



August 29th, 2023

Press release on the earnings of Sýn hf. for the first half of 2023.

Operating profit amounted to ISK 1,002 million for the first half of 2023

Sýn hf.'s Consolidated Interim Financial Statement for the first half of 2023 was approved by the board on August 29th, 2023.

Operating profit (EBIT) for the first half (1H) of 2023 amounted to ISK 1,002 million, an increase of 39% compared to the same period in the previous year. EBIT for the second quarter (Q2) amounted to ISK 574 million compared to ISK 322 million in Q2 2022.

Profit after taxes for 1H 2023 amounted to ISK 483 million compared to ISK 273 million in the same period in the previous year.

A decision from the Competition Authorities regarding Ljósleiðarinn's purchase of Sýn's core network is expected no later than September 28th. The agreed purchase price is ISK 3,000 million.

Sýn recently bought the marketplace Bland. In October, results are expected from the Icelandic Competition Authorities regarding Sýn's purchase of the entire share capital of Njála, the parent company of Já hf. which operates the website ja.is. The purchase of Já and Bland adds a new revenue stream to the company's operations. In addition, advertising spaces will increase significantly on Sýn's online media.

EBIT guidance for 2023 amounting to ISK 2,200-2,500 million, excluding non-recurring profit from the sale of Sýn's core network, remains unchanged.

Main results:

- Revenue for the first half of the year amounted to ISK 11,493 million compared to ISK 11,691 million for the same period last year. Core operational revenue increased by 6.5% compared to 1H 2022. Advertising revenue from online media and radio has grown during the period. Furthermore, there is increased growth in roaming revenues. The revenue for the first half of 2022 included irregular mobile revenue and pass through revenue from Endor's sales of equipment for foreign projects.
- Operating profit (EBIT) for Q2 amounted to ISK 574 million compared to ISK 322 million in Q2 2022. Profit after taxes for the first half of the year amounted to ISK 483 million, an increase of 77% compared to the same period last year.
- Operating costs remained stable despite economic challenges such as rise in inflation and salary increases in the general labor market. Reduced investment in broadcasting rights and renegotiations with key suppliers led to lower depreciation in 1H 2023.
- Total investment for the first half of 2023 amounted to ISK 2,220 million. Investment in fixed assets and intangible assets (excluding broadcasting license rights) was ISK 1,245 million and investment in broadcasting license rights amounted to ISK 975 million.



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- The results from the Icelandic Competition Authorities regarding Ljósleiðarinn's purchase of Sýn's core network are expected no later than September 28th. The agreed purchase price is ISK 3,000 million and the sale is expected to reduce annual operating cost by ISK 100 million a year. Annual investment requirement is expected to decrease by ISK 120 million over the contract period. The impact on operations and investments will fully realize in the year 2024.
- During the first half of 2023 the company bought back shares for ISK 930 million in both a reversed share offering and a regular share buyback plan. A dividend payment of ISK 281 million was made in April 2023.
- An agreement on the purchase of Já was reached in February this year. The purchase is expected to increase Sýn's annual revenue by ISK 500 million and EBITDA will increase by approximately ISK 70 million a year without taking synergies into account.
- An extensive partnership agreement with Viaplay has been signed, which includes exclusive rights to bundle products from Vodafone, Stöð 2 and Viaplay.
- Endor's operational performance was strong in the first six months of 2023. The decrease in revenue in Q2 is due to passthrough revenues from foreign projects during the same period last year. EBIT has increased in the first half of the year by over 50% compared to the same period last year. It is expected that Endor will deliver continuous growth in service revenues for the second half of 2023 in addition to considerable product sales.

Yngvi Halldórsson, CEO:

"Operating profit continues to grow in accordance with our forecasts. We see an increase in core operational revenues although direct comparison between periods is difficult as revenues for the same period last year included irregular items. It is particularly pleasing to see strong revenue growth and an increased profit margin for both advertising and roaming revenues. Furthermore, we see a strong and stable performance in the corporate part of the telecommunications sector.

Recently, we have made some good business transactions that will strengthen the company going forward. Sýn bought Já and the purchase agreement is awaiting approval from the Icelandic Competition Authorities. Moreover, a purchase agreement for the marketplace Bland.is has been completed. We see a lot of opportunities in the advertising market and in other services related to our online media platforms and these purchases are a part of that vision.

We made a landmark agreement with Viaplay which grants Vodafone an exclusive right to sell Viaplay products in a bundle with other products. This provides us for instance with the opportunity to simplify the life of sport enthusiasts by lowering the total cost of households and making access to top sports rights easier.

This August, Vodafone launched a variety of telecommunications and entertainment packages suitable for all types of homes. The reaction from customers has been great and we are aiming for an increase in market share in our core operations for the home market in the coming months."





Balance sheet June 30th 2023

Equity at the end of the period was ISK 8,724 million and the equity ratio was 27%.

The company's total liabilities were ISK 23,667 million at the end of Q2 2023. Interest bearing long-term liabilities amounted to ISK 4,623 million and net interest-bearing debt with lease liabilities amounted to ISK 17,899 million. The current ratio was 1.31.

Financial calendar 2023:

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| ✓ Q3 2023 results | November 8 th , 2023 |
| ✓ Q4 2023 and annual results | February 21 st , 2024 |
| ✓ Annual General meeting | March 15 th , 2024 |

Presentation on August 30th 2023 at Hilton Reykjavík Nordica:

- A presentation meeting will be held on Wednesday August 30th 2023. The meeting will start at 8:30 am at Hilton Reykjavík Nordica, Suðurlandsbraut 2, Reykjavík. The meeting will also be streamed live online at <https://syn.is/fjarfestatengsl/arshlutareikningar>
- Further inquiries are received via the email address fjarfestatengsl@syn.is
- Additional information can be found on Sýn's investor relations page at <https://www.syn.is/investors> and in Nasdaq Iceland's news network.

