

# Acast

**Year-end report**

**January – December 2023**

**Acast AB (publ)**



# About Acast

Since 2014, Acast has been creating the world's most valuable podcast marketplace, building the technology which connects podcast creators, advertisers and listeners. Its marketplace spans 100,000 podcasts, 2,700 advertisers and c. 400 million monthly listens. Crucially, those listens are monetized wherever they happen - across any podcasting app or other listening platform.

The company operates worldwide and is headquartered in Stockholm, Sweden. Acast is listed on the Nasdaq First North Premier Growth Market (ACAST.ST).

For brilliant podcasters  
For smart advertisers  
For The Stories

## About Acast's reporting

This is Acast's year-end report for the period January 1, 2023 – December 31, 2023.

The report describes the Group's activities, results and financial position for the period. It concerns the entire group of companies, unless otherwise indicated. Amounts in parentheses are for the corresponding periods in 2022.

This is a translation of the Swedish original. In the event of any discrepancies between the two versions, the Swedish version shall take precedence.

### CONTACT INFORMATION

Ross Adams, CEO  
Email: [ross@acast.com](mailto:ross@acast.com)

Emily Villatte, CFO  
Email: [emily@acast.com](mailto:emily@acast.com)

[investors.acast.com](http://investors.acast.com)

## Financial calendar

Annual report for the period January 1 - December 31, 2023	April 17, 2024
Interim report for the period January 1 - March 31, 2024	May 7, 2024
Annual general meeting 2024	May 21, 2024
Interim report for the period January 1 - June 30, 2024	July 26, 2024
Interim report for the period January 1 - September 30, 2024	Nov 5, 2024

# Q4 2023 Highlights

**9%**

NET SALES GROWTH

**24%**

GROSS MARGIN

**3%**

ADJ. EBITDA MARGIN

## Fourth quarter 2023

- Net sales in the quarter amounted to SEK 494.2 M (454.3), which corresponds to net sales growth of 9% (35%). Organic net sales growth amounted to 7% (24%).
- Gross margin for the quarter was 24% (35%). As a consequence of Apple's update to iOS17, the number of counted listens are lowered near term across the industry. As a result we have made a, for the quarter, non-cash flow-affecting revaluation of podcast contracts of SEK -76 million. Excluding this revaluation the gross margin was 39%.
- EBITDA for the quarter amounted to SEK -59.2 M (-42.4) and the EBITDA margin was -12% (-9%), this includes the revaluation of podcast contracts.
- Adjusted EBITDA amounted to SEK 16.3 million (-31.1) and the adjusted EBITDA margin to 3% (-7%), this excludes the revaluation of podcast contracts.
- Operating loss amounted to SEK -77.6 M (-58.6).
- The result for the period amounted to SEK -117.5 million (-74.0) and was negatively impacted by exchange rate losses of SEK -39.8 million (-16.6).
- Cash flow from operating activities amounted to SEK 50.3 M (-12.3).
- Earnings per share for the period before and after dilution amounted to SEK -0.65 (-0.41).
- The number of listens amounted to 1,162 million (1,327), a decrease of 12% compared to the same period last year. The decline is due to Apple's update to iOS17 which has had a negative impact on the number of listens. At the same time, the Average Revenue Per Listen (ARPL) increased by 24% to SEK 0.43 (0.34).

## Significant events

- Acast reached a positive adjusted EBITDA for the first time, a milestone in the company's development.
- Acast/Podchaser launched Performance+, the industry's first recommendation engine for more effective direct response podcast advertising campaigns. Through AI-powered data the podcasts most likely to achieve the best results for advertisers' individual performance marketing goals are identified and recommended.
- Acast launched a feature to enable real-time planning within podcast advertising campaigns. This includes the ability for advertisers to have an up-to-date overview of available advertising space and prices.

# 2023 Highlights

**18%**

NET SALES GROWTH

**32%**

GROSS MARGIN

**-7%**

ADJ. EBITDA MARGIN

## Full year 2023

- Net sales amounted to SEK 1,636.4 M (1,390.4), which corresponds to net sales growth of 18% (36%). Organic net sales growth amounted to 13% (26%).
- The gross margin for the full year was 32% (34%). As a consequence of Apple's update to iOS17, the number of counted listens are lowered near term across the industry. As a result we have made a, for the quarter, non-cash flow-affecting revaluation of podcast contracts of SEK -76 million. Excluding this revaluation the gross margin was 36%.
- EBITDA amounted to SEK -187.3 M (-294.9) and the EBITDA margin was -11% (-21%), this includes the revaluation of podcast contracts.
- Adjusted EBITDA amounted to SEK -111.7 million (-272.3) and the adjusted EBITDA margin to -7% (-20%), this excludes the revaluation of podcast contracts.
- Operating loss amounted to SEK -258.6 M (-352.6).
- The period's result amounted to SEK -179.7 million (-286.4) and was negatively impacted by exchange rate losses of SEK -5.5 million (71.6).
- Cash flow from operating activities amounted to SEK -28.1 M (-294.3).
- Earnings per share for the period before and after dilution amounted to SEK -0.99 (-1.59).
- The number of listens amounted to 5,019 million (5,139), a decrease of 2% compared to the same period last year. At the same time, the Average Revenue Per Listen (ARPL) increased by 21% to SEK 0.33 (0.27).

## Significant events

- Through its subsidiary Podchaser, Acast owns the podcast industry's most extensive and detailed data. During the year, new capabilities were launched that combine Podchaser's data with Acast's product expertise. These include Collections+ - an AI-driven data function that increases advertisers' reach and accuracy in podcasts.
- Acast signed new agreements strengthening and broadening the range of podcasts on its platform. Examples include Barack and Michelle Obama's media company Higher Ground, the Bill & Melinda Gates Foundation, Warner Bros Discovery and the Luminary podcast network. The agreements mean that Acast is responsible for these networks' content distribution and advertising sales.
- During the year, Acast worked intensively on launching new capabilities that enable automated sales flows and increased scalability. Acast's selfserve platform, which launched at the end of 2022, was further strengthened with the inclusion of host-read sponsorships as well as new tools which enable automated campaign planning and real-time ad production.

# Group financial KPIs and alternative performance measures

SEK thousand	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net sales	494,225	454,297	1,636,371	1,390,366
Cost of content	-375,611	-297,281	-1,115,531	-920,510
Gross profit	118,614	157,016	520,840	469,856
Total operating expenses excl D&A	-177,845	-199,445	-708,136	-764,805
EBITDA	-59,231	-42,431	-187,296	-294,949
Depreciation and amortization	-18,407	-16,205	-71,322	-57,694
EBIT (Operating profit/loss)	-77,638	-58,636	-258,618	-352,643
Financial items	-35,293	-14,414	87,711	72,377
Income tax expense	-4,601	-947	-8,772	-6,109
Profit/Loss for the period	-117,533	-73,997	-179,679	-286,375
Net sales growth (%)	9%	35%	18%	36%
Organic net sales growth (%)	7%	24%	13%	26%
Gross margin (%)	24%	35%	32%	34%
EBITDA margin (%)	-12%	-9%	-11%	-21%
Adj. EBITDA*	16,340	-31,109	-111,725	-272,337
Adj. EBITDA margin (%)*	3%	-7%	-7%	-20%
EBIT margin (%)	-16%	-13%	-16%	-25%
Adj. EBIT*	-2,067	-47,314	-183,047	-330,031
Adj. EBIT margin (%)*	0%	-10%	-11%	-24%
Items affecting comparability*	75,571	11,322	75,571	22,612
Cash flow from operating activities	50,330	-12,314	-28,135	-294,284
Basic and diluted earnings per share (SEK)	-0.65	-0.41	-0.99	-1.59
Listens (millions)	1,162	1,327	5,019	5,139
Average revenue per listen, ARPL (SEK)	0.43	0.34	0.33	0.27

\*Q4-23 and full year 2023 adjusted for costs due to the impact of iOS17, for further information please see Comments from the CEO. Q4-22 and full year 2022 adjusted for costs from the acquisition of Podchaser and restructure costs. For further information see note 6.

