Síminn

Condensed Consolidated Interim Financial Statements

1 January to 30 June 2025

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 2025 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 or reviewed by the Company's auditors.

Net profit for the first six months of the year amounted to ISK 349 million, compared to profit of ISK 415 million for the same period in 2024. Total sales for the period amounted to ISK 14.369 million according to the Income Statement, compared to ISK 13.446 million for the same period in 2024. Total assets amounted to ISK 42.006 million and total equity amounted to ISK 16.917 million according to the Statement of Financial Position. The Company's equity ratio was 40,3%.

On 18 February, Síminn hf. published its financial guidance for the year 2025. The EBITDA forecast was ISK 7.0–7.4 billion, and the EBIT forecast was ISK 3.6–4.0 billion. On 26 February, the Supreme Court of Iceland issued a ruling in the case between Síminn and the Icelandic Competition Authority, upholding the Authority's decision no. 25/2020. A split Supreme Court thereby overturned the rulings of both the District Court of Reykjavík and the National Court, which had previously annulled the decision. Síminn was fined ISK 400 million, which has been expensed in the company's accounts and paid. In light of the Supreme Court's ruling, Síminn updated its EBITDA forecast to ISK 6.6–7.0 billion and its EBIT forecast to ISK 3.2–3.6 billion for the year 2025. Additionally, damages relating to the outcome of three legal cases, totalling ISK 61 million, were expensed during the first quarter.

On August 27 2024, Síminn Pay reached an agreement with Rapyd Europe hf. that Síminn Pay would take over card loans and payment distributions for VISA and MasterCard cardholders that were set up and operated by Valitor. At the end of February, the card loans of about nine thousand customers for about ISK 1.500 million was transferred to Síminn Pay.

The Annual General Meeting of Síminn approved on 13 March 2025 a share capital decrease to cancel out own shares which amounted to ISK 175 million in nominal value. The same Annual General Meeting approved a share buyback program allowing buyback for up to ISK 247.5 million in nominal value and a proposal to pay ISK 500 million in dividend to shareholders, the dividend was paid on March 28. Based on the approval of the Annual Genereal Meeting in 2024 and 2025 the Company has this year purchased own shares for nominal value ISK 78 million, market value ISK 1.071 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 six months ended 30 June 2025, its assets, liabilities and consolidated financial position as at 30 June 2025 and its consolidated cash flows for the six month period ended 30 June 2025. 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 describes 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 2025 and confirm them by means of their signatures.

Reykjavík, 19 August 2025

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 2025

	Notes	2025 1.4.-30.6.	2024 1.4.-30.6.	2025 1.1.-30.6.	2024 1.1.-30.6.
Net sales	5	7.017	6.708	14.020	13.125
Cost of sales	6	(4.375)	(4.436)	(8.901)	(8.616)
Gross profit		2.642	2.272	5.119	4.509
Other operating income		179	163	349	321
Operating expenses	7	(1.890)	(1.799)	(3.887)	(3.763)
Administrative fine and damages		0	0	(461)	0
Operating profit		931	636	1.120	1.067
Finance income		238	178	430	361
Finance costs		(505)	(501)	(1.022)	(876)
Net exchange rate differences		10	3	14	0
Net finance costs	8	(257)	(320)	(578)	(515)
Profit before tax		674	316	542	552
Income tax		(137)	(72)	(193)	(137)
Profit for the period		537	244	349	415
EBITDA		1.924	1.726	3.196	3.161

Earnings per share

Basic earnings per share	0,22	0,09	0,14	0,16
Diluted earnings per share	0,22	0,09	0,14	0,16

The notes on pages 7 to 11 are an integral part of these consolidated financial statements

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Consolidated Statement of Financial Posititon as at 30 June 2025

	Notes	30.6.2025	31.12.2024
Assets			
Non-current assets			
Property, plant and equipment		3.590	3.543
Right-of-use assets		1.701	1.844
Intangible assets		25.563	26.243
Other financial assets	9	1.123	638
Non-current assets		31.977	32.268
Current assets			
Inventories	10	1.213	1.339
Accounts receivables	11	2.483	2.503
Loans (Síminn Pay)	12	4.187	3.204
Other assets	13	1.402	1.033
Cash and cash equivalents		744	835
Current assets		10.029	8.914
Total assets		42.006	41.182
Equity			
Share capital		2.405	2.483
Statutory reserve		602	621
Other reserve		1.055	828
Retained earnings		12.855	14.184
Equity		16.917	18.116
Liabilities			
Non-current liabilities			
Borrowings		15.226	12.733
Lease liabilities		1.426	1.571
Deferred tax liabilities	14	521	686
Non-current liabilities		17.173	14.990
Current liabilities			
Bank loans		1.635	2.084
Accounts payables	15	3.504	3.760
Current maturities of borrowings		429	429
Current maturities of lease liabilities		379	351
Taxes to be paid		490	255
Other liabilities	16	1.479	1.197
Current liabilities		7.916	8.076
Total liabilities		25.089	23.066
Total equity and liabilities		42.006	41.182

