

JANUARY - MARCH 2021

Strong start to the year with continued solid growth



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CEO



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Agenda

- This is Readly
- Quarterly highlights
- Financial performance
- Business highlights
- Summary
- 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

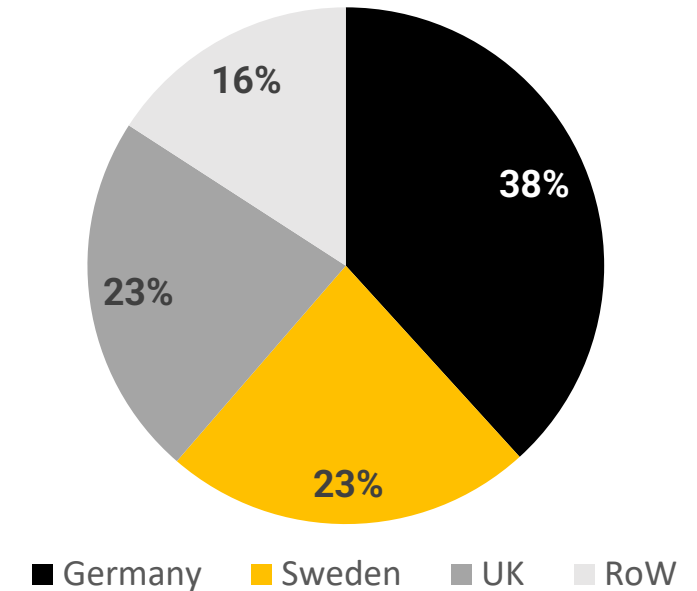
- ✓ Family sharing | Up to 5 profiles
- ✓ New and back issues available
- ✓ EUR 9.99 / month | Unlimited reading
- ✓ Offline reading | Downloadable content

