



Press release

25 May 2022

Notice to extraordinary general meeting in Readly International AB (publ)

Shareholders of Readly International AB (publ), corp. reg.no. 556912-9553, ("the **“Company”**"), are hereby invited to an extraordinary general meeting, to be held on Tuesday 21 June 2022. The extraordinary general meeting will be carried out only through postal voting in accordance with the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. It will not be possible to attend the meeting in person or by proxy.

Information on the general meeting's resolutions will be announced on the Company's website as soon as the outcome of the postal voting is final on 21 June 2022.

Participation

To be entitled to participate at the meeting, a shareholder must:

- be listed in the shareholders' register maintained by Euroclear Sweden AB on the record date, which is Monday 13 June 2022 and
- give notice to the Company of the intention to attend the meeting no later than Monday 20 June 2022 (the weekday before the extraordinary general meeting) by casting its advance vote in accordance with the instructions under the heading Postal voting below, so that the postal voting form is received by the Company no later than Monday 20 June 2022.

Nominee registered shares

Shareholders whose shares are nominee-registered must, in order to be entitled to use its voting rights at the meeting, temporarily register its shares in its own name in the shareholders' register maintained by Euroclear Sweden AB. The nominee must be notified of this in good time before Monday 13 June 2022 on which date such registration must be in effect in order to be included in the share register printed by Euroclear Sweden AB on this day. Voting registration requested by a shareholder in such time that the registration has been made by the relevant nominees no later than on Wednesday 15 June 2022 will also be considered in compiling the share register.

Representation by proxy

Shareholders who submit an advance vote through a proxy must issue a written and dated power of attorney for the proxy. If the power of attorney has been issued by a legal entity, a certified copy of the registration certificate, or equivalent authorization document, showing that the persons who have signed the power of attorney are authorized signatories for the legal entity, must be attached to the power of attorney. The power of attorney may not be older than one year, however, that the power of attorney may be older than one year if it states that it is valid for a longer period, however not longer than five years. A copy of the power of attorney and any registration certificate should have been received by the Company by being sent to the Company at the address below no later than 20 June 2022. A form for the power of attorney will be available on the Company's website

<https://corporate.readly.com/governance/general-meetings/>.

Postal voting

The shareholders may exercise their voting rights at the extraordinary general meeting only by voting in advance, through so called postal voting in accordance with the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. A designated form shall be used for postal voting. The form is available on Readly's website, <https://corporate.readly.com/governance/general-meetings/> and will be sent free of charge for the recipient to the shareholders who so request and state their postal address. The postal voting form is considered as the notification of participation at the extraordinary general meeting.

The completed voting form must be received by Readly International AB, no later than on 20 June 2022. The completed form shall be sent to Readly International AB, Attn: Rasmus Blomqvist, Kungsgatan 17, 111 43 Stockholm, Sweden or through sending the completed voting form by e-mail to ir@readly.com (with reference "Readly extraordinary general meeting 2022"). The shareholder may not provide special instructions or conditions in the voting form. If so, the vote (i.e. the advance vote in its entirety) is invalid. Further instructions and conditions are included in the form for postal voting.

Shareholders may in the postal voting form request that decisions in one or more of the matters raised in the proposed agenda to be postponed to a so-called continued general meeting, which may not be held solely by postal voting. Such a continued general meeting for a resolution in a specific matter shall take place if the general meeting resolves to do so or if the owners of at least one tenth of all shares in the Company so requests.

Proposed agenda

1. Opening of the meeting
2. Appointment of chair for the meeting
3. Drafting and approval of voting register
4. Approval of the proposed agenda
5. Election of one persons to certify the minutes
6. Resolution whether the meeting has been duly convened

7. Resolution regarding an employee stock option program for senior executives, other employees and key individuals in the Company and the group in the United Kingdom, Germany and France
 - a) Resolution to establish employee stock option program 2022/2025
 - b) Resolution to issue warrants and approval of transfer of warrants
8. Closing of the meeting

Item 2: Appointment of chairman of the meeting

The board of directors propose that Patrick Svensk, chair of the board of the Company, is appointed as chairman and keeper of the minutes at the extraordinary general meeting, or, in the event of impediment, the one he appoints.

Item 3: Drafting and approval of voting register

The voting list which is proposed to be approved by the general meeting shall be the voting register drawn up by Company based on the Company's share register obtained from Euroclear Sweden AB and postal votes received, which shall be controlled by the person certifying the minutes.

