



## **Notice of Extraordinary General Meeting in Storytel AB (publ)**

The shareholders of Storytel AB (publ), reg. no. 556575-2960, (“the Company”), are hereby convened to an Extraordinary General Meeting to be held on Thursday 22 September 2022. The Board of Directors has decided that the General Meeting will be conducted without physical presence of shareholders, proxies or other participants and shareholders will solely be able to cast their votes in advance through postal voting pursuant to temporary legislation being in effect in 2022. Information on the decisions of the General Meeting will be published on Thursday 22 September 2022 as soon as the outcome of the postal voting is finally compiled.

### **Right to participate and notice**

Shareholders wishing to participate and exercise their voting right at the General Meeting must:

- i. on the record date, which is Wednesday 14 September 2022, be registered as a shareholder in the share register maintained by Euroclear Sweden AB; and
- ii. give notice of participation by casting their postal votes in accordance with the instructions under the heading “Postal voting” below so that the postal voting form is received by the Company, through Poströsta.se, no later than on Wednesday 21 September 2022.

### **Nominee registered shares**

Shareholders, whose shares are registered in the name of a nominee must, in order to be eligible to participate in the general meeting, in addition to giving notice of participation by casting their postal votes, also register its shares in its own name so that the shareholder is listed in the presentation of the share register as of the record date Wednesday 14 September 2022. Such registration may be temporary (so-called voting rights registration), and request for such voting rights registration shall be made to the nominee in accordance with the nominee’s routines at such a time in advance as decided by the nominee. Voting rights registrations that have been made by the nominee by Friday 16 September 2022 will be taken into account in the presentation of the share register.

### **Postal voting**

The shareholders may only exercise their voting rights in advance by postal voting in accordance with section 22 of the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations.

A special form must be used for postal voting. The form is available on <https://investors.storytel.com/en/extra-general-meeting-september-2022/>. The postal voting form is considered as the notification of attendance to the general meeting. The completed voting form shall be sent in via Poströsta.se and must be at the Company’s disposal, through Poströsta.se, no later than on Wednesday 21 September 2022. If the shareholder is a legal entity, a certificate of registration or a corresponding document shall be enclosed to the form. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote is invalid.

Further instructions and conditions is included in the form for postal voting.

## **Proxy etc.**

A shareholder who wishes to vote in advance by proxy shall issue a written and dated power of attorney to the proxy. A power of attorney is valid one year from its issue date or such longer time period as set out in the power of attorney, however not more than five years. If the power of attorney is issued by a legal entity, a registration certificate or corresponding document shall be enclosed. The certificate of registration must reflect the circumstances on the day of the General Meeting and should not be older than one year at the time of the General Meeting. The proxy and the Registration Certificate, if any, must be submitted with the postal voting form and should be at the Company's disposal, through [Poströsta.se](https://investors.storytel.com/en/extra-general-meeting-september-2022/) no later than on Wednesday 21 September 2022. A proxy form will be available for downloading on the Company's website <https://investors.storytel.com/en/extra-general-meeting-september-2022/> and will be sent to those shareholders who so request.

## **Proposed agenda**

1. Election of the Chairman of the general meeting
2. Election of one or two persons to verify the minutes
3. Preparation and approval of the voting register
4. Approval of the agenda for the meeting
5. Determination as to whether the meeting has been duly convened
6. Resolution regarding Board remuneration
7. Election of Board members
8. Proposal for resolution regarding LTI program 2022, including a) proposal for resolution regarding the Restricted Stock Unit program, b) proposal for resolution regarding issue of warrants, and c) proposal for resolution regarding transfer of warrants to the participant or otherwise to a third party

## **Proposals for resolutions:**

### **Item 1: Election of the Chairman of the general meeting**

The Board of Directors proposes that attorney Björn Kristiansson, KANTER Advokatbyrå, is appointed as Chairman of the general meeting or, in his absence, the person otherwise appointed by the Board of Directors.

### **Item 2: Election of one person to verify the minutes**

The Board of Directors proposes that Maria-Pia Bengtsson, representing Roxette Photo, is appointed to verify the minutes of the general meeting or, in her absence, the person otherwise appointed by the Board of Directors. The task of verifying the minutes of the general meeting also includes verifying the voting list and that the postal votes received are correctly reflected in the minutes of the general meeting.

### **Item 3: Preparation and approval of voting list**

The voting list proposed for approval by the general meeting is the voting list prepared by the Company, based on the Company's share register received by Euroclear Sweden AB and the postal votes received, and as verified and confirmed by the person appointed to approve the minutes.

### **Item 6: Resolution regarding Board remuneration**

The Nomination Committee proposes that the fee to resigning Board members shall be paid for each commenced calendar month of the term between the 2022 AGM and the EGM and that the new Board members each shall receive SEK 145,000 (corresponding to approximately 7/12 of the remuneration resolved at the 2022 AGM).

