



Investor Presentation Q3 2024

María Björk Einarisdóttir and Óskar Hauksson

22 October 2024

ÚTILEGA

Highlights in Q3 and 9M 2024

	Q3 2024	9M 2024
Revenue	6.955 m.kr. Q3 2023: 6.501 m.kr.	20.401 m.kr. 9M 2023: 19.082 m.kr.
EBITDA	1.915 m.kr. Q3 2023: 1.811 m.kr.	5.076 m.kr. 9M 2023: 4.536 m.kr.
EBITDA %	27,5% Q3 2023: 27,9%	24,9% 9M 2023: 23,8%
EBIT	864 m.kr. Q3 2023: 765 m.kr.	1.931 m.kr. 9M 2023: 1.445 m.kr.
CAPEX	431 m.kr. Q3 2023: 342 m.kr.	2.494 m.kr. 9M 2023: 2.911 m.kr.

NIBD / 12M EBITDA*	Cash	Equity Ratio	Cash generated by operation
1,54x Q4 2023: 0,95x	1.148 m.kr. Q4 2023: 1.810 m.kr.	45,5% Q4 2023: 52,1%	1.445 m.kr. Q3 2023: 1.579 m.kr.

* Net-interest bearing debt includes lease liabilities minus cash and loans at Siminn Pay. 12M EBITDA including Billboard.



Operation



Highlights of operations in Q3

Revenue growth in key products continues, although growth is slower compared to the first half of the year

- Considerable increase in mobile subscriptions – Roaming revenues virtually unchanged between years
- Solid growth in TV, with revenues from Premium increasing by almost 11% year-on-year
- Revenues of companies that were acquired during the year are in line with expectations

Costs are affected by expenses due to organizational changes and change of CEO

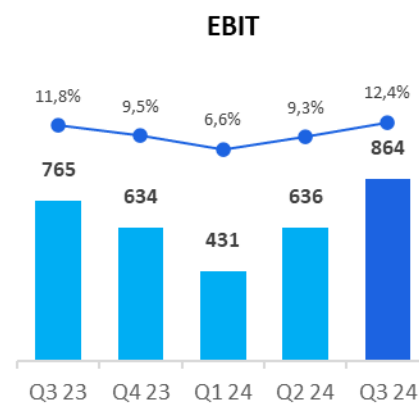
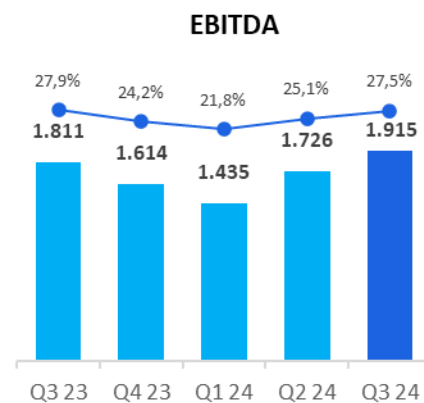
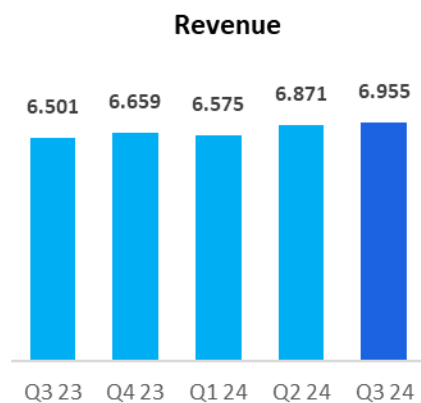
- A total of m.kr 160 were expensed due to changes in the quarter
- During the year, the total cost of organizational changes amounts to m.kr 215

Financial expenses increase due to increased leverage related to acquisitions of companies in the advertising market



