

# Year-end report

*“Storytel continued its transformation journey and delivered yet another strong quarter to conclude 2023”*

JOHANNES LARCHER, CEO

January-December 2023  
Storytel AB (publ)



# Highlights

## Financial Highlights Q4

### Fourth quarter 2023 compared to the fourth quarter 2022

- Streaming revenue up 16% to 858 (742) MSEK; or 14% at constant exchange rates (CER)
- Group revenue increased by 9% to 946 (867) MSEK
- Adjusted Gross profit up 20% to 387 (322) MSEK, equaling a margin of 40.9% (37.2%)
- Gross profit was down 24% to 246 (322) MSEK
- Adjusted EBITDA increased by 62% to 86 (53) MSEK, equaling a margin of 9.1% (6.1%)
- EBITDA was -12 (36) MSEK
- Adjusted Operating profit of -8 (-32) MSEK, and -680 (-50) MSEK including IACs
- Basic and diluted earnings per share amounted to -9.34 (-1.30) SEK
- Cash flow from operations before changes in working capital amounted to -25 (12) MSEK
- Operational cash flow amounted to 47 (12) MSEK

### Full year 2023 compared to full year 2022

- Streaming revenue grew 12% to 3,242 (2,888) MSEK; or 9% at constant exchange rates
- Group revenue increased by 9% to 3,489 (3,200) MSEK, or 10% when excluding Russia
- Adjusted EBITDA increased by 169% to 248 (92) MSEK, equaling a margin of 7.1% (2.9%)
- EBITDA was 150 (-68) MSEK
- Basic and diluted earnings per share amounted to -10.63 (-5.68) SEK
- Cash flow from operations before changes in working capital amounted to 96 (-116) MSEK
- Operational cash flow amounted to 90 (-139) MSEK

## Other Highlights in the fourth quarter

- Storytel recognized Items Affecting Comparability (IACs) of 672 MSEK, following the sharpened focus on profitability. Of these IACs, 465 MSEK relate to non-cash impairment charges on goodwill attributed to Audiobooks.com
- Storytel launched a strategic partnerships with the Dutch telecom operator KPN, which has already been driving meaningful subscriber acquisition in The Netherlands

## Highlights after the end of the quarter

- Storytel announced an efficiency optimization initiative that will be implemented during the first quarter of 2024, including a 13% reduction in workforce
- Storytel upgraded its mid-term targets to reach group revenues of around 4.5 BSEK in 2026 with a streaming revenue CAGR of 10-12%, an adjusted EBITDA margin of above 15%, and an operational cash flow of above 10% of revenue
- In 2024, Storytel expects to deliver group revenue growth around 10% with an adjusted EBITDA margin of above 12% and operational cash flow above 7% of revenue
- Storytel Books and Nextory reached an agreement to distribute Storytel Books' titles on Nextory's platform as of 1 February 2024
- Storytel extended the existing revolving credit facility (RCF) until 2 April 2025 and reduced the facility to 750 MSEK, at otherwise unchanged terms

# CEO-statement

**2023 was a year of significant transformation for Storytel and we are well positioned for a successful 2024.**

When looking back at 2023 it is no exaggeration to say that it was a year of extraordinary circumstances. It was a challenging time for consumers with high inflation and increasing interest rates. Throughout the year our focus remained steadfast on building a strong and resilient company in order to successfully continue our mission to move the world through story. And despite a challenging macroeconomic environment in several of our core markets we delivered a strong performance and are doing substantially better financially than a year ago.

## Strong end-of-year performance - surpassing guidance

We continued our transformation journey and delivered yet another strong quarter to conclude 2023. Storytel experienced improved profitability and cash flow, as compared to the fourth quarter 2022. Group revenue for the quarter grew 9 percent with strong support from streaming revenues, which increased 16 percent. The solid revenue growth means we surpassed our updated guidance for 2023.

Our marketing operations have improved significantly and our focus is to continue attracting customers in a cost efficient way. Since the spring of 2023 we have achieved a weekly positive net addition of subscribers in 39 out of 40 weeks despite subscriber losses in non-core markets, supporting an 8 percent increase in paying subscribers to 2.2 million.

Storytel's streaming business both in the Nordics and in Non-Nordics continues to advance compared to the fourth quarter 2022. In the Nordics a 15 percent growth in revenues was mostly driven by expanding average revenue per user while the average paying subscribers grew 5 percent to 1.2 million.



Non-Nordic streaming revenues growth of 17 percent was mostly driven by the 13 percent increase in the subscriber base which surpassed 1 million for the first time. Progress was particularly evident in the four growth markets - The Netherlands, Poland, Bulgaria and Turkey, with a 25 percent increase in average paying subscribers.

In the fourth quarter, Storytel recognized Items Affecting Comparability (IACs) of 672 MSEK, following the further emphasis on profitability. Of these IACs, 465 MSEK relate to non-cash impairment charges on goodwill attributed to our US business, Audiobooks.com, which nevertheless continues to deliver good profitability and cash generation.

## Compelling Storytel Original lineup boosting content differentiation

Our strategy revolves around distinguishing Storytel through unique content and product features - and we continue to be committed to content differentiation by offering our users a compelling lineup of audio stories that can only be found at Storytel.

During the fourth quarter, we prominently featured the popular True segment in the Nordic region. Jesus Loves Skinny Girls,

a True Story originally from Finland, emerged as the most popular title among new users in Finland, and ranked second in both the Nordic region and our Growth markets. Likewise, the gripping Icelandic True Crime story Réttarmord and the Danish biography Mærket made significant impact in their respective markets upon release.

A grand new adaptation of Sherlock Holmes created by Anthony Horowitz exclusively for Storytel, was released in 12 markets worldwide in December 2023. The first of three stories, Becoming Sherlock: The Red Circle, was widely appreciated by Storytel users worldwide, particularly resonating with our younger audiences, and emerged as one of the top consumed books across numerous markets.

Our unique position of operating both a D2C Streaming service and leading publishing houses provides us with valuable benefits. The streaming side of our business can help our publishing houses attract and retain the best authors; and our publishing houses are dedicated to delivering the finest works to our readers and users from popular, critically acclaimed and awarded authors across all genres.

In the fourth quarter, Rabén & Sjögren's authors Oskar Kroon and Hanna Klinthage were honored with the August Prize in the Swedish children's and youth book category for their book Vitsippor och pissråttor (White Anemones and Piss Rats). Additionally, Antti Järvi's Minne katosi Antti Järvi? (Where did Antti Järvi disappear?), published by Gummerus, was awarded the Finlandia Prize in the non-fiction category.

### Upgrading targets on the back of sharpened focus on profitability

To equip ourselves for the evolving landscape within our industry, and better align our business with the expectations of

both the market and our shareholders, we have further sharpened our focus on our 10 core markets and will expedite our progress towards profitability and enhance our ability to generate meaningful cash flow. This will ultimately create a more resilient company that can effectively compete and succeed for the long term.

In January 2024, Storytel announced an efficiency initiative to optimize our cost structure with the revised strategic focus and evolving business requirements. The efficiency optimization initiative includes a reduction of the workforce by approximately 80 team members, or 13 percent, compared to December 2023. Measures will reach full effect in the second half of 2024.

