



“In the third quarter, Storytel Group delivered record-high revenue, adjusted EBITDA, and cash flow as the company continued to execute its profitable growth strategy.”

Highlights

Unless otherwise specified, numbers are for Q3 2024 and are compared to Q3 2023

- Group revenue up 7% to 954 (896) MSEK, and 8% at constant exchange rates (CER)
- Streaming revenue up 5%, and 8% at constant exchange rates (CER)
- Publishing revenue up 13% with an increase in digital sales of 18% and print sales of 6%
- Adjusted Gross profit up 18% to 436 (368) MSEK, equaling a margin of 45.7% (41.1%)
- Adjusted EBITDA increased by 77% to 178 (101) MSEK, equaling a margin of 18.7% (11.3%)
- The Group updates its 2024 guidance on adjusted EBITDA margin to be around 15% (from 13%), on operational cash flow to be at least 10% (from 8%), and on organic revenue growth to be around 8% (from 10%)
- Bodil Eriksson Torp assumed the role of CEO of Storytel Group as of October 1, 2024

Financial summary

MSEK	Q3 2024	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change
Group Revenue ¹	954	896	7%	2,770	2,543	9%
Streaming Revenue ²	852	809	5%	2,498	2,299	9%
Publishing Revenue ³	285	252	13%	793	716	11%
Adjusted Gross profit	436	368	18%	1,229	1,019	21%
Gross profit	434	368	18%	1,223	1,019	20%
Adjusted Gross margin %	45.7	41.1	4.6p	44.4	40.1	4.3p
Adjusted Operating profit	105	20	n.a	199	-49	n.a
Operating profit	87	15	n.a	110	-62	n.a
Adjusted EBITDA	178	101	77%	410	186	121%
Adjusted EBITDA margin %	18.7	11.3	7.4p	14.8	7.3	7.5p
EBITDA	161	96	67%	322	172	87%
Basic and diluted earnings per share (SEK)	0.67	-0.06	n.a	0.72	-1.29	n.a
Cash flow from operations before changes in working capital	148	79	88%	283	121	134%
Net cash flow	140	14	n.a	11	-250	n.a
Operational cash flow	146	65	n.a	306	67	n.a
Net Interest-Bearing Debt (NIBD)	202	308	-35%	202	308	-35%
NIBD/adjusted EBITDA ratio	0.4	1.5	-73%	0.4	1.5	-73%

¹ The adjustments from segment level to group level are 1) Removing Storytel Norway at 50%, 2) Removing internal publishing revenue from Net Sales and adding internal publishing revenue as cost reduction within Cost of Sales, 3) Adding Costs related to central group overhead functions 4) Adding result from Norway in accordance with the equity method. See Note 5 to the financial statements for additional details.

² Streaming revenue includes 50% of Storytel Norway's revenue in line with Storytel's ownership.

³ Publishing revenue includes both external and group-internal revenue.

CEO-statement

“Looking forward to continuing to strengthen Storytel's excellent position in the market”

I am both excited and honored to step into the role of CEO at Storytel Group. As I start this new chapter, I want to acknowledge the team's successful execution of the company's profitable growth strategy under the leadership of my predecessor Johannes Larcher - and I'm looking forward to continuing to strengthen Storytel's excellent position in the market. Under my leadership, we will continue to move the world through a story, explore new possibilities, and push the boundaries of what can be achieved - all in order to deliver incremental value to our customers and stakeholders.

Strong operating performance

In the third quarter, Storytel Group continued to deliver on its profitable growth strategy, resulting in record-high group revenue, adjusted EBITDA, and cash flow. The strong operating performance resulted in an adjusted operating profit of 105 MSEK, excluding items affecting comparability, equaling a margin of over 11 percent.

Revenue growth reached 7 percent in the third quarter. The slower growth rate was primarily due to a stronger Swedish Krona. Revenue growth at constant exchange rates (CER) was 8 percent. At the same time, adjusted cost of sales decreased by 2 percent and adjusted operating expenses by 5 percent. The Group's adjusted EBITDA increased significantly by 77 percent year-on-year to 178 MSEK in the third quarter, thanks to continued revenue growth and strict cost management. This marks the highest level in Storytel's history, equal to a margin of 18.7 percent. The Group's operational cash flow amounted to 146 MSEK, representing 15.3 percent of total revenues.

In the quarter, the Streaming segment grew the subscriber base by 10 percent year-on-year, while revenue growth was 42 MSEK, equal to 5 percent or 8 percent with CER. ARPU decreased



by 4 percent due to currency headwinds and a higher proportion of new subscribers in lower priced tiers. In the five Nordic core markets overall revenue growth reached 3 percent, or 5 percent with CER. In the five Non-Nordics core markets, price increases offset currency headwinds and revenues grew by 16 percent, or 19 percent with CER.

The Publishing segment showed a strong increase in revenues, by 33 MSEK to 285 MSEK. This represents growth of 13 percent, driven by strong growth in digital sales of 18 percent while sales of printed books increased 6 percent, due to strong book releases.

Solid health of the subscriber base

The summer high season marked steady progress for the Streaming business, with notable achievements in both intake and customer retention. Paid churn stayed at record low levels, also driven by summer campaigns in the Nordics that introduced new subscription tiers with flexible pricing options, offering consumers more personalized choices allowing them to select a plan that best suits their needs.

These efforts were supported by improved CRM practices that have become an effective

acquisition engine through initiatives such as winback and complete registration while also increasing customer loyalty. As a result, Storytel has not only expanded its subscriber base but also continues to have a strong health of the base. Finland, in particular, saw outstanding success with the “Premium for Life” campaign this summer, resulting in significantly reduced churn and strong subscriber growth of 30 percent year-on-year.

Increased consumption from internal publishers

As the owner of some of the most prestigious publishing houses in the Nordic region, Storytel Group is uniquely positioned to blend the best of publishing and streaming into an attractive consumer offering and to deliver high-quality content across a wide range of genres. Consumption of titles from the Group’s internal publishers continues to show steady growth, underscoring the quality of the content lineup.

In the third quarter, the Storytel original from Danish bestselling author Nis Jakob attracted consumers in both Denmark and Sweden with his *Red Revenge* series, while the intense true story *In Sickness and in Health* drew significant audiences in Finland.

Norstedts had a successful summer release with Emelie Schepp's thriller *Hundra dagar i juli*, which topped all bestseller lists in Sweden. At Gummerus, Anni Kytömäki's *Mirabilis* led the Finnish fiction category, while G.T. Karber's *Murha!* contributed significantly to the growth of non-fiction. In Denmark, People’s partnered with Mofibo to launch Sofie Sarenbrant and Carina Bergfeldt's *Fødselsdagen*, which was offered exclusively on Mofibo during a four-week period.

