

Q1 2026.

Condensed consolidated
interim financial
statements

EIK

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Endorsement and Statement by the **Board of Directors and the CEO**

Eik fasteignafélag hf. is an Icelandic public limited company listed on the Iceland Stock Exchange (Nasdaq Iceland). The Group's structure consists of the parent company, Eik fasteignafélag hf., along with subsidiaries that are 100% owned by the parent company. The Group's operations include ownership, leasing, management, and development of commercial properties, as well as ownership of hotel operations.

The Interim Financial Statements of Eik fasteignafélag hf. for the period 1 January to 31 March 2026 have been prepared in accordance with IAS 34 on interim financial reporting. The interim statements include condensed consolidated figures for Eik fasteignafélag hf. and its subsidiaries but do not contain all information required in the full annual financial statements and should be read together with the group's annual financial statements for 2025. The Interim Financial Statements have not been audited or reviewed by the Company's auditors. The Group's annual financial statements are available at www.eik.is.

Operation

The Company maintained robust revenue growth during the first three months of the year, with EBITDA increasing by 21.4% over the period, reaching the upper end of the company's profit forecast for the first quarter.

The Group's operating income increased by 18.4% in the first quarter compared to the same period last year, amounting to ISK 3,509 million compared to ISK 2,964 million for the first three months of 2025. The group's operating profit before fair value adjustments, gains on sales, and depreciation amounted to ISK 2,206 million, up from ISK 1,817 million in the same period last year, an increase of 21.4%. Fair value adjustments on investment properties during the period were positive, amounting to ISK 2,669 million, and gains on sales of investment properties totalled ISK 26 million.

The total profit for the period was ISK 977 million. Cash flow from operations amounted to ISK 1,474 million according to the group's cash flow statement, compared to ISK 1,038 million in the same period last year.

The Company's financial position

The Group's total assets amounted to ISK 186,143 million at the end of the period, of which investment properties accounted for ISK 175,182 million, properties for own use for ISK 5,390 million, and cash and cash equivalents for ISK 3,472 million. The Group's equity was ISK 55,738 million, of which issued share capital amounted to ISK 3,393 million. The Group's equity ratio was 29.9% at the end of the period.

At the Company's annual general meeting on 16 April 2026, it was approved to distribute dividends to shareholders for the financial year 2025 totalling ISK 3,732.7 million, to be paid in two instalments. The first payment of ISK 1,866.4 million was paid to shareholders on 28 April 2026, and the second payment of the same amount is scheduled to be paid on 14 October 2026, subject to no changes. The equity position as of 31 March 2026 does not reflect these obligations.

So far this year, the Company has issued three new bond series in four offerings: ISK 3,700 million nominal value issued in EIK 120266, ISK 3,980 million nominal value in EIK 150531, and ISK 3,060 million nominal value in EIK 29 1.

The Company has repurchased bonds with a nominal value of ISK 1,880 million in the bond series EIK 050726, which matures in July 2026. Settlements for the offerings in EIK 150531 and EIK 29 1, as well as ISK 880 million of repurchases in EIK 050726, took place in April 2026. Additionally, the Company paid over ISK 2,700 million towards bank financing in the same month. The position of the Company's interest-bearing debt at the end of the period does not reflect the changed financing.

The Company's weighted average indexed terms were 3.72% and its weighted average non-indexed terms were 9.52% as of 31 March 2026, with a net gearing ratio of 58.6%.

During the quarter, the company sold two properties: Suðurlandsbraut 20 and the plot at Eyravegur 44 (Fossvegur 3).

Endorsement and Statement by the **Board of Directors and the CEO**

Statement of the Board of Directors and CEO

To the best knowledge of the board and the CEO, the consolidated interim financial statements comply with the International Accounting Standard for interim financial reporting, IAS 34, as endorsed by the European Union. It is the opinion of the Board and the CEO that the financial statements provide a true and fair view of the Group's

assets, liabilities, and financial position as of 31 March 2026, as well as its financial performance and cash flow changes for the period from 1 January to 31 March 2026.

The Board and CEO of Eik fasteignafélag hf. hereby confirm the Company's financial statements for the period from 1 January to 31 March 2026 by their signatures.