Quarterly highlights

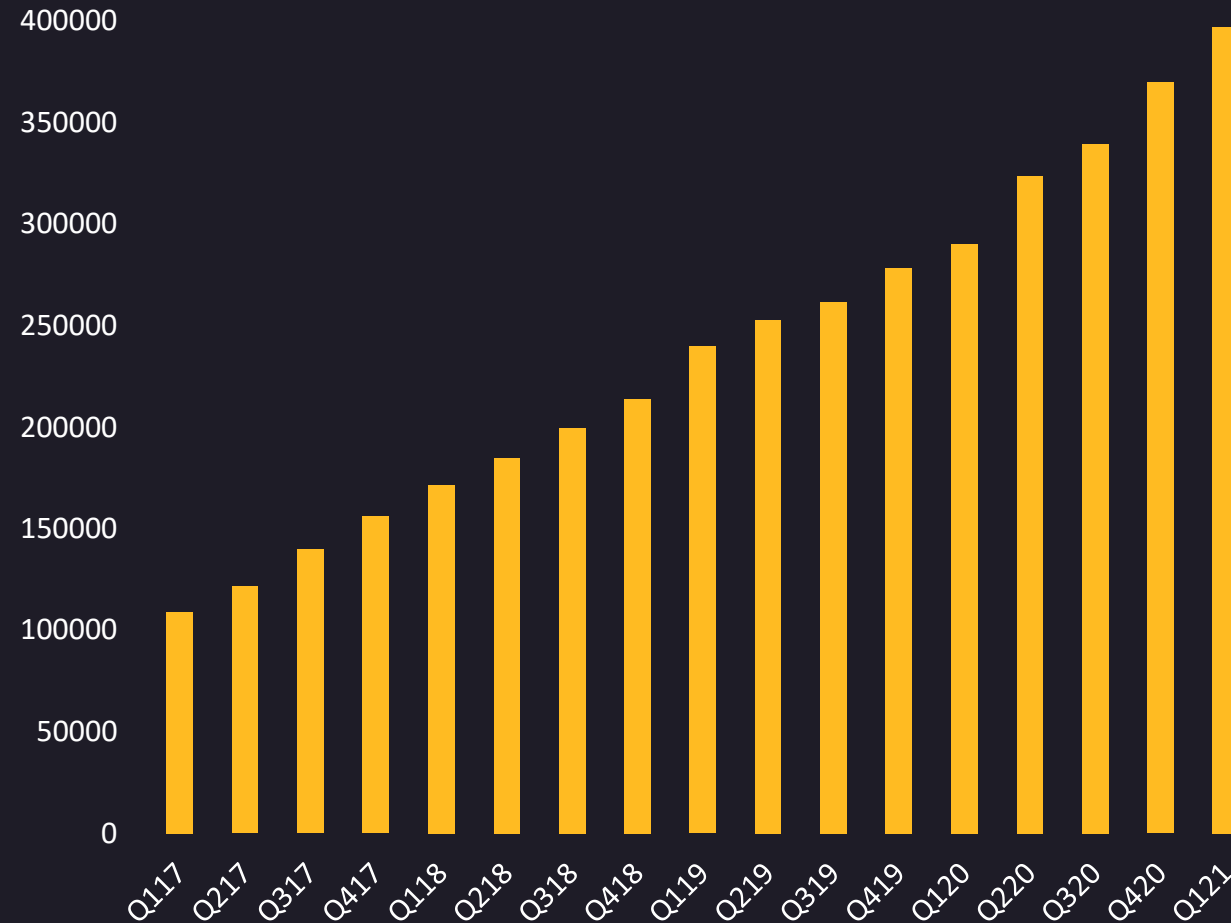
Q1 highlights

- Strong subscriber (FPS) growth of 36.8% YoY
- Continued double-digit FPS growth on all markets
- Revenue increased by 32.0% YoY
- Continued strong revenue growth in the UK, 65.7% YoY
- Successful execution on partnership strategy and further optimization of marketing channels
- Continued focus on content category excellence

32.0% revenue growth to SEK 102 million



Development of subscriber base



397,071

FPS

+37%

YoY Growth

- Strong FPS growth by 36.8% in the quarter
- Continued double-digit growth in all markets
 - Good development in core markets with continued strong performance in the UK
 - Strong growth in our other markets
- Driven by successful execution on partnership strategy and further optimisation of marketing channels