Bolstered by our solid operational and financial performance in 2023 and the increased profitability focus we now expect to reach the previously communicated 2026 mid-term financial targets of 12 percent adjusted EBITDA margin and strong operational cash flow already in 2024. We expect the group's organic revenue growth to be around 10 percent.

On the back of our profitability focus we have also upgraded our targets for 2026 to reach group revenues of around 4.5 BSEK in 2026 with a streaming revenue CAGR of 10-12 percent, an adjusted EBITDA margin of above 15 percent, and an operational cash flow of above 10 percent of revenue.

The audiobook market will continue to grow in the years to come and I am very excited about the potential and opportunities ahead. I am confident that Storytel with its proven business model and solid market positioning will continue to play a leading role and deliver on our ambitious targets.

**Johannes Larcher, CEO**

Table 1: Key Performance Indicators

TSEK	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	YTD 2022	YTD 2023
<b>Streaming Total<sup>1</sup></b>							
Revenue	742,283	742,081	798,881	842,407	858,209	2,887,763	3,241,579
Revenue excl Russia	742,374	742,081	798,881	842,407	858,209	2,848,329	3,241,579
Adjusted Gross profit	304,594	317,067	344,949	366,414	373,795	1,210,037	1,402,226
Adjusted Gross margin	41.0%	42.7%	43.2%	43.5%	43.6%	41.9%	43.3%
Gross profit	304,594	317,067	344,949	366,414	246,503	1,174,469	1,274,934
Avg. Paying Subscribers	2,036,000	2,041,000	2,055,000	2,144,000	2,201,000	2,046,000	2,111,000
ARPU (SEK/month)	122	121	130	131	130	118	128
<b>Streaming Nordics<sup>1</sup></b>							
Revenue	498,336	496,630	543,765	571,625	573,674	1,919,046	2,185,694
Adjusted Gross profit	184,767	200,992	227,364	241,027	243,380	740,789	912,764
Adjusted Gross margin	37.1%	40.5%	41.8%	42.2%	42.4%	38.6%	41.8%
Gross profit	184,767	200,992	227,364	241,027	186,564	717,199	855,947
Avg. Paying Subscribers	1,132,000	1,125,000	1,122,000	1,169,000	1,183,000	1,100,000	1,150,000
ARPU (SEK/month)	147	147	162	163	162	145	158
<b>Streaming Non-Nordics</b>							
Revenue	243,947	245,451	255,117	270,782	284,535	968,717	1,055,885
Revenue excl Russia	244,038	245,451	255,117	270,782	284,535	929,284	1,055,885
Adjusted Gross profit	119,828	116,075	117,585	125,387	130,415	469,248	489,462
Adjusted Gross margin	49.1%	47.3%	46.1%	46.3%	45.8%	48.4%	46.4%
Gross profit	119,828	116,075	117,585	125,387	59,939	457,271	418,986
Avg. Paying Subscribers	904,000	916,000	933,000	975,000	1,018,000	946,000	961,000
ARPU (SEK/month)	90	89	91	93	93	85	92
<b>Books</b>							
Revenue	193,069	130,083	128,668	139,970	170,946	646,572	569,667
Adjusted Gross profit	85,141	68,472	67,525	65,098	94,799	329,641	295,894
Adjusted Gross margin	44.1%	52.6%	52.5%	46.5%	55.5%	51.0%	51.9%
Gross profit	85,141	68,472	67,525	65,098	85,015	329,641	286,110
<b>Group total<sup>2</sup></b>							
Revenue	866,663	796,293	851,070	895,758	946,099	3,200,382	3,489,220
Adjusted Gross profit	322,377	315,501	333,183	351,869	387,221	1,248,713	1,388,954
Adjusted Gross margin	37.2%	39.6%	39.1%	39.3%	40.9%	39.0%	39.8%
Gross profit	322,377	315,501	333,183	351,869	245,593	1,213,145	1,247,326
Revenue Growth YoY	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	YTD 2022	YTD 2023
<b>Streaming Total<sup>1</sup></b>							
Revenue	22.7%	6.2%	13.4%	13.5%	15.6%	28.3%	12.3%
Revenue excl Russia	27.0%	9.2%	15.2%	15.0%	15.6%	30.5%	13.8%
Revenue – CER	16.6%	2.9%	9.8%	9.0%	14.5%	23.9%	9.1%
<b>Streaming Nordics<sup>1</sup></b>							
Revenue	8.6%	8.3%	15.8%	16.0%	15.1%	10.8%	13.9%
Revenue – CER	4.8%	6.8%	13.9%	12.6%	14.6%	7.7%	12.0%
<b>Streaming Non-Nordics</b>							
Revenue	67.0%	2.3%	8.5%	8.5%	16.6%	86.5%	9.0%
Revenue excl Russia	94.5%	11.0%	13.9%	12.8%	16.6%	106.3%	13.6%
Revenue – CER	53.5%	-4.7%	1.6%	2.1%	14.2%	77.8%	3.3%
<b>Books</b>							
Revenue	-5.5%	-12.9%	-18.0%	-4.9%	-11.5%	-2.0%	-11.9%
Revenue – CER	-7.0%	-14.6%	-20.0%	-7.5%	-12.5%	-3.9%	-12.6%

<sup>1</sup> Streaming revenue includes all of Storytel Norway's revenue.

<sup>2</sup> In the consolidated accounts, Storytel Norway is reported in accordance with the equity method. As a result, the Streaming revenue listed in Table 1 is higher than in the consolidated statement of accounts in order to provide a more accurate figure for average revenue per subscriber. Please see Note 5 for additional details.

## Developments during the fourth quarter 2023, Group

Comparative figures in brackets pertain to the fourth quarter 2022

### Net sales

Group net sales for the quarter increased by 9% from the comparative period to 946.1 (866.7) MSEK. The increase is driven by solid growth in the Streaming segment's top markets, especially the Nordics and the four non-Nordic growth markets, the Netherlands, Turkey, Poland, and Bulgaria. The Books segment's external sales declined 11.5%, mostly due to lower sales of physical books in Sweden.

In the US, Audiobooks.com continued its focus on increased profitability rather than revenue growth. Organic streaming revenue growth, when excluding Audiobooks.com and Russia, was 16% at constant exchange rates in the fourth quarter.

Average paying streaming subscribers increased by 165,000 during the quarter and amounted to 2,201,000 with an average ARPU of 130 (122) SEK. The increase in the subscriber base versus the same quarter last year is driven by growth both within the Nordic segment and our four non-Nordic growth markets.

### Items affecting comparability

In the fourth quarter 2023, Storytel recognized Items Affecting Comparability (IACs) of 671.6 MSEK, following the further emphasis on profitability. Of the IACs, -465.4 MSEK relate to non-cash impairment charges on goodwill attributed to Audiobooks.com; -167.6 MSEK of the IACs relate to non-cash write downs that are mainly concentrated on content assets in expansion markets; and the remaining -38.6 MSEK of IACs relate to restructuring charges in personnel and other operational expenditures.

Of all IACs, -141.6 (0.0) MSEK is reported as cost of sales and decreased gross profit, and -530.0 (17.4) MSEK is reported as operating cost and reduced operating profit.