The notes on pages 7 to 11 are an integral part of these consolidated financial statements

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Consolidated Statement of Changes in Equity 1 January to 30 June 2025

	Share capital	Reserves	Other statutory reserve	Translation- and other reserve	Retained earnings	Total equity
Total equity 1.1.2024	2.517		629	570	13.884	17.600
Net profit for the period					415	415
Payment of dividends (0,2 per share)					(500)	(500)
Buyback of ordinary shares	(24)	(38)	20		(192)	(234)
Sold ordinary shares	101	899				1.000
Other changes				13	(13)	0
Share option charge					37	37
Total equity 30.6.2024	2.594	861	649	583	13.631	18.318
Total equity 1.1.2025	2.483	0	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)
Other changes				227	(227)	0
Share option charge					21	21
Total equity 30.6.2025	2.405	0	602	1.055	12.855	16.917

The notes on pages 7 to 11 are an integral part of these consolidated financial statements

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Consolidated Statement of Cash Flow 1 January to 30 June 2025

	Notes	2025 1.4.-30.6.	2024 1.4.-30.6.	2025 1.1.-30.6.	2024 1.1.-30.6.
Cash flow from operating activities					
Operating profit		931	636	1.120	1.067
Operational items not affecting cash flow:					
Depreciation		993	1.090	2.076	2.094
Gain on sale of fixed assets		(4)	0	(4)	0
Other items not affecting cash flow		10	16	21	37
		1.930	1.742	3.213	3.198
Changes in current assets and liabilitites:					
Changes in inventories		10	121	20	124
Changes in operating assets		160	498	(349)	0
Changes in operating liabilities		(328)	(262)	49	56
Changes in current assets and liabilitites		(158)	357	(280)	180
Cash generated by operation		1.772	2.099	2.933	3.378
Interest income received		233	155	417	330
Interest expenses paid		(541)	(494)	(961)	(737)
Payments of taxes		(70)	(143)	(123)	(233)
Net cash from operating activities		1.394	1.617	2.266	2.738
Investing activities					
Investment in property, plant and equipment		(230)	(294)	(593)	(575)
Investment in intangible assets		(466)	(477)	(650)	(1.497)
Proceeds from sale of property, plant and equipment		7	0	7	9
Changes in loans (Síminn Pay)		42	(88)	(1.404)	(207)
Acquisition of subsidiary, net of cash acquired		0	0	0	(3.732)
Investment activities		(647)	(859)	(2.640)	(6.002)
Financing activities					
Dividend paid		0	(499)	(498)	(499)
Buyback of ordinary shares		(546)	(43)	(1.071)	(234)
New borrowings		1.200	0	2.700	4.500
Payments of non-current liabilities		(107)	(246)	(214)	(246)
Payment of long term lease		(90)	(99)	(177)	(168)
Bank loans, decrease		(849)	(262)	(449)	(262)
Financing activities		(392)	(1.149)	291	3.091
Increase (decrease) in cash and cash equivalents		355	(391)	(83)	(173)
Effect of exchange rate fluctuations on cash held		(4)	(1)	(8)	(3)
Cash and cash equivalents at the beginning of the period		393	2.026	835	1.810
Cash and cash equivalents at the end of the period		744	1.634	744	1.634

The notes on pages 7 to 11 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 2025 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 2024. 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 is 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, 2025.

2.2. Basis of measurement

These interim financial statements have been prepared on the 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 tho 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 2024.

Notes to the Consolidated Financial Statements

4. Operating segments

An overview of operating segments is set forward in same manner as regular reporting 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 form 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 i.e. other telco service and finance.

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

Operating segments 1.1.-30.6.2024	**Mobile**	**Internet & network**	**TV***	**Advertising**	**Equipment sales**	**Other revenues***	**Total**
Revenue	3.318	4.129	3.595	708	823	873	13.446
Expenses							(10.285)
EBITDA							3.161
Depreciation							(2.094)
Net finance costs							(515)
Taxes							(137)
Net earnings for the period							415
Capital additions							(2.063)
Assets 30.6.2024							39.544
Liabilities 30.6.2024							21.226

* A change has been made to the Company's operating segment reporting. Advertising has up until now been under the segment TV and revenues from Billboard under the segment Other revenues, but from 2025 Advertising is a separate segment. Comparative figures have been adjusted accordingly.

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Notes to the Consolidated Financial Statements

5. Net sales

Sales of service and goods is specified as follows:

	2025 1.1.-30.6.	2024 1.1.-30.6.
Sales of service	12.016	11.547
Advertising sales	1.153	696
Sales of goods	851	882
	14.020	13.125

No customer comprises more than 10% of net sales.

