

EJ FÖR PUBLICERING, DISTRIBUTION ELLER OFFENTLIGGÖRANDE, DIREKT ELLER INDIREKT, HELT ELLER DELVIS, INOM ELLER TILL USA, AUSTRALIEN, HONGKONG, JAPAN, KANADA, NYA ZEELAND, SCHWEIZ, SINGAPORE, SYDAFRIKA ELLER NÅGON ANNAN JURISDIKTION DÄR SÅDAN PUBLICERING, DISTRIBUTION ELLER OFFENTLIGGÖRANDE SKULLE VARA I STRID MED GÄLLANDE REGLER ELLER KRÄVA YTTERLIGARE REGISTRERING ELLER ANDRA ÅTGÄRDER.

Storytel AB (publ)

10 March 2021

PRESS RELEASE

Storytel has completed a directed share issue and thereby raises approximately SEK 1,171 million

INSIDE INFORMATION: The Board of Directors of Storytel AB (publ) (“Storytel” or the “Company”) has, in accordance with the announcement made in a press release earlier today, successfully completed a directed issue of 5,370,000 shares corresponding to approximately SEK 1,171 million (the “Directed Issue”). The subscription price in the Directed Issue was set at 218 SEK per share and was determined through an accelerated book building procedure performed by ABG Sundal Collier and Swedbank AB (publ). The Directed issue was significantly oversubscribed. A large number of Swedish and international institutional investors participated, such as AMF Pensionsförsäkring, C WorldWide Asset Management, Handelsbanken Fonder, Skandia Fonder, Skandia Liv, Swedbank Robur and Vitruvian Partners, among others.

Summary of the Directed Issue

The Board of Directors of Storytel has, based on the authorisation granted by the annual general meeting on 6 May 2020, and as indicated in the Company’s press release on 10 March 2021, resolved on a directed share issue.

- The Directed Issue encompasses a total of 5,370,000 shares.
- The subscription price in the Directed Issue was set at 218 SEK per share and was determined through an accelerated book building procedure led by ABG Sundal Collier and Swedbank AB (publ).
- Through the Directed Issue the Company will receive proceeds of approximately SEK 1,171 million before deduction of costs related to the transaction.
- The subscription price in the Directed Issue is equivalent to a discount of approximately 1.58 percent in relation to the closing price on Nasdaq First North Growth Market on 10 March 2021.
- The Directed Issue entails a dilution of approximately 7.9 percent of the number of shares in the Company. Through the Directed Issue, the number of shares outstanding and votes will increase by 5 370 000 from 62,545,035 to 67,915,035 (distributed as 67,914,400 B-shares and 635 A-shares respectively). The share capital increase by approximately SEK 2,685,000 from SEK 31,272,517.50 to SEK 33,957,517.5.
- The Directed Issue was directed to selected Swedish and international institutional investors, among others, AMF Pensionsförsäkring, C WorldWide Asset Management, Handelsbanken Fonder, Skandia Fonder, Skandia Liv, Swedbank Robur and Vitruvian Partners.

The Board of Directors’ assessment, based on the accelerated book building process executed by ABG Sundal Collier and Swedbank AB (publ), is that the Directed Issue was carried out on customary terms in accordance with market conditions. The reason for the deviation from the shareholder’s preferential



rights was to allow the Company to raise capital in a time and cost-effective manner and with favourable conditions raise capital for the Company's continued expansion, as well as to diversify the shareholder base with Swedish and international investors. The proceeds will, *inter alia*, finance the Company's accelerated investments in content production, sales and marketing as well as to finance potential future acquisition opportunities in accordance with Storytel's communicated expansion strategy.

Advisers

ABG Sundal Collier AB and Swedbank AB (publ) are Joint Bookrunners and Baker McKenzie is legal advisor to the Company in connection with the Directed Issue

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

This information is such information as Storytel AB (publ) is obliged to disclose under the EU Market Abuse Regulation 596/2014. The information has been provided by the contact person below for publication at the point in time specified by Storytel's news distributor Cision at the publication of this press release.

Responsible person

Jonas Tellander, CEO and founder, Storytel

Phone: +46 (0)70-261 61 36

E-mail: jonas@storytel.com

About Storytel

Storytel is one of the world's largest subscribed audiobook and e-book streaming services and offers listening and reading of more than 500 000 titles on a global scale. Our vision is to make the world a more empathetic and creative place with great stories to be shared and enjoyed by anyone, anywhere and anytime. Storytel's streaming business is conducted under the brands Storytel and Mofibo. Storytel's publishing business area is carried out through the audiobook publisher StorySide and acclaimed Nordic publishing houses such as Norstedts, People's and Gummerus. Storytel operates in over 20 markets around the globe and is headquartered in Stockholm, Sweden

IMPORTANT INFORMATION

The release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions and the recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such restrictions. The recipient of this press release is responsible for using this press release, and the information contained herein, in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Storytel in any jurisdiction, neither from Storytel nor from someone else.

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 the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, Switzerland 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 Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. Storytel has not authorized any offer to the public of shares or other securities 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 Regulation.

In the United Kingdom, this press release 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" (within the meaning of the United Kingdom version of the EU



Prospectus Regulation (2017/1129/ EU) which is part of United Kingdom law by virtue of the European Union (Withdrawal) Act 2018) 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.

This press release does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the new shares. Any investment decision to acquire or subscribe for shares 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 the Joint Bookrunners. The Joint Bookrunners is acting for the Company in connection with the transaction and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the transaction or any other matter referred to herein.

The information in this press release may not be forwarded or distributed to any other person and may not be reproduced at all. Any forwarding, distribution, reproduction or disclosure of this information in its entirety or in any part is prohibited. Failure to follow these instructions may result in a breach of the Securities Act or applicable laws in other jurisdictions.

This press release does not constitute an invitation to warrant, subscribe, or otherwise acquire or transfer any securities in any jurisdiction. This press release does not constitute a recommendation for any investors' decisions regarding the Directed Issue. Each investor or potential investor should conduct a self-examination, analysis and evaluation of the business and information described in this press release and any publicly available information. The price and value of the securities can decrease as well as increase. Achieved results do not provide guidance for future results. Neither the contents of the Company's website nor any other website accessible through hyperlinks on the Company's website are incorporated into or form part of this press release.

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 and the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the Group 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, unless it is not required by law or Nasdaq First North Growth Market rule book for issuers.

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 "EU Target Market Assessment"). Solely for the purposes of each manufacturer's product approval process in the United Kingdom, the target market assessment in respect of the shares in the Company has led to the conclusion that: (i) the target market for such shares is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("UK MiFIR"); and (ii) all channels for distribution of such shares to eligible counterparties and professional clients are appropriate (the "UK Target Market Assessment" and, together with the EU Target Market Assessment, 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. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

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 UK MiFIR; 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