Financial performance

Financial targets

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

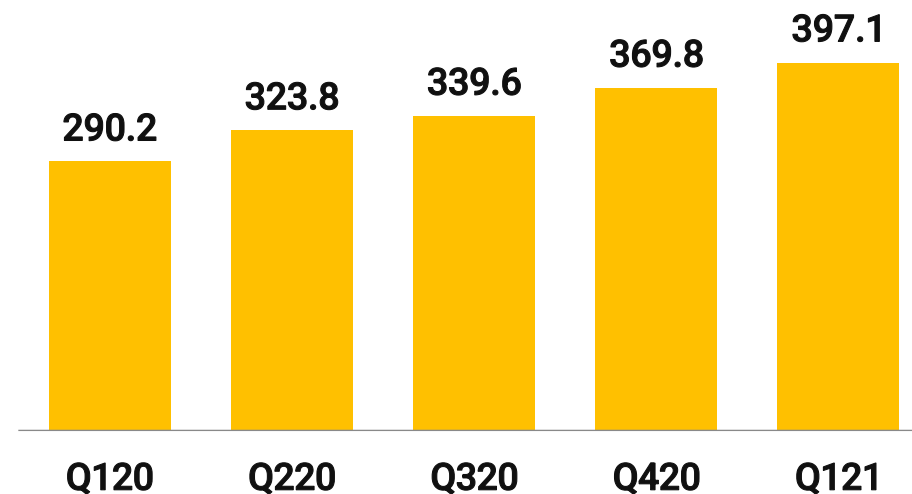
+37%

Q1 FPS growth YoY

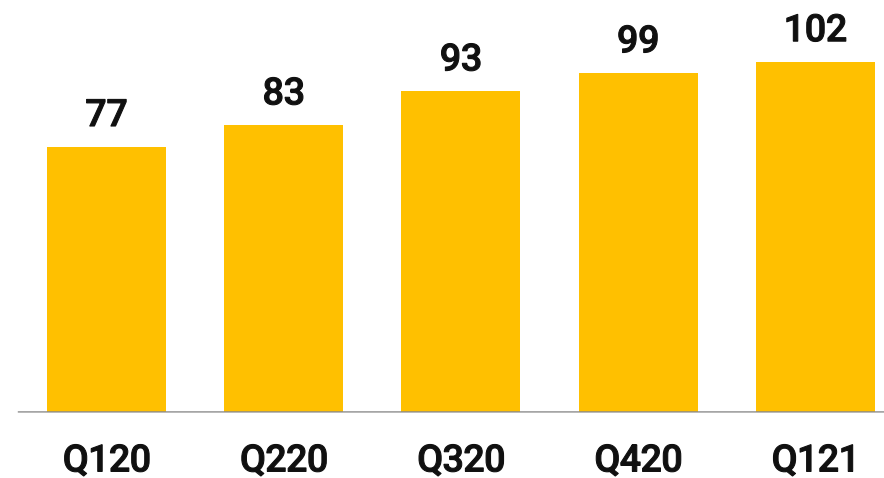
+32%

Q1 revenue growth YoY

Number of FPS, thousand

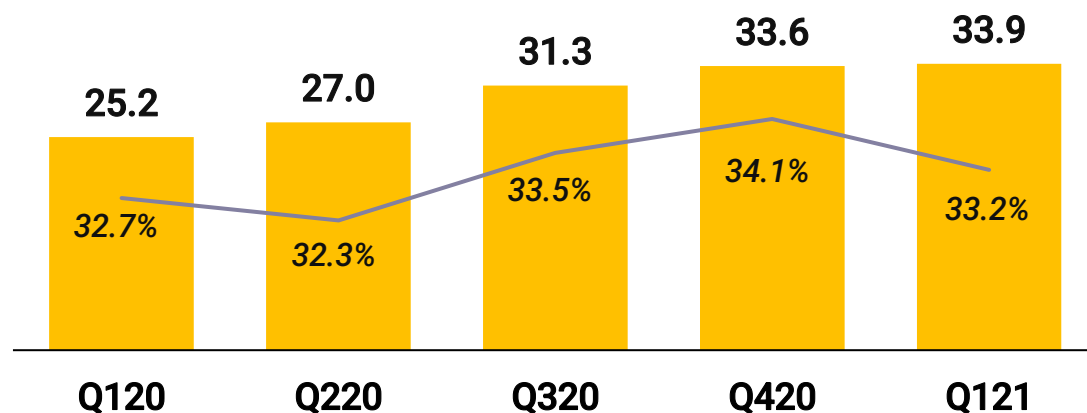


Totalt revenue, SEKm

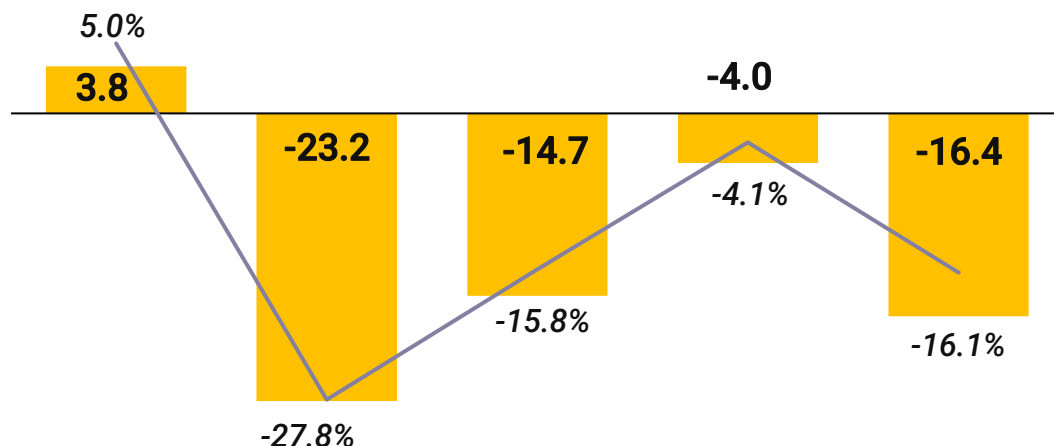


Gross profit & gross contribution

Gross profit (SEKm) & margin



Gross contribution (SEKm) & margin



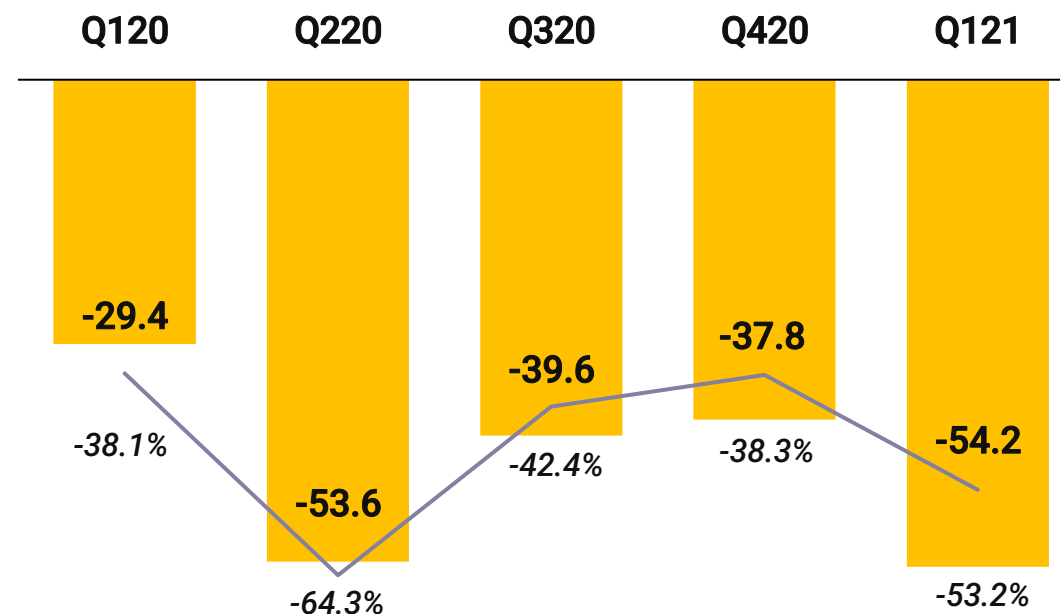
Stable gross margin

- Stable gross margin of 33.2%
- Increased investments in marketing
 - Relatively low marketing investments in Q1 2020
 - Broadened marketing channels and expansion to new markets
- Channel and market spend optimization continues to be in focus

EBITDA development

- EBITDA development according to plan
- Personnel costs of SEK -21.9 (-17.6) million, expected to increase during the year following investments in capacity in primarily product development but also other areas like data analytics
- EBITDA expected to positive in 4-5 years in line with our financial goals

Adjusted EBITDA (SEKm) & margin



Business highlights

Growing base of top tier publishers and content category excellence in focus

- 45 new publishers and 235 new titles including 12 newspapers added in Q1
- Newspapers increases reader engagement:
 - More frequent and longer reading sessions
 - Increased trial to paid sub conversion
 - Average reading time of newspapers in the UK increased more than 40% per month in Q1
 - No. of subscribers in Sweden who reads on daily basis increased by over 15% compared with Q1 2020
- The launch of Readly Insight continues according to plan with two signed contracts to date



Partnerships: important steps taken in 2020...