6. Cost of sales

Cost of sales is specified as follows:

Salaries and related expenses	827	621
Cost of service sold	5.615	5.369
Interconnecting fees	311	311
Cost of goods sold	754	780
Capitalised work	(87)	(59)
Depreciation cost of sold services	1.481	1.594
	8.901	8.616

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

7. Operating expenses

Operating expenses is specified as follows:

Salaries and related expenses	1.875	1.874
Marketing and sales expenses	324	282
Housing and transportation expenses	128	126
IT-Expenses	534	513
General and administrative expenses	431	468
Depreciation operating expenses	595	500
	3.887	3.763

8. Net finance costs

Finance income and finance costs are specified as follow:

Finance income		
Interest income	108	148
Interest income from loans	322	211
Dividend received	0	2
	430	361
Finance costs		
Interest on borrowings	(821)	(702)
Interest expense from lease liability	(84)	(41)
Loan write-downs	(55)	(106)
Other finance expenses	(62)	(27)
	(1.022)	(876)
Net exchange rate differences	14	0
Net financial costs	(578)	(515)

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Notes to the Consolidated Financial Statements

9. Other financial assets

Other financial assets are specified as follows:

	30.6.2025	31.12.2024
Investment in other companies	58	8
TV programs	628	522
Loans (Síminn Pay)	437	108
Other financial assets total	1.123	638

10. Inventories

Inventories are specified as follows:

Finished goods	693	710
TV programs	520	629
Inventory total	1.213	1.339

11. Accounts Receivables

Accounts receivables are specified as follows:

Accounts receivables	2.603	2.617
Allowances for doubtful accounts	(120)	(114)
Accounts receivables total	2.483	2.503

12. Loans (Síminn Pay)

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

Loans 30.6.2025:	Gross carrying amount	Moved to Non-current	Loss allowance	Loans current
Loans, from 1 - 36 months	1.842	(437)	(33)	1.372
Creditcard, flexible payments	2.952	0	(137)	2.815
	4.794	(437)	(170)	4.187

Loans 31.12.2024:				
Loans, from 1 - 36 months	678	(108)	(40)	530
Creditcard, flexible payments	2.807	0	(133)	2.674
	3.485	(108)	(173)	3.204

13. Other assets

Other assets are specified as follows:

	30.6.2025	31.12.2024
Prepayments	762	701
Other current assets	640	332
Other assets total	1.402	1.033

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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:

	30.6.2025	31.12.2024
Deferred tax at the beginning of the year	686	232
Acquisition of subsidiaries	0	336
Income tax posted to the income statement	193	381
Taxes to be paid	(358)	(255)
Prior year correction	0	(8)
Deferred tax liability at the end of the period	521	686

15. Payables

Payables are specified as follows:

Payables	2.923	3.190
Accrued expenses	581	570
Payables total	3.504	3.760

16. Other liabilities

Other liabilities are specified as follows:

Accrued expenses	688	587
Salaries and related expenses	416	217
VAT	375	393
Other liabilities total	1.479	1.197

17. Legal proceedings

The status of the following legal case has not changed since the puplication of the 2024 financial statements.

The Financial Supervisory Committee of the Central Bank of Iceland decided to fine Síminn by 76.5 million ISK on the basis that the Committee considered that Síminn had not disclosed alleged inside information or taken a decision to postpone the publication of the alleged inside information on 31 August 2021 in connection with the sale of the subsidiary Míla ehf. Síminn appealed the case to Reykjavík District Court to have the decision overturned. The District Court upheld the Central Bank´s decision. Símin appealed the District Court Judgement to the National Court. The Company has paid the amount but has not expensed in profit or loss.

18. Events after reporting date

There are no subsequent events to report.

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Quarterly Statements

Summary of the Company's operating results by quarters:

	Q4 2025	Q1 2025	Total
Net sales	7.003	7.017	14.020
Cost of sales	(4.526)	(4.375)	(8.901)
Gross profit	2.477	2.642	5.119
Other operating income	170	179	349
Operating expenses	(1.997)	(1.890)	(3.887)
Administrative fine and damages	(461)	0	(461)
Operating profit	189	931	1.120
Net finance costs	(321)	(257)	(578)
Profit (loss) before tax	(132)	674	542
Income tax	(56)	(137)	(193)
Profit (loss) for the period	(188)	537	349
EBITDA	1.272	1.924	3.196

	Q2 2024	Q3 2024	Q4 2024	Q4 2024	Total
Net sales	6.417	6.708	6.773	7.291	27.189
Cost of sales	(4.180)	(4.436)	(4.257)	(4.455)	(17.328)
Gross profit	2.237	2.272	2.516	2.836	9.861
Other operating income	158	163	182	140	643
Operating expenses	(1.964)	(1.799)	(1.834)	(2.032)	(7.629)
Operating profit	431	636	864	944	2.875
Net finance costs	(195)	(320)	(292)	(306)	(1.113)
Profit before tax	236	316	572	638	1.762
Income tax	(65)	(72)	(123)	(121)	(381)
Profit for the period	171	244	449	517	1.381
EBITDA	1.435	1.726	1.915	2.071	7.147

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