

JANUARY - SEPTEMBER 2022

Shift to profitable growth on track



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Consistently delivering and improving in key areas

1.

Price increases successfully implemented

2.

Investing in product development to drive sustainable growth

3.

Optimising marketing by carefully selecting channels, markets and leveraging partnerships

4.

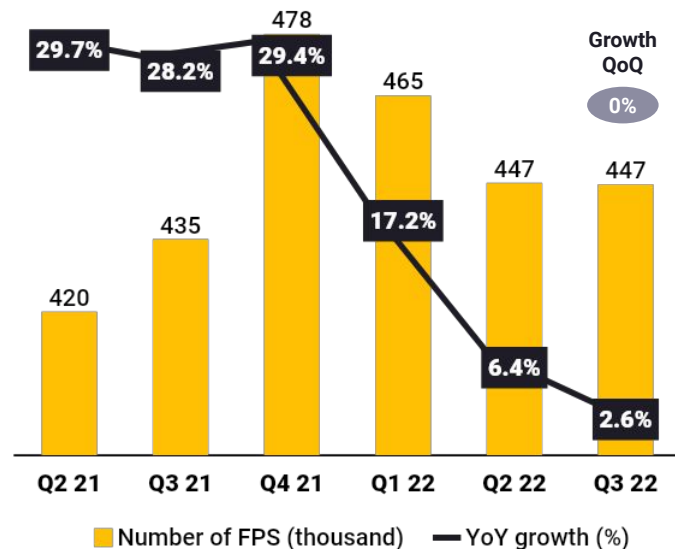
Ready launch in France - Europe's largest magazine market

5.

Adding strong titles and brands that strengthens our global catalogue

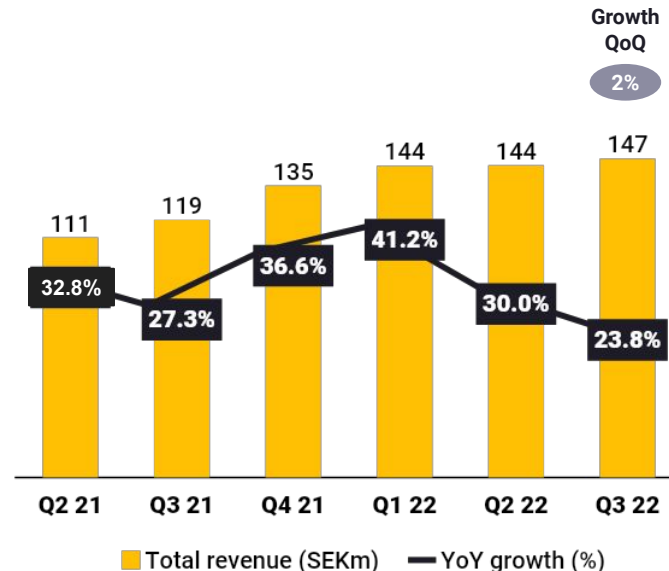
Q3 highlights | Stabilising FPS development & improving profitability

Stabilising FPS development...



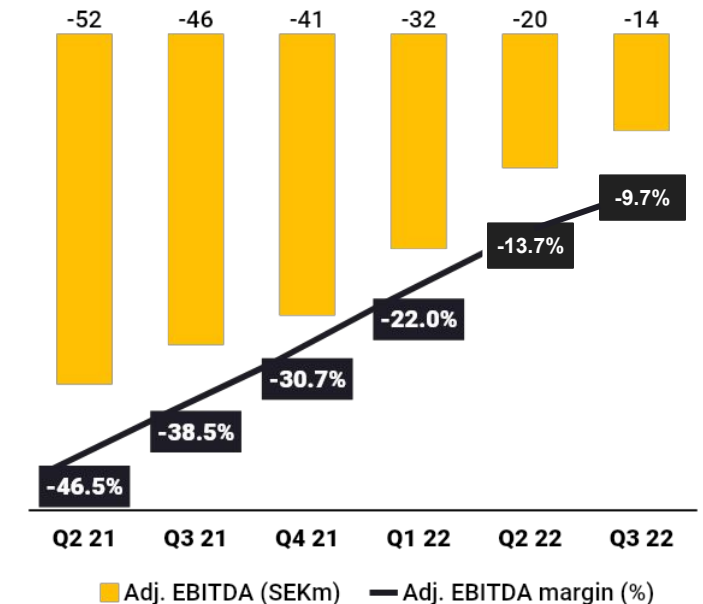
- Subscriber development has stabilised
- Positive momentum across core markets following optimised marketing

...strong YoY revenue growth...