For definitions and purpose see note 10, and for reconciliations see note 11.

# Comments from the CEO:

## Positive adjusted EBITDA for the first time

I am proud to state that our consistent work during the year has borne fruit and that we end the year with a positive adjusted EBITDA in the fourth quarter - for the first time in Acast's history. During the year we have strengthened our competitiveness through various product initiatives driving increased scalability. Furthermore, we succeed in maintaining strict cost control. As a consequence of Apple's update to iOS17, the number of counted listens are lowered near term across the industry. As a result we have made a, for the quarter, non-cash flow-affecting revaluation of podcast contracts of SEK -76 million.

### **NORTH AMERICA CONTINUES GROWTH TRAJECTORY**

Turnover in the fourth quarter increased by 9 percent to SEK 494.2 million (454.3). Organic growth was 7 percent.

Development in North America continued to drive our overall growth in the last quarter of the year. Turnover increased by 19 percent to SEK 137.7 million (115.8) compared to the previous year.

Acast has stable development in Europe, despite the fact that several countries have been in recession with a negative impact on advertising markets. Net sales in Europe amounted to SEK 311.7 million (296.8), an increase of 5 percent. Other Markets increased net sales by 8 percent to SEK 44.9 million (41.6).

### **COST CONTROL DELIVERS PROFIT IMPROVEMENT**

As a consequence of Apple's update to iOS17, the number of counted listens are lowered near term across the industry. As a result, we have made a, for the quarter, non-cash flow-affecting revaluation of podcast contracts of SEK -76 million. Excluding this revaluation, the gross margin in the fourth quarter amounted to 39 percent. A significant improvement compared to a year ago and proof that our underlying business is developing positively. Including the revaluation, the gross margin amounted to 24 percent (35). We see a continued good development of all our products as well as an increasing share of SaaS revenues, which affected the gross margin in the right direction.



The fourth quarter was a milestone in Acast's history when, for the first time, we reached a positive adjusted EBITDA of SEK 16.3 million (-31.1), corresponding to an adjusted EBITDA margin of 3 percent (-7). I am very pleased to state that we managed to reduce our operating costs by 9 percent in the quarter while growing, a prerequisite for reaching the goal of a positive EBITDA in 2024.

Another milestone during the quarter was reaching a positive operating cash flow of 50.3 MSEK (-12.3), a result of a positive earnings trend and effective work to reduce the time it takes to get paid by our advertisers.

#### **PRODUCT DEVELOPMENT AND INITIATIVES FOR INCREASED SCALABILITY**

Strengthening Acast's ability to generate revenue through automated sales flows is an important strategic focus area. During the quarter, we further improved our self-service ad platform by introducing a tool for planning campaigns in real time. Through the new capability, advertisers get access to a real-time view of available advertising space for host-read sponsorships and their price level. The result is a more efficient process that significantly reduces the time for advertisers who want to book campaigns through Acast.

Also improving the process of podcast advertising is Performance+, which was launched in the fourth quarter. The feature is the latest development to our AI-powered product Collections+ and allows advertisers to make even more data-driven decisions in planning campaigns. It is another example of how the synergies between Podchaser

and Acast drive innovation and improve our competitiveness.

#### **ACAST STANDS STRONG AS A LEADING PLAYER IN PODCASTING**

Acast finishes the year strong and we enter 2024 with early signs of improved momentum in the market. A strong underlying development during the last quarter of the year creates a path towards a positive EBITDA in 2024. The work to balance tight cost control with the development of new services and tools that help advertisers and podcast creators reach a wide audience will have continued high priority for us in the coming year.

We enter 2024 with a robust balance sheet that increase our competitiveness even more. The world's advertising markets are still affected by the weakened economy, but Acast's position as the leading player in podcasting is stronger today than it was a year ago.

**ROSS ADAMS**  
Chief Executive Officer

# Financial information

## Sales and earnings

### NET SALES

#### Oct-Dec

Net sales for the fourth quarter amounted to SEK 494,225 thousand (454,297), an increase of 9%. The organic net sales growth was 7%, adjusted for currency effects. Net sales increased for all segments, Europe's net sales increased by 5%, North America's net sales increased by 19% and Other Markets' by 8%. None of the segments had a significant impact from currency effects.

#### Jan-Dec

Net sales for the full year 2023 amounted to SEK 1,636,371 thousand (1,390,366), an increase of 18% compared to the full year 2022. Acquired operations accounted for net sales of SEK 15,466 thousand\*. The organic net sales growth was 13%, adjusted for currency effects and acquisitions. Europe's net sales increased by 14%, North America's by 25% and Other Markets' by 21%. All segments had a positive impact from currency during the full year.

Net sales reflect the usual seasonality for the podcast advertising industry where Q4 is the strongest quarter of the year followed by a softer Q1 and where Q2 and Q3 do not see the same level of seasonal variation. The macro-economic situation, with an uncertain advertising market has continued to affect Acast's growth rate.

### GROSS PROFIT

#### Oct-Dec

Gross profit for the quarter amounted to SEK

118,614 thousand (157,016), a decrease of 24%. Gross margin for the quarter amounted to 24% (35%). As a consequence of Apple's update to iOS17, the number of counted listens are lowered near term across the industry. As a result, we have made a, for the quarter, non-cash flow-affecting revaluation of podcast contracts. The gross profit was negatively affected in the fourth quarter of 2023 by SEK 75,571 thousand in costs affecting comparability linked to this revaluation. Excluding this cost, the underlying gross margin was 39%.

#### Jan-Dec

Gross profit for the full year 2023 increased by 11% and amounted to SEK 520,840 thousand (469,855). This resulted in a gross margin of 32% (34%). As a consequence of Apple's update to iOS17, the number of counted listens are lowered near term across the industry. As a result, we have made a, for the period, non-cash flow-affecting revaluation of podcast contracts. The gross profit was negatively affected in 2023 by SEK 75,571 thousand in costs affecting comparability linked to this revaluation. Excluding this cost, the underlying gross margin was 36%.

### OTHER OPERATING EXPENSES

#### Oct-Dec

Other operating expenses in the fourth quarter of 2023 amounted to SEK 196,811 thousand (217,235), which is a decrease of 9% compared to the same period last year. The operating expenses for the fourth quarter last year included costs attributable to restructuring of SEK 10,680 thousand, excluding these, the decrease compared to the same period last year was 5%. The largest cost reduction

comes from Administration costs which have decreased by 17%. Product development costs have decreased by 14% and Sales and marketing costs have decreased by 3% compared to the same period last year. The Group's operating expenses include amortizations of SEK 1,602 thousand attributable to the acquisition of Podchaser.

#### Jan-Dec

Other operating expenses for the full year 2023 amounted to SEK 780,661 thousand (824,174). The previous year included costs attributable to restructuring of SEK 18,437 thousand, excluding these the decrease compared to the same period last year is 3%. Administration costs have decreased by 3%, Product development costs by 12% and Sales and marketing costs by 3%. The Group's operating expenses include amortizations of SEK 6,373 thousand attributable to the acquisition of Podchaser.

