



# LEADING & INNOVATING INTO THE FUTURE

Connecting people with content everywhere

OCTOBER 3, 2022



# AGENDA

- Company Overview – Chris Ripley, President & CEO
- Broadcast Overview – Rob Weisbord, COO & President of Broadcast
- Distribution – Will Bell, SVP, Head of Distribution and Network Relations
- News – Scott Livingston, SVP News
- Other Businesses – Rob Weisbord, COO & President of Broadcast
- ESG – Lucy Rutishauser, EVP and CFO
- Financial Highlights - Lucy Rutishauser, EVP and CFO
- Q&A
- **Lunch Break**
- Intro to Future Growth Initiatives – Chris Ripley, President & CEO
- Compulse – Martin Kristiseter, SVP, Managing Director of Compulse
- Multi-Platform Content – Scott Ehrlich, Chief Innovation Officer
- Growth Networks – Scott Ehrlich, Chief Innovation Officer
- Tennis Channel – Ken Solomon, Tennis Channel President
- Community & Interactivity - JR McCabe, Chief Business Officer, Consumer Products
- Customer Data Platform – Kevin Cotlove, Chief Digital Officer
- Media & Technology – Del Parks, President, Technology
- Q&A
- Conclusion - Chris Ripley, President & CEO

# NON-GAAP FINANCIAL MEASURES

This presentation contains certain financial measures, including Adjusted EBITDA and Adjusted Free Cash Flow, which are not prepared in accordance with U.S. generally accepted accounting principles ("GAAP") (collectively, the "non-GAAP financial measures"). Adjusted EBITDA is defined as earnings before interest, tax, depreciation and amortization, and non-recurring transaction, COVID, legal and regulatory costs, as well as certain non-cash items such as stock-based compensation expense; less programming payments and non-cash gain on asset dispositions. Adjusted Free Cash Flow is defined as free cash flow (which is calculated in accordance with the reconciliations found on Sinclair Broadcast Group's ("Sinclair," "SBG" or the "Company") website, [www.sbg.net](http://www.sbg.net), under "Investors – Financial Reports – Non GAAP Measures") as adjusted for non-recurring transaction, COVID, legal and regulatory costs. These non-GAAP financial measures should not be construed as an alternative to the financial measures presented in accordance with GAAP and may not comply with the SEC rules governing the presentation of non-GAAP financial measures that are applicable to filings with the SEC. In addition, some of the adjustments that are reflected in Adjusted EBITDA and Adjusted Free Cash Flow as presented in this presentation may not be allowed under Regulation S-K and our measurements of, and methodology for calculating, Adjusted EBITDA and Adjusted Free Cash Flow may not be comparable to similarly titled measures presented by other companies. Further information with respect to and reconciliations of such measures to net income, the most directly comparable GAAP financial measure, or to other non-GAAP financial measures, as applicable, can be found on Sinclair's website, [www.sbg.net](http://www.sbg.net), under "Investors – Financial Reports – Non GAAP Measures".

# FORWARD LOOKING STATEMENT

The matters discussed in this presentation include forward-looking statements regarding, among other things, future operating results. When used in this presentation, the words "outlook," "intends to," "believes," "anticipates," "expects," "achieves," "estimates," and similar expressions are intended to identify forward-looking statements. Such statements are subject to a number of risks and uncertainties. Actual results in the future could differ materially and adversely from those described in the forward-looking statements as a result of various important factors, including and in addition to the assumptions set forth therein, but not limited to the potential impacts of the war in Ukraine and the COVID-19 pandemic on the Company's business operations, financial results and financial position and on the world economy; the Company's ability to generate cash to service its substantial indebtedness; the successful execution of outsourcing agreements; the successful execution of retransmission consent agreements; the successful execution of network and MVPD affiliation agreements; the impact of OTT and other emerging technologies and their potential impact on cord-cutting; the impact of distributors offering "skinny" programming bundles that may not include all programming of the Company's networks; pricing and demand fluctuations in local and national advertising; volatility in programming costs; the market acceptance of new programming; the Company's ability to identify and consummate acquisitions and investments, to manage increased leverage resulting from acquisitions and investments, and to achieve anticipated returns on those investments once consummated; the impact of pending and future litigation claims against the Company; material legal, financial and reputational risks resulting from a breach of the Company's information systems, and operational disruptions due to the cybersecurity event; the impact of FCC and other regulatory proceedings against the Company; uncertainties associated with potential changes in the regulatory environment affecting the Company's business and growth strategy; and any risk factors set forth in the Company's recent reports on Form 10-Q and/or Form 10-K, as filed with the Securities and Exchange Commission. There can be no assurances that the assumptions and other factors referred to in this presentation will occur. The Company undertakes no obligation to publicly release the result of any revisions to these forward-looking statements except as required by law.



# COMPANY OVERVIEW

**Chris Ripley**

**President & Chief Executive Officer**

# INVESTMENT HIGHLIGHTS

- 1 Diversified assets encompassing news, sports, technology, and marketing services across multiple platforms
- 2 Scale, audience reach and financial strength, providing operating advantages to advertisers, audiences and employees
- 3 Core business driven by growing advertising and net retrans trends
- 4 Focus on local news, coupled with innovative culture, have been key drivers for the company and its industry leadership position
- 5 Growth opportunities in marketing services, multi-platform content, community & interactivity, and data distribution, help fuel future growth
- 6 Significant free cash flow, utilized to innovate, invest and return value to shareholders
- 7 Strong balance sheet with no debt maturities until 2026 and liquidity of \$1.1 billion at 6/30/22

# ASSETS & INVESTMENTS

Sinclair is comprised of broadcast stations producing award-winning news; national and regional sports networks; streaming platforms; multicast networks; marketing solutions; and innovative media technology.



# HISTORY OF INDUSTRY INNOVATION

Since its founding in 1986, Sinclair has been a pioneer at the forefront of innovation, establishing the company as a leader in industry expansion and technical expertise and vision



First Local Marketing Agreement (LMA) in 1991 - Enabled broadcasters to program a second station in a market where they already owned a station



First company to execute per-subscriber fee cable retransmission consent agreements in 2005 – enabling broadcasters to realize economic value from distributors for local station programming



First digital multicast channel in the US in 2006 - laid the foundation for multiple subchannels to be sent through a single digital signal, creating a new market for the broadcast industry



Driving force behind the NextGen Broadcast Platform, which began in the 1990's – leading to the US and other countries adopting the NextGen Broadcast Transmission Standard (ATSC 3.0)

# FUTURE FORWARD STRATEGY



Repositioning the company out of legacy, growth-challenged markets into future-forward growth markets

Four pillars drive efforts in becoming a top media organization

1. Multi-Platform Content
2. Marketing Services
3. Data Distribution
4. Community & Interactivity

Sets the direction of Sinclair as it transforms its business based on the strengths it already possesses



# MULTI-PLATFORM CONTENT



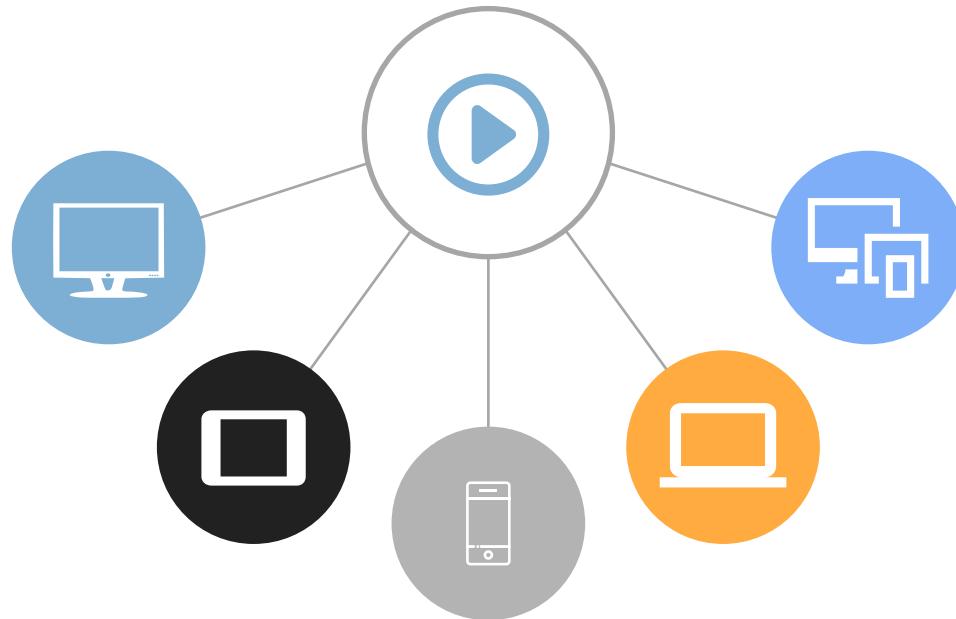
## Evolve to multi-platform content production centers

Create compelling local news and sports content that can be utilized across the Company's linear, digital footprint and big tech platforms

- Strong pipeline of new programming/brands to debut over the next 12 months

Maximize content revenue streams by engaging viewers in incremental monetization and engagement activities

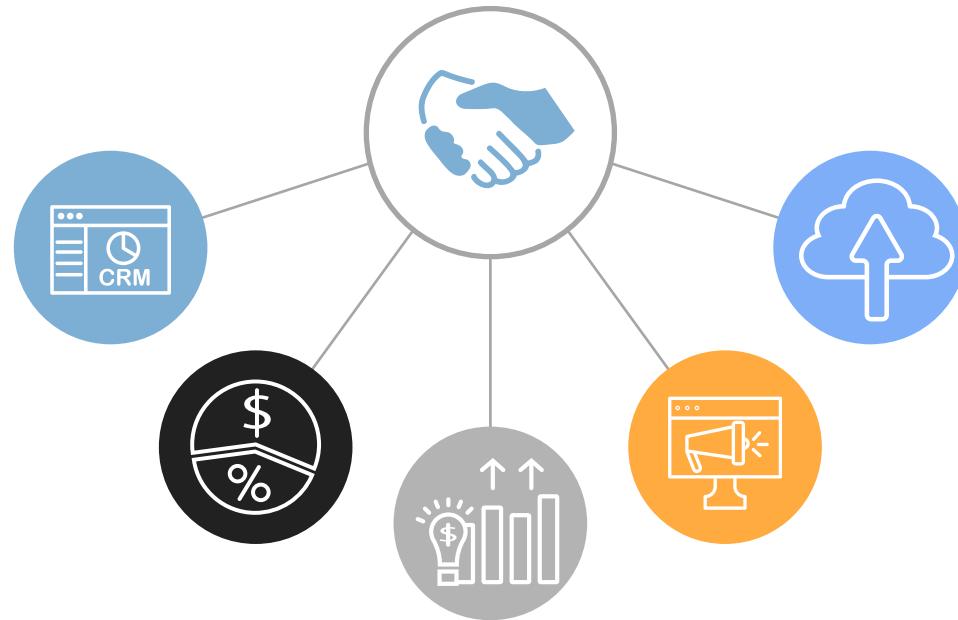
- Consumers migration to digital consumption enables significant market opportunities
- Actively drive preferential multi-platform adoption
- Strengthen and broaden a direct relationship with the consumer by collecting their preferences and creating multiple engagement points



# MARKETING SERVICES

**Utilize a suite of proprietary and best-in-class tools to drive client business growth**

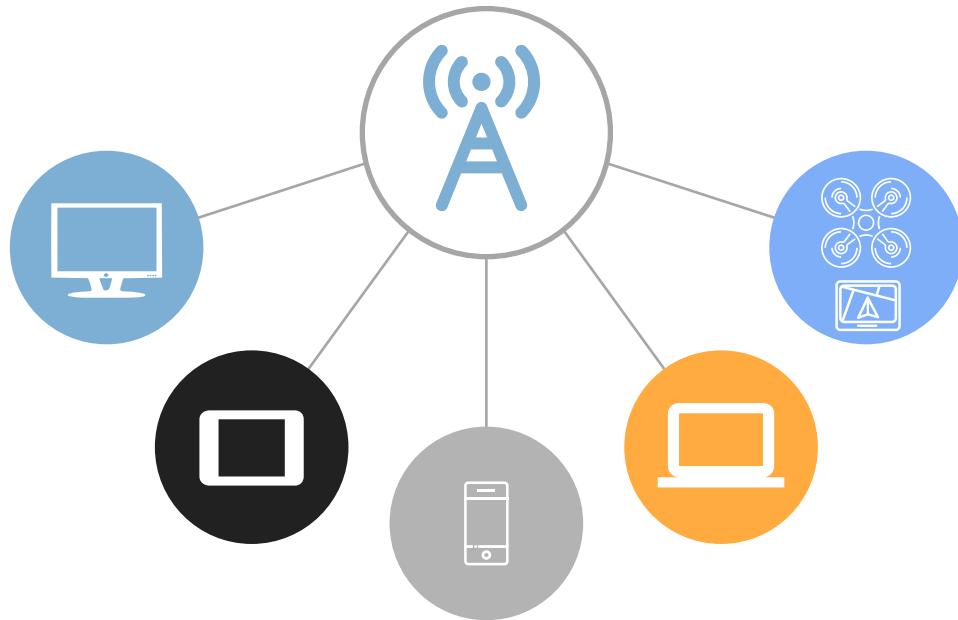
- Leverage strengths in technology and local markets to create differentiated, omni-channel solutions
- Utilize regional/national scale to service larger accounts
- Disrupt the industry by developing more cost-effective and industry-tailored products
- Automate provisioning of services, reporting and campaign management
- Create bundled solutions utilizing company and outside advertising inventory
- White-label to other local media companies and local agencies to leverage fragmented but large sales forces
- Disrupt the industry by offering Compulse 360 platform on a SaaS basis versus arbitrage model



# DATA DISTRIBUTION

**Become a wireless data distributor to fixed and mobile devices**

- ATSC 3.0/Next Generation TV enables a competitive infrastructure/platform integration for high demand applications
- Leverage our US and international partnerships to drive validation and adoption of the technology
- Better monetize OTA viewers through data collecting and targeted ads
- Put 1.7B MHz-POP at broadcast spectrum to highest and best use through mobile applications such as eGPS and IoT device control



# COMMUNITY & INTERACTIVITY

**Create a community hub where neighbors and fans can interact through content, games, and commerce**

- Enable real-time viewer engagement through personalized interactive offerings and gamification
- Drive increased real-time viewership of local sports, news, and other unique offerings
- Develop additional revenue streams by directing users to engagement and from actionable adjacencies
- Develop and maintain first-party consented data, allowing for more targeted outreach to consumers of e-commerce and unique experiences
- Capture community creative power through incentivization and empowerment



# SUM OF THE PARTS VALUE SIG. EXCEEDS SHARE PRICE

**Broadcast segment & Other: Estimated market value of \$35 per share**

- Based on industry multiple of 7x on prior two years approximate avg EBITDA of \$900M
- Includes Tennis, Compulse and NewsON, which are expected to grow meaningfully in the years ahead, which Sinclair believes warrants a higher multiple than base Broadcast business

**Investment Portfolio: Estimated market value of \$17 per share**

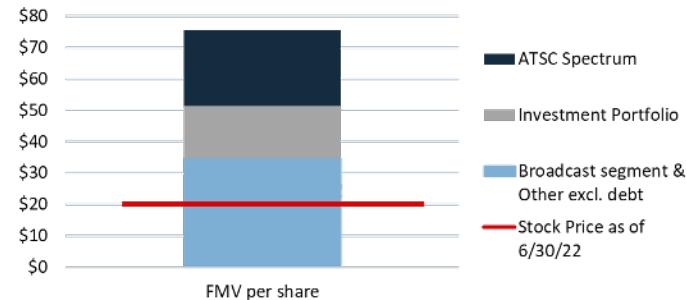
- 20%+ IRR on investments since 2014
- Estimated FMV of approx. \$1.2B consisting of:
  - Real estate, venture capital and private equity holdings, and direct strategic investments - \$370M book value and \$764M market value
  - Strategic investment with Bally's Corp.
  - Diamond Sports A/R facility loan

**ATSC 3.0 spectrum: Estimated market value of \$23 per share**

- Based on prior auction values of \$1 per Mhz Pop

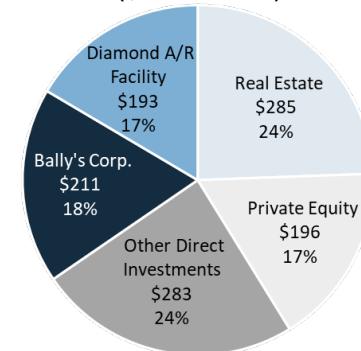
Valuations as of June 30, 2022 and share count of 70 million.

