses	8	(10,975)	(13,533)
Share in net earnings of subsidiary and associated company		(122)	(40)
Profit before income tax		25,155	14,431
Income tax	9	(5,055)	(2,898)
Profit for the period		20,100	11,533
Earnings per share:			
Basic and diluted earnings per each USD 1 share		0.44	0.25

Notes no. 1 to 17 are an integral part of these financial statements.

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Statement of Comprehensive Income
for the period from 1 january - 30 June 2026

	Notes	1.1-30.6.2026	1.1-30.6.2025
Profit of the period		20,100	11,533
Other comprehensive income:			
Translation difference due to subsidiaries and associated companies		(132)	257
Site restoration provision after income tax, change		(190)	(330)
Total other comprehensive income		(322)	(73)
Comprehensive income for the period		19,778	11,460

Notes no. 1 to 17 are an integral part of these financial statements.

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Statement of Financial Position as at 30 June 2026

	Notes	30.6.2026	31.12.2025
Assets			
Fixed assets in operation	7.10	1,116,064	1,104,847
Projects under construction	10	177,545	150,011
Intangible assets	11	11,876	17,920
Investment in associated company		6,037	5,797
Long-term note	15	6,015	5,679
Non-current assets		1,317,537	1,284,254
Inventories		6,146	6,067
Trade and other receivables		38,721	32,396
Cash and cash equivalents		55,549	48,877
Current assets		100,416	87,340
Total assets		1,417,953	1,371,594
Equity			
Share capital		45,549	45,549
Statutory reserve		11,387	11,387
Restricted equity		3,320	1,203
Revaluation account		284,458	291,354
Foreign currency translation		(120)	12
Retained earnings		318,136	315,948
Total Equity		662,730	665,453
Liabilities			
Interest bearing long-term liabilities	12	446,117	458,366
Deferred income tax liability	13	103,384	99,829
Deferred income		9,795	10,067
Provision due to site restoration		12,985	12,352
Non-current liabilities		572,281	580,614
Current maturities	12	117,752	68,556
Income tax payable		4,194	10,485
Trade and other payables		60,996	46,486
Current liabilities		182,942	125,527
Total liabilities		755,222	706,141
Total equity and liabilities		1,417,953	1,371,594

Notes no. 1 to 17 are an integral part of these financial statements.

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Statement of Equity for the period from 1 january - 30 June 2026

	Share capital	Statutory reserve	Restricted equity	Translation difference	Revaluation account	Retained earnings	Total equity
Changes in equity for six months ended 30 June 2025							
Equity at 1 January 2025	45,549	11,387	1,410	(374)	239,015	277,957	574,944
Profit for the period						11,533	11,533
Changes in Site restoration obligation					(330)		(330)
Foreign currency translation				257			257
Total comprehensive income	0	0	0	257	(330)	11,533	11,460
Share in net earnings of subsidiary and associated company			(40)			40	0
Dividends distributed to shareholders						(18,000)	(18,000)
Depreciation on revaluation recognised under retained earnings					(5,293)	5,293	0
Equity at 30 June 2025	45,549	11,387	1,370	(117)	233,392	276,823	568,404
Changes in equity for six months ended 30 June 2026							
Equity at 1 January 2026	45,549	11,387	1,203	12	291,354	315,948	665,453
Correction on restricted equity			1,950			(1,950)	0
Profit for the period						20,100	20,100
Changes in Site restoration obligation					(190)		(190)
Foreign currency translation				(132)			(132)
Total comprehensive income	0	0	1,950	(132)	(190)	18,150	19,778
Share in net earnings of subsidiary and associated company			167			(167)	0
Dividends distributed to shareholders						(22,500)	(22,500)
Depreciation on revaluation recognised					(6,705)	6,705	0
Equity at 30 June 2026	45,549	11,387	3,320	(120)	284,459	318,136	662,731

Notes no. 1 to 17 are an integral part of these financial statements.

