



Storytel to host Capital Markets Day on the 14th of January – forecasts strong growth and new wave of expansion 2020–2023

Storytel AB (“Storytel”, “the company”), northern Europe's leading audiobook and e-book service, will host a Capital Markets Day at Biograf Sture in Stockholm on Tuesday 14 January. During 2020 the company predicts to reach streaming profitability on a local level in 2-4 additional markets and a subscriber growth of 36%. Storytel therefore expects to surpass the milestone of 1,500,000 paying subscribers before the end of the year. Streaming revenue for 2020 is expected to increase to 1.9–2.0 BSEK, corresponding to a yearly growth of rate of 32-35%. The average yearly annual streaming revenue growth for the period 2020–2023 is expected at approximately 35%.

At Storytel's Capital Markets Day on Tuesday, the company's CEO and founder, Jonas Tellander and his Management Team will present Storytel's strategy, financial targets and an overview of the development on Storytel's growing global markets for the period 2020–2023.

“Storytel's strong local rootedness and our unique distribution over multi markets, gives the company a strong position to grow our market share on a global audiobook market at the dawn of forceful growth fueled by the consumer and the new ways to embrace stories”, says Jonas Tellander, CEO and founder of Storytel.

Storytel's financial ambition for 2020–2023

At the Capital Markets Day, Storytel's Management Team will give an overview of the company's financial ambition for 2020 and medium term.

Forecast and goals for 2020:

- Reach 1.5 million paying subscribers, corresponding to a growth of 36%.
- Grow streaming revenues to 1.9–2.0 BSEK, corresponding to a growth of 32-35%.
- Launch the Storytel service on 1–3 new markets during 2020, and continue to expand in the 20 previously launched countries.
- Storytel's negative EBITDA margin is expected to improve from 16% negative in 2019, to 10–12% negative in 2020, in line with existing accounting principles, where the cost accounting model of proprietary intangible fixed assets is applied.
- During 2020, Storytel will switch to an accounting principle where the company's intangible assets are capitalized in the balance sheet. This is also expected to have positive effects on profitability and thus offer opportunity to improve the negative EBITDA margin, in accordance with the bullet above. This will be done within the existing accounting standard K3, but can be seen as a step towards changing to IFRS in the coming years.
- During 2020, Storytel expects to reach streaming profitability on a local level on 2–4 additional markets. Already at the beginning of 2020, the Netherlands has turned to profitability and joined the group of profitable Storytel markets, which now comprises 5 markets.

Goals up until 2023:

- Storytel predicts a ~40% compound annual growth rate (CAGR) on paying subscribers.
- Storytel expects to reach ~35 % compound annual growth rate (CAGR) on streaming revenues.
- Growth will have priority before profitability given an improved CLV/SAC ratio.
- Storytel expects to reach streaming profitability on local markets within 5 years from launch.

- Continued expansion with launches in 20+ new markets.

Agenda for Storytel's Capital Markets Day (all times refer to Central European Time)

08.30

Coffee and sandwiches

09.00

Jonas Tellander, CEO and Founder of Storytel.

Ingrid Bojner, Chief Commercial Officer

Stefan Tegenfalk, Chief Digital Officer

10.00

Coffee break

10.30

Rickard Henley, Chief Publishing Officer

Sofie Zettergren, Chief Financial Officer

Summary by CEO Jonas Tellander

11.30

Q&A with Storytel's Management Team

12.00

Storytel's Capital Markets Day ends.

Read and watch Storytel's presentation

The Capital Markets Day presentation will be available from Tuesday morning at Storytel's IR website [here](#). A filmed version will be added on Wednesday.

FNCA Sweden AB is the company's certified adviser. FNCA can be reached at info@fnca.se or +46 8 528 00 399.

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This information constitutes inside information in accordance with the EU Market Abuse Regulation 596/2014 and is such information that Storytel AB (publ) is required to disclose. The information was provided by the above contact person at the time stated in this press release by the Company's news distributor Cision.

Storytel is Northern Europe's leading audiobook and e-book streaming service and offers unlimited listening and reading of more than 300 000 titles on a global scale. Our vision is to make the world a more empathetic place with great stories to be shared and enjoyed by anyone, anywhere and anytime. Storytel is a digital platform provider as well as a comprehensive publishing group. The streaming business area offers subscriptions for audiobooks and e-books under the Storytel and Mofibo brands. Storytel's publishing business area is carried out through the publishing houses Norstedts, Massolit, StorySide, Printz Publishing, People's Press, Rabén & Sjögren, B.Wahlströms Gummerus Kustannus and Norstedts Kartor. Ztory – a subscribed digital read-all-you-can streaming service for newspapers and magazines, is part of Storytel since January 2019. Storytel operates in 19 markets around the globe and is headquartered in Stockholm, Sweden.