

Financial press release – Síminn hf. Q4 2024

## Results for the fourth quarter of 2024 and for the year 2024

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- Revenue in the fourth quarter (Q4) of 2024 amounted to ISK 7,431 million compared to ISK 6,659 million in the same period of 2023 and increased by 11.6%. Revenue from Síminn's key products - mobile, data and TV services – increased by 5.3% during the quarter.
- EBITDA amounted to ISK 2,071 million in Q4 2024, an increase of ISK 457 million or 28.3% compared to the same period in 2023. The EBITDA margin was 27.9% in Q4 2024, compared to 24.2% in the same period of 2023. Operating profit (EBIT) amounted to ISK 944 million in Q4 2024, compared to ISK 634 million in the same period of 2023.
- Net financial expenses amounted to ISK 306 million in Q4 2024, compared to ISK 120 million in the same period of 2023. Financial expenses in Q4 2024 amounted to ISK 489 million, financial income was ISK 195 million, and foreign exchange losses totaled ISK 12 million.
- Profit in Q4 2024 amounted to ISK 517 million, compared to ISK 414 million in the same period of 2023.
- Interest-bearing debt, including lease liabilities, amounted to ISK 17.2 billion at the end of 2024, compared to ISK 10.5 billion at the end of 2023. Cash and cash equivalents stood at ISK 0.8 billion at year-end 2024, down from ISK 1.8 billion at year-end 2023. The loan portfolio of Síminn Pay amounted to ISK 3.3 billion at the end of 2024. Net interest bearing debt / 12M EBITDA<sup>1</sup> by the end of 2024 was 1.72.
- Síminn's equity ratio stood at 44.0% at the end of 2024, with total equity of ISK 18.1 billion.

María Björk Einarisdóttir, CEO:

"We are pleased with the fourth quarter results, which was also the strongest quarter of the year. There was a strong boost in TV subscription sales during the quarter, thanks to our focus on producing the highest quality Icelandic drama content. Almost 50,000 households were subscribed to Síminn Premium at year-end, underscoring the popularity of the service.

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<sup>1</sup> 12M EBITDA includes 12M pro forma EBITDA Billboard and Noona



In telecommunications services, we also saw an increase in subscribers, especially in mobile services. Internet subscriptions have increased more slowly, but the positive news is that we have seen churn rates decrease following a change in service policy. This includes an increased emphasis on using data and proactive measures to ensure the best possible experience for customers when it comes to the stability and quality of internet connections in homes. In parallel with this change in emphasis, churn rates have decreased, which is positive, as it is well known that the cost of acquiring a new customer is many times higher than retaining an existing customer.

Advertising sales were strong during the quarter, partly due to the parliamentary elections, which were added to the traditional discount days and Christmas shopping. Síminn TV service and Billboard have established themselves among the most powerful advertising media in the country, and we can now offer advertisers unique visibility through the interaction of television and environmental media.

We continued our fintech product development and the Síminn Pay corporate card has been a great success since its official launch in the autumn. In December, we finally took over the operations of Noona Iceland and now in February 2025 we are preparing to take over loan portfolio that we acquired. After the change, Síminn Pay's loan book will stand at 5 billion ISK. One of the main tasks for 2025 will be to further integrate and develop Síminn and Noona's fintech solutions while developing a clear long-term vision for the business segment.

A few weeks ago, we announced changes to the company's organizational chart, which are intended to support the new company strategy that is being implemented in the company. At the same time as we intend to safeguard the strong core operations that Síminn has been known for, we intend to find ways to grow and develop in the future, both through internal and external growth. At the same time, we want to ensure an excellent experience of Síminn's products and services and create a digital community of smart solutions for people and businesses."

