

May 7, 2021

Interim report Q1



Mission

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

Subscriber and revenue growth

Q1 2021 compared to Q1 2020

Subscriber growth

+33.4%

Revenue growth

+20.5%*

* +26.5% with constant exchange rates

Highlights in the report

- **Streaming sales up 26.5% from Q1 2020 to 517 (429) MSEK using constant exchange rates**
- **Net turnover increased to 615 MSEK from 513 MSEK**
- **Successfully completed a directed share issue and raised 1,171 MSEK**
- **Launched in Israel and opened stores in Saudi Arabia and Egypt**
- **Signed agreement to acquire a majority stake in the Swedish publishing house Lind & Co AB**

Markets

- During the quarter we raised the price on our Unlimited offer in three markets (Norway +6%, Iceland +4% and Bulgaria +30%). We also raised our price on our Family offer in four markets (Sweden +10%, Norway +10%, Iceland +5% and Bulgaria +30%)
- Launched a new subscription model - Storytel Free - in Brazil. More than 100,000 customers started a free subscription during the first 30 days from launch
- Launched the Reader in Iceland, preparing for launch of the Reader in the Netherlands
- Preparing to roll out our Limited time subscription model in Spain, Mexico, Russia and Turkey in Q2

Content

- The consumption in the Storytel service passed 120 million hours in Q1 2021, up 41.4% from Q1 2020
- In Q1 2021, we released 16,000 hours of audio content in 29 languages, 2,000 hours in the Nordic segment and 14,000 in the Non-Nordic segment
- Storytel Originals continue to be successful, and in Q1 it was announced that the campaign for the Polish Original *The Future Peasant*, a story dealing with air pollution, has been nominated to the Webby Award and the Webby People's Voice Award
- Signed agreements with publishers in Norway (Gyldendal, Aschehoug and Oktober) to have the broadest catalogue in the Norwegian market

Product, Platform and Partnerships

- App store rating increased from 4.3 in Q1 2020 to 4.7 in Q1 2021. Google Play rating increased from 4.2 in Q1 2020 to 4.3 in Q1 2021
- NPS increased from 28 in Q1 2020 to 32 in Q1 2021
- A PayPal integration is now live in Germany and Israel
- A bundled offering with the mobile operator MTS in Russia has been launched
- We have integrated with Docomo, an aggregation solution for direct carrier billing, with the first live application with Telenor in Bulgaria

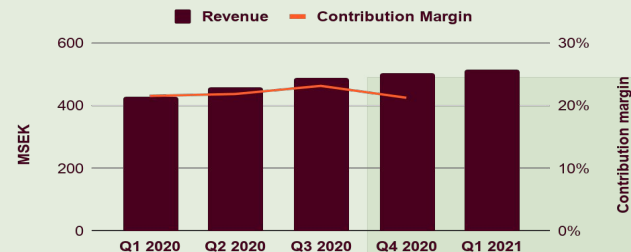
People, Culture and Sustainability

- At the end of Q1, Storytel Streaming had 577 FTEs, with a gender distribution of 51% women and 49% men
- Participated in the Women in Tech conference in Sweden for the second time in a row
- Storytel published its third sustainability report on April 1st
- Between 2019-2020 we saw a decline of 55.5% in emissions from our business operations, mainly driven by limited business travel in 2020
- Storytel has climate compensated for all of its calculated emissions through a Plan Vivo-certified carbon offsetting program

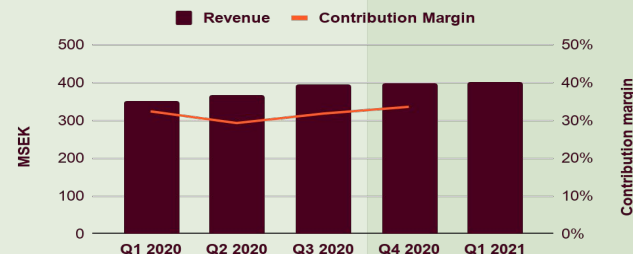
Streaming Topline & Profitability, Q1 2021

| SEK 000's | Q1 2020 | Q2 2020 | Q3 2020 | Q4 2020 | Q1 2021 | Q2 2021 |
|------------------------------|-----------|-----------|-----------|-----------|---------------|-----------------|
| Streaming Total | | | | | Actual | Forecast |
| Revenue | 429,251 | 459,115 | 490,234 | 503,449 | 517,075 | 545,000 |
| Contribution Profit | 92,611 | 100,493 | 113,663 | 107,074 | 96,902 | |
| Contribution Margin | 21.60% | 21.90% | 23.20% | 21.30% | 18.70% | |
| Avg. Paying Subscribers | 1,154,800 | 1,257,000 | 1,360,300 | 1,442,000 | 1,540,600 | 1,625,000 |
| ARPU (SEK/Month) | 124 | 122 | 120 | 116 | 112 | 112 |
| SEK 000's | Q1 2020 | Q2 2020 | Q3 2020 | Q4 2020 | Q1 2021 | Q2 2021 |
| Streaming Nordics | | | | | Actual | Forecast |
| Revenue | 349,768 | 366,322 | 394,453 | 399,639 | 401,834 | 422,000 |
| Contribution Profit | 113,476 | 107,176 | 125,534 | 134,166 | 119,418 | |
| Contribution Margin | 32.40% | 29.30% | 31.80% | 33.60% | 29.70% | |
| Avg. Paying Subscribers | 785,800 | 833,300 | 902,000 | 926,000 | 957,500 | 982,000 |
| ARPU (SEK/Month) | 148 | 147 | 146 | 144 | 140 | 143 |
| SEK 000's | Q1 2020 | Q2 2020 | Q3 2020 | Q4 2020 | Q1 2021 | Q2 2021 |
| Streaming Non-Nordics | | | | | Actual | Forecast |
| Revenue | 79,484 | 92,793 | 95,781 | 103,810 | 115,240 | 123,000 |
| Contribution Profit | -20,866 | -6,684 | -11,872 | -27,092 | -22,516 | |
| Contribution Margin | -26.30% | -7.20% | -12.40% | -26.10% | -19.5% | |
| Avg. Paying Subscribers | 369,000 | 423,700 | 458,300 | 516,000 | 583,100 | 643,000 |
| ARPU (SEK/Month) | 72 | 73 | 70 | 67 | 66 | 64 |

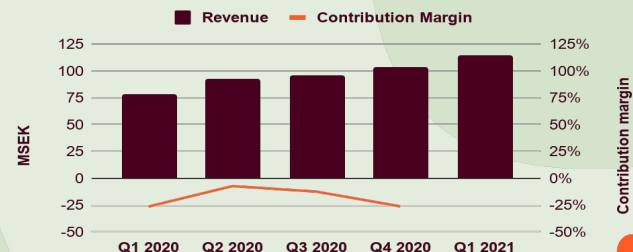
Streaming Total



Streaming Nordics



Streaming Non-Nordics



Financial targets

2021



Grow streaming revenues to
2.4-2.5 BSEK (28-32% growth)



Reach Streaming profitability in
Finland, Poland and Russia



Reach **2.1-2.2 M** paying subscribers
(43-50% growth)



0-5% negative EBITDA margin



Present on **25+** markets

2023

~35 % CAGR on **Streaming revenues**

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

~40% CAGR on **paying subscribers**

Growth before profitability with
improved CLV/SAC

Present on **40+** markets

Q&A



Thanks.