



“The first quarter marked another step up in our financial performance as Storytel delivered a strong result with improved profitability and operational cash flow”

Highlights

Numbers for the first quarter 2024 are compared to the first quarter 2023

- Adjusted EBITDA increased by 167% to 104 (39) MSEK, equaling a margin of 11.7% (4.9%)
- Adjusted Gross profit up 22% to 385 (316) MSEK, equaling a margin of 43.2% (39.6%)
- Streaming revenue up 13% to 837 (742) MSEK; and 13% at constant exchange rates (CER)
- Storytel implemented an efficiency optimization initiative including a 13% reduction in workforce, which resulted in related Items Affecting Comparability (IACs) of 45 MSEK
- 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
- Johannes Larcher to step down as CEO in the fall of 2024

Financial summary

MSEK	Q1 2024	Q1 2023	%	FY 2023
Streaming Revenue ¹	837	742	12.8%	3,242
Group Revenue ²	892	796	12.0%	3,489
Adjusted Gross profit	385	316	22.1%	1,389
Gross profit	378	316	20.0%	1,247
Adjusted Operating profit	31	-43	173.0%	-50
Operating profit	-24	-48	50.8%	-742
Adjusted Gross margin	43.2%	39.6%	3.6p	39.8%
Adjusted EBITDA	104	39	167.2%	283
Adjusted EBITDA margin	11.7%	4.9%	6.8p	8.1%
EBITDA	51	34	50.1%	165
Basic and diluted earnings per share (SEK)	-0.32	-0.81	60.5%	-10.63
Cash flow from operations before changes in working capital	27	18	54.3%	102
Operational cash flow	73	1	-	125

¹ Streaming revenue includes all of Storytel Norway’s revenue.

² In the consolidated accounts, Storytel Norway is reported in accordance with the equity method. As a result, the Streaming revenue listed in the table 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.

CEO-statement

“Our solid performance last year has set the stage for a strong start to 2024.”

In the first quarter we successfully navigated operational and restructuring challenges with agility and determination. We leveraged our improved operational efficiency to accelerate momentum and achieve robust financial results. The quarter was a testament to our commitment to deliver increased value to our shareholders and laid a solid foundation for 2024 and beyond. As we continue to evolve and adapt to a changing business landscape we remain focused on executing on our profitable growth strategy and to deliver on our targets.

Strong financial development

The first quarter marked another step up in our financial performance as Storytel delivered a strong result with improved profitability and operational cash flow. The group’s adjusted EBITDA increased 167 percent to 104 MSEK, reaching the highest level in Storytel's history, equal to a margin of 11.7 percent. The operational cash flow was 73 MSEK equal to 8.2 percent of revenues. Total group revenue grew 12 percent while streaming revenue grew 13 percent.

In the Nordics, the 13 percent growth in revenues was driven both by higher average revenue per user, due to price increases carried out late in the first quarter 2023, and a 6 percent growth in average paying subscribers to 1.2 million. Going forward, revenue growth in the Nordics will be driven more by the intake of new subscribers, and we recognize that the market will remain challenging as competition in our home region continues to be fierce. We plan to accelerate Nordic subscriber and revenue growth by continuing to develop a more differentiated, attractively packaged, and customer-oriented service.

Non-Nordic streaming revenues grew 13 percent, mostly driven by the 18 percent



increase in our average subscriber base to 1.1 million. Progress was particularly evident in our four Non-Nordic growth markets - The Netherlands, Poland, Bulgaria and Turkey - with more than 25 percent increase in average paying subscribers. In the US, Audiobooks.com also enjoyed strong subscriber growth on the back of general market growth and higher marketing efficiency.

We anticipate steady growth in Non-Nordic streaming throughout the year, driven by a combination of sustained, strong customer intake combined with increased average revenue per user.

As compared to the previous quarter, average revenue per user came down as new subscriber intake was predominantly driven in geographies and in payment plans with lower average revenue per user.

Total sales in the Books segment increased 7 percent. External sales grew by 1 percent to 131 MSEK while internal sales grew by 22 percent. Storytel Books had a positive first quarter with increased digital sales both externally and internally, showcasing the quality and appeal of our content portfolio. Revenue growth in external sales was also supported by Storytel Books’ recently renewed agreement with Nextory to

distribute a majority of Storytel Books' and Storyside's titles on Nextory's platform in Sweden, Finland and Denmark. The agreement only came into effect in early February for which the contribution will be more prominent from the second quarter.

