



Press release

25 April 2023

Continued improved results and good revenue growth

Readly International AB (publ) presents a first quarter with good revenue growth and improved results. Quarter-on-quarter, the number of full-paying subscribers increased by 0.3 per cent to 453,631 (452,466) and year-on-year the full-paying subscribers decreased by 2.5 per cent (465,456). Total revenue increased by 12.2 per cent to SEK 161.4 million (143.8). Gross profit increased by 19.9 per cent to SEK 58.5 million (48.8), corresponding to a gross margin of 36.3 per cent (34.0). Adjusted for items affecting comparability of SEK 13.1 million, the EBITDA margin improved to -5.7 per cent (-22.0) and the operating margin (EBIT) to -12.6 per cent (-26.0) for the quarter. The gross contribution improved to SEK 34.1 million (19.2), corresponding to a gross contribution margin of 21.1 per cent (13.3).

*– We have an unwavering focus on achieving profitability and proceed on the set path where Readly continues to show improved results and good revenue growth. There is continued acceleration within our product development and we are concentrating on strengthening the attractiveness of our service. Therefore, we are pleased to see that this is the second quarter in a row with increased subscriber growth despite significantly lower marketing investments. We are moving quickly towards profitability and expect to be reaching positive EBITDA in an isolated quarter already this year, says **Mats Brandt, president and CEO.***

1 January - 31 March 2023

- Revenue for the period totaled SEK million 161.4 (143.8), an increase by 12.2 per cent compared to the first quarter 2022.
- Quarter-on-quarter, the number of full-paying subscribers increased by 0.3 per cent to 453,631 (452,466). Year-on-year the full-paying subscribers decreased by 2.5 per cent (465,456).
- Gross profit increased by 19.9 per cent to SEK 58.5 million (48.8), corresponding to a gross margin of 36.3 per cent (34.0).
- The gross contribution margin for the period was 21.1 per cent (13.3).
- Adjusted operating result (EBITDA) (excl. IAC) was SEK -9.2 million (-31.6), corresponding to an adjusted EBITDA-margin of -5.7 per cent (-22.0).
- Adjusted operating result (EBIT) (excl. IAC) was SEK million -20.3 (-37.4), corresponding to an adjusted operating margin of -12.6 per cent (-26.0).
- Operating result (EBIT) was SEK -33.5 million (-44.4), corresponding to an operating margin of -20.7 per cent (-30.9).
- Net financial items for the quarter amounted to SEK -0.8 million (-1.3), which consisted of a value adjustment of the earn-out consideration related to the acquisition of Readly France SA as well as of exchange rate effects.
- Earnings per share were SEK -0.9 (-1.2) before and after dilution.

Significant events during the period

- On 1 January 2023, Matti Zemack took on the role as Chief Technology Officer (CTO) and as a member of the senior management team. He replaced Frederik Blauenfeldt Jeppsson who acted as interim CTO and member of the senior management team.

- On 11 January 2023, Tidnings AB Marieberg announced that the acceptance period for the public cash offer to shareholders of Readly International AB (publ) had been extended until 3 February 2023.
- On 26 January 2023, Tidnings AB Marieberg announced an increase in the price for the public cash offer to SEK 14.40 per share and that the acceptance period was further extended to 9 February 2023.
- On 13 February 2023, Tidnings AB Marieberg announced the outcome of the public cash offering, corresponding to 63.7 per cent of the share capital and votes in Readly. Tidnings AB Marieberg announced that the acceptance period was further extended to 23 February.
- On 15 February 2023, The Board of Directors resolved to reschedule the Annual General Meeting to 13 of June 2023. The Annual General Meeting was originally planned to be held on 10 May 2023.
- On 22 February 2023, Tidnings AB Marieberg announced that the acceptance period for the public cash offer to shareholders of Readly International AB (publ) had been extended until 7 March 2023.
- On 9 March 2023, Tidnings AB Marieberg announced that the recommended cash offer to the shareholders of Readly International AB (publ) had been completed and thereby became the owner of 65.8 per cent of the shares. The acceptance period was extended until 23 March 2023.
- On 27 March 2023, Tidnings AB Marieberg announced the final outcome of the public cash offer that had been extended to 23 March 2023. The outcome amounted to 75.4 per cent of the share capital and votes in Readly.

Significant events after the end of the period

- The Board of Directors issued a notice on 3 April 2023 for an Extraordinary General Meeting on 26 April 2023, with the primary agenda item of electing a new Board.

The report will be available for download on:

<https://corporate.readly.com/investors/financial-reports-and-presentations/>

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This information constitutes inside information that Readly International AB (publ) is obliged to publish in accordance with EU Market Abuse Regulation 596/2014. The information in this press release has been published by the above contact persons, at the time specified by the Company's news distributor Cision at the time of publication of this press release.

About Readly

Readly is the European category leader for digital magazines. The company offers a digital subscription service where customers have unlimited access to 7,000 national and international magazines - all in one app and at a fixed monthly fee. Readly has subscribers in 50 countries and content available in 17 different languages. In collaboration with around 1,200 publishers worldwide, Readly is digitising the newspaper and magazine industry. In 2022, revenues amounted to SEK 592

million. The Ready share is listed on Nasdaq Stockholm. For more information, please visit <https://corporate.ready.com>.