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Statement of Cash Flows
for the period from 1 january - 30 June 2026

	Notes	1.1-30.6.2026	1.1-30.6.2025
Cash flow from operating activities			
Operating profit		36,252	28,004
Adjustments for:			
(Profit) loss from sales of fixed assets		(28)	15
Depreciation and amortisation	7	21,272	18,939
Working capital from operation before financial items		57,496	46,958
Operating assets, (increase)		(5,717)	(6,433)
Operating liabilities, (increase) decrease		(8,730)	2,491
Net cash from operating activities before financial items		43,049	43,016
Interest income received		513	1,161
Interest expenses and foreign exchange difference paid		(10,132)	(14,295)
Taxes paid		(7,741)	(1,649)
Net cash from operating activities		25,689	28,233
Cash flow to investing activities			
Investment in transmission infrastructures	10,11	(49,542)	(46,354)
Other investments	10	(4,629)	(7,487)
Proceeds from sale of fixed assets		325	8
Long-term note, change		(386)	(279)
Net cash used in investing activities		(54,232)	(54,112)
Cash flow from financing activities			
New long-term liabilities		64,607	0
Payments of long-term liabilities		(28,986)	(8,719)
Payments of lease liability		(30)	(26)
Deferred income, change		(200)	0
Net cash from (used in) financing activities		35,391	(8,745)
Net increase (decrease) in cash and cash equivalents		6,848	(34,624)
Effect of exchange rate changes on cash and cash equivalents		(176)	4,556
Cash and cash equivalents at 1 January		48,877	78,842
Cash and cash equivalents at the end of the period		55,549	48,774

Notes no. 1 to 17 are an integral part of these financial statements.

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Notes to the Financial Statements

1. Reporting entity

Landsnet hf. is domiciled at Gylfaflöt 9 in Reykjavik, Iceland. Landsnet was established in 2004 on the basis of the Electricity Act passed by the Icelandic parliament, the Althingi, in the spring of 2003. The role of Landsnet is to administer the transmission of electricity and system operation in accordance with the provisions of Chapter III of the Electricity Act No. 65/2003, which stipulates that the Company must not engage in any activities other than necessary to perform its duties under the Act.

2. Statement of compliance

The Condensed Interim Financial Statements have been prepared in accordance with International Financial Reporting Standard, IAS 34 Interim Financial Reporting as adopted by the EU. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the Financial Statements of the Company for the year ended December 31, 2025. The Company's Financial Statements for the year 2025 can be found at its website www.landsnet.is and the website of NASDAQ OMX Iceland; www.nasdaqomxnordic.com

The condensed interim financial statement is translated from the original version which is in Icelandic. In case of any discrepancy the Icelandic version prevails.

3. Use of estimates and judgements

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

4. Accounting policies

The Condensed Interim Financial Statements are prepared using the same accounting policies as for the year 2025.

The Interim Financial Statements are presented in USD, which is the Company's functional currency. Amounts are presented in USD thousand unless otherwise stated. The Interim Financial Statements have been prepared on the historical cost basis, except for the Company's transmission system is recognised at a revalued amount.

New International Financial Reporting Standards

The Company has adopted all International Financial Reporting Standards, as adopted by the EU, for the accounting period beginning 1 January 2026, changes to the standards and new interpretations. The Company has not adopted new standards which have been issued but have not yet taken effect. It is the management´s opinion that adoption of new standards wich are not in effect will not have significant effects on the interim financial statements with the exception of IFRS 18, which will affect the presentation of the financial statement without affecting accounting estimates.

5. Transmission revenue

Transmission revenue consist of:

	2026 1.1.-30.6.	2025 1.1.-30.6.
Energy transmission to power-intensive consumers	49,144	40,687
Energy transmission to distribution system operators	34,940	28,402
Transmission losses and ancillary services	14,010	20,031
Service income	300	406
In-feed fees	772	772
Transmission revenue total	99,166	90,298

6. Energy procurement costs

Energy procurement costs consist of:

	2026 1.1.-30.6.	2025 1.1.-30.6.
Electricity purchases due to transmission losses	5,760	13,644
Purchase of ancillary services	7,340	6,164
Energy procurement costs total	13,100	19,808

