



CORRECTION: Storytel to acquire streaming service Audiobooks.com – entering the U.S. market

Correction refers to added details concerning enterprise value and financing of the acquisition.

The Storytel Group (“Storytel”), one of the world’s largest audiobook and e-book streaming companies, has signed a definitive agreement to acquire Audiobooks.com from KKR for an enterprise value of USD 135 million on a cash and debt free basis. Audiobooks.com is one of the leading services for audiobook experiences in the U.S. With this acquisition, Storytel extends its trajectory of expansion and profitable growth to the largest English-language audio market in the world.

Since launching in 2011, Audiobooks.com has cultivated a strong brand presence in the U.S. audiobook market. With a focus on user experience in top-rated apps for iOS and Android devices, Audiobooks.com also offers integration with Alexa, Sonos, CarPlay and Android Auto, among others. Audiobooks.com offers subscribers a first-class content catalog of 300,000 audiobooks from hundreds of major publishing partners, as well as millions of free podcasts and additional audio entertainment.

Storytel’s acquisition of Audiobooks.com lays the foundations for the company’s expansion into English-language markets and underlines its pronounced growth strategy to launch into large and established audio markets. Today, Storytel’s successful trajectory of global expansion includes more than 1.7 million subscribers, operations in 25 markets and a vast library of more than 700,000 titles and 30+ languages on a global scale.

“I have been impressed by Audiobooks.com’s success, expertise and experience in the U.S. market, as well as across the UK and Australia. Audiobooks.com is a growing profitable business with a consumer and partnership friendly approach that offers Storytel a new platform for growth. I am now looking forward to working with our teams, publishers and partners to make audiobook listening as popular on the English speaking markets as it has become in recent years in the Nordics.”, says **Jonas Tellander**, CEO and founder of Storytel.

“I am proud of the success that the Audiobooks.com team has achieved, positioning the company as one of the leading U.S. services for audiobooks. With Storytel, we join a group with an aligned vision and values that offer a solid base and global scale to address a market of hundreds of millions English-speaking consumers,” says **Ian Small**, General Manager at Audiobooks.com, who will remain in his position following the acquisition. “With the combined industry expertise of Storytel and Audiobooks.com, we will continue to fuel the passion and interest of the English-speaking audiences

and take our service to the next level.”

The enterprise value for the acquisition amounts to USD 135 million on a cash and debt free basis and will be paid in cash. The acquisition will be financed through existing funds and a newly issued SEK 500 million bridge loan facility, with termination date in Q1 2023, with Swedbank AB (publ). The bridge loan has been taken as part of an amendment to the company’s existing credit facility, where the company’s revolving credit facility was extended for another three years and the available amount increased to SEK 850 million (from SEK 500 million). Subject to customary regulatory approvals, closing of the acquisition is expected to take place at the end of December 2021.

LionTree Advisors acted as exclusive financial advisor to Audiobooks.com, and Weil, Gotshal & Manges LLP acted as legal advisor to Storytel.

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This information is such 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 above contact person, at the time stated in this press release, by Cision.

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

About Storytel

Storytel is one of the world’s largest subscribed audiobook and e-book streaming services and offers listening and reading of more than 700,000 titles on a global scale. Our vision is to make the world a more empathetic and creative place with great stories to be shared and enjoyed by anyone, anywhere and anytime. Storytel’s streaming business is conducted under the brands Storytel and Mofibo. Storytel’s publishing business area is carried out through the audiobook publisher StorySide and acclaimed Nordic publishing houses such as Norstedts, People’s and Gummerus. Storytel operates in 25 markets around the globe and is headquartered in Stockholm, Sweden.

About Audiobooks.com

Audiobooks.com is a market-leading streaming and download service for audiobooks, delivering fast and easy access to 300,000 titles from hundreds of publishing partners to book lovers around the world via the free Audiobooks.com app for Apple and

Android. The service can be used at home on Sonos, Alexa or tvOS, and in-car on CarPlay, Android Auto and with the infotainment systems in select General Motors, Land Rover and Jaguar vehicles. Founded in 2011, Audiobooks.com is now available to listeners in more than 150 different countries and is headquartered in Toronto, Canada.

About KKR

KKR is a leading global investment firm that offers alternative asset management and capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life, and reinsurance products under the management of The Global Atlantic Financial Group. References to KKR's investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.