



Announcement from Storytel's annual general meeting

The annual general meeting 2020 ("AGM") of Storytel AB (publ) ("Storytel" or the "Company") was held today on 6 May 2020, where the following resolutions were passed by the shareholders.

Adoption of the income statement and the balance sheet

The AGM resolved to adopt the income statement and the balance sheet in Storytel and the consolidated income statement and the consolidated balance sheet.

Allocation of profit

The AGM resolved that no dividend would be paid to the shareholders and that the previously accrued profits, including the share premium account and year result, in total SEK 1,428,108,000, would be carried forward.

Ansvarsfrihet

The board of directors and the CEO were discharged from liability for the financial year 2019.

Election of the board of directors, auditor and remuneration

The AGM resolved, in accordance with the nomination committee's proposal, that the board of directors shall comprise seven directors and no deputy directors. The AGM also resolved that the Company shall have one registered audit firm.

It was further resolved, in accordance with the nomination committee's proposal, that the remuneration to directors, shall be SEK 1,860,000 in total, including remuneration for committee work (SEK 1,860,000 previous year), and shall be paid to the board of directors and the members of the established committees in the following amounts:

- SEK 200,000 (SEK 200,000) for each of the non-employed directors (Jonas Sjögren, Nils Janse, Stefan Blom, Malin Holmberg samt Helen Fasth Gillstedt) and SEK 600,000 (SEK 600,000) to the chairman; and
- SEK 30,000 (SEK 30,000) for each of the non-employed members of the audit committee and SEK 200,000 (SEK 200,000) to the chairman of the committee who is not also an employee.

In accordance with the nomination committee's proposal, Helen Fasth Gillstedt, Rustan Panday, Jonas Tellander, Jonas Sjögren and Nils Janse were re-elected as directors of the board. Stefan Blom och Malin Holmberg were elected as new directors. Rustan Panday was re-elected as chairman of the board. Eva Swartz Grimaldi and Morten Strunge had declined re-election.

Ernst & Young Aktiebolag was elected as the Company auditor. Ernst & Young Aktiebolag has announced that Beata Lihammar will be main responsible auditor.

Principles for appointment of a nomination committee

The AGM resolved to adopted principles for appointment of a nomination committee in, in accordance with the nomination committee's proposal (unchanged from previous year).

Authorisation for the board to issue shares, convertibles and/or warrants

The AGM resolved, in accordance with the board of directors' proposal, to authorize the board of directors during the period up until the next annual general meeting to, with or without preferential rights for the shareholders, on one or more occasions, resolve to issue shares, convertibles and/or warrants, to be paid in cash, in kind and/or by way of set-off. The authorization may be used for issuances of not more than 10 percent of the share capital of the Company after dilution based on the number of shares at the time of the annual general meeting.

The purpose for the board to resolve on issuances with deviation from the shareholders preferential rights in accordance with the above is primarily for the purpose to carry out acquisitions or financing. Issuances of new shares under the authorization shall be made on customary terms and conditions based on current market conditions.

Employee stock option program and directed issue of warrants as well as approval of transfer of warrants

The AGM resolved, in accordance with the board of directors' proposal, regarding the employee stock option program 2020/2023, which consist of a maximum of 625,000 stock options. The stock options are allotted at no consideration. Each stock option confers the holder a right to acquire one new share of series B in the Company against an exercise price corresponding to 120 per cent of the average volume weighted price for the Company's share of series B as quoted on Nasdaq First North Growth Market during the period as from 18 May 2020 up to and including 29 May 2020. No employee or key consultant shall be offered more than 8,500 stock options. The holder can exercise allotted and vested stock options during the period from 1 June 2023 to 15 December 2023.

In order to hedge the Company's obligations under the employee stock option program 2020/2023 and hedge the ancillary costs, the board of directors also proposes that the general meeting resolves on a directed issue of a maximum of 781,250 warrants to the subsidiary Storytel Sweden AB, as well as an approval of transfer of warrants.

In case all warrants issued within the employee stock option program 2020/2023 (including those for hedge of ancillary costs in the form of social security contributions) are utilized for subscription of new shares, the number of shares and votes in the Company will increase with 781,250 B shares and the share capital may increase with SEK 390,625, (with reservation for any recalculation in accordance with the warrant terms and conditions) which corresponds to a dilution of approximately 1.24 per cent of the Company's share capital and votes.

Warrant based incentive program for executive management and key individuals

The AGM resolved, in accordance with the board of directors' proposal, to issue a maximum of 520,000 warrants, with deviation from the shareholders preferential rights, which may result in a maximum increase in the Company's share capital of SEK 260,000. The warrants shall entitle to subscription of new B shares in the Company.

The warrants shall be subscribed for by the subsidiary Storytel Sweden AB, with the right and obligation to, at one or several occasions, transfer the warrants to a maximum of 50 selected members of the management team, senior executives and key employees, at a price that is not

less than the fair market value of the warrant according to the Black & Scholes valuation model and otherwise on the same terms as in the issuance.

The subscription price per share shall be determined to 165 percent of the volume weighted average price for the Company's share of series B on Nasdaq First North Growth Market during the period from 18 May 2020 up to and including 29 May 2020.

The warrants may be exercised for subscription of shares during the period from 1 June 2023 up to and including 30 June 2023.

The maximum dilution effect of the incentive program amounts to a maximum of approximately 0.83 percent of the total number of shares and votes in the Company, assuming full subscription, acquisition and exercise of all offered warrants.

Warrant based incentive program for certain board members

The AGM resolved, in accordance with the shareholder Roxette Photo NV's, to issue a maximum of 70,000 warrants, with deviation from the shareholders preferential rights, which may result in a maximum increase in the Company's share capital of SEK 35,000. The warrants shall entitle to subscription of new B shares in the Company.

The warrants shall be subscribed for by the subsidiary Storytel Sweden AB , with the right and obligation to, at one or several occasions, transfer the warrants to the board members Stefan Blom, Malin Holmberg and Helen Fasth Gillstedt, at a price that is not less than the fair market value of the warrant according to the Black & Scholes valuation model and otherwise on the same terms as in the issuance.

The subscription price per share shall be determined to 150 percent of the volume weighted average price for the Company's share of series B on Nasdaq First North Growth Market during the period from 18 May 2020 up to and including 29 May 2020.

The warrants may be exercised for subscription of shares during the period from 1 June 2024 up to and including 30 June 2024.

The maximum dilution effect of the incentive program amounts to a maximum of approximately 0.11 percent of the total number of shares and votes in the Company, assuming full subscription, acquisition and exercise of all offered warrants.

Total dilution from all programs above plus the employee stock option program 2019/2022, subject to full outcome and all employee stock options and warrants are exercised amounts to approximately 3.2 percent of the number of shares and votes in the Company.

The dilution effect has been calculated as the number of additional shares and votes in relation to the number of existing shares and votes plus the number of additional shares and votes.

For additional details and the complete resolutions at the AGM refer to the notice and the complete proposals available at the Company's website, www.investors.storytel.com.

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About Storytel

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