## Key Financial Results for 2024

### Consolidated Operations

Income statement	Q4				12M			
	2024	2023	Change	%	2024	2023	Change	%
Net sales	7.291	6.468	823	12,7%	27.189	25.067	2.122	8,5%
Cost of sales	( 4.455)	( 4.119)	( 336)	8,2%	( 17.328)	( 16.497)	( 831)	5,0%
<b>Gross profit</b>	<b>2.836</b>	<b>2.349</b>	<b>487</b>	<b>20,7%</b>	<b>9.861</b>	<b>8.570</b>	<b>1.291</b>	<b>15,1%</b>
Other operating income	140	191	( 51)	-26,7%	643	674	( 31)	-4,6%
Operating expenses	( 2.032)	( 1.906)	( 126)	6,6%	( 7.629)	( 7.165)	( 464)	6,5%
<b>Operating profit (EBIT)</b>	<b>944</b>	<b>634</b>	<b>310</b>	<b>48,9%</b>	<b>2.875</b>	<b>2.079</b>	<b>796</b>	<b>38,3%</b>
Finance income	195	195	0	0,0%	734	740	( 6)	-0,8%
Finance cost	( 489)	( 287)	( 202)	70,4%	( 1.841)	( 1.102)	( 739)	67,1%
Net exchange rate differences	( 12)	( 28)	16	-57,1%	( 6)	( 30)	24	-80,0%
<b>Net financial items</b>	<b>( 306)</b>	<b>( 120)</b>	<b>( 186)</b>	<b>155,0%</b>	<b>( 1.113)</b>	<b>( 392)</b>	<b>( 721)</b>	<b>183,9%</b>
<b>Profit before tax</b>	<b>638</b>	<b>514</b>	<b>124</b>	<b>24,1%</b>	<b>1.762</b>	<b>1.687</b>	<b>75</b>	<b>4,4%</b>
Income tax	( 121)	( 100)	( 21)	21,0%	( 381)	( 341)	( 40)	11,7%
<b>Profit</b>	<b>517</b>	<b>414</b>	<b>103</b>	<b>24,9%</b>	<b>1.381</b>	<b>1.346</b>	<b>35</b>	<b>2,6%</b>
EBITDA	2.071	1.614	457	28,3%	7.147	6.150	997	16,2%
EPS	0,20	0,15	0,05	33,3%	0,54	0,46	0,08	17,4%

Total revenue in 2024 amounted to ISK 27,832 million compared to 25,741 million in 2023, up by 8.1%. Looking at the company's key products (mobile, data and TV services), revenue growth is 5.3%.

Revenue from mobile amounted to ISK 6,858 million, up by ISK 348 million or 5.3% from last year. Revenue from data services (internet & network) amounted to ISK 8,277 million, up by ISK 338 million or 4.3% from last year. Revenue from TV services amounted to ISK 7,905 million, up by ISK 465 million or 6.3% from last year. Revenue from user equipment sale amounted to ISK 1,734 million, down by ISK 50 million or 2.8% from last year. Other revenue amounted to ISK 3,058 million, up by ISK 990 million from last year. Revenue from Billboard is included under other revenue and amounted to ISK 1,328 million. The company became part of the group at the beginning of April 2024.

The cost of services sold amounted to ISK 17,328 million and increases by ISK 831 million or 5.0% from 2022. Operating expenses amounted to ISK 7,518 million and increased by ISK 464 million or 6.5% from 2023.

Depreciation and amortization amounted to ISK 4,272 million in 2024 compared to ISK 4,071 million in 2023, up by ISK 201 million from last year.

## Cash flow

Operating activities amounted to a total of ISK 7,204 million in 2024 compared to ISK 6,180 million in 2023. The change in operating-related assets and liabilities in 2024 amounted to a reduction of ISK 244 million.

Cash generated by operations was ISK 6,960 million in 2024 compared to ISK 5,612 million in 2023. After interest and taxes, net cash from operating activities amounted to ISK 5,801 million in 2024 compared to ISK 4,853 million in 2023.

In 2024, Síminn acquired Billboard and Noona Iceland, which impacted investment activities during the year. In 2023, Síminn sold a bond received as part of the Míla sale, which explains the positive investment movements during that period.

The acquisition in 2024 was financed with new long-term loans, amounting to ISK 6 billion. In 2023, financing activities were negative, amounting to ISK 17,468 million, mainly due to a reduction in the company's share capital with a payment to shareholders totaling nearly ISK 15.6 billion, taking into account treasury shares.

Cash flow	2024	2023
Operating profit	2.875	2.079
Depreciation	4.272	4.071
Items not affecting cash flow	57	30
<b>Total operating activities</b>	<b>7.204</b>	<b>6.180</b>
Changes in current assets and liabilities	( 244)	( 568)
<b>Cash generated by operation</b>	<b>6.960</b>	<b>5.612</b>
Interest income received	742	758
Interest expenses paid	( 1.612)	( 947)
Payments of taxes during the period	( 289)	( 570)
<b>Net cash from operating activities</b>	<b>5.801</b>	<b>4.853</b>
Investing activities	( 9.622)	10.742
Financing activities	2.851	( 17.468)
<b>Changes in cash and cash equivalents</b>	<b>( 970)</b>	<b>( 1.873)</b>
Translation effects on cash	( 5)	( 38)
<b>Cash and cash equivalents at the beginning of the year</b>	<b>1.810</b>	<b>3.721</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>835</b>	<b>1.810</b>

## Balance sheet

Total assets amounted to ISK 41,182 million at the end of 2024, compared to ISK 33,789 million at the end of 2023.

