

# Interim Financial Statements of Heimar hf.

## Key highlights of the first quarter

- Operating revenues amounted to ISK 4.3 billion during the first three months of the year, with rental income increasing by 18.1% year-on-year, representing a 13.7% increase above inflation over the same period.
- Real growth in rental income on a Like-for-Like portfolio was 2.8% year-on-year.
- EBITDA amounted to ISK 2.9 billion, an increase of 16.5% compared to the same period in 2025.
- Net profit amounted to ISK 2.3 billion, compared to ISK 1.4 billion during the same period last year.
- Return on equity was 11.7%.
- Investment properties were booked at ISK 235 billion.
- Fair value changes of investment properties amounted to ISK 4.3 billion during the first three months of the year.
- Cash and cash equivalents amounted to ISK 5.4 billion at the end of the period.
- Interest-bearing debt totaled ISK 141 billion at the end of the period.
- The leverage ratio was 61.4% and the equity ratio was 32.3% at the end of the period.

## Halldór Benjamín Þorbergsson, CEO of Heimar

„Operations are strong and the company’s investments made during 2025 are beginning to deliver increased revenue growth. The acquisitions of Gróska and Exeter have strengthened Heimar’s property portfolio within its core areas, while targeted development in Smáralind has enhanced its attractiveness and reinforced its position as a leading destination for retail, services and entertainment. Visitor numbers at Smáralind increased by 20% year-on-year during the period.

Demand for commercial real estate remains strong and the company’s occupancy ratio was 96% at the end of the quarter. We clearly see that a focused strategy on the development and strengthening of core areas is resulting in increased value creation, stronger operations and a resilient long-term revenue base.

Approximately 43% of the company's revenues originate from public entities and listed companies. Tenant delinquencies remain low and numerous leasing projects are in the pipeline and expected to become revenue generating in the near term.

Inflation during the year has exceeded the assumptions underlying the company's earnings guidance and revenues and operating profit are therefore expected to be towards the upper end of the current earnings guidance for 2026."

## Operations and Performance

Operating revenues amounted to ISK 4,325 million during the first three months of the year, of which rental income totaled ISK 4,118 million. Rental income increased by 18.1% compared to the same period in 2025, corresponding to approximately 13.7% real growth. Several changes have occurred within the property portfolio year-on-year which impact rental income.

Operating profit before gains on sale, fair value changes and depreciation (EBITDA) amounted to ISK 2,853 million, representing a 16.5% increase compared to the same period in 2025.

## Assets and Financial Position

The value of the company's investment properties, excluding leasehold assets, is estimated at ISK 229,604 million. The portfolio currently consists of 97 properties totaling approximately 389 thousand square meters.

The occupancy ratio remains high at approximately 96%, based on income as a percentage of full occupancy potential, underlining strong demand for commercial real estate. Total fair value changes during the first three months of the year amounted to ISK 4,268 million.

## Activity and Outlook

During the first quarter, 21 lease agreements were signed covering approximately 9,200 square meters.

The largest agreements during the period included a lease agreement with Ríkiseignir at Vatnagarðar 10 for approximately 2,000 square meters, an agreement with the Municipality of Kópavogur for 900 square meters in Smáralind, where a cultural center will open in the first half of 2027, and an agreement for approximately 700 square meters with Hótel Vík at Dalshraun 15.

The opening of Garðurinn food hall in Smáralind, the renovated Smárabíó cinema, new retail stores and diverse events have increased the attractiveness of Smáralind and extended visitor dwell time. Visitor numbers increased by 20% year-on-year during the first quarter of 2026, which was also the strongest first quarter in Smáralind's history.

Reception of Garðurinn has exceeded expectations and approximately 300 thousand guests have already dined there since its opening in November 2025.

## Sustainability

Work on environmental certifications across the property portfolio continued during the period and Smáralind received BREEAM In-Use recertification.

Information on financial metrics for the company's certified properties, together with information on their carbon footprint, electricity consumption and water usage, can be found in Heimar's Green Finance Impact Report available on the company's website.

## Financing

The company maintains a strong financial position and the equity ratio was 32.3% at the end of the period.

At the end of the period, cash and cash equivalents amounted to ISK 5,412 million. In addition, the company had access to undrawn credit facilities totaling ISK 3,100 million.

On March 3, the company completed an increase of the green bond series HEIMAR301036 GB. Bonds with a nominal value of ISK 5,000 million were sold at a yield of 3.60%. Following the increase, the series totals ISK 8,000 million in nominal value.

## Presentation of Financial Results

In conjunction with the publication of the financial results, Heimar hf. will host an open investor presentation on the same day at 16:15 local time.

The meeting will take place at the company's headquarters at Smáralind, Hagasmári 1, 201 Kópavogur, and light refreshments will be served.

Halldór Benjamín Þorbergsson, CEO of Heimar, will present the results and respond to questions following the presentation. Registration for the presentation is available via email at: [ir@heimar.is](mailto:ir@heimar.is).

The event will also be live-streamed online at the following link:

<https://www.heimar.is/en/investor-meetings/q1-2026-results/>

The interim financial statements for the first three months of the year and presentation materials are available at:

<https://www.heimar.is/en/investors/financial-information/financial-reports/>

*Please note that in case of discrepancy between the English and Icelandic versions, the Icelandic version shall prevail.*

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