### **Item 7: Election of Board members**

The Nomination Committee proposes a change in the composition of the Storytel Board whereby Jonas Sjögren, Rustan Panday and Richard Stern are to be replaced by Jared Grusd, Lina Brouneus and Lutz Finger as new Board members.

Information about the proposed new Board members is available on the Company's website.

**Item 8: Proposal for resolution regarding LTI program 2022, including a) proposal for resolution regarding the Restricted Stock Unit program, b) proposal for resolution regarding issue of warrants, and c) proposal for resolution regarding transfer of warrants to the participant or otherwise to a third party**

Item 8 a) Proposal for resolution regarding Restricted Stock Unit program

The Board proposes that the Extraordinary General Meeting resolves to adopt a Restricted Stock Unit (“RSU”) program for the new Chief Executive Officer (“CEO”) in Storytel (“LTIP 2022/2026:2”).

The purpose of LTIP 2022/2026:2 is to promote the CEO’s shareholding in Storytel and thus link the interests of the CEO and the shareholders. In light of the above, the Board believes that LTIP 2022/2026:2 will have a positive impact on Storytel’s future development and consequently be beneficial for both Storytel and the shareholders.

The following terms shall apply to LTIP 2022/2026:2:

1. A maximum of 600,000 RSUs may be allotted to the participant under LTIP 2022/2026:2. Allotment shall occur as soon as practicably possible following the approval by the General Meeting.
2. LTIP 2022/2026:2 shall comprise one (1) employee, the CEO, in Storytel.
3. Allocation of RSUs is conditional upon (i) that the CEO’s employment with Storytel has not been terminated and (ii) that the CEO has entered into a holder agreement with Storytel that among other provides for any discontinuation of the CEO’s employment with Storytel.
4. The RSUs shall be allotted to the participant free of charge. Allotment takes place 1 October 2022.
5. The allotted RSUs vests linearly by each quarter, over four years, from the date of allotment to 30 September 2026, (the “Vesting Period”). Vesting is subject to the participant’s continued employment with Storytel, in accordance with the full terms and conditions for the program that the Board establishes. The Board shall be entitled to, in an individual case, decide that vesting shall also occur during the notice period and occur gradually between the different vesting dates.
6. Exercise of the RSUs is conditional upon fulfillment of a performance hurdle regarding share price (including reinvested dividends) on Storytel’s B-shares during a certain measurement period as stated below. For the performance target to be considered fulfilled, the share price on Storytel’s B-shares on Nasdaq First North Growth Market (or relevant marketplace) together with reinvested dividends shall amount to at least SEK 89.50 by the end of the Vesting Period. The share price shall be determined based on the average closing price on Storytel’s B-share during six months prior to the end of the Vesting Period.

The Board shall be entitled to recalculate the performance condition in the event of corporate actions that justify such a recalculation and to adjust the performance condition if special circumstances occur, whereby the adjustment shall aim to maintain the economic value of the RSU irrespective of the corporate action or the special circumstances and not make it harder or easier to satisfy the performance condition.

7. After the RSUs have been granted and vested, and provided that the performance condition set out above has been fulfilled, each RSU entitles the holder a right to, during 1 October and 30 November 2026, either (a) acquire one (1) share in Storytel to a price corresponding to the share’s quota value or, (b) be allocated a warrant free of charge which entitles to subscription of one (1) share in Storytel to a price corresponding to the quota value. The Board may, in individual cases, extend the exercise period to no later than 28 February 2027 if the holder, due to applicable rules, cannot exercise the options during the above stated exercise period.
8. Participation in LTIP 2022/2026:2 presupposes that such participation is legally possible as well as possible with reasonable administrative cost and financial efforts according to the assessment of Storytel.

9. The Board shall be responsible for preparing the agreements with the participant and the administration of LTIP 2022/2026:2. In connection therewith, the Board may make adjustments in order to fulfill specific rules or market conditions outside Sweden. Further, in the event the exercise of LTIP 2022/2026:2 results in a significantly negative situation for the company the Board is entitled to renegotiate adjustments to LTIP 2022/2026:2.
10. Recalculation of the number of shares that may be acquired for each RSU shall be recalculated in the event of share splits, rights issues and similar corporate actions with the aim that the economic value of a RSU shall be unaffected by such actions.
11. The maximum dilution for current shareholders due to the LTIP 2022/2026:2, including warrants issued in accordance with item 8 (b) on the agenda, is 0.87 per cent of the current total number of outstanding shares in Storytel if fully exercised under LTIP 2022/2026:2<sup>1</sup>. The program is expected to result in some costs, mainly related to accounting (IFRS2) salary costs and social security costs. Assuming that 100 per cent of the RSUs in the LTIP 2022/2026:2 will be vested, the accounting salary costs for the options are estimated to amount to approximately SEK 22 million during the Vesting Period. Under the assumption that 100 per cent of the RSUs will be vested and a share price of SEK 89.50 when the RSUs are exercised, the total costs for social security costs will amount to approximately SEK 16 million. Accounting (IFRS2) salary costs will be recognized during the vesting period based on the changes in value of the RSUs. The total costs for social security costs during the Vesting Period will depend on the number of RSUs that will be vested and the value of the benefit that the participant will receive. All calculations above are indicative and only serves to illustrate the costs that the LTIP 2022/2026:2 can entail.
12. There are currently a number of share-related incentive plans that have previously been implemented in Storytel, see Storytel's 2021 annual accounts as well as the notice to the AGM 2022 available on Storytel's website.
13. The Board has prepared the LTIP 2022/2026:2 in consultation with external advisers. The Board has thereafter resolved to submit this proposal to the General Meeting.

