

JANUARY – DECEMBER 2020

Increased subscriber growth rate



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Agenda

- This is Readly
- Quarterly highlights
- Financial performance Q4
- Business highlights
- In summary and Q&A



This is Ready

Readly has pioneered the digital magazine industry and is the European category leader

900~

Publishers

5k+

Titles

140k+

Issues

11

Markets

50

Countries

17

Languages

4.7

App Store
Rating

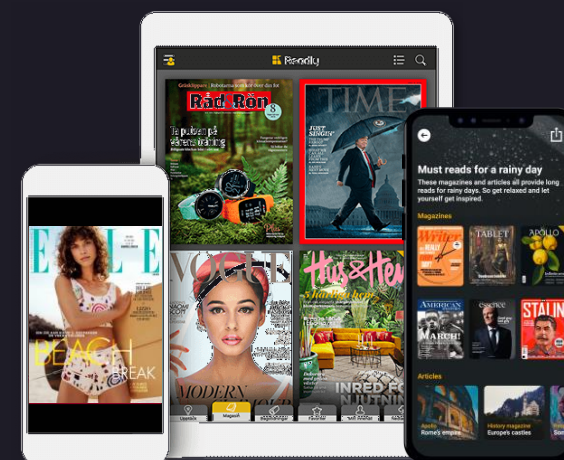
4

Offices

PURPOSE

Bringing the magic of magazines into the future

- enabling the discovery and survival of quality content -



 Browse +5,000 titles

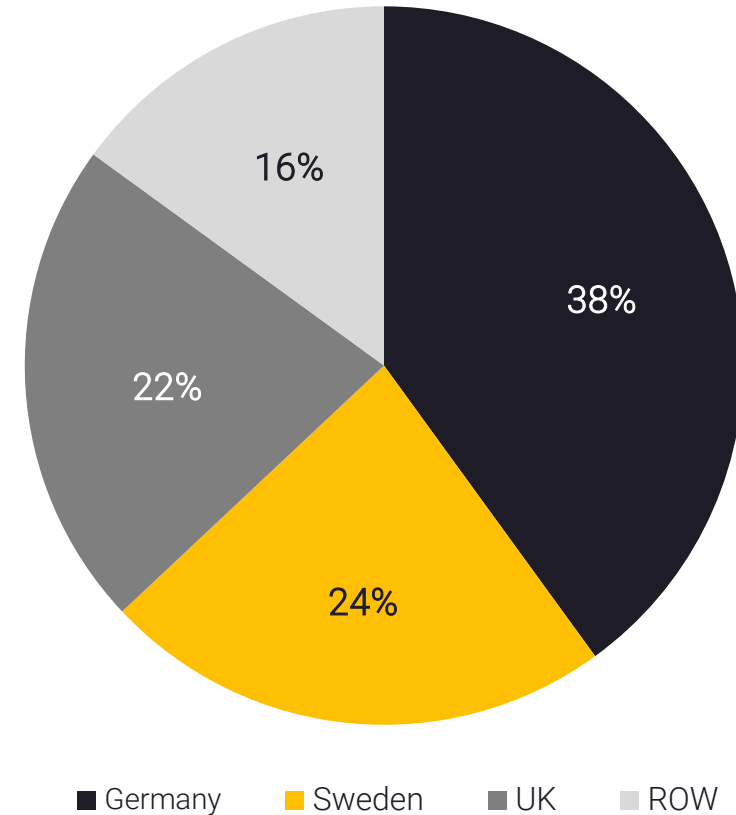
- ✓ Family sharing | Up to 5 profiles
- ✓ New and back issues available
- ✓ EUR 9.99 / month | Unlimited reading
- ✓ Offline reading | Downloadable content