- Strong revenue growth of 24%
- Revenue growth driven by successful price increases and Toutabo acquisition
- ARPU increased from SEK 93 to 103 YoY

...and significantly improved profitability

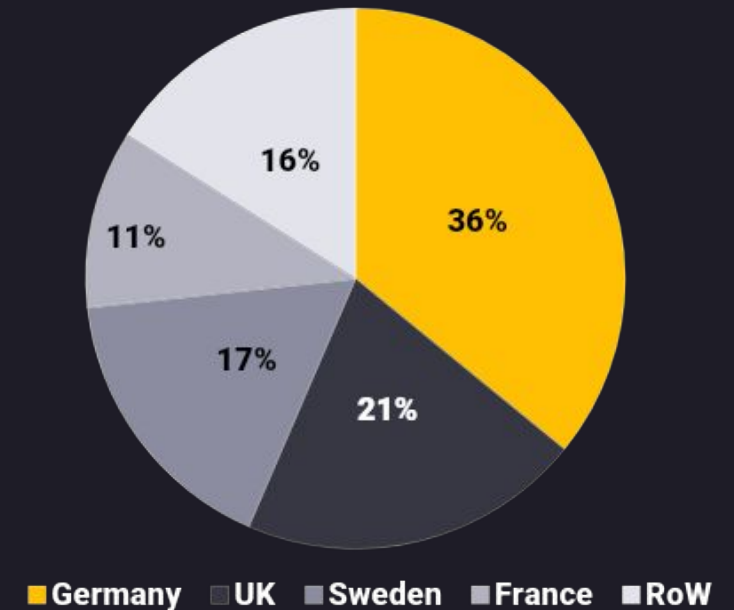


- Sixth consecutive quarter with improved EBITDA margin
- EBITDA expected to be positive latest 2025 in line with our financial target

Continued solid performance in DACH and the UK

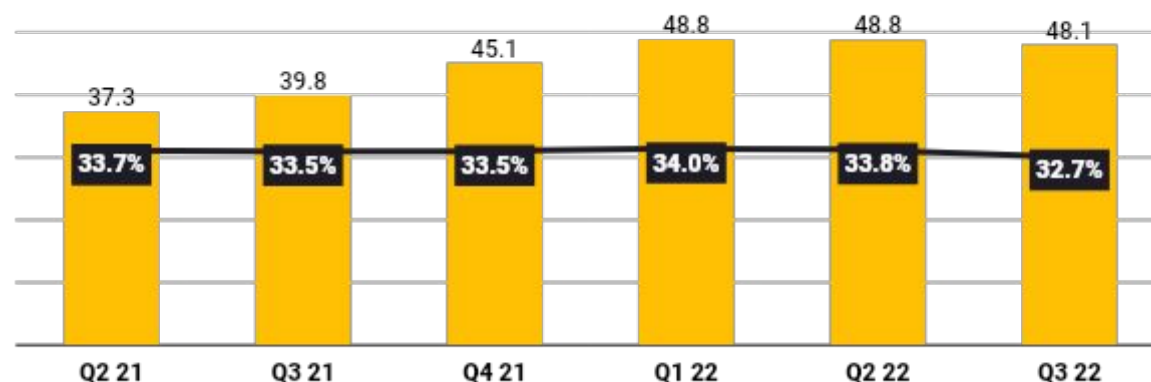
- Solid net sales growth in Germany of 14% YoY and in the UK of 13% YoY
- Continued solid performance in Austria and Switzerland
- Net sales growth in Sweden affected by lower marketing spend
- Continued stable performance in France, the technical release of Readly France was accomplished in October

