



Interim Report

January - June 2019
Storytel AB (publ)



Highlights in this report

Click [here](#) to watch the quarterly video with CEO Jonas Tellander and CFO Sofie Zettergren.

- Streaming sales up 34% from Q2 2018, to 320 (239) MSEK
- Net turnover increased to 402 from Q2 2018, (338) MSEK
- Earnings per share, after taxes amounted to -1.20 (-1.25) SEK
- Subscriber base up 43% Y/Y to 887,500 (621,200) on average
- Storytel launched its 17th market, Germany
- Storytel Stock Option Program launched

Table 1: Key performance indicators for Streaming and Print Publishing

Currency: SEK 000's	Q2 2018	Q3 2018	Q4 2018	Q1 2019	Q2 2019	Q3 2019
Streaming Total						Forecast¹
Ü^ç^ ^	239,139	279,979	291,315	295,994	320,034	395,000
Ó[} dñ } Á! -Ä	25,045	22,063	30,444	31,372	29,407	
Ó[} dñ } Á ã* ð	10.5%	7.9%	10.5%	10.6%	9.2%	
Ç* Æ ã ð * Á' à • & ã ^ / •	621,200	720,900	768,700	834,300	887,500	1,005,000
Æ Ú Ú ð Á Ú Ö S E T [] c @	128	129	126	118	120	131
Streaming Nordics⁴						
Ü^ç^ ^	218,714	253,081	259,256	258,288	276,347	338,000
Ó[} dñ } Á! -Ä	57,986	62,327	82,645	75,329	70,443	
Ó[} dñ } Á ã* ð	26.5%	24.6%	31.9%	29.2%	25.5%	
Ç* Æ ã ð * Á' à • & ã ^ / •	530,200	595,400	616,300	645,500	669,200	732,000
Æ Ú Ú ð Á Ú Ö S E T [] c @	138	142	140	133	138	154
Streaming Non-Nordics						
Ü^ç^ ^	20,424	26,898	32,059	37,706	43,687	57,000
Ó[} dñ } Á! -Ä	-32,941	-40,264	-52,200	-43,957	-41,036	
Ó[} dñ } Á ã* ð	-161.3%	-149.7%	-162.8%	-116.6%	-93.9%	
Ç* Æ ã ð * Á' à • & ã ^ / •	91,000	125,500	152,400	188,800	218,300	273,000
Æ Ú Ú ð Á Ú Ö S E T [] c @	75	71	70	67	67	70
Print Publishing⁵						
Ü^ç^ ^ Á	115,898	116,252	170,435	107,316	109,053	
Ó[} dñ } Á! -Ä	41,889	40,140	54,681	32,775	28,830	
Ó[} dñ } Á ã* ð Á	36.1%	34.5%	32.1%	30.5%	26.4%	

¹ "Forecast" means an approximation based on information available at the time the report was prepared.

² Contribution Profit is defined as streaming revenue minus royalties to third-party publishers and rights holders, in-house production costs, transaction costs and marketing costs. Storytel Reader and Ztory is not included in Streaming.

³ ARPU = Average Revenue Per User (Subscriber) per month.

⁴ Storytel Norway is included in the figures @ 100%. In the consolidated group accounts, Norway is reported in accordance with the principle of proportional consolidation.

⁵ Print Publishing refers to physical books and digital sales through channels other than Storytel. Internal revenue from Storytel has been eliminated. All publishing houses in Sweden and outside of Sweden are included.

⁶ Contribution Profit is defined as revenue minus cost per unit sold, royalties to rights holders, distribution, sales and marketing costs.



Comments from the CEO

In Q2/19 we continued to deliver strong revenue growth. Here is a summary of Q2/19, where we also provide a forecast for Q3/19. Yesterday, on August 12, we announced that we passed the 1 million paying subscriber milestone, an amazing achievement that makes me very proud on behalf of our Storytel staff and customers around the world. Thank you for following our story as an investor and customer!

Subscribers

In Q2/19 we added 53,200 subscribers to our paying base (forecast 45,700): +26% annual subscriber growth on Nordic markets and +140% on Non-Nordic markets. The best performing markets in terms of net adds to the subscriber base were Sweden, Norway, Denmark, Russia, Turkey and Mexico. The growth in Norway was partly impacted by additions of new titles starting in May. Russia ran a successful campaign in conjunction with the launch of Glukhovsky's *Vj g'Qwr quw* and Turkey saw large additions from a collaboration with Vodafone.