Fair Market Value of Sinclair Common Stock



Investment Portfolio Breakdown

(\$ in millions)





# BROADCAST BUSINESS

**Rob Weisbord**

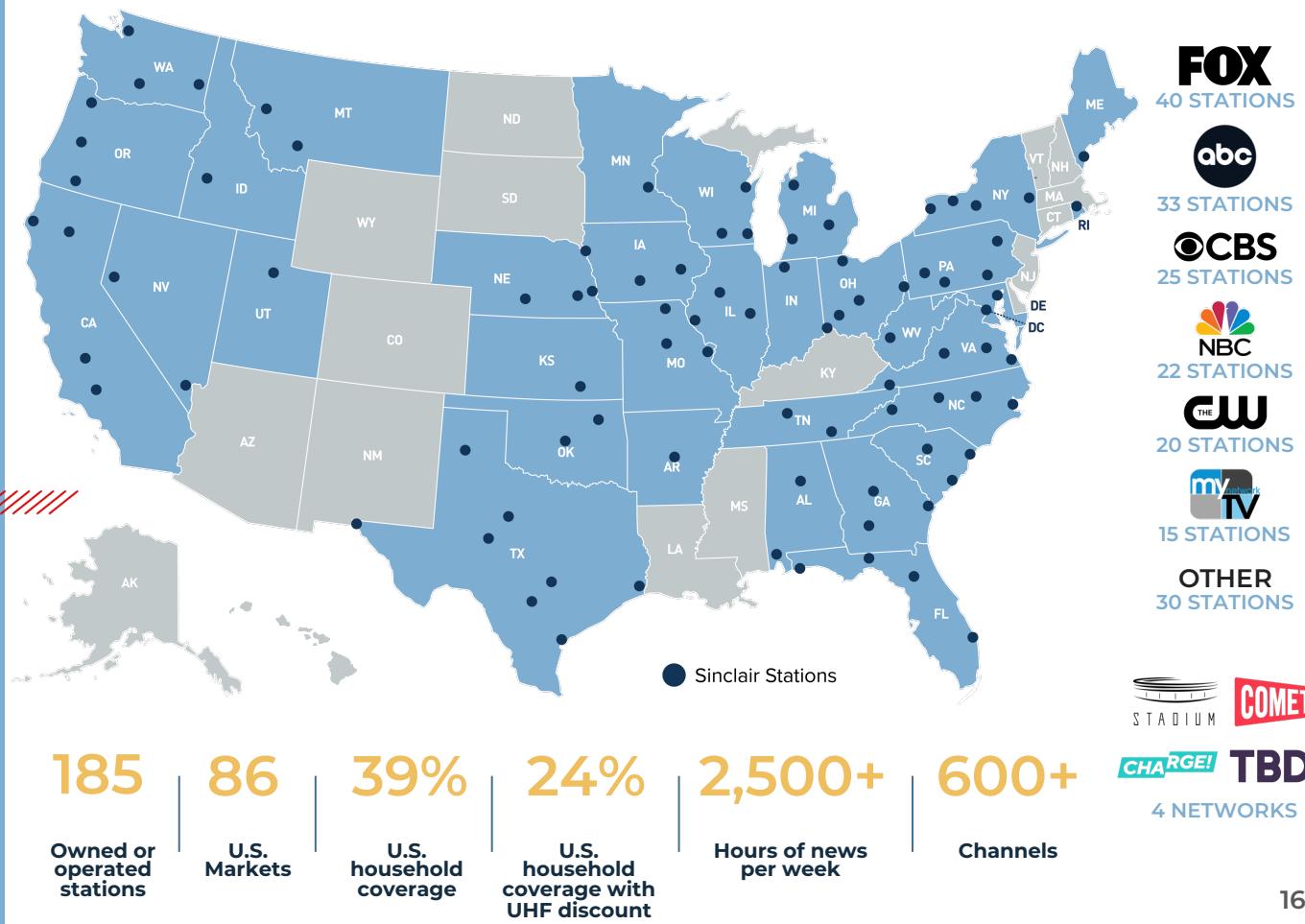
**Chief Operating Officer & President of Broadcast**

# BROADCAST

Local focus,  
national reach

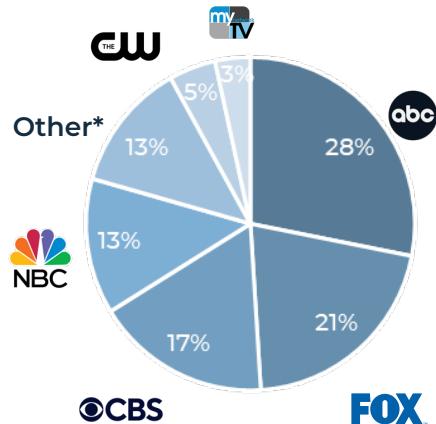
One of the largest and  
most diversified  
television  
broadcasters with  
meaningful national  
reach and scale

- Diversified geographically, by affiliate mix, and by asset type
- Advertising & distribution each make up approximately half of media revenues



# DIVERSIFIED ADVERTISING REVENUE

Timesales + Digital Excl. RSN's  
(TTM starting 6/30/22) [1]

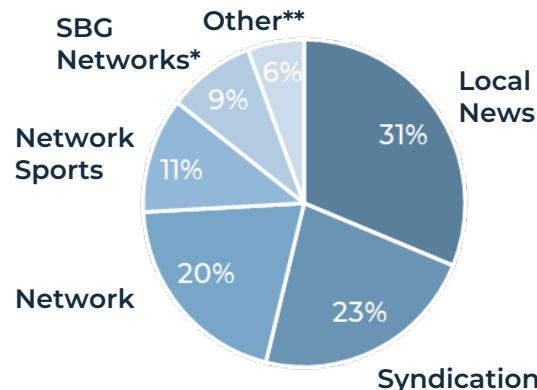


Advertising revenue  
by affiliate

- Strong affiliate diversification

\*Includes Growth Nets, Tennis, NewsOn, Stadium, and other affiliates/corp. properties

Timesales Revenue Excl. RSN's  
(TTM starting 6/30/22) [1]



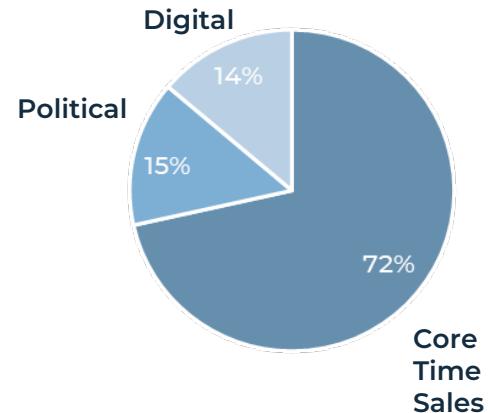
Advertising revenue  
by content type

- Strong advertising content revenue diversification
- Over 2/3 of ad revenue from non-network sources

\* Includes Growth Networks, Tennis, & Stadium

\*\* Other consists of Lifestyle, Paid, Local Sports, and other timesales revenue

Timesales + Digital Excl. RSN's  
(Trailing 24 Months starting 6/30/22) [2]



Advertising revenue  
by type

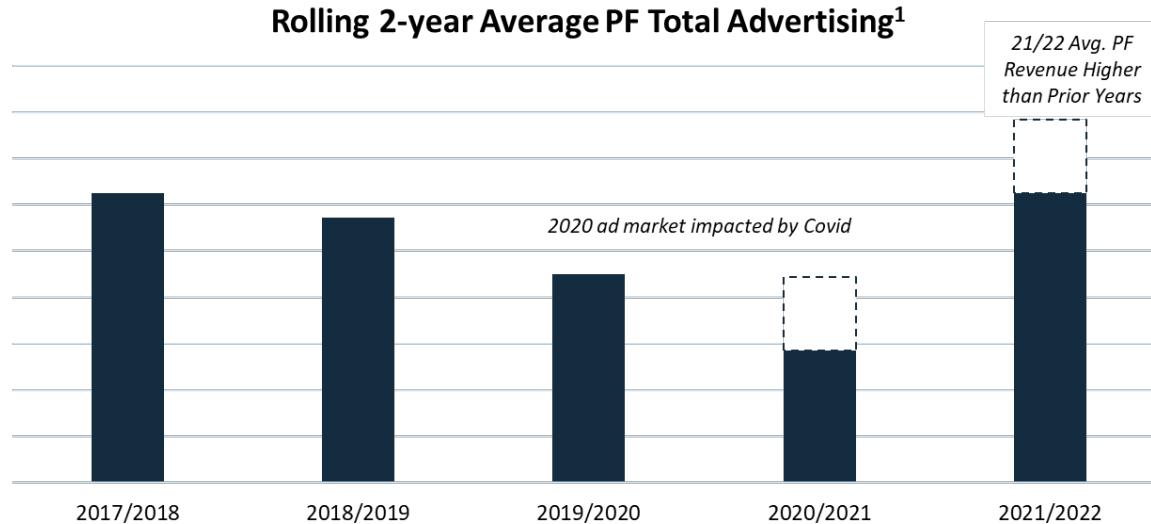
- Trailing 24 months advertising mix w. political in even years

[1] Internal traffic sales reporting "as reported" excl. RSN's + sales adj.

[2] Oracle "as reported" #'s excl. RSN's

# REVENUE GROWTH DESPITE ADVERSITY

Following COVID and the '21 Cyber Incident, advertising revenue has seen considerable growth with '21/'22 avg. **revenue reaching an all-time high over the last 5 years**



Note: Excludes Diamond Sports Group, which was deconsolidated in 1Q 2022

<sup>1</sup> Pro forma for all acquisitions (excluding the RSN acquisition) and dispositions as if the transactions occurred on 1/1/2017, 2-year averages. 2021 advertising revenue shown has been adjusted to add \$63 million impact of cyber event. 2022 revenue depicted based on forecast as of August 3, 2022.

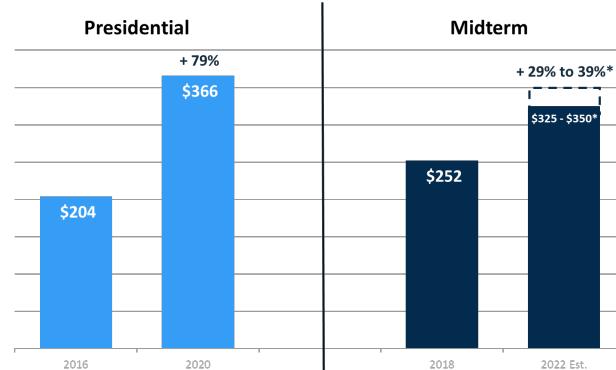
# COMPOUNDING GROWTH IN POLITICAL & DIGITAL DRIVING OVERALL AD BUSINESS

- Political 2-year cycle tied to timing of election years
- Comparing cycle to cycle, **political revenues have grown materially since '16** with '22 expected to be a record midterm year (even w/low guidance of \$325M)
- **Digital delivered a 5 Yr. CAGR of ~24%**
- Consistent digital growth **driven by a focus on share of wallet** across all platforms

Note: Excluding RSN's. Digital includes gross billings from Compulse. Political and Digital are pro forma for all acquisitions (excluding the RSN acquisition) and dispositions as if the transactions occurred on 1/1/2016.

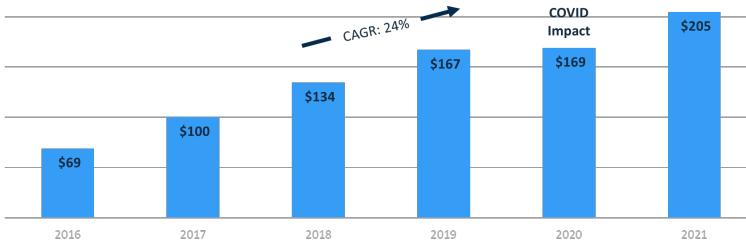


Sinclair Political Revenue Growth by Cycle (\$'s in Millions)

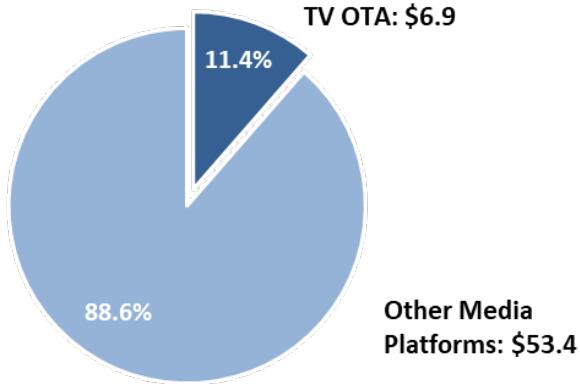


\*dotted line represents high-end political guidance & % increase is a range between low and high end guidance

Strong Digital Growth (\$'s in Millions)



2022 BIA Local Advertising Market Estimate  
for Sinclair Markets  
(\$'s in Billions)



Total local ad spend in these markets is  
expected to increase from \$60.3B to \$71.4B (+  
\$11.1B or ~18%) by 2025



# SINCLAIR LOCAL AD TOTAL ADDRESSABLE MARKET (TAM) IS LARGE AND GROWING

- **Maximizing share of wallet**, not just share of TV \$'s, is a Sinclair core tenet
- Through thoughtful specialization and strategic entry into growing markets, **Sinclair is becoming a diversified media company**, not just a major player in TV broadcast
- By targeting the total market and capitalizing on our strengths in Over The Air TV, **we're well positioned for future growth**

Source: BIA Local Ad Market Estimates by Media Platform for Sinclair DMA's

# MAXIMIZING YIELD WITH CROSS-PLATFORM SALES

- **We've created specialized sales teams and solutions**, leveraging the breadth and depth of our existing assets to provide a "one-stop-shop" for advertisers and agencies
- These centralized teams allow us to **unlock additional share of wallet** with minimal incremental investment
- Combined, these three groups are projected to **bill more than \$90M** in ad revenue in '22 and have **delivered sustained, double-digit revenue growth** since 2020



Source: Internal Company Annual Revenue  
Actual/Forecast "as reported" as of 9-21-22

# INCREASING SHARE THROUGH SPECIALIZATION

- Emphasis on high performing areas in auto, legal, medical, and government that include owned and operated (O&O) sales that are focused on proprietary platforms designed to address the specific marketing needs of each category
- Sales teams of subject matter experts work alongside local marketing executives to deliver unprecedented value to the most important categories of business:



12 Auto Marketing Experts



6 Legal Marketing Experts



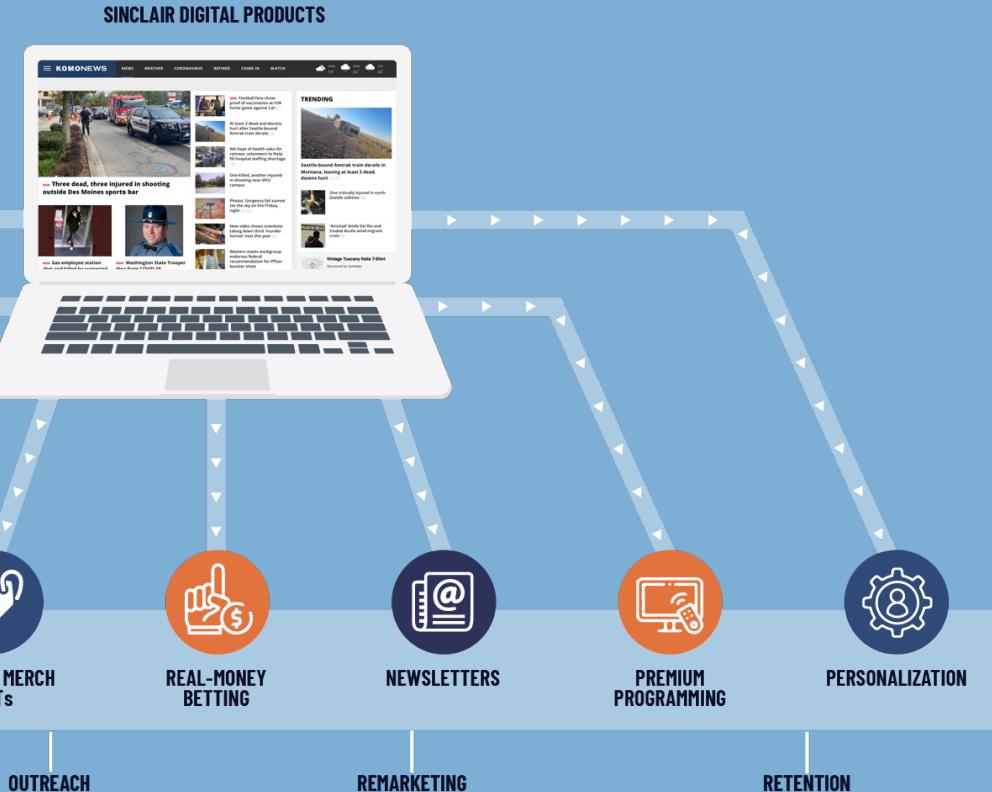
2 Medical Marketing Experts



1 Government Services Expert

# INCREASING AVERAGE REVENUE PER USER (ARPU)

Leveraging O&O digital assets as a funnel, we'll look to convert our **80M+ monthly unique digital users** into customers, driving increased ARPU as a result





# DISTRIBUTION

**Will Bell**

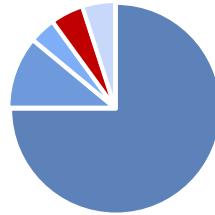
**SVP, Head of Distribution & Network Relations**

# DISTRIBUTION: POWER OF BROADCAST REMAINS UNMATCHED

**“Broadcast Television is still the dominant way people watch... Broadcast Television is still primo, and it is not going anywhere”**

– John Ourand, Media Reporter, Sports Business Journal; The Marchand & Ourand Sports Media Podcast, 9.21.22

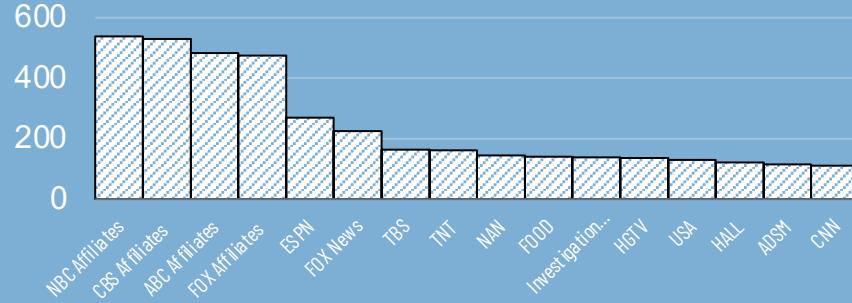
95 of TV's Top 100 Programs of 2021 were on Broadcast Network TV



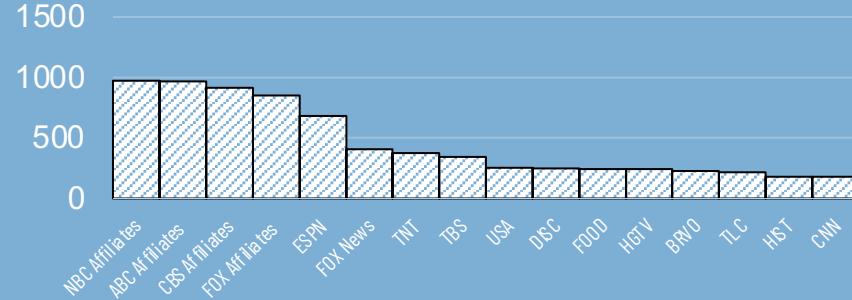
- NFL (Fox, NBC, CBS, ABC)
- Olympics (NBC)
- NCAA (CBS, FOX)
- **NCAA (ESPN)**
- Events (CBS, NBC, ABC, FOX)