Quarterly highlights

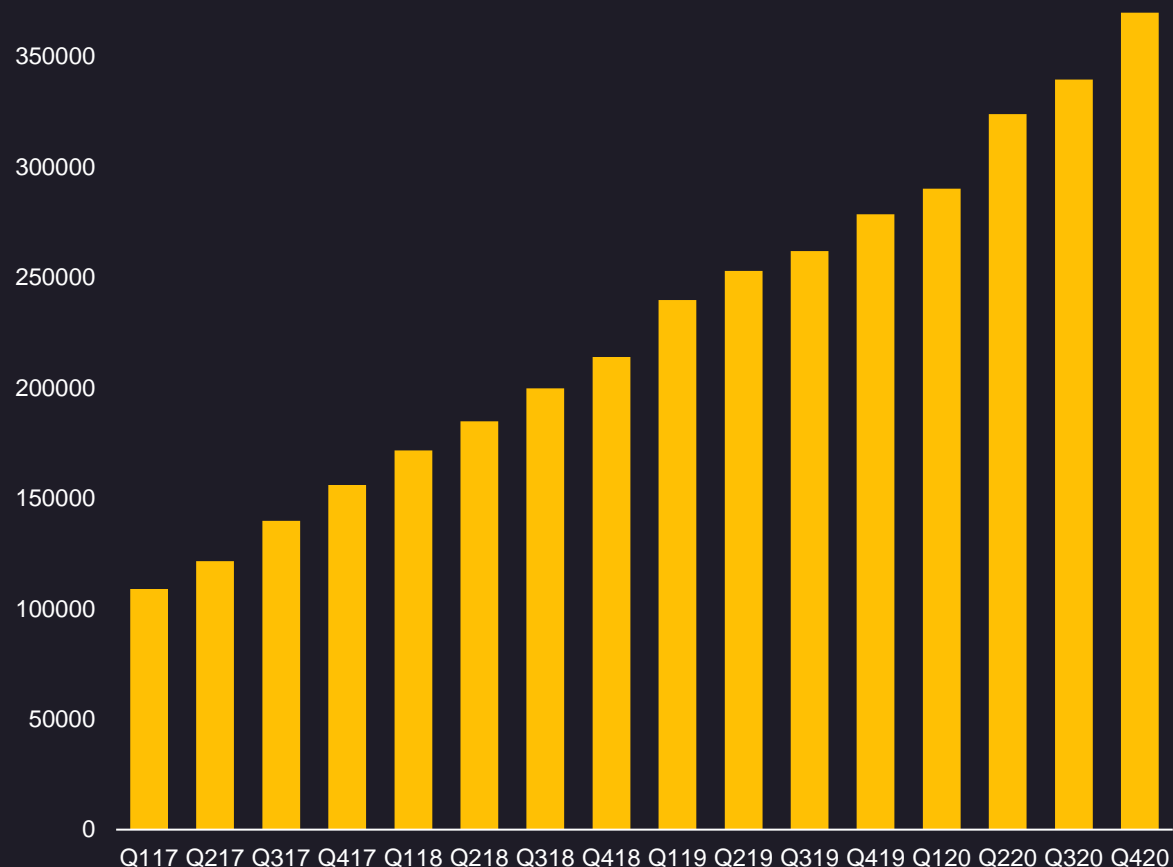
Q4 highlights

- The subscriber growth rate increased for the third consecutive quarter, +32.7% in Q4 YoY
- Renewed agreement with Aller Media, all titles remain on the platform
- Focus on improving product and user experience, several newspaper titles introduced in Q4
- Strong development in the UK, +43.5% revenue growth
- Good development of commercial partnerships with strong FPS intake and several new partnerships in the UK, SE and DE

34.2% revenue growth to
SEK 99 million



Development of subscriber base



369,764

FPS

+33%

YoY Growth

- FPS growth by 32.7% in the quarter, increased growth pace for the third consecutive quarter
- Double digit growth in all markets, fuelled by strong intake in the UK and stable development in Sweden and Germany
- Continued high interest for digital and reliable content, leading to high user engagement despite strong FPS intake
- Further development of our presence on the web through Ready GO, simplifying reading and browsing of 5,000+ titles