Commitment to delivering high quality content

Our content strategy is gaining traction, with consumption of titles from our internal publishers showing steady growth. In Q1, titles from our digital inhouse publisher Storyside reached record consumption levels. True Crime formats like *Homosexligan som styrde Sverige* by Erik Galli and *Min Kamp for Retfærdighed* by Thea Pedersen & Jane Fisher-Byrialsen engaged users in Sweden and Denmark upon their releases. Additionally, we are proud to have produced the first ever Turkish audiobook release of one of the most beloved sagas of all time, *The Lord of the Rings*. I am also excited that Norstedts will be releasing the memoirs of Swedish tennis legend Björn Borg in 2025, available in both print and audiobook formats.

Since 2015, Storytel Awards have annually celebrated talented authors and narrators who captivate and entertain audiobook listeners. This spring, ceremonies were arranged in Stockholm, Helsinki, Copenhagen, Oslo, Reykjavik, and Amsterdam where the Storytel audience's favorite narrators and authors were awarded over 60 statuettes. These awards are a testament to our commitment to recognize excellence and foster the general growth of audiobooks.

Driving success through efficiency and innovation

This quarter we made big strides in enhancing efficiencies and streamlining our teams to better align with our strategic objectives. The mature and resilient approach demonstrated by our teams throughout this restructuring process is

commendable. As a result, we have been able to optimize our operations, reduce redundancies, and created a leaner and more agile organization.

In February, we launched Voice Switcher in Sweden, a groundbreaking feature enhancing the audiobook experience by allowing listeners to switch between human and AI narrators. Notably, renowned Swedish actor Stefan Sauk collaborated with us on this project. His AI-generated voice is already available on 25 audiobooks together with several other AI voices, providing listeners with diverse narration options. The reception has been encouraging, and we expect to introduce Voice Switcher in additional languages soon.

Service differentiation remains a top priority for us, and we have invested significantly in positioning Storytel with unique content and product features. As a next step, we are exploring new pricing packages and offers for our streaming platform, expected to roll out later this year.

I can proudly state that we are off to a strong start in 2024, thanks to the dedication, resilience, and innovative spirit of our team; and I am optimistic about the remainder of this year and beyond.

As recently announced, I will step down as CEO of Storytel Group during the fall. The company has been through a remarkable transformation during the last years and is now a growing, profitable and innovative business in good shape. In service of our mission to "Move the World through Story", I have confidence that Storytel will continue to create sustainable value for our employees, customers and shareholders for a long time to come.

Johannes Larcher, CEO

Table 1: Key Performance Indicators

TSEK	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Streaming Total³					
Revenue	742,081	798,881	842,407	858,209	836,858
Adjusted Gross profit	317,067	344,949	366,414	373,795	386,631
Adjusted Gross margin	42.7%	43.2%	43.5%	43.6%	46.2%
Gross profit	317,067	344,949	366,414	246,503	382,783
Avg. Paying Subscribers	2,041,000	2,055,000	2,144,000	2,201,000	2,256,000
ARPU (SEK/month)	121	130	131	130	124
Streaming Nordics³					
Revenue	496,630	543,765	571,625	573,674	559,172
Adjusted Gross profit	200,992	227,364	241,027	243,380	252,479
Adjusted Gross margin	40.5%	41.8%	42.2%	42.4%	45.2%
Gross profit	200,992	227,364	241,027	186,564	249,402
Avg. Paying Subscribers	1,125,000	1,122,000	1,169,000	1,183,000	1,188,000
ARPU (SEK/month)	147	162	163	162	157
Streaming Non-Nordics					
Revenue	245,451	255,117	270,782	284,535	277,687
Adjusted Gross profit	116,075	117,585	125,387	130,415	134,152
Adjusted Gross margin	47.3%	46.1%	46.3%	45.8%	48.3%
Gross profit	116,075	117,585	125,387	59,939	133,381
Avg. Paying Subscribers	916,000	933,000	975,000	1,018,000	1,067,000
ARPU (SEK/month)	89	91	93	93	87
Books					
Revenue	130,083	128,668	139,970	170,946	131,079
Adjusted Gross profit	68,472	67,525	65,098	94,799	76,923
Adjusted Gross margin	52.6%	52.5%	46.5%	55.5%	58.7%
Gross profit	68,472	67,525	65,098	85,015	74,190
Group total⁴					
Revenue	796,293	851,070	895,758	946,099	891,886
Adjusted Gross profit	315,501	333,296	352,934	387,648	385,051
Adjusted Gross margin	39.6%	39.2%	39.4%	41.0%	43.2%
Gross profit	315,501	333,296	352,934	245,593	378,470
Revenue Growth YoY	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Streaming Total³					
Revenue	6.2%	13.4%	13.5%	15.6%	12.8%
Revenue excl Russia	9.2%	15.2%	15.0%	15.6%	12.8%
Revenue – CER	2.9%	9.8%	9.0%	14.5%	13.0%
Streaming Nordics³					
Revenue	8.3%	15.8%	16.0%	15.1%	12.6%
Revenue – CER	6.8%	13.9%	12.6%	14.6%	12.9%
Streaming Non-Nordics					
Revenue	2.3%	8.5%	8.5%	16.6%	13.1%
Revenue excl Russia	11.0%	13.9%	12.8%	16.6%	13.1%
Revenue – CER	-4.7%	1.6%	2.1%	14.2%	13.1%
Books					
Revenue	-12.9%	-18.0%	-4.9%	-11.5%	0.8%
Revenue – CER	-14.6%	-20.0%	-7.5%	-12.5%	0.6%