- Strategically important channel to increase growth, reach further and strengthen brand awareness
- Over 100 new partnerships established in 2020
- Grew and “exported” strategic partners to multi-territories, e.g., Lidl and H&M

Selection of established partnerships

Retail/FMC



Telco



Consumer electronics

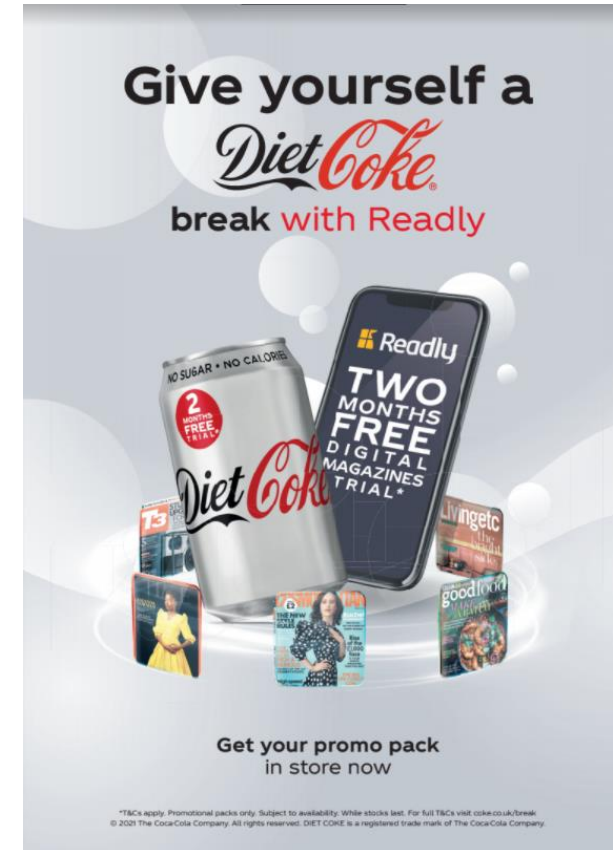


Travel



...and increased focus to drive growth in 2021

- Successful execution on partnership strategy in Q1 with 26 new partnerships with local and global brands
- Strong FPS intake and enhanced focus on partner channel
- Continue to build a strong network of strategic and tactical partners in all markets

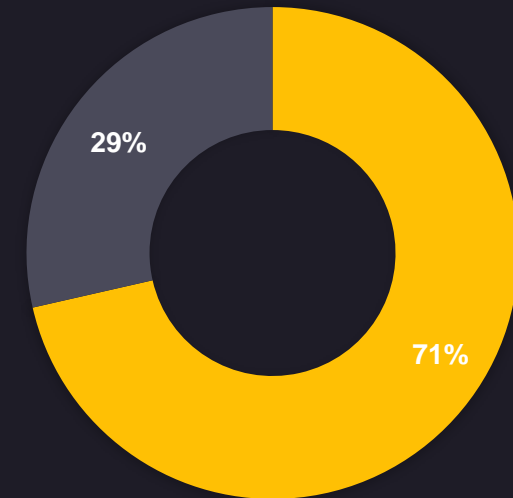


Market Opportunity

- Global market for magazines expected to be worth around 60bn USD in 2024, with a digital share of 29%
- In 2020 the digital share was 24%
- The increasing digital penetration of the magazine market is partly driven by increasing demand of immediate, trustworthy, comfortable and sustainable solutions
- Sales of print magazines impacted by Covid-19 pandemic - but digital sales stay resilient