Item 8 b) – Proposal for resolution regarding issue of warrants

In order to secure the delivery of shares pursuant to LTIP 2022/2026:2, the Board proposes that Storytel, deviating from the shareholders' preferential rights, issues a maximum of 600,000 warrants, entitling to subscription of new B-shares in Storytel as follows.

1. The warrants shall be issued free of charge. Each warrant shall entitle to subscription of one (1) share in Storytel, thus, the share capital will increase by maximum SEK 300,000 after full exercise of the warrants.
2. The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, be granted to Storytel AB (publ).
3. Subscription of the warrants shall take place within four weeks from the date of the General Meeting. The Board shall have right to extend the subscription period.
4. The warrants may be exercised for subscription of B-shares between 1 October 2026 to 28 February 2027.
5. Each warrant entitles to subscription of one (1) B-share at a subscription price corresponding to the quota value. Recalculation may occur in accordance with the complete warrant conditions.
6. The reason for the deviation from the shareholders' preferential rights is that the issue of warrants ensures delivery of shares to the participant in LTIP 2022/2026:2.
7. The newly issued shares shall entitle to dividend for the first time on first the record date that occurs after the new shares have been registered with the Swedish Companies Registration Office and been recorded in the share register maintained by Euroclear Sweden AB.

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<sup>1</sup> Based on the number of shares in the Company at the time of this proposal, which amounts to 68,281,276.

8. The Board, or the person that the Board may appoint, shall be authorized to make the adjustments as may be required in connection with registration with the Swedish Companies Registration Office.

Item 8 c) – Proposal for resolution regarding transfer of warrants to the participant or otherwise to a third party

The Board further proposes that Storytel may transfer the warrants to the participant or otherwise to a third party, for the purpose of delivering shares to the participant in accordance with the terms and conditions of the LTIP 2022/2026:2. Storytel may only transfer the warrants for this purpose.

Majority requirements

Items 8)a-c) above shall be adopted as one joint resolution. A resolution in accordance with item 8a)-c) requires that the proposal is supported by shareholders with at least nine-tenth of both the votes cast and the shares represented at the meeting.

Number of shares and votes

The total number of shares in the Company as of the date hereof amounts to 68,281,911 shares and 68,287,626 votes divided on 635 Class A shares carrying 6,350 votes and 68,281,276 Class B shares carrying 68,281,276 votes. The Company holds no shares of its own.

Documents

Complete proposals and other documents that shall be available in accordance with the Swedish Companies Act are presented by being available at the Company at Tryckerigatan 4 in Stockholm and at the Company's website <https://investors.storytel.com/en/> at least three weeks in advance of the General Meeting and will be sent to shareholders who request it and provide their e- mail or postal address. The Nomination Committee's complete proposal including the Nomination Committee's motivated opinion, form for advance voting and proxy form are available on the Company's website <https://investors.storytel.com/en/> as from today and will be sent to shareholders who request this report and provide their e-mail or postal address.

Information at the General Meeting

The Board of Directors and the CEO shall, if any shareholder so requests and the Board of Directors considers that it can be done without material harm to the Company, provide information at the general meeting on matters that may affect the assessment of an item on the agenda. A request for such information shall be received by the Company in writing no later than ten calendar days prior to the meeting, i.e., on Monday 12 September 2022 by post to Storytel AB (publ), Attn: Jesper Johansson, Legal Department, P.O Box 24167, SE-104 51 Stockholm (kindly mark the envelope "Storytel EGM") or by e-mail to [investorrelations@storytel.com](mailto:investorrelations@storytel.com). The information will be made available at the Company's website, <https://investors.storytel.com/en/> and at the head office no later than on Saturday 17 September 2022. The information will also be sent, within the same period of time, to any shareholder who so has requested and who has stated its e-mail or postal address.

Processing of personal data

For information on how personal data is processed in connection with the General Meeting, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

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Stockholm in August 2022

**Storytel AB (publ)**

The Board of Directors

*FNCA Sweden AB is the company's certified adviser. FNCA can be reached at [info@fnca.se](mailto:info@fnca.se) or +46 8 528 00 399.*

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**About Storytel**

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