³ Streaming revenue includes all of Storytel Norway's revenue.

⁴ 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 first quarter 2024, Group

Comparative figures in brackets pertain to the first quarter 2023

Net sales

Group net sales for the quarter increased by 12% from the comparative period to 891.9 (796.3) MSEK. The increase is mostly driven by a 13% growth in Streaming revenues where all core markets, the Nordics, the US, and the four Non-Nordic growth markets (the Netherlands, Turkey, Poland, and Bulgaria) contributed. Growth was particularly strong in the Non-Nordic growth markets where revenues increased almost 25%.

Organic streaming revenue growth was 13% at constant exchange rates in the first quarter.

The Books segment's external sales increased 1%, driven by higher digital sales, while the sale of printed books reflects the general decline in the segment. Internal sales, from our in-house publishers to our streaming service, continued to grow by 22 percent in the first quarter.

In the quarter, the average ARPU was 124 (121) SEK. Average paying streaming subscribers amounted to 2,255,000, an increase by 215,000 compared with last year and by 55,000 compared with the previous quarter. The increase in the subscriber base is mostly driven by our four Non-Nordic growth markets, and the Nordic and the US business also showed healthy growth.

Items affecting comparability

In the first quarter 2024, Storytel recognized Items Affecting Comparability (IACs) of -55.0 MSEK, of which -53.3 MSEK affects the EBITDA. Of the IACs, -45.1 MSEK relate to restructuring charges in personnel and other operational expenditures. Another -9.9 MSEK relates to expenses arising from the group's share-based incentive schemes.

Of the IACs in the quarter, -6.6 (0.0) MSEK is reported as cost of sales and decreased gross profit, and -48.4 (5.0) MSEK is reported as operating cost and reduced operating profit.

Adjusted Group total	Q1 2024	Q1 2023
Net sales	891.9	796.3
Cost of sales	-506.8	-480.8
Gross profit	385.1	315.5
Selling and marketing expenses	-212.0	-205.7
Technology and development expenses	-60.5	-69.5
Administrative expenses	-79.7	-92.1
Other operating items	4.1	5.3
Profit from participations in associates	-5.6	3.4
Operating profit/loss	31.4	-43.0
Net financial items	8.7	-16.2
Profit before tax	40.1	-59.2

Items affecting comparability	Q1 2024	Q1 2023
Net sales	-	-
Cost of sales	-6.6	-
Gross profit	-6.6	-
Selling and marketing expenses	-9.6	-
Technology and development expenses	-24.1	-
Administrative expenses	-14.7	-5.0
Other operating income	-	-
Profit from participations in associates	-	-
Operating profit/loss	-55.0	-5.0
Net financial items	-	-
Profit before tax	-55.0	-5.0

Gross profit

Cost of sales for the period increased by 7% to -513.4 (-480.8) MSEK and gross profit increased by 20% amounting to 378.5 (315.5) MSEK.