Kópavogur, 7 May 2026

Board of Directors

Bjarni Kristján Þorvarðarson
Chairman

Eyjólfur Árni Rafnsson
Board member

Gunnar Þór Gíslason
Board member

Katrín Jakobsdóttir
Board member

Ragnheiður Harðar Harðardóttir
Board member

CEO

Hreiðar Már Hermannsson

Consolidated Statement of Comprehensive Income

for the period from 1 January to 31 March 2026

	Notes	2026 1.1.-31.3.	2025 1.1.-31.3.
Lease income		3.094	2.589
Other operating income		415	375
		<u>3.509</u>	<u>2.964</u>
Operating expenses	6	<u>(1.303)</u>	<u>(1.147)</u>
Operating profit before value changes and depreciation		2.206	1.817
Gain on sale of investment properties		26	42
Changes in value of investment properties	8	2.669	1.532
Depreciation	10	<u>(42)</u>	<u>(45)</u>
Operating profit		4.859	3.346
Finance income		47	75
Finance cost		<u>(3.685)</u>	<u>(1.713)</u>
Net financial expense	7	<u>(3.638)</u>	<u>(1.638)</u>
Profit before income tax		1.221	1.708
Income tax		<u>(244)</u>	<u>(342)</u>
Total profit for the period		<u><u>977</u></u>	<u><u>1.366</u></u>
Key figures per share:			
Basic earnings and diluted earnings		0,29	0,40
EBITDA		0,65	0,54

Notes on pp. 8 - 13 are an integral part of the interim financial statements

Consolidated Statement of Financial Position as at 31 March 2026

	Notes	31.3.2026	31.12.2025
Assets			
Intangible assets		351	351
Investment assets	8	175.182	172.760
Assets for own use	9	5.390	5.427
Non-current receivables	11	97	126
		<u>181.020</u>	<u>178.664</u>
		Non-current assets	
Trade and other receivables	11	1.651	926
Cash and cash equivalents		3.472	2.769
		<u>5.123</u>	<u>3.695</u>
		Current assets	
		<u>186.143</u>	<u>182.359</u>
		Total assets	
Equity			
Share capital		3.393	3.393
Share premium		12.371	12.371
Statutory reserve		848	848
Revaluation reserve		1.363	1.369
Restricted equity		1.728	1.444
Retained earnings		36.035	35.336
		<u>55.738</u>	<u>54.761</u>
		Total equity	
Liabilities			
Interest-bearing debt	12	85.985	94.391
Lease liabilities		5.140	4.869
Deferred income tax liability		15.792	15.548
		<u>106.917</u>	<u>114.808</u>
		Non-current liabilities	
Interest-bearing debt	12	20.241	9.819
Trade and other payables		3.247	2.971
		<u>23.488</u>	<u>12.790</u>
		Current liabilities	
		<u>130.405</u>	<u>127.598</u>
		Total liabilities	
		<u>186.143</u>	<u>182.359</u>
		Total equity and liabilities	

Notes on pp. 8 - 13 are an integral part of the interim financial statements

Consolidated Statement of Changes in Equity as at 31 March 2026

	Share capital	Share premium	Statutory reserve	Revaluation reserve	Restricted equity	Retained earnings	Total equity
1 January to 31 March 2025							
Equity 1.1.2025	3.393	12.371	849	1.392	0	34.656	52.661
Total profit for the period						1.366	1.366
Depreciation of revaluation				(6)		6	0
Equity 31.3.2025	3.393	12.371	849	1.386	0	36.028	54.027
1 January to 31 March 2026							
Equity 1.1.2026	3.393	12.371	848	1.369	1.444	35.336	54.761
Total profit for the period						977	977
Depreciation of revaluation				(6)		6	0
Transferred to restricted equity					284	(284)	0
Equity 31.3.2026	3.393	12.371	848	1.363	1.728	36.035	55.738