7. Depreciation and amortisation

Depreciation and amortisation are specified as follows:

	2026 1.1.-30.6.	2025 1.1.-30.6.
Depreciation of fixed assets in operation, see Note 10	20,730	18,621
Amortisation and impairment losses of intangible assets, see Note 11	542	318
Depreciation and amortisation recognised in the income statement	21,272	18,939

Depreciation and amortisation are allocated as follows to operating items:

	2026 1.1.-30.6.	2025 1.1.-30.6.
Transmission costs	20,730	18,499
System operation	25	20
Other operating expenses	517	420
Depreciation and amortisation recognised in the income statement	21,272	18,939

8. Financial income and expenses

Financial income and expenses are specified as follows:

	2026 1.1.-30.6.	2025 1.1.-30.6.
Interest income	718	795
Net gain in fair value of marketable securities	478	1,140
Total financial income	1,196	1,935
Interest expenses	(12,887)	(11,900)
Interest expenses related to refund of in-feed fee	0	(3,092)
Indexation	(1,436)	(916)
Exchange rate difference	(1,090)	(2,455)
Change in present value of the provision due to site restoration	(394)	(361)
Capitalised interest expense due to projects under construction	3,636	3,256
Total financial expenses	(12,171)	(15,468)
Net financial expenses	(10,975)	(13,532)

Capitalised financial expenses were 5.2% (30.6.25: 5.1%) of capital tied in transmission structures under construction during the year. This is the Company's average finance cost.

9. Income tax

Income tax recognised in the income statement is specified as follows:

	2026 1.1.-30.6.	2025 1.1.-30.6.
Deferred income tax for the period	(2,933)	(391)
Income tax recognised among comprehensive income	(48)	(82)
Income tax payable	(2,074)	(2,425)
Income tax recognised in the income statement	(5,055)	(2,898)
Effective tax rate	(20.1%)	(20.1%)

10. Fixed assets in operation

Fixed assets in operation specified as follows:

Cost	Substations	Transmission lines	Other	Total
Balance 1.1.2025	625,722	892,126	49,481	1,567,329
Revaluation	52,173	75,547	0	127,720
Additions	178	2,149	2,203	4,530
Transferred from projects under construction	36,283	48,637	0	84,920
Sold	0	0	(216)	(216)
Balance 31.12.2025	714,356	1,018,459	51,468	1,784,283
Additions	856	2,419	2,185	5,460
Transferred from projects under construction	25,249	1,535	0	26,784
Sold	0	0	(577)	(577)
Balance 30.6.2026	740,461	1,022,413	53,076	1,815,950

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Notes, continued:

10. Fixed assets in operation, cont.:	Substations	Transmission lines	Other	Total
Depreciation				
Balance 1.1.2025	233,070	338,269	22,833	594,172
Revaluation	19,565	28,624	0	48,189
Depreciation	17,089	18,660	1,486	37,235
Sold	0	0	(160)	(160)
Balance 31.12.2025	269,724	385,553	24,159	679,436
Depreciation	9,540	10,422	768	20,730
Sold	0	0	(280)	(280)
Balance 30.6.2026	279,264	395,975	24,647	699,886
Carrying amount				
1.1.2025	392,652	553,857	26,648	973,157
31.12.2025	444,632	632,906	27,309	1,104,847
30.6.2026	461,197	626,438	28,429	1,116,064
Carrying amount without revaluation				
1.1.2025	276,009	372,392	26,648	675,049
31.12.2025	301,250	413,647	27,309	742,206
30.6.2026	321,399	411,976	28,429	761,804

Basis of revaluation of fixed assets in operation

In accordance with the International Accounting Standard ISA 16, the Company's lines and substations are recognised according to the revaluation method. A revaluation was last conducted on those assets in the year 2025.

The company's policy on the revaluation of assets requires the revaluation of power lines and substations. The reassessment of the year is based on, on the one hand, the operating value through a cash flow analysis and, on the other hand, the estimated reconstruction cost of the transmission system, which is assessed by independent experts. An impairment test on the underlying assets is also carried out once a year and it is done before the company's annual Financial Statement. In the first half Interim Financial Statement, the management has evaluated whether there are indications of asset impairment, and the conclusion is that there is not.