Income Statement

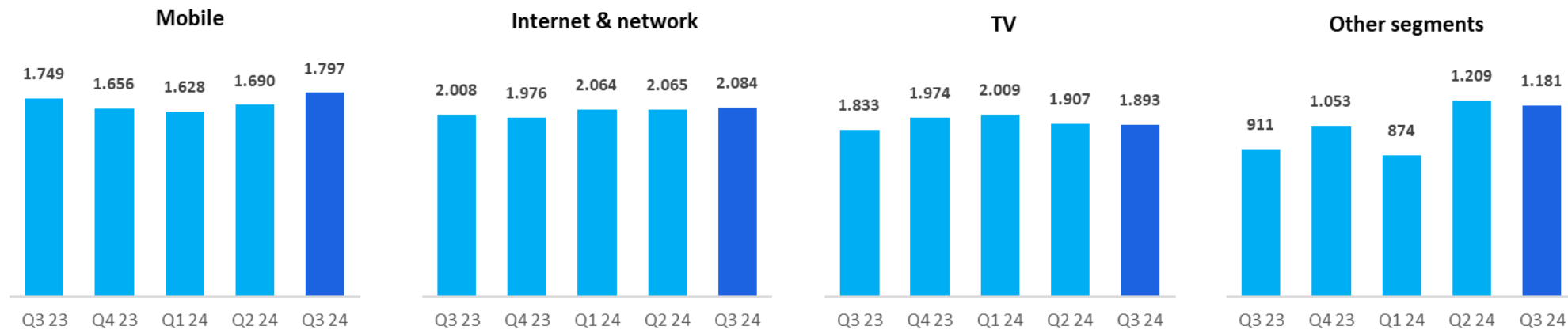
Income statement	Q3			9M		
	2024	2023	%	2024	2023	%
Net sales	6.955	6.501	7,0%	20.401	19.082	6,9%
Cost of sales	(4.166)	(4.113)	1,3%	(12.873)	(12.378)	4,0%
Operating expenses	(1.925)	(1.623)	18,6%	(5.597)	(5.259)	6,4%
EBIT	864	765	12,9%	1.931	1.445	33,6%
Net financial items	(292)	(126)	131,7%	(807)	(272)	196,7%
Income tax	(123)	(132)	-6,8%	(260)	(241)	7,9%
Net profit	449	507	-11,4%	864	932	-7,3%
EBITDA	1.915	1.811	5,7%	5.076	4.536	11,9%
EPS	0,18	0,18	0,0%	0,34	0,31	9,7%





Revenue by segments

Segments	Q3				9M			
	2024	2023	Change	%	2024	2023	Change	%
Mobile	1.797	1.749	48	2,7%	5.115	4.854	261	5,4%
Internet & network	2.084	2.008	76	3,8%	6.213	5.963	250	4,2%
TV	1.893	1.833	60	3,3%	5.809	5.466	343	6,3%
Equipment sales	364	383	-19	-5,0%	1.187	1.261	-74	-5,9%
Other revenue	817	528	289	54,7%	2.077	1.538	539	35,0%
Total revenue	6.955	6.501	454	7,0%	20.401	19.082	1.319	6,9%



Mobile: Mobile revenues services whether conventional GSM services, satellite services or other mobile services. **Internet & network:** Revenue from data services, including xDSL services, GPON, Internet, IP networks, local loops and access networks. **TV:** Distribution of TV, subscriptions, fees and advertising on Síminn TV. **Equipment sales:** Revenue from sale of telco equipment and accessories. **Other:** Income related to telecommunications, fixed line services, information technology and finance. Billboard's income is included here.