Item 4: Approval of the proposed agenda

The board of directors proposes that the general meeting approve the proposed agenda as set forth above.

Item 5: Election of one person to certify the minutes

The board of directors proposes that Carl Isaksson, LL.M., at Baker & McKenzie Advokatbyrå KB, to certify the minutes together with the chair, or, in the event of impediment, the person the board of directors appoints in his stead. The person certifying the minutes shall also check the voting register and that the received postal votes are correctly reflected in the minutes of the meeting.

Item 7: Resolution regarding an employee stock option program for senior executives, other employees and key individuals in the Company and the group in the United Kingdom, Germany and France

The board of directors proposes that the extraordinary shareholders meeting resolves to establish an employee stock option program for senior executives, other employees and key individuals in the Company and the group in the United Kingdom, Germany and France (the "**Employee Stock Option Program 2022/2025**") in accordance with the below.

Background and motive

The purpose of the proposal is to create conditions to retain and increase motivation with senior executives, other employees and other key individuals in the Company and the group in the United Kingdom, Germany and France. The board of directors believes that it is in the interest of all shareholders that senior executives, employees and other key individuals, which are assessed to be of importance for the development of the group in the United Kingdom,

Germany and France have a long-term interest of a positive value growth in the Company's shares. A long-term ownership engagement is expected to stimulate increased interest in the business and the earnings development in general as well as increasing the motivation for the participants and aims to achieve increased alignment between the participant and the Company's shareholders. Furthermore, the program is expected to increase the possibility of recruiting competent personnel in the United Kingdom, Germany and France. Resolutions in accordance with items 7 a) and 7 b) below are taken as one decision and are thus conditional of each other.

A summary of other incentive programs, preparation of the proposal, costs for the programs and effects on key performance measures etc. is described below.

In order to hedge the Company's obligations under the Employee Stock Option Program 2022/2025 and hedge the ancillary costs, the board of directors also proposes that the extraordinary shareholders meeting resolves on a directed issue of warrants, as well as an approval of transfer of warrants in accordance the items 7 a) and 7 b).

Item 7 a): Resolution to establish employee stock option program 2022/2025

The board of directors of the Company proposes that the extraordinary shareholders meeting resolves to establish Employee Stock Option Program 2022/2025 in accordance with the following main guidelines:

The Employee Stock Option Program 2022/2025 shall consist of a maximum of 333,000 stock options.

Each stock option confers the holder a right to acquire one new ordinary share in the Company against an exercise price corresponding to 200 percent of the average volume weighted price for the Company's share as quoted on Nasdaq Stockholm during the period from and including June 22nd 2022 up to and including July 6th 2022. The calculated exercise price shall be rounded off to nearest even hundredth of a SEK, whereupon SEK 0.005 will be rounded to SEK 0.01. The exercise price and number of shares that each stock option confers right to acquire may be re-calculated in the event of a bonus issue, reverse share split or share split, rights issue, etc., whereby the re-calculation terms in the terms for Warrants 2022/2025:2 shall apply.

The Employee Stock Option Program 2022/2025 shall be offered, at one or several occasions, to (i) all existing and future senior executives and other employees in the group's British, German and French business until and including July 20th 2022 and (ii) the existing and future key individuals that (personally or through companies) work in the group's British, German or French business as of the mentioned date and who are selected by the board of directors based on their importance for the group. Employees refers to full-time and part-time employees, but not hourly employees. A person who has entered into an employment agreement with the group but has not taken up his/her employment as of the mentioned date, shall not be regarded as an employee. An employee who has terminated the employment or has been dismissed by the mentioned date but is still employed, shall not be regarded as an employee.

Senior executives and other employees within the Company and the group in United Kingdom, Germany and France will within the framework of Employee Stock Option

Program 2022/2025 be offered stock options in three different categories in accordance with the following:

- A) Senior executives in the United Kingdom, Germany and France consisting of up to 3 positions, of which each may be offered a maximum of 35,000 stock options, totalling a maximum of 105,000 stock options; and
- B) Managers and other key employees in the group in the United Kingdom, Germany and France consisting of up to 10 individuals, of which each may be offered a maximum of 12,000 stock options, totalling a maximum of 120,000 stock options; and
- C) Other employees in the group in the United Kingdom, Germany and France consisting of up to 36 individuals, of which each may be offered a maximum of 3,000 stock options, totalling a maximum of 108,000 stock options.