In September, Swedish crime author Sammy Jeridi signed a multi-book deal with Norstedts and Storytel, showcasing the dynamic synergies between the streaming platform and publishing houses within the Group, following Denise Rudberg, to enter into such an agreement.

Well positioned for the future

The strategic shift towards increased efficiencies and profitable growth, initiated in 2022 and reinforced in 2024, has led to significantly higher profitability while maintaining solid growth. With the continued strong competition, particularly in our core Nordic markets, we have applied a disciplined approach to marketing spend. Therefore, our full-year revenue growth guidance has been revised to around 8 percent.

At the same time, we will be close to or reach the previously outlined 2026 mid-term targets of adjusted EBITDA margin above 15 percent, and operational cash flow above 10 percent of revenues, already in 2024 - more than two years ahead of plan. This achievement significantly strengthens the company’s financial position and opens up several strategic opportunities.

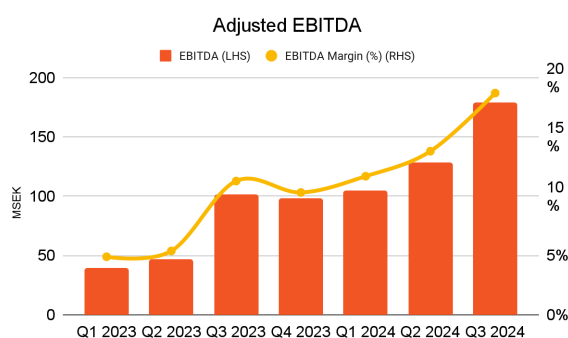
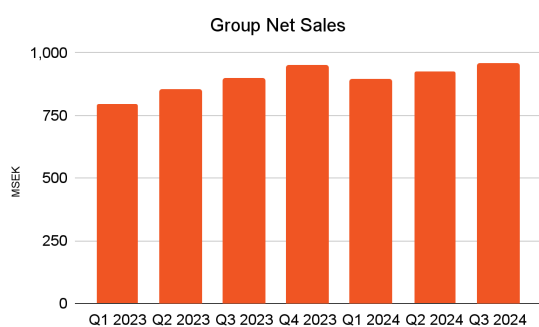
I’m filled with excitement for what lies ahead. The dedication of the team, the board, our authors, partners and consumers are the driving force to our success. Together with our passionate team I look forward to creating an even brighter future for Storytel Group.

Bodil Eriksson Torp, CEO

Group performance

Adjusted group performance

MSEK	Q3 2024	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change
Net sales	954.0	895.8	7%	2,770.4	2,543.1	9%
Cost of sales	-518.5	-528.0	-2%	-1,541.3	-1,524.2	1%
Adj. Gross profit	435.5	367.8	18%	1,229.1	1,018.9	21%
Selling and marketing expenses	-197.7	-191.4	3%	-625.3	-614.1	2%
Technology and development expenses	-53.6	-61.7	-13%	-168.5	-195.2	-14%
Administrative expenses	-72.7	-105.2	-31%	-229.7	-283.9	-19%
Other operating items	-9.2	5.3	n.a.	-6.0	15.3	n.a.
Profit from participations in associates	2.6	4.8	-45%	-0.8	10.3	n.a.
Adj. Operating profit/loss	105.1	19.6	436%	198.8	-48.6	n.a.
Add back depr.	73.3	81.4	-10%	211.3	234.4	-10%
Adj. EBITDA	178.4	101.0	77%	410.1	185.8	121%
Adj. GM %	45.7	41.1	4.6p	44.4	40.1	4.3p
Adj. EBITDA %	18.7	11.3	7.4p	14.8	7.3	7.5p



Developments Q3 2024

Comparative figures in brackets pertain to the third quarter 2023. Adjusted figures exclude Items affecting comparability (IACs); see note 7 for further details.

Net sales

Group net sales for the quarter increased by 7% to 954.0 (895.8) MSEK. This is the highest level of sales achieved in a quarter. The increase is driven by solid growth in both the Streaming and the Publishing segments.

A stronger Swedish Krona had a negative effect on the growth rate. Group sales growth was 8% at constant exchange rates in the period.

Gross profit

Cost of sales for the period decreased to -520.2 (-528.0) MSEK and gross profit increased by 18% amounting to 433.9 (367.8) MSEK.

Adjusted Gross profit increased by 18% to 435.5 (367.8) MSEK, which equals a margin of 45.7% (41.1%), up 4.6 percentage points from last year. The significant improvement is driven by a combination of growth in revenue and a reduction of costs from the efficiency measures carried out since Q3 2023.

EBITDA

In the third quarter the full effect of the cost efficiency measures carried out since Q3 2023 became visible. Adjusted operating cost decreased 5.1% which supported profitability.

EBITDA for the quarter increased 67% to 160.6 (96.4) MSEK. During the quarter, Storytel recognized Items Affecting Comparability (IACs) of -17.8 (-4.6) MSEK, all affecting EBITDA.

Adjusted EBITDA for the quarter increased 77% to 178.4 (101.0) MSEK, which equals a margin of 18.7% (11.3%), the highest level ever achieved.

Operating profit

Operating profit (EBIT) for the quarter totaled 87.3 (15.0) MSEK. Adjusted operating profit for the quarter increased 436% and totaled 105.1 (19.6) MSEK, which is equal to a margin of 11.0%.

Adjusted selling and marketing expenses increased 3% to -197.7 (-191.4) MSEK. Marketing efficiency continued to improve but the cost is to a large extent driven by customer acquisition initiatives. As a percentage of revenues marketing costs continued to decline.

Adjusted technology and development expenses decreased by 13% to -53.6 (-61.7) MSEK and adjusted general and administrative expenses decreased by 31% to -72.7 (-105.2) MSEK.

Other operating items include currency effects within operating expenses which increased due to a stronger Swedish krona.

Net profit

Profit before tax for the quarter amounted to 61.5 (0.7) MSEK. Net financial items for the quarter totaled -25.9 (-14.3) MSEK. The amount includes -7.4 (-14.0) MSEK of net interest costs, as well as -17.4 (1.6) of currency effects, mainly from a USD denominated commitment derived from the acquisition of Audiobooks.com.

Taxes for the quarter amounted to -6.4 (-2.6) MSEK. Net profit for the quarter amounted to 55.1 (-2.0) MSEK.

Earnings per share for the quarter totaled 0.67 (-0.06) SEK, before and after dilution.