Notes on pp. 8 - 13 are an integral part of the interim financial statements

Consolidated Statement of Cash Flows

for the period from 1 January to 31 March 2026

	Notes	2026 1.1.-31.3.	2025 1.1.-31.3.
Cash flows from operating activities			
Operating profit for the period		4.859	3.346
Operating items which do not affect cash flow:			
Gain on sale of investment properties .....	(	26)	0
Valuation changes of investment properties	8 (	2.669)	(1.532)
Depreciation and impairment	10	42	45
		<u>2.206</u>	<u>1.859</u>
Change in operating assets		70	(194)
Change in operating liabilities		137	132
		<u>2.413</u>	<u>1.797</u>
Interest income received		47	75
Finance expenses paid .....	(	986)	(792)
Net cash from operating activities		<u>1.474</u>	<u>1.080</u>
Cash flows used in investment activities			
Investment in investment assets .....	(	587)	(870)
Sold investment assets		312	323
Investment in assets for own use .....	(	7)	(13)
Sold assets for own use		2	5
Investment in subsidiary less acquired cash .....	(	30)	0
Net cash used in investing activities	(	<u>310)</u>	<u>(555)</u>
Cash flows from financing activities			
New long-term loans		3.733	5.955
Repayments and final payments of long-term loans .....	(	4.194)	(4.588)
Net cash from financing activities	(	<u>461)</u>	<u>1.367</u>
Changes in cash and cash equivalents		703	1.850
Cash and cash equivalents at beginning of year		<u>2.769</u>	<u>3.594</u>
Cash and cash equivalents at end of period		<u>3.472</u>	<u>5.444</u>
Investing and financing without credit:			
Sold investment assets		766	497
Other short-term receivables .....	(	766)	(497)
Key figures per share			
Net cash from operating activities		0,43	0,30

Notes on pp. 8 - 13 are an integral part of the interim financial statements

Notes

1. General information

Eik fasteignafélag hf., "the Company", is domiciled in Iceland. The Company's headquarters are at Smáratorg 3 in Kópavogur. The condensed consolidated interim financial statements of the Company for the period 1 January to 31 March 2026 comprise the interim financial statements of the Company and its subsidiaries, together referred to as the "Group". The Group's operations are ownership, rental, operations and development of business premises and ownership of hotel operations. The condensed consolidated interim financial statements of the Company are accessible at www.eik.is.

2. Basis of preparation

The consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) on Interim Financial Statements, IAS 34. The Condensed Consolidated Interim Financial Statements of Eik fasteignafélag hf. do not include all the information required for a complete set of IFRS financial statements and should be read in conjunction with the Group's Consolidated Financial Statements for 2025. The interim financial statements were approved by the Company's Board of Directors on 7 May 2026.

3. Significant accounting policies

In preparing the interim financial statements, the same accounting principles were applied as were used in the preparation of the consolidated financial statements for 2024. The Company's Annual Financial Statements are available on www.eik.is and www.nasdaqomxnordic.com. The interim financial statements are prepared in Icelandic krónur (ISK), which is the Company's functional currency, and amounts are presented in ISK millions. The Company's investment properties are valued at fair value and assets for own use at revaluation, while in other respects the Interim Financial Statements are based on historical cost.

4. Use of judgements and estimates

The preparation of interim financial statements in accordance with International Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Judgement and assumptions involving key estimate are primarily made in relation to the measurement and recognition of investment assets. Actual results may differ from these estimates.

5. Segment reporting

Segment reporting contains information on individual parts of the Company's operations. The Company's operations are divided into two segments which sell goods and services in different markets.

Segments 1.1.-31.3.2026	Investment properties	Hotel	Offset entries	Total
Lease income	3.195	0 (	101)	3.094
Operating income	272	143	0	415
Operating expenses	(1.187)	(217)	101 (	1.303)
EBITDA	2.280	(74)	0	2.206
Gain on sale of investment properties	26	0	0	26
Change in value of investment properties	2.669	0	0	2.669
Depreciation	(34)	(8)	0 (	42)
Net finance expenses	(3.637)	(1)	0 (	3.638)
Income tax	(261)	17	0 (	244)
Profit (loss) for the year	1.043	(66)	0	977
Assets 31.3.2026	186.881	180 (	918)	186.143
Liabilities 31.3.2026	130.780	543 (	918)	130.405
Segments 1.1.-31.3.2025				
Lease income	2.685	0 (	96)	2.589
Operating income	223	152	0	375
Operating expenses	(1.017)	(226)	96 (	1.147)
EBITDA	1.891	(74)	0	1.817
Gain on sale of investment properties	42	0	0	42
Change in value of investment properties	1.532	0	0	1.532
Depreciation	(36)	(9)	0 (	45)
Net finance expenses	(1.638)	(0)	0 (	1.638)
Income tax	(358)	16	0 (	342)
Profit (loss) for the year	1.433	(67)	0	1.366
Assets 31.3.2025	146.106	400 (	522)	145.984
Liabilities 31.3.2025	94.973	459 (	522)	94.910