Balance Sheet and Cash Flow

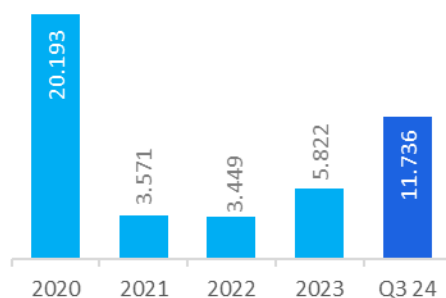


Balance Sheet

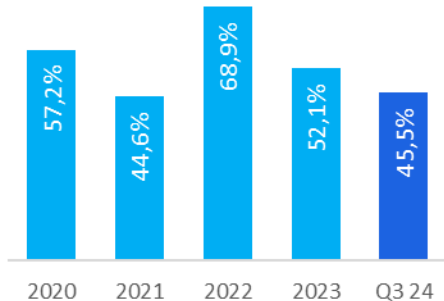
Assets	30.09.2024	31.12.2023
Property, plant and equipment.....	3.480	2.552
Right-of-use assets.....	2.014	732
Intangible assets.....	24.428	21.047
Other non-current assets.....	544	431
Non-current assets	30.466	24.762
Inventories.....	1.396	1.257
Accounts receivables.....	2.420	2.279
Loans (Síminn Pay).....	3.076	2.715
Other current assets.....	1.367	966
Cash and cash equivalents.....	1.148	1.810
Current assets	9.407	9.027
Total assets	39.873	33.789

Equity and liabilities	30.09.2024	31.12.2023
Total equity.....	18.157	17.600
Total equity	18.157	17.600
Borrowings.....	11.337	7.470
Finance lease.....	1.694	503
Deferred tax liabilities.....	263	232
Non-current liabilities	13.294	8.205
Bank loans.....	2.226	2.281
Accounts payables.....	3.665	4.261
Current maturities of borrowings.....	814	276
Other current liabilities.....	1.717	1.166
Current liabilities	8.422	7.984
Total equity and liabilities	39.873	33.789

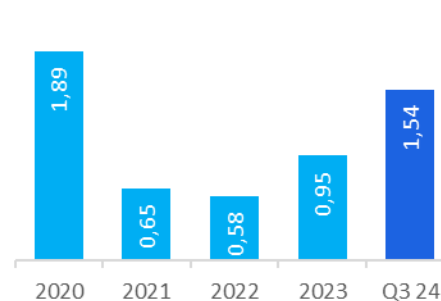
Net interest bearing debt with lease liabilities and Pay



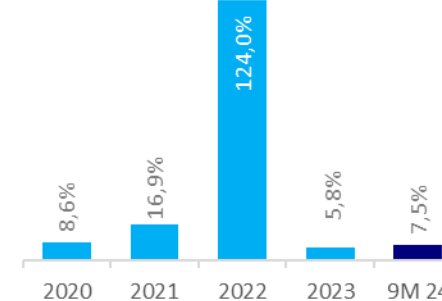
Equity ratio



Net interest bearing debt with lease liabilities to EBITDA*



Return on Equity*



*Without competition fine paid in 2020 and refunded in 2022.

Cash Flow

Cash Flow	9M 2024	9M 2023
Cash flow from operating activities		
Operating profit	1.931	1.445