Projects under construction:	2026	2025
Cost		
Balance 1.1.	150,011	121,726
Additions	46,347	109,171
Transferred to fixed assets in operation	(26,784)	(84,920)
Transferred from intangible assets	7,971	4,039
Depreciation	0	(5)
Balance 30.6. / 31.12.	177,545	150,011

11. Intangible assets:

Intangible assets specified as follows:

	Capitalised development cost	Software	Total
Cost			
Balance 1.1.2025	25,951	7,014	32,965
Additions	2,642	2,072	4,714
Transferred to projects under construction	(4,039)	0	(4,039)
Balance 31.12.2025	24,554	9,086	33,640
Additions	722	1,747	2,469
Transferred to projects under construction	(7,971)	0	(7,971)
Balance 30.6.2026	17,305	10,833	28,138

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11. Intangible assets, cont.:

	Capitalised development cost	Software	Total
Amortisation and impairment losses			
Balance 1.1.2025	10,767	4,283	15,050
Amortisation and impairment losses	473	197	670
Balance 31.12.2025	11,240	4,480	15,720
Amortisation	362	180	542
Balance 30.6.2026	11,602	4,660	16,262
Carrying amount			
1.1.2025	15,184	2,731	17,915
31.12.2025	13,314	4,606	17,920
30.6.2026	5,703	6,173	11,876

12. Interest-bearing loans and borrowings

This Note provides information on the contractual terms of the Company's interest-bearing loans and borrowings, which are measured at amortised cost.

Non-current liabilities	30.6.2026	31.12.2025
Loan agreement and notes in USD, fixed interest	525,847	488,605
Listed indexed bond loan in NASDAQ OMX in ISK, fixed interest	36,295	36,639
	562,142	525,244
Current maturities on non-current liabilities	(117,752)	(68,556)
	444,390	456,688
Lease liabilities	1,727	1,678
Interest-bearing non-current liabilities total	446,117	458,366

Interest rates on the loans range between 2.08% - 5.97%. Weighted average interest rates of the Company are 4.62% (31.12.2025: 4.45%).

Maturities by year of interest-bearing loans and borrowings:

1.7.2026 - 30.6.2027 / 1.1.2026 - 31.12.2026	117,752	68,556
1.7.2027 - 30.6.2028 / 1.1.2027 - 31.12.2027	19,498	70,807
1.7.2028 - 30.6.2029 / 1.1.2028 - 31.12.2028	75,023	46,422
1.7.2029 - 30.6.2030 / 1.1.2029 - 31.12.2029	61,268	47,058
1.7.2030 - 30.6.2031 / 1.1.2030 - 31.12.2030	52,516	61,297
Later	236,085	231,104
	562,142	525,244

13. Deferred tax liability

The breakdown of deferred tax liability is as follows:	2026 1.1.-30.6.	2025 1.1.-31.12.
Deferred tax liability at 1 January	99,829	83,252
Correction on opening balance	622	(25)
Calculated income tax for the year	5,055	11,278
Deferred tax liability due to changes in site restoration obligation	(48)	(97)
Deferred tax liability due to revaluation of fixed assets	0	15,906
Income tax payable	(2,074)	(10,485)
Deferred tax liability at end of period	103,384	99,829

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13. Deferred tax liability, cont.:

The breakdown of deferred tax liability was as follows at end of period:

	2026 1.1.-30.6.	2025 1.1.-31.12.
Non-current assets in operation	107,447	106,125
Intangible assets	854	1,579
Other assets	317	(418)
Provision due to site restoration	(2,597)	(2,470)
Other obligations	(2,362)	(4,758)
Unrealized exchange rate difference	(275)	(229)
Deferred tax liability at end of period	103,384	99,829

14. Financial instruments

Liquidity risk

The following are the contractual maturities of financial liabilities, including future interest payments:

	Carrying amount	Contractual cash flow	Within 12 months	1-2 years	2-5 years	After 5 years
30 June 2026						
Non-derivative financial liabilities:						
Non-current liabilities	566,748	583,123	138,768	36,167	218,250	189,938
Trade and other payables	56,249	56,249	56,249	0	0	0
	622,997	639,371	195,017	36,167	218,250	189,938
31 December 2025						
Non-derivative financial liabilities:						
Non-current liabilities	529,683	653,921	92,841	90,844	200,822	269,414
Trade and other payables	41,911	41,911	41,911	0	0	0
	571,594	695,832	134,752	90,844	200,822	269,414

Fair value

Fair value versus carrying amounts

The fair values and carrying amounts of financial assets and liabilities as reported in the balance sheet are specified as follows:

	30.6.2026		31.12.2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Other non-current liabilities	566,748	563,641	529,683	532,681
	566,748	563,641	529,683	532,681

Interest rate in valuation of fair value

Where applicable, expected contractual cash flow is discounted using the interest rate on government bonds plus a 1% margin on the reporting date.

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15. Related parties

Definition of related parties

The Company has a related-party relationship with its shareholders, subsidiary, associate, directors, excecutive officers and companies in their possession. Transactions with related parties are on the same basis as transactions with non-related parties.

The activities of the Landsnet subsidiary Elma orkuviðskipti ehf. were minor in extent during the period, and hence no consolidated financial statements have been prepared. The subsidiary's negative equity interest is offset against a short-term receivable from the entity and presented within trade and other payables.

Transactions with related parties

	1.1.-30.6.2026	1.1.-30.6.2025
Sale of goods and services:		
Subsidiary and associate	70	18
Shareholders	13,495	20,704
Sale of goods and services to related parties total	13,566	20,722
Cost of goods and services:		
Subsidiary and associate	5,013	1,598
Shareholders	112	2,153
Cost of goods and services to related parties total	5,125	3,751

Balance:

Trade receivables and trade payables with related parties are as follows:

	30.6.2026		31.12.2025	
	Receivables	Payables	Receivables	Payables
Subsidiary and associate	0	(2,219)	496	(1,401)
Landsnet's other shareholders	2,400	15	4,807	0
Total	2,400	(2,204)	5,303	(1,401)

Other receivables and payables with related parties are as follows:	30.6.2026	31.12.2025
Interest-bearing long-term note to related parties with current maturities	6,379	6,256

16. Other matters

In October 2025, a failure occurred at Norðurál's aluminium smelter at Grundartangi, resulting in a reduction of approximately two-thirds in Norðurál's aluminium production. The impact of the failure on Landsnet was immaterial in 2025; however, uncertainty remained regarding its impact in the 2026 financial year, as the timing of the plant's return to full production capacity was unknown. In April 2026, Norðurál recommenced the ramp-up of its potlines and at the end of the period the pant's demand has exceed the take-or-pay threshold.

The electricity transmission agreements with Norðurál contain take-or-pay provisions requiring payment for transmission corresponding to 85% of the contracted capacity and energy, irrespective of the actual volumes transmitted. On this basis, the expected impact on Landsnet's operating result is limited. The plant's demand has now exceeded the take-or-pay threshold; however, the final financial impact on Landsnet will not be determined until the take-or-pay settlement is completed in December 2026.

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Notes, continued:

16. Other issues, cont.:

Norðurál has notified Landsnet that the failure should be considered a force majeure event, which, in its view, would waive the take-or-pay obligation. Landsnet disagrees with this interpretation and has formally disputed the claim.

17. Financial ratios

The company's key financial ratios:

Financial performance:	**1.1.-30.6.2026**	**1.1.-30.6.2025**
EBIT	36,252	28,004
EBITDA	57,524	46,943

Financial position:	**30.6.2026**	**31.12.2025**
Current ratio – current assets/current liabilities	0.55	0.70
Equity ratio – equity/total assets	46.7%	48.5%
Return on average equity	6.1%	7.2%
Interest coverage ratio	2.53	1.76

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