Source: Sports Business Journal  
Research

**Broadcast Dominates Total Day**  
P25-54 Avg. Audience (000), 2021-2022 Season, M-Sun  
Total Day

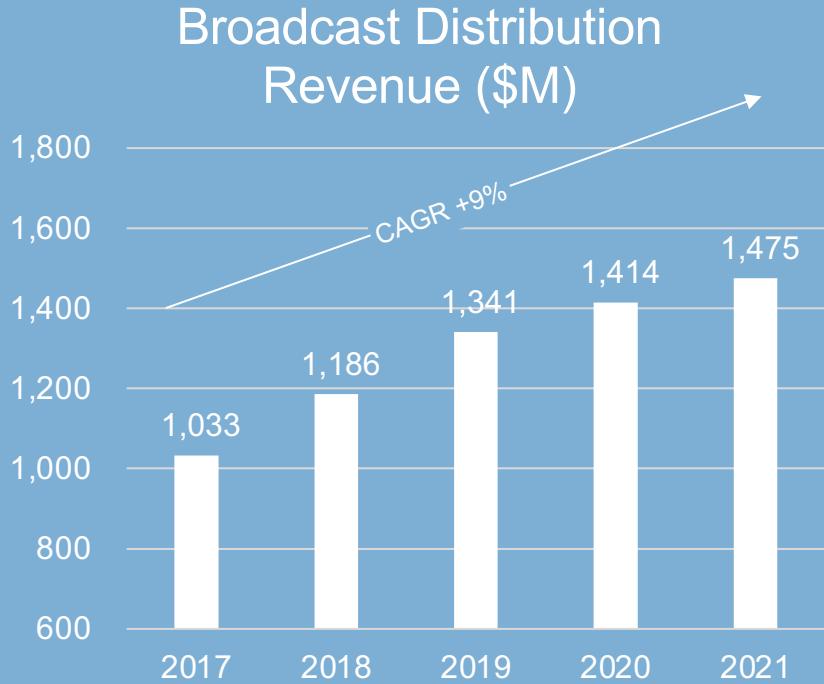


**Broadcast Dominates Prime**  
P25-54 Avg. Audience (000), 2021-2022 Season, M-F  
Prime



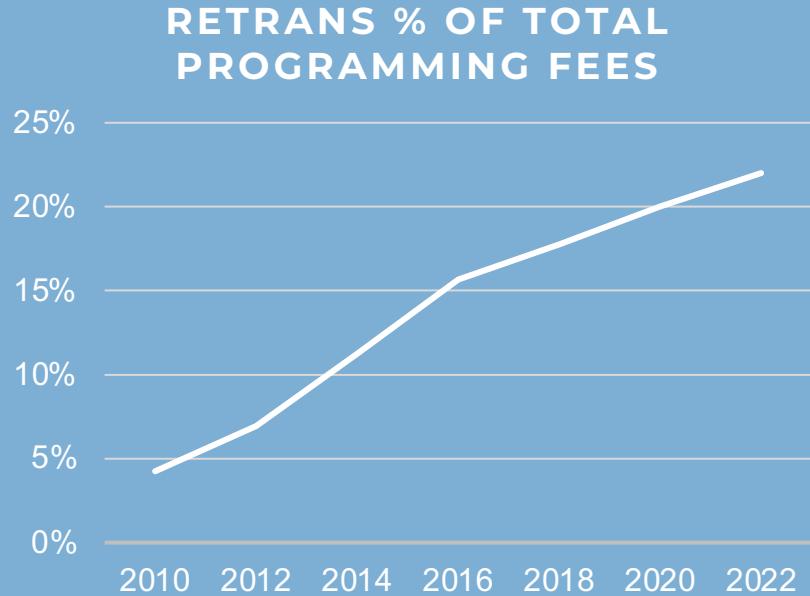
Source: Nielsen

# DISTRIBUTION REVENUE BROADCAST SEGMENT



- **Sustained Record of Growth:** Broadcast Distribution Revenue has grown at an annualized rate of **over 9% since 2017**
- Sinclair has maintained broadcast distribution revenue growth despite MVPD churn through:
  - Increased MVPD consideration; and
  - Capitalizing on vMVPD growth

# BROADCAST FEES STILL UNDER VALUED RELATIVE TO RATINGS

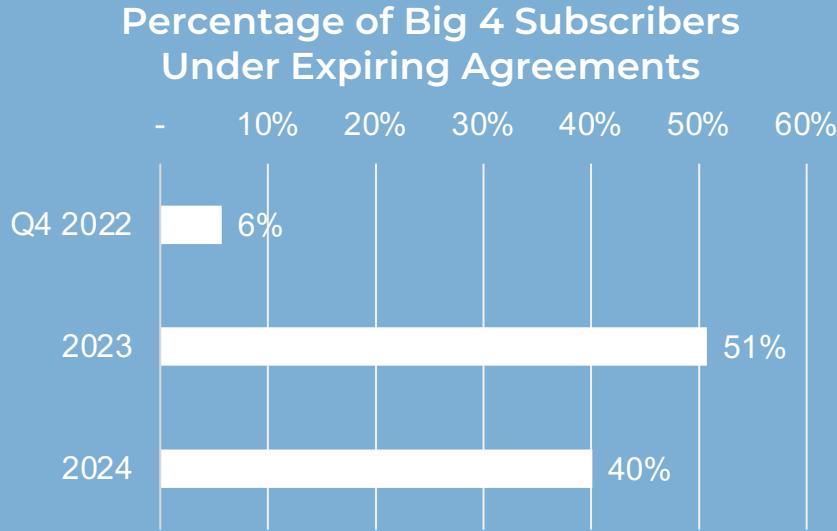


Source: S&P Market Intelligence

- Broadcast fees have steadily increased their share of programming costs and yet still fall well below the 39% of ratings\* they deliver, presenting significant organic growth opportunity as costs and ratings continue to converge.

\*Source: Nielsen

# FORECAST - POSITIVE RETRANSMISSION RENEWAL OUTLOOK



- Sinclair expects to renew distribution agreements representing over 90% of current Big 4 subscribers in 2023 and 2024, positively impacting 2024 and 2025
- Estimating 3-year Low- to Mid-Single Digit CAGR for net retransmission revenue



# NEWS

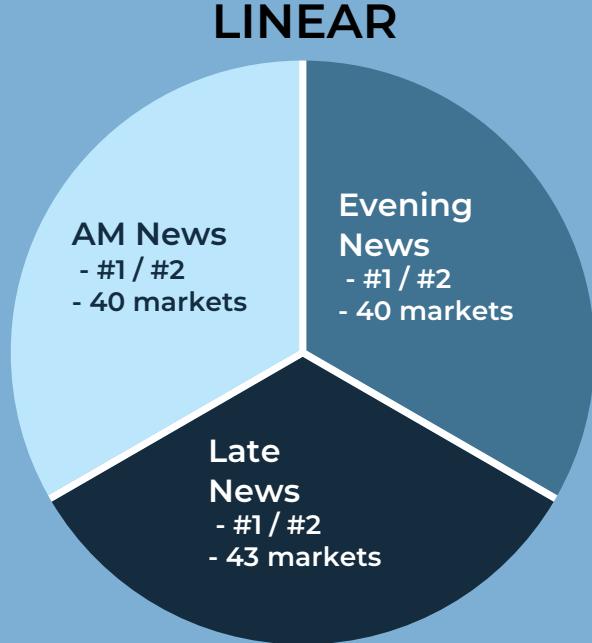
**Scott Livingston**  
**SVP, News**

# NEWSROOM OF THE FUTURE = CONTENT CENTERS

To truly transform our newsrooms, we must become more agile and produce targeted content on every platform in real time.



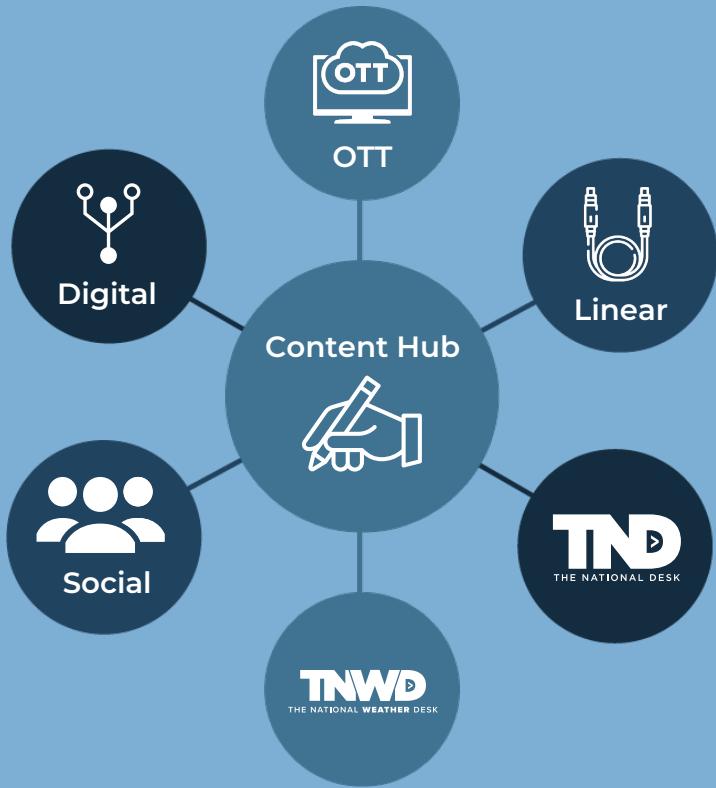
# MULTI-PLATFORM PRESENCE



Source: Nielsen P25-54, May '22

Source: Google Analytics & CrowdTangle

# MULTI-PLATFORM CONTENT CREATION



# MULTI-PLATFORM CONTENT CREATION

Transitioning purpose and process for modern journalism

**Spotlight on Schools: Parents voice concern over bus stop location**

by KFDM | Wednesday, December 15th 2021



**RIGHT NOW**

JASPER	69°
KIRBYVILLE	69°
KOUNTZE	69°

5:05 | 69°

**6 KFDM NEWS**



Wayne Stafford  @WayneStaffordTV - Apr 27  
#Breaking A new bombshell in the @SwadleysBBQ Foggy Bottom Kitchen scandal.

The OK State Fire Marshal reporting Swadley's never got building permits for any of the restaurants, citing numerous "life safety issues" with the buildings.  
@OKCFOX #Thread 



okcfox.com  
New bombshell in Swadley's Foggy Bottom Kitchen scandal  
A new bombshell has presented itself in the Swadley's Foggy Bottom Kitchen scandal. The State Fire Marshal reported that Swadley's neve...

37 276 383 1

WBFF FOX 45  17h   

Mayor Brandon Scott faced tough questions Thursday night, as a Baltimore police officer fights for her life after being shot overnight Thursday. Police say [REDACTED] was ambushed while sitting in her car in Curtis Bay.



FOXBALTIMORE.COM | BY WBFF FOX 45  
Baltimore Mayor Brandon Scott bristles over tough questions about crime plan

430 Comments 64 Shares

Neil Zlozower   
You rock! Thanks for helping all of those people!!!

# NEWS DNA

- Focused Content
- Stories of High Local Interest
- Journalists Dig Deeper
- More Targeted Content



DISTINCTIVE

DISCIPLINED

DISRUPTIVE

# REIMAGINING NEWS

**Our North Star: Create content that is relevant beyond the Boomer.**

- **Adapted** newscasts to be snackable and faster-paced; conversation and personality oriented
  - Experienced 20% year-to-year ComScore ratings increase in key demo
- **Expanded** content creation on Digital & Social; YouTube, Instagram, Facebook & TikTok
- **Created** a TikTok following from scratch, over 13,000 organic followers in nine months
- **Produced** the “Missing Erica Baker” podcast, earning over 85k downloads in 2½ months



# A NEWSCAST OF DISCOVERY

- Providing clarity to emerging stories
- Built from the ground up, leveraging the resources and assets in the local markets
- 65 Markets, 28% of the Country
- Audience: 2 Million Per Week
- 3x the Avg. Impression Delivery of NewsNation (AM vs. AM)\*
- Profitable after only 1 year on ad supported basis

\*Source: Nielsen P25-54, May '22

THE NATIONAL DESK

# THENATIONALDESK.COM

AMERICA'S NEWS, NOW



## AUDIENCE FEEDBACK

85% of news consumers say they would keep watching.

- New
- Different
- Fresh
- High Quality
- Unbiased Approach
- Straight Forward News
- Smart News

Source: Magid Adults 25-54

# THE NATIONAL WEATHER DESK

- Leverage our 200+ Meteorologists, 100+ more than the Weather Channel, to create unique weather stories on all platforms: Instagram, Facebook, TikTok, Twitter, & digital and linear
- Cool weather stories, viewer pictures, lifestyle, weather explainers



7newsdc Liked by eileen\_whelan and others  
7newsdc STUNNING view of the sun rising over tulips at the Navy - Merchant Marine Memorial in D.C. 🌸  
View all 3 comments  
April 22



# AWARD WINNING REPORTING WITH IMPACT

Impactful Reporting with a Local Focus

**2,000 Awards over the last 6 Years**

75 National Awards

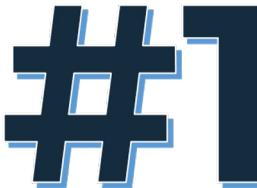
207 Edward R. Murrow Awards

502 EMMY Awards



# KEEPING GOVERNMENT ACCOUNTABLE

- KOMO News #1 in all News Dayparts
- Launch of Single Topic Initiative
  - Project Seattle
  - Operation Crime & Justice
- Single Topic Investigations in 25 markets
- Relentless focus on government accountability
- Documentaries
- Seattle is Dying
  - Fight for the Soul of Seattle
    - More than 16 Million Views on YouTube and Facebook
- Extension of News Content
  - Digital & Social Platforms



Source: Nielsen

- Total Viewers for August 2022
- 430a, 5a, 6a, 11a
- 330p, 4p, 5p, and 6p

# GIVING A VOICE TO THE VOICELESS

- WRGB's Anne McCloy was featured in The Atlantic after she advocated for Unemployed New Yorkers in her questioning of Governor Cuomo
- WGME Discovered a Nationwide problem
  - Veterans' crisis line connected to outdated websites
  - Emergency responders sent to wrong addresses
  - Sen. Collins & King introduced legislations to close loophole
  - Won National IRE Award
- WBFF's FOX45 News Mikenzie Frost was named Baltimore's Best TV Reporter by Baltimore Magazine for "...doggedly, fearlessly, and professionally asking elected officials the tough questions that are on the minds of Baltimoreans."





# A POWERFUL BROADCAST BUSINESS, POSITIONED FOR CONTINUED GROWTH

- Our portfolio is large and diversified
  - 185 stations, 86 markets, 4 O&O networks
  - No single affiliate delivers more than 30% of ad revenue
  - Non-Network programming contributes ~2/3 of ad sales revenue
- Political & digital growth, driven in part by **sales specialization** and focus on **share of wallet**, are drivers for advertising revenue performance
- Net broadcast distribution revenue positioned for continued growth through unrivaled popularity of local and national programming
- Our nationally recognized news operation, driven by an award winning, community-first focus, is a growth engine for **80M+ monthly unique digital users for customer conversion and increased ARPU**
- While staying true to our strengths, we're actively transforming to the **newsroom of the future**, improving efficiency and **creating relevant, multi-platform content for the next generation**



# OTHER BUSINESS & RELATED SYNERGIES

**Rob Weisbord**

**Chief Operating Officer & President of Broadcast**

# TENNIS CHANNEL DELIVERS FANS THE MOST COMPREHENSIVE, INTEGRATED LIVE SPORTS ECOSYSTEM IN U.S. MEDIA

Always one step ahead of the field, Tennis Channel harnesses the power of all popular platforms to maximize viewership and engagement to grow the brand and the game



#1 TENNIS  
GLOBAL ONLINE WEBSITE



FREE 2ND NATIONAL LIVE  
TENNIS TV NETWORK ON  
SAMSUNG TV +



MASTER LINEAR NATIONAL  
TV CHANNEL  
HUB



RETAIL NFT &  
DTC COMMERCE



DATA, GAMING & SPORTS  
BETTING



NOW OPERATING IN SEVEN  
COUNTRIES WITH F.A.S.T  
AND SVOD OFFER



TC PODCAST NETWORK  
18 OWNED & AFFILIATE



8 OWNED SOCIAL  
MEDIA PLATFORMS



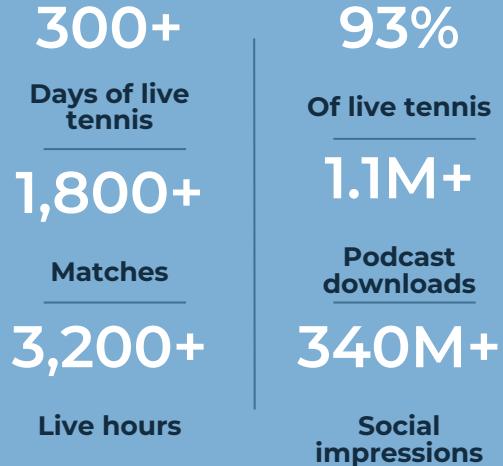
MOBILE & DESKTOP  
TV LINEAR LIVESTREAM  
OTT / MVPD



WORLD'S #1 MAGAZINE  
DIGITAL & PRINT

# TENNIS CHANNEL – ALWAYS LEADING THE WAY TO WINNING MASS-APPEAL DRIVING SPORTS MEDIA INNOVATION

- #1 Network in Live Sports Hours on US Television
- #1 Online Global Tennis Website – (tennis.com)
- #1 Tennis Worldwide Magazine – (Tennis Magazine)
- #1 Network among Affluent, Well-Educated and Influential Viewers
- 1st & Only Single Sport Network Roll-up, Amassed virtually every global event 24/7/365
- 1st HD\* - Offered Full 24/7 Live High-Definition Channel on DTV (2006)
- 1st Network to Pioneer “Round the Clock” LIVE Covg. - Roland Garros (2007)
- 1st Network to Stream LIVE Multicourt Covg. – Roland Garros (2007)
- 1st “Plus” in US Media - Cable Network DTC SVOD service - TC Plus (2014)
- 1st Network offering TVE, LIVE and VOD subscription DTC in same app (2014)
- 1st FAST Channel ever. Launches “The T” - 100% all original content (2017)
- 1st 24/7/365 LIVE Sports FAST Channel – T2 on Samsung TV Plus (2022)



Source: Nielsen national TV toolbox, 2021; podcast data is provided by Tennis Channel; percentage of live tennis is based on percentage of events that Tennis Channel has live rights to; Facebook & Twitter  
\*Among the first group of networks to launch in HD

# MARKETING TECHNOLOGY PLATFORM

Sinclair provides innovative ways to serve its clients with tools, tech, and processes aligned around growth



Compulse is a leading marketing technology platform and managed services company for local media companies and Tier 2 agencies. It makes omnichannel advertising efficient, transparent, and profitable.

## Purpose-built

Engineered expressly for local and hyperlocal advertising

## Transformative

We're changing the way media is bought and sold

## Comprehensive

Our technology, services, and capabilities enable us to be a one-stop solution for everything clients need

Compulse's single-solution platform, Compulse 360, combines sales order management, fulfillment, & analytics into a single SaaS-based solution designed to make digital advertising easier and more profitable for clients.

Utilizing advanced technology (AI), Compulse's custom proposals are generated in minutes, combining the best marketing strategies with technology.

# LEADER IN LOCAL SPORTS BROADCASTING

## Overview & Key Highlights

- Largest portfolio of regional sports networks (RSNs) in the U.S.
- Exclusive rights for local live broadcasts of approx. half of the MLB, NBA, and NHL teams
- Live sports viewers among the most desirable audience for advertisers & typically attract among the highest ratings of all broadcast content
- Bally partnership drives increased monetization opportunities
- Broadcast live and recorded content from Tennis Channel and Stadium
- Direct to consumer app, Bally Sports+, launched in June 2022
- De-consolidated from Sinclair financial reporting in March 2022, separate credit silo
- Managed by Sinclair

Note: Sinclair owns the equity of Diamond Sports Group, which owns and operates the RSNs and accounts for the business under the equity method of accounting.



19

RSN  
Brands

15

Of top  
25 DMAs

~5k

## Live Events per year

8.8B

Linear  
A25-54 Ad  
Impressions

857M

## Bally Sports Digital Streaming Impressions\*\*

Note: stats exclude Marquee and YES Network

\*Source: Nielsen Media Research. Bally Sports internal information & assumption.

\*\*Source: Google Ad Manager – projected annual streaming impressions for NHL, NBA, and MLB (excluding broadcast and digital media)

# GROWTH NETWORKS GROUP

**Digital Broadcast TV – Driving the next generation of TV Networks**

Launched in 2016, the Growth Networks Group builds and operates new digital broadcast TV network brands and covers ~91% of the country's Nielsen OTA Households\*



TV's home for the best in Sci-Fi. Featuring fan favorite series franchises Buffy The Vampire Slayer, The X Files, The Outer Limits, Farscape and returning in Jan 2023 one of the longest running series in TV history Stargate SG-1!