Operational items not affecting cash flow:		
Depreciation.....	3.145	3.091
Items not affecting cash flow.....	46	12
	<u>5.122</u>	<u>4.548</u>
Changes in current assets and liabilities.....	(299)	(405)
Cash generated by operation	4.823	4.143
Net interest expenses paid during the period.....	(609)	(100)
Payments of taxes during the period.....	(372)	(630)
Net cash from operating activities	<u>3.842</u>	<u>3.413</u>
Investing activities		
Net investment in property, plant and equipments.....	(2.494)	(2.911)
Consumer Loans Síminn Pay.....	(399)	(905)
Acquisition of subsidiary, net of cash acquired.....	(3.866)	0
Sale of bond.....	0	15.685
Investing activities	<u>(6.759)</u>	<u>11.869</u>
Financing activities		
Dividend paid.....	(499)	(499)
Purchase of own shares.....	(854)	(2.187)
Share capital reduction.....	0	(15.580)
Payment of long term lease.....	(273)	(198)
Net Financing activities.....	<u>3.885</u>	<u>1.479</u>
Financing activities	2.259	(16.985)
Changes in cash and cash equivalents	(658)	(1.703)
Translation effects on cash.....	(4)	(39)
Cash and cash equivalents at the beginning of the year.....	1.810	3.721
Cash and cash equivalents at the end of the period.....	<u>1.148</u>	<u>1.979</u>

Síminn's takeover of three companies in the advertising market had a considerable impact on the Balance sheet

- Assets increased by 6.450 m.kr. of which goodwill amounted to 4.400 m.kr.
- Liabilities increased by 1.565 m.kr.

