

Readly enters into agreement with Bonnier News to acquire the magazine app Arcy, strengthening its leading position in Sweden

Readly International AB (publ) ("Readly" or the "Company"), has entered into a share purchase agreement (the "SPA") to acquire all shares in Arcy AB ("Arcy", the "Transaction") from Tidnings AB Marieberg ("Bonnier News"), a wholly owned subsidiary of Bonnier News Group AB (together with its direct and indirect subsidiaries, "Bonnier News Group"), conditional upon approval by the general meeting. Arcy currently has approximately 11,600 subscribers and is a content provider to Bonnier News Group's offering +Allt, which has over 900,000 subscribers. Payment for the shares in Arcy shall be made through an issue in kind of 22,294,688 shares in the Company. The Transaction is subject to resolution at the annual general meeting of Readly on 14 May 2025.

*– The acquisition is in line with our growth agenda, strengthens our position, and results in a significant increase in our subscriber base. We look forward to welcoming Arcy and its customers to Readly, who will eventually gain access to a broader range of content – while our publishing partners benefit from increased digital reach and higher reader revenues. Through the transaction, Readly also becomes a content provider to +Allt, which represents a new stable revenue stream for Readly, says **Philip Lindqvist, CEO of Readly**.*

*– Arcy has been an important part of our digital journey and has over the years developed a service with a competitive offering of attractive content. Readly, with its strong brand, will be a good home for Arcy and its subscribers. We are also pleased that Bonnier News' +Allt subscribers will continue to have access to Arcy's content even after the transaction," says **Anders Eriksson, CEO of Bonnier News**.*

Arcy

Arcy is a Swedish private limited company within Bonnier News Group that operates a digital subscription service. Arcy's sales for the broken fiscal year April-December 2024 amounted to MSEK 52.2 with an operating profit (EBITDA) of MSEK 25.5. Arcy has approximately 11,600 subscribers with access to over 100 Bonnier-owned magazine titles. Arcy is also a content provider to Bonnier's offering "+Allt" which gives subscribers access to articles on about 50 different news sites. "+Allt" currently has more than 900,000 subscribers and accounts for the majority of Arcy's revenue. Through the acquisition of Arcy, Readly's leading position in digital magazine and newspaper subscription services is strengthened. The acquisition is expected to significantly increase Readly group's sales and operating margin. Readly and Arcy had, for the adjusted full year 2024, a joint annual turnover of approximately MSEK 767, adjusted for divestments and FX, and an adjusted EBITDA margin of approximately 14 per cent¹.

^[1] Arcy AB was formed in May 2024. Arcy AB's reported sales for the period May–December 2024 amounted to MSEK 52.2. Arcy AB's sales on a run-rate basis for the full year 2024 has been estimated to MSEK 75.2. On a corresponding run-rate basis, Arcy AB's operating profit (EBITDA) for the full year 2024 is estimated to MSEK 41.7.

Terms of the Transaction and financing

Completion of the acquisition of Arcy is conditional upon approval by the annual general meeting to be held on 14 May 2025. The notice of the annual general meeting will be published through a separate press release. Provided that the annual general meeting resolves to approve the acquisition and the issue of the consideration shares, the acquisition of Arcy is expected to be completed in May 2025. The integration of Arcy, including migration of the subscriber base, is expected to be fully completed within 12 months.

Harry Klagsbrun, through Harmar AB, who owns 4.98 per cent of the shares in Readly and thus is the Company's largest shareholder after Bonnier News, has informed Readly's independent directors that he supports the Transaction and intends to vote in favour of the general meeting's resolution regarding the Transaction.

Pursuant to the SPA, the Company shall acquire all 250 shares in Arcy. Payment for the shares in Arcy shall be made in the form of 22,294,688 newly issued shares in the Company. Through the Transaction,

Bonnier News share of the capital and votes in the Company will increase from 79.12 per cent to 86.86 per cent. Bonnier News Group and the Company identified synergies early on between the Company's Swedish operations and the operations of Bonnier News Group which are now placed in Arcy. Bonnier News Group and the Company have concluded that the most appropriate alternative is an issue in kind. The issue in kind provides a simple and transparent merger without affecting the Company's liquidity or burdening the Company with debt.

