

Market update

Sharpened focus on profitability

Q4 2023 trading update

January 24, 2024

Market update

- Storytel sharpens its focus on profitability and will improve cash flow generation beyond the previously outlined guidance at the Capital Markets Day in June 2023.
- An efficiency optimization initiative will be implemented during the first quarter of 2024, including a 13% reduction in workforce.
- As a result of increased emphasis on profitability and reduced growth investments in certain markets, related assets will not generate as much cash flow as previously planned leading to a total non-cash write down of 632 MSEK recorded in the fourth quarter of 2023.
- On the back of strong Q4 earnings, Storytel provides guidance for 2024 and upgrades its 2026 mid-term financial targets.

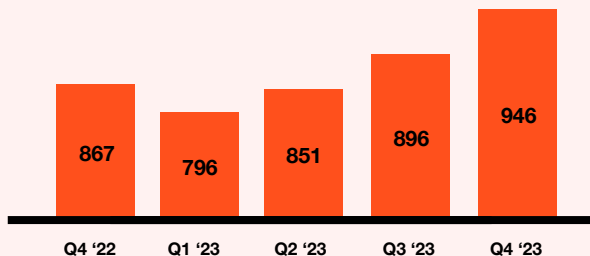
ALL NUMBERS ARE PRELIMINARY AND UNAUDITED

Financial Highlights Q4 2023

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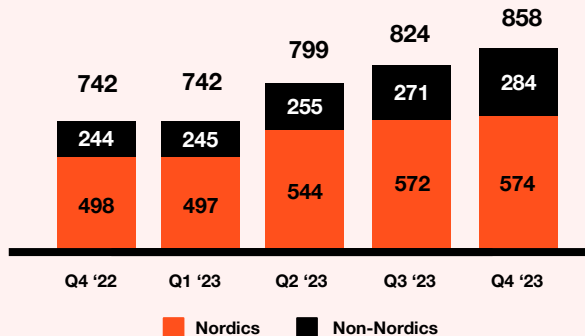
Group Revenue up 9% YoY

MSEK



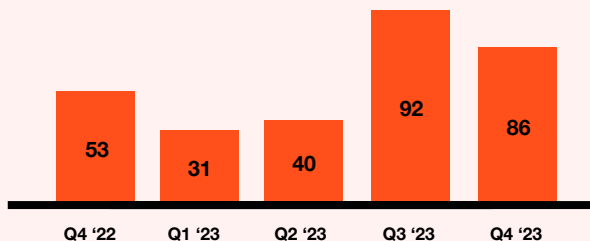
Streaming Revenue up 16% YoY

MSEK

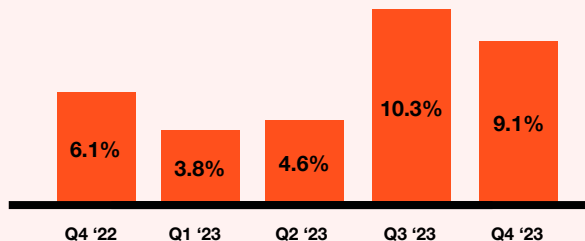


Group EBITDA up 55% YoY

Adjusted EBITDA, MSEK



Group EBITDA Margin, excl IAC



Comments

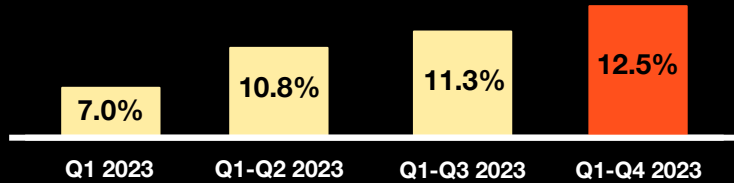
Q4 2023 compared with Q4 2022

- Group net sales increased by 9% to 946 (867) MSEK
- Streaming revenue increased by 16% to 858 (742) MSEK,
 - 14% at constant exchange rates
- Adjusted EBITDA of 86 (53) MSEK
 - EBITDA margin of 9.1% (6.1%)
- Operational cash flow amounted to 46 (12) MSEK
- Adjusted operating profit of -8 (-32) MSEK
- Repayment of 100 MSEK in bank debt, reducing financial debt to 750 MSEK
- Cash and cash equivalents of 434 MSEK