Stock options offered to the categories above which are not accepted by the categories above, can later be offered to existing (who do not subscribe their full offered share) and future senior executives or other employees in the group in the United Kingdom, Germany and France within the framework of the now proposed principles for allotment. Oversubscription may not occur. In the event that any individual within the above mentioned categories does not subscribe for their full share, such share may be transferred to another category.

The Company's board of directors shall not be included in the Employee Stock Option Program 2022/2025.

Notice of participation in the Stock Option Program 2022/2025 shall be received by the Company on July 20th 2022 at the latest, with a right for the board of directors to prolong the time limit. Allotment of stock options to participants shall take place as soon as possible after the expiration of the notification period.

The allotted stock options will be vested over a three-year period in accordance with the following:

- a) 1/3 of the allotted stock options will be vesting on July 20th 2023; and
- b) 2/3 of the allotted stock options will be vesting in linear quarterly instalments from July 20th 2023 up to and including July 20th 2025.

Vesting requires that the participant is still active within the group and that the employment has not been terminated as of the date when the respective vesting occurs. If a participant ceases to be an employee or terminates his/her employment with the group before a vesting date, the already vested stock options may be exercised at the ordinary time for exercise as described below, but further vesting will not take place. If the employee's employment ceases due to dismissal from the employer's side for cause, however, also vested options will lapse, unless the board of directors decides otherwise on a case-by-case basis.

The stock options shall not constitute securities and shall not be able to be transferred or pledged. However, in the event of death, the rights constituted by vested stock options shall accrue to the beneficiaries of the holder of the stock options.

The stock options shall be allotted without consideration.

The holder can exercise allotted and vested stock options during the period July 21st 2025 up to and including December 31st 2025. The board of directors has the right to limit the number of dates for delivery of shares during the exercise period.

Participation in the Employee Stock Option Program 2022/2025 requires that such participation is in accordance with applicable laws, as well as that such participation can be executed with reasonable administrative costs and financial efforts according to the Company's assessment.

The stock options shall be governed by separate agreements with each participant. The board of directors shall be responsible for the preparation and management of the Employee Stock Option Program 2022/2025 within the above-mentioned substantial terms and guidelines. The board of directors has the right to, within the framework of the agreement with each participant, make the reasonable changes and adjustments of the terms and conditions of the stock options that are deemed suitable or appropriate as a result of local employment law or tax law or administrative conditions. This may mean, among other things, that continued vesting of stock options may take place in some cases when otherwise would not have been the case. The board of directors also has the right to advance vesting and the timing of exercise of stock options in certain cases, such as in the case of a public takeover offer, certain changes in ownership of the Company, liquidation, merger and similar measures. Finally, the board of directors has the right to, in extraordinary cases, limit the scope of, or prematurely terminate, the Employee Stock Option Program 2022/2025 in whole or in part.

Item 7b): Resolution to issue warrants and approval of transfer of warrants

In order to enable the Company's delivery of shares under the Employee Stock Option Program 2022/2025 as well as to hedge ancillary costs, primarily social security contributions, the board of directors proposes that the extraordinary shareholders meeting resolves on a directed issue of warrants of series 2022/2025 as well as an approval of transfer of warrants of series 2022/2025:2.

The board of directors of the Company proposes that the extraordinary shareholders meeting resolves to issue a maximum of 333,000 warrants, which may result in a maximum increase in the Company's share capital of SEK 9,990. The warrants shall entitle to subscription of new ordinary shares in the Company.

The following terms shall apply to the issuance:

The warrants may, with deviation from the shareholders' preferential rights, be subscribed for by the Company or any other group Company.

The warrants are issued at no consideration and shall be subscribed for through a separate subscription list no later than on July 14th 2022. The board of directors has the right to extend the time for subscription.

Each warrant entitles to subscription of one new share in the Company during the period from registration up to and including December 31st 2025 or the earlier date set forth in the terms for the warrants.

Each warrant entitles to subscribe for one new share in the Company against cash payment at a subscription price corresponding to 200 percent of the average volume weighted price for the Company's share as quoted on Nasdaq Stockholm during the period from and including June 22nd 2022 up to and including July 6th 2022. The calculated subscription price shall be rounded off to nearest even hundredth of a SEK, whereupon SEK 0.005 will be rounded to SEK 0.01. The subscription price may not be set below the shares' par value. Upon subscription of shares, the part of the subscription price that exceeds the quotient value of the previous shares shall be allocated to the non-restricted share premium fund.

A new share subscribed for by exercise of a warrant has a right to dividends as of the first record day for dividends following registration of the new share issue with the Companies Registration Office and after the share has been registered in the share register maintained by Euroclear Sweden AB.

