



Press release

11 November 2022

Significantly improved results and good revenue growth

Readly International AB (publ) presents a third quarter with significant result improvements and good revenue growth. The number of fully paying subscribers increased by 2.6 percent to 446 861 (435 372) compared with the third quarter of 2021, and total revenue by 23.8 percent to SEK 147.1 (118.9) million. Gross profit increased by 20.7 percent to SEK 48.1 (39.8) million, corresponding to a gross margin of 32.7 (33.5) percent. Adjusted for items affecting comparability of SEK -0.1 million, the EBITDA margin improved to -9.7 (-38.5) percent and the operating margin to -13.9 (-40.4) percent in the quarter. Gross contribution improved to SEK 25.3 (-11.5) million, corresponding to a positive gross contribution margin of 17.2 (-9.6) percent.

*- It has been an eventful period during which our content portfolio has become even more attractive through the additions of daily newspapers, podcasts and the collaboration with Disney. We see the stabilisation in our subscriber base as an early sign of how our focus on improved customer experience contributes to organic growth. We are reporting the sixth quarter in a row with improved results at the same time as total revenue increased by 24 percent. This is a result of, among other things, the price adjustments we continued to implement during the quarter. I am really satisfied with the initiatives we have taken so far this year and our determined work to reach profitability, says **Mats Brandt, President and CEO at Readly.***

1 July - 30 September 2022 (1 July - 30 September 2021)

- Revenue for the period totalled SEK 147.1 million (118.9), an increase of 23.8 percent compared with the third quarter of 2021.
- The number of full-paying subscribers (FPS) increased by 2.6 percent to 446,861 (435,372) at the end of the quarter.
- Gross profit increased by 20.7 percent to SEK 48.1 million (39.8), corresponding to a gross profit margin of 32.7 percent (33.5).
- The gross contribution margin for the period was 17.2 percent (-9.6).
- EBITDA was SEK -14.4 (-45.7) million, corresponding to an EBITDA margin of -9.8 percent (-38.5).
- Adjusted EBITDA at SEK -14.3 (-45.7) million, corresponding to an EBITDA margin of -9.7 (-38.5) percent.
- Operating result (EBIT) was SEK -20.6 million (-48.0), corresponding to an operating margin of -14.0 percent (-40.4).
- Earnings per share were SEK -0.5 (-1.4) before and after dilution.

1 January - 30 September 2022 (1 January - 30 september 2021)

- Revenue for the period totalled SEK 435.0 million (331.6), an increase of 31.2 percent compared with the first nine months of 2021.
- The number of full-paying subscribers (FPS) increased by 2.6 percent to 446,861 (435,372) at the end of the quarter.
- Gross profit increased 31.2 percent to SEK 145.7 million (111.0), corresponding to a gross profit margin of 33.5 percent (33.5).
- The gross contribution margin for the period was 16.9 percent (-11.9).
- EBITDA was SEK -75.3 (-151.4) million, corresponding to an EBITDA margin of -17.3 percent (-45.7).

- Adjusted EBITDA at SEK -65.6 (-151.4) million, corresponding to an EBITDA margin of -15.1 (-45.7) percent.
- Operating result (EBIT) was SEK -93.2 million (-159.2), corresponding to an operating margin of -21.4 percent (-48.0).
- Adjusted operating result (excl. IAC) was SEK -83.5 million (-159.2), corresponding to an operating margin of -19.2 percent (-48.0).
- Earnings per share were SEK -2.4 (-4.6) before and after dilution.

Significant events after the end of the period

- No significant events occurred after the end of the reporting period.

Q3 presentation today at 9:00 CET

Readly published its interim report for the third quarter 2022 today at 07:30 CET.

The report will be presented in an audio cast and tele conference at 09.00 CET the same day.

Mats Brandt, CEO and Johan Adalberth, CFO, will present the report and answer questions. The presentation will be held in English.

To listen to the conference by phone, please call:

SE: +46 8 505 583 59

UK: +44 333 300 0804, UK-PIN 54053755#

DE: +49 691 380 3452

US: +1 646 722 4957

Follow the presentation live on:

[Link to audiocast](#)

Report and presentation 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.

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