The shares in the Company intended to be issued to Bonnier News through the Transaction will not entitle to the dividend of SEK 1.00 per share that the annual general meeting is proposed to resolve upon.

The agreed purchase price for the shares in Arcy has been determined through negotiations with Bonnier News, based on a relative valuation of Arcy and the Company. Prior to the negotiations, the two independent board members, Carolina Brandtman and Malin Strähle (the "**Independent Directors**"), procured valuations of Arcy and the Company from an independent third party, Deloitte AB ("**Deloitte**"), based on, *inter alia*, a review of financial documentation from Arcy and the Company. In accordance with the SPA, Bonnier News provides customary warranties in relation to Arcy and its operations.

Related party transaction

Certain related party transactions shall, in accordance with the Swedish Securities Council's statement 2019:25 (which refers to Chapter 16 a of the Swedish Companies Act (2005:551)), be submitted to the general meeting for approval. As of 31 March 2025, Bonnier News is the largest shareholder in the Company with a holding of 79.12 per cent of the shares in the Company. The board members Jan Lund, Mikael Antonsson, Veronica Selin and Jesper Wikberg all represent Bonnier News and have thus not participated in the board's preparation of these proposals. In addition, the board member Laurent Kayser has refrained from participating, as he through association with Bonnier News considers himself to indirectly represent Bonnier News.

The preparation of the board's proposals and reports has instead been carried out by the Independent Directors. The Independent Directors have in the work been supported by legal advisors and have also procured a valuation from a third party, a so-called fairness opinion prepared by Deloitte.

According to the Independent Directors' assessment, the terms of the Transaction are market-based. The Independent Directors' assessment is strengthened by the independent valuation report (fairness opinion) prepared by Deloitte on behalf of the Independent Directors, which confirms that the consideration for Arcy is fair from a financial perspective for the shareholders of the Company. Against this background, the Independent Directors propose that the general meeting resolves to approve the Transaction.

Public takeover offer by Bonnier News

Bonnier News has today announced a public takeover offer to the shareholders of the Company to acquire all shares in the Company not already held by Bonnier News for a cash consideration of SEK 27.50 per share (the "**Offer**"). Bonnier News has stated that the price in the Offer will not be increased. Completion of the Offer is not conditional upon completion of the Transaction.

The consideration in the Offer comprises a significant premium and is therefore considerably higher than the current share price and the subscription price in the issue of the consideration shares in the Transaction. The bid premium in the Offer reflects Bonnier News Group's assessment of the full value and potential of the Company in a private environment, which is based on the positive synergies which are expected to arise if Bonnier News following a successful Offer becomes the owner of more than 90 per cent of the total number of outstanding shares in Readly, allowing Readly to be integrated into Bonnier News Group's organization. This would enable a stronger customer offering and more efficient marketing and sales by leveraging the content, reach, and distribution in Bonnier News Group's ecosystem. Furthermore, Bonnier News Group believes that a combination of Bonnier News Group and Readly would result in cost synergies. Bonnier News has also stated that a higher consideration in the Offer would not have been considered if Arcy had been acquired by other means than through an issue in kind.

The independent bid committee's statement regarding the Offer will be published separately.

Statement by the Swedish Securities Council

The Swedish Securities Council has stated in AMN 2025:11 that the Transaction and the Offer, according to the terms stated in the submitted petition, do not violate good practice in the securities market. AMN 2025:11 will be available in its entirety on the Swedish Securities Council's website (<http://www.aktiemarknadsnamnden.se/>).

Advisor

KANTER Advokatbyrå acts as legal advisor to Readly in connection with the Transaction.

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 contact person set out below, at the time specified by the Company's news distributor Cision at the time of publication of this press release.

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About Readly

Readly is a 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 2024, revenues amounted to SEK 725 million. The Readly share is listed on Nasdaq First North Growth Market and FNCA Sweden AB is the company's Certified Adviser. For more information, please visit <http://corporate.readly.com>