Cash flow

Cash flow from operations before changes in working capital amounted to 148.2 (78.9) MSEK. This is the strongest cash flow so far in a quarter in the company's history.

The change in working capital was 44.7 (41.0) MSEK, resulting in cash flow from operating activities of 192.9 (119.9) MSEK for the quarter. Changes in working capital were due to seasonality in accrued expenses.

Cash flow from investing activities was -43.6 (-46.4) MSEK, of which -32.5 (-35.8) MSEK relate to Operational Capex. Cash flow from financing activities was -9.3 (-59.4) MSEK. The comparable quarter includes a 50 MSEK repayment on the previous term loan which has been fully repaid.

Total cash flow for the quarter was 140.0 (14.1) MSEK.

Development January-September 2024

Comparative figures in brackets pertain to the period January-September 2023. Adjusted figures exclude Items affecting comparability (IACs); see note 7 for further details.

Net sales

Group net sales for the period increased by 9% to 2,770.4 (2,543.1) MSEK. The increase is driven by solid growth both in the Streaming and Publishing segments.

Group sales growth was 9% at constant exchange rates in the period.

Gross profit

Reported cost of sales for the period increased to -1,547.5 (-1,524.2) MSEK and Gross profit amounted to 1,222.9 (1,018.9) MSEK.

Adjusted cost of sales increased by 1% to -1,541.3 (-1,524.2) MSEK and the adjusted gross profit increased 21% to 1,229.1 (1,018.9) MSEK. This equals a margin of 44.4% (40.1%), an increase by 4.3 percentage points.

EBITDA

EBITDA for the period increased 87% to 321.8 (172.0) MSEK. During the period, Storytel recognized Items Affecting Comparability (IACs) of -88.3 (-13.8) MSEK.

Adjusted EBITDA for the period increased 121% to 410.1 (185.8) MSEK which equals a margin of 14.8% (7.3%). The significant improvement is driven by a combination of revenue growth and a reduction of costs as a result of the cost efficiency measures carried out since Q3 2023.

Operating profit

Operating profit (EBIT) for the period totaled 110.4 (-62.4) MSEK. Adjusted operating profit was 198.8 (-48.6) MSEK, equal to a margin of 7.2%.

Adjusted selling and marketing expenses increased 2% to -625.3 (-614.1) MSEK. The cost is to a large extent driven by customer acquisition initiatives. As a percentage of revenues, marketing expenses have decreased due to continued marketing efficiency.

Adjusted technology and development expenses decreased by 14% and totaled -168.5 (-195.2) MSEK and adjusted general and administrative expenses decreased 19% and totaled -229.7 (-283.8) MSEK.

Net profit

Profit before tax for the period amounted to 77.0 (-81.6) MSEK. Net financial items for the period totaled -33.5 (-19.2) MSEK. The amount includes -31.3 (-44.4) MSEK in net interest costs, and -0.6 (1.6) MSEK currency effects mainly from a USD denominated commitment derived from the acquisition of Audiobooks.com.

Taxes for the period amounted to -12.7 (-12.9) MSEK. Net profit for the period amounted to 64.3 (-94.4) MSEK.

Earnings per share for the period totaled 0.72 (-1.29) SEK, before and after dilution.

Cash flow

Cash flow from operating activities before changes in working capital was 282.6 (121.0) MSEK.

The change in working capital was -11.0 (57.1) MSEK, and was due to the discontinued sales of the Storytel Reader, as well as an increase in inventory, account receivables and royalty accruals driven by higher sales. The resulting cash flow from operating activities was 271.6 (178.0) MSEK for the period.

Cash flow from investing activities was -126.4 (-146.3) MSEK, of which 103.8 (-118.9) MSEK relate to Operational Capex.

Cash flow from financing activities was -134.1 (-282.1) MSEK. The current period includes the repayment of a 100 MSEK term loan. The comparable period includes the repayment of a 500 MSEK bridge loan and utilization of a 200 MSEK bank term loan and 100 MSEK RCF. At the end of September 2023, 50 MSEK of the bank term loan was amortized.

Total cash flow for the period was 11.2 (-250.5) MSEK.

Segment performance: Streaming

The company reports segment financials for its two business areas: Streaming and Publishing. The Streaming segment consists of all audiobook and ebook streaming services operated under the brands Storytel, Mofibo, and Audiobooks.com. KPIs are presented on a regional level: Nordics (Sweden, Denmark, Norway, Finland, and Iceland), Non-Nordics Core (the Netherlands, Poland, Bulgaria, Turkey, and all of the operations of Audiobooks.com), and Rest of World (all remaining, former expansion, markets).

Streaming performance

MSEK	Q3 2024	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change
Net sales	851.7	809.4	5%	2,498.1	2,298.6	9%
Cost of sales	-497.3	-489.1	2%	-1,457.7	-1,388.6	5%
Adj. Gross profit	354.4	320.3	11%	1,040.4	910.0	14%
Selling and marketing expenses	-186.9	-183.0	2%	-590.4	-568.8	4%
Technology and development expenses	-46.7	-54.4	-14%	-160.6	-174.2	-8%
Administrative expenses	-20.5	-50.4	-59%	-64.4	-112.2	-43%
Other operating items	-10.6	4.5	n.a.	-13.2	9.4	-240%
Adj. Operating profit/loss	89.7	37.0	142%	211.7	64.1	231%
Add back depr.	31.6	40.7	-22%	91.7	118.1	-22%
Adj. EBITDA	121.2	77.7	56%	303.4	182.2	67%
Adj. GM %	41.6	39.6	2.0p	41.6	39.6	2.0p
Adj. EBITDA %	14.2	9.6	4.6p	12.1	7.9	4.2p

In the Streaming segment's accounts, net sales include 50% of Storytel Norway's revenue in line with Storytel's ownership. In the consolidated accounts, Storytel Norway is reported in accordance with the equity method. Internal costs are included in Cost of sales. As a result, the table shows higher net sales and costs than in the consolidated accounts. See Note 5 for additional details.

Both the quarter and the first nine months of the year delivered significantly improved profitability due to a reduction of expenses on the back of the cost efficiency measures carried out in Q1 2024 and a record level of net sales.

Net sales and gross profit

Streaming net sales for the quarter increased by 5% from the comparative quarter to 851.7 (809.4) MSEK. A stronger Swedish krona weighted on the growth rate which with CER would have been 8%.

All core markets, the Nordics and the Non-Nordics, contributed with particularly strong growth in the Non-Nordic markets where revenues increased 16%, and 19% in CER.