6. Operating expenses

	2026	2025
	1.1.-31.3.	1.1.-31.3.
Operating expenses are specified as follows:		
Property tax	510	419
Insurance	42	35
Maintenance of investment properties	69	10
Operating expenses of properties	256	230
Other operating expenses of investment properties	80	86
Operating expenses of hotel	116	131
Impairment of receivables	29	35
Office and administrative expenses	201	201
Total operating expenses	<u>1.303</u>	<u>1.147</u>

7. Finance income and finance expenses

	2026	2025
	1.1.-31.3.	1.1.-31.3.
Finance income and finance expenses are specified as follows:		
Interest income	47	75
Interest expenses	(1.141)	(814)
Indexation	(2.465)	(850)
Interest expenses of lease liabilities	(66)	(37)
Other finance expenses	(13)	(12)
Total finance expenses	<u>(3.685)</u>	<u>(1.713)</u>
Total finance income and finance expenses	<u>(3.638)</u>	<u>(1.638)</u>

8. Investment assets

	31.3.2026	31.12.2025
Investment assets are specified as follows:		
Book value at the beginning of the year	167.891	142.959
Transferred from assets for own use	0	277
Investment in current investment assets	534	4.068
Investment in new investment assets	0	927
Acquired by purchase of subsidiary	0	15.244
Sold investment assets	(1.052)	(936)
Value adjustment	2.669	5.352
Book value at the end of the period	<u>170.042</u>	<u>167.891</u>
Lease assets	<u>5.140</u>	<u>4.869</u>
Investment properties at the end of the year	<u>175.182</u>	<u>172.760</u>

The Group' investment properties are valued by management of the Company at fair value at the reporting date in accordance with the International Accounting Standard IAS 40.

In measuring the assets, management has estimated discounted future cash flows that the Company can expect from current lease agreements and lease agreements the Company expects to enter into at the end of the lease period of current lease agreements. The measurement is in accordance with level 3 in the fair value hierarchy, see further note 3, and there were no changes in classification during the year. The measurement is based on presumptions on expected utilisation ratio of the properties in the future, market rent at the end of lease periods of current agreements and operating costs of these properties.

The approach and conclusions, which are used in measuring both amounts and timing of future cash flows, are revaluated on a regular basis in order to come closer to the actual fair value of the assets. Managements estimates of the development of several other factors in the future are also taken into account, such as changes in lease and capital markets.

The main factors contributing to the increase in the value of investment assets are inflation, new contracts and higher market rent. The main factors contributing to the decrease in value is an increase in yield to maturity on return on equity and an increase in property and plot value (that is used for calculations of property taxes).

The future occupancy rate for the portfolio is estimated at 95% (2025: 95%). Weighted average cost of capital (WACC) for the company is 6.39% (2025: 6.37%). Each 1% increase in the occupancy rate for the future corresponds to an increase of just under 0.1% in WACC (2025: just under 0.1%).

Sensitivity analysis

Effects of changes in fair value of investment properties 31.3.2026:

	31.3.2026		31.12.2025	
	Effect on fair value		Effect on fair value	
Increase (decrease) of lease income by 1%	2.119	(2.119)	2.089	(2.089)
Increase (decrease) of rental value ratio by 1%-point	2.199	(2.199)	2.168	(2.168)
Decrease (increase) of rate of return by 0.5%-points	13.124	(11.221)	12.925	(11.045)

9. Assets for own use

Assets for own use are specified as follows:

	Real estate	Interiors and other	Total
Cost			
Balance at the beginning of the year	5.672	626	6.298
Additions during the period	5	2	7
Sold during the period	0	(5)	(5)
Balance at the end of the period	5.677	623	6.300
Depreciation			
Depreciation at the beginning of the year	487	383	870
Depreciation during the period	28	14	42
Sold during the period	0	(3)	(3)
Total depreciation at end of the period	516	394	909
Book value			
Book value at the beginning of the year	5.184	243	5.427
Book value at the end of the period	5.161	229	5.390

Company's properties for own use are estimated on revalued historical cost at the end of the reporting period. The revalued historical cost is estimated based on same methodology as the estimate of investment properties (see Note 8).