Adjusted Gross profit increased by 22% and amounted to 385.1 (315.5) MSEK, which equals a gross margin of 43.2% (39.6%), up 3.6 ppt from last year, mainly driven by improvements in Streaming Nordics.

EBITDA

EBITDA for the quarter increased to 50.9 (33.9) MSEK.

Adjusted EBITDA for the quarter increased by 167% and totaled 104.2 (39.0) MSEK, which equals an adjusted EBITDA margin of 11.7% (4.9%). The significant improvement is driven by strong growth in streaming revenue and a reduction of costs as a result of cost efficiency measures.

Operating profit

Operating profit for the quarter totaled -23.6 (-48.0) MSEK.

Adjusted operating profit for the quarter totaled 31.4 (-43.0) MSEK. The improvement was to a large extent derived from increased revenues within Nordic streaming combined with a reduction of operating expenses.

Adjusted selling and marketing expenses increased by 3% to -212.0 (-205.7) MSEK.

Adjusted technology and development expenses decreased by 13% to -60.5 (-69.5) MSEK.

Adjusted general and administrative expenses decreased by 14% to -79.7 (-92.1) MSEK.

Net profit

Profit before tax for the quarter amounted to -14.9 (-64.3) MSEK. Adjusted profit before tax for the quarter amounted to 40.1 (-59.2) MSEK.

Net financial items for the quarter totaled 8.7 (-16.2) MSEK. The amount includes -12.2 (-14.4) in net interest costs, as well as FX effects mainly from a USD denominated commitment derived from the acquisition of Audiobooks.com of 18.2 MSEK.

Taxes for the quarter amounted to -8.3 (2.5) MSEK. Net profit for the quarter amounted to -23.2 (-61.7) MSEK.

Earnings per share for the quarter totaled -0.32 (-0.81) SEK, before and after dilution.

Cash flow

Cash flow from operations before changes in working capital amounted to 28.0 (17.8) MSEK.

The change in working capital was -27.0 (3.9) MSEK, resulting in cash flow from operating activities of 1.0 (21.7) MSEK for the quarter. Changes in working capital were due to seasonality on receivables and payables, while a further reduction in liabilities was the result of the previous quarter's restructuring, bonus and holiday accruals being paid out.

Cash flow from investing activities was -38.4 (-47.8) MSEK. Cash flow from financing activities was -59.3 (-212.3) MSEK which includes a 50 MSEK repayment of a term loan.

Total cash flow for the quarter was -96.7 (-238.4) MSEK.

Other information

Financial position, equity & liquidity (compared to March 31, 2023)

At the end of the period, the Group had 351.8 (540.4) MSEK in cash and cash equivalents. The equity-to-asset ratio at the end of the period was 42.9% (51.5%).

Total equity at the end of the period was 1,287.4 (2,061.2) MSEK.

Total non-current liabilities amounted to 826.3 (991.9) MSEK and total current liabilities amounted to 890.5 (949.5) MSEK.

Out of the total current liabilities, 50 MSEK relate to the remaining part of the bank term loan that will be fully amortized by 30 June 2024. During the first quarter, 50 MSEK of the term loan was amortized.

Total available liquidity (cash and cash equivalents and unutilized RCF) totalled 451.8 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 11.5 (8.8) MSEK in the quarter, profit before tax amounted to -9.7 (-5.2) MSEK, and profit/loss amounted to -9.7 (-5.2) MSEK. Total equity amounted to 4,186.7 (4,204.0) 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 2023 Annual Report, these factors include the prevailing economic and business environments in each of the Group's markets; 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 March 31, 2024, 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.

Significant events during the period

Storytel's streaming organization and our Danish publisher People's initiated efficiency optimization initiatives. The initiatives represent a 13 percent reduction in workforce by the end of 2024 compared with the end of 2023.

In the first quarter 2024, Storytel recognized Items Affecting Comparability (IACs) of -55.0 MSEK, of which -53.3 MSEK affects the EBITDA. Of the IACs, -45.1 MSEK relate to restructuring charges in personnel and other operational expenditures. Another -9.9 MSEK relates to expenses arising from the group's share-based incentive schemes.

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.

Storytel launched a partnership with VodafoneZiggo, one of the leading Dutch telecom companies, offering Vodafone's 5.5+ million mobile subscribers access to Storytel's catalog.

On March 20, Storytel's chairman Hans-Holger Albrecht announced that he will not stand for re-election for the coming period.