Net sales for the period increased 9% to 2,498.1 (2,298.6) MSEK with Non-Nordics Core experiencing the fastest growth with 17%.

The growth in sales was driven by a higher number of subscribers which increased 10% in the quarter and 11% in the period. ARPU decreased by 4% in the quarter and by 2% in the period.

With adjusted cost of sales increasing slower than net sales, adjusted gross profit developed

favorably with a 11% growth to 354.4 (320.3) MSEK in the quarter. For the period adjusted Gross profit grew 14% to 1040.4 (910.0) MSEK. The adjusted gross profit margin was 41.6% (39.6%) for both the quarter and for the period.

EBITDA and operating profit

Adjusted EBITDA in the quarter increased 56% to 121.2 (77.7) MSEK and 67% for the period to 303.4 (182.2) MSEK representing a margin of 14.2% (9.6%) and 12.1% (7.9%), respectively.

Adjusted operating profit increased 142% to 89.7 (37.0) MSEK in the quarter and 231% to 211.7 (64.1) MSEK in the period.

Business developments

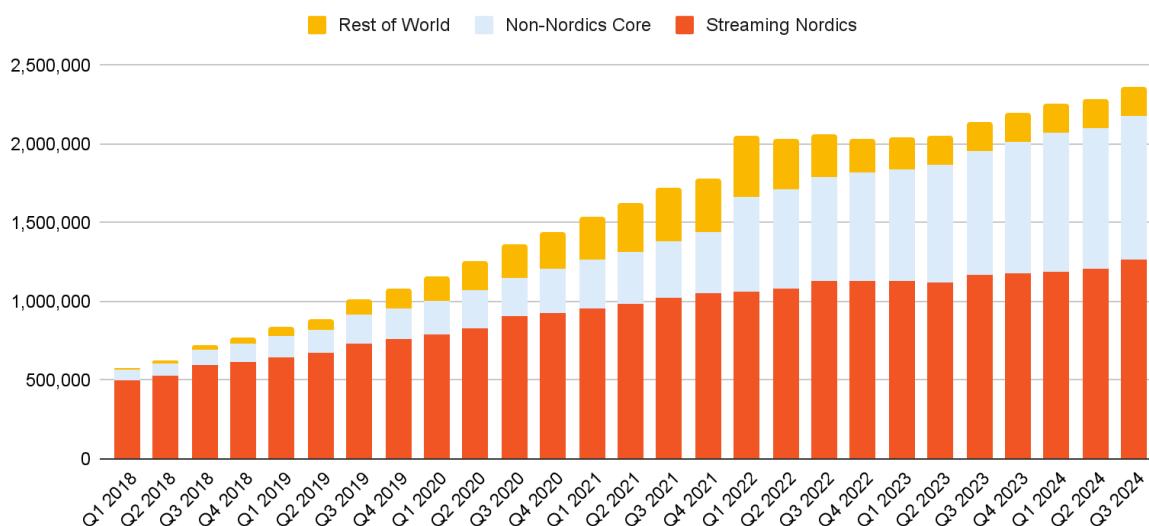
The summer high season marked steady progress with achievements in intake and customer retention. Churn dropped to record low levels, mainly due to the Nordics introducing new subscription tiers with flexible pricing options.

These efforts were supported by improved CRM practices, effectively driving acquisition through winback and complete registration, while also increasing customer loyalty.

Streaming geographical performance split

TSEK	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Jan-Sep 2023	Jan-Sep 2024
All Markets							
Revenue ¹	842,407	858,210	836,858	868,286	888,882	2,383,369	2,594,025
Adjusted Gross profit	324,479	346,265	337,277	350,704	358,490	918,635	1,046,470
Adjusted Gross margin	38.5%	40.3%	40.3%	40.4%	40.3%	38.5%	40.3%
Avg. Paying Subscribers	2,144,000	2,201,000	2,255,000	2,285,000	2,366,000	2,080,000	2,303,000
ARPU (SEK/month)	131	130	124	127	125	127	125
Nordics							
Revenue ¹	571,625	573,674	559,172	570,427	585,986	1,611,973	1,715,585
Adjusted Gross profit	201,695	212,663	209,998	212,530	217,304	566,886	639,832
Adjusted Gross margin	35.3%	37.1%	37.6%	37.3%	37.1%	35.2%	37.3%
Avg. Paying Subscribers	1,169,000	1,183,000	1,188,000	1,203,000	1,262,000	1,139,000	1,218,000
ARPU (SEK/month)	163	162	157	158	155	157	157
Non-Nordics Core							
Revenue	226,582	242,052	235,201	256,608	262,251	641,908	754,061
Adjusted Gross profit	106,570	118,718	112,259	123,632	126,139	305,577	362,030
Adjusted Gross margin	47.0%	49.0%	47.7%	48.2%	48.1%	47.6%	48.0%
Avg. Paying Subscribers	786,000	829,000	880,000	896,000	915,000	748,000	897,000
ARPU (SEK/month)	96	97	89	95	96	95	93
Rest of World							
Revenue	44,200	42,483	42,486	41,250	40,644	129,489	124,380
Adjusted Gross profit	16,213	14,883	15,020	14,542	15,047	46,172	44,608
Adjusted Gross margin	36.7%	35.0%	35.4%	35.3%	37.0%	35.7%	35.9%
Avg. Paying Subscribers	189,000	189,000	187,000	186,000	189,000	193,000	188,000
ARPU (SEK/month)	78	75	76	74	72	75	74

Streaming subscriber development



¹ Revenue includes 100% of Storytel Norway's revenue to provide a more accurate figure for average revenue per subscriber (ARPU). In the Streaming segment's accounts, revenue includes 50% of Storytel Norway's revenue in line with Storytel's ownership. In the consolidated accounts, Storytel Norway is reported in accordance with the equity method. As a result, the Streaming KPI Table shows higher revenue than in the Streaming segment's and consolidated accounts. Please see Note 5 for additional details.

Segment performance: Publishing

The company reports segment financials for its two business areas: Streaming and Publishing. The Publishing segment consists of all publishing houses within Storytel Group: Norstedts Publishing Group, Lind & Co, Gummerus, and People's, as well as our global digital audio publisher Storyside. The Publishing segment also includes external sales from content productions.