Adjusted Group total	Q4 2023	Q4 2022
Net sales	946.1	866.7
Cost of sales	-558.9	-544.3
<b>Gross profit</b>	<b>387.2</b>	<b>322.4</b>
Selling and marketing expenses	-219.5	-206.3
Technology and development expenses	-72.1	-69.8
Administrative expenses	-106.9	-86.1
Other operating items	-2.2	12.1
Profit from participations in associates	5.0	-4.6
<b>Operating profit/loss</b>	<b>-8.4</b>	<b>-32.2</b>
Net financial items	-45.9	-44.9
<b>Profit before tax</b>	<b>-54.3</b>	<b>-77.2</b>

Items affecting comparability	Q4 2023	Q4 2022
Net sales	-	-
Cost of sales	-141.6	-
<b>Gross profit</b>	<b>-141.6</b>	<b>-</b>
Selling and marketing expenses	-9.3	-4.1*
Technology and development expenses	-34.2	-1.6
Administrative expenses	-485.8	-11.7
Other operating income	-	-
Profit from participations in associates	-0.7	-
<b>Operating profit/loss</b>	<b>-671.6</b>	<b>-17.4*</b>
Net financial items	-	-
<b>Profit before tax</b>	<b>-671.6</b>	<b>-17.4*</b>

\*Restated amount, see Note 1

### Gross profit

Cost of sales for the period increased by 29% to -700.5 (-544.3) MSEK and gross profit decreased by 24% amounting to 245.6 (322.4) MSEK.

Adjusted Gross profit increased by 20% and amounted to 387.2 (322.4) MSEK, which equals a gross margin of 40.9% (37.2%), up 3.7 ppt from last year, mainly driven by Streaming Nordics and Books.



## EBITDA

EBITDA for the quarter decreased to -11.7 (35.6) MSEK.

Adjusted EBITDA for the quarter increased by 62% and totaled 86.0 (53.0) MSEK, which equals an EBITDA margin of 9.1% (6.1%). The significant improvement is driven by strong growth in streaming revenue which is growing faster than costs as a result of continued cost efficiency measures.

## Operating profit

Operating profit for the quarter totaled -680.0 (-49.7) MSEK.

Adjusted operating profit for the quarter totaled -8.4 (-32.2) MSEK. The improvement was to a large extent derived from increased revenues within Nordic streaming.

Adjusted selling and marketing expenses increased by 6% to -219.5 (-206.3) MSEK. The comparison is affected by organizational changes since last year.

Adjusted technology and development expenses increased by 3% to -72.1 (-69.8) MSEK.

Adjusted general and administrative expenses increased by 24% to -106.9 (-86.1) MSEK. The change is mainly due to an increased centralization of certain functions and of the management team.

## Net profit

Profit before tax for the quarter amounted to -725.9 (-94.6) MSEK. Adjusted profit before tax for the quarter amounted to -54.3 (-77.2) MSEK.

Net financial items for the quarter totaled -45.9 (-44.9) MSEK. The amount includes -11.3 (-4.9) in net interest costs, as well as FX effects mainly from a USD denominated commitment derived from the acquisition of Audiobooks.com of -34 MSEK.

Taxes for the quarter amounted to 6.8 (0.7) MSEK. Net profit for the quarter amounted to -719.1 (-93.9) MSEK.

Earnings per share for the quarter totaled -9.34 (-1.30) SEK, before and after dilution.

## Cash flow

Cash flow from operations before changes in working capital amounted to -25.4 (12.1) MSEK.

The change in working capital was 89.5 (-31.7) MSEK, resulting in cash flow from operating activities of 64.1 (-19.6) MSEK for the quarter.

Cash flow from investing activities was -47.0 (-57.4) MSEK. Cash flow from financing activities was -105.2 (382.7) MSEK which includes a 50 MSEK down-payment of the bank term loan and 50 MSEK down-payment of the RCF.

Total cash flow for the quarter was -88.0 (305.6) MSEK.

# Developments during January–December 2023, Group

Comparative figures in brackets pertain to the period January–December 2022

## Net sales

Group net sales for the period increased by 9% from the comparative period to 3,489.2 (3,200.4) MSEK, and increased by 10% when excluding Russia. The increase is driven by solid growth in the Streaming segment's top markets, especially the Nordics and the four non-Nordic growth markets, while the Books segment's external sales declined. In the US, Audiobooks.com continued its focus on increased profitability rather than revenue growth. Organic streaming revenue growth, when excluding Audiobooks.com and Russia, was 12.5% at constant exchange rates in the period.

Average paying streaming subscribers increased by over 65,000 during the period and amounted to 2,111,000 (2,046,000) with an average ARPU of 128 (118) SEK. The increase in the subscriber base versus the same period last year is explained by growth both within the Nordics segment and the four non-Nordic growth markets.

Net subscriber intake was especially strong during the summer and has continued to develop well throughout the fall with a weekly positive net addition of paying subscribers in 39 out of 40 weeks since spring 2023.

## Items affecting comparability

In 2023, Storytel recognized IACs of -671.6 (-205.1) MSEK, following the further emphasis on profitability. Of the IACs, -465.4 MSEK relate to non-cash impairment charges on goodwill attributed to Audiobooks.com; -167.6 MSEK of the IACs relate to non-cash write downs that are mainly concentrated on content assets in expansion markets; and the remaining -38.6 MSEK of IACs relate to restructuring charges in personnel and other operational expenditures.

Of the IACs, -141.6 (-35.6) MSEK is reported as cost of sales and decreased gross profit, and -530.0 (-169.5) MSEK is reported as operating cost and reduced operating profit.

Adjusted Group total	Q1-Q4 2023	Q1-Q4 2022
Net sales	3,489.2	3,200.4
Cost of sales	-2,100.3	-1,951.7
<b>Gross profit</b>	<b>1,389.0</b>	<b>1,248.7</b>
Selling and marketing expenses	-835.9	-916.0
Technology and development expenses	-268.8	-263.7
Administrative expenses	-383.5	-297.8
Other operating items	13.1	34.4
Profit from participations in associates	15.3	-1.1
<b>Operating profit/loss</b>	<b>-70.8</b>	<b>-195.5</b>
Net financial items	-65.1	5.3
<b>Profit before tax</b>	<b>-135.9</b>	<b>-190.1</b>

Items affecting comparability	Q1-Q4 2023	Q1-Q4 2022
Net sales	-	-
Cost of sales	-141.6	-35.6
<b>Gross profit</b>	<b>-141.6</b>	<b>-35.6</b>
Selling and marketing expenses	-9.3	-38.3*
Technology and development expenses	-34.2	-59.0
Administrative expenses	-485.8	-72.3
Other operating income	-	-
Profit from participations in associates	-0.7	-
<b>Operating profit/loss</b>	<b>-671.6</b>	<b>-205.1*</b>
Net financial items	-	-
<b>Profit before tax</b>	<b>-671.6</b>	<b>-205.1*</b>

\*Restated amount, see Note 1

## Gross profit

Reported cost of sales for the period increased by 13% to -2,241.9 (-1,987.2) MSEK. Gross profit amounted to 1,247.3 (1,213.1) MSEK.

The adjusted gross profit amounted to 1,389.0 (1,248.7) MSEK, which equals a gross margin of 39.8% (39.0%). The gross margin increased by 0.8 percentage points versus the same period last year.