CHARGE solves the crimes and takes on the bad guys with iconic action TV stars. CSI Miami, CSI NY, CHiPs, The Commish, Hunter and coming in January 2023, Without A Trace joins the line-up!



Handpicking the most entertaining over the top viral content, TBD is one of the youngest skewing networks on TV. Wipeout, World's Dumbest, and Fear Factor anchor the schedule along with great viral video clips curated for the audience.



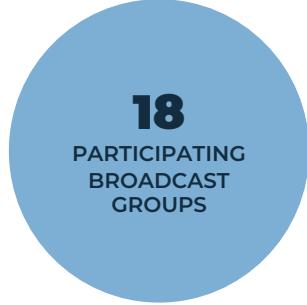
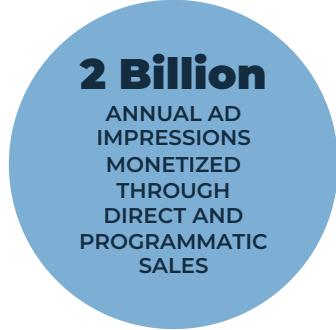
\*Source: Nielsen

# NewsON®

## America's #1 Local OTT/CTV News Distributor

- “Best of the Best” of local TV news: NewsON’s mission is to create national scale around local TV news
  - All markets available nationwide, wherever the user may be
- NewsON is the only local TV industry news pure play to achieve scale to matter in a FAANG/National News outlet dominated environment
  - Command SOV (share of voice) for user discovery
  - Scale of ad inventory (200m monthly avails) to matter to national advertisers
- Profitable since 2020

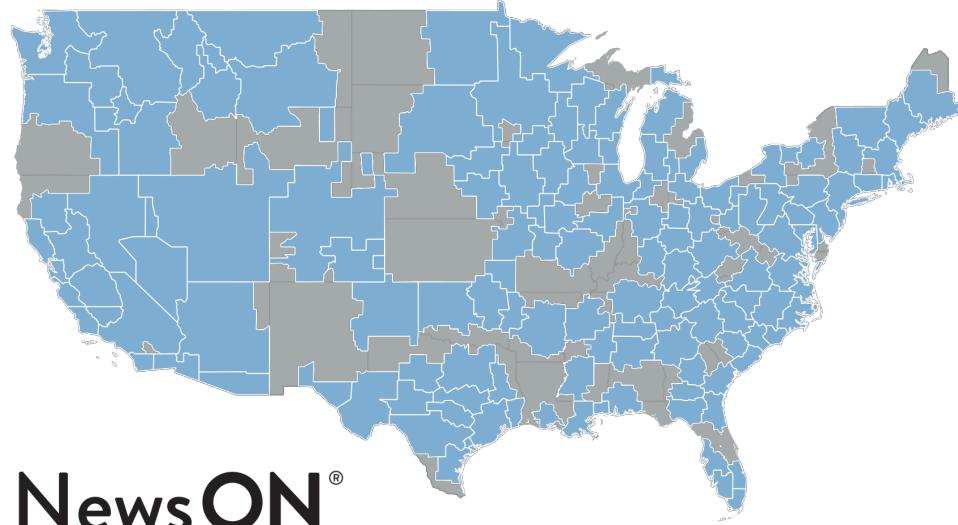
Source: Nielsen 2022 DMA rankings, Roku Store, Google Ad Manager/Springserve (Magnite), Google Analytics



# LEADING THE WAY FOR LOCAL TV IN CTV PARTNER GROUPS & STATIONS

- CBS News and Stations
- Hearst Television
- TEGNA
- Scripps
- Sinclair Broadcast Group
- Cox Media Group
- Hubbard Broadcasting
- Altice
- Capitol Broadcasting
- Berkshire Hathaway (WPLG)
- McKinnon Broadcasting
- Fort Myers Broadcasting (WINK)
- Morris Broadcasting
- Block Communications
- Morgan Murphy Media
- Cowles Company
- Forum Communications
- Heritage Broadcasting

Source: Nielsen 2022 DMA Rankings



**NewsON®**  
**92%**  
**US HH Coverage**





# CORPORATE RESPONSIBILITY

**Lucy Rutishauser**  
**EVP & Chief Financial Officer**



# FOCUSED ON CORPORATE SOCIAL RESPONSIBILITY

## Environmental Mission

Identifying and implementing ways to reduce our organization's impact on the environment

## Social Mission

Providing a fair and inclusive environment and informing, engaging and supporting the people and communities with which we interact

## Governance Mission

Providing transparency, accountability, and diverse thinking that seek to minimize risk



# ENVIRONMENTAL – DOING OUR PART FOR THE ENVIRONMENT

## Implementing

Efficient LED lighting, transmitters and HVAC equipment

Battery recycling program

Eco-friendly office supply purchases

Third party environmental certifications of buildings (e.g., LEED, Santa Monica Green Certification)

Reduced annual report printing

## Evaluating

Solar energy

Battery farms

Electric vehicles

Electricity usage



# SOCIAL - MAKING A DIFFERENCE IN OUR COMMUNITIES

- Driving results through impactful local journalism
- Company-wide Sinclair Cares initiatives
  - Ukraine Relief / American Red Cross
  - Supporting All Veterans / Disabled American Veterans (DAV)
  - Roll Up Your Sleeves / American Red Cross
  - Your Neighbor Needs You / Salvation Army
  - Summer Hunger Relief / Feeding America
- Our organization has partnered with local charitable organizations for decades



American  
Red Cross



THE SALVATION ARMY  
DAV  
Disabled American Veterans

2021 Aggregate of individual business units

On-air promotional time donated:

**\$13,000,000+ Estimated media value**

**\$38,111,767**

Funds raised for non-profit organizations, schools, agencies, local disaster relief, charitable contributions

**3,417,258**

Pounds of food collected

**1,527,344**

Meals provided

**286,481**

Toys collected

**131,748**

Backpacks distributed

**13,872**

Units of blood collected

400+ Charitable organizations helped





# SOCIAL - CREATING A GREAT PLACE TO WORK

- Industry leading benefits & compensation package
- Upward mobility
- Rewards & recognition
- Continuous learning & development
- Culture of innovation

# GOVERNANCE – STRENGTHENING TRANSPARENCY, ACCOUNTABILITY AND DIVERSITY

Since mid-2020:

- Hired first Chief Information Security Officer
- Hired first Chief Compliance Officer
- Formed ESG committee with Board representative
- Added Board committees
  - Regulatory committee
  - Nominating and Corporate Governance committee
  - Cyber subcommittee
- Increased diversity of Board of Directors
  - First female board member
  - First minority board member



# CORPORATE SOCIAL RESPONSIBILITY

**Setting goals, measuring and communicating progress and outcomes for the benefit of the environment, our communities, stakeholders and the bottom line.**





# FINANCIAL

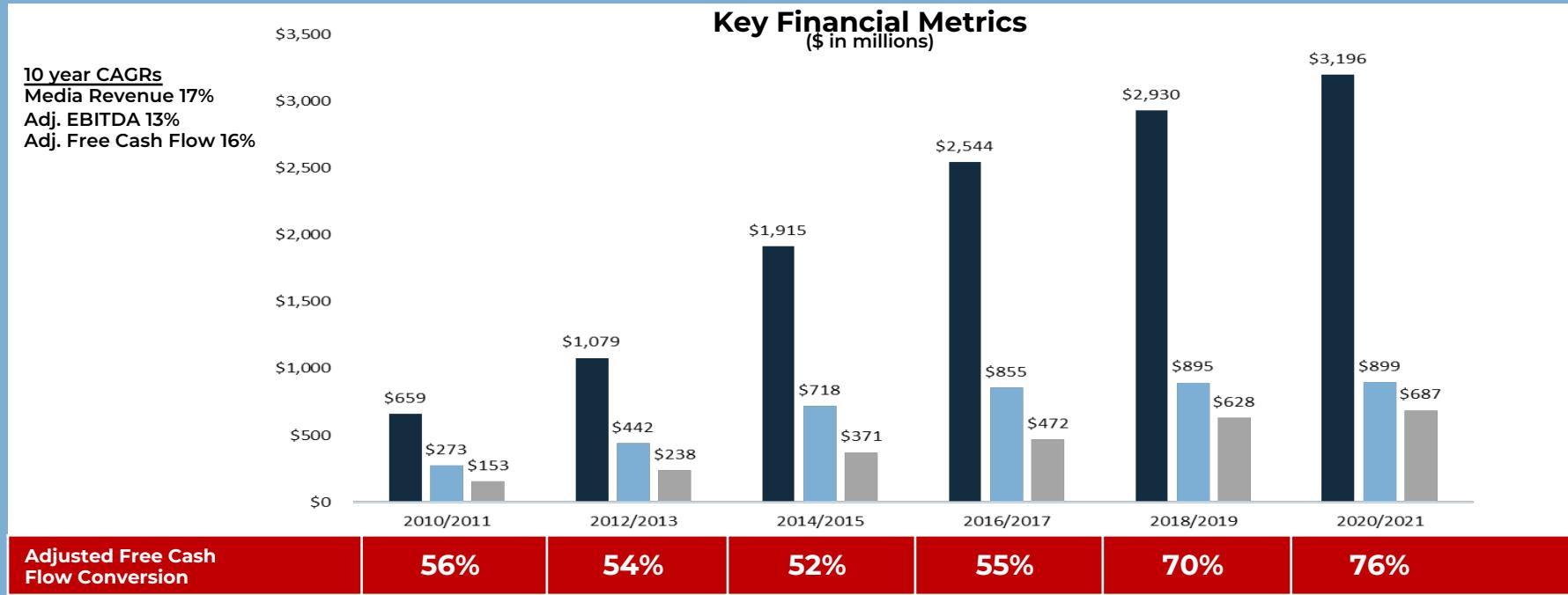
**Lucy Rutishauser  
EVP & Chief Financial Officer**



# FINANCIAL HIGHLIGHTS

- **Growing key financial metrics**
- **Converting over 70% of adjusted EBITDA into Adjusted Free Cash Flow**
- **Reinvesting in future-focused growth initiatives**
- **Returning shareholder value**
- **Minimizing refinancing risk**
- **Building significant liquidity**
- **Delevering the balance sheet**
- **Share price is well below the sum-of-the-parts valuation of the company**

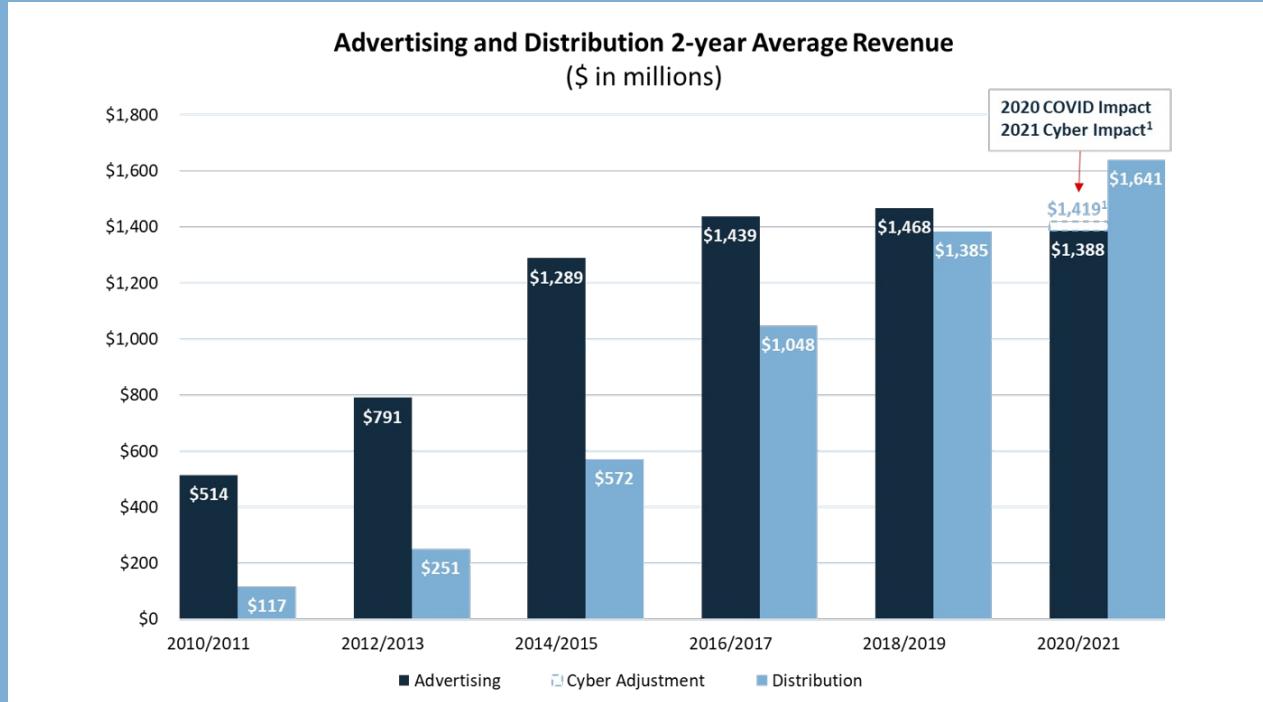
# GROWING KEY FINANCIAL METRICS



Note: Excludes Diamond Sports Group, which was deconsolidated in 1Q 2022

As reported, 2-year averages. Revenue in 2021 includes the negative impact from cyber event, which drove \$63 million of lost advertising.

# DRIVING TOP LINE GROWTH



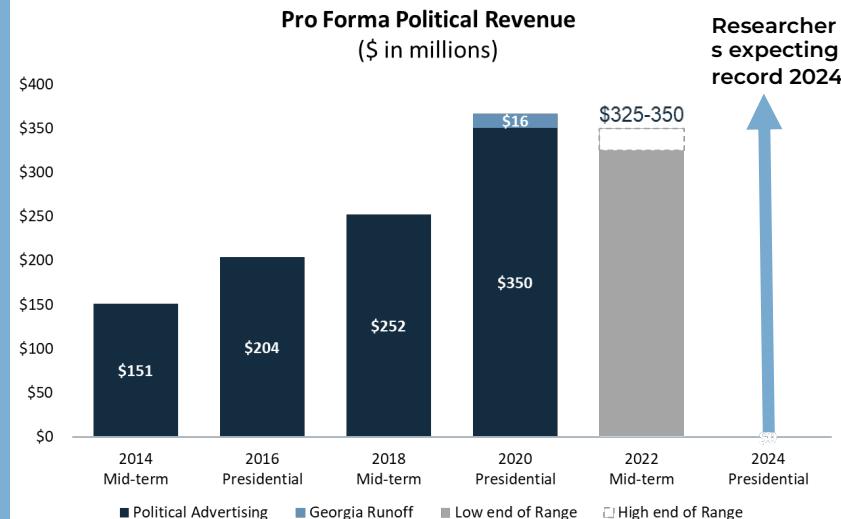
Note: Excludes Diamond Sports Group, which was deconsolidated in 1Q 2022

As reported, 2-year averages. 2021 advertising revenue shown has been adjusted to add \$63 million impact of cyber event.

# STRONG DEMAND FROM POLITICAL ADVERTISERS UNDERPINS TV'S RELEVANCE

- Over 10% CAGR from 2014 to 2022
- 2022 expected to be a record midterm year and could approach 2020 level (pre-Georgia runoff)
- Presidential election years tend to be higher than midterm years
- YTD spending through June 2022 a record for any year
- Researchers expecting record 2024 political

Political advertising reached record levels in 2020



Note: Excludes Diamond Sports Group, which was deconsolidated in 1Q 2022  
Pro forma for all acquisitions (excluding the RSN acquisition) and dispositions as if the transactions occurred on 1/1/2014. 2022 revenue depicted based on forecast as of August 3, 2022.



# INVESTING IN THE FUTURE

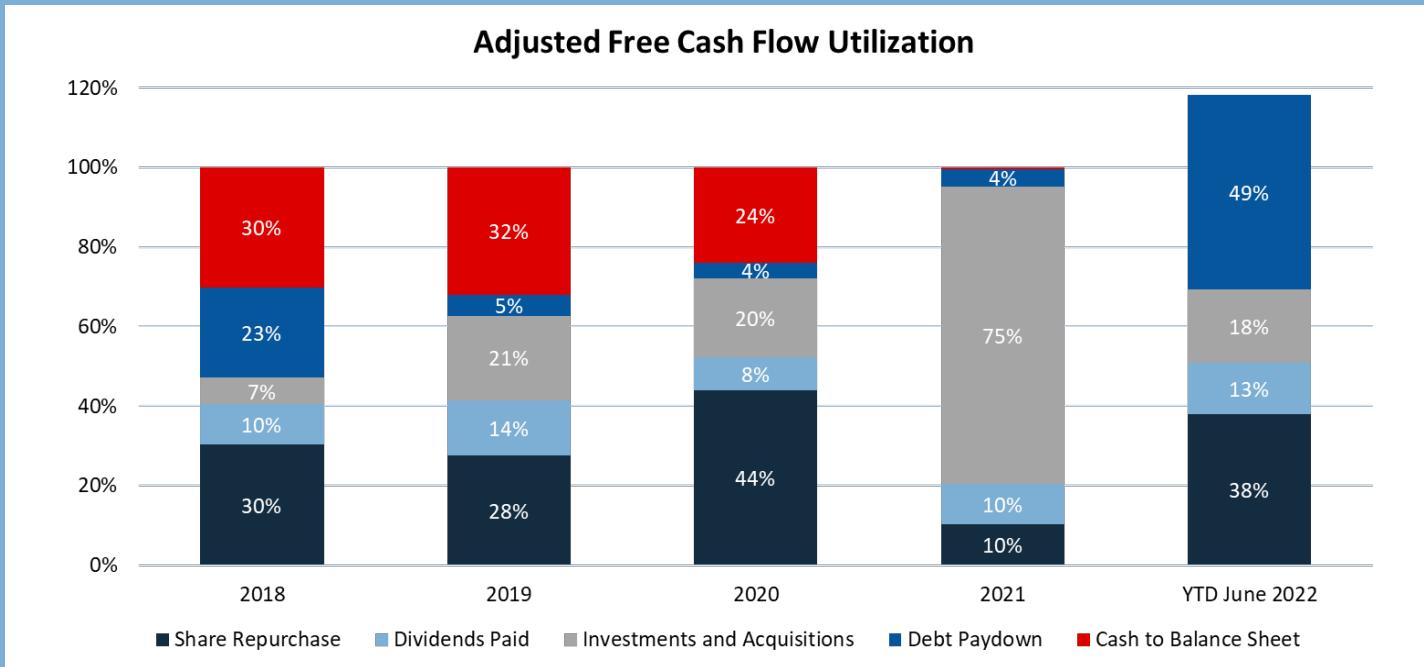
- Total adjusted Media expenses<sup>1</sup> increased 4% on average over past 4 years
  - Normal Media expenses declined 1% on average
  - Growth initiatives added 5%
- Approximately 13% of Total Media expenses<sup>1</sup> was spent on initiatives from 2018 to 2022

Note: Excludes Diamond Sports Group, which was deconsolidated in 1Q 2022

<sup>1</sup>Adjusted Media expenses are Media expenses adjusted to exclude rights payments, network programming fees and one-time items.