Publishing Performance

MSEK	Q3 2024	Q3 2023	Change	Jan-Sep 2024	Jan-Sep 2023	Change
Net sales	285.0	251.6	13%	793.1	715.7	11%
Cost of sales	-186.6	-186.9	0%	-549.7	-546.3	1%
Adj. Gross profit	98.4	64.7	52%	243.5	169.4	44%
Selling and marketing expenses	-16.2	-14.9	9%	-50.5	-62.7	-20%
Technology and development expenses	-6.9	-7.3	-5%	-18.4	-20.9	-12%
Administrative expenses	-29.5	-23.8	24%	-91.5	-93.9	-3%
Other operating items	1.5	0.8	n.a.	7.2	5.9	21%
Adj. Operating profit/loss	47.2	19.6	141%	90.2	-2.2	n.a.
Add back depr.	39.9	39.3	1%	114.3	114.9	-1%
Adj. EBITDA	87.0	58.9	48%	204.5	112.7	82%
Adj. GM %	34.5	25.7	8.8p	30.7	23.7	7.0p
Adj. EBITDA %	30.5	23.4	7.1p	25.8	15.7	10.1p

In the Publishing segment's accounts, group-internal sales are included in net sales. As a result, the table shows higher net sales than in the consolidated accounts. See Note 5 for additional details.

The quarter and first nine months of the year delivered significantly improved profitability. Revenues grew due to a strong growth of digital sales and operating expenses decreased on the back of the cost efficiency measures carried out since Q3 2023.

Our publishing houses released several titles that topped bestseller lists. As a result, consumption on Storytel's and Mofibo's platforms of titles from internal publishers reached record levels.

Net sales and gross profit

Net sales in the quarter increased by 13% to 285.0 (251.6) MSEK, which was driven by the 18% growth in digital sales particularly from the Storytel, Mofibo and Nextory platforms. Sales of printed books increased 6% in the quarter, due to several strong book releases.

Similarly, net sales for the period developed strongly and increased 11% to 793.1 (715.7) MSEK. The agreement with Nextory, which came into effect gradually in the later part of the first quarter, has supported growth in digital sales. Net sales of printed books was flat for the period.

Adjusted cost of sales grew significantly slower than net sales, supporting an expansion of the adjusted gross profit in the quarter with 52% to 98.4 (64.7) MSEK, representing a Gross margin of 34.5% (25.7%). In the period adjusted Gross

profit grew 44% to 243.5 (169.4) MSEK representing a Gross margin of 30.7% (23.7%).

EBITDA and operating profit

Adjusted EBITDA in the quarter improved 48% to 87.0 (58.9) MSEK, and 82% to 204.5 (112.7) MSEK for the period, representing a margin of 30.5% (23.4%) in the quarter and 25.8% (15.7%) during the period, respectively.

Adjusted operating profit increased by 141% to 47.2 (19.6) MSEK and to 90.2 (-2.2) MSEK for the period.

Business developments

Consumption of titles from the Group's internal publishers continues to show steady growth, underscoring the quality of the content lineup.

In September, Swedish crime author Sammy Jeridi signed a multi-book deal with Norstedts and Storytel, showcasing the synergies within the Group. Jeridi is one of several authors, following Denise Rudberg, to enter into an agreement with Norstedts and Storytel, highlighting the attraction of our combined publishing and streaming business.

Other information

Financial position, equity & liquidity (compared to September 30, 2023)

At the end of the period, the Group had 448.2 (540.6) MSEK in cash and cash equivalents. The equity-to-asset ratio at the end of the period was 43.9% (51.9%).

Total equity at the end of the period was 1,330.0 (2,099.8) MSEK.

Total non-current liabilities amounted to 165.6 (946.9) MSEK and total current liabilities amounted to 1,536.4 (1,002.2) MSEK.

Out of the total current liabilities, 650 MSEK relate to the utilized part of the 750 MSEK RCF. During the period, 100 MSEK of a term loan was amortized and is now fully repaid.

In October, the RCF was extended until 2 April 2026 at largely unchanged terms while the framework was reduced to 700 MSEK.

Total available liquidity (cash and cash equivalents and unutilized RCF) totalled 548.2 MSEK at the end of the period.

Net interest-bearing debt (NIBD) was 201.8 (308.4) MSEK with a NIBD/adjusted EBITDA ratio of 0.4 (1.5) at the end of the period.

Full time employees

The average number of employees (FTE) during the third quarter was 523. During the third quarter 2023, the average number of FTE was 659.

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 12.3 (9.7) MSEK in the quarter, profit before tax amounted to -9.6 (-10.8) MSEK, and profit/loss amounted to -9.6 (-10.8) MSEK. Total equity amounted to 4,173.3 (4,196.8) 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. The most relevant risk factors are described in the Annual and Sustainability Report 2023 and include operational, strategic, legal & compliance, cyber, and financial risks. Geopolitical concerns as well as the ongoing war in 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, 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

On September 23, Storytel entered a multi-market partnership with wellness platform Wellhub in several markets; Brazil, Mexico, Chile, Argentina, Spain, Italy, Germany, Ireland and UK.

Significant events after the period

On October 1, Bodil Eriksson Torp assumed the role of CEO of Storytel Group.

In October, the Group's Revolving Credit Facility (RCF) was extended until 2 April 2026 at largely unchanged terms while the framework was reduced to 700 MSEK.

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

Updated full-year 2024 guidance

Following the result in the first three quarters of the year, Storytel Group's full-year 2024 guidance has been updated as follows:

- Organic group revenue growth of around 8 percent, changed from around 10 percent
- Around 15 percent EBITDA margin (adjusted for items affecting comparability), changed from above 13 percent
- An Operational Cash Flow (adjusted EBITDA less Operational Capex) above 10 percent of revenues, changed from above 8 percent

Mid-term financial targets

During January 2024, Storytel Group's Board of Directors decided on the below 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.

Given the performance in 2024, the Group expects to be close to or reach its mid-term targets on adjusted EBITDA margin and operational cash flow already in 2024, and we will further assess any need to update the mid-term targets.

Number of shares and share capital as of September 30, 2024

There were 77,128,993 (77,073,120) registered shares in issuance at the end of the period, divided between 635 Class A shares and 77,128,358 Class B shares. Share capital totaled 38,564,496.50 (38,536,560.00) SEK as of September 30, 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.

Financial calendar

Year-End Report January–December 2024	February 12, 2025
Interim Report January–March 2025	April 29, 2025
Annual General Meeting (To be held at Tryckerigatan 4, Stockholm)	May 6, 2025
Interim Report January–June 2025	July 29, 2025
Interim Report January–September 2025	October 28, 2025
Year-End Report January–December 2025	February 10, 2026

For more information

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Storytel AB (publicly traded)

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Office: Tryckerigatan 4, 111 28 Stockholm

CIN: 556575-2960

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.