Significant events after the period

On April 24, Storytel announced the implementation of changes in its reporting of EBITDA and adjusted EBITDA. More information about these changes and restated financials can be found at: <https://www.storytelgroup.com/en/notifications-of-changes-in-ebitda-reporting-and-corresponding-guidance-for-2024/>

On April 29, Storytel announced that Johannes Larcher will step down as CEO in the fall of 2024.

On April 30, Storytel Group Nomination Committee presented a proposal for Board of Directors and new Chair of the board.

For more information and a full list of announcements please see www.storytelgroup.com/en/newsroom/

Full-year 2024 guidance

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

- Organic group revenue of around 10 percent
- Above 13 percent EBITDA margin (adjusted for items affecting comparability)
- An operational cash flow (adjusted EBITDA less operational capex) above 8 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 above 15 percent in 2026, with a long-term ambition of 20 percent or higher

Operational Cash Flow

- Operational Cash Flow above 10 percent in 2026

Group Financial Statements

Condensed Consolidated Interim Statements of Comprehensive Income

TSEK	Q1 2024	Q1 2023	Q1-Q4 2023
Net sales	891,886	796,293	3,489,220
Cost of sales	-513,415	-480,792	-2,241,895
Gross profit	378,470	315,501	1,247,326
Sales and marketing expenses	-221,617	-205,725	-845,177
Technology and development expenses	-84,628	-69,465	-303,017
General and administrative expenses	-94,401	-97,144	-869,234
Other operating items	4,104	5,335	13,147
Result from participations in associates	-5,553	3,450	14,608
Operating profit/loss	-23,624	-48,048	-742,348
Net financial items	8,722	-16,223	-65,122
Profit/loss before taxes	-14,902	-64,271	-807,470
Tax	-8,301	2,530	-6,053
Profit/loss for the period	-23,203	-61,741	-813,523
Profit for the period attributable to:			
Parent Company shareholder	-24,821	-62,789	-819,186
Non-controlling interest	1,618	1,048	5,663
Earnings per share, SEK			
Group total, basic	-0.32	-0.81	-10.63
Group total, diluted	-0.32	-0.81	-10.63
Statement of comprehensive income			
Profit/loss for the period, after tax	-23,203	-61,741	-813,523
Other comprehensive income			
<i>Items that will be reclassified to profit/loss (after tax)</i>			
Translation difference	40,178	-9,034	-42,667
<i>Items that will not be reclassified to profit/loss (after tax)</i>			
Revaluation of defined-benefit pension plans	-7,169	-3,483	-8,744
Adjustment of hyperinflationary economies	-	-	506
Total other comprehensive income for the period, after tax	33,009	-12,517	-50,906
Total comprehensive income for the period, after tax	9,806	-74,258	-864,429
Total comprehensive income for the period attributable to:			
Parent Company shareholder	8,188	-75,306	-870,092
Non-controlling interest	1,618	1,048	5,663

Condensed Consolidated Interim Statements of Financial Position

TSEK	31 Mar 2024	31 Mar 2023	31 Dec 2023
Intangible assets	1,938,595	2,583,751	1,902,303
Tangible assets	16,533	26,981	17,818
Right-of-use assets	70,025	115,459	84,119
Non-current financial assets	66,004	70,237*	76,376
Inventory	59,205	103,443	59,808
Current receivables	502,074	562,218*	564,085
Cash and cash equivalents	351,793	540,432	436,143
Total assets	3,004,229	4,002,521*	3,140,651
Equity	1,287,429	2,061,151*	1,273,182
Non-current liabilities	826,271	991,883	173,966
Current liabilities	890,530	949,487	1,693,502
Total equity and liabilities	3,004,229	4,002,521*	3,140,651

*Restated amount, see Note 1

Condensed Consolidated Interim Statement of Changes in Equity

2024-03-31		Equity attributable to shareholders in parent company						
TSEK		Share capital	Other capital contributions	Translation difference	Retained earnings	Total	Non-controlling interests	Total equity
Opening equity as of 1/1/2024		38,554	3,578,102	114,445	-2,523,263	1,207,838	65,345	1,273,182
Profit for the year		-	-	-	-24,821	-24,821	1,618	-23,206
Other total comprehensive income for the year		-	-	40,178	-7,169	33,009	-	33,009
Total comprehensive income for the year		-	-	40,178	-31,990	8,188	1,618	9,806
<i>Transactions with the Group's owners</i>								
Share-related compensations		-	-	-	4,440	4,440	-	4,440
Closing equity as at 03/31/2024		38,554	3,578,102	154,623	-2,550,183	1,220,466	66,963	1,287,429