Interest-bearing liabilities, including lease obligations, totaled ISK 17,168 million at the end of 2024, compared to ISK 10,530 million at the end of 2023. Cash at the end of 2023 was ISK 835 million, compared to ISK 1,810 million at the end of 2023. Net interest-bearing debt, including lease obligations and Síminn Pay loans, amounted to ISK 13,021 million at the end of 2024, compared to ISK 5,522 million at the end of 2023.

Equity amounted to ISK 18,116 million at the end of 2024, and the equity ratio was 44.0%.

Balance sheet	31.12.2024	31.12.2023	Change	%
Property, plant and equipment	3.543	2.552	991	39%
Right-of-use assets	1.844	732	1.112	152%
Intangible assets	26.243	21.047	5.196	25%
Other financial assets	638	431	207	48%
<b>Non-current assets</b>	<b>32.268</b>	<b>24.762</b>	<b>7.506</b>	<b>30%</b>
Inventories	1.339	1.257	82	7%
Accounts receivables	2.503	2.279	224	10%
Loans (Síminn Pay)	3.204	2.715	489	18%
Other assets	1.033	966	67	7%
Cash and cash equivalents	835	1.810	( 975)	-54%
<b>Current assets</b>	<b>8.914</b>	<b>9.027</b>	<b>( 113)</b>	<b>-1%</b>
<b>Total assets</b>	<b>41.182</b>	<b>33.789</b>	<b>7.393</b>	<b>22%</b>
Equity	18.116	17.600	516	3%
<b>Equity</b>	<b>18.116</b>	<b>17.600</b>	<b>516</b>	<b>3%</b>
Borrowings	12.733	7.470	5.263	70%
Lease liabilities	1.571	503	1.068	212%
Deferred tax liabilities	686	232	454	196%
<b>Non-current liabilities</b>	<b>14.990</b>	<b>8.205</b>	<b>6.785</b>	<b>83%</b>
Bank loans	2.084	2.281	( 197)	-9%
Accounts payables	3.760	4.261	( 501)	-12%
Current maturities of borrowings	780	276	504	183%
Other current liabilities	1.452	1.166	286	25%
<b>Current liabilities</b>	<b>8.076</b>	<b>7.984</b>	<b>92</b>	<b>1%</b>
<b>Total equity and liabilities</b>	<b>41.182</b>	<b>33.789</b>	<b>7.393</b>	<b>22%</b>

## Outlook for 2025

The outlook for 2025 includes:

- EBITDA will be in the range of ISK 7.0 to 7.4 billion.
- EBIT will be in the range of ISK 3.6 to 4.0 billion.<sup>2</sup>
- CAPEX will be in the range of ISK 2.8 to 3.1 billion.

## Investor Presentation 19 February 2025

An investor presentation will be held on Wednesday 19 February 2025 at 8:30 am at Síminn's headquarters in Ármúli 25, Reykjavík. During the meeting, María Björk Einarsdóttir CEO and Óskar Hauksson CFO will present the financial results. The meeting will be held in Icelandic. Presentation materials will be available on Nasdaq Iceland's news platform and on the company's investor relations website <https://www.siminn.is/fjarfestar/quarterly-results>.

The meeting will be live-streamed on: <https://www.siminn.is/fjarfestar/fjarfestakynning>.

## Financial Calendar 2025

Annual General Meeting 2025	13 March 2025
Q1 2025 Interim Report	29 April 2025
Q2 2025 Interim Report	19 August 2025
Q3 2025 Interim Report	28 October 2025
Full Year 2025 Results	17 February 2026
Annual General Meeting 2026	12 March 2026

### For further information:

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**Note:** This English version is a translation of the Icelandic text that accompanies the Q4 2024 results of Síminn hf.

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<sup>2</sup> Excluding the impact of amortization of intangible assets from business acquisitions.