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, October 29, 2024

Hélène Barnekow
Chair of the Board

Ulrika Danielsson
Board member

Alexander Lindholm
Board member

Joakim Rubin
Board member

Jonas Sjögren
Board member

Jonas Tellander
Board member

Erik Tidén
Board member

Filippa Wallestam
Board member

Bodil Eriksson Torp
CEO

The information in this report 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. CET on October 29, 2024.

Group financial statements

Condensed consolidated interim statements of comprehensive income

TSEK	Q3 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Net sales	954,022	895,758	2,770,395	2,543,121	3,489,220
Cost of sales	-520,168	-527,980	-1,547,461	-1,524,176	-2,241,895
Gross profit	433,853	367,778	1,222,934	1,018,944	1,247,326
Selling and marketing expenses	-197,859	-191,377	-635,052	-614,119	-845,177
Technology and development expenses	-53,911	-61,726	-193,679	-195,170	-303,017
Administrative expenses	-87,990	-109,753	-266,613	-297,648	-869,234
Other operating items	-9,394	5,296	-16,346	15,345	13,147
Result from participation in associates	2,628	4,805	-797	10,271	14,608
Operating profit/loss	87,328	15,023	110,448	-62,378	-742,348
Net financial items	-25,870	-14,346	-33,465	-19,200	-65,122
Profit/loss before taxes	61,458	676	76,983	-81,577	-807,470
Tax	-6,351	-2,644	-12,720	-12,862	-6,053
Profit/loss for the period	55,107	-1,968	64,262	-94,440	-813,523
Profit for the period attributable to:					
Parent Company shareholder	51,362	-4,675	55,761	-99,186	-819,186
Non-controlling interest	3,746	2,707	8,501	4,746	5,663
Earnings per share, SEK					
Group total, basic	0.67	-0.06	0.72	-1.29	-10.63
Group total, diluted	0.67	-0.06	0.72	-1.29	-10.63
Statement of comprehensive income					
Profit/loss for the period, after tax	55,107	-1,968	64,262	-94,440	-813,523
Other comprehensive income					
<i>Items that will be reclassified to profit/loss (after tax)</i>					
Translation difference	-28,002	-9,862	4,359	49,390	-42,667
<i>Items that will not be reclassified to profit/loss (after tax)</i>					
Revaluation of defined-benefit pension plans	-12,281	10,998	-16,175	7,515	-8,744
Adjustment of hyperinflationary economies	-	-	507	-	506
Total other comprehensive income for the period, after tax	-40,169	1,135	-11,195	56,904	-50,906
Total comprehensive income for the period, after tax	14,938	-833	53,067	-37,536	-864,429
Total comprehensive income for the period attributable to:					
Parent Company shareholder	11,192	-3,540	44,566	-42,282	-870,092
Non-controlling interest	3,746	2,707	8,501	4,746	5,663

Condensed consolidated interim statements of financial position

TSEK	30 Sep 2024	30 Sep 2023	31 Dec 2023
Intangible assets	1,837,895	2,642,746	1,902,303
Tangible assets	15,152	19,563	17,818
Right-of-use assets	76,988	97,697	84,119
Non-current financial assets	68,641	80,691*	76,376
Inventory	57,348	89,090	59,808
Trade receivables	210,392	152,360	193,999
Other current receivables	317,389	426,135*	370,086
Cash and cash equivalents	448,163	540,614	436,143
Total assets	3,031,967	4,048,896*	3,140,651
Equity	1,330,003	2,099,803*	1,273,182
Non-current liabilities	165,553	946,889	173,966
Trade payables	229,366	253,103	274,658
Other current liabilities	1,307,045	749,101	1,418,844
Total equity and liabilities	3,031,967	4,048,896*	3,140,651

*Restated amount, see Note 1

Condensed consolidated interim statement of changes in equity

30 Sep 2024		Equity attributable to shareholders in parent company						
TSEK	Share capital	Oth. cap. 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	1,273,183	
Profit for the year	-	-	-	55,761	55,761	8,501	64,262	
Other total comprehensive income for the year	-	-	4,359	-15,554	-11,195	-	-11,195	
Total comprehensive income for the year	-	-	4,359	40,207	44,566	8,501	53,067	
<i>Transactions with the Group's owners</i>								
Dividend to minority owners	-	-	-	-	-	-7,500	-7,500	
Share-related compensations	-	-	-	11,253	11,253	-	11,253	
Closing equity as at 9/30/2024	38,554	3,578,102	118,804	-2,471,803	1,263,657	66,346	1,330,003	

30 Sep 2023		Equity attributable to shareholders in parent company						
TSEK	Share capital	Oth. cap. 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	-	-	-	-99,186	-99,186	4,746	-94,441	
Other total comprehensive income for the year	-	-	49,390	7,515	56,904	-	56,904	
Total comprehensive income for the year	-	-	49,390	-91,671	-42,282	4,746	-37,536	
<i>Transactions with the Group's owners</i>								
Dividend to minority owners	-	-	-	-	-	-8,146	-8,146	
Issue expenses	-	-	-	-1,074	-1,074	-	-1,074	
Share-related compensations	-	-	-	14,774	14,774	-	14,774	
Closing equity as at 9/30/2023	38,537	3,578,102	206,502	-1,790,011*	2,033,129*	66,674	2,099,803*	

*Restated amount, see Note 1

Condensed consolidated interim statements of cash flows

TSEK	Q3 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Profit/loss after financial items	61,458	676	76,983	-81,577	-807,470
<i>whereof interest paid</i>	-7,441	-13,998	-31,345	-44,350	-55,627
Adjustments for non-cash items	96,458	88,236	228,380	225,448	941,327
Taxes paid	-9,734	-10,020	-22,758	-22,915	-31,914
Cash flow from operations before changes in working capital	148,182	78,892	282,605	120,956	101,942
Change in inventory	-734	5,345	387	13,609	27,656
Change in operating receivables	-12,533	-13,745	30,853	55,436	60,138
Change in operating liabilities	57,978	49,412	-42,219	-11,996	58,734
Change in working capital	44,711	41,013	-10,979	57,050	146,528
Cash flow from operating activities	192,893	119,905	271,626	178,006	248,470
Operational Capex	-32,482	-35,834	-103,798	-118,860	-158,075
Cash flow from other investing activities	-11,140	-10,532	-22,563	-27,483	-35,224
External borrowings	-	-	-	-201,752	300,000
Repayment of debt	-	-50,000	-100,000	-50,000	-650,000
Cash flow from other financing activities	-9,280	-9,436	-34,061	-30,393	-43,698
Cash flow for the period	139,991	14,103	11,204	-250,483	-338,527
Available funds at the beginning of period	314,753	531,326	436,143	776,341	776,341
Cash flow for the period	139,991	14,103	11,204	-250,483	-338,527
Translation differences in available funds	-6,580	-4,814	816	14,756	-1,671
Available funds at end of period	448,163	540,614	448,163	540,614	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 with a presence in over 25 markets. 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 are carried out under the brands Storytel, Mofibo and Audiobooks.com. The publishing business is managed by Storytel Books and the audiobook publisher Storyside. The Parent Company is a limited liability company with its registered office in Stockholm, Sweden. The head office is at 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 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. Any transactions with associated companies take place on market terms.