The improvement is driven by a positive development in the streaming business in the Nordics and the four growth markets.

### EBITDA

EBITDA for the period increased to 150.1 (-68.0) MSEK.

Adjusted EBITDA for the period increased to 247.8 (92.2) which equals an EBITDA margin of 7.1% (2.9%). The significant improvement is driven by strong growth in streaming revenue which is growing faster than costs as a result of continued cost efficiency measures.

### Operating profit

Operating profit for the period totaled -742.3 (-400.5) MSEK. Adjusted operating profit was -70.8 (-195.4) MSEK.

Adjusted selling and marketing expenses decreased by 9% to -835.9 (-916.0) MSEK.

Adjusted technology and development expenses increased 2% and totaled -268.8 (-263.7) MSEK.

Adjusted general and administrative expenses increased 29% and totaled -383.5 (-297.8) MSEK. The change is mainly due to the increased centralization of certain functions and of the management team, as well as effects on accruals in the cost base last year in relation to the reorganization and of long-term incentive programs.

### Net profit

Profit before tax for the period amounted to -807.5 (-359.2) MSEK. Adjusted profit before tax for the period amounted to -135.9 (-190.1) MSEK.

Net financial items for the period totaled -65.1 (5.3) MSEK. The amount includes -55.6 (-28.8) MSEK in net interest costs, and -9.1 (48.7) MSEK FX effects mainly from a USD denominated commitment derived from the acquisition of Audiobooks.com.

Taxes for the period amounted to -6.1 (3.4) MSEK. Net profit for the period amounted to -813.5 (-391.8) MSEK.

Earnings per share for the period totaled -10.63 (-5.68) SEK, before and after dilution.

### Cash flow

Cash flow from operating activities before changes in working capital was 95.6 (-117.6) MSEK, with the improvement driven by the strategic shift to focus on profitable growth.

The change in working capital was 146.5 (17.1) MSEK, resulting in cash flow from operating activities of 242.1 (-100.4) MSEK for the period.

Cash flow from investing activities was -193.3 (-1,141.4) MSEK.

Cash flow from financing activities was -387.3 (1,085.4) MSEK. The current period includes the repayment of a 500 MSEK bridge loan and utilization of both a 200 MSEK bank term loan and a 100 MSEK RCF loan during the first quarter of 2023. At both the end of September and December, 50 MSEK of the bank term loan was amortized. Further, in December, 50 MSEK of the RCF was amortized. The comparable period includes a 600 MSEK utilization of the RCF.

Total cash flow for the period was -338.5 (-156.5) MSEK.

## Other information

### Financial position, equity & liquidity (compared to December 31, 2022)

At the end of the period, the Group had 436.1 (776.3) MSEK in cash and cash equivalents. The equity-to-asset ratio at the end of the period was 40.5% (49.5%).

Total equity at the end of the period was 1,273.2 (2,131.8) MSEK.

Total non-current liabilities amounted to 179.1 (831.3) MSEK and total current liabilities amounted to 1,688.3 (1,364.2) MSEK. The main driver of the changes was the reclassification of the 650 MSEK utilized part of the 850 MSEK revolving credit facility (RCF) from a non-current to a current liability.

Out of the total current liabilities 100 MSEK of the total current liabilities relate to the remaining part of the term loan that will be fully amortized by 30 June 2024. During the fourth quarter, 50 MSEK of the term loan and 50 MSEK of the RCF were amortized.

Total available liquidity (cash and cash equivalents and unutilized RCF) totalled 636.1 MSEK at the end of the period.

### Parent Company

Storytel AB is the Group's Parent Company and responsible for Group-wide management, administration and financing.

Net sales for the Parent Company amounted to 17.1 (18.2) MSEK in the quarter, profit before tax amounted to -1.0 (-6.2) MSEK, and profit/loss amounted to -1.0 (4.8) MSEK. Total equity amounted to 4,195.7 (4,210.5) MSEK. The condensed income statement and balance sheet for the Parent Company are presented in the financial statements for the Parent Company below.

### Risks and uncertainty factors

The Group is subject to significant risks and uncertainties. As noted in the 2022 Annual Report, these factors include the prevailing economic and business environments in each of the Group's markets; commercial risks related to expansion into new territories; political and legislative risks related to changes in rules and regulations in the various territories in which the Group operates; exposure to foreign exchange rate movements; changes in the ability to access capital markets; and the emergence of new technologies and competitors. Increased inflationary pressures and interest rates could affect the purchasing power of consumers and the willingness and ability to remain subscribers to the group's services. Furthermore, the ongoing war in the Ukraine and the war between Israel and Hamas adds uncertainty from a global, macroeconomic perspective. Storytel previously announced and phased out its operations in Russia by the third quarter of 2022 and as of September 30, 2023, despite prevailing uncertainties, the group is not aware of any remaining material balance sheet exposure. The group's operations and exposure in Israel are not material.

### Competition Authority Investigations closed

In the fourth quarter 2023, the Turkish Competition Authority closed their investigation into Storytel Turkey Yayincilik Hizmetleri A.S. ("Storytel Turkey") following a commitment by Storytel Turkey to limit exclusivity for Turkish content.

In the fourth quarter 2023, the Swedish Competition Authority closed their investigation into Storytel AB (publ), Storytel Sweden AB and Storytel Books AB, based on a complaint filed by Nextory, following the parties resuming its commercial negotiations.

## Significant events during the period

In the fourth quarter 2023, Storytel recognized Items Affecting Comparability (IACs) of 671.6 MSEK, following the further emphasis on profitability. Of the IACs, -465.4 MSEK relate to non-cash impairment charges on goodwill attributed to Audiobooks.com; -167.6 MSEK of the IACs relate to non-cash write downs that are mainly concentrated on content assets in expansion markets; and the remaining -38.6 MSEK of IACs relate to restructuring charges in personnel and other operational expenditures.

Our partnership team is dedicated to expanding the Storytel pay base by entering new strategic partnerships. The recent agreement with the Dutch telecom operator KPN has already been driving meaningful subscriber acquisition in the Netherlands, one of Storytel's four growth markets outside the Nordics.

Line Miller was appointed as the new CEO at the publisher People's, the Danish publishing house within Storytel Books.

## Significant events after the period

Storytel announced preliminary results for the fourth quarter 2023, updated 2024 and mid term financial targets, and an efficiency optimization initiative that will be implemented during the first quarter of 2024, including a 13% reduction in workforce.

Storytel Books and Nextory reached an agreement to distribute Storytel Books' titles on Nextory's platform as of 1 February 2024.

Storytel extended the existing revolving credit facility (RCF) until 2 April 2025 and reduced the facility to 750 MSEK, at otherwise unchanged terms.