Financial performance

Financial goals

30-35%

Mid-term:
Uphold an annual
organic revenue growth

35%

Long-term:
Reach a gross
margin of

4-5 years

Reach a positive EBITDA

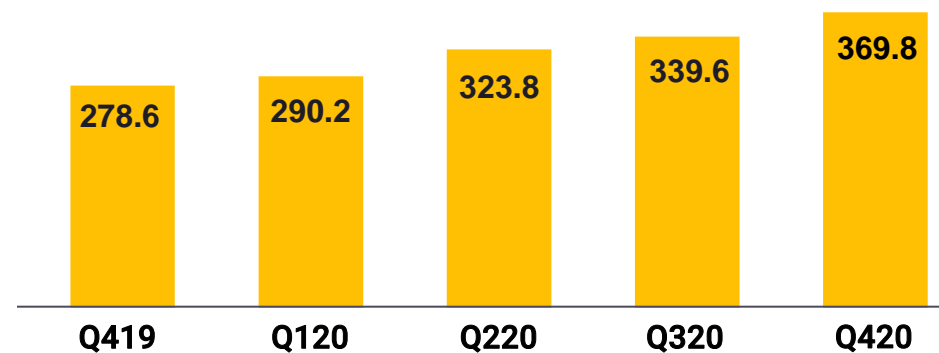
+33%

Q4 FPS growth y/y

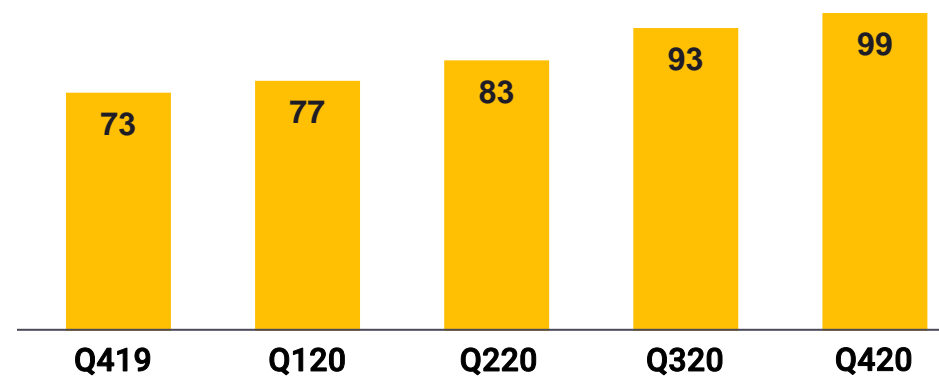
+34%

Q4 revenue growth y/y

Number of FPS, thousand