Our focus and devotion to constantly super-serve a global audience with the best content and optimal storytelling is core, where understanding the customer is key in a data driven reality where the ability to know the preferences and foresee the subscribers' personal needs are major success factors.

Revenues

Revenue growth was +34% Y/Y in Q2/19: 26% on Nordic markets and 114% on non-Nordic markets. In the Nordics, our Q2 sales were 276 MSEK and in our non-Nordic markets our Q2 sales were 44 MSEK.

In Q2 2019, ARPU increased in the Nordic markets compared to last quarter, to 138 SEK. The increase was mainly driven by Family subscription being back at its normal subscription rate (it was discounted in Q1). ARPU in the non-Nordic markets remained stable at 67 SEK, compared to last quarter. Total ARPU amounted to 120 SEK compared to 128 SEK in Q2 2018. The decline can be explained by a change in the geographical mix, since lower priced countries are becoming a larger part of total sales.

Business development

On 17 June, Storytel launched in Germany, its 17th market. We envisioned a German service already more than 14 years ago when we visited the book fairs in Frankfurt and Leipzig to explore the European book market, prior to the birth of Storytel. The transformational journey from physical audiobooks (CD) to audiobook streaming has kicked off in Germany and this will be an exciting market to follow in coming years.

During the quarter, Storytel also announced plans to launch in Brazil and South Korea in 2019, further amplifying our presence in Latin-America and Asia.

In Sweden, the Ztory app was introduced to Storytel's strong customer offering on 14 June and is part of our efforts to broaden the portfolio by adding access to digital subscriptions to more than 700 popular newspapers and magazines. The goal is to drive intake to the Ztory app and increase the customer lifetime for Storytel subscribers. During the quarter we have started to invest in marketing to build Ztory's subscriber base and promote the Storytel-Ztory bundle.

Publishing

We are also proud to have initiated our first multi-market launch of a Storytel Original, '*Vj g' Qwr quw*', an exclusive novel produced directly for audio. The production became an instant success when it was launched by Storytel Russia in May and the ongoing PR tour will feature Dmitry Glukhovskiy at many cultural events including the Gothenburg Book Fair and ComicCon in Stockholm in September. *Vj g' Qwr quw* will be translated into several languages on the Storytel platform, including English, Spanish, Swedish, Polish, Danish, Finnish, Turkish and Bulgarian.

Storytel's traditional publishing houses (Norstedts Förlagsgrupp and People's Press) have had a somewhat slow start to the year, with the slow-down in the physical book markets resulting in lower sales. Both publishing houses are investing heavily in audiobooks in order to offset decreased physical sales by an increase in digital sales. In the physical book market most of the sales are new titles which has led to a fast payback of investments and releases of new titles. Streaming subscription consumption tends to be more balanced and a majority of consumption are for titles that were not released in the past 12 months, which results in longer lead times to recoup investments in producing new books. This may create challenges for publishing houses as physical sales deteriorate and digital sales rise.

In Sweden, Norstedts Förlagsgrupp hopes to have a strong second half of the year since this year's largest event in the book industry, the sixth novel in the Millennium series by David Lagercrantz will be released.

Operations

Before the summer we communicated a change in the management team to the organization, where the heads of Business Administration, Commercial, R&D and Publishing will be members of the management team for streaming, headed by Jonas Tellander. In order to work more closely with the Board and on a more strategic level, the management team is thus becoming smaller. Sofie Zettergren will continue as CFO and will lead Business Administration, which encompasses Finance, Legal, Internal Control, HR and Operations. Ingrid Bojner, CCO, will head Commercial, where expansion activities will move into her domain and she will have hub managers for five different regions reporting to her. Content will also be part of Ingrid's team. Stefan Tegenfalk who used to be Head of Expansion will

become Head of R&D and be responsible for our technology, product management, innovation and intelligence activities. Rickard Henley will continue to be Head of Publishing, with responsibility for production, publishing and sales of our catalogue of more than 10,000 titles in 20 languages.

Guidance Q3/19 and FY2019

Q3 is typically Storytel's strongest quarter in terms of growth and Q3/19 looks to be no exception. We are forecasting an addition of 117 500 subscribers, 62 800 in the Nordics and 54 700 in our non-Nordic.