### OPERATING PROFIT/LOSS

#### Oct-Dec

The operating loss for the fourth quarter amounted to SEK -77,638 thousand (-58,636), an increased loss of 32% compared to the fourth quarter last year. The operating margin was -16% (-13%). Excluding items affecting comparability of SEK 75 571 thousand, the adjusted operating loss amounted to SEK -2,067 thousand (-47,314) and the adjusted operating margin was 0% (-10%).

#### Jan-Dec

The operating loss for the full year 2023 decreased to SEK -258,618 thousand (-352,645), an improved result of 27% com-

pared to the full year 2022. Acquired operations accounted for SEK -13,574 thousand of the operating loss\*. The operating margin improved compared to the same period last year and was -16% (-25%). An improvement compared to last year, due to higher net sales and thus higher gross profit and lower costs. Excluding items affecting comparability of SEK 75 571 thousand, the adjusted operating loss amounted to SEK -183,047 thousand (-330,031) and the adjusted operating margin was -11% (-24%).

### Net sales and local profits (contribution profit\*) SEK thousand

UK**	2021	2022	2023
Net sales ***	459,009	585,248	677,230
Contribution profit	97,801	121,073	117,975
Contribution margin %	21%	21%	17%
US**	2021	2022	2023
Net sales ***	225,008	301,313	360,277
Contribution profit	10,791	-41,871	-35,222
Contribution margin %	5%	-14%	-10%
Sweden	2021	2022	2023
Net sales	117,984	154,945	153,101
Contribution profit	23,342	36,748	42,595
Contribution margin %	20%	24%	28%

\*Contribution profit refers to a local market or segment's EBIT before allocation of global costs. After allocation of global costs both UK and Sweden were profitable in 2021, 2022 and 2023

\*\*Items affecting comparability in 2023 impacts UK with SEK 16 million and US with SEK 60 million.

\*\*\*UK and US are affected by currency effects and the organic growth was 10% and 16% respectively.

\*\* refers to Jan-Jul 2023



# Financial information cont.

## FINANCIAL ITEMS

### Oct-Dec

Financial items amounted to SEK -35,293 thousand (-14,414) for the quarter, an increased cost of SEK 20,879 thousand. Net financial items for the quarter consist mainly of unrealized currency exchange losses for the quarter.

### Jan-Dec

Financial items for the full year 2023 increased to SEK 87,711 thousand (72,377), an increase of SEK 15,334 thousand compared to the full year 2022. Net financial items consist mainly of dissolution of the contingent consideration attributable to the acquisition of Podchaser last year, since the targets were not reached. The dissolution amounted to USD 6.8 million and was at the time valued at SEK 73,569 thousand. Financial items also include financial income from the sale of the previous investment in the liquidity fund of SEK 5,439 thousand.

## PROFIT/LOSS FOR THE PERIOD

### Oct-Dec

Altogether, the loss for the period was SEK -117,533 thousand (-73,997), an increased loss of SEK 43,536 thousand compared to the fourth quarter last year. Excluding items affecting comparability, the loss for the period was SEK -41,962 thousand, an improvement of 43% compared to Q4 last year.

### Jan-Dec

The loss for the full year 2023 decreased by SEK 106,696 thousand or 37%, compared to the full year 2022 and amounted to SEK -179,679 thousand (-286,375). Excluding the dissolution of the contingent consideration,

and the items affecting comparability the loss for the period would be SEK -177,677, an improvement of 38% compared to the full year 2022.

## EARNINGS PER SHARE

### Oct-Dec

Earnings per share (basic and diluted) amounted to -0.65 SEK for the fourth quarter 2023 compared to -0.41 SEK for the same period last year.

### Jan-Dec

Earnings per share (basic and diluted) amounted to -0.99 SEK for the full year 2023 compared to -1.59 SEK for the full year 2022.

## NUMBER OF OUTSTANDING SHARES AND WARRANTS

At the end of the period Acast had 181,068,106 outstanding shares and an additional 15,255,746 unexercised warrants. A total of 196,323,852 outstanding shares and unexercised warrants. The program ending June 30, 2023 did not meet the share price performance requirement and therefore was not executed. A new employee stock option program started September 1, 2023, and runs until September 1, 2026. The program amounts to a maximum of 7,242,724 options and has a performance target where the average total return on Acast's share per year shall amount to at least 12%. For more information on the program, please refer to the notice of the 2023 Annual General Meeting, available at [investors.acast.com](https://investors.acast.com).

## EMPLOYEES

As at December 31, 2023, Acast had 343 full time employees (361) and an additional 30 full time consultants (34), totaling a combined 373 (395) full time employees and consultants.

## Group financial position, equity and cash flow

## FINANCIAL POSITION AND EQUITY MOVEMENTS

### Jan-Dec

As at December 31, 2023, equity amounted to SEK 1,143,823 thousand, compared to SEK 1,307,880 thousand per December 31, 2022. As at December 31, 2023, cash and cash equivalents amounted to SEK 759,463 thousand, compared to SEK 867,757 thousand per December 31, 2022.

During the fourth quarter, the Group opened a cash pool account in EUR. The Parent company is the holder of the Group's cash pool account. The total balance of the cash pool account is reported as cash and cash equivalents in the parent company. The subsidiaries' share of the cash pool account is reported as a receivable/liability to group companies.

During the second quarter, the investment in the liquidity fund was sold, resulting in a financial income of SEK 5,439 thousand.

## CASH FLOW

### Oct-Dec

The Group's cash flow from operating activities amounted to SEK 50,330 thousand

during the fourth quarter 2023, compared to SEK -12,314 thousand for the same period last year. The improvement compared to the fourth quarter of 2022, is due to better profit generation and changes in working capital, as a result of paid accounts receivable.

The Group's cash flow from investing activities amounted to SEK -13,624 thousand for the quarter. Cash flow for the same period last year amounted to SEK -11,467 thousand. The cash flow for the period was primarily related to investments in intangible assets resulting from own development of the Group's proprietary tech platforms.

The Group's cash flow from financing activities amounted to SEK -5,892 thousand during the fourth quarter 2023 compared to SEK -6,684 thousand during the same period last year. The cash flow for the period consisted entirely of amortization of lease liabilities.

Cash and cash equivalents at the beginning of the period were SEK 750,147 thousand. Cash flow for the period was SEK 30,814 thousand and the effect from movements in exchange rates on cash and cash equivalents was SEK -21,498 thousand resulting in cash and cash equivalents at the end of the period of SEK 759,463 thousand.

### Jan-Dec

The Group's cash flow from operating activities amounted to SEK -28,135 thousand during the full year 2023, compared to SEK -294,284 thousand for the full year 2022. Compared to the previous year, the improve-

# Financial information cont.

ment is due to better profit generation and lower working capital tied up due to paid accounts receivable.

The Group's cash flow from investing activities amounted to SEK -53,298 thousand for the full year 2023. Cash flow for the full year 2022 amounted to SEK -251,266 thousand. The cash flow for the period was primarily related to investments in intangible assets resulting from own development of the Group's proprietary tech platforms. The cash flow for the full year 2022 was affected by the acquisition of Podchaser, which led to an outflow of cash of SEK 209,549 thousand.

The Group's cash flow from financing activities amounted to SEK -25,023 thousand during 2023 compared to SEK -27,007 thousand during 2022. The cash flow for the period consisted entirely of amortization of lease liabilities.