Note 5 Business segments

The Group reports segment financials for its two business areas: Streaming, and Publishing. Streaming consists of all streaming services operated under the brands Storytel, Mofibo, and Audiobooks.com. The segment includes 50% of the joint venture in Storytel AS ("Storytel Norway") income and expenses, to represent a fair picture of its contribution to the Streaming segment. Publishing consists of all publishing houses within the Stortel Group. Costs related to central group overhead functions (such as Finance, HR, Legal etc.) and other group-wide items and eliminations are reported separately to bridge the segment financials to total group result.

Both segments include internal transactions that are eliminated to reach the total group result. These transactions include internal sales between the segments, where mainly the Publishing segment reports internal sales to the Streaming segment. Furthermore, Storytel AS ("Storytel Norway") sales and expenses in the Streaming segment are eliminated in the Group-wide items and elimination column and the net result from the joint venture is reported as Result from participation in associates.

Q3 2024 (TSEK)	Streaming	Publishing	Group-wide items and eliminations	Group total
Net sales	851,709	285,014	-182,701	954,022
<i>whereof external sales</i>	<i>851,709</i>	<i>154,064</i>	<i>-51,751</i>	954,022
Cost of sales	-498,928	-186,673	165,433	-520,168
Gross profit	352,780	98,341	-17,268	433,853
<i>Adj. Gross profit</i>	<i>354,409</i>	<i>98,402</i>	<i>-17,269</i>	435,542
Selling and marketing expenses	-187,136	-16,236	5,513	-197,859
Technology and development expenses	-47,006	-6,905	-	-53,911
Administrative expenses	-23,887	-29,660	-34,443	-87,990
Other operating items	-10,621	1,460	-233	-9,394
Result from participation in associates	-	-	2,628	2,628
Operating profit/loss	84,131	46,999	-43,802	87,328
<i>Adj. Operating profit/loss</i>	<i>89,673</i>	<i>47,182</i>	<i>-31,772</i>	105,083
Add back depr.	31,572	39,850	1,866	73,288
EBITDA	115,703	86,849	-41,936	160,616
<i>Adj. EBITDA</i>	<i>121,245</i>	<i>87,032</i>	<i>-29,907</i>	178,370

Q3 2023 (TSEK)	Streaming	Publishing	Group-wide items and eliminations	Group total
Net sales	809,351	251,582	-165,175	895,758
<i>whereof external sales</i>	809,351	138,200	-51,793	895,758
Cost of sales	-489,069	-186,879	147,968	-527,980
Gross profit	320,282	64,703	-17,207	367,778
<i>Adj. Gross profit</i>	320,282	64,703	-17,207	367,778
Selling and marketing expenses	-182,960	-14,866	6,449	-191,377
Technology and development expenses	-54,434	-7,292	-	-61,726
Administrative expenses	-50,372	-23,792	-35,589	-109,753
Other operating items	4,499	819	-22	5,296
Result from participation in associates	-	-	4,805	4,805
Operating profit/loss	37,015	19,572	-41,564	15,023
<i>Adj. Operating profit/loss</i>	37,015	19,569	-36,988	19,596
Add back depr.	40,715	39,330	1,380	81,425
EBITDA	77,730	58,902	-40,184	96,448
<i>Adj. EBITDA</i>	77,730	58,902	-35,610	101,022

Jan-Sep 2024 (TSEK)	Streaming	Publishing	Group-wide items and eliminations	Group total
Net sales	2,498,079	793,112	-520,796	2,770,395
<i>whereof external sales</i>	2,498,079	423,566	-151,250	2,770,395
Cost of sales	-1,459,297	-554,234	466,070	-1,547,461
Gross profit	1,038,781	238,877	-54,724	1,222,934
<i>Adj. Gross profit</i>	1,040,393	243,456	-54,724	1,229,125
Selling and marketing expenses	-600,070	-50,496	15,514	-635,052
Technology and development expenses	-185,753	-18,415	10,489	-193,679
Administrative expenses	-71,758	-92,625	-102,230	-266,613
Other operating items	-13,185	7,182	-10,343	-16,346
Result from participation in associates	-	-	-797	-797
Operating profit/loss	168,014	84,522	-142,088	110,448
<i>Adj. Operating profit/loss</i>	211,745	90,238	-103,223	198,760
Add back depr.	91,672	114,252	5,412	211,336
EBITDA	259,686	198,774	-136,676	321,784
<i>Adj. EBITDA</i>	303,418	204,489	-97,810	410,097

Jan-Sep 2023 (TSEK)	Streaming	Publishing	Group-wide items and eliminations	Group total
Net sales	2,298,586	715,657	-471,122	2,543,121
<i>whereof external sales</i>	2,298,586	388,843	-144,308	2,543,121
Cost of sales	-1,388,623	-546,265	410,712	-1,524,176
Gross profit	909,964	169,392	-60,412	1,018,944
<i>Adj. Gross profit</i>	909,964	169,392	-60,412	1,018,944
Selling and marketing expenses	-568,839	-62,739	17,459	-614,119
Technology and development expenses	-174,229	-20,942	1	-195,170
Administrative expenses	-112,231	-93,873	-91,544	-297,648
Other operating items	9,385	5,926	34	15,345
Result from participation in associates	-	-	10,271	10,271
Operating profit/loss	64,050	-2,235	-124,193	-62,378
<i>Adj. Operating profit/loss</i>	64,050	-2,235	-110,382	-48,567
Add back depr.	118,130	114,889	1,385	234,404
EBITDA	182,180	112,654	-122,808	172,026
<i>Adj. EBITDA</i>	182,180	112,654	-108,997	185,837

Note 6 Revenue from contracts with customers

Q3 2024 (TSEK)	Streaming	Publishing	Group total
Type of product or service			
Revenue from subscriptions of streaming service	785,379	-	785,379
Revenue from publishing activities	-	154,064	154,064
Other	14,578	-	14,578
Revenue from contracts with customers	799,958	154,064	954,022