The purpose of the issuance, and deviation from the shareholders' preferential rights, is to, within the framework of Employee Stock Option Program 2022/2025, secure delivery of shares to the participants of the program.

The complete terms and conditions for the warrants, including conditions regarding recalculation, in certain cases, of the subscription price and the number of shares a warrant entitles to, will be available at the Company no later than three weeks before the extraordinary shareholders meeting.

The board of directors or anyone appointed by the board of directors is given the right to make the adjustments necessary in connection with the registration of the resolution at the Companies Registration Office and possibly Euroclear Sweden AB.

The board of directors further proposes that the extraordinary shareholders meeting resolves to approve that the Company or any other group Company, may transfer warrants to the participants in the Employee Stock Option Program 2022/2025 without consideration in connection with exercise of the stock options in accordance with the terms set out in item 7 a) or in another way dispose of the warrants in order to be able to secure the Company's commitments and costs in relation to the Employee Stock Option Program 2022/2025. The board of directors shall not have the right to dispose of the warrants for any other purpose than to secure the Company's commitments and costs in connection with the Employee Stock Option Program 2022/2025.

Preparation of incentive program etc. (it is noted that this is not a topic for resolution)

Proposal on the Employee Stock Option Program 2022/2025 has been prepared by external advisors in consultation with the remuneration committee and the board of directors and parts of the Company group management.

Costs and effects on key figures

Employee Stock Option Program 2022/2025

Costs related to Employee Stock Option Program 2022/2025 will be recognised in accordance with IFRS 2, which means that the stock options are expensed as personnel costs during the vesting period.

Based on the assumption that 100 percent of the options in the Employee Stock Option Program 2022/2025 will be allotted and a three-year average employee turnover rate of 20 percent, meaning that all 266 400 stock options will vest, the estimated total accounting salary costs for the options will amount to approximately SEK 0.5 million during the time period 2022-2025, based on the actual value of the options at the time of calculation. The options do not have a market value since they are not transferable. However, the board of directors, with assistance of an independent valuator, has calculated a theoretical value of the options in accordance with the Black & Scholes formula. The calculations have been based on a, by the board of directors, estimated share price of SEK 8,17 per share¹, a risk-free interest rate of 1,51 percent and an assumed volatility of 45 percent. In accordance with this valuation, the value of the options in the Employee Stock Option Program 2022/2025 is approximately SEK 1,16 per option. Limitations in the disposal rights have not been taken into consideration in the valuation.

Upon a positive development of the share price, the Employee Stock Option Program 2022/2025 may entail costs in the form of social security contributions. The total costs for social security contributions will depend on the employment form of the participant, the number of options that will be vested and on the value of the benefit that the participant finally will receive, i.e. on the value of the options when exercised 2025, but also in which countries the participants are resident and what rates that apply for social security contributions in these countries. Based on the assumption that 266 400 options in Employee Stock Option Program 2022/2025 will be vested, an assumed share price of SEK 20.43 when the options are exercised and an assumed average social security rate of approximately 17,79 percent, the total costs for social security contributions will amount to approximately SEK 0.2 million.

The Company's entire costs for social security contributions are proposed to be hedged through a directed issue of warrants in accordance with item 7 b).

The total cost for Employee Stock Option Program 2022/2025 will be distributed over the years 2022-2025. Since 1/3 of the options vest per year, the cost will be distributed unevenly over the period, with an emphasis at the beginning of the period.

Given the above assumptions, including an assumed share price of 20.43 at the time of exercise of the options, and that the program had been introduced in June 2020 instead, it is calculated that the key figure earnings per share for full year 2021 would have remained to be aligned at SEK -5.9.

It shall be noted that all calculations above are preliminary, based on assumptions and are only intended to provide an illustration of what costs Employee Stock Option Program 2022/2025 may entail. Actual costs may therefore deviate from what has been stated above.

Costs in the form of fees to external advisers and costs for administering the Employee Stock Option Program 2022/2025 are estimated to amount to approximately SEK 0.2 million.

¹ The estimate is based on the average closing price of Readly's share price between May 4 - May 17 2022.

Dilution and previous incentive programs

Per the day of the proposed incentive program there are 37,904,738 ordinary shares in the Company. All shares having one vote each. The Company holds no own shares.

There are 1,018,508 warrants held by warrant holders under five different programs: warrants series 2018/2022, series 2019/2022, series 2020/2023, series 2021/2024 and series 2022/2025. If all warrants held by warrant holders are exercised the maximum dilution amounts to approximately 4,2 percent.