Cash and cash equivalents at the beginning of the period were SEK 867,757 thousand. Cash flow for the period was SEK -106,456 thousand and the effect from movements in exchange rates on cash and cash equivalents was SEK -1,837 thousand resulting in cash and cash equivalents at the end of the period of SEK 759,463 thousand.

## Parent company

Acast AB is the Parent company of the Group.

### Oct-Dec

Net sales of the Parent company for the fourth quarter 2023 were SEK 13,050 thousand (113,084).

Total operating expenses for the fourth quarter were SEK 26,843 thousand (196,765) including cost of content, sales and marketing costs, administration expenses, product development costs and other income. In the period, we see a large impact from changes in currency exchange rate, which offsets the positive change in previous periods. When the group's result fluctuates between profit and loss, between individual quarters, it has a major impact on the parent company through our transfer pricing model. In the period, this has resulted in lower income and lower costs.

Financial items amounted to SEK -34,278 thousand for the fourth quarter 2023 (-9,516), and consisted mainly of unrealized exchange losses.

The loss for the quarter for the parent company was SEK -48,071 thousand (-93,197).

### Jan-Dec

Net sales of the Parent company for the full year 2023 were SEK 339,570 thousand (366,676).

Total operating expenses were SEK 471,253 thousand (627,846) including cost of content, sales and marketing costs, administration expenses, product development costs and other income.

Financial items amounted to SEK 19,664 thousand for the full year 2023 (74,050), and consisted mainly of interest income, and financial income from the sale of the previous investment in the liquidity fund of SEK 5,439 thousand.

The loss for the full year 2023 for the parent company was SEK -112,019 thousand (-187,118).

## Significant events after the end of the reporting period

There are no significant events after the end of the reporting period.

# Declaration by the Board and CEO

The Board and CEO confirm that the year-end report gives a fair overview of the Group and Parent Company operations, financial position and results and provides a description of the principal risks and uncertainties the Group and Parent Company faces.

This year-end report has not been subject to audit or review by the company's auditors.

The year-end report includes insider information that Acast is obliged to make public pursuant to the EU Market Abuse Regulation (MAR). The information was submitted for publication at 08:00 a.m. CET on February 12, 2024.

Board and CEO  
Our signature has been submitted on the date  
for our electronic signature

**John Harrobin**  
Chairman

**Leemon Wu**  
Board member

**Björn Jeffery**  
Board member

**Hjalmar Didrikson**  
Board member

**Jonas von Hedenberg**  
Board member

**Samantha Skey**  
Board member

**Ross Adams**  
CEO

# Financial statements

# Group financial statement

## Condensed consolidated statement of profit or loss

SEK thousand	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net sales	4	494,225	454,297	1,636,371	1,390,366
Cost of content	6	-375,611	-297,281	-1,115,531	-920,510
<b>Gross profit</b>		<b>118,614</b>	<b>157,016</b>	<b>520,840</b>	<b>469,856</b>
Sales and marketing costs	6	-103,385	-106,615	-386,889	-399,635
Administration expenses	6	-48,668	-58,651	-214,003	-220,695
Product development costs	6	-44,758	-51,969	-179,770	-203,844
Other income		559	1,583	1,203	1,675
<b>EBIT (Operating profit/loss)</b>		<b>-77,638</b>	<b>-58,636</b>	<b>-258,618</b>	<b>-352,643</b>
Financial items		-35,293	-14,414	8,711	72,377
<b>Profit/Loss before income tax</b>		<b>-112,931</b>	<b>-73,050</b>	<b>-170,907</b>	<b>-280,266</b>
Income tax expense		-4,601	-947	-8,772	-6,109
<b>Profit/Loss for the period</b>		<b>-117,533</b>	<b>-73,997</b>	<b>-179,679</b>	<b>-286,375</b>
<b>Earnings per share, based on loss for the period attributable to Parent Company shareholders:</b>					
Basic earnings per share, SEK		-0.65	-0.41	-0.99	-1.59
Diluted earnings per share, SEK		-0.65	-0.41	-0.99	-1.59
Average number of shares, thousands		181,068	181,068	181,068	179,685

## Condensed consolidated statement of other comprehensive income

SEK thousand	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Profit/Loss for the period</b>		<b>-117,533</b>	<b>-73,997</b>	<b>-179,679</b>	<b>-286,375</b>
<b>Other comprehensive income</b>					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation differences		-19,917	-135	-13,007	14,147
<b>Total comprehensive income for the period</b>		<b>-137,450</b>	<b>-74,132</b>	<b>-192,686</b>	<b>-272,228</b>

Loss for the period and total comprehensive income are, in their entirety, attributable to Parent Company shareholders.

## Group financial statement

# Condensed consolidated statement of financial position

SEK thousand	Note	31 Dec 2023	31 Dec 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	6	337,744	351,046
Intangible assets		95,851	89,706
Tangible assets		763	824
Right-of-use assets		23,412	30,335
Financial assets		2,073	2,292
Deferred tax assets		375	328
<b>Total non-current assets</b>		<b>460,217</b>	<b>474,531</b>
<b>Current assets</b>			
Accounts receivable		442,756	444,482
Other receivables		12,092	12,213
Prepaid expenses and accrued income		49,737	63,752
Cash and cash equivalents		759,463	867,757
<b>Total current assets</b>		<b>1,264,047</b>	<b>1,388,204</b>
<b>TOTAL ASSETS</b>		<b>1,724,265</b>	<b>1,862,735</b>

SEK thousand	Note	31 Dec 2023	31 Dec 2022
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital		1,174	1,174
Other paid in capital		2,337,807	2,337,807
Translation reserves		-3,195	9,812
Retained earnings (including profit/loss for the period)		-1,191,963	-1,040,913
<b>Total equity attributable to Parent company shareholders</b>		<b>1,143,823</b>	<b>1,307,880</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		34	11,624
Other long-term liabilities		9,635	19,686
Deferred tax liabilities		20,519	19,462
<b>Total non-current liabilities</b>		<b>30,189</b>	<b>50,772</b>
<b>Current liabilities</b>			
Accounts payable		145,161	122,030
Other payables		78,521	132,329
Current tax liabilities		2,663	876
Lease liabilities		21,914	17,097
Accrued expenses and prepaid income		301,994	231,751
<b>Total current liabilities</b>		<b>550,252</b>	<b>504,083</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,724,265</b>	<b>1,862,735</b>

## Condensed consolidated statement of changes in equity

Equity attributable to the equity holders of the parent company						
Note	Share capital	Other paid in capital	Translation reserves	Retained earnings (including loss for the period)	Total equity	
<b>Opening balance at 1 January 2022</b>	<b>1,159</b>	<b>2,300,666</b>	<b>-4,335</b>	<b>-802,682</b>	<b>1,494,808</b>	
Profit/Loss for the period	-	-	-	-286,375	-286,375	
Other comprehensive income	-	-	14,147	-	14,147	
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>14,147</b>	<b>-286,375</b>	<b>-272,228</b>	
<b>Transactions with owners</b>						
Consideration through issued shares	15	37,142	-	-	37,157	
Employee share schemes - value of employee services	-	-	-	48,143	48,143	
<b>Total transactions with owners</b>	<b>15</b>	<b>37,142</b>	<b>-</b>	<b>48,143</b>	<b>85,300</b>	
<b>Closing balance at 31 December 2022</b>	<b>1,174</b>	<b>2,337,808</b>	<b>9,812</b>	<b>-1,040,914</b>	<b>1,307,880</b>	