# GENERATING SIGNIFICANT ADJ. FREE CASH FLOW

Sinclair's 2-year average Adjusted Free Cash Flow per share yield in excess of 40%<sup>1</sup>

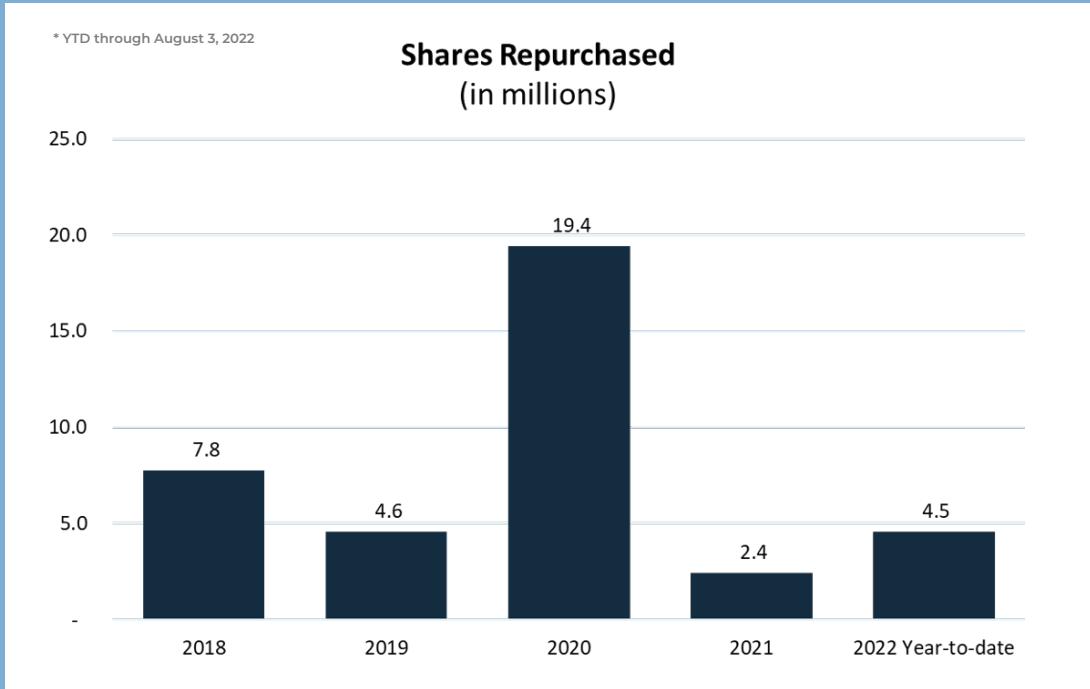


Note: Excludes Diamond Sports Group, which was deconsolidated in 1Q 2022. Investments and Acquisitions in 2019 excludes Fox RSN acquisition.

<sup>1</sup>Adj. Free Cash Flow per share yield calculated using projected 2022 Adj. Free Cash Flow per share of \$11.90-\$12.70 and 2021 Adj. Free Cash Flow per share of \$7.93; divided by share price of \$23.30 as of August 3, 2022.

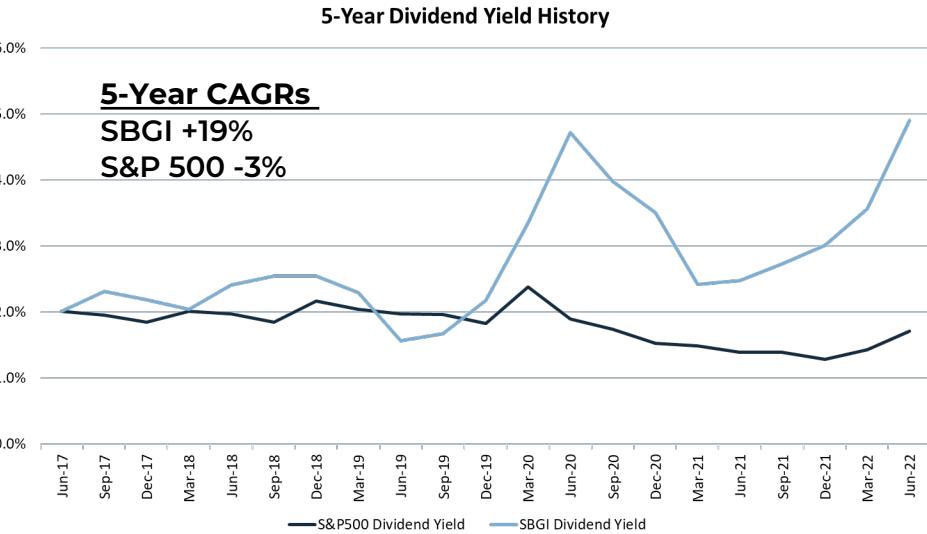
# RETURNING VALUE TO SHAREHOLDERS

Since the beginning of 2018, Sinclair has repurchased approximately 39M\* shares or 38% of its shares outstanding.



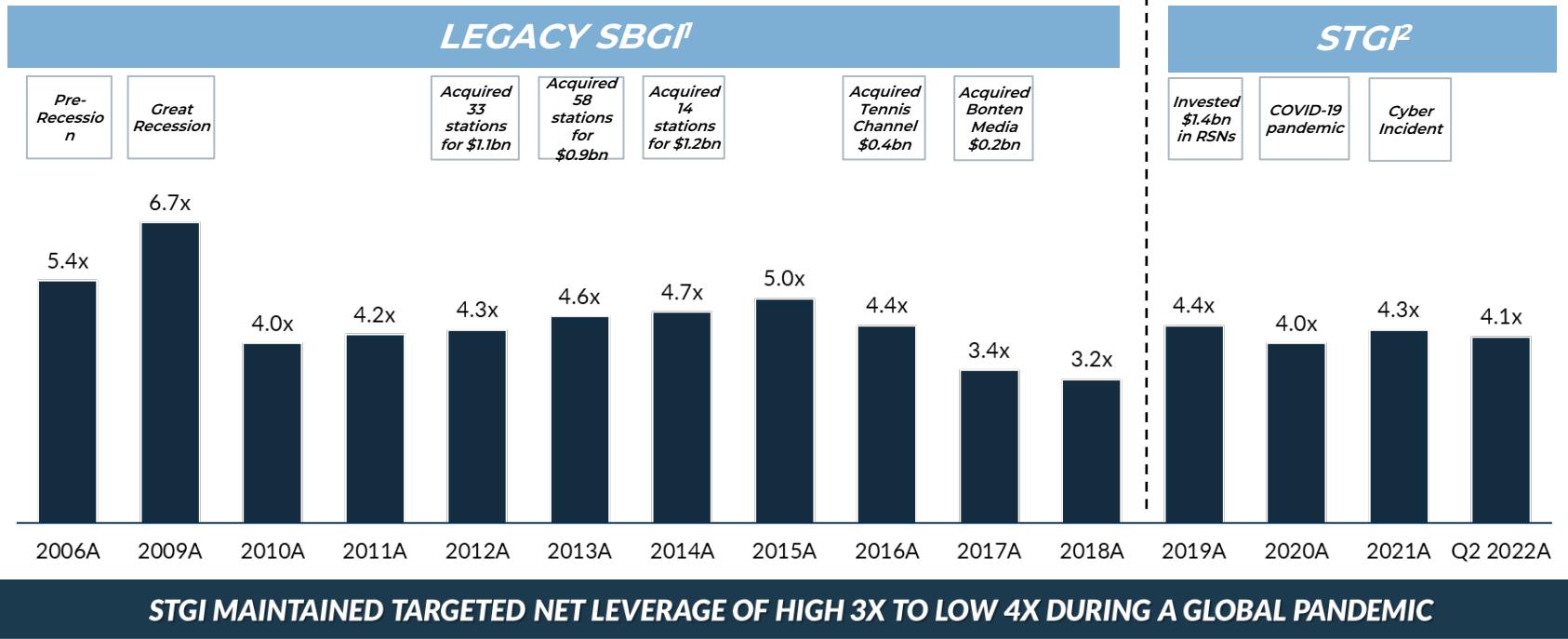
# DIVIDEND – YIELDING MEANINGFUL DIVIDEND RETURNS

- Increased annualized per share dividend rate by 39% since beginning of 2018
- Increased dividend rate per share by 25% in 2022
- Per-share dividend 5-year CAGR 7%
- 5% yield (as of 6/30/22)
- Returning approximately \$70 million annually to shareholders under current dividend policy



# DELEVERING THE BALANCE SHEET

## NET LEVERAGE

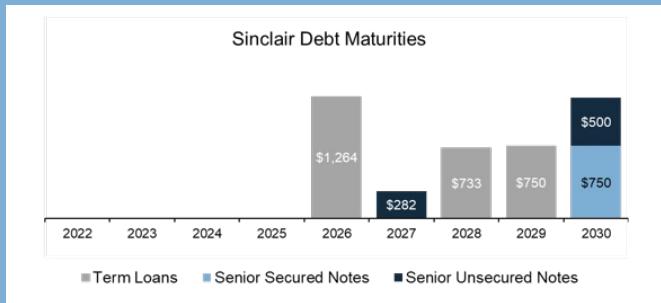


<sup>1</sup> Net leverage defined as total net debt divided by (i) trailing 12 month Adjusted EBITDA for the years 2006A through 2015A and (ii) L8QA Adjusted EBITDA thereafter, as defined in the STGI Bank Credit Agreement in effect during each period

<sup>2</sup> 2006-2018A represents net leverage at SBGI, which reflects the total capitalization of the TV Broadcasting business; 2019A-2021A represent STGI silo leverage

# CONSISTENTLY STRONG BALANCE SHEET

- More than \$1 billion of liquidity
- No refinancing risk for 4 years
- Undrawn revolver of \$650M (2027 maturity)<sup>1</sup>
- Healthy credit statistics
  - 2 Yr. First Lien Leverage of 3.3x
  - 2 Yr. Total Net Leverage of 4.1x
  - Attractive 4% Avg. Cost of Debt
  - Interest coverage of 5.8x



<sup>1</sup>\$37.5 million revolving commitment matures December 2026

## SBGI Cap Table – June 30, 2022 (\$ in millions)

STG '27 Revolver (L+2%)	-
STG '26 Term B Loans (L+2.50%)	1,264
STG '28 Term B Loans (L+3%)	733
STG '29 Term B Loans (SOFR+3.75%+0.10%)	750
STG '30 Secured Notes 4.125%	750
STG '27 Sr. Unsecured Notes 5.125%	282
STG '30 Sr. Unsecured Notes 5.50%	500
Other Debt	(2)
Total Debt	<u>4,276</u>
Cash	420
Net Debt	<u>3,856</u>

Market Capitalization	1,433
Preferred Equity	191
Enterprise Value	<u>\$5,480</u>

# SUM OF THE PARTS VALUE SIG. EXCEEDS SHARE PRICE

**Broadcast segment & Other: Estimated market value of \$35 per share**

- Based on industry multiple of 7x on prior two years approximate avg EBITDA of \$900M
- Includes Tennis, Compulse and NewsON, which are expected to grow meaningfully in the years ahead, which Sinclair believes warrants a higher multiple than base Broadcast business

**Investment Portfolio: Estimated market value of \$17 per share**

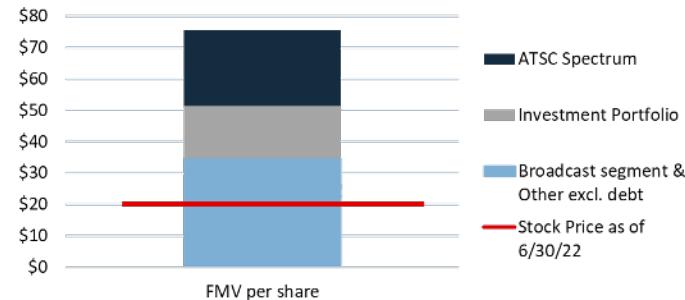
- 20%+ IRR on investments since 2014
- Estimated FMV of approx. \$1.2B consisting of:
  - Real estate, venture capital and private equity holdings, and direct strategic investments - \$370M book value and \$764M market value
  - Strategic investment with Bally's Corp.
  - Diamond Sports A/R facility loan

**ATSC 3.0 spectrum: Estimated market value of \$24 per share**

- Based on prior auction values of \$1 per Mhz Pop

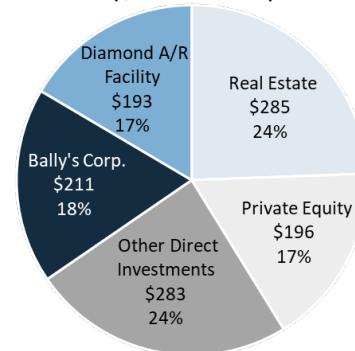
Valuations as of June 30, 2022 and share count of 70 million.

Fair Market Value of Sinclair Common Stock



Investment Portfolio Breakdown

( $\$$  in millions)





# FINANCIAL HIGHLIGHTS

- Growing key financial metrics
- Converting over 70% of adjusted EBITDA into Adjusted Free Cash Flow
- Reinvesting in future-focused growth initiatives
- Returning shareholder value
- Minimizing refinancing risk
- Building significant liquidity
- Delevering the balance sheet
- Share price is well below the sum-of-the-parts valuation of the company

# INVESTMENT HIGHLIGHTS

- 1 Diversified assets encompassing news, sports, technology, and marketing services across multiple platforms
- 2 Scale, audience reach and financial strength, providing operating advantages to advertisers, audiences and employees
- 3 Core business driven by growing advertising and net retrans trends
- 4 Focus on local news, coupled with innovative culture, have been key drivers for the company and its industry leadership position
- 5 Growth opportunities in marketing services, multi-platform content, community & interactivity, and data distribution, help fuel future growth
- 6 Significant free cash flow, utilized to innovate, invest and return value to shareholders
- 7 Strong balance sheet with no debt maturities until 2026 and liquidity of \$1.1 billion at 6/30/22



# FUTURE OF SINCLAIR



**Martin Kristiseter**  
**SVP, Managing Director**



# WHAT WE DO

**Compulse provides an ad buying platform for local media, agencies, and brands.**

**We offer omnichannel planning, execution, and reporting solutions.**

# COMPULSE BY THE NUMBERS

- Best-in-class inventory at scale
- Access to advanced targeting and re-targeting capabilities
- Attractive pricing with no middle-man mark-up
- Aggressive managed service level agreements
- Streamlined workflows and reduced middleman layers
- Fraud prevention from leading technology vendors
- MRC accredited

**70K+**  
Campaigns [1]

**200M**  
Active US Users [2]

**210**  
Active DMA's

**189**  
Employees

**27K+**  
Advertisers [1]

**80M**  
Unique Household CTV Reach [3]

**100+**  
Data Integrations

**\$100M+**  
Projected Gross Billing in '22 [4]

[1] Annualized internal metrics extrapolated from Aug. '22 snapshots

[2] Liveramp identity graph

[3] Tru Optik HH Graph

[4] '22 Gross Billing projection includes ~\$90M of gross billing from Sinclair

# WE'RE TARGETING A LARGE TAM

## US DIGITAL AD SPEND

- Total US digital ad spend is estimated to reach \$293B in 2024, nearly double 2020 spend of \$152B
- This year, US digital ad spend is expected to increase 14% over 2021 and 57% since 2020
- CTV in particular saw significant positive impact from the pandemic as linear TV decreased and cord-cutting accelerated

US Digital Ad Spending  
(\$'s in billions)

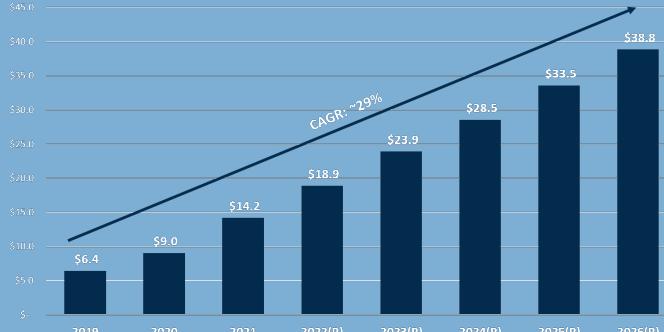


Source: eMarketer

## US CTV AD SPEND

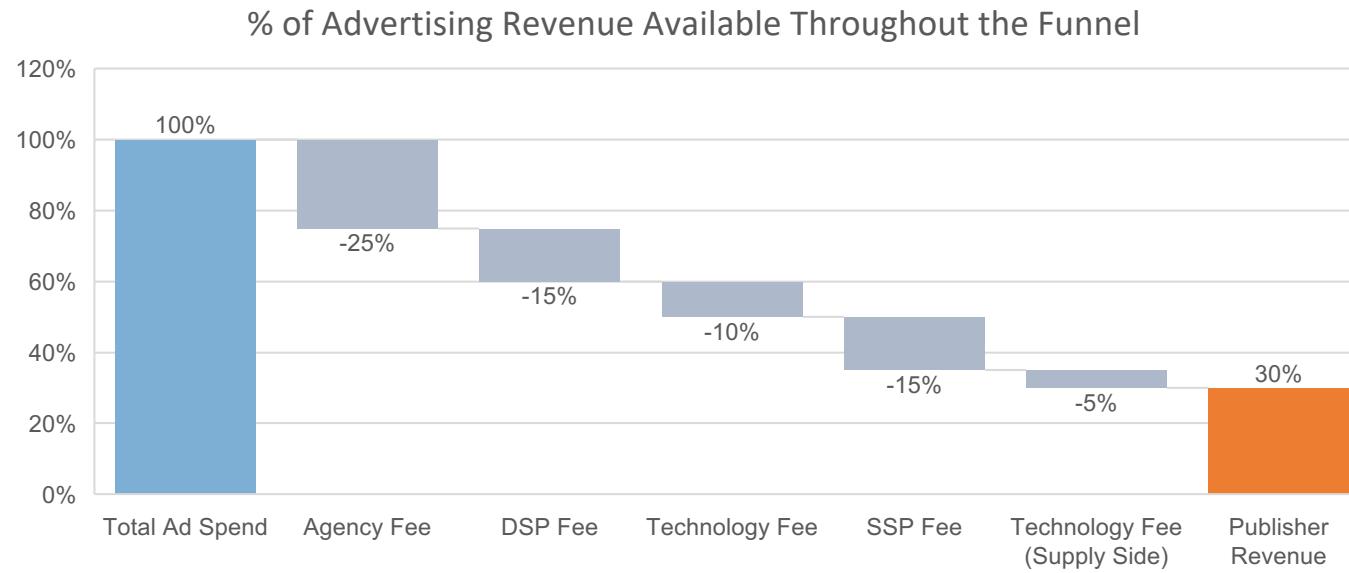
- US programmatic ad spend is growing rapidly
- CTV the fastest growing programmatic channel, estimated to reach \$28B in the US by 2024.
- This year, CTV spend is expected to increase 34% over 2021 and 109% since 2020.