Net sales by market

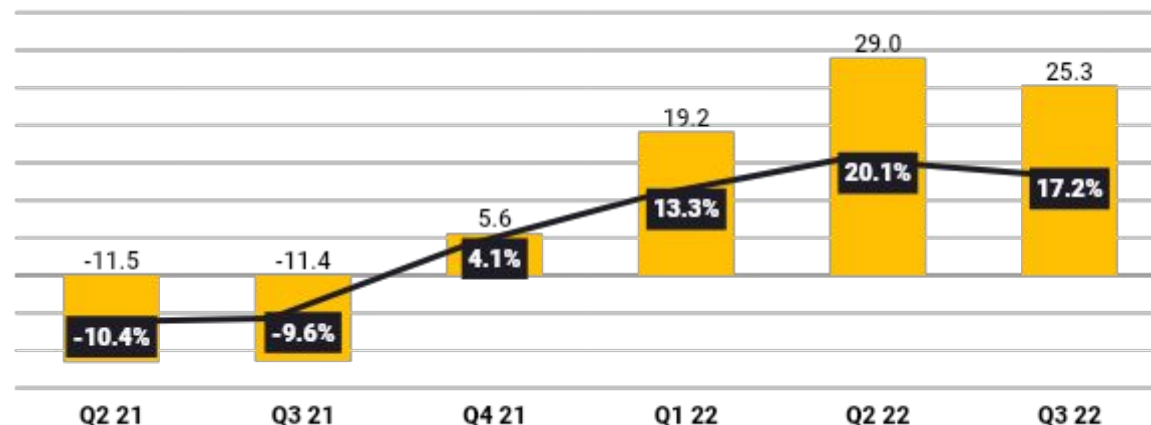


Gross profit & gross contribution

Gross profit (SEKm) & gross margin (%)



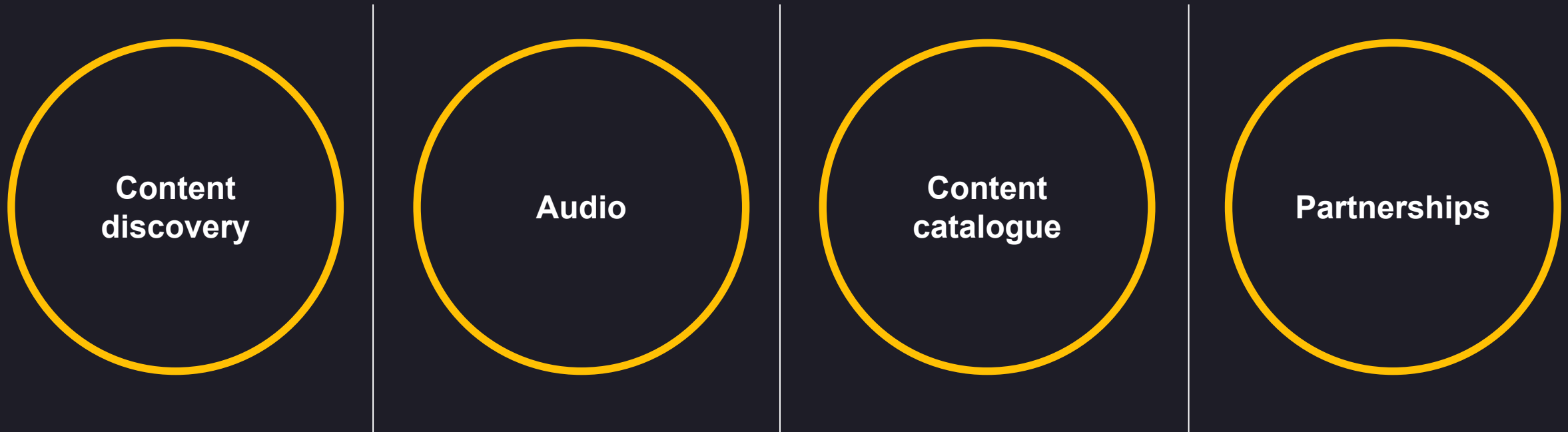
Gross contribution (SEKm) & contribution margin (%)