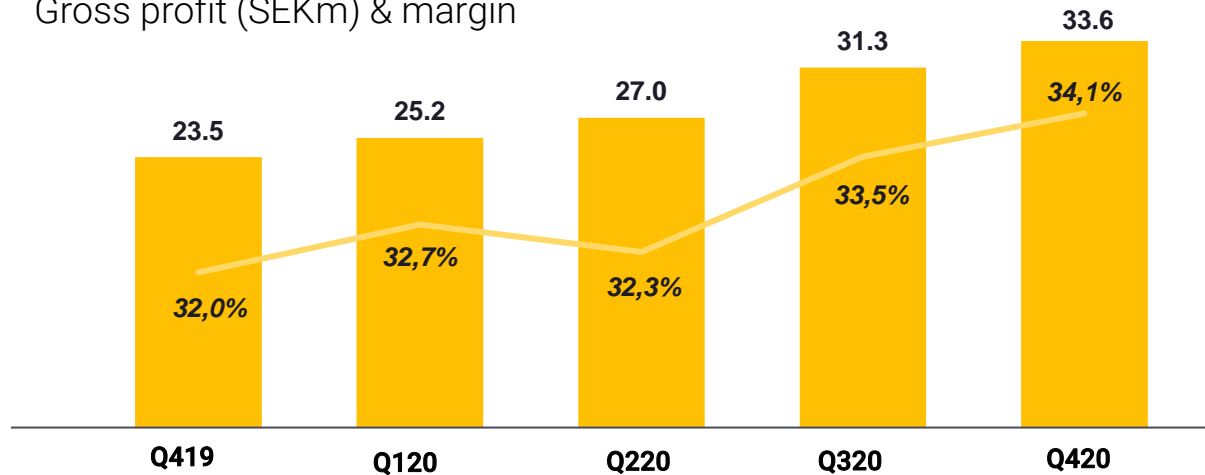


Total revenue, SEKm

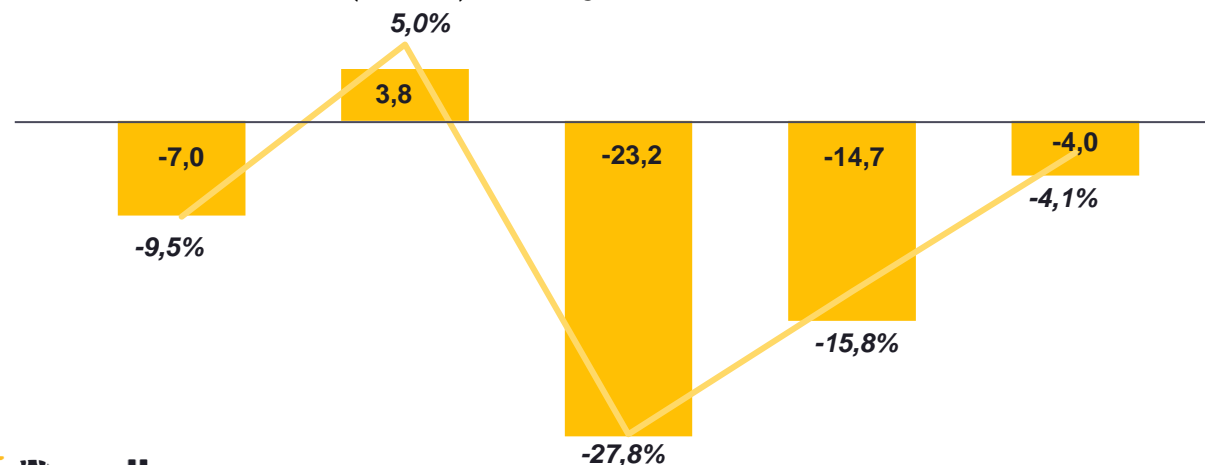


Gross profit & gross contribution

Gross profit (SEKm) & margin



Gross contribution (SEKm) & margin



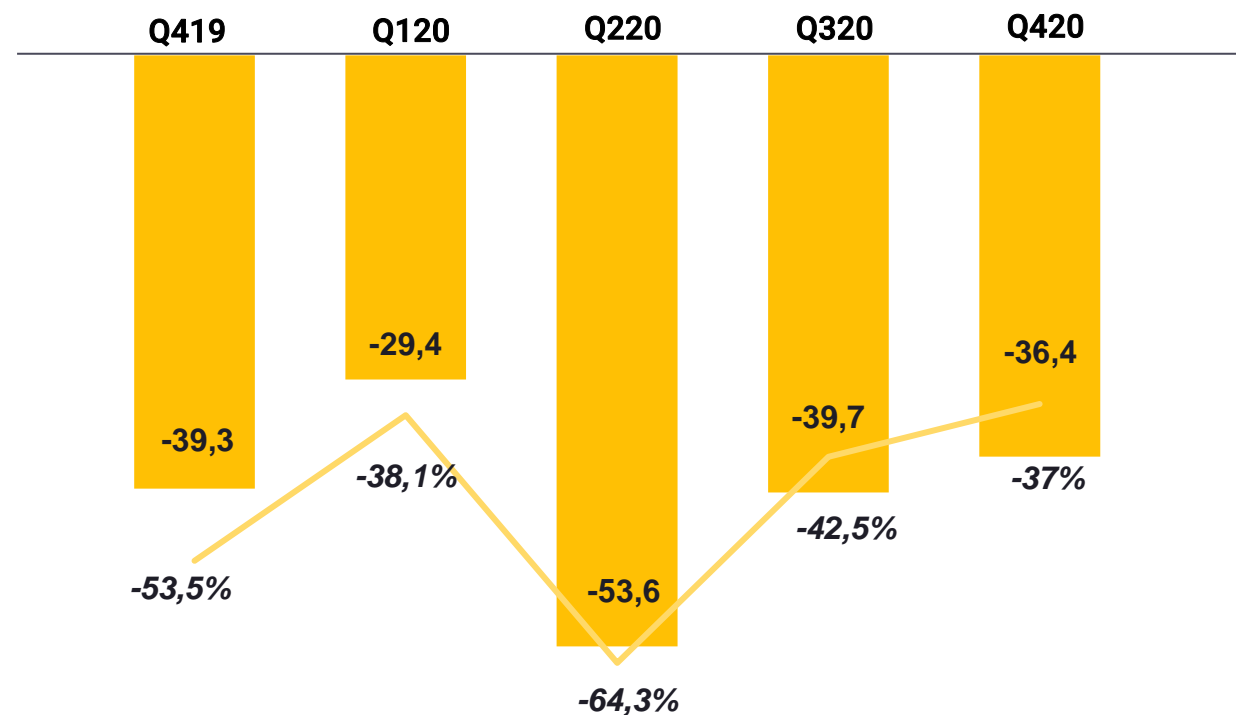
Gross margin improvement and continued investments in marketing