Connected TV Advertising Spending in the US  
(\$'s in billions)



Source: Statista

# THE PIE IS GROWING WHILE WASTE RUNS RAMPANT



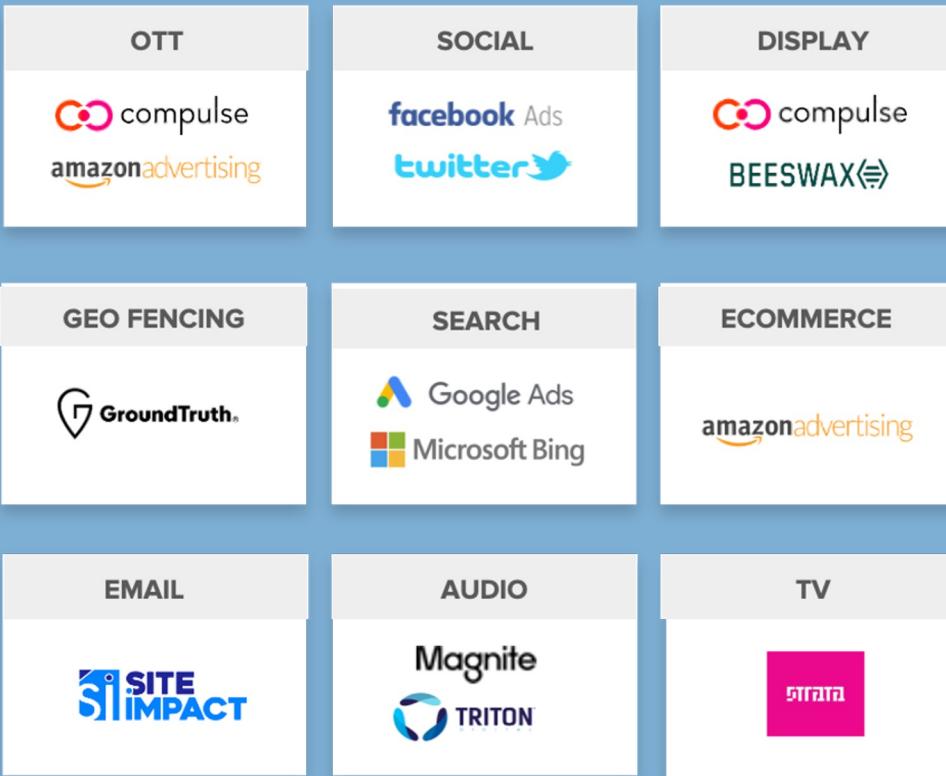
Source: ISBA May 2020 Programmatic Supply Chain Transparency Study w/hypothetical data



# WE SOLVE THE ARBITRAGE PROBLEM

- **Fair and equitable business model with lower gross margins**
- Vertical stack that **eliminates multiple middlemen**, providing efficiencies and cost savings to our customers
- **Self-serve and managed service options**

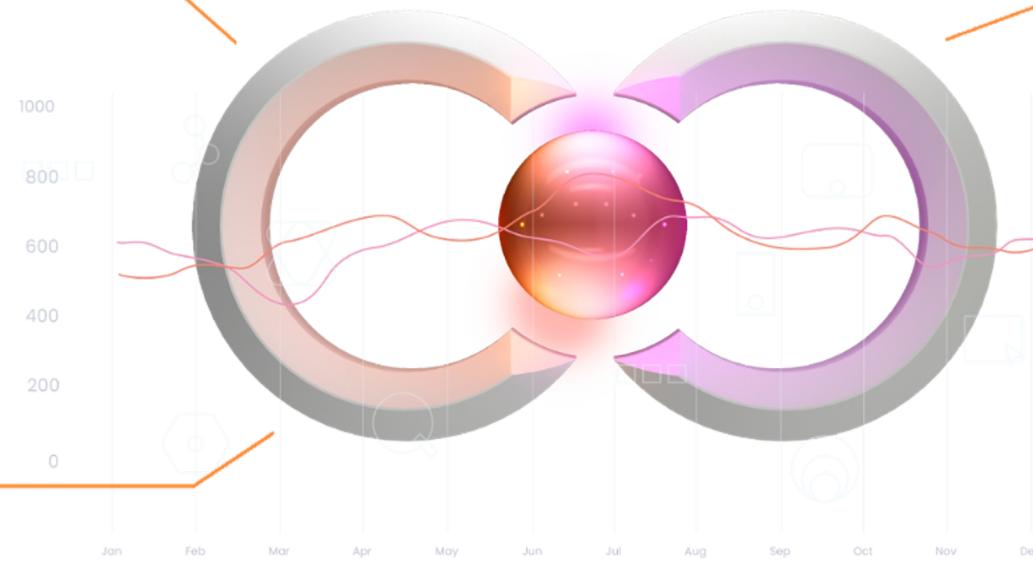
# WE BUY THE WHOLE INTERNET AND MORE



# COMPULSE 360 PLATFORM

## Planning

- Forecast
- Plan
- Propose



## Execute

- Manage
- Execute
- Optimize

## Analyze

- Review
- Report
- Enhance

# PLATFORM OVERVIEW

## Media Planner

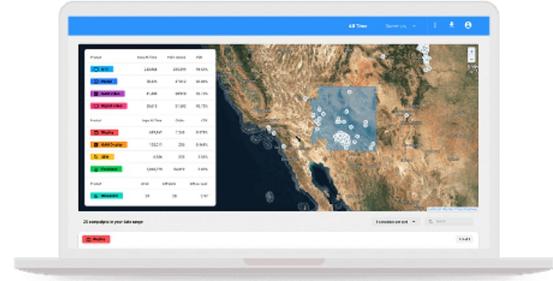
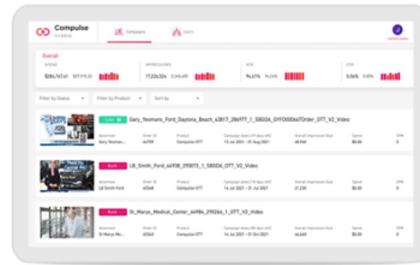
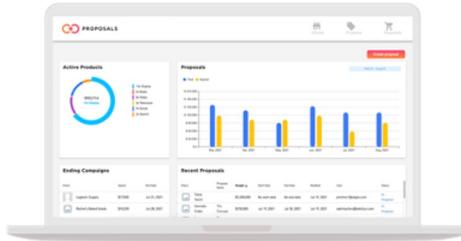
- Custom media plans and proposals in minutes
- Automate pitches without sacrificing customization
- AI-driven cross channel media planning recommendations tied to outcome

## Demand Side Platform

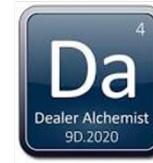
- Purpose built DSP for high volume, local campaigns
- Self-serve and managed service campaign execution for all programmatic campaigns
- Access to premium, pre-negotiated inventory at scale, with lower media costs
- Omnichannel execution across SEO, SEM, Social, Google Ad Manager, and more

## Omnichannel reporting

- Streamline analytics by integrating all campaigns across all tactics into a single dashboard
- 100+ API integrations with leading martech platforms
- Broadcast, Programmatic, Social, SEM, Email, O&O (Google AdManager), Attribution
- MRC accredited; MOAT verified



# WE POWER SOME OF THE LARGEST MEDIA COMPANIES AND INDEPENDENT AGENCIES





# INVESTMENT HIGHLIGHTS

- **Leading technology platform for local media and agencies**
- **Self-serve and managed service capabilities for omnichannel advertising**
- **Fair and equitable business model**
- **We are targeting a massive TAM that's only getting bigger**



# MULTI-PLATFORM CONTENT

**Scott Ehrlich**  
Chief Innovation Officer

# CAPITALIZING ON OUR UNIQUE ORIGINAL CONTENT OPPORTUNITY

Combine storytelling and development expertise of top-tier talent with Sinclair's breadth of local content creation and deep historical archives to produce compelling, impactful content in new formats and on additional distribution platforms.

## ARCHIVES

- Our news and sports archives are a rich opportunity for compelling, long-form storytelling
- Existing assets can be developed into high-impact documentaries and docuseries, and podcasts
- Distribution will be on our own platforms as well as the expanding subscription video on demand (SVOD) market
- Creates new inventory and brand loyalty



# CAPITALIZING ON OUR UNIQUE ORIGINAL CONTENT OPPORTUNITY

## SBG RESOURCES

- Capitalizing on more than 2,500 hours a week of news produced throughout Sinclair to power new formats that can run in local schedules
- New shared programming will free up local resources to build new audiences on digital platforms and create additional original content
- Sinclair is already producing original content, from Full Measure with Sheryl Atkinson on our stations, to The Rally and Live on the Line produced by Stadium for the RSNs



# CAPITALIZING ON OUR UNIQUE ORIGINAL CONTENT OPPORTUNITY

## SYNDICATED FORMATS

- Create and produce new game shows, talk shows, court shows, etc.
- New programming will replace diminishing supply from existing syndicators
- Game shows that have broad appeal could be sold to other station groups



# CAPITALIZING ON OUR UNIQUE ORIGINAL CONTENT OPPORTUNITY

## SOCIAL

- Scale internal and partner talent across new platforms to drive top-of-funnel interest for direct to consumer (DTC), gamification, newsletters, e-commerce and news content
- Our scale allows us to integrate television production resources and content rights with third-party influencers and experts
- Talent are made better with access to our content and reach
- Talent bring new social audiences to our brands to capitalize on the projected \$80B in social ad spending\*



Shams Charania   
@ShamsCharania

annieagar5   
Annie Agar

**Follow**

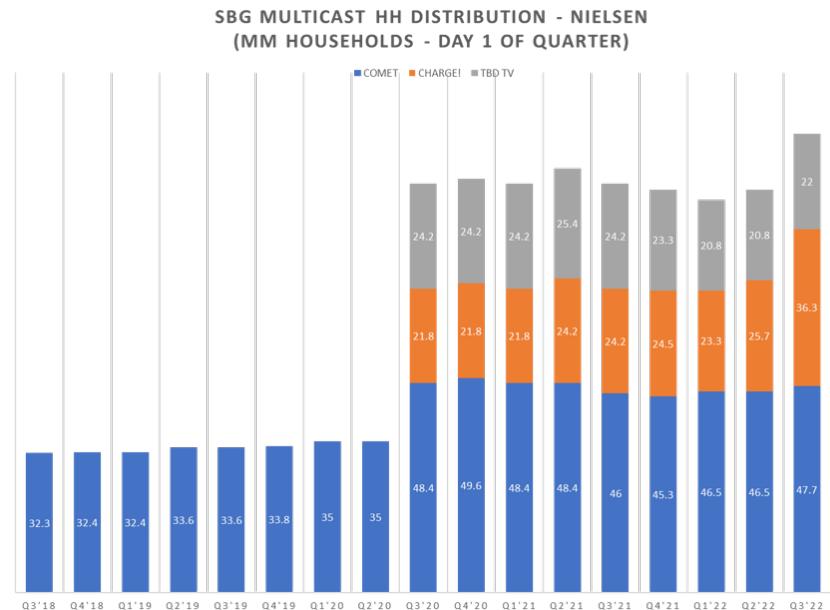
**TikTok** 504.3K Followers 8.7M Likes

James Spann   
897K followers

# GROWTH DISTRIBUTION IN AN EVOLVING TV UNIVERSE

- 13m new TVHH in '22
- Passing 54.8m total TVHH
- Coverage in 50 of the top 50 and 94 of the top 100 DMAs\*
- Key upgrades in Atlanta, Boston, and Tampa/St. Pete

\*refers to the entire "stack" as of 11/1/22





# ACROSS THE BOARD INCREASES

**Setting the stage for future growth and expansion**

- Advertising revenue is projected to finish 2022 at \$60m+, delivering a CAGR of ~23% since 2017\*
- Key content investment in hit TV shows
  - '21: CSI: Miami, The X Files and Wipeout
  - '22: Buffy The Vampire Slayer and CSI NY
  - '23: Stargate-SG1 and Without a Trace
- ATSC 3.0 unlocks new slots in key markets supports roll out of new networks

\*Refers to networks (Comet/Charge/TBD) from 2017 to forecast for '22.  
Source, internal sales reporting



# TENNIS CHANNEL

Poised for continuing Growth & Innovation

ONE SPORT. ONE BRAND. WORLDWIDE.

**Ken Solomon**  
**President**

# TENNIS CHANNEL'S GAME-CHANGING GROWTH PLANS

Positioned for US and worldwide expansion by harnessing all new scaled distribution strategies and leveraging assets across all major media and commercial segments

## Primary Growth Initiatives

- **TC International Expansion** - First Worldwide Single Sport Media Brand
- **T2/Samsung Free Ad Supported TV (FAST)**
- **Launch of TC Direct (Linear)**
- **Betting & Gamification** – Creating Owned IP for Global Betting's #2 Sport
- **Pickleball & Passion Sports Suite** – Leveraging New Global Media Services off TC Infrastructure & Mgt. Expertise

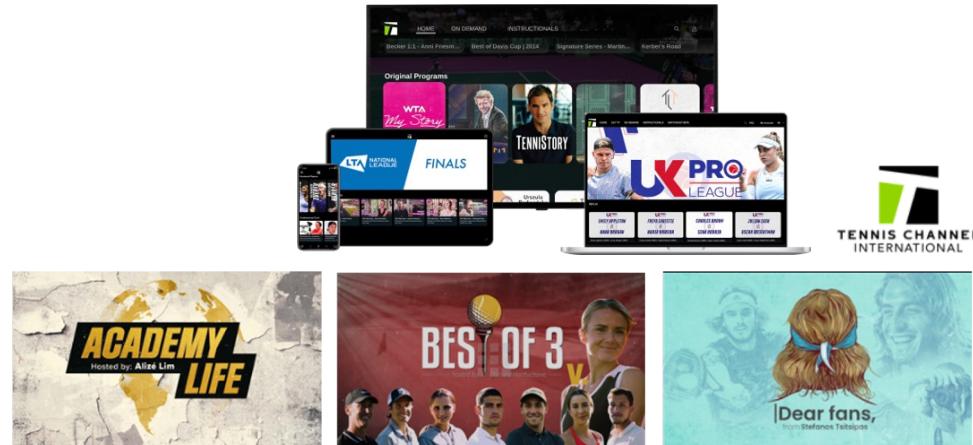


# TC INTERNATIONAL PAYS DIVIDENDS NOW AND IN THE FUTURE

Through both a Subscription Service and a FAST Channel, TCI brings top tier live tennis and original content to the world.

In 2023, TCI will continue to expand its current businesses in Germany, Austria, Switzerland, Greece, Netherlands, United Kingdom and India.

**Roll-Up Strategy:** Gain rights to the WTA, ATP and Local/Regional Events in key markets. Partnerships with National Tennis Federations, Taking advantage of both FAST linear TV and SVOD Streaming Channels.

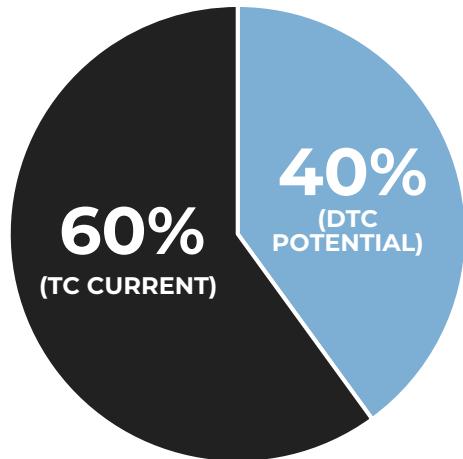


**The Tennis Channel Subscription Service includes everything that a tennis fan could want in a streaming service:**

- **Live Tennis:** Over 3,000 matches streamed to-date
- **24/7 Tennis Channel:** Featuring the best of tennis programming
- **Original Content:** 25+ original TV series
- **New Instructional Channel:** Featuring tennis instruction, fitness tips, nutrition and more
- **Deep VOD Library:** Hundreds of hours of VOD

**Target launches:** France, Spain, Korea, Brazil, Italy and Australia in the next 12-24 months.

## Tennis Channel DTC Untapped Target Base



**Tennis Channel DTC**  
*“Every Pro Tour Match - Direct to You”*

# TENNIS CHANNEL DIRECT –20 YEAR DISTRIBUTION BREAKTHROUGH

TC linear available to non-MVPD subscribers  
for the first time in 2024

Cord-nevers/cord-cutters created an expanding need for DTC products to augment MVPD distribution. With ~60% of the country currently covered, 40% of US HHs will now have the opportunity to finally subscribe to Tennis Channel.

**Tennis Channel directly available to every  
US household!**



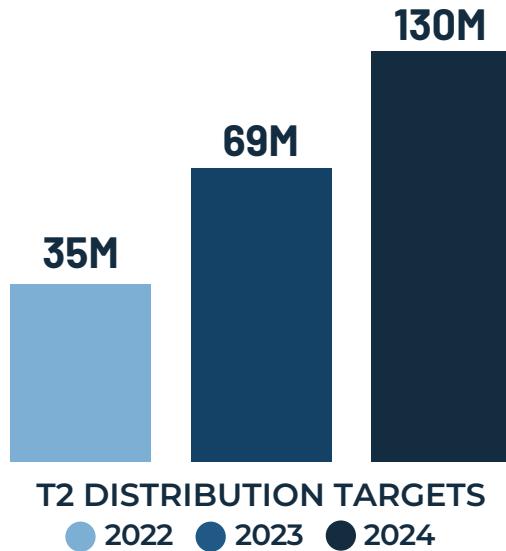
Source: Internal, Tennis Channel Projection.

# FAST APPROACH TO NATIONAL SCALE



T2 is TC's second 24/7 high-end daily coverage-driven linear service featuring LIVE matches not telecast on Tennis Channel.

Free Ad Supported TV Network exclusive on all Samsung TV's. All other FAST distribution available Feb 2023.