Equity attributable to the equity holders of the parent company						
Note	Share capital	Other paid in capital	Translation reserves	Retained earnings (including loss for the period)	Total equity	
<b>Opening balance at 1 January 2023</b>	<b>1,174</b>	<b>2,337,808</b>	<b>9,812</b>	<b>-1,040,914</b>	<b>1,307,880</b>	
Profit/Loss for the period	-	-	-	-179,679	-179,679	
Other comprehensive income	-	-	-13,007	-	-13,007	
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-13,007</b>	<b>-179,679</b>	<b>-192,686</b>	
<b>Transactions with owners</b>						
Employee share schemes - value of employee services	-	-	-	28,629	28,629	
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,629</b>	<b>28,629</b>	
<b>Closing balance at 31 December 2023</b>	<b>1,174</b>	<b>2,337,808</b>	<b>-3,195</b>	<b>-1,191,964</b>	<b>1,143,823</b>	

## Group financial statement

# Condensed consolidated statement of cash flows

SEK thousand	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Operating activities</b>					
EBIT (Operating profit/loss)		-77,638	-58,636	-258,618	-352,643
Adjustments for non-cash items		104,524	34,640	173,243	83,202
Interest received		5,105	2,404	24,732	4,012
Interest paid		-450	-338	-2,702	-1,958
Income taxes paid		-2,658	-5,120	-4,665	-5,120
		<b>28,883</b>	<b>-27,050</b>	<b>-68,010</b>	<b>-272,507</b>
<b>Changes in working capital</b>					
Accounts receivable (increase - / decrease +)		-29,729	-80,730	1,301	-74,217
Other current receivables (increase - / decrease +)		10,449	5,444	14,065	-39,554
Accounts payable (increase + / decrease -)		35,317	34,722	23,171	20,188
Other current liabilities (increase + / decrease -)		5,412	55,300	1,339	71,806
<b>Total change in working capital</b>		<b>21,448</b>	<b>14,736</b>	<b>39,875</b>	<b>-21,777</b>
<b>Cash flows from operating activities</b>		<b>50,330</b>	<b>-12,314</b>	<b>-28,135</b>	<b>-294,284</b>

SEK thousand	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Investing activities</b>					
Investment in equipment		-	-	-281	-55
Investment in intangible assets		-13,483	-9,356	-52,876	-42,701
Acquisition of subsidiaries	7	-	-545	-	-209,549
Long-term asset (increase - / decrease +)		-140	-1,566	-141	1,039
<b>Cash flows from investing activities</b>		<b>-13,624</b>	<b>-11,467</b>	<b>-53,298</b>	<b>-251,266</b>
<b>Financing activities</b>					
Principal elements of lease payments		-5,892	-6,684	-25,023	-27,007
<b>Cash flows from financing activities</b>		<b>-5,892</b>	<b>-6,684</b>	<b>-25,023</b>	<b>-27,007</b>
Cash flows for the period		30,814	-30,465	-106,456	-572,559
Cash and cash equivalents at the beginning of the period		750,147	901,871	867,757	1,364,751
Effect from movements in exchange rates on cash and cash equivalents		-21,498	-3,649	-1,837	75,566
<b>Cash and cash equivalents at the end of the period</b>		<b>759,463</b>	<b>867,757</b>	<b>759,463</b>	<b>867,757</b>



# Parent company financial statement

## Condensed parent company income statement

SEK thousand	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net sales		13,050	113,084	339,570	366,677
Cost of content		-34,523	-35,105	-111,773	-101,188
<b>Gross profit</b>		<b>-21,473</b>	<b>77,980</b>	<b>227,797</b>	<b>265,489</b>
Sales and marketing costs		25,979	-45,987	-70,427	-104,441
Administration expenses		22,697	-39,347	-108,094	-233,110
Product development costs		-41,553	-77,909	-182,081	-190,690
Other income		557	1,583	1,121	1,583
<b>EBIT (Operating profit/loss)</b>		<b>-13,793</b>	<b>-83,681</b>	<b>-131,683</b>	<b>-261,168</b>
Financial items		-34,278	-9,516	19,664	74,050
<b>Profit/loss before income tax</b>		<b>-48,071</b>	<b>-93,195</b>	<b>-112,019</b>	<b>-187,118</b>
Income tax expense		-	-	-	-
<b>Profit/loss for the period</b>		<b>-48,071</b>	<b>-93,195</b>	<b>-112,019</b>	<b>-187,118</b>

# Condensed parent company statement of financial position

SEK thousand	Note	31 Dec 2023	31 Dec 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets		3,342	5,339
Tangible assets		314	559
<b>Financial assets</b>			
Participations in group companies		689,842	666,017
Receivables from group companies		184,684	193,711
<b>Total non-current assets</b>		<b>878,182</b>	<b>865,626</b>
<b>Current assets</b>			
Accounts receivable		67,777	64,877
Receivables from group companies		619,945	1,165,925
Other receivables		6,992	8,841
Prepaid expenses and accrued income		47,751	61,499
Other short-term investments		–	300,769
Cash and bank		585,357	312,961
<b>Total current assets</b>		<b>1,327,822</b>	<b>1,914,872</b>
<b>TOTAL ASSETS</b>		<b>2,206,004</b>	<b>2,780,498</b>

SEK thousand	Note	31 Dec 2023	31 Dec 2022
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
<b>Restricted equity</b>			
Share capital		1,174	1,174
<b>Non-restricted equity</b>			
Other paid in capital		2,337,807	2,337,807
Retained earnings		-628,722	-471,146
Profit/loss for the period		-112,019	-187,118
<b>Total equity</b>		<b>1,598,240</b>	<b>1,680,717</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Other long-term liabilities		1,927	3,934
<b>Total non-current liabilities</b>		<b>1,927</b>	<b>3,934</b>
<b>Current liabilities</b>			
Accounts payable		143,321	116,404
Liabilities to group companies		196,630	769,919
Other payables		17,180	22,650
Accrued expenses and prepaid income		248,706	186,874
<b>Total current liabilities</b>		<b>605,837</b>	<b>1,095,847</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,206,004</b>	<b>2,780,498</b>

# Notes

## NOTE 1. GENERAL INFORMATION

Acast AB (publ) ("Acast" or "the Company"), Corp. Reg. No. 556946-8498 is a parent company registered in Sweden with its registered office in Stockholm at Kungsgatan 28, 111 35 Stockholm, Sweden.

Unless otherwise stated, all amounts are in thousands of SEK. Data in parentheses pertain to the comparative period.

This year-end report was authorized for issue by the board of directors on February 12, 2024.

## NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting.

The accounting policies applied agree with those described in the annual report for Acast AB (publ) for 2022.

The interim report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act chapter 9, Interim reporting and RFR2, Accounting principles for legal entities. The same accounting principles and calculation bases have been applied as per the prior Annual Report.

Disclosures under IAS 34.16A are presented in the financial reports and notes as well as in other parts of the interim report.

## NOTE 3. RISKS AND UNCERTAINTIES

Acast is exposed to numerous risks and opportunities arising from both its' own operations and the changing operating environment. The main operational risks for the group and the parent company are:

- a prolonged ad-market downturn affecting company performance
- changes to the competitive landscape including strategic partners
- recruitment, retention and succession of key staff
- IT infrastructure failure

The advertising market remains uncertain due to the current macroeconomic situation. Acast is closely monitoring this development and continues in line with our communicated target to be profitable in 2024.