10. Depreciation

	2026	2025
	1.1.-31.3.	1.1.-31.3.
Depreciation is specified as follows:		
Office	0	1
Hotel	37	37
Interiors and other	6	7
Total depreciation	<u>42</u>	<u>45</u>

11. Trade receivables and other receivables

	31.3.2026	31.12.2025
Trade receivables and other receivables are specified as follows:		
Long-term receivables	270	322
Current maturities of long term receivables	(163)	(184)
Provision for impairment losses	(10)	(12)
Total long-term receivables	<u>97</u>	<u>126</u>
Trade receivables due to lease	417	403
Trade receivables due to deferred lease payments	161	175
Trade receivables due to other operations	166	159
Provision for impairment losses	(171)	(141)
Total trade receivables	<u>573</u>	<u>596</u>
Short-term receivables from sale of investment assets	983	220
Other short-term receivables	95	110
Total other short-term receivables	<u>1.079</u>	<u>330</u>
Total trade receivables and other short-term receivables	<u>1.651</u>	<u>926</u>
Provision for impairment of receivables is specified as follows:		
Provision at the beginning of the year	153	179
Receivables written off during the period	(1)	(122)
Expensed during the period	29	95
Provision at the end of the period	<u>181</u>	<u>152</u>

The Company's long-term receivables are for construction loans to the lessee and lease payments due, where lease payments due are changed to long-term receivables. The Company has in general received additional insurance in addition to the receivable becoming interest bearing and in instalment process. Trade receivables are evaluated based on expected recoveries.

12. Interest bearing liabilities

	31.3.2026	31.12.2025
Interest bearing liabilities at the beginning of the year	104.210	85.098
New borrowings	3.704	24.765
Acquired from purchase of subsidiary	0	9.868
Repayments and settlements of long-term liabilities	(4.194)	(18.677)
Indexation	2.465	3.097
Capitalised borrowing cost, change	44	40
Other long-term liabilities, change	(3)	19
Interest bearing liabilities at the end of the period	<u>106.226</u>	<u>104.210</u>
<i>Long-term liabilities</i>		
Listed bonds and bank loans	85.888	94.291
Other long-term liabilities	97	100
	<u>85.985</u>	<u>94.391</u>
<i>Short-term liabilities</i>		
Current maturities of liabilities	20.241	9.819
	<u>20.241</u>	<u>9.819</u>
Total interest bearing liabilities	<u>106.226</u>	<u>104.210</u>

Current maturities of long-term liabilities at end of the period are unusually high at ISK 20,241 million. The Company has final payments on two listed bonds, EIK 050726 amounting to ISK 5,950 million payable in July 2026 and EIK 100327 amounting to ISK 3,550 million payable in March 2027. Also, the Company has a final payment on bank loans amounting to ISK 7,974 million in February 2027 in addition to other regular repayments on loans.

13. Events after the reporting date

The Company conducted a bond offering at the end of March, with settlement in early April, amounting to ISK 3,980 million in a new series, EIK 150531. At the same time, the Company repurchased ISK 880 million in bonds from the EIK 050726 series. Additionally, the Company held another offering in a different new series, EIK 29 1, in late April, issuing bonds with a nominal value of ISK 3,060 million. Alongside this, the Company has made additional instalments of approximately ISK 2,715 million towards bank financing maturing in February 2027. Furthermore, the refinancing of Festing's loan, amounting to just under ISK 5,300 million, has been approved, extending the maturity to February 2028 from the previous maturity date of February 2027. Furthermore, the Company has an undrawn credit facility of ISK 2,600 million. The Company has thus secured sufficient funding to repay the EIK 050726 bonds. The Company plans to conduct four bond offerings during the remainder of the year.