- Gross margin improvement in Q4, however, linear development is not expected going forward
- Investments in marketing decreased in Q4 compared to Q2 and Q3
- Channel and market spend optimization continues to be in focus

Q4 improvement of EBITDA

- Significant marketing investments all through 2020 but lower level in Q4 compared to Q3 and Q2
- Personnel costs of SEK -20.9 (-18.3) million, expected to increase in 2021 following investment in capacity in data analytics and product development
- EBITDA expected to positive in 4-5 years in line with our financial goals

Adjusted EBITDA



Business highlights

Growing base of trusted top tier publishers

- More than 100 new publisher agreements and close to 800 new magazine titles in 2020
- Readly Exclusive, a way for publishers to test and maximize value of content, 10 new titles in Q4
- Increased focus on adding news papers to our platform to reach new readers and drive user engagement

AFTONBLADET The Guardian



Enhanced growth through strategic partnerships

- About 20 new long term strategic partnerships in 2020 with global brands, e.g MediaMarkt, Revolut, etc.
- More than 100 new tactical partnerships, i.e for selected campaigns etc in 2020.
- Strategically important channel to increase reach further and strengthen brand awareness
- Strong FPS intake and enhanced focus on partner channel in Q4



Core markets with high potential

Germany

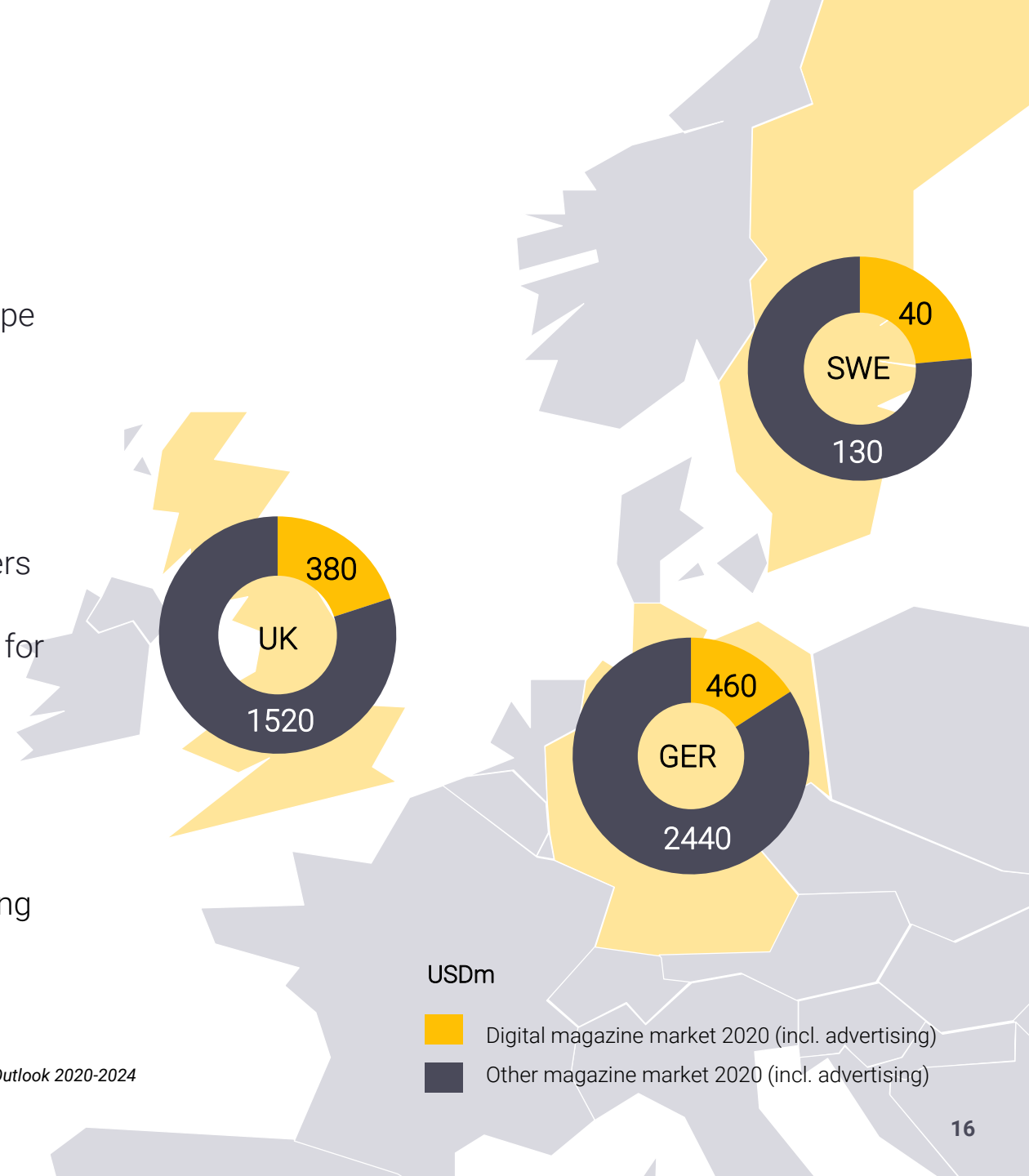
- Largest market for newspapers and magazines in Western Europe
- Sales of digital editions driven by an early introduction of digital content paywalls
- Ready users by gender: Males 60%, Females 40%

Sweden

- Print subscription fees increased in Q4 2020, directing consumers towards digital subscriptions**
- Swedish consumers have among the highest willingness to pay for digital news (27%)***
- Ready users by gender: Males 37%, Females 63%