The group and parent company's primary financial risks are:

- currency exchange risk resulting from exposure to movement in currency exchange rates for foreign currency revenue transactions and the translation of the net assets and profit and loss accounts of overseas subsidiaries
- money laundering, fraud and bribery
- credit/Counterparty risk i.e. the risk that a counterparty is not able to fulfil its contractual obligations including both commercial credit risk and financial credit risk

The financial risks in the group remain the same as in the previous quarter.

## NOTE 4. OPERATING SEGMENTS AND DISAGGREGATION OF REVENUES

The CEO is the chief operating decision maker of the Group. The CEO evaluates the financial performance and makes strategic decisions. The CEO makes decisions on the allocation of resources and examines the Group's performance from a geographical perspective and the Group has identified three operating segments, Europe, North America and Other Markets that constitutes "rest of the world".

### SEGMENT INFORMATION, SEK THOUSAND

2023 Oct-Dec	Europe	North America	Other Markets	Total
Net sales from external customers	311,670	137,680	44,875	494,225
<b>Total segment net sales</b>	<b>311,670</b>	<b>137,680</b>	<b>44,875</b>	<b>494,225</b>
<b>Contribution profit*</b>	<b>56,522</b>	<b>-47,247</b>	<b>5,079</b>	<b>14,354</b>
Global costs*				-91,992
<b>EBIT</b>				<b>-77,638</b>
Financial net				-35,293
<b>Profit/Loss before income tax</b>				<b>-112,931</b>

2022 Oct-Dec	Europe	North America	Other Markets	Total
Net sales from external customers	296,835	115,819	41,643	454,297
<b>Total segment net sales</b>	<b>296,835</b>	<b>115,819</b>	<b>41,643</b>	<b>454,297</b>
<b>Contribution profit*</b>	<b>53,852</b>	<b>-6,124</b>	<b>2,806</b>	<b>50,534</b>
Global costs*				-109,170
<b>EBIT</b>				<b>-58,636</b>
Financial net				-14,414
<b>Profit/Loss before income tax</b>				<b>-73,050</b>

See note 10 for definitions.

## Notes

2023 Jan–Dec	Europe	North America	Other Markets	Total
Net sales from external customers	1,027,329	453,788	155,254	1,636,371
<b>Total segment net sales</b>	<b>1,027,329</b>	<b>453,788</b>	<b>155,254</b>	<b>1,636,371</b>
<b>Contribution profit*</b>	<b>182,195</b>	<b>-69,082</b>	<b>11,497</b>	<b>124,610</b>
Global costs*				-383,228
<b>EBIT</b>				<b>-258,618</b>
Financial net				87,711
<b>Profit/Loss before income tax</b>				<b>-170,907</b>

2022 Jan–Dec	Europe	North America	Other Markets	Total
Net sales from external customers	899,238	363,101	128,027	1,390,366
<b>Total segment net sales</b>	<b>899,238</b>	<b>363,101</b>	<b>128,027</b>	<b>1,390,366</b>
<b>Contribution profit*</b>	<b>155,017</b>	<b>-62,006</b>	<b>1,629</b>	<b>94,640</b>
Global costs*				-447,282
<b>EBIT</b>				<b>-352,643</b>
Financial net				72,377
<b>Profit/Loss before income tax</b>				<b>-280,266</b>

See note 10 for definitions.

Acast's net sales are mainly generated from advertising revenue recognized over time. Just over 11% of Acast net sales are generated by non-ad revenue streams, such as SaaS and subscription revenue, for the reporting periods presented.

Seasonal variation within podcast advertising typically manifests in Q4 which is the strongest quarter in the year followed by lower net sales in Q1. Q2 and Q3 see less impact from seasonal variation.

### NOTE 5. TRANSACTIONS WITH RELATED PARTIES

Related party transactions within the group consist of internal trading of services and are carried out on market terms. In addition, Acast has identified one related party where transactions have taken place, consisting of purchasing services and the transaction has been taking place on market terms.

SEK thousand	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Purchases of services</b>				
IT-services	-	169	-	1,237
<b>Total purchases of services</b>	<b>-</b>	<b>169</b>	<b>-</b>	<b>1,237</b>

### NOTE 6. ITEMS AFFECTING COMPARABILITY

Items affecting comparability in 2023 refer to the revaluation of podcast contracts. As a consequence of Apple's update to iOS17, the number of counted listens are lowered near term across the industry. As a result, we have made a revaluation of podcast contracts.

Items affecting comparability in 2022 relate to restructuring costs for reduction of the workforce and costs from the acquisition of Podchaser.

SEK thousand	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Revaluation of podcast contracts due to iOS17	-75,571	-	-75,571	-
Costs for reduction of workforce	-	-10,680	-	-18,437
Acquisition of Podchaser	-	-642	-	-4,175

Total	-75,571	-11,322	-75,571	-22,612
<b>CLASSIFICATION BY FUNCTION IN THE INCOME STATEMENT</b>				
SEK thousand	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Cost of content	-75,571	-	-75,571	-
Sales and marketing costs	-	-6,537	-	-10,143
Administration expenses	-	-2,066	-	-6,149
Product development costs	-	-2,719	-	-6,320
<b>Total</b>	<b>-75,571</b>	<b>-11,322</b>	<b>-75,571</b>	<b>-22,612</b>

### NOTE 7. GOODWILL

SEK thousand	31 Dec 2023	31 Dec 2022
<b>Opening balance, January 1</b>	<b>351,046</b>	<b>27,094</b>
Acquisitions	-	311,468
Exchange difference	-13,302	12,484
<b>Closing balance, end of period</b>	<b>337,744</b>	<b>351,046</b>

## NOTE 8. FAIR VALUE OF FINANCIAL INSTRUMENTS

As at December 31, 2023, the company has no financial instruments measured at fair value. The contingent consideration that arose in connection with the acquisition of Podchaser a year ago has been fully reversed. This is because the required commercial and financial targets were not achieved.

### CONTINGENT EARN-OUT

SEK thousand	31 Dec 2023	31 Dec 2022
<b>Opening balance, January 1</b>	<b>69,311</b>	<b>-</b>
Cost of acquisition	-	69,128
Discounting at acquisition	-	-2,587
Interest cost (discounting)	1,658	-1,005
Dissolution contingent earn-out*	-73,569	
Currency exchange effect	2,600	1,764
<b>Closing balance, end of period</b>	<b>-</b>	<b>69,311</b>

\* Recognized in financial items in the income statement

The carrying amount of trade receivables, other receivables, accrued income and cash and cash equivalents is a reasonable approximation of fair value. The carrying amount of accounts payable, other liabilities and accrued expenses is a reasonable approximation of fair value.

## NOTE 9. ADJUSTMENT OF CASH FLOW FOR PREVIOUS PERIODS

An adjustment has been made to cash flow for previous periods, regarding effect from movements in exchange rates on cash and cash equivalents. This has resulted in a lower cash flow and a higher increase in movements in exchange rates on cash and cash equivalents for the periods. This has no effect on the actual cash balance.

The impact on cash flow compared to previously communicated periods is explained in the table below.