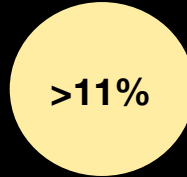
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Exceeding full year 2023 financial targets

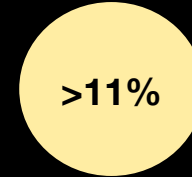
Organic streaming revenue growth with CER



Original
FY Guidance



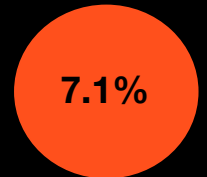
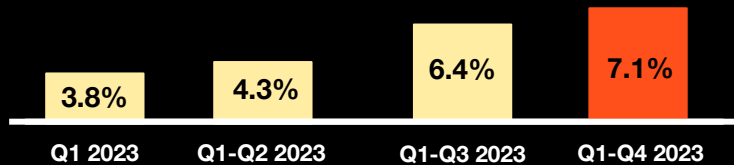
Updated Q3
FY Guidance



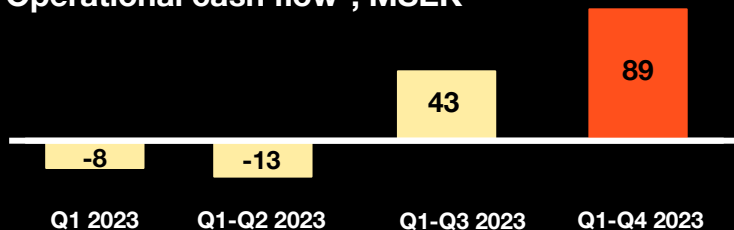
Preliminary
FY23 Result



Adjusted EBITDA margin



Operational cash flow*, MSEK



* Operational Cash Flow: Adjusted EBITDA less operational capex

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Write downs and Items Affecting Comparability

A total of 672 MSEK of Items Affecting Comparability (IAC) recognized in Q4 2023:

- Further emphasis on profitability and reduced growth investments in certain markets
- 465 MSEK non-cash impairment charges on goodwill attributed to Audiobooks.com
- 166 MSEK non-cash write downs, mainly concentrated on content assets in expansion markets
- 40 MSEK relate to restructuring charges in personnel and other operational expenditures

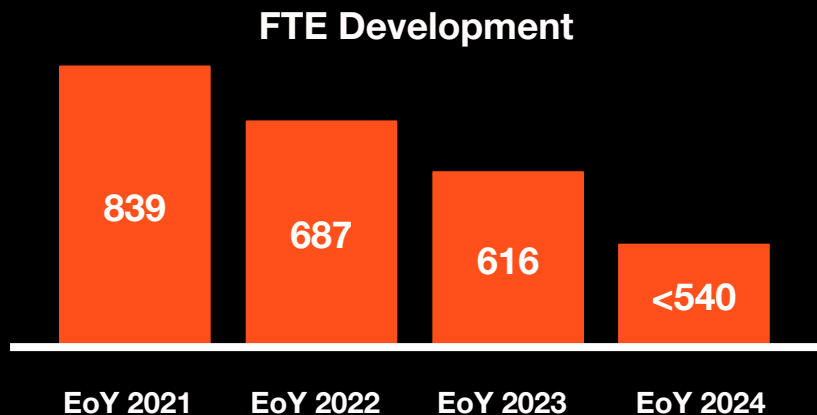
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Efficiency optimization initiative and 2024 guidance

13% reduction in workforce

- A reduction of approximately 80 FTEs
- Implemented in the first quarter of 2024
- Will reach full run-rate in the second half 2024
- Related one-off cost will be recognized in Q1

Continued focus on efficiencies in marketing and other expenses



	Preliminary FY23 Result	2024 FY Guidance
Group revenue growth	9.0%	~10%
Adjusted EBITDA margin	7.1%	>12%
Operational cash flow*	2.5%	>7%

* Operational Cash Flow: Adjusted EBITDA less operational capex, in % of revenue

Updated mid-term financial targets Storytel in 2026

~4.5 BSEK
Group Revenue

10-12%
Streaming
Revenue CAGR

>15%
EBITDA Margin

>10%
Operational Cash
Flow*

* Operational Cash Flow: Adjusted EBITDA less operational capex, in % of revenue

