



## Press release

15 August 2024

### Strong revenue growth, improved margins and positive cash flow

Readly International AB (publ) reports a second quarter where revenues increased by 14.2 per cent year-over-year to SEK 188.0 million (164.7), mainly due to well-received price increases in Germany and Sweden. Adjusted for VAT, currency effects and divestments, revenue growth was 17.6 per cent. During the same period, ARPU rose to SEK 137 (115). Gross profit was SEK 75.5 million (63.4) corresponding to a gross margin of 40.1 per cent (38.5). Adjusted EBITDA margin was positive for the fourth consecutive quarter and at a record high 8.9 (-0.9) per cent. The divestment of Readly France SA in June led to an expected decrease of fully paying subscribers by 7.0 per cent to 422,986 (454,745) compared to last year and 7.8 per cent compared to the previous quarter. The decision to divest was based on the sub-critical mass in France and enables redirected marketing investments to Readly's core markets.

*– We are happy to continue our positive momentum and report double-digit growth for the second quarter. This marks our fourth consecutive quarter of profitability at EBITDA level, and our EBIT margin was close to 5 per cent. Looking back at the past twelve months, we have started to generate a positive cash flow, demonstrating our progress towards long term robust profitability. This enables us to reinvest in product development to maximise the value we bring to subscribers and publishers, says **Philip Lindqvist, president and CEO of Readly.***

#### 1 April - 30 June 2024

- Revenue for the period totalled SEK 188.0 million (164.7), an increase of 14.2 per cent compared with the second quarter of 2023. Revenue for the period excluding divestments totalled SEK 173.7 million (146.3), an increase of 18.7 per cent compared with the second quarter of 2023.
- The number of full-paying subscribers (FPS) decreased 7.0 per cent to 422,986 (454,745) at the end of the quarter. Adjusted for divestments, the number of full-paying subscribers decreased 0.6 per cent to 422,986 (425,557) at the end of the quarter.
- Gross profit increased 19.1 per cent to SEK 75.5 million (63.4), corresponding to a gross profit margin of 40.1 per cent (38.5).
- The gross contribution margin for the period was 29.3 per cent (25.5).
- Adjusted operating result (EBITDA, excl. IAC) was SEK 16.8 million (-1.5), corresponding to an EBITDA margin of 8.9 per cent (-0.9).
- Adjusted operating result (EBIT, excl. IAC) was SEK 9.3 million (-15.7), corresponding to an adjusted operating margin of 4.9 per cent (-9.5).
- Operating result (EBIT) was SEK 8.9 million (-22.0), corresponding to an operating margin of 4.7 per cent (-13.4).
- Earnings per share were SEK -0.5 (-0.5) before and after dilution.
- Cash flow from operating activities was SEK 24.8 million (-18.7)

## 1 January - 30 June 2024

- Revenue for the period totalled SEK 362.0 million (323.1), an increase of 12.0 per cent compared with the first half of 2023. Revenue for the period excluding divestments totalled SEK 331.4 million (287.7), an increase of 15.2 per cent compared with the first half of 2023.
- The number of full-paying subscribers (FPS) decreased 7.0 per cent to 422,986 (454,745) at the end of the quarter. Adjusted for divestments, the number of full-paying subscribers decreased 0.6 per cent to 422,986 (425,557) at the end of the quarter.
- Gross profit increased 20.7 per cent to SEK 143.6 million (118.9), corresponding to a gross profit margin of 39.7 per cent (36.8).
- The gross contribution margin for the period was 28.7 per cent (22.6).
- Adjusted operating result (EBITDA, excl. IAC) was SEK 25.8 million (-10.5), corresponding to an adjusted EBITDA margin of 7.1 per cent (-3.3).
- Adjusted operating result (EBIT, excl. IAC) was SEK 10.6 million (-35.9), corresponding to an adjusted operating margin of 2.9 per cent (-11.1).
- Operating result (EBIT) was SEK 8.5 million (-55.3), corresponding to an operating margin of 2.4 per cent (-17.1).
- Earnings per share were SEK -0.5 (-1.4) before and after dilution.
- Cash flow from operating activities was SEK 36.1 million (-34.3).

### Significant events during the period

- The Board of Directors issued a notice on 10 April 2024 for the Annual General Meeting 15 May 2024.
- The Annual General Meeting on 15 May resolved, in accordance with the proposal of the Nomination Committee, to re-elect Board members Jan Lund, Mikael Antonsson, Carolina Brandtman, Laurent Kayser, Veronica Selin, Malin Stråhle and Jesper Wikberg. Jan Lund was re-elected as Chairman of the Board.
- On 18 June, Readly announced the divestment of its entire holding in Toutabo/ePresse (formally Readly France SA) to Cafeyn Group.

### Significant events after the end of the period

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

The interim report will be available for download on:

<https://corporate.readly.com/investors/financial-reports-and-presentations/>

### For more information, please contact:

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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 8,000 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 1,000 publishers worldwide, Readly is digitising the newspaper and magazine industry. In 2023, revenues amounted to SEK 663 million. The Readly 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>