

Interim report

January-September 2021

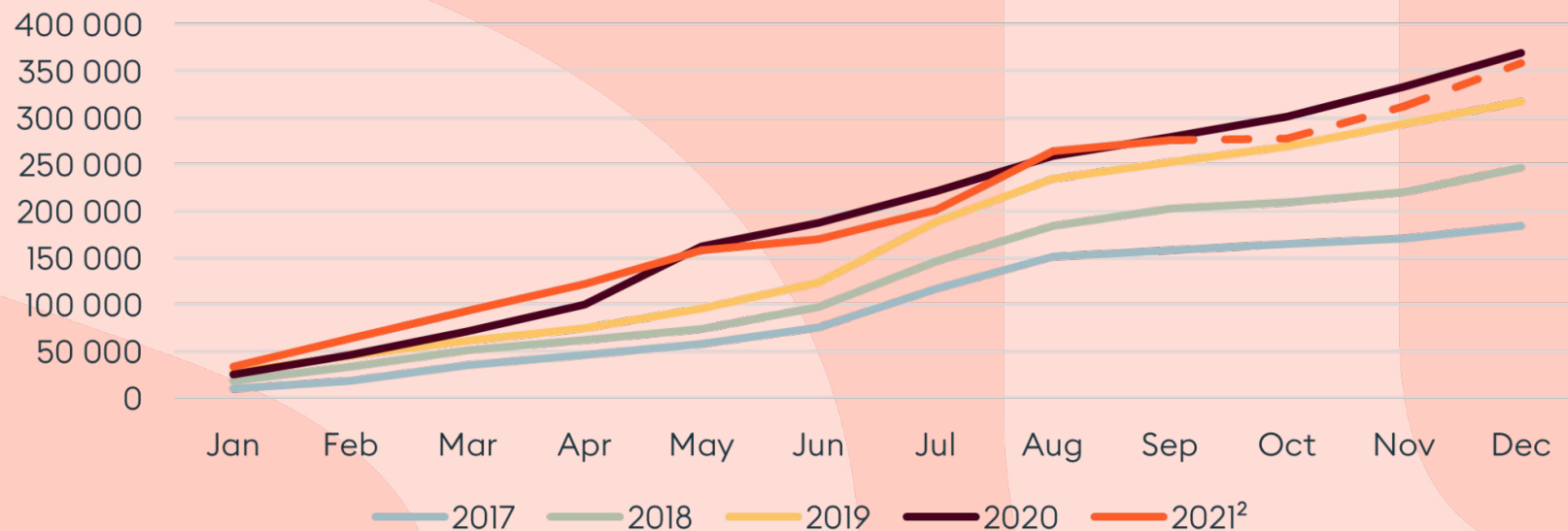
November 5, 2021



Highlights in the report

- **Streaming sales up 19% from Q3 2020 to 583 (490) MSEK, +20% with constant exchange rates**
- **Subscriber base up 27% from Q3 2020 to 1,724,000 (1,360,300) on average**
- **Storytel Books sales up 20% YoY in Q3 2021, EBIT margin 24.7% (16.1%)**
- **Net turnover including Streaming and Books increased by 17.3% from Q3 2020 to 714 (609) MSEK**
- **Stefan Blom was elected chairman of the Board and Joakim Rubin, representing EQT, was elected new director of the Board**

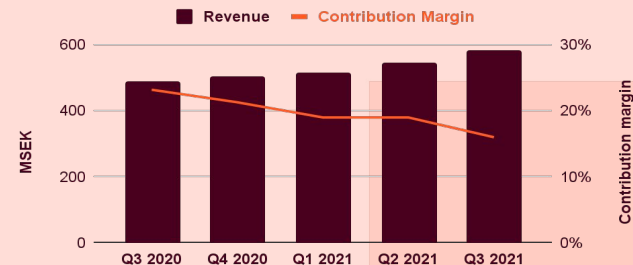
Cumulative Net Add Subscribers per Month



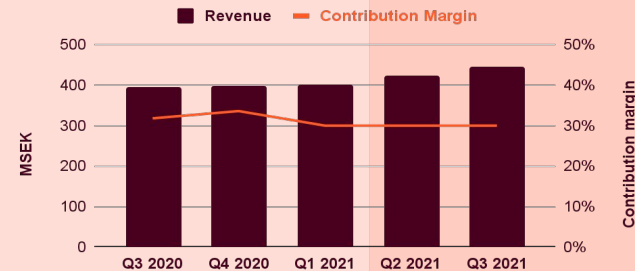
Streaming Topline & Profitability, Q3 2021