To finance the acquisitions, Síminn drew 3 ma.kr. on a credit line that the company has had unused since 2021, but in addition, Síminn's own shares were delivered for 1 ma.kr. and the remainder was paid in cash.

An increase in Síminn's bond issue, maturing on 30 June 2026, was finalized in Q1

- The interest rate of the bond is 1M REIBOR + 1.3% margin and is paid monthly
- The increase of the issue amounted to 1,5 ma.kr. and the total size is now 3 ma.kr.

Commercial paper issue was finalized on 17 October, where commercial paper in the amount of ma.kr 1.3 was issued at a flat rate of 9.57%

- The offering was a refinancing of an offering from 16 April with an interest rate of 10.10%

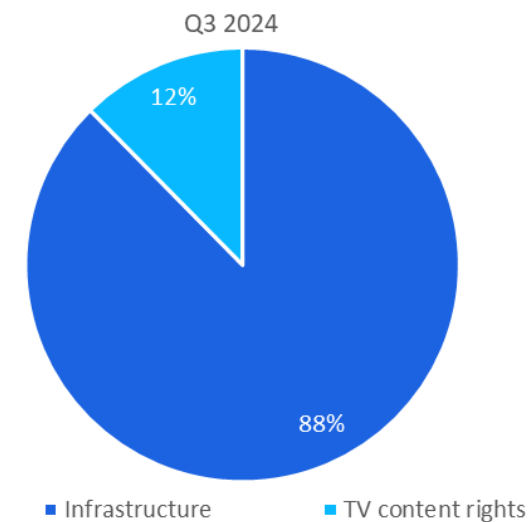
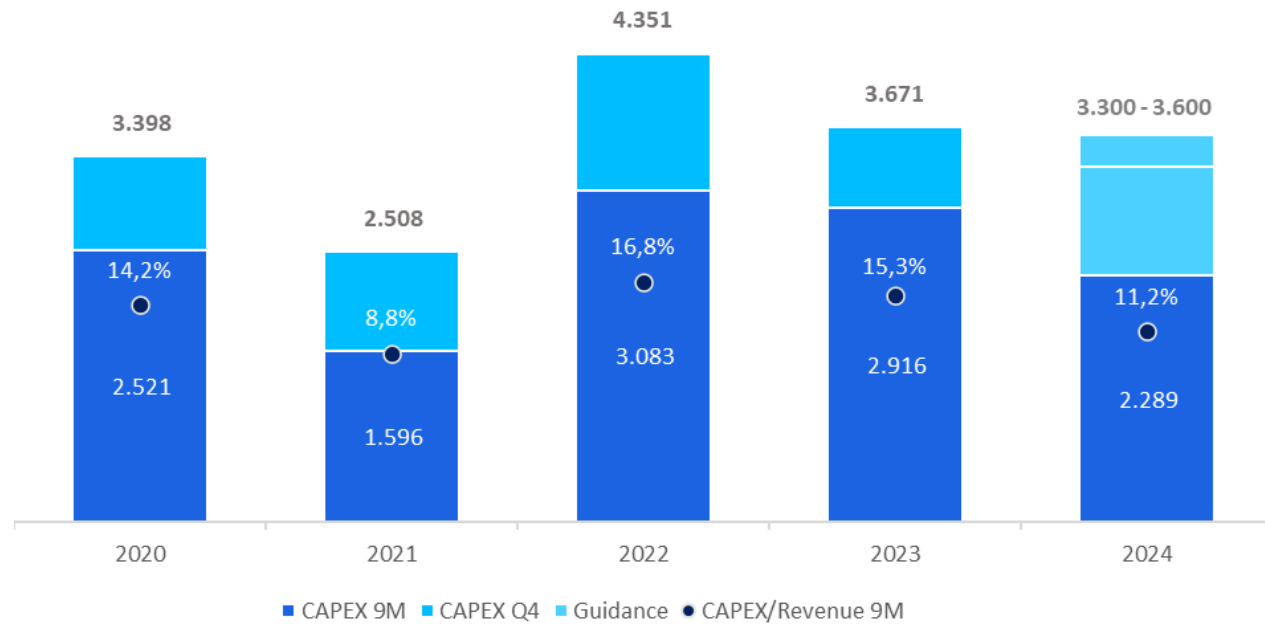
Síminn's issue framework on the stock exchange is 6 ma.kr. and now a total of 5.3 ma.kr. is used