On 1 July, after the end of the quarter, Sweden, Norway and Finland lowered their VAT-rate significantly. In Sweden and Finland, Storytel choose a path making the surplus from tax reduction benefit all of the authors creating content for our service, instead of pursuing a general and customary price decrease. We expect this arrangement to further strengthen the author's earnings when the effect is realized in Q3/19. In Norway, where the VAT rate was lowered to 0%, we decreased the price from 199 NOK to 179 NOK. Our expectation is that this will fuel ARPU on the Nordic market from 138 SEK in Q2/19 to 154 SEK in Q3/19.

On 1 July, we also raised the price in the Netherlands from 9.99 EUR to 11.99 EUR and saw minimal customer churn due to the price increase. This will help us to boost revenues further in Q3/19, and is an important step to make Storytel Netherlands profitable, hopefully at the end of this year. Adding the VAT effect in Sweden, Norway and Finland we expect 41% streaming revenue growth in Q3/19 compared to Q3/18.

We are keeping the Streaming revenue growth target for 2019 at 36-41%, but expect to come in at the higher range, due to strong growth and increased ARPU. At the same time we are investing in marketing to reach that growth and expect to come in at around -16% EBITDA margin, hence the lower guided range.

About Storytel

Storytel was founded in 2005 by Jonas Tellander and Jon Hauksson. In 2009 Storytel participated in the television show [Draknästet](#) (Eng.: The Dragon's Den) to ask for capital, and in 2016 Storytel acquired Norstedts Förlagsgrupp. These two events marked important milestones for the company, from the struggles of a start-up in the midst of a financial crisis to the successful acquisition of Sweden's perhaps most prestigious publishing house and the home of Astrid Lindgren and Stieg Larsson. Storytel's journey as a public company began in June 2015 on Spotlight stock market at a market capitalization of 600 MSEK. In December 2018, Storytel moved its listing to Nasdaq First North at a market capitalization of approximately 6 BSEK.

Storytel is Northern Europe's leading audiobook and e-book streaming service and offers unlimited listening and reading of more than 300,000 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 anytime, anywhere and by anyone. Storytel is a digital platform provider as well as a comprehensive publishing group. The Streaming business area offers subscriptions for audiobooks and e-books under the Storytel and Mofibo brands. Storytel's Publishing business area is carried out through the publishing houses of Norstedts, Massolit, StorySide, Printz Publishing, People's Press, Rabén & Sjögren, B.Wahlströms and Norstedts Kartor. Ztory, a digital all-you-can-read streaming subscription service for newspapers and magazines, has been part of Storytel since January 2019. Storytel operates in 17 markets around the globe and is headquartered in Stockholm, Sweden.

Financial performance, second quarter 2019

Consolidated net and total turnover, Q2 2019 (compared to Q2 2018)

Net turnover for the Group in Q2 2019 totalled 401,875 (337,926) TSEK. Storytel A.S in Norway is a joint venture with Cappelen Damm and is reported in accordance with the principle of proportional consolidation. Table 1 in this report includes all subscribers and revenue in Norway under Streaming, Nordic markets. 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 average revenue per subscriber. Table 1 includes neither revenue from sales of Storytel Reader and Ztory nor some other non-material other operating income.

Total Group revenue amounted to 414,080 (343,528) TSEK. Streaming sales grew by 34% Y/Y while Print Publishing sale declined slightly. Total Group revenue grew by 21% Y/Y.

Consolidated expenses, Q2 2019 (compared to Q2 2018)

Unit-sale costs for the Group totalled 261,441 (200,051)¹ TSEK in Q2 2019. Unit-sale costs include content costs to third-party publishers, royalty to rights holders, costs for producing audiobooks, and cost of goods sold for physical books, as well as warehouse, distribution, and

transaction costs. Unit-sale cost increased 31% Y/Y, which was mainly driven by Streaming becoming a larger part of total sales.

Gross margin totalled approx. 36.9% in Q2 2019, compared to 41.8% in Q2 2018. The gross margin of Streaming is currently slightly lower than the gross margin for Print Publishing, which is the main explanation to the decline when Streaming represents a larger portion of total sales. Another factor is transaction fees which has increased due to a shift in geographical mix where in-app payments are used in newer markets such as Russia, Turkey and Mexico. Content cost to third-party publishers and royalties to authors in the Streaming segment is on the same level in Q2 2019 as in Q2 2018.