SEK thousand	2022 Jul-Sep	2022 Jan-Mar
Decrease of adjustments for non-cash items	23,592	-23,592
Decrease of cash flow from operating activities	23,592	-23,592
Decrease of cash flow for the period	23,592	-23,592
Increase in effect from movements in exchange rates on cash and cash-equivalents	-23,592	23,592

## Notes

### NOTE 10. DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES AND OPERATIONAL MEASURES

Certain information in this report that management and analysts use to assess the Group's development is not defined in IFRS. Management believes that this information makes it easier for investors to analyze the Group's earnings trend and financial position. Investors should consider this information as a supplement to, rather than a replacement of, the financial reporting in accordance with IFRS.

Alternative performance measurements not defined under IFRS	Definition	Purpose
<b>Net sales growth (%)</b>	Change in net sales compared to same period previous year.	The measure shows growth in net sales compared to the same period previous year. It is a relevant performance measure for a company within a high growth industry.
<b>Organic net sales growth (%)</b>	Change in net sales compared to the same period previous year adjusted for translational currency effects, acquisition and divestment effects. Currency effects are calculated by applying the previous period exchange rates to the current period.	Organic net sales growth facilitates a comparison of net sales over time excluding impact from currency translation, acquisitions and divestments.
<b>Gross profit</b>	Net sales for the period reduced by cost of content.	Gross profit is used to measure the residual profit that remains after deducting the cost of content. It gives an indication of the Group's ability to cover its Other operating expenses.
<b>Gross margin (%)</b>	Gross profit in relation to net sales.	Gross margin is used to measure the residual profit that remains after deducting the cost of content. It gives an indication of the Group's ability to cover Other operating expenses.
<b>Other operating expenses</b>	The sum of sales and marketing costs, administration expenses and product development costs.	Other operating expenses is used to assess the amount of operating expenses excluding cost of content and excluding other income.
<b>Total operating expenses</b>	The sum of sales and marketing costs, administration expenses, product development costs and other income	Total operating expenses is used to assess the amount of operating expenses excluding cost of content, including other income.
<b>Total operating expenses excl D&amp;A</b>	The sum of sales and marketing costs, administration expenses product development costs and other income, excluding depreciation and amortization	Total operating expenses excl D&A is used to assess the amount of operating expenses excluding cost of content, depreciation, amortization and including other income.
<b>EBITDA</b>	EBIT (Operating profit/loss) before depreciation and amortization.	EBITDA is a measure of operating profit/loss before depreciation and amortization and is used to monitor the operations.
<b>EBITDA margin (%)</b>	EBITDA in relation to net sales.	EBITDA in relation to net sales is used to measure the profitability of operations and shows cost effectiveness.

Alternative performance measurements not defined under IFRS	Definition	Purpose
<b>Adjusted EBITDA</b>	EBITDA adjusted for items affecting comparability.	Adjusted EBITDA is a measure of operating loss before depreciation and amortization and is used to monitor the operating activities. The purpose is to facilitate a fair comparison between two comparable periods and to show the underlying trend in operating activities excluding non-recurring items.
<b>Adjusted EBITDA margin (%)</b>	Adjusted EBITDA in relation to net sales.	Adjusted EBITDA in relation to net sales is used to measure the profitability of operations and shows the Group's cost effectiveness.
<b>EBIT (Operating profit/loss)</b>	Profit/loss before financial items and tax.	EBIT is used to evaluate the Group's profitability.
<b>EBIT margin (%)</b>	EBIT in relation to net sales.	EBIT in relation to the Group's net sales is an indicator of the Group's profitability.
<b>Adjusted EBIT</b>	EBIT adjusted for items affecting comparability.	Adjusted EBIT is a supplement to EBIT and the purpose is to show the operating loss excluding items that affect comparability to facilitate a fair comparison between two comparable periods and show the underlying trend in operating activities excluding non-recurring items.
<b>Adjusted EBIT margin (%)</b>	Adjusted EBIT in relation to net sales.	Adjusted EBIT in relation to net sales is an indicator of the Group's profitability.
<b>Items affecting comparability</b>	Items affecting comparability means items that are reported separately due to their character and amount and that complicate the comparability between two given periods.	Items affecting comparability is used by management to explain variations in historical profitability. Separate reporting and specification of Items affecting comparability enables the users of the financial statements to understand and evaluate the adjustments performed by management when presenting Adjusted EBIT and Adjusted EBITDA.
<b>Cash flows from operating activities</b>	Cash flows for the period excluding cash flows from financing activities and cash flows from investing activities.	Cash flow from operating activities indicates the amount of cash generated from (or spent on) its ongoing operations.
<b>Contribution profit (previously CBIT)</b>	Operating segments contribution to the Group's EBIT before allocation of Global costs.	Contribution profit is used in the assessment of the Group's operating segments, i.e. local market operations. It shows the operating segments contribution to the Group's Operating loss before allocation of Global costs.

## Notes

Alternative performance measurements not defined under IFRS	Definition	Purpose
<b>Contribution margin (%)</b>	Contribution profit in relation to net sales.	Contribution profit in relation to net sales of a segment is an indicator of the segment's profitability.
<b>Global costs</b>	Global costs include central costs including administrative costs, finance team costs, the people team costs, strategy and business development, legal team costs.	The purpose of measuring global costs is to be able to illustrate the difference between global costs and local segment costs and is used in the calculation of the contribution profit..

Operational measures	Definition	Purpose
<b>Listens*</b>	Number of listens per year based on Acast's IAB 2.0 certified measurement**	Used to identify number of listens during a specified period.
<b>Average net sales per listen (ARPL)</b>	Net sales divided by number of listens for the same period.	Used to measure average net sales per listens as defined above.

\*Number of listens per year based on Acast's IAB 2.0 certified measurement. A listen is defined as a minimum download of at least 60 seconds of the episode and Acast only count one listen per listener per episode within 24 hours.

\*\*The IAB 2.0 measurement came into effect in Q4 2019 for Acast. Historical listens preceding this date have been recalculated by Acast management to retroactively seek to align with the IAB 2.0 measurement. Listens figures have not been audited by any third party.

### NOTE 11. RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES NOT DEFINED UNDER IFRS AND OTHER OPERATIONAL MEASURES

SEK thousand (unless stated otherwise)	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Alternative performance measures not defined under IFRS</b>				
Net sales	494,225	454,297	1,636,371	1,390,366
<b>Net sales growth (%)*</b>	<b>9%</b>	<b>35%</b>	<b>18%</b>	<b>36%</b>
Net sales	494,225	454,297	1,636,371	1,390,366
Translational currency effects on Net sales (a positive amount represents a negative effect on net sales in current period, a negative amount represents the opposite)	-9,068	-30,380	-51,458	-84,789
Impact from acquisitions	-	-6,943	-15,466	-10,941
Organic net sales	485,157	416,974	1,569,446	1,294,634
<b>Net sales growth (%)</b>	<b>9%</b>	<b>35%</b>	<b>18%</b>	<b>36%</b>
Translational currency effects on Net sales growth (%) (a positive percentage represents a negative effect on growth in current period, a negative percentage represents the opposite)	-2%	-9%	-4%	-8%
Impact from acquisitions Net sales growth (%)	-	-2%	-1%	-1%
<b>Organic net sales growth (%)</b>	<b>7%</b>	<b>24%</b>	<b>13%</b>	<b>26%</b>