2023-03-31		Equity attributable to shareholders in parent company						
TSEK		Share capital	Other capital contributions	Translation difference	Retained earnings	Total	Non-controlling interests	Total equity
Opening equity as of 1/1/2023		38,537	3,578,102	157,112	-1,712,040*	2,061,711*	70,074	2,131,785*
Profit for the year		-	-	-	-62,789	-62,789	1,048	-61,741
Other total comprehensive income for the year		-	-	-9,034	-3,483	-12,517	-	-12,517
Total comprehensive income for the year		-	-	-9,034	-66,272	-75,306	1,048	-74,258
<i>Transactions with the Group's owners</i>								
Issue expenses		-	-	-	-1,074	-1,074	-	-1,074
Share-related compensations		-	-	-	4,698	4,698	-	4,698
Closing equity as at 03/31/2023		38,537	3,578,102	148,078	-1,774,688	1,990,029	71,122	2,061,151

*Restated amount, see Note 1

Condensed Consolidated Interim Statements of Cash Flows

TSEK	Q1 2024	Q1 2023	Q1-Q4 2023
Profit/loss after financial items	-14,902	-64,271	-807,470
<i>Where of interest paid</i>	-12,193	-14,438	-55,627
Adjustments for non-cash items	46,657	84,245	941,327
Taxes paid	-3,803	-2,207	-31,914
Cash flow from operations before changes in working capital	27,951	17,767	101,942
Change in inventory	926	-1,131	27,656
Change in operating receivables	59,356	54,600	60,138
Change in operating liabilities	-87,265	-49,563	58,734
Change in working capital	-26,983	3,905	146,528
Cash flow from operating activities	968	21,672	248,470
Cash flow from investing activities	-38,385	-47,809	-193,299
Cash flow from financing activities	-59,262	-212,281	-383,698
Cash flow for the period	-96,678	-238,418	-338,527
Available funds at the beginning of period	436,143	776,341	776,341
Cash flow for the period	-96,678	-238,418	-338,527
Translation differences in available funds	12,328	2,509	-1,671
Available funds at end of period	351,793	540,432	436,143

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.

There are no new IFRS standards or amendments of existing IFRS standards during 2023 and 2024 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 year 2023, 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
Gross profit	-1,213,145	-	-1,213,145
Operating expenses	-1,602,164	-11,484	-1,613,648
Operating profit/loss	-389,019	-11,484	-400,503
Net financial items	5,347	-	5,347
Profit/loss before taxes	-383,672	-11,484	-395,156
Tax	3,402	-	3,402
Profit/loss for the period	-380,270	-11,484	-391,754

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
Total assets	3,008,720	-49,681	2,959,039	4,388,480	-11,484	4,327,314
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
Total equity and liabilities	3,008,720	-49,681	2,959,039	4,388,480	-11,484	4,327,314

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 further 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).

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.

Jan-Mar 2024	Streaming Nordics	Streaming Non-Nordics	Books	Total segment	Group-wide items and eliminations	Other adjustments	Group total
Revenue from external customers	559,172	277,687	131,079	967,937	-97,893	21,842	891,886
Internal revenue	-	-	58,660	58,660	-58,660	-	-
Cost of sales	-309,769	-144,306	-115,549	-569,624	61,546	-5,338	-513,415
Gross profit	249,402	133,381	74,190	456,973	-95,007	16,504	378,470
Adj. gross profit	252,479	134,152	76,923	463,554	-95,007	16,504	385,051

Jan-Mar 2023	Streaming Nordics	Streaming Non-Nordics	Books	Total segment	Group-wide items and eliminations	Other adjustments	Group total
Revenue from external customers	496,630	245,451	130,083	872,163	-90,555	14,685	796,293
Internal revenue	-	-	48,062	48,062	-48,062	-	-
Cost of sales	-295,638	-129,375	-109,672	-534,685	58,305	-4,411	-480,792
Gross profit	200,992	116,075	68,472	385,540	-80,312	10,273	315,501
Adj. gross profit	200,992	116,075	68,472	385,540	-80,312	10,273	315,501