Other external costs for the Group during Q2 2019 totalled 135,277 (113,503) TSEK, an increase of 19% Y/Y. The largest cost item under Other external costs consists of marketing costs. At the end of June 2019, Storytel had launched its service in 17 markets, which requires greater investments in marketing. As a percentage of streaming sales marketing costs in the streaming segment increased around 1% in Q2 2019 compared to Q2 2018. Other significant costs included office leases, IT-related services and costs, and consultant costs. Storytel's HQ is currently undergoing renovations and some teams had to move to Convendum in Slussen,

¹ In comparison figures for 2018, a reclassification has been made from other external costs to unit-sale costs, hence reducing the gross margin slightly compared to the interim report for January - June 2018. The reclassification has no effect on profit/loss for the period.

which resulted in an increase in office lease costs. Storytel has also increased its office space in Stockholm and in Copenhagen.

Staffing costs for the Group in Q2 2019 totalled 95,962 (74,041) TSEK, an increase of 30% Y/Y. Staffing costs within the Print Publishing division are at a stable level, while Streaming has experienced increased costs in order to meet the pace of expansion for both global functions and employees in new countries. Most recruitment is within the R&D department and all costs associated with R&D are expensed as staff costs as they occur.

Storytel Stock Option Program

In late Q2 2019, Storytel launched its Employee Stock Option Program. Non-material costs for the stock options as well as related social charges were recorded in Q2. Consultant costs in connection with the design and implementation of the program, including tax related work, were expensed as other external costs in Q2 2019. For more information (released in connection to the Annual General Shareholder's meeting), visit the investor relations page on Storytel's website.

EBITDA, Q2 2019 (compared to Q2 2018)

Earnings before interest, taxes, depreciation & amortisation (EBITDA) in the Group in Q2 2019 totalled -78,599 (-44,067) TSEK, equalling a negative EBITDA margin of -19.0%. The guided EBITDA margin for 2019 is negative and within the range of -14 to -16%. Storytel

has a positive EBITDA in four markets, but thirteen markets have yet to become profitable, leading to an overall negative EBITDA margin. Q1 and Q2 normally has the worst performance, although, we are expecting to pick up in Q3 and Q4 and meet the target. However, we expect to come in at the lower guided range, around -16% EBITDA.

Earnings, Q2 2019 (compared to Q2 2018)

Earnings for the period amounted to -66,866 (-64,357) TSEK. Earnings per share, after taxes, in Q2 2019 totalled -1.20 (-1.25) SEK and were calculated as earnings for the period after taxes, divided by the average number of shares during the period.

Capital expenditure, depreciation and amortisation Q2 2019 (compared to Q2 2018)

At the end of Q2 2019, the company had intangible assets amounting to 253,279 (290,940) TSEK, whereas the largest items consisted of rights, licences & brands and goodwill. Depreciation in the Group in Q2 2019 totalled -16,670 (-16,049) TSEK. Depreciation primarily includes depreciation attributable to goodwill and other excess value identified in connection with acquisitions. The largest asset items are connected to the acquisitions of Norstedts Förlagsgrupp, Mofibo and People's Press. All goodwill and excess values are depreciated on a linear basis, over between five to ten years. Depreciation on goodwill pertaining to acquisitions in currency other than SEK is affected by FX fluctuations. Other

depreciation primarily concerns the purchasing and development of IT systems from external parties. All tech costs related to developing Storytel's technical platform are expensed as staff costs as they occur.

Taxes

In Q2 2019 deferred tax was calculated for the whole period January - June 2019.

Going forward, this figure will be calculated on a quarterly basis and not on a yearly basis.

Group: Financial position as at 30 June 2019 (compared to 31 Dec 2018)

At the end of the period, the Group had 390,463 (582,585) TSEK in cash and cash equivalents. Solvency was 39.0% (45.6%). Equity totalled 476,071 (624,079) TSEK.

Non-current liabilities to lending institutions totalled 187,471 (200,649) TSEK. The portion that will be amortised during the next twelve months is considered to constitute current liabilities and totals approx. 30 MSEK. Storytel has an overdraft facility amounting to 75 MSEK, which is currently not used. Storytel also has the possibility of increasing non-current loans by 100 MSEK before 31 December 2019, to be used primarily for international expansion.

