

SYZYG AG

Bad Homburg, 3 February 2025

SYZYG Group operating result on target with an EBIT margin of 8 per cent – Net sales of around EUR 70 million in line with expectations

- Operating result (before goodwill amortisation) increases to EUR 5.7 million (+40 percent compared to the previous year) with an operating EBIT margin of 8 percent
- Net sales of EUR 69.4 million (-3 per cent compared to the previous year)
- Core market Germany with net sales of EUR 56.4 million (-2 per cent compared to the previous year) and an operating EBIT margin of 12 per cent
- UK and USA segment with net sales of EUR 5.1 million (-39 per cent compared to the previous year) and an operating EBIT margin of 2 per cent
- Poland segment with net sales of EUR 8.2 million (+34 per cent compared to the previous year) and an EBIT margin of 12 per cent
- Goodwill amortisation of EUR 14.2 million
- Net income of EUR -10.3 million, earnings per share of EUR -0.77
- Positive operating cash flow of around EUR 8.0 million
- Liquidity reserves increased from EUR 4.0 million to EUR 5.0 million, bank liabilities reduced from EUR 4.5 million to EUR 1.0 million
- No dividend payment for 2024
- **Outlook for 2025:** Gross margin (fees) in 2025 at previous year's level; mid-single-digit net sales decline due to lower pass-through costs; EBIT margin targeted at 8 percent, in line with previous year.

The SYZYG Group increased its operating profitability to 8 percent. The 3 percent decline in net sales to EUR 69.4 million is in line with expectations. The operating profit before goodwill amortisation increased by 40 percent to EUR 5.7 million, improving the operating EBIT margin from 5.7 percent to 8.2 percent.

In the core market of Germany, net sales decreased by 2 percent to EUR 56.4 million, with an operating margin of 12 percent. Germany accounts for approximately 81 percent of total sales.

As expected, net sales in the UK and the US decreased by 39 percent to EUR 5.1 million, with an operating margin of 2 percent. In Poland, however, net sales increased by 34 percent to EUR 8.2 million, with an operating EBIT margin of 12 percent.

"The results are in line with our expectations given the ongoing difficult economic situation in our core market, Germany. We continue to see strong growth in Poland and have set the course for growth and

SYZYGY AG

higher profitability in the UK and the US. Our focus is on developing innovative solutions based on AI and continuing our operational excellence," commented Frank Wolfram, CEO of SYZYGY AG.

The 2024 EBIT (incl. Goodwill amortisation) amounts to EUR -8.5 million due to an impairment charge of EUR 14.2 million. The financial result is negative at EUR -0.6 million, resulting in a pre-tax result of approximately EUR -9.1 million. With a tax charge of approximately EUR 1.2 million, the result after tax is approximately EUR -10.3 million with earnings per share of EUR -0.77.

No dividend payment for the 2024 financial year:

SYZYGY AG's general objective is to allow its shareholders to participate in the economic success of the company by distributing dividends. Due to the negative consolidated net income and negative retained earnings in the statutory financial statements of SYZYGY AG, a distribution of dividends is not possible.

2025 Outlook

Based on current knowledge, the SYZYGY Group expects a gross margin (fees) to be in line with the previous year. Net sales are expected to decrease by a mid-single digit percentage due to lower pass-through costs. The EBIT margin will be in line with the previous year at around 8 percent.

In TEUR	2024	2023	Change
Net sales	69,429	71,742	-3%
Operating result (EBIT before goodwill amortisation)	5,701	4,080	40%
EBIT margin (operational)	+8.2%	+5.7%	+2.5pp
Goodwill amortisation	-14,202	-4,737	200%
EBIT (incl. goodwill amortisation)	-8,502	-656	n.a.
EBIT margin (incl. goodwill amortisation)	-12.2%	-0,9%	-11.3pp
Financial result	-610	-1,293	n.a.
Profit before taxes	-9,112	-1,949	n.a.
Net income	-10,307	-2,763	n.a.
Cash flow from operating activities	8,002	7,067	+13%

SYZYGY AG

Earnings per share (EUR)	-0.77	-0.22	n.a.
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The full 2024 annual report will be available from 31 March 2025 at www.syzygy-group.net/investors

About the SYZYGY Group

The SYZYGY Group is one of the leading consulting and implementation partners for digital experiences. We believe that positive digital experiences have a significant impact on the quality of customer relationships - and therefore on the success of brands and companies.

The SYZYGY Group was founded in 1995 and is represented in four countries with offices in Bad Homburg, Berlin, Frankfurt, Hamburg, Munich, London, New York and Warsaw. SYZYGY AG has been listed on the Prime Standard since 2000.

In addition to the core brand **SYZYGY**, the group includes the enterprise technology specialist **SYZYGY Techsolutions**, the performance marketing and media specialist **SYZYGY Performance**, the design studio **Ars Thanea** and the strategy consultancy **different**.

The SYZYGY Group's 550 specialists look after brands such as Audi, BMW, Bosch, Die Bundesregierung, Condor, Commerzbank, Deutsche Bank, Eucerin, Hilti, HUK-Coburg, Hymer, Kyocera, Lufthansa, Mazda, Miles & More, mobile.de, o2 Telefónica, PayPal, Porsche, Sennheiser, Volkswagen and Wempe.

Further information:

Susan Wallenborn

Investor & Public Relations Manager

susan.wallenborn@syzygy-group.net

+49 (0) 6172 9488-252