## Full-year 2024 guidance

Storytel's full-year 2024 guidance has been updated as follows:

- Organic group revenue of around 10 percent
- Above 12 percent EBITDA margin (adjusted for items affecting comparability)
- An operational cash flow (adjusted EBITDA less operational capex) of at least 7 percent of revenues

## Mid-term financial targets

During January 2024, the Board of Directors in Storytel decided on the following mid-term financial targets:

### Revenue

- Total net sales to reach around 4,500 MSEK in 2026 through organic growth
- Organic average annual streaming revenue growth of 10 to 12 percent

### EBITDA margin

- EBITDA margin of at least 15 percent in 2026, with a long-term ambition of 20 percent or higher

### Operational Cash Flow

- Operational Cash Flow of at least 10 percent in 2026

# Group Financial Statements

## Condensed Consolidated Interim Statements of Comprehensive Income

TSEK	Q4 2023	Q4 2022	Q1-Q4 2023	Q1-Q4 2022
Net sales	946,099	866,663	3,489,220	3,200,382
Cost of sales	-700,506	-544,286	-2,241,895	-1,987,237
<b>Gross profit</b>	<b>245,593</b>	<b>322,377</b>	<b>1,247,326</b>	<b>1,213,145</b>
Sales and marketing expenses	-228,704	-210,335*	-845,177	-954,308*
Technology and development expenses	-106,278	-71,445	-303,017	-322,699
General and administrative expenses	-592,720	-97,799	-869,234	-370,020
Other operating items	-2,199	12,140	13,147	34,424
Result from participations in associates	4,337	-4,589*	14,608	-1,045*
<b>Operating profit/loss</b>	<b>-679,970</b>	<b>-49,651*</b>	<b>-742,348</b>	<b>-400,503*</b>
Net financial items	-45,922	-44,913	-65,122	5,347
<b>Profit/loss before taxes</b>	<b>-725,892</b>	<b>-94,564*</b>	<b>-807,470</b>	<b>-395,156*</b>
Tax	6,809	669	-6,053	3,402
<b>Profit/loss for the period</b>	<b>-719,083</b>	<b>-93,895*</b>	<b>-813,523</b>	<b>-391,754*</b>
<b>Profit for the period attributable to:</b>				
Parent Company shareholder	-720,000	-94,601*	-819,186	-394,441*
Non-controlling interest	917	706	5,663	2,687
<b>Earnings per share, SEK</b>				
Group total, basic	-9.34	-1.30*	-10.63	-5.68*
Group total, diluted	-9.34	-1.30*	-10.63	-5.68*
<b>Statement of comprehensive income</b>				
Profit/loss for the period, after tax	-719,083	-93,895*	-813,523	-391,754*
<b>Other comprehensive income</b>				
<i>Items that will be reclassified to profit/loss (after tax)</i>				
Translation difference	-92,057	-62,570	-42,667	162,821
<i>Items that will not be reclassified to profit/loss (after tax)</i>				
Revaluation of defined-benefit pension plans	-16,259	-7,773	-8,744	106,537
Revaluation of hedging instruments	-	-	-	10,031
Adjustment of hyperinflationary economies	506	-	506	-
<b>Total other comprehensive income for the period, after tax</b>	<b>-107,811</b>	<b>-70,343</b>	<b>-50,905</b>	<b>279,389</b>
<b>Total comprehensive income for the period, after tax</b>	<b>-826,894</b>	<b>-164,238*</b>	<b>-864,429</b>	<b>-112,365*</b>
<b>Total comprehensive income for the period attributable to:</b>				
Parent Company shareholder	-827,811	-164,944*	-870,092	-115,052*
Non-controlling interest	917	706	5,663	2,687

\*Restated amount, see Note 1

## Condensed Consolidated Interim Statements of Financial Position

TSEK	31 Dec 2023	31 Dec 2022
Intangible assets	1,902,303	2,622,416
Tangible assets	17,818	25,985
Right-of-use assets	84,119	115,360
Non-current financial assets	76,376	82,804*
Inventory	59,808	102,107
Current receivables	564,085	602,302*
Cash and cash equivalents	436,143	776,341
<b>Total assets</b>	<b>3,140,651</b>	<b>4,327,314*</b>
Equity	1,273,182	2,131,785*
Non-current liabilities	179,149	831,307
Current liabilities	1,688,319	1,364,223
<b>Total equity and liabilities</b>	<b>3,140,651</b>	<b>4,327,314*</b>

\*Restated amount, see Note 1

## Condensed Consolidated Interim Statement of Changes in Equity

TSEK	Q1-Q4 2023	Q1-Q4 2022
<b>Opening equity for the period</b>	<b>2,131,785*</b>	<b>1,860,922*</b>
Profit/loss for the period	-813,523	-391,754*
Non-controlling interest	-10,392	-6,449
<i>Other total comprehensive income for the year:</i>		
Translation difference	-42,667	162,821
Revaluation of defined-benefit pension plans	-8,744	106,537
Hedge accounting	-	8,580
Adjustment of hyperinflationary economies	506	-
Transfer of cash flow hedge to business combinations	-	1,451
<i>Transactions with owners:</i>		
Share issue	-1,056	391,068
Share based incentive programs	17,275	-1,391
<b>Closing equity for the period</b>	<b>1,273,182</b>	<b>2,131,785*</b>

\*Restated amount, see Note 1

## Condensed Consolidated Interim Statements of Cash Flows

TSEK	Q4 2023	Q4 2022	Q1-Q4 2023	Q1-Q4 2022
Profit/loss after financial items	-725,892	-94,564*	-807,470	-395,156*
<i>Where of interest paid</i>	-11,277	-4,906	-55,627	-28,761
Adjustments for non-cash items	709,491	116,034*	934,939	300,098*
Taxes paid	-8,999	-9,346	-31,914	-22,517
<b>Cash flow from operations before changes in working capital</b>	<b>-25,400</b>	<b>12,124</b>	<b>95,555</b>	<b>-117,575</b>
Change in inventory	14,047	19,515	27,656	-33,195
Change in operating receivables	4,701	-64,242	60,138	125,083
Change in operating liabilities	70,730	12,999	58,734	-74,758
<b>Change in working capital</b>	<b>89,478</b>	<b>-31,729</b>	<b>146,528</b>	<b>17,130</b>
<b>Cash flow from operating activities</b>	<b>64,078</b>	<b>-19,605</b>	<b>242,082</b>	<b>-100,445</b>
Cash flow from investing activities	-46,957	-57,438	-193,299	-1,141,390
Cash flow from financing activities	-105,165	382,671	-387,311	1,085,351
<b>Cash flow for the period</b>	<b>-88,044</b>	<b>305,628</b>	<b>-338,527</b>	<b>-156,486</b>
<b>Available funds at the beginning of period</b>	<b>540,614</b>	<b>457,411</b>	<b>776,341</b>	<b>905,822</b>
Cash flow for the period	-88,044	305,628	-338,527	-156,486
Translation differences in available funds	-16,427	13,302	-1,671	26,944
<b>Available funds at end of period</b>	<b>436,143</b>	<b>776,341</b>	<b>436,143</b>	<b>776,341</b>

\*Restated amount, see Note 1



# Notes to the Condensed Consolidated Interim Financial Statements

## Note 1 Accounting and Valuation Principles

This interim report includes the Swedish Parent Company Storytel AB (publ), CIN 556575-2960, and its subsidiaries. Storytel is one of the world's largest streaming services for audiobooks and e-books and offers more than 1,400,000 titles globally. Our vision is to make the world a more empathetic and creative place through fantastic stories that can be shared and appreciated by anyone, anywhere and at any time. The Streaming operations within Storytel Group take place under the brands Storytel, Mofibo and Audiobooks.com. The publishing business is managed by Storytel Books and the audiobook publisher Storyside. Storytel Group is present in over 25 markets. The Parent Company is a limited liability company with its registered office in Stockholm, Sweden. The address of the head office is Tryckerigatan 4, 111 28 Stockholm, Sweden.