Group total	Jan-Mar 2024	Jan-Mar 2023
Gross profit	378,470	315,501
Selling and marketing expenses	-221,617	-205,725
Technology and development expenses	-84,628	-69,465
Administrative expenses	-94,401	-97,144
Other operating items	4,104	5,335
Profit from participations in associates	-5,553	3,450
Operating profit/loss	-23,624	-48,048
Add back depreciation/amortization and impairment	74,539	81,987
EBITDA	50,914	33,939
Add back IAC	53,286	5,029
Adjusted EBITDA	104,200	38,969

Note 6 Revenue from contracts with customers

Jan-Mar 2024	Books	Streaming	Other	Group total
Type of product or service				
Revenue from subscriptions of streaming service	-	738,965	-	738,965
Revenue from publishing activities	131,079	-	-	131,079
Other	-	-	21,842	21,842
Revenue from contracts with customers	131,079	738,965	21,842	891,886

Jan-Mar 2023	Books	Streaming	Other	Group total
Type of product or service				
Revenue from subscriptions of streaming service	-	651,526	-	651,526
Revenue from publishing activities	130,083	-	-	130,083
Other	-	-	14,685	14,685
Revenue from contracts with customers	130,083	651,526	14,685	796,293

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 6,7 % shares in Earselect AB, which will result in an additional transferred consideration of 4,046 TSEK, after the consideration paid in the quarter, see note 8. 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 & Co. is reported at fair value in accordance with Level 3 of the valuation hierarchy. The carrying amount is considered to correspond to the fair value of the acquisition option.

Financial liabilities valued at fair value	Q1 2024	Q1-Q4 2023
Opening balance	8,634	13,124
Consideration paid	-4,067	-4,530
Change in value recognized in profit/loss	-	40
Closing balance	4,567	8,634

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

A consideration of 4,067 TSEK for Storytel's acquisition option in Earselect was paid during the period. Storytel obtained a further 6.6% ownership and owned at the end of the period 93.3% of Earselect.

Condensed Parent Company Interim Statements of Comprehensive Income

TSEK	Q1 2024	Q1 2023	Q1-Q4 2023
Net sales	11,500	8,820	46,142
Gross profit	11,500	8,820	46,142
Administrative expenses	-14,918	-8,000	-41,973
Other operating items	-15		18
Operating profit	-3,434	820	4,187
Net financial items	-6,292	-5,999	-19,276
Profit/loss before taxes	-9,726	-5,179	-15,089
Tax	-	-	-
Profit/loss for period	-9,726	-5,179	-15,089
Parent Company's condensed statement of comprehensive income			
Profit for the period	-9,726	-5,179	-15,089
Total comprehensive income for the period	-9,726	-5,179	-15,089

Condensed Parent Company Interim Statements of Financial Position

TSEK	31 Mar 2024	31 Mar 2023	31 Dec 2023
Non-current financial assets	4,916,244	4,848,935	4,916,244
Current receivables	153,812	211,143	102,977
Cash and cash equivalents	31,665	197,432	40,992
Total assets	5,101,721	5,257,510	5,060,213
Equity	4,186,693	4,203,990	4,195,738
Non-current liabilities	650,000	748,416	-
Current liabilities	265,028	305,104	864,476
Total equity and liabilities	5,101,721	5,257,510	5,060,213

Number of shares and share capital as of March 31, 2024

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 March 31, 2024. The shareholder structure is presented at <https://www.storytelgroup.com/en/investor-relations/shareholder-structure/>.

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

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 – Streaming (Table 1)	ARPU times Paying Subscribers.
Revenue – Books (Table 1)	Physical books and digital sales from all publishing houses in the group, through channels other than Storytel. Internal revenue from Storytel has been eliminated.
Items affecting comparability (IAC)	Items affecting comparability include items of a significant character that distort comparisons over time, such as costs in connection with acquisitions, divestments, and market exits; restructuring costs; significant impairments and write-downs; as well as all expenses, or reversals of expenses, arising from the group's share-based incentive schemes.
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.
Operational Cash Flow	Adjusted EBITDA less operational Capex, which consist of product & tech investments and investments into audiobook productions.

This constitutes inside information that Storytel AB (publ) is obliged to disclose in accordance with the EU Market Abuse Regulation (EU nr 596/2014). The information was provided, through the agency of the below contact persons, at 8:00 a.m. CEST on May 7, 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, May 7, 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

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