Investments in Noona Iceland and a loan portfolio will mostly be financed by borrowing



CAPEX

CAPEX





Highlights

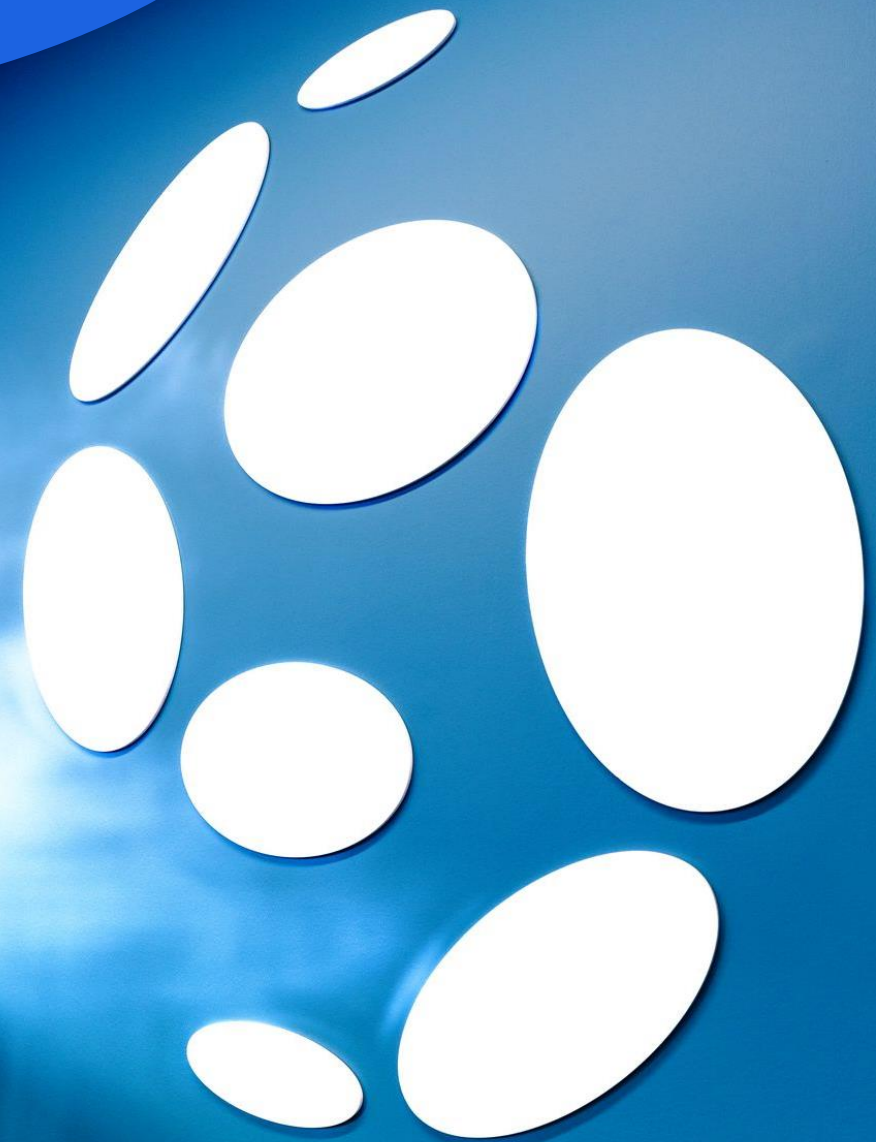




Updated organisational chart

On 16 September Síminn introduced a new organisational chart

- Two new departments were founded and one omitted
- Advertising Solutions is a new department where all advertising teams have been joined together led by Vésteinn Gauti Hauksson who joins our executive board
- Media is another new department where Síminn's TV content teams are joined by the marketing team led by Birkir Ágústsson which takes a seat in our executive board
- The department of Sustainability and Culture has been omitted and sustainability issues were transferred to the finance department but will continue to be dealt with across the company
 - The EU classification regulation and the regulation on sustainability reporting call for greatly increased measurements and reporting that the finance department will lead
 - Human resources and communication matters are now under the CEO's office





Síminn TV

For the second year in a row, Síminn premieres more of Icelandic scripted content than the competition

- Lubbi finnur málbein is most popular new content. There is high demand for quality children's content in Icelandic
- The Darkness, produced by CBS, Paramount & Síminn, based on the book by author Ragnar Jónasson, has received great acclaim
- Popular sports journalist, Hörður Magnússon took over "Völlurinn", our EPL show. Changes already made to the program have received positive feedback
- Síminn and Livey, a new Icelandic streaming service, have reached an agreement for Livey to be accessible via Síminn's TV service
 - Featuring broadcasts from the Italian, Spanish, and Belgian football leagues, among others
 - The partnership with Livey is an addition to the rapidly growing array of content providers and owners who choose to distribute their content directly through Síminn's TV service