TSEK	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Streaming Total						Forecast
Revenue	490,234	503,449	517,075	545,451	583,084	604,000-608,000
Contribution Profit	113,663	107,074	96,902	105,933	94,655	
Contribution Margin	23.2%	21.3%	18.7%	19.4%	16.2%	
Avg. Paying Subscribers	1,360,300	1,442,000	1,540,600	1,626,900	1,724,000	1,789,000-1,796,000
ARPU (SEK/Month)	120	116	112	112	113	113
Streaming Nordics						
Revenue	394,453	399,639	401,834	423,323	447,199	459,000-461,000
Contribution Profit	125,534	134,166	119,418	127,010	135,684	
Contribution Margin	31.8%	33.6%	29.7%	30.0%	30.3%	
Avg. Paying Subscribers	902,000	926,000	957,500	983,600	1,024,000	1,044,000-1,047,000
ARPU (SEK/Month)	146	144	140	143	146	147
Streaming Non-Nordics						
Revenue	95,781	103,810	115,240	122,128	135,885	145,000-147,000
Contribution Profit	-11,872	-27,092	-22,516	-21,078	-41,030	
Contribution Margin	-12.4%	-26.1%	-19.5%	-17.3%	-30.2%	
Avg. Paying Subscribers	458,300	516,000	583,100	643,300	700,000	745,000-749,000
ARPU (SEK/Month)	70	67	66	63	65	65

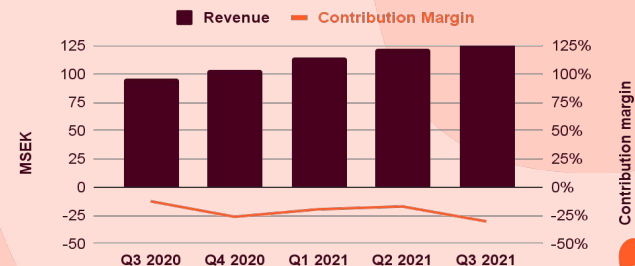
Streaming Total



Streaming Nordics



Streaming Non-Nordics



Financial targets

2021 forecast



Grow streaming revenues to 2.25 BSEK (20% growth)



Not reaching streaming profitability in additional countries due to significant marketing spend in H2-21



Reach 1.82-1.84 M subscribers (23-25% growth)



6% negative EBITDA margin



Present on 25+ markets

2021 revised

Grow streaming revenues to 2.25-2.30 BSEK (20-22% growth)

Reach Streaming profitability in 1-3 countries

Reach 1.95-2.00 M subscribers (31-38% growth)

6-8% negative EBITDA margin

Present on 25+ markets

2023

30-35 % CAGR on Streaming revenues

Reach Streaming profitability on a local level within 5 years from launch

~40% CAGR on subscribers

Growth before profitability with improved CLV/SAC

Present on 40+ markets

Product, Platform and Partnerships

- App Store and Google Play ratings were quite stable in Q3 2021 compared to Q2 2021, with App Store ratings at 4.6 (4.7) and Google Play ratings at 4.2 (4.3)
- The net promoter score (NPS) which also measures customer satisfaction remained more or less the same at 29 in Q3 2021, compared to 31 in Q2 2021 and 27 compared to Q3 2020
- In May 2021, Storytel and Spotify announced a partnership through which Storytel's library of audiobooks will be available to Storytel subscribers on the Spotify Open Access platform by linking the two accounts. Both parties look forward to making Storytel audiobooks available on Spotify in the first half year of 2022
- The migration of the final set of services to Google Cloud Platform (GCP) from a legacy hosting provider was finished during Q3
- During the quarter we rolled out algorithmic lists globally, starting the shift towards a fully personalized reading experience

Content

- The initial marketing and PR campaign for The Storytel Original *Glacier* by the renowned author Camilla Läckberg and the actor Alexander Karim, reached more than 150 million people, and the title climbed to Top 10 positions across all of the fourteen markets where it was marketed and launched – and even took the #1-position in six of these markets in the weeks following the release
- During the quarter, we completed the acquisition of the Finnish publisher Aula & Co
- Storytel's Books segment has had a fantastic quarter, with a revenue growth of 20% YoY in Q3 2021 and a record high EBIT margin of 24.7%, compared to 16.1% in Q3 2020



Mission

Make the world a more **creative** and **empathetic** place with **great stories** to be **shared** and **enjoyed** by anyone, anytime and anywhere

People, Culture and Sustainability

- In Q3, Storytel joined the United Nations Global Compact which further reinforces Storytel's commitment to operating with responsible business practices
- Storytel will focus on the UN Sustainable Development Goal 13 (Climate Change) and Goal 12 (Responsible Consumption and Production) and we are currently measuring the Group's full environmental impact
- During the third quarter, Storytel's Sustainability Committee within the Board of Directors had its first meeting, formally initiating Storytel's strategic work with sustainability



Q&A



Thanks.