



Press release

17 September 2020

First day of trading in Readly's shares on Nasdaq Stockholm

Insider information: Readly International AB (publ) (“Readly” or the “Company”), the European category leader within digital subscription services for magazines, today announces the outcome of the offering and listing of Readly's shares on Nasdaq Stockholm (the “Offering”). The Offering has received great interest among institutional investors in Sweden and internationally, and the general public in Sweden. The Offering generated total demand in excess of SEK 5 billion and was more than 10 times oversubscribed excluding shares acquired by cornerstone investors. As a result of the Offering, the Company will have approximately 25,000 new shareholders. Trading on Nasdaq Stockholm commences today, 17 September 2020.

The Offering in brief:

- The Offering price was SEK 59 per share, corresponding to market capitalisation of approximately SEK 2,168 million, including the new shares to be issued in connection with the Offering.
- The Offering comprised a total of 12,203,389 shares, of which 7,627,118 newly issued ordinary shares and 4,576,271 ordinary shares offered by the Selling Shareholders¹.
- Since the Offering was fully subscribed the Company will receive approximately SEK 450 million in gross proceeds before deduction of costs relating to the Offering. The number of shares sold by the Selling Shareholders in the Offering corresponds to a maximum of approximately SEK 270 million.
- In order to cover any potential over-allotment in connection with the Offering, the Main Shareholder² has committed, upon request of ABG Sundal Collier (the “**Sole Global Coordinator**”), to offer up to an additional 1,830,508 existing shares corresponding to up to SEK 108 million or 15 percent of the total number of shares in the Offering (the “**Over-allotment Option**”).
- Assuming that the Over-allotment Option is exercised in full, the Offering will amount to 14,033,897 shares, corresponding to approximately 38.2 percent of the outstanding shares and votes in the Company after the Offering.
- The number of shares in the Company will increase by 7,627,118 shares from 29,114,330 shares to 36,741,448 shares, corresponding to a dilution of 20.8 percent of the total number of shares in the Company after completion of the Offering.
- Eight cornerstone investors have acquired shares in the Offering under certain conditions, and at the same price as other investors, corresponding to a total value of SEK 390 million or approximately 47.1 percent of the Offering, including the Over-allotment Option. Information on the eight cornerstone investors and the amounts invested are detailed below.

¹ Cleantech Europe II Luxembourg Sarl, Joel Wikell, Växjö Cityfastigheter AB, Readly Co-Investment LP, Channel 4 Ventures Limited, Henrik Widov, Fredrik Petrini, Millium AB, State 5 Software AB and Glintsoft AB.

² Cleantech Europe II Luxembourg Sarl.

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Existing shareholders:

- Swedbank Robur Fonder: SEK 70 million
- Tredje AP-fonden (AP3): SEK 30 million
- Consensus Småbolagsfond: SEK 30 million

New shareholders:

- TIN Fonder: SEK 70 million
 - Handelsbanken Fonder: SEK 70 million
 - C WorldWide Asset Management: SEK 70 million
 - Skandia Fonder: SEK 33 million
 - Skandia Liv: SEK 17 million
- Readly has filed the listing application, the undertaking to follow the Nasdaq rule book and the certificate of distribution of shares to Nasdaq. Trading in Readly's share on Nasdaq Stockholm commences today, 17 September 2020, where the shares will be traded under the ticker "READ", with the ISIN code SE0014855292. Please note that the Company has been assigned a new ISIN code, different from the ISIN code disclosed in the prospectus that was published on 7 September 2020. The reason for the change of ISIN code is that the Company has carried out a share split.
 - Settlement in the Offering is expected to take place on 21 September 2020.

About Readly

Founded in 2012, Readly is the European category leader for digital magazines³. Readly offers a digital subscription service for magazines with content from third party publishers. The product can be accessed online or via apps available on all main operating systems. Readly's subscribers have unlimited access to quality content from approximately 800 publishers and editors for a fixed monthly fee. Since the service was launched, Readly has seen a large increase in the number of fully paying subscribers. Readly's core markets Germany, the United Kingdom and Sweden together represented approximately 85 percent of the Company's net sales in the first half of 2020. Readly has subscribers in more than 50 countries and has agreements with publishers to offer local content in 11 countries. Moreover, Readly offers magazines in 17 languages.