Cash flow, Q2 2019 (compared to Q2 2018)

Cash flow from operating activities before changes in working capital was -89,583 (-53,637) TSEK. Change in working capital is positive at 7,430 (31,324) TSEK. Inventory has built up somewhat in Q2 due to lower Print sales. Cash flow from investing activities was -4,734 (-2,120) TSEK, mainly attributable to expansion activities. Cash flow from financing activities amounted to -7,476 (91,234) TSEK, mainly attributable to amortisation of bank loans. Comparison figures contain a new bank loan of 100 MSEK was issued by Swedbank.

Guidance for Q3 2019 and FY 2019 (Streaming segment)

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Avg. subscribers Nordics: 732,000

Avg. subscribers non-Nordics: 273,000

Avg. subscribers Total: 1,005,000

Revenue Nordics: 338 MSEK

Revenue non-Nordics: 57 MSEK

Revenue Total: 395 MSEK

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Subscribers EoY: 1,100,000

Revenue growth: 36-41%

EBITDA margin: -14 to -16%

Consolidated Income Statement (TSEK)

	April – June 2019	April – June 2018	Jan - June 2019	Jan - June 2018
Net turnover	401,875	337,926	786,891	650,089
Change in inventory during production	2,009	-1,034	3,448	1,364
Other operating income	10,196	6,636	17,501	12,477
Total Group revenue	414,080	343,528	807,840	663,930
Operating expenses				
Unit-sale costs	-261,441	-200,051	-506,090	-393,213
Other external costs	-135,277	-113,503	-262,223	-214,576
Staffing costs	-95,962	-74,041	-185,984	-135,027
Total operating expenses	-495,180	-387,595	-954,297	-742,816
EBITDA	-78,599	-44,067	-146,457	-78,886
Depreciation and amortisation	-16,670	-16,049	-33,210	-31,500
Profit/loss before financial items	-95,269	-60,116	-179,667	-110,386
Profits from associated and Group companies	30	-26	60	-14
Net financial items	-3,102	-4,253	-9,405	-7,885
Profit/loss before taxes	-98,341	-64,395	-189,012	-118,285
Taxes on profit for the year including deferred taxes	31,475	38	33,030	2,530
Profit/loss for the period	-66,866	-64,357	-155,982	-115,755

Consolidated Balance Sheet (TSEK)

	30 June 2019	30 June 2018	31 Dec 2018
Assets			
Intangible assets	253,279	290,940	266,182
Tangible assets	9,782	4,669	5,033
Non-current financial assets	101,921	23,268	67,722
Inventory	83,667	74,572	77,378
Current receivables	381,457	297,657	368,903
Cash and cash equivalents	390,463	276,552	582,585
Total assets	1,220,569	967,658	1,367,803
Equity and liabilities			
Share capital	27,933	25,759	27,933
Other equity, including profit/loss for the year	448,138	213,474	596,146
Provisions	54,349	52,746	61,648
Non-current liabilities	187,471	200,424	200,649
Current liabilities	502,678	475,255	481,427
Total Equity and liabilities	1,220,569	967,658	1,367,803

Consolidated Statement of Changes in Equity (TSEK)

	Share capital	Reserves	Equity including net profit	Consolidated equity
Amount as at 1 January 2019	27,933	15,356	580,790	624,079
Translation differences		7,974		7,974
Profit/loss for the current period			-155,982	-155,982
Amount as at 30 June 2019	27,933	23,330	424,808	476,071

Condensed Consolidated Cash-Flow Statement (TSEK)

	Apr – Jun 2019	Apr – Jun 2018	Jan – Jun 2019	Jan – Jun 2018	Full Year 2018
Net profit/loss after financial items	-98,342	-64,395	-189,012	-118,286	-260,962
Adjustments for non-cash items	10,119	12,642	25,529	24,648	73,184
Taxes, paid	-1,361	-1,884	-3,895	-4,266	-4,082
Cash flow from operations before changes in working capital	-89,583	-53,637	-167,377	-97,904	-191,860
Change in working capital	7,430	31,324	256	48,004	6,134
Cash flow from operating activities	-82,153	-22,313	-167,121	-49,900	-185,727
Cash flow from investing activities	-4,734	-2,120	-11,296	-4,139	-23,718
Cash flow from financing activities	-7,476	91,234	-16,156	79,619	542,766
Cash flow for the period	-94,363	66,801	-194,573	25,580	333,321
Available funds at beginning of period	483,754	209,300	582,585	249,132	249,132
Translation differences in available funds	1,072	451	2,451	1,840	132
Available funds at end of period	390,463	276,552	390,463	276,552	582,585