Storytel applies the International Financial Reporting Standards (IFRS) as they have been adopted by the EU. This consolidated interim report was prepared in accordance with IAS 34 Interim Financial Reporting, recommendation RFR 1 issued by the Swedish Financial Reporting Board, and the Annual Accounts Act (1995:1554), where applicable.

The interim report for the Parent Company was prepared in accordance with Chapter 9 of the Annual Accounts Act (Interim Report) and recommendation RFR 2 issued by the Swedish Financial Reporting Board. The same accounting principles, bases for calculation and assessments were applied to the Group and the Parent Company as in the most recent annual report. A detailed description of the Group's other applied accounting principles and new and pending standards is included in the most recently published annual report. During 2022, Turkey was defined as a hyperinflationary economy and as such the Group applies IAS 29 related to its entity in Turkey.

There are no new IFRS standards or amendments of existing IFRS standards during 2023 that have had a material impact on the performance and financial position of Storytel. Disclosures pursuant to IAS 34.16A are also presented in the financial statements as well as related notes, and are an integral part of this financial statement.

During the period, the interpretation and the previously applied accounting of Storytel's agreements with certain publishers have been reviewed. This review has induced a change, meaning that any related cost will no longer be recognized based on the length of Storytel's customer contracts but instead will be reported in the period the cost is incurred. The change does not affect Storytel's earnings or cash flows over time. Comparative figures have been recalculated as shown in the tables below.

### Profit/loss statement

TSEK	Reported 2022	Adjustment	Adjusted 2022
Net sales	3,200,382	-	3,200,382
Cost of sales	-1,987,237	-	-1,987,237
<b>Gross profit</b>	<b>-1,213,145</b>	<b>-</b>	<b>-1,213,145</b>
Operating expenses	-1,602,164	-11,484	-1,613,648
<b>Operating profit/loss</b>	<b>-389,019</b>	<b>-11,484</b>	<b>-400,503</b>
Net financial items	5,347	-	5,347
<b>Profit/loss before taxes</b>	<b>-383,672</b>	<b>-11,484</b>	<b>-395,156</b>
Tax	3,402	-	3,402
<b>Profit/loss for the period</b>	<b>-380,270</b>	<b>-11,484</b>	<b>-391,754</b>

### Condensed consolidated statement of financial position

TSEK	31 Dec 2021 reported	Adjustment	31 Dec 2021 adjusted	31 Dec 2022 reported	Adjustment	31 Dec 2022 adjusted
Intangible assets	1,063,145		1,063,145	2,622,416		2,622,416
Tangible assets	27,675		27,675	25,985		25,985
Right-of-use assets	131,421		131,421	115,360		115,360
Non-current financial assets	46,114	-4,886	41,228	87,690		82,804
Inventory	65,663		65,663	102,107		102,107
Current receivables	768,820	-44,795	724,025	658,581	-11,484	602,302
Cash and cash equivalents	905,882		905,882	776,341		776,341
<b>Total assets</b>	<b>3,008,720</b>	<b>-49,681</b>	<b>2,959,039</b>	<b>4,388,480</b>	<b>-11,484</b>	<b>4,327,314</b>
Equity	1,910,603	-49,681	1,860,922	2,192,950	-11,484	2,131,785
Non-current liabilities	246,642		246,642	831,307		831,307
Current liabilities	841,475		841,475	1,364,223		1,364,223
<b>Total equity and liabilities</b>	<b>3,008,720</b>	<b>-49,681</b>	<b>2,959,039</b>	<b>4,388,480</b>	<b>-11,484</b>	<b>4,327,314</b>

All amounts in this statement are stated in thousands of Swedish krona (TSEK) unless otherwise specified. Differences in rounding may occur.

### Note 2 Significant estimates and judgements

When preparing the financial statements, the company's management and the Board must make certain assessments and assumptions that affect the carrying amounts of asset and liability items and income and expense items, respectively, as well as other information provided. The assessments are based on experiences and assumptions that the management and the Board deem to be reasonable given the prevailing circumstances. Actual outcome may then differ from these assessments if other conditions arise. The estimates and assumptions are evaluated on an ongoing basis and are not considered to entail any material risk of significant adjustments in the reported values of assets and liabilities during subsequent periods. Changes in estimates are reported in the period in which the change is made if the change has only affected this period, or in the period in which the change is made and future periods if the change affects both the current period and future periods. For other significant estimates and judgements, please refer to the most recent annual report.

### Note 3 Definitions and key ratios including alternative performance measures

Storytel reports a number of different items and financial key ratios in its consolidated financial statements. The key ratios aim to make it easier for investors and other stakeholders to analyze and understand Storytel's operations and development in the same way that the business and its development are monitored by management. Of these measures, some are defined in IFRS, while others are defined in neither the financial framework nor other legislation. For key ratios that are not defined in IFRS, this report presents their purpose and how they relate to the financial statements presented in accordance with IFRS. For definitions of financial measures and key ratios used, please see below.

### Note 4 Transactions with related parties

In general, there were no significant changes in the scope or type of transactions with related parties to the Group other than those presented in the most recent Annual Report. Transactions with associated companies take place on market terms.

### Note 5 Business segments

The Group has divided its operations into three segments: Streaming Nordics, Streaming Non-Nordics (which includes Audiobooks.com) and Books. The division is based partly on the type of business conducted (Streaming versus Books) and the geographical division for the streaming business (Nordics versus Non-Nordics).

Oct-Dec 2023	Streaming Nordics	Streaming Non-Nordics	Books	Total segment	Group-wide items and eliminations	Other adjustments	Group total
Revenue from external customers	573,674	284,535	170,946	1,029,155	-99,272	16,217	946,099
Internal revenue	-	-	54,472	54,472	-54,472	-	-
Cost of sales	-387,110	-224,596	-140,403	-752,109	61,969	-10,366	-700,506
<b>Gross profit</b>	<b>186,564</b>	<b>59,939</b>	<b>85,015</b>	<b>331,518</b>	<b>-91,776</b>	<b>5,851</b>	<b>245,593</b>
<b>Adj. gross profit</b>	<b>243,380</b>	<b>130,415</b>	<b>94,799</b>	<b>468,594</b>	<b>-91,776</b>	<b>10,403</b>	<b>387,221</b>

Jan-Dec 2023	Streaming Nordics	Streaming Non-Nordics	Books	Total segment	Group-wide items and eliminations	Other adjustments	Group total
Revenue from external customers	2,185,694	1,055,885	569,667	3,811,245	-386,068	64,044	3,489,220
Internal revenue	-	-	212,219	212,219	-212,219	-	-
Cost of sales	-1,329,746	-636,898	-495,775	-2,462,419	249,449	-28,924	-2,241,895
<b>Gross profit</b>	<b>855,947</b>	<b>418,986</b>	<b>286,110</b>	<b>1,561,044</b>	<b>-348,838</b>	<b>35,119</b>	<b>1,247,326</b>
<b>Adj. gross profit</b>	<b>912,764</b>	<b>489,462</b>	<b>295,894</b>	<b>1,698,120</b>	<b>-348,838</b>	<b>39,671</b>	<b>1,388,954</b>

The costs listed under Gross profit are not allocated to segments but are reported for the Group as a whole. Internal revenue for the Books segment that relates to sales from streaming is already included as a cost reduction in the segment reporting for the Streaming segments. Revenue and Cost of sales from Storytel AS are included in the Streaming Nordics segment. These are subsequently eliminated in the column "Group-wide items and eliminations", and the license fee from Storytel AS is also added back.