Mobile networks

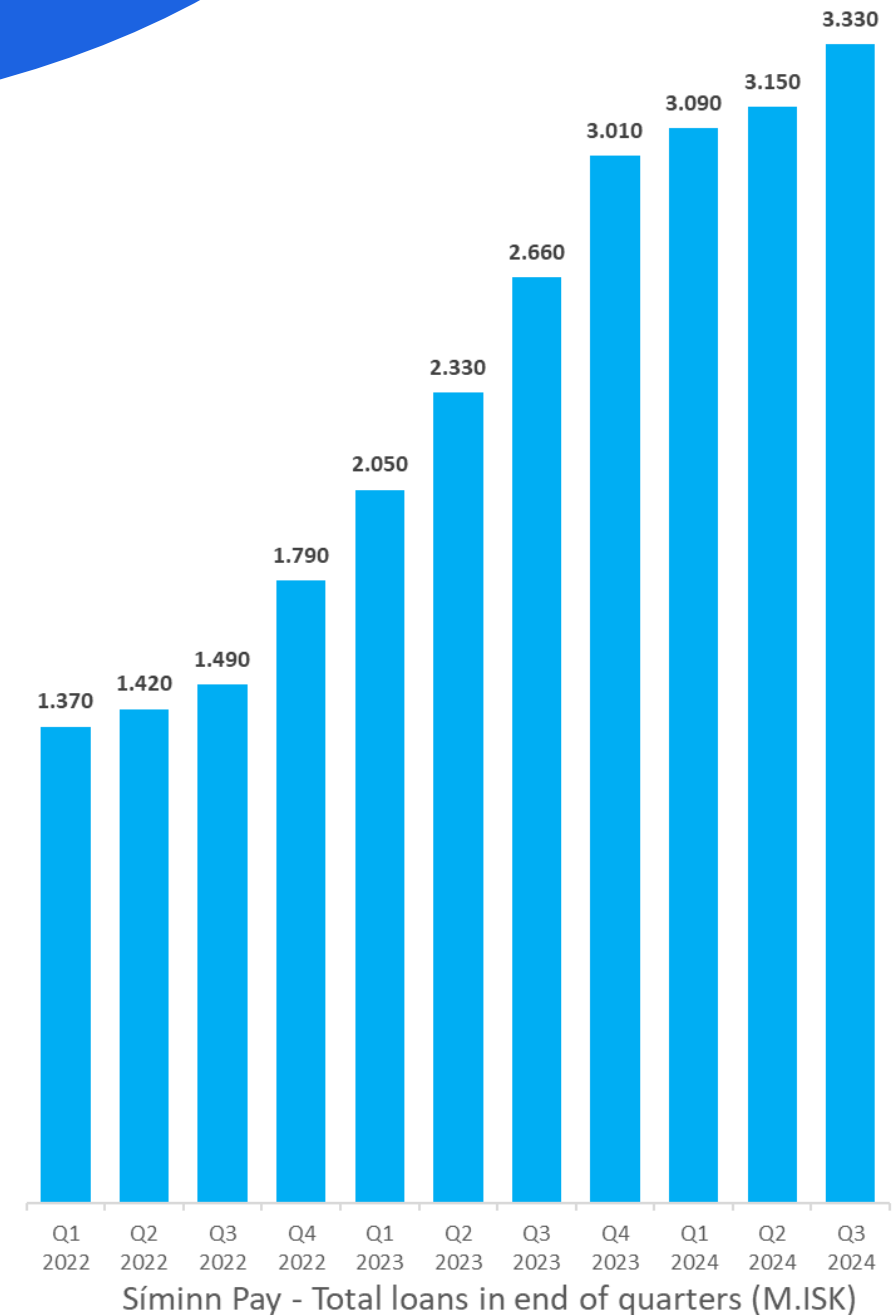
- Continued expansion of 5G in the capital area and in urban centers across all regions of the country
- Further upgrades of our nationwide 4G network to ensure increased speed and a better user experience
- Portable mobile networks deployed in areas such as downtown Reykjavík to meet increased temporary demand during events like Culture Night, as well as in Reykjanesbær
- The 2G and 3G networks will be phased out by the end of 2025
 - A positive step that enhances mobile network security
 - It is important that homes and businesses replace equipment that only supports older technologies before that time





Síminn Pay

- Lending at Síminn Pay increases somewhat in the third quarter after a rather slow increase in the first and second quarters
 - Most of the increase in the quarter occurs in July and August
- Síminn Pay's purchase of a loan portfolio is in the process of fulfilling all the conditions for the transaction
- Síminn Pay's corporate card was officially launched at the beginning of September, and the reception has exceeded expectations
 - A lot of development going on and exciting innovations coming out soon
- A new marketing campaign for the revolving card Léttkort was launched, which highlights the uniqueness of the card in Iceland
- The only credit card that does not have a currency surcharge on foreign transactions