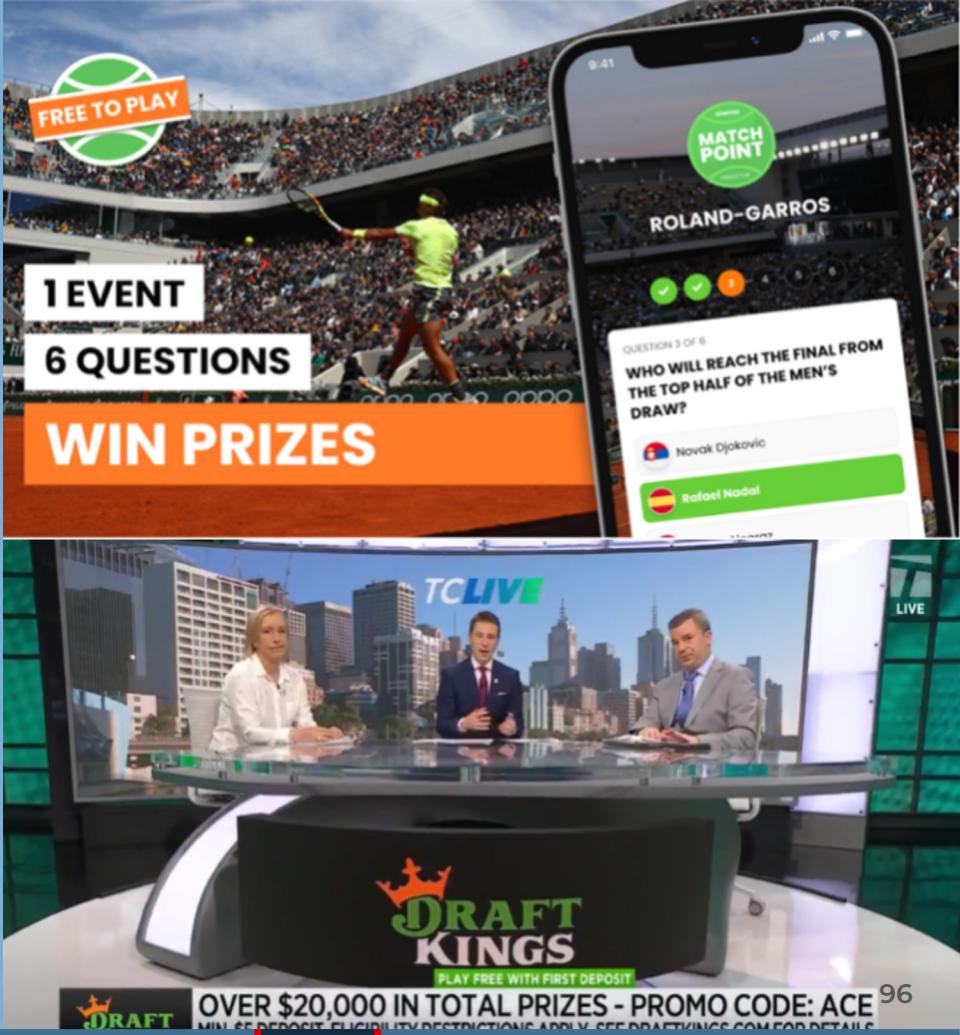
Potential future targets include LG, Vizio and Roku



# TENNIS CHANNEL: LEADING US SPORTS MEDIA IN GAMING & BETTING BASED CONTENT CREATION & SPONSORSHIP

Tennis is the #2 Most Bet Upon Sport Worldwide

- Immersive integrations with DraftKings and FanDuel, including
  - Global TC Live Desk sponsorships
  - Driving significant revenue and engagement
- Develop and own proprietary TC data stream for end-to-end gaming solutions
- Proprietary gamification and application development
- Integrated marketing and sales programs with SBG sister Bally Sports Networks and broadcast stations
- License fee for dedicated, differentiated TC content and analysis
  - License fee for all content and analysis
- Affiliate bounty for first time depositors



# LIFESTYLE SPORTS NETWORK EXPANSION

TC is preparing to launch a sister, dedicated linear and SVOD Pickleball Channel, leveraging TC's tailor made infrastructure

Tennis Channel has already produced and/or aired nearly 150 hours of PPA pickleball coverage in 2022

Tennis Channel produced Sketchers PPA Invitational Summer Championship on August 4th airing the event on CBS which was pickleball's network television premiere

Other Target Sports Include : Volleyball, Surfing, Fishing, Skiing and Snow Boarding, Sailing, Chess, Yoga and Wellness, etc.

Source: Forbes, July 26, 2022 - "Here's Why Pickleball – The Fastest-Growing Sport In America – Is Bill Gates' Favorite Game;" TIA 2022 Tennis National Participation Report; Nielsen NPower, 2021 – 2022 (09/19/22)



# GAME-CHANGING GROWTH PLANS

Positioned for global expansion. Harness new scaled distribution strategies while leveraging existing assets across all market segments



Coco Gauff, USA  
WTA #8  
French Open Finalist 2022

## Primary Growth Initiatives

- **TC International Expansion** - First Worldwide Single Sport Media Brand
  - Key Takeaway: TC All-Platforms Model, Tailored by Region, Ready for Global Expansion to Every Market Worldwide
- **T2/Samsung Free Ad Supported TV (FAST)**
  - Key Takeaway: TC First Mover Advantage Affords New National Scale for Linear Tennis Channel Distribution
- **Launch of TC Direct (Linear)**
  - Key Takeaway: Dramatically Expanding TC's Subscriber Universe, finally available to Every US Home
- **Betting & Gamification** – Creating Owned IP for Global Betting's #2 Sport
  - Key Takeaway: Exponential Revenue Opportunities - Sponsorship, Bounty Fees, Proprietary Data and Original Betting Content/IP
- **Pickleball & Passion Sports Suite** – Leveraging New Global Media Services off TC Infrastructure & Mgt. Expertise
  - Key Takeaway: Top Quality Dedicated Linear and VOD Destination Services for Underserved High Value Lifestyle Sports





# TENNIS CHANNEL

**Poised for continuing Growth & Innovation**

**ONE SPORT. ONE BRAND. WORLDWIDE.**



# COMMUNITY & INTERACTIVITY

JR McCabe

Chief Business Officer, Consumer Products

# DRIVING ENGAGEMENT AND INTERACTIVITY



- Engage users, fans and viewers through **game mechanics** while **gathering consented, first-party data**
- Games business doubles every five years...doorway to non-gaming activities...70% of gamers are older than 18\*
- Mobile, hyper-casual games continue to grow...majority of mobile gamers in US are women and 60% play daily\*
- Surrounding the consumer...building fandoms, creating and growing communities and loyalty...in real life and in the virtual
- e-Commerce: leverage our 80M+ monthly unique digital users – creating paths for like-minded individuals, based on data, to purchase both physical and virtual goods

# CREATING PATHS...UNREGISTERED VISITOR TO REGISTERED USER

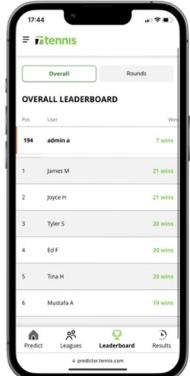
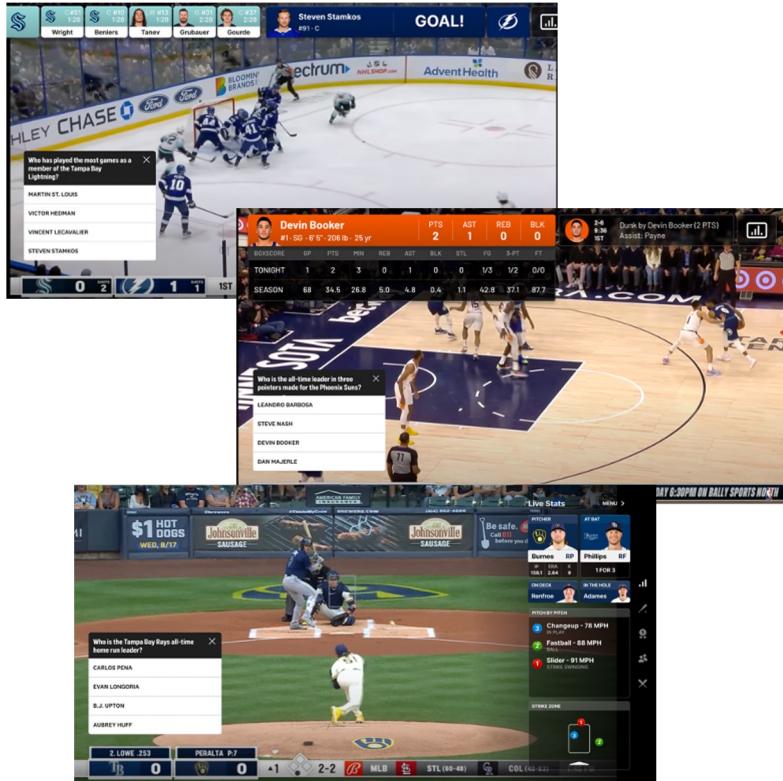
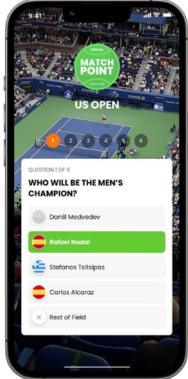
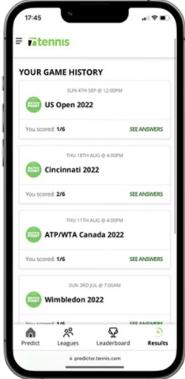
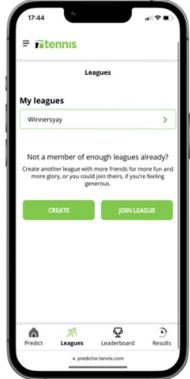


## UNREGISTERED VISITOR

## REGISTERED USER



# PLAYING ACROSS OUR PORTFOLIO





# COMMUNITY AND LOYALTY

- Focused on building ongoing interaction with viewers, fans and digital visitors of physical communities
- Activating local viewers...in-program opportunities to "participate and play"...QR Code triggered experiences
- Reaching new communities too...Metaverse is projected to be an \$8-\$13 trillion market by 2030 with up to 5 billion users\*
- Developing and planning for Metaverse experiences
- Building virtual, immersive experience for specific communities
- Focus on incentivizing consumption and repeat behaviors...
- Architecting a loyalty and rewards program across the portfolio



# REVENUE VIA COMMERCE

- Driving ARPU for the 80M+ monthly unique digital users we reach via engagement, retention and conversion and creating customers
- 70%+ of our monthly users access us via mobile
- 67% of e-commerce sales came from mobile in 2021\*
- Social commerce...for example, Snapchat users are more likely to use their phone when shopping than a year ago\*
- Building where communities gather. **OWNMINE** store...NFT's and physical goods on Shopify [www.shopownmine.com](http://www.shopownmine.com)
- e-Commerce partnerships (marketing affiliate agreements to leverage our assets)



# DELIVERING EXPERIENCES THAT ENGAGE, RETAIN AND GENERATE REVENUE

- Capitalizing on entertainment value of games
- Drawing like-minded individuals into engaging, interactive experiences
- Building strong, loyal fandoms and communities
- Incentivize and reward
- Generate ad revenue, commerce and ultimately grow ARPU



# CUSTOMER DATA PLATFORM

**Kevin Cotlove**  
**EVP, Chief Digital Officer**

# EXPANDING AND LEVERAGING FIRST-PARTY DATA

- Leveraging our 80+ million monthly unique digital users
- Customer Data Platform (CDP) is central repository of first-party data across Sinclair brands and digital assets
- Enables enrichment of user profiles using data partners without reliance on third-party cookies, while managing regulatory compliance
- CDP is hub-and-spoke for user data access across websites, mobile apps, OTT apps and Next-Gen broadcast apps
- Allows for personalized content/experiences, and more performant marketing offers to drive users to additional products and services
- Increases cost per milles (CPMs) for targeted ad sales and overall ARPU

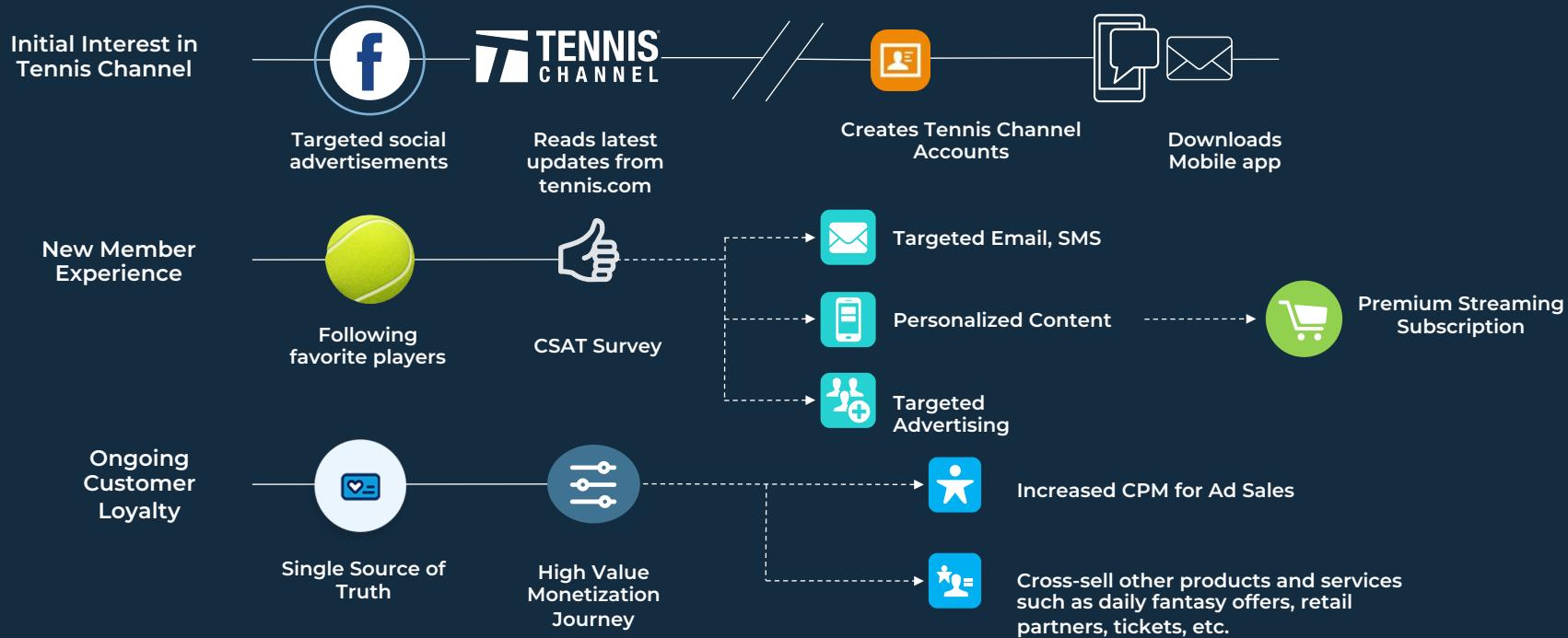


# SALLY WILLIAMS, NEWS VIEWER IN SEATTLE





# ROBERT JONES, TENNIS FAN







# IMPLEMENTING TRANSFORMATION

## Media & Technology

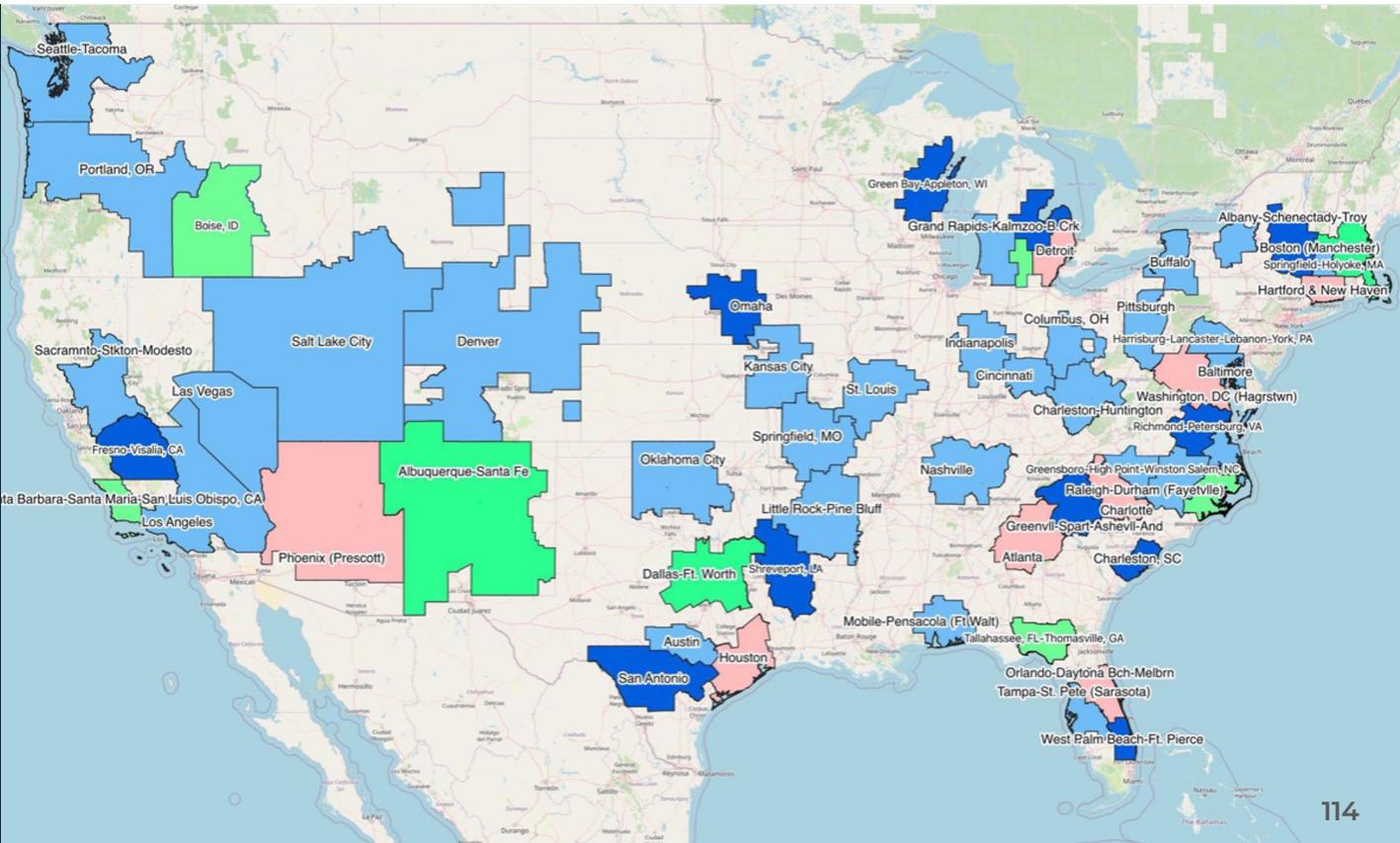
**Del Parks**  
**President, Technology**

Deployment of the NEXTGEN TV platform and our Cloud transformation priorities and goals focus on developing capabilities to create the FLEXIBILITY that will enable our business to grow and scale for present and future operations.

*next*genTV

# 57 NEXTGEN TV MARKETS & GROWING 55% OF U.S.

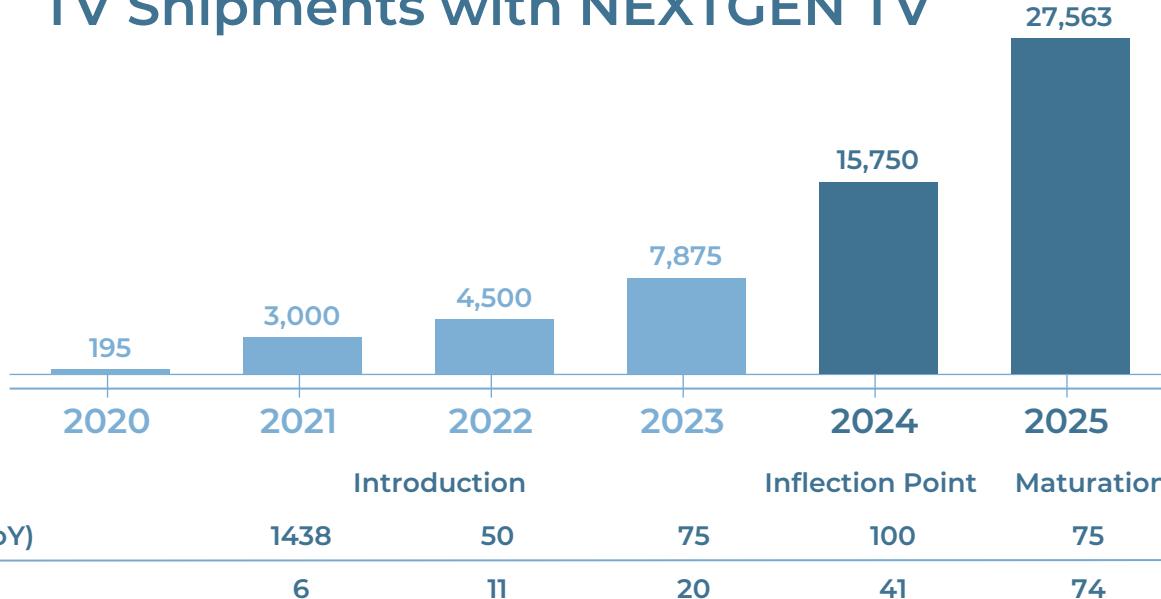
BitPath  
aggregates  
broadcast  
spectrum capacity  
to monetize data  
delivery in the U.S.