The Company has shown significant growth in total revenue over the past years, reaching SEK 265 million in 2019. Total revenue has grown by a CAGR of 44 percent between 2017 and 2019 and all of Readly's core markets had positive organic growth during these years.

Maria Hedengren, CEO of Readly

“Embracing new technology, and new consumer habits and preferences is at the core of Readly’s business. Becoming a listed company will put us in an even better position to leverage our European category leadership, and to continue building an even more attractive proposition for readers and publishing partners alike. We are firmly committed to continue executing on our ambitious growth strategy. I very much look forward to the next step on this exciting journey together with existing and new shareholders, the amazing Readly team, and in close collaboration with our fantastic publishing partners worldwide.”

³ Among identified “all-you-can-read” competitors in Europe, Readly is defined as the European category leader on the basis of: highest number of magazine titles, relationships with most major publishers in core markets, highest average monthly website visits between October and December 2019 (worldwide) and highest iOS-store rating, PwC Strategy& market study.

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Patrick Svensk, Chairman of the Board of Directors of Readly

“Today marks an exciting day for Readly in its new phase as a listed company. Readly is on a journey to enable the discovery and survival of quality content. We are delighted to continue Readly’s growth journey together with our anchor investors of such high caliber and an offer multiple times oversubscribed highlighting the strong interest in our business model.”

Stabilisation measures

The Sole Global Coordinator may, in connection with the Offering, conduct transactions in order to maintain the market price for the shares at a level above that which might otherwise prevail in the open market. Such stabilisation transactions may be carried out on Nasdaq Stockholm, in the over-the-counter market or otherwise, at any time during the period starting on the date of commencement of trading in the shares on Nasdaq Stockholm and ending not later than 30 calendar days thereafter. However, the Sole Global Coordinator has no obligation to undertake any stabilisation measures and there is no assurance that stabilisation measures will be undertaken. Under no circumstances will transactions be conducted at a price higher than the one set in the Offering.

The Sole Global Coordinator may use the Over-allotment Option to over-allot shares in order to facilitate any stabilisation transaction. The stabilisation transactions, if conducted, may be discontinued at any time without prior notice but must be discontinued no later than within the aforementioned 30-day period. The Sole Global Coordinator must, no later than by the end of the seventh trading day after stabilisation transactions have been undertaken, in accordance with article 5(4) of the Market Abuse Regulation (EU) 596/2014 and the Commission Delegated Regulation (EU) 2016/1052, disclose that stabilisation measures have been undertaken. Within one week of the end of the stabilisation period, the Sole Global Coordinator will disclose whether or not stabilisation measures were undertaken, the date on which stabilisation started, the date on which stabilisation was last carried out as well as the price range within which stabilisation was carried out for each of the dates when stabilisation measures were conducted.

Advisors

ABG Sundal Collier is acting as Sole Global Coordinator and Sole Bookrunner, and Handelsbanken Capital Markets is acting as Lead Manager. STJ Advisors is acting as financial advisor to the Company. Baker McKenzie is acting as legal advisor to the Company, and White & Case is acting as legal advisor to the Sole Global Coordinator and Lead Manager. In relation to the general public, Avanza is acting as Retail Manager and Nordnet is acting as Selling Agent.

For more information, please contact:

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This information is inside information that Readly International AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on 17 September 2020 at 02.15 CEST.

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This press release is not a prospectus for the purposes of the Prospectus Regulation and has not been approved by any regulatory authority in any jurisdiction. A prospectus in connection with the Offering has been prepared and published by the Company on the Company's website.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, “qualified investors” who are (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial

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Promotion) Order 2005 (the “Order”); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's and the group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the group operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is not required by law or Nasdaq Stockholm rule book for issuers.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Readly have been subject to a product approval process, which has determined that the shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares in Readly may decline and investors could lose all or part of their investment; the shares in Readly offer no guaranteed income and no capital protection; and an investment in the shares in Readly is compatible only with investors who do not need a guaranteed income or capital

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protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Readly.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Readly and determining appropriate distribution channels.