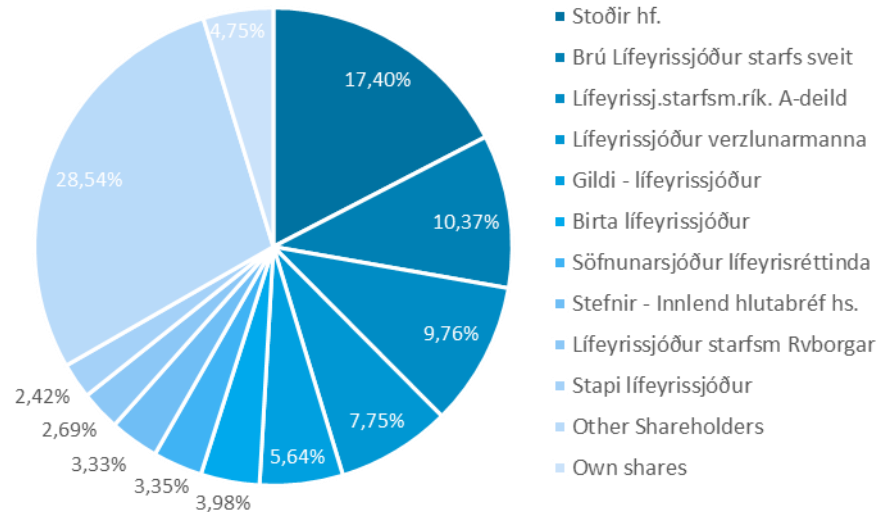
Shareholders



Shareholders



Shareholders 21.10.2024	Position	% O/S
Stoðir hf.	461.194.170	17,40%
Brú Lífeyrissjóður starfs sveit	274.877.095	10,37%
Lífeyrissj.starfsm.rík. A-deild	258.771.439	9,76%
Lífeyrissjóður verzlunarmanna	205.422.187	7,75%
Gildi - lífeyrissjóður	149.446.085	5,64%
Birta lífeyrissjóður	105.467.528	3,98%
Söfnunarsjóður lífeyrisréttinda	88.830.504	3,35%
Stefnir - Innlend hlutabréf hs.	88.375.521	3,33%
Lífeyrissjóður starfsm Rvborgar	71.407.033	2,69%
Stapi lífeyrissjóður	64.151.623	2,42%
Top 10 shareholders	1.767.943.185	66,71%
Other Shareholders	756.278.071	28,54%
Shares outstanding	2.524.221.256	95,25%
Own shares	125.778.744	4,75%
Total number of shares	2.650.000.000	100,00%



Shareholders

- There were 948 shareholders at the end of Q3 2024
- ISK 500 million was paid in dividend on 5 April 2024
- Share capital was reduced on 27 March 2024 by 125.000.000. own shares, with a share capital of 2.650.000.000
- Síminn paid part of Billboard's purchase price with own shares in Síminn, or a total of 101.153.146 shares
- Share buybacks in 9M totaled ISK 854 million
- Own shares are 125,778,744, which is 4,75% of issued share capital
- Síminn's shares have increased by 6,5% since the beginning of the year



Outlook 2024



Outlook for 2024

- The guidance for the group is unchanged from what was published following the Q1 2024 financial results
- It is assumed that the cost of organizational changes will fit within the earnings forecast
- The revenue development for the year is mostly in line with expectations and sales have been strong during the important fall period
- The integration of new companies has been successful, and their results are in line with expectations
- It is not expected that Noona Iceland and the purchase of a loan portfolio will be part of operations this year

EBITDA	7,0 – 7,3 ma.kr.
EBIT	2,7 – 3,0 ma.kr.
CAPEX	3,3 – 3,6 ma.kr.*

* Excluding cost for frequency licenses



Disclaimer

Information contained in this presentation is based on sources that Síminn hf. (“Síminn” or the “company”) considers reliable at each time. Its accuracy or completeness can however not be guaranteed. This report contains forward-looking statements that reflect the management’s current views with respect to certain future events and potential financial performance. Although the management believe that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct.

The forward-looking information contained in this presentation applies only as at the date of this presentation. Síminn does not undertake any obligation to provide recipients of this presentation with any further information on the company or to make amendments or changes to this publication should inaccuracies or errors be discovered or opinions or information change. Other than as required by applicable laws and regulation.

This presentation is solely for information purposes and is not intended to form part of or be the basis of any decision making by its recipients. Nothing in this presentation should be construed as a promise or recommendation. Statements contained in this presentation that refer to the company’s estimated or anticipated future results or future activities are forward looking statements which reflect the company’s current analysis of existing trends, information and plans. Forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially depending on factors such as the availability of resources, the timing and effect of regulatory actions and other factors.

By the receipt of this presentation the recipient acknowledges and accepts the aforesaid disclaimer and restriction.