# CURRENT & PROJECTED TV AVAILABILITY

## TV Shipments with NEXTGEN TV

Consumer  
Technology  
Association™



Pearl TV is a consortium of  
the top U.S. Broadcasters

Source: CTA, U.S. Consumer Technology Five-Year Industry Forecast, 2020-2025, January 2020

# TRANSITION TO NEXTGEN TV IS UNDERWAY

Service will reach 75- 80% of US HH in 2023

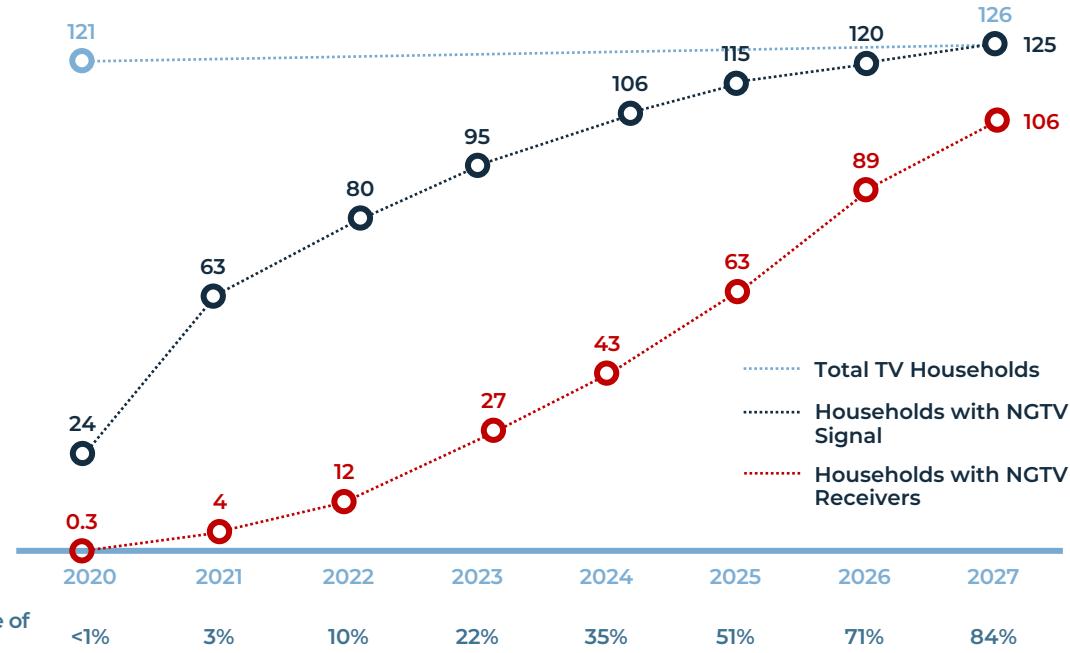
**Hisense**



**SONY**



Pearl TV is a consortium of the top U.S. Broadcasters



TV HH Coverage of NGTV Receivers

<1% 3% 10% 22% 35% 51% 71% 84%

# SINCLAIR'S NEXTGEN TV BROADCAST APPLICATION (BA)

## Dynamic and Interactive on-screen overlay

- Sinclair has **open-sourced** our code so other broadcasters can adopt our base code
- Provides **two-way communication** with the viewer
- Configurable menu available for user defined, quick access to **additional data sources** like weather, sports or news
- Limitless extension potential
  - **Authentication & Encryption** – QR or mobile app or access to premium content like **alternate camera angles**
  - **Gaming** functions
  - **In program sales opportunities**
  - **Use Artificial Intelligence (AI) or Machine Learning (ML)** to suggest additional content
  - **Integrates OTT content streams (STIRR)**
- Advanced Emergency Alerts serve our local communities



Sinclair's BA is running on all 21 of SBG's stations hosting NEXTGEN TV services.



# SINCLAIR NEXTGEN TRANSFORMATION GOALS

- Provide a robust **wireless IP data delivery pipe** that reaches fixed & mobile receivers
- Improve viewer experience with **better video, audio, targeted Ads & content**
- Use our **Broadcast Application (BA) to better serve our communities** by providing targeted **Advanced Emergency Information (AEI)** and **unlock new services and revenue** by using Nextgen's interactive IP Path linking us with connected receive devices
- Use **consumer data feedback** with enterprise data to drive decisions across our platform using machine learning (ML) and artificial intelligence (AI)

# INTERNATIONAL REACH



## SINCLAIR SUPPORTS NEXTGEN TV ADOPTION & 5G INTEGRATION

India has embraced “NextGen Broadcast” as part of a **converged Broadcast/Broadband** future!

Completed Event Demos in India

TIMING	EVENT
Mid '21 - Mid '22	Bengaluru 4 site Cellular Broadcast
Mid '23 - Mid '24	Delhi - Direct-to-Mobile Conclave for Public Broadcast
September 7, '22	Delhi US – India Business Council

Planned POC's & Events

TIMING	EVENT
'22 Oct - '23	Delhi – 5 Site Direct-to-Mobile Broadcast
Mid '23 - Mid '24	Bengaluru City Wide, 150 site Cellular Direct-to-Mobile Broadcast Consumer Trial with up to 50,000 dongles
September 7, '22	Delhi US – India Business Council
Oct 1-4 '24	Delhi – India Mobile Congress '22 Prime Minister Visitor to Booth
Nov 25-30 '22	Delhi – Asia Pacific Broadcasting Union Gen Assembly



Prototype Smartphone with ATSC 3.0 chip and Broadcast receive antenna for demos/trials/proof-of-concept activities.

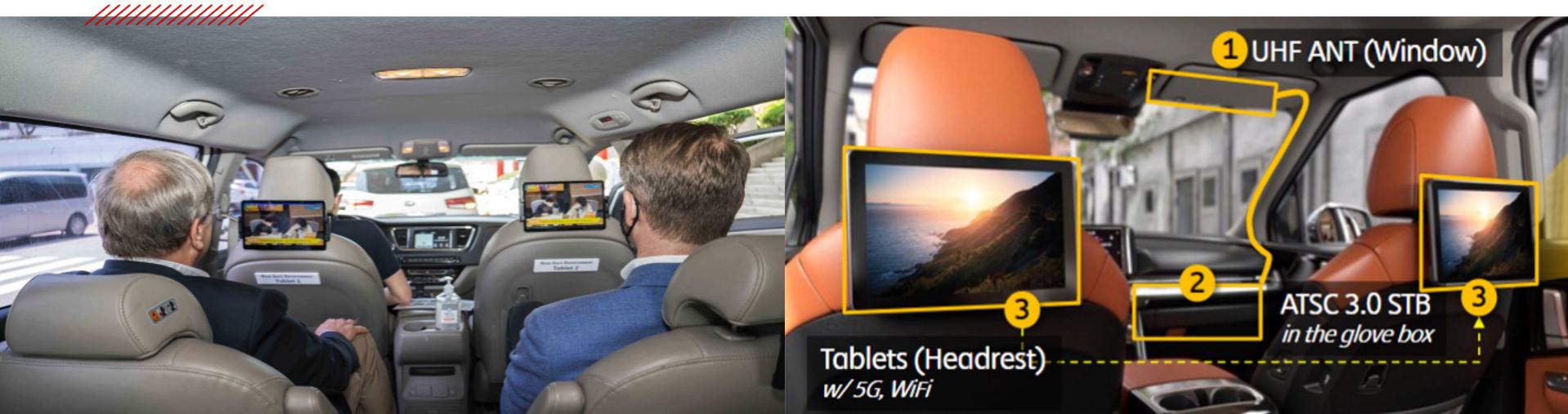


## SINCLAIR SUPPORTS NEXTGEN TV ADOPTION & 5G INTEGRATION

South Korea adopted ATSC 3.0 in 2016 and has completed their rollout.

Sinclair signed MOUs with Korean Broadcasters KBS and MBC to work together to develop and deploy NextGen new business models.

# SEOUL MOBILE DATACASTING & TARGETED AD INSERTION DEMO WITH KBS & HYUNDAI



## Film-type UHF ANT

- Attached at the window of a passenger seat
- 4xANT attached
- Wires connected to ATSC 3.0 STB through A-pillar

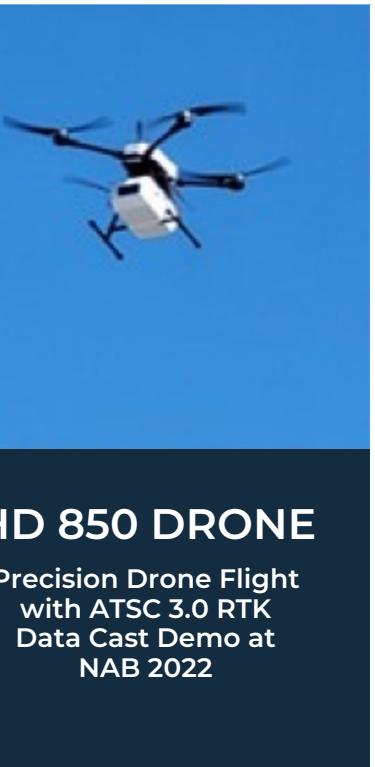
## ATSC3.0 STB

- ATSC RF receiving (4xANT)
- CAST.ERA M/W inside
- WiFi capable

## S8 Table attached to Headrest (CAST.ERA App.)

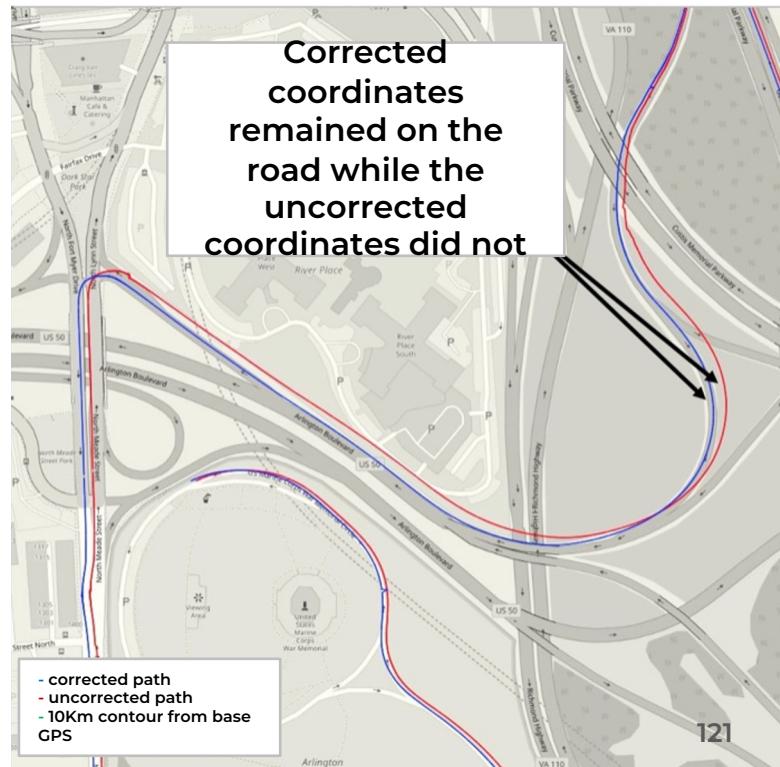
- ATSC 3.0/OTA player through WiFi (HEVC, MPEG-H)
- 5G/OTT for Target Ads Insertion w/GPS info

# ENHANCED GPS CAPABILITIES USING DATA DELIVERY AS A SERVICE (DDaaS)



## NavPath™ Commercialization of Enhanced GPS

- Current GPS accuracy is  $\pm$  3 meters
- Enhanced GPS fixed precision under 10 cm
- Low latency ensures timely data packet delivery



# NEXTGEN TV DATACASTING REVENUE SCENARIOS - UP TO \$15B/YEAR IN 2030

## High Case:

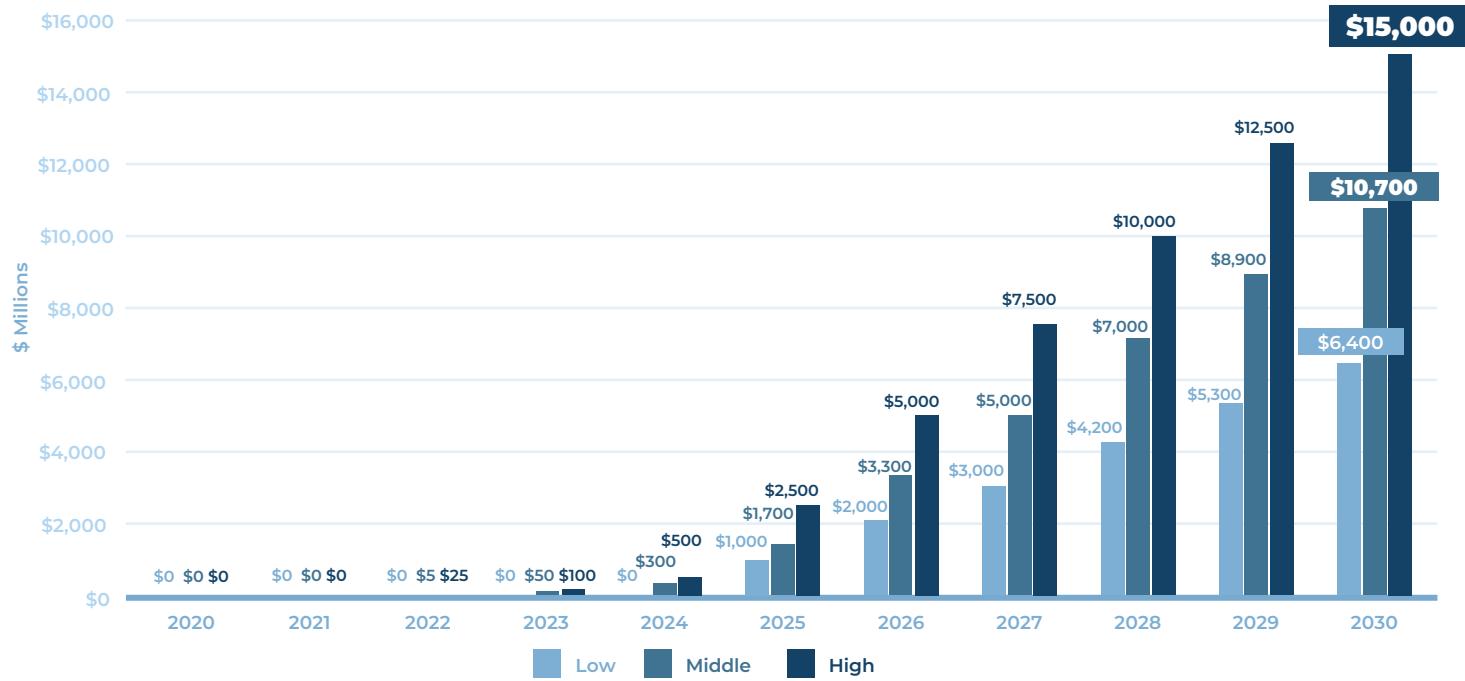
Average utilization of 7 Mbps (27% of total spectrum capacity)

## Middle Case:

Average utilization of 5 Mbps (20% of total spectrum capacity)

## Low Case:

Average utilization of 3 Mbps (12% of total spectrum capacity)



According to BIA Advisory Services

# MOVING SINCLAIR TO THE CLOUD

**Started multi-year transformation program**



**Enables** strategic growth for existing business models



**Monetizes** all our digital assets across new distribution platforms



**Implements** new IP based business models



**Exploits** NextGen's flexibility to monetize our spectrum assets



**Dynamic adaptation** to business needs



# SINCLAIR IS LEADING THE BROADCAST CLOUD TRANSFORMATION

## Cloud operations today

- Playout 4 SBG networks 24x7 since Q3 2020
- Distribute these emerging networks on an IP network to all affiliates since 2015
- Media in the Cloud Now
  - Archive 8 Petabytes of News and Sports
  - Distribute TV syndicated programs from the Cloud 1st Qtr 2022
  - Enabled federated search and retrieval for news content across Sinclair operations

## 2023 cloud forecast

- Forecasting to add all TV broadcast stations by Q4 2024
- Building the Data Distribution as a Service platform (DDaaS) Q4 2023
- Linking News and Sports content into our content management system, Storyline Q3 2023
- Moving selected News and Sports production to the cloud Q4 2023



# SINCLAIR UNIFIED AD SALES PLATFORM



## AD INVENTORY CONSOLIDATION

Provides advertisers access to larger ad inventory across news, sports, networks



## ENHANCED CUSTOMER DATA

Data augmentation and analytics for better insight to customer segments (Artificial Intelligence & Machine Learning)



## BUY/SELL-SIDE INTEGRATION

Streamlined ad buying process and automated transaction flows with agency platforms



## CONVERGED SALES

Monetize SBG's "House of Brands" linear and digital ad inventory with integrations across pitch-to-pay



## IMPROVE CAMPAIGN PERFORMANCE

Improve performance monitoring and reporting on Performance delivery of overall campaign

LEADING THE SALES TRANSFORMATION IN THE TV INDUSTRY

# SINCLAIR UNIFIED AD SALES ROADMAP



The Unified Ad Sales (UAS) platform provides **faster response times** to deliver client proposals, a **reduction of preemptions/makegoods**, a **decrease in manual entry** through automation, **improved research** builds for product efficiencies, better evaluation of pre-order data, and **improved tracking and billing** for Sinclair Sellers in one platform.



# THANK YOU

Connecting people with content everywhere

OCTOBER 3, 2022

# INVESTMENT HIGHLIGHTS

- 1 Diversified assets encompassing news, sports, technology, and marketing services across multiple platforms
- 2 Scale, audience reach and financial strength, providing operating advantages to advertisers, audiences and employees
- 3 Core business driven by growing advertising and net retrans trends
- 4 Focus on local news, coupled with innovative culture, have been key drivers for the company and its industry leadership position
- 5 Growth opportunities in marketing services, multi-platform content, community & interactivity, and data distribution, help fuel future growth
- 6 Significant free cash flow, utilized to innovate, invest and return value to shareholders
- 7 Strong balance sheet with no debt maturities until 2026 and liquidity of \$1.1 billion at 6/30/22