UK

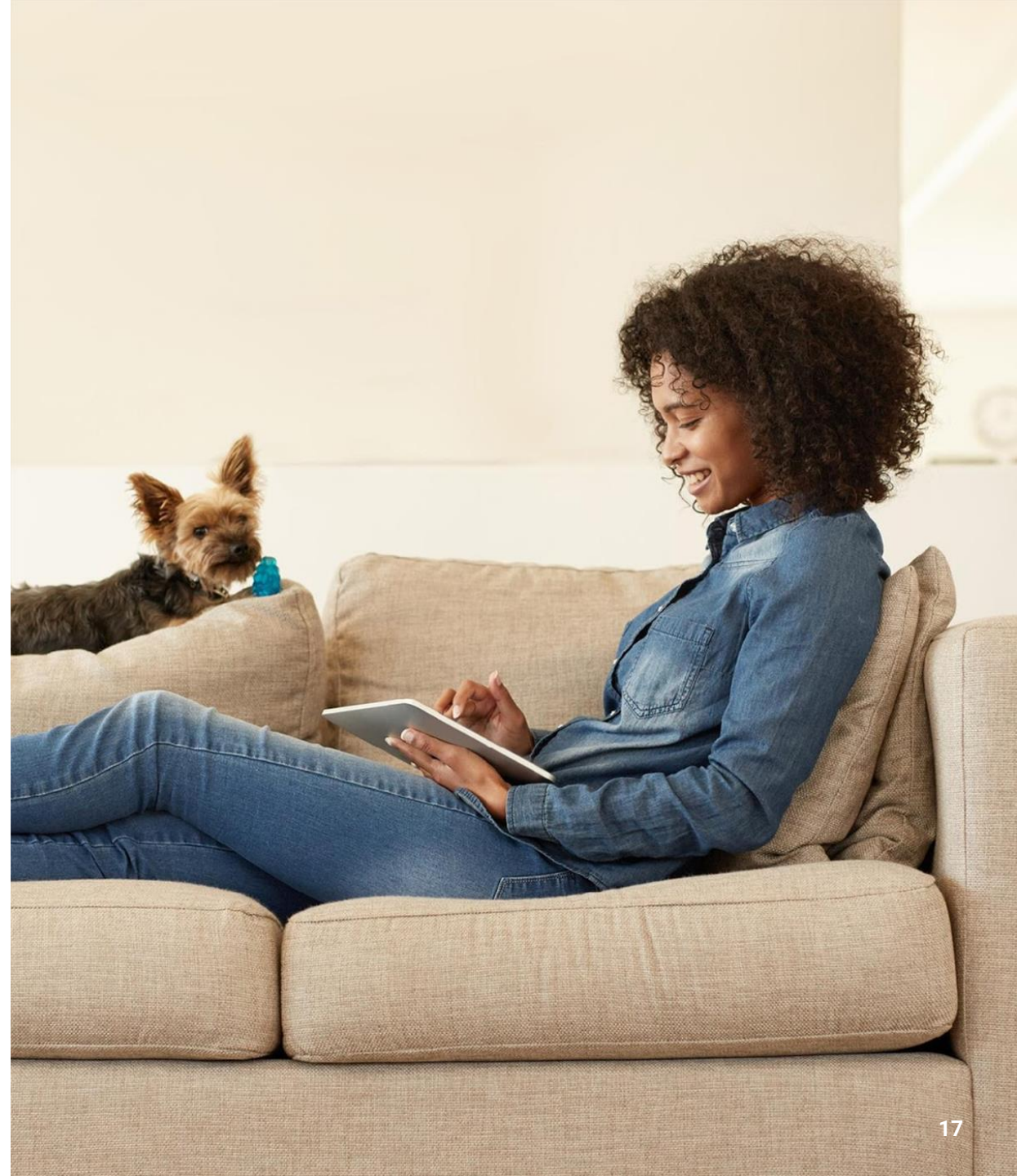
- Significantly higher penetration among younger generations
- Market benefit from the English language's magazine titles having global readership
- Ready users by gender: Males 46%, Females 54%



Source: PwC Global Media & Entertainment Outlook 2020-2024
** Mediavision, February 2021
*** Reuters Digital News Report 2020

Strategic growth agenda

- **Maintain position as European category leader**
Develop and grow platform content – new titles and segment completeness
- **Product development**
Focus on mobile experience and user engagement
- **Data**
Data driven analysis in focus with Readly Insight as enabler for both Readly and Publishers success alike
- **Commercial partnerships**
Continue to build a strong network of strategic and tactical partners in all markets
- **Brand awareness**
Continue to strengthen knowledge about Readly and category awareness in general



In summary and Q&A

In summary

- Strong fourth quarter with increased subscriber growth pace, sets for a positive future development
- Focus on improving product and user experience, several newspaper titles introduced in Q4
- Good development of commercial partnerships with strong FPS intake and several new partnerships in UK, SE and DE
- Interesting strategic growth agenda for 2021 and onwards



Questions?

Thank You