SEK thousand (unless stated otherwise)	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net sales	494,225	454,297	1,636,371	1,390,366
Cost of content	-375,611	-297,281	-1,115,531	-920,510
<b>Gross profit</b>	<b>118,614</b>	<b>157,016</b>	<b>520,840</b>	<b>469,856</b>
Net sales	494,225	454,297	1,636,371	1,390,366
<b>Gross margin (%)</b>	<b>24%</b>	<b>35%</b>	<b>32%</b>	<b>34%</b>
Sales and marketing costs	-103,385	-106,615	-386,889	-399,635
Administration costs	-48,668	-58,651	-214,003	-220,695
Product development costs	-44,758	-51,969	-179,770	-203,844
<b>Other operating expenses</b>	<b>-196,811</b>	<b>-217,235</b>	<b>-780,661</b>	<b>-824,174</b>
Other operating expenses	-196,811	-217,235	-780,661	-824,174
Other income	559	1,583	1,203	1,675
<b>Total operating expenses</b>	<b>-196,253</b>	<b>-215,652</b>	<b>-779,458</b>	<b>-822,499</b>
Total operating expenses	-196,253	-215,652	-779,458	-822,499
Depreciation and amortization	18,407	16,205	71,322	57,694
<b>Total operating expenses excl D&amp;A</b>	<b>-177,845</b>	<b>-199,447</b>	<b>-708,136</b>	<b>-764,805</b>

## Notes

SEK thousand (unless stated otherwise)	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Loss for the period	-117,533	-73,997	-179,679	-286,375
Income tax expense	-4,601	-947	-8,772	-6,109
Financial items	-35,293	-14,414	87,711	72,377
<b>EBIT (Operating profit/loss)</b>	<b>-77,638</b>	<b>-58,636</b>	<b>-258,618</b>	<b>-352,643</b>
Net sales	494,225	454,297	1,636,371	1,390,366
<b>EBIT margin (%)</b>	<b>-16%</b>	<b>-13%</b>	<b>-16%</b>	<b>-25%</b>
EBIT (Operating profit/loss)	-77,638	-58,636	-258,618	-352,643
Items affecting comparability**	75,571	11,322	75,571	22,612
<b>Adj. EBIT</b>	<b>-2,067</b>	<b>-47,314</b>	<b>-183,047</b>	<b>-330,031</b>
Net sales	494,225	454,297	1,636,371	1,390,366
<b>Adj. EBIT margin (%)</b>	<b>0%</b>	<b>-10%</b>	<b>-11%</b>	<b>-24%</b>
EBIT (Operating profit/loss)	-77,638	-58,636	-258,618	-352,643
Depreciation and amortization	18,407	16,205	71,322	57,694
<b>EBITDA</b>	<b>-59,231</b>	<b>-42,431</b>	<b>-187,296</b>	<b>-294,949</b>
Net sales	494,225	454,297	1,636,371	1,390,366
<b>EBITDA margin (%)</b>	<b>-12%</b>	<b>-9%</b>	<b>-11%</b>	<b>-21%</b>
EBITDA	-59,231	-42,431	-187,296	-294,949
Items affecting comparability**	75,571	11,322	75,571	22,612
<b>Adj. EBITDA</b>	<b>16,340</b>	<b>-31,109</b>	<b>-111,725</b>	<b>-272,337</b>
Net sales	494,225	454,297	1,636,371	1,390,366
<b>Adj. EBITDA margin (%)</b>	<b>3%</b>	<b>-7%</b>	<b>-7%</b>	<b>-20%</b>
<b>Operational measures</b>				
<b>Listens (millions)</b>	<b>1,162</b>	<b>1,327</b>	<b>5,019</b>	<b>5,139</b>
Net sales	494,225	454,297	1,636,371	1,390,366
<b>Average revenue per listen, ARPL (SEK)</b>	<b>0.43</b>	<b>0.34</b>	<b>0.33</b>	<b>0.27</b>

\* Net sales growth compared to same quarter in the previous year.

\*\* Items affecting comparability for Q4 and for the full year 2023 consists of costs related to the impact of iOS17. Items affecting comparability for Q4 and for the full year 2022 consists of cost from the acquisition of Podchaser and restructuring costs.



# Group financial KPIs and alternative performance measures

SEK thousand (unless stated otherwise)	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2023 Jan-Dec	2022 Jan-Dec
Net Sales	494,225	424,549	386,301	331,297	454,297	321,950	315,826	298,293	1,636,371	1,390,366
Cost of content	-375,611	-277,898	-249,095	-212,927	-297,281	-209,399	-221,823	-192,008	-1,115,531	-920,511
Gross profit	118,614	146,651	137,205	118,370	157,016	112,551	94,003	106,285	520,840	469,856
Total operating expenses excl D&A	-177,845	-172,333	-178,871	-179,086	-199,447	-198,668	-192,573	-174,117	-708,136	-764,805
EBITDA	-59,231	-25,683	-41,666	-60,717	-42,431	-86,117	-98,570	-67,832	-187,296	-294,949
Depreciation and amortization	18,407	17,948	17,662	17,305	16,205	15,869	13,389	12,231	71,322	57,694
EBIT	-77,638	-43,631	-59,328	-78,022	-58,636	-101,986	-111,959	-80,063	-258,618	-352,643
Financial items	-35,293	68,842	46,976	7,186	-14,414	35,490	42,227	9,074	87,711	72,377
Income tax expense	-4,601	-1,126	-1,870	-1,175	-947	-2,047	-903	-2,212	-8,772	-6,109
Profit / Loss for the period	-117,533	24,085	-14,221	-72,010	-73,997	-68,543	-70,635	-73,201	-179,679	-286,375
Net Sales growth (%)	9%	32%	22%	11%	35%	21%	39%	51%	18%	36%
Organic net sales growth (%)	7%	26%	15%	6%	24%	7%	28%	40%	13%	26%
Gross margin (%)	24%	35%	36%	36%	35%	35%	30%	36%	32%	34%
EBITDA margin (%)	-12%	-6%	-11%	-18%	-9%	-27%	-31%	-23%	-11%	-21%
Adj. EBITDA*	16,340	-25,683	-41,666	-60,717	-31,109	-75,144	-98,253	-67,832	-111,725	-272,337
Adj. EBITDA margin (%)*	3%	-6%	-11%	-18%	-7%	-23%	-31%	-23%	-7%	-20%
EBIT margin (%)	-16%	-10%	-15%	-24%	-13%	-32%	-35%	-27%	-16%	-25%
Adj. EBIT*	-2,067	-43,631	-59,328	-78,022	-47,314	-91,013	-111,642	-80,063	-183,047	-330,031
Adj. EBIT margin (%)*	0%	-10%	-15%	-24%	-10%	-28%	-35%	-27%	-11%	-24%
Items affecting comparability*	75,571	-	-	-	11,322	10,973	317	-	75,571	22,612
Cash flow from operating activities	50,330	-19,266	-57,542	-1,659	-12,314	-96,707**	-97,629	-87,633**	-28,135	-294,284
Basic and diluted earnings per share (SEK)	-0.65	0.13	-0.08	-0.40	-0.41	-0.38	-0.40	-0.41	-0.99	-1.59
Listens (millions)	1,162	1,280	1,294	1,283	1,327	1,318	1,238	1,256	5,019	5,139
Average revenue per listen, ARPL (SEK)	0.43	0.33	0.30	0.26	0.34	0.24	0.26	0.24	0.33	0.27

\*Items affecting comparability for Q2-22 are for the acquisition of Podchaser. Items affecting comparability for Q3 and Q4 2022 are costs for restructuring and for the acquisition of Podchaser. Items affecting comparability in Q4 2023 refer to costs due to the impact of iOS17.

\*\*Adjustment of cashflow for previous periods has been done. For more information see note 9.

For definitions and purpose see note 10, and for reconciliations see note 11.

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For The Stories.