Stable development of gross margin & contribution margin

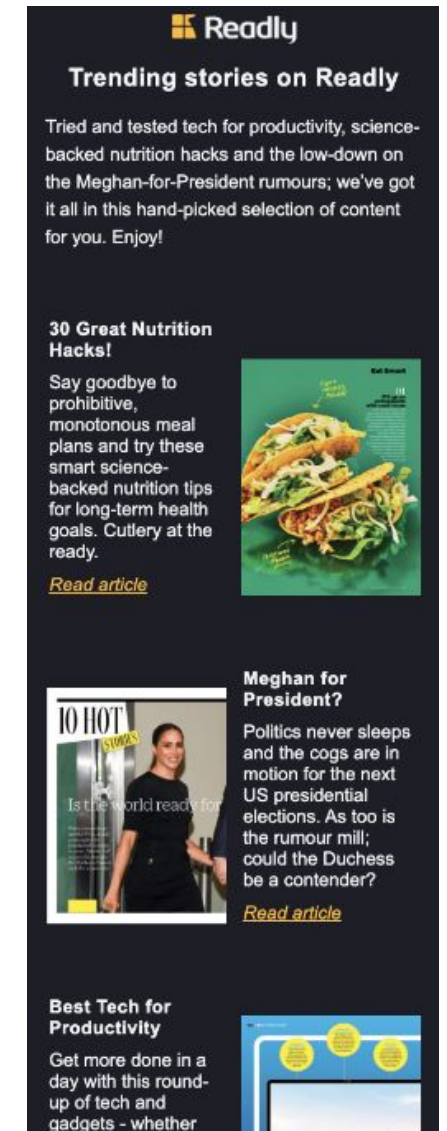
- Gross margin of 32.7% (33.5)
- Stable development of gross contribution margin at 17.2% (-9.6)
- Contribution margin improvement YoY in line with new strategy
- Marketing spend 56% lower in Q3 vs same period last year

Increasing user engagement and driving cost-efficient growth



Improved content discovery

- Automated recommendations of mobile-friendly articles to be released
- Both in app and through expanded user communication
- Will increase mobile usage and reading time



Focus on increasing user engagement with new formats

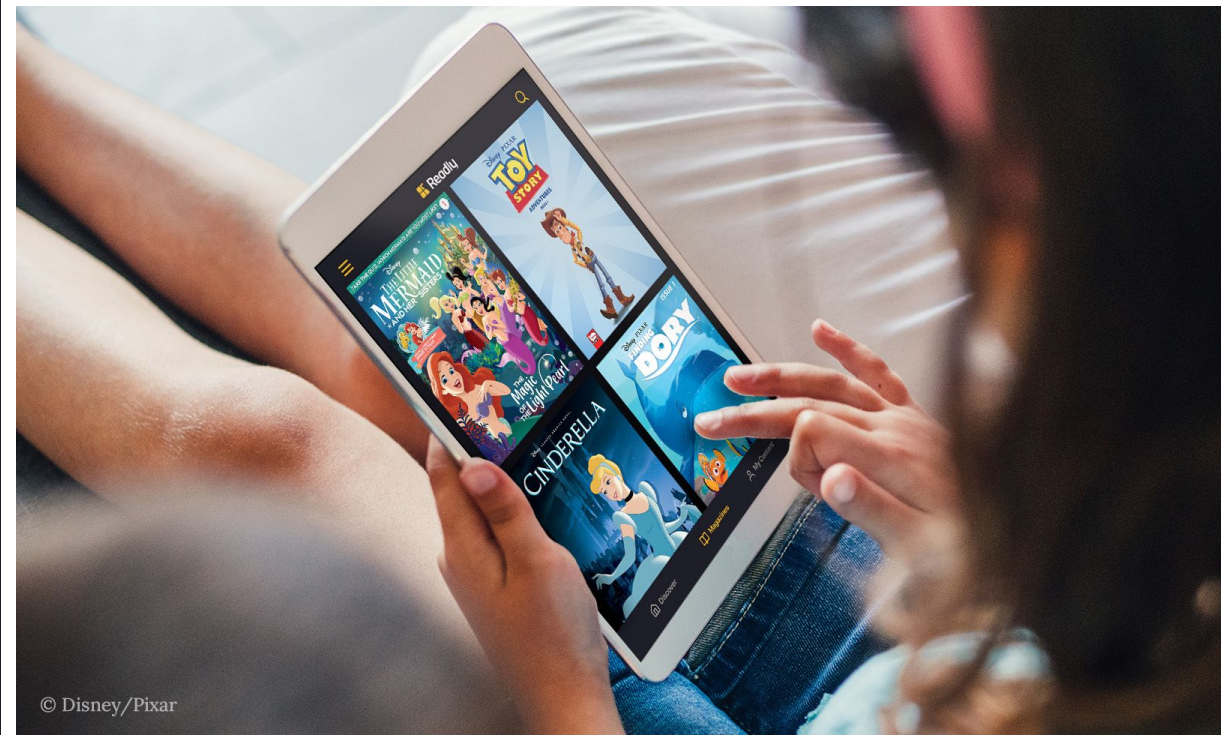
- Increased podcast visibility in app
- Podcast listening up x3
- 2/3 on smartphones
- Enhanced experience and increased engagement time