Group total	Oct-Dec 2023	Jan-Dec 2023
Gross profit	245.6	1,247.3
Selling and marketing expenses	-228.7	-845.2
Technology and development expenses	-106.3	-303.0
Administrative expenses	-592.7	-869.2
Other operating income	-2.2	13.1
Profit from participations in associates	4.3	14.6
<b>Operating profit/loss</b>	<b>-680.0</b>	<b>-742.3</b>
Net financial items	-45.9	-65.1
<b>Profit before tax</b>	<b>-725.9</b>	<b>-807.5</b>

Oct-Dec 2022	Streaming Nordics	Streaming Non-Nordics	Books	Total segment	Group-wide items and eliminations	Other adjustments	Group total
Revenue from external customers	498,336	243,947	193,069	935,352	-97,128	28,440	866,663
Internal revenue	-	-	43,049	43,049	-43,049	-	-
Cost of sales	-313,569	-124,119	-150,977	-588,666	61,748	-17,368	-544,286
<b>Gross profit</b>	<b>184,767</b>	<b>119,828</b>	<b>85,141</b>	<b>389,735</b>	<b>-78,429</b>	<b>11,071</b>	<b>322,377</b>
<b>Adj. gross profit</b>	<b>184,767</b>	<b>119,828</b>	<b>85,141</b>	<b>389,735</b>	<b>-78,429</b>	<b>11,071</b>	<b>322,377</b>

Jan-Dec 2022	Streaming Nordics	Streaming Non-Nordics	Books	Total segment	Group-wide items and eliminations	Other adjustments	Group total
Revenue from external customers	1,919,046	968,717	646,572	3,534,335	-369,384	35,431	3,200,382
Internal revenue	-	-	165,477	165,477	-165,477	-	-
Cost of sales	-1,201,847	-511,446	-482,407	-2,195,701	257,950	-49,486	-1,987,237
<b>Gross profit</b>	<b>717,199</b>	<b>457,271</b>	<b>329,641</b>	<b>1,504,110</b>	<b>-276,910</b>	<b>-14,055</b>	<b>1,213,145</b>
<b>Adj. gross profit</b>	<b>740,789</b>	<b>469,248</b>	<b>329,641</b>	<b>1,539,678</b>	<b>-276,910</b>	<b>-14,055</b>	<b>1,248,713</b>

Group total	Oct-Dec 2022	Jan-Dec 2022
Gross profit	322.4	1,213.1
Selling and marketing expenses	-210.3*	-954.3*
Technology and development expenses	-71.4	-322.7
Administrative expenses	-97.8	-370.0
Other operating income	12.1	34.4
Profit from participations in associates	-4.6	-1.0
<b>Operating profit/loss</b>	<b>-49.7*</b>	<b>-400.5*</b>
Net financial items	-44.9	5.3
<b>Profit before tax</b>	<b>-94.6*</b>	<b>-395.2*</b>

\*Restated amount, see Note 1

## Note 6 Revenue from contracts with customers

Oct-Dec 2023	Books	Streaming	Other	Group total
<b>Type of product or service</b>				
Revenue from subscriptions of streaming service	-	758,937	-	758,937
Revenue from publishing activities	170,946	-	-	170,946
Other	-	-	16,217	16,217
<b>Revenue from contracts with customers</b>	<b>170,946</b>	<b>758,937</b>	<b>16,217</b>	<b>946,099</b>

Jan-Dec 2023	Books	Streaming	Other	Group total
<b>Type of product or service</b>				
Revenue from subscriptions of streaming service	-	2,855,510	-	2,855,510
Revenue from publishing activities	569,667	-	-	569,667
Other	-	-	64,044	64,044
<b>Revenue from contracts with customers</b>	<b>569,667</b>	<b>2,855,510</b>	<b>64,044</b>	<b>3,489,220</b>

Oct-Dec 2022	Books	Streaming	Other	Group total
<b>Type of product or service</b>				
Revenue from subscriptions of streaming service	-	645,155	-	645,155
Revenue from publishing activities	193,069	-	-	193,069
Other	-	-	28,440	28,440
<b>Revenue from contracts with customers</b>	<b>193,069</b>	<b>645,155</b>	<b>28,440</b>	<b>866,663</b>

Jan-Dec 2022	Books	Streaming	Other	Group total
<b>Type of product or service</b>				
Revenue from subscriptions of streaming service	-	2,499,013	-	2,499,013
Revenue from publishing activities	646,572	-	-	646,572
Other	-	-	54,797	54,797
<b>Revenue from contracts with customers</b>	<b>646,572</b>	<b>2,499,013</b>	<b>54,797</b>	<b>3,200,382</b>

## Note 7 Financial instruments

### Valuation hierarchy

The levels of the valuation hierarchy are described as follows:

Level 1 – Listed prices (unadjusted) in active markets for identical assets and liabilities.

Level 2 – Observable input data for the asset or liability other than quoted prices included in Level 1, either directly (i.e., price quotations) or indirectly (i.e., derived from price quotations).

Level 3 – Asset or liability input data that is not based on observable market data (i.e., non-observable input data).

### Acquisition option

Storytel's acquisition option (put/call option) refers to the future acquisition of the remaining 13.3 % shares in Earselect AB, which will result in an additional transferred consideration of 8,112 TSEK. The acquisition option is reported at fair value in the statement of financial position, measured in accordance with IFRS 9 and categorized in accordance with Level 3 of the IFRS 13 fair value hierarchy. Since the price of the option is not dependent on any conditions beyond the time aspect, and since the discounting effect attributable to the time value is insignificant, no discounting has taken place, and the carrying amount is considered to correspond to the fair value of the acquisition option.

The contingent consideration related to the acquisition of Aula is reported at fair value in accordance with Level 3 of the valuation hierarchy. The fair value was previously estimated by using a valuation model that discounts the present value of expected outgoing cash flows by a risk-adjusted discount rate.

In 2023, the debt decreased and the discount calculation has no longer a significant impact on the outstanding debt. Based on these factors we ceased the present value assessment based on the discounts model of the debt. The carrying amount is now considered to correspond to the fair value of the acquisition option.

Financial liabilities valued at fair value	Q1-Q4 2023	Q1-Q4 2022
<b>Opening balance</b>	<b>13,124</b>	<b>23,095</b>
Consideration paid	-4,530	-
Change in value recognized in profit/loss	40	48
Change in value recognized in OCI - financial derivative	-	-8,580
Transfer of cash flow hedge to business combinations	-	-1,451
<b>Closing balance</b>	<b>8,634</b>	<b>13,124</b>

### Other receivables and liabilities

For current receivables and liabilities, such as accounts receivable and trade payables, and for non-current liabilities with variable interest rates, the carrying amount is considered to be a good approximation of the fair value.