The warrants currently not held by warrant holders are held by the Company's subsidiary Readly Financial Instruments AB or the Company. These warrants will not be transferred and be kept with the subsidiaries/the Company.

There are 8,083 warrants held by warrant holders under series 2018/2022. After recalculations due to a share split in September 2020, each such warrant entitles the holder to subscribe for five new shares in the Company. The subscription price for these warrants is SEK 32.80 and these warrants may be exercised up to and including 30 December 2022.

There are 45,000 warrants held by warrant holders under series 2019/2022. After recalculations due to a share split in September 2020, each such warrant entitles the holder to subscribe for five new shares in the Company. The subscription price for these warrants is SEK 32.80 and these warrants may be exercised from 30 April 2022 up to and including 30 April 2023.

There are 88,125 warrants held by warrant holders under series 2020/2023. After recalculations due to a share split in September 2020, each such warrant entitles the holder to subscribe for five new shares in the Company. The subscription price for these warrants is SEK 32.80 and these warrants may be exercised from up to and including 30 December 2023.

There are 470 300 warrants held by warrant holders under series 2021/2024. The subscription price for these warrants is SEK 53.49 and these warrants may be exercised up to and including 15 December 2024.

There are 407,000 warrants held by warrant holders under series 2022/2025. The subscription price for these warrants is determined at a price corresponding to 200 percent of the average volume weighted price for the Company's share as quoted on Nasdaq Stockholm from and including 11 May 2022 up to and including 23 May 2022 and these warrants may be exercised during the period from and including 1 July 2025 up to and including 15 December 2025.

In case all warrants issued under the Employee Stock Option Program 2022/2025 (including those for hedge of ancillary costs in the form of social security contributions) are exercised for subscription of new shares, the number of shares and votes in the Company will increase with 333,000 (with reservation for any recalculation in accordance with the warrant terms and conditions), which corresponds to a dilution of approximately 0,9 percent of the Company's share capital and votes.

If all warrants are issued under the Employee Stock Option Program 2022/2025 and all outstanding warrants issued under series 2018/2022, series 2019/2023:1, series 2019/2023:2, series 2021/2024 and series 2022/2025 are exercised in full the number of ordinary shares and

votes in the Company will increase with 1,916,340 (with reservation for any recalculation in accordance with the respective program's terms and conditions), which corresponds to a total dilution of approximately 4.8 percent of the number of shares and votes in the Company.

The dilution effect has been calculated as the number of additional shares and votes in relation to the number of existing shares and votes plus the number of additional shares and votes.

Majority requirements

A resolution in accordance with 7 requires support by shareholders holding not less than nine-tenths of both the shares voted and of the shares represented at the extraordinary general meeting.

Miscellaneous

Copies of proxy form, advance voting form and other documents that shall be available in accordance with the Swedish Companies Act are available at least three weeks in advance of the extraordinary shareholders meeting. The notice and all the above documents are available at the Company at Kungsgatan 17 in Stockholm and at the Company's website <https://corporate.readly.com> and will be sent to shareholders who request it and provide their e-mail or postal address.

The total numbers of shares in the Company on the date of this notice amount to 37,904,738 shares. All shares having one vote each. The Company holds no own shares.

The shareholders are reminded of their right to request information at the extraordinary shareholders meeting from the board of directors and the managing director in accordance with Ch. 7 Section 32 of the Swedish Companies Act.

Processing of personal data

For information on how personal data is processed in relation to the meeting, see the Privacy notice available on Euroclear Sweden AB's website: <https://www.euroclear.com/dam/ESw/Legal/Privacynotice-bolagsstammor-engelska.pdf>.

May 2022

Readly International AB (publ)

The board of directors

For more information:

Rasmus Blomqvist, Head of Investor Relations

+46 70 233 53 67, rasmus.blomqvist@readly.com

Johan Adalberth, CFO

+46 72 727 50 70, johan.adalberth@readly.com

About Readly

Readly is the European category leader for digital magazines. The company offers a digital subscription service where customers have unlimited access to 7,500 magazines and newspapers including the catalogue of ePresse. Readly has subscribers in more than 50 countries and content available in 17 different languages. In collaboration with 1200 publishers worldwide, Readly is digitising the magazine and newspaper industry. In 2021, revenues amounted to SEK 466 million. Since September 2020, the Readly share is listed on Nasdaq Stockholm Midcap. For more information, please visit <https://corporate.readly.com>.