Newspapers and strong brands drive usage frequency

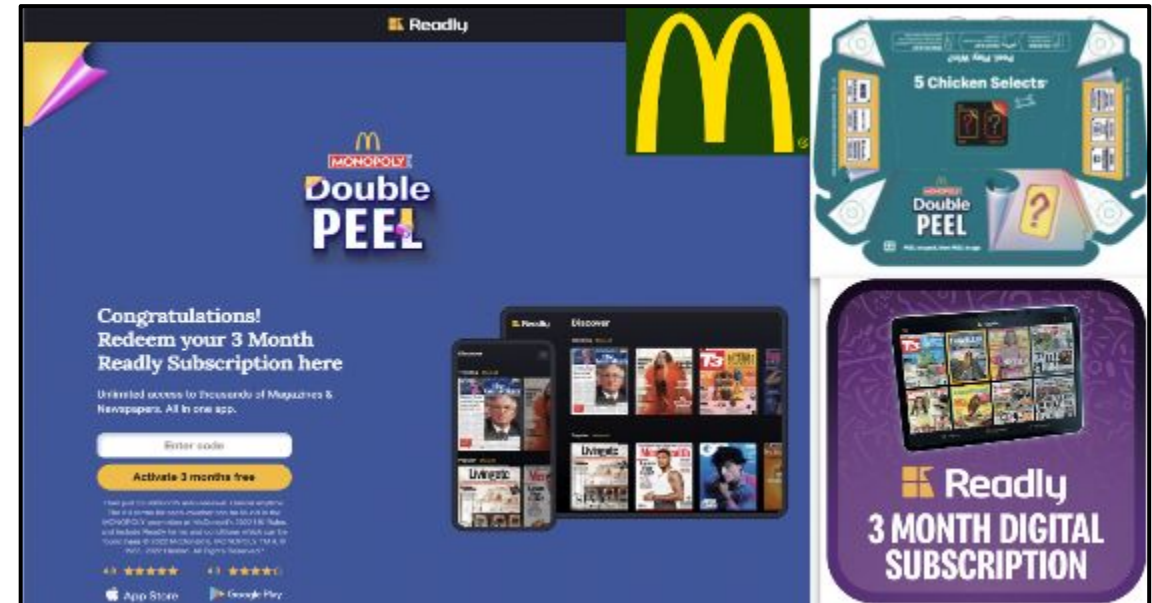
Content additions: 15 new publishers and 184 new titles

- 80 titles from Disney (UK)
- 40 regional and local DE dailies
- Weekly newspaper Die Furche (AT)
- Daily newspaper Svenska Dagbladet (SE)



Cost-effective growth through new and existing partnerships

- 10 new partnerships in Q3
 - N26 bank in DE, AT, IT and NL
 - McDonalds Monopoly in the UK
 - Tchibo in DE
 - Mio in Sweden
 - Travel campaigns with TUI and Secret Escapes in UK
- 30% of total trialist intake



Launch in France - largest market in Europe

- Oct 27: technical release of Readly app
 - Several hundred titles added including Libération, GQ, Cosmopolitan, Public and L'Express
- In Q4:
 - Product upgrades
 - Continuously adding new content
 - Marketing launch
 - Branding + performance marketing
 - New partnerships and activations



Summary of Q3

▶ Stabilising FPS development

- Full paying subscribers up 3% to 446 861 YoY
- Stable subscriber growth following strengthened content, partnership development and improved user experience

▶ Strong YoY revenue growth

- Strong total revenue growth of 24% YoY
- The price increases has worked well with ARPU increasing more than 10% YoY

▶ Significantly improved profitability

- Sixth consecutive quarter with improved EBITDA margin
- EBITDA expected to be positive latest 2025 in line with our financial target



Q&A