* PwC Global Entertainment & Media outlook 2020-2024

MAGAZINE MARKET 2024



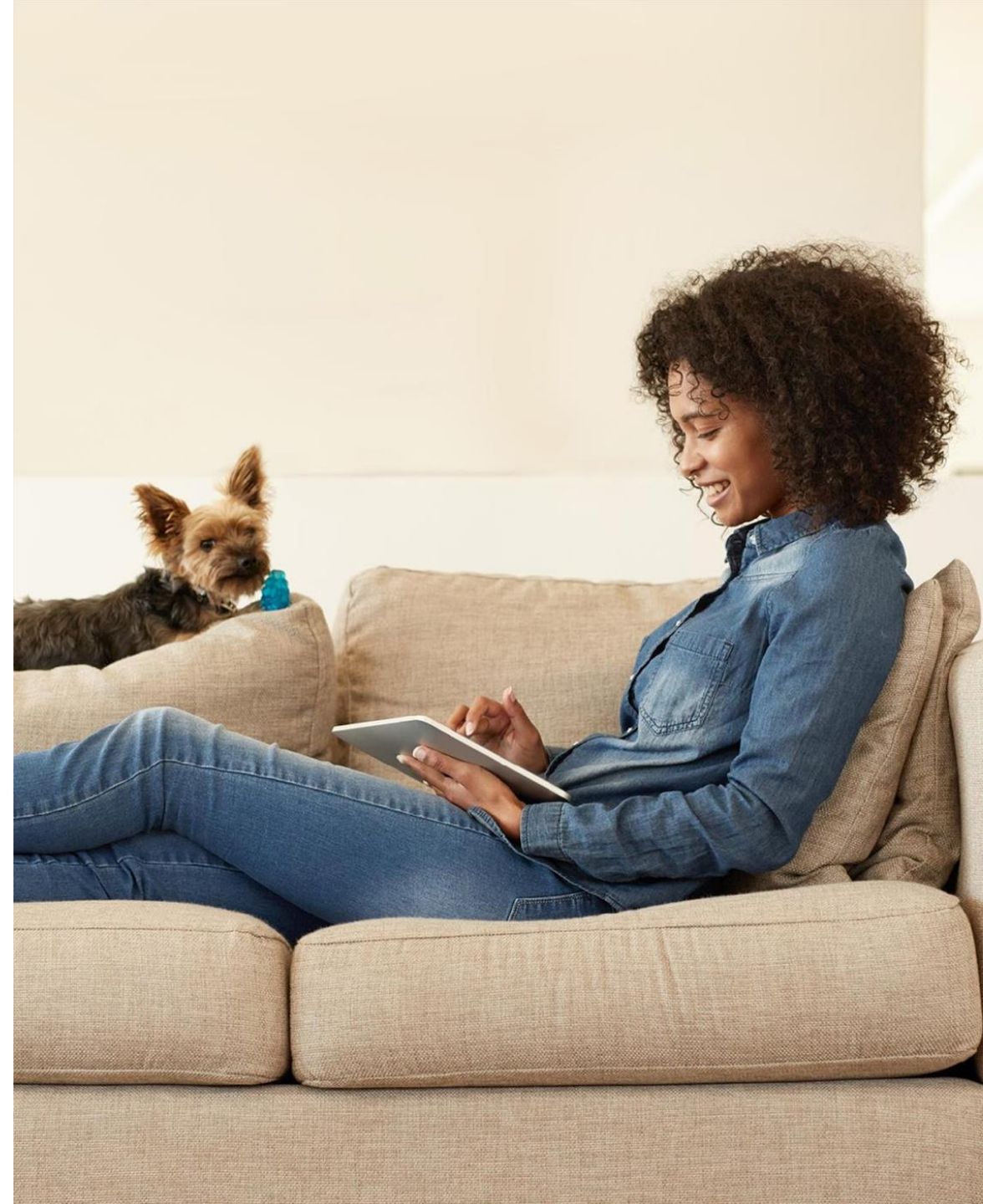
~60bn USD

- Print magazine market (incl. advertising)
- Digital magazine market (incl. advertising)

Summary

Summary

- Strong FPS growth of 36.8% with continued double-digit growth across our markets YoY
- We continue to deliver on our financial targets
- Successful execution on partnership strategy and further optimization of marketing channels
- Continued focus on content category excellence
- Clear strategy to capture growth opportunities



Q&A