## Note 8 Business combinations

The purchase price allocation for Audiobooks.com, acquired in January 2022, was closed in 2022 and remains unchanged compared to as presented in the annual report for 2022.

A consideration of 4,275 TSEK for Storytel's acquisition option in Earselect was paid during the period. Storytel obtained a further 6.83% ownership and owned at the end of the period 86.7% of Earselect.

## Condensed Parent Company Interim Statements of Comprehensive Income

TSEK	Q4 2023	Q4 2022	Q1-Q4 2023	Q1-Q4 2022
Net sales	17,129	18,207	46,142	43,096
<b>Gross profit</b>	<b>17,129</b>	<b>18,207</b>	<b>46,142</b>	<b>43,096</b>
Administrative expenses	-11,177	-23,027	-41,973	-54,223
Other operating items	-2	224	18	224
Profit from participation in group company	-	15,608	-	15,608
<b>Operating profit</b>	<b>5,950</b>	<b>11,012</b>	<b>4,187</b>	<b>4,705</b>
Net financial items	-6,986	-4,787	-19,276	-5,258
<b>Profit/loss before taxes</b>	<b>-1,036</b>	<b>6,225</b>	<b>-15,089</b>	<b>-553</b>
Tax	-	-1,437	-	-1,437
<b>Profit/loss for period</b>	<b>-1,036</b>	<b>4,788</b>	<b>-15,089</b>	<b>-1,990</b>
<b>Parent Company's condensed statement of comprehensive income</b>				
Profit for the period	-1,036	4,788	-15,089	-1,990
Other comprehensive income, after tax				
<b>Total comprehensive income for the period</b>	<b>-1,036</b>	<b>4,788</b>	<b>-15,089</b>	<b>-1,990</b>

## Condensed Parent Company Interim Statements of Financial Position

TSEK	31 Dec 2023	31 Dec 2022
Non-current financial assets	4,916,244	4,848,935
Current receivables	102,977	228,726
Cash and cash equivalents	40,992	365,813
<b>Total assets</b>	<b>5,060,213</b>	<b>5,443,474</b>
Equity	4,195,738	4,210,537
Non-current liabilities	-	598,416
Current liabilities	864,476	634,521
<b>Total equity and liabilities</b>	<b>5,060,213</b>	<b>5,443,474</b>

## Number of shares and share capital as of December 31, 2023

There were 77,108,125 (77,073,120) registered shares in issuance at the end of the period, divided between 635 Class A shares and 77,107,490 Class B shares. Share capital totaled 38,554,063 (38,536,560) SEK as of December 31, 2023. The shareholder structure is presented at [investors.storytel.com](http://investors.storytel.com).

## Auditor's review

This interim report has not been audited or reviewed by the auditors of the company.

## Information about Nasdaq First North Growth Market

Nasdaq First North Growth Market ("First North") is an alternative marketplace operated by the constituent exchanges of Nasdaq Stockholm. It does not have the same legal status as a regulated marketplace. Companies quoted on First North are subject to First North's rules rather than the legal requirements set for trading on a regulated marketplace. An investment in a company trading on First North implies higher risk than an investment in a listed company. Companies must apply to the exchange and gain approval before trading on First North may commence. A Certified Adviser guides the company through the listing process and ensures that the company continuously satisfies First North's standards. Information about Nasdaq First North Growth Market.

## Financial calendar

Interim Report January–March 2024	May 7, 2024
Annual General Meeting	May 14, 2024
Interim Report January–June 2024	July 30, 2024
Interim Report January–September 2024	October 29, 2024
Year-End Report January–December 2024	February 12, 2025

## Definitions and key ratios including alternative performance measures

Net sales	Operating main income, invoiced costs, incidental revenue and revenue adjustments.
Net sales growth rate, %	Net sales for the current year divided by the previous year's net sales.
Net sales growth rate, %, CER	Net sales for the current year divided by the previous year's net sales where the current year's net sales are calculated at the exchange rates prevailing in the previous year.
Gross profit	Profit after cost of sales.
Gross profit %	Operating profit as a percentage of net sales.
Gross margin	Operating profit as a percentage of net sales.
Operating profit (EBIT)	Profit before interest and tax.
Operating margin (EBIT margin)	Operating profit as a percentage of net sales.
Profit/loss before taxes	Profit after financial income and expenses, before tax.
Profit margin (%)	Profit after tax as a percentage of net sales.
Equity-to-assets ratio (%)	Adjusted equity (equity and untaxed reserves less deferred tax, including non-controlling interests) as a percentage of the balance sheet total.
Equity	The net assets of the business, i.e., the difference between assets and liabilities, including non-controlling interests.
Balance sheet total	The company's total assets.
FTE	Full-Time Equivalents.
Number of employees	Average number of employees during the financial year.
ARPU	Average Revenue Per User (subscriber) per month.
Average paying subscribers	The average number of paying Storytel subscribers during the quarter. For Family subscriptions, each standard stream (not so-called Kids Mode) is considered one paying subscriber.
CER	Constant Exchange Rates.
EBITDA	Earnings before interest, taxes, depreciation and amortization.
EBITDA margin	EBITDA as percentage of Net Sales.
Equity-to-asset ratio	Adjusted equity (equity including non-controlling interest and untaxed reserves less deferred tax) as a percentage of the balance sheet total.
Revenue – Books (Table 1)	Physical books and digital sales through channels other than Storytel. Internal revenue from Storytel has been eliminated. All publishing houses in the Group, both those located in Sweden and those located internationally, are included.
Revenue – Streaming (Table 1)	ARPU * Paying Subscribers.
Items affecting comparability (IAC)	Items affecting comparability include items of a significant character that distort comparisons over time, including costs in connection with acquisitions or divestments, market exit in Russia, restructuring costs, as well as significant impairments and write-downs.
Adjusted gross profit, expenses, EBITDA, and operating profit	Adjusted key figures - gross profit, expenses, EBITDA, and operating profit - reflect the underlying key figure when excluding items affecting comparability.

The information was submitted for publication at 8:00 a.m. CET on February 15, 2024.

## Signatures and Assurance

The Board of Directors and the Chief Executive Officer offer their assurance that this interim report provides a true and fair view of the Group's and the Parent Company's operations, financial position and operational performance.

Stockholm, February 15, 2024

Hans-Holger Albrecht  
Chair of the Board

Jonas Tellander  
Vice Chair of the Board

Adine Grate  
Board member

Lina Brouneus  
Board member

Lutz Finger  
Board member

Jonas Sjögren  
Board member

Alexander Lindholm  
Board member

Joakim Rubin  
Board member

Johannes Larcher  
CEO

## Contacts

### Storytel AB (publicly traded)

Mailing address: Box 24167, 104 51 Stockholm

Office: Tryckerigatan 4, 111 28 Stockholm

CIN: 556575-2960

Email: [investorrelations@storytel.com](mailto:investorrelations@storytel.com)

Website: [www.storytel.com](http://www.storytel.com), <https://investors.storytel.com>

### For further information, please contact:

Mattias Frithiof, Head of Investor Relations

Cell: +46 76 535 26 74

Email: [mattias.frithiof@storytel.com](mailto:mattias.frithiof@storytel.com)