



Press release
23 January 2023

Trading update for the fourth quarter 2022

Readly International AB (publ) (“Readly” or the “Company”) announces a trading update for the fourth quarter 2022. Preliminary revenue in the fourth quarter 2022 amounted to SEK 156.6 million (134.8) and preliminary adjusted EBITDA amounted to SEK -12.1 million (-41.4). FPS (full-paying subscribers) at the end of the period amounted to 452,466 (478,362).

As a result of the public cash offer announced on 5 December 2022 by Tidnings AB Marieberg, a wholly owned subsidiary of Bonnier News Group AB, and the extended acceptance period up until 3 February 2023 announced on 11 January 2023, Readly has decided to release a trading update for the fourth quarter 2022.

Preliminary financials for the fourth quarter 2022

- Readly has delivered good growth year-on-year with total revenue of SEK 156.6 million (134.8), an increase of 16.2 percent compared to the fourth quarter 2021. The growth has primarily been driven by price increases in selected markets.
- The number of FPS at the end of the quarter was 452,466. This is a decrease of 5.4 percent compared to the end of the fourth quarter 2021 (478,362) and an increase of 1.3 percent compared to the end of the third quarter 2022 (446,861).
- ARPU amounted to approximately SEK 109 (95), reflecting the price increases that Readly has carried out throughout 2022 as well as positive effects from exchange rates.
- Gross profit increased by 27.5 percent to SEK 57.5 million (45.1), corresponding to an all-time high gross margin of 36.7 percent (33.5). The increase in gross margin was primarily related to lower publisher costs in relation to revenue.
- The gross contribution margin for the period was 21.0 percent (4.1). The increase was primarily a result of lower marketing expenses as well as higher gross margin.
- Adjusted EBITDA amounted to SEK -12.1 million (-41.4), corresponding to an adjusted EBITDA margin of -7.7 percent (-30.7)¹. This was the seventh consecutive quarter with improved adjusted EBITDA margin.
- Earnings before tax for the fourth quarter 2022 has been impacted by a non-cash impairment of goodwill of approximately SEK -27.0 million related to the acquisition of Toutabo. Furthermore, Readly has adjusted the consideration for the earn-out payment related to the acquisition of Toutabo with a reduction of approximately SEK 20.8 million.
- As of 31 December 2022, Readly’s cash and cash equivalents amounted to SEK 188.7 million (306.2).

All figures are unaudited and may be adjusted in the year-end report to be published on 16 February 2023.

¹ Items affecting comparability for the fourth quarter 2022 amounted to SEK -1.0 million and was related to transaction costs for the public cash offer. Items affecting comparability for the fourth quarter 2021 amounted to SEK -4.6 million and was related to the acquisition and integration of Toutabo.

Stockholm, 23 January 2023

Readly International AB (publ)

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This is information that Readly International AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted, through the agency of the contact persons set out above, for publication on 23 January 2023 at 07:30 CET.

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 national and international magazines - all in one app and at a fixed monthly fee. Readly has subscribers in 50 countries and content available in 17 different languages. In collaboration with around 1,200 publishers worldwide, Readly is digitising the magazine industry. In 2021, revenues amounted to SEK 466 million. Since September 2020, the Readly share is listed on Nasdaq Stockholm. For more information, please visit <https://corporate.readly.com>.