Parent Company Income Statement (TSEK)

	April – June 2019	April – June 2018	Jan - June 2019	Jan - June 2018
Net Turnover	940	822	1,783	1,589
Total Group revenue	940	822	1,783	1,589
Operating expenses				
Other external costs	-1,227	-1,240	-2,753	-1,859
Staffing costs	-1,779	-1,200	-3,247	-2,229
Total operating expenses	-3,006	-2,440	-6,000	-4,088
EBITDA	-2,066	-1,618	-4,217	-2,499
Depreciation and amortisation				
Profit/loss before financial items	-2,066	-1,618	-4 217	-2,499
Net financial items	-1,378	-142	-1,972	-645
Profit/loss before taxes	-3,444	-1,760	-6,189	-3,144
Taxes on profit for the year including deferred taxes	1,275	-	1 275	-
Profit/loss for period	-3,444	-1,760	-4,914	-3,144

Parent Company Balance Sheet (TSEK)

	30 June 2019	30 June 2018	31 Dec 2018
Assets			
Non-current financial assets	1,088,343	918,619	1,033,343
Current receivables	326,986	119,839	172,302
Cash and cash equivalents	197,952	124,266	427,569
Total assets	1,613,281	1,162,724	1,633,214
Equity and liabilities			
Share capital	27,933	25,759	27,933
Other equity, including profit/loss for the year	1,420,405	944,875	1,426,710
Non-current liabilities	136,881	161,000	150,136
Current liabilities	28,062	31,090	28,435
Total Equity and liabilities	1,613,282	1,162,724	1,633,214

Accounting and valuation principles

This Interim Report has been prepared in accordance with the Swedish Annual Accounts Act. The accounting and valuation policies applied are consistent with the Swedish Accounting Standards Board's BFNAR 2012:1 and are unchanged since the latest published Annual Accounts.

Amounts are reported in Swedish kronor and rounded to the nearest thousand unless otherwise stated. Rounding to the nearest thousand may mean that amounts are not consistent when added. Amounts and figures stated in brackets are comparatives for the corresponding period of the previous year, if not stated otherwise.

The registered Parent Company is Storytel AB (publicly traded). Fifty percent of Storytel A.S. (Norway) is owned by Cappelen Damm and is reported here in accordance with the principle of proportional consolidation. Wholly owned subsidiaries are included in the financial statement from their time of registration or acquisition.

Auditor's review

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

Number of shares and share capital as at 30 June 2019 (compared to 31 Dec 2018)

There were 55,865,307 (55,865,307) registered shares in issuance at the end of the period, divided between 635 A-shares and 55,864,672 B-shares. Share capital totalled 27,932,653.5 (27,932,653.5) SEK as at 30 June 2019.

The shareholder structure can be found in the company's most recent annual report.

Post-period activity

At 1 July 2019, the VAT was reduced in Sweden, Finland and Norway. In Sweden from 25% to 6%. In Finland from 24% to 10% and in Norway from 25% to 0%.

Forthcoming reports

Interim Report Jan - Sept 2019	12 Nov 2019
Year-End Report 2019	20 Feb 2020
Annual Report 2019	2 April 2020
Interim Report Jan - Mar 2020	12 May 2020
Interim Report Jan - June 2020	11 Aug 2020
Interim Report Jan - Sept 2020	10 Nov 2020

Information about Nasdaq First North

Nasdaq First North (“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.

Risks and uncertainty factors

Storytel is exposed to risks, particularly associated with Storytel’s international expansion, ability to acquire new customers, ability to innovate, and ability to maintain and develop its content catalogue. The complete risk analysis is found in the company’s most recent annual report and company description.

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 Parent Company’s operations, financial position and operational performance.

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

Stockholm, 13 Aug 2019

Rustan Panday Chairman of the Board	Jonas Tellander Board Member and CEO
Jonas Sjögren Board Member	Nils Janse Board Member
Morten Strunge Board Member	Eva Swartz Grimaldi Board Member
Helen Fasth Gillstedt Board Member	Karin Alexandersson Board Member, staff representative

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