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## **Storytel has completed a directed share issue of approximately SEK 500 million**

**Storytel AB (publ) (“Storytel” or the “Company”) today announces that the Company has successfully completed a directed share issue of approximately SEK 500 million corresponding to 4,348,000 shares in the Company.**

The board of directors of Storytel has, based on the issue authorisation granted by the annual general meeting on 15 May 2018, and as indicated in the Company’s press release on 12 September 2018, resolved on a directed share issue of 4,348,000 new shares at a subscription price of SEK 115 per share (the “**Directed issue**”), which means that the Company will receive gross proceeds of approximately SEK 500 million. The subscription price in the Issue has been determined through an accelerated book building procedure.

The reasons for the deviation from the shareholder’s preferential rights is that the Company believes that using the flexibility provided by a non-pre-emptive placing is the most appropriate and optimal structure for the Company at this time, allowing the Company to raise capital in a time and cost-effective manner and to diversify the shareholder base with international investors. Just over fifty investors have participated in the share issue, whereas several are larger institutional and existing shareholders. The proceeds will mainly be used for the Storytel’s expansionary strategy involving accelerated investments in geographic expansion, in existing markets and the new regions Latin America and Asia.

The Directed issue entails a dilution of approximately 7.8 percent of the number of shares and votes in the Company. Through the Directed issue, the number of outstanding shares and votes will increase by 4,348,000 from 51,517,307 to 55,865,307. The share capital will increase by approximately SEK 2,174,000 from SEK 25,758,653.5 to SEK 27,932,653.5.

In order to facilitate the delivery of shares to the investors in connection with the Directed issue, as expected for 17 September 2018, the Company’s CEO, Jonas Tellander, has lent 4,348,000 shares to ABG Sundal Collier AB. The shares will be returned to Jonas Tellander after the Directed issue has been registered with the Swedish Companies Registration Office.

### **Advisers**

ABG Sundal Collier AB and Carnegie Investment Bank AB (publ) are Bookrunners and Baker McKenzie is the legal adviser in connection with the Directed issue.

### **For further information, please contact:**

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*This information is such information as Storytel AB (publ) is obliged to disclose under the EU Market Abuse Regulation. The information was provided by the above contact person for publication on 13 September 2018 at 8:15 CET.*

*About Storytel*



The Storytel group consists of two divisions, Streaming and Publishing. The Streaming division currently offers a subscription service for audio books and e-books under the brand names Storytel and Mofibo in Sweden, Norway, Denmark, Finland, Iceland, The Netherlands, Poland, Russia, Spain, India, the United Arab Emirates, Turkey and Italy. The Streaming division also publishes audio books and Storytel Originals, mainly through the audio-book publisher Storyside. The Publishing division consists of the publishers Norstedts, Massolit, Kontentan, Telegram, the Danish People's Press, Storytel Publishing, Rabén & Sjögren and B. Wahlströms, as well as Norstedts Kartor.

#### **IMPORTANT INFORMATION**

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Any investment decision in connection with the Directed issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by ABG Sundal Collier AB nor Carnegie Investment Bank AB (publ). The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness.

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, the United States or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

This press release is not a prospectus for the purposes of Directive 2003/71/EC (the "**Prospectus Directive**") and has not been approved by any regulatory authority in any jurisdiction. Storytel has not authorized any offer to the public of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Directive.

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 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 future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company 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.

**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 Storytel have been subject to a product approval process, which has determined that such 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 Storytel may decline and investors could lose all or part of their investment; the shares in Storytel offer no guaranteed income and no capital protection; and an investment in the shares in Storytel is compatible only with investors who do not need a guaranteed income or capital 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 Directed issue.

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 Storytel.

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