Q3 2023 (TSEK)	Streaming	Publishing	Group total
Type of product or service			
Revenue from subscriptions of streaming service	738,821	-	738,821
Revenue from publishing activities	-	138,200	138,200
Other	18,737	-	18,737
Revenue from contracts with customers	757,558	138,200	895,758

Jan-Sep 2024 (TSEK)	Streaming	Publishing	Group total
Type of product or service			
Revenue from subscriptions of streaming service	2,291,527	-	2,291,527
Revenue from publishing activities	-	423,566	423,566
Other	55,302	-	55,302
Revenue from contracts with customers	2,346,829	423,566	2,770,395

Jan-Sep 2023 (TSEK)	Streaming	Publishing	Group total
Type of product or service			
Revenue from subscriptions of streaming service	2,096,573	-	2,096,573
Revenue from publishing activities	-	388,843	388,843
Other	57,705	-	57,705
Revenue from contracts with customers	2,154,278	388,843	2,543,121

Note 7 Items affecting comparability (IACs)

Items affecting comparability (IACs) include items of a significant character that distort comparisons over time, such as costs related to acquisitions, divestments, and market exits; restructuring costs; significant impairments and write-downs; as well as expenses, or reversals of expenses, arising from the group's share-based incentive schemes.

During Q3 2024, IACs totaling -1.2 MSEK relate to the group's share-based incentive schemes, IACs totaling -0.2 MSEK relate to the discontinued operations of the Brazilian streaming company Storytel Brasil Distribuição de Audiolivros Ltda, and -13.2 MSEK relate to restructuring charges from organizational changes. A further -1.6 MSEK of content write downs, and -1.5 MSEK of other, including legal fees. During the comparable period, IACs totaling -4.6 MSEK relate to the group's share-based incentive schemes.

During the first nine months of the year, IACs totaling -17.5 MSEK relate to the group's share-based incentive schemes, IACs totaling -9.8 MSEK relate to the divestment of the Finnish publisher Aula & Co and discontinued operations of the Storytel Brasil Distribuição de Audiolivros Ltda, and IACs totaling -57.7 MSEK relate to restructuring charges from organizational changes. A further -1.6 MSEK of content write downs and -1.7 MSEK of other, including legal fees. During the comparable period, IACs totaling -13.8 MSEK relate to the group's share-based incentive schemes.

TSEK	Q3 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Share-based incentive schemes	-1,180	-4,574	-17,507	-13,811	-20,333
Divestment/Discontinued operations	-217	-	-9,830	-	-9,000
Organizational changes	-13,182	-	-57,681	-	-21,899
Write downs	-1,629	-	-1,629	-	-631,741
Changes in accounting policies	-	-	-	-	-8,932
Other	-1,547	-	-1,665	-	-
EBIT	-17,754	-4,574	-88,312	-13,811	-691,902
Add back depr.	-	-	-	-	573,162
EBITDA	-17,754	-4,574	-88,312	-13,811	-118,741

Note 8 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 4,045 TSEK, after the consideration paid in the period, see note 9. 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.

Financial liabilities valued at fair value (TSEK)	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Opening balance	8,634	13,124	13,124
Consideration paid	-4,067	-4,275	-4,530
Reversed due to divestment	-522	-	-
Change in value recognized in profit/loss	-	-	40
Closing balance	4,045	8,849	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 9 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.

Note 10 Net interest-bearing debt (NIBD)

Net Interest-Bearing Debt (NIBD) is defined as total interest-bearing liabilities (excluding lease liabilities) plus dividend payables, less cash and cash equivalents and interest-bearing assets.

TSEK	30 Sep 2024	30 Sep 2023	31 Dec 2023
Interest-bearing liabilities within Current liabilities	650,000	150,000	749,238
Interest-bearing liabilities within Non-current liabilities	-	699,052	-
Cash and cash equivalents	448,163	540,614	436,143
Total Net Interest-Bearing Debt (NIBD)	201,837	308,438	313,124

Condensed parent company interim statements of comprehensive income

TSEK	Q3 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Net sales	12,337	9,671	37,004	29,013	46,142
Gross profit	12,337	9,671	37,004	29,013	46,142
Administrative expenses	-17,341	-14,512	-44,433	-30,822	-41,973
Other operating items	1	-	-38	46	18
Operating profit	-5,003	-4,841	-7,467	-1,763	4,187
Net financial items	-4,629	-5,996	-16,709	-12,289	-19,276
Profit/loss before taxes	-9,631	-10,837	-24,175	-14,053	-15,089
Tax	-	-	-	-	-
Profit/loss for period	-9,631	-10,837	-24,175	-14,053	-15,089
Parent Company's condensed statement of comprehensive income					
Profit for the period	-9,631	-10,837	-24,175	-14,053	-15,089
Total comprehensive income for the period	-9,631	-10,837	-24,175	-14,053	-15,089

Condensed parent company interim statements of financial position

TSEK	30 Sep 2024	30 Sep 2023	31 Dec 2023
Non-current financial assets	4,589,744	4,858,935	4,916,244
Current receivables	524,343	226,011	102,977
Cash and cash equivalents	92,530	85,342	40,992
Total assets	5,206,617	5,170,289	5,060,213
Equity	4,173,298	4,196,817	4,195,738
Non-current liabilities	-	699,052	-
Current liabilities	1,033,319	274,420	864,476
Total equity and liabilities	5,206,617	5,170,289	5,060,213

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 growth rate, 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 %, Gross margin	Gross 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 (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 subscribers during the period. 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.
Revenue (Streaming Segment)	Sales from audiobook and e-book streaming services on all Storytel platforms, considering 50% of Storytel Norway's revenue in line with Storytels ownership.
Revenue (Streaming KPI)	ARPU times (Avg.) Paying Subscribers. See also footnote 4 on page 8.
Revenue (Publishing Segment)	Physical books and digital sales from all publishing houses in the group, including group-internal revenue from Storytel. For the consolidated group accounts, internal publishing revenue is eliminated. See also footnote 1 on page 1.
Items affecting comparability (IAC)	IACs include items of a significant character that distort comparisons over time, such as costs related to acquisitions, divestments, and market exits; restructuring costs; significant impairments and write-downs; 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 Capex	Investments into product & tech and audiobook productions.
Operational Cash Flow	Adjusted EBITDA less Operational Capex.
Net Interest-Bearing Debt (NIBD)	Net Interest-Bearing Debt (NIBD) is defined as total interest-bearing liabilities (excluding lease liabilities) plus dividend payables, less cash and cash equivalents and interest-bearing assets.
NIBD/adjusted EBITDA ratio	NIBD divided by adjusted EBITDA for the last twelve months.