



Press release

8 February 2024

Continued revenue growth and positive adjusted EBITDA Q4 and full year 2023

For the second consecutive quarter, Readly International AB (publ) reports a positive EBITDA. The number of fully paying subscribers increased by 2.7 percent to 464,494 (452,466) compared to the same period last year and increased by 0.8 percent from quarter to quarter. Total revenue increased by 11.3 percent to SEK 174.2 million (156.6) and ARPU rose to SEK 119 (109), an increase of 8.6 percent, largely as a result of the well-received price increases in all markets and currency effects. The gross margin increased to 40.0 (36.7) percent and the adjusted EBITDA margin was 8.3 percent compared to -7.7 percent last year. Thus, the adjusted EBITDA margin for the full year 2023 was 2.5 percent.

*- In the fourth quarter we once again report a positive adjusted EBITDA and thus also for the full year 2023. Readly continues the positive trend with increased revenue and growing user base, which we are very proud of. It is a promising starting point as we now enter 2024 with a revised strategy for the next two years. We will enhance the mobile user experience to increase usage and create more reading opportunities in the app. At the same time, we will improve our technical infrastructure for smoother development of new functionality. A significant amount of work awaits us, which shall lead to long-term stable profitability - a team effort we look forward to, says **Philip Lindqvist, president and CEO of Readly.***

1 October - 31 December 2023

- Total revenues amounted to SEK 174.2 (156.6) million, corresponding to an increase of 11.3 percent compared to the fourth quarter of 2022.
- Net sales increased by 9.8 percent to SEK 170.6 (155.3) million compared to the fourth quarter last year.
- The number of fully paying subscribers increased by 2.7 percent to 464,494 (452,466) at the end of the quarter.
- Gross profit increased by 21.2 percent to SEK 69.7 (57.5) million, corresponding to a gross margin of 40.0 (36.7) percent.
- The gross contribution margin for the period was 31.1 (21.0) percent.
- Adjusted operating profit (EBITDA) before items affecting comparability amounted to SEK 14.5 (-12.1) million, corresponding to an adjusted EBITDA margin of 8.3 (-7.7) percent.
- Adjusted operating profit (EBIT) before items affecting comparability amounted to SEK 9.1 (-21.3) million, corresponding to an adjusted operating margin of 5.2 (-13.6) percent.
- Operating profit (EBIT) amounted to SEK 3.6 (-49.3) million, corresponding to an operating margin of 2.1 (-31.5) percent.
- Net financial items for the quarter amounted to SEK -2.1 (20.1) million, which consists of the discounted earn-out consideration and exchange rate effects.
- Earnings per share were SEK 0.1 (-0.8), before and after dilution.

1 January - 31 December 2023

- Total revenues for the period amounted to SEK 677.0 (591.6) million, an increase of 14.4 percent compared to 2022.
- Net sales increased by 14.2 percent to SEK 663.1 (580.7) million compared to last year.

- The number of fully paying subscribers increased by 2.7 percent to 464,494 (452,466) at the end of the year.
- Gross profit increased by 30.0 percent to SEK 264.1 million (203.2), corresponding to a gross margin of 39.0 percent (34.3).
- The gross contribution margin for the period was 27.4 percent (18.0).
- Adjusted operating profit (EBITDA) before items affecting comparability amounted to SEK 17.0 million (-77.7), corresponding to an adjusted EBITDA margin of 2.5 percent (-13.1).
- Adjusted operating profit (EBIT) before items affecting comparability amounted to SEK -28.4 (-104.8) million, corresponding to an adjusted operating margin of -4.2 percent (-17.7).
- Operating result (EBIT) amounted to SEK -54.3 (-142.5) million, corresponding to an operating margin of -8.0 percent (-24.1).
- Net financial items for the period amounted to SEK -2.5 (20.8) million, which consists of the discounted earn-out consideration and exchange rate effects.
- Earnings per share were SEK -1.4 (-3.2), before and after dilution.

Significant events during the period

- On 2 October 2023, the Board decided to apply to delist the company's shares from Nasdaq Stockholm and to list the company's shares on Nasdaq First North Growth Market.
- On 3 October 2023, Readly received conditional approval to delist the company's shares from Nasdaq Stockholm in conjunction with the change of list to Nasdaq First North Growth Market.
- On 25 October, a reorganisation was carried out, which meant that the product and tech departments were merged. In connection with the reorganisation, Chief Product Officer Tomas Montan left the company and Matti Zemack, former Chief Technology Officer, took the role as Chief Product and Technology Officer and has the responsibility for the merged organisation. The reorganisation also meant that around 17 employees and consultants left the company.
- On 31 October, Nasdaq Stockholm AB made the assessment that Readly fulfilled the requirements for admission to trading on Nasdaq First North Growth Market and on 15 November 2023 the application for admission to trading on Nasdaq First North Growth Market was approved.

Significant events after the end of the period

There are no significant events after the end of the reporting period.

The report 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 person, at the time specified by the Company's news distributor Cision at the time of publication of this press release.

About Readly

Readly is the European category leader for digital magazines and newspapers. The company offers a digital subscription service where customers have unlimited access to 7,700 national and international titles - 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 newspaper and magazine industry. In 2023, revenues amounted to SEK 677 million. The

Ready share is listed on Nasdaq First North Growth Market and FNCA Sweden AB is the company's Certified Advisor. For more information, please visit <https://corporate.readly.com>