

# Acast

**Interim report**

**January – September 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, 2,300 advertisers and more than 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 interim report for the period January 1, 2023 – September 30, 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

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

## Financial calendar

Year-end report for the period January 1 - December 31, 2023	Feb 12, 2024
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

# Q3 2023 Highlights

**32%**

NET SALES GROWTH

**35%**

GROSS MARGIN

**-6%**

EBITDA MARGIN

## Third quarter 2023

- Net sales in the quarter amounted to SEK 424.5 M (322.0), which corresponds to net sales growth of 32% (21%). The growth was mainly attributable to North America where net sales increased by 55%, Europe's net sales increased by 25% and Other Markets' net sales increased by 24%.
- Organic net sales growth amounted to 26% (7%).
- Gross margin for the quarter was 35% (35%).
- EBITDA for the quarter amounted to SEK -25.7 M (-86.1) and the EBITDA margin was -6% (-27%). The improvement in the EBITDA result means that Acast is on course to reach a positive EBITDA in 2024.
- Operating loss amounted to SEK -43.6 M (-102.0).
- The result for the period amounted to SEK 24.1 million (-68.6) and was positively impacted by SEK 73.6 million by the release of the contingent consideration that arose in connection with the acquisition of Podchaser a year ago. This was offset by negative exchange rate losses of SEK 10.2 million.
- Cash flow from operating activities amounted to SEK -19.3 M (-96.7).
- Earnings per share for the period before and after dilution amounted to SEK 0.13 (-0.38).
- The number of listens amounted to 1,280 million (1,318), a decrease of 3% compared to the same period last year. At the same time, the Average Revenue Per Listen (ARPL) increased by 36% to SEK 0.33 (0.24).

## Significant events

- Acast has entered into a strategic partnership with Luminary, the premium podcast network, to increase the reach of selected Luminary original podcasts which are now being made available to listeners on all platforms via Acast. Acast will serve as Luminary's exclusive monetization partner for these podcasts and additionally, Luminary will leverage Acast+ Access, which allows subscribers to access exclusive, gated content on the listening app of their choice.
- Acast has launched Predictive Demographics, an AI-powered feature that optimizes advertisers' ability to target the most relevant audience, based on a data-driven analysis of the dialogue in the episodes. This creates opportunities for advertisers to further fine-tune the accuracy of their podcast advertising, and for more podcasts to be opened up to monetization.
- Acast has entered into a new partnership with Warner Bros. Discovery to become the exclusive distribution and monetization partner of its podcasts. The deal will make podcasts from Food Network, TLC, HGTV, Animal Planet, Discovery Channel and Travel Channel, including Curiosity Daily, Food Network Obsessed, A Ghost Ruined My Life with Eli Roth and many more available to advertisers through Acast's marketplace.
- Acast launched the new tool AdCollab to reduce the time and resource needed to activate host-read advertising campaigns, and increase efficiency and scalability. AdCollab allows podcast creators and advertisers to collaborate in real time within Acast's product to produce the host-reads, greatly simplifying the ad purchasing process.

# Group financial KPIs and alternative performance measures

SEK thousand	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Net sales	424,549	321,950	1,142,146	936,069	1,390,366
Net sales growth (%)	32%	21%	22%	36%	36%
Organic net sales growth (%)	26%	7%	16%	23%	26%
Gross profit	146,651	112,551	402,226	312,839	469,856
Gross margin (%)	35%	35%	35%	33%	34%
EBITDA	-25,683	-86,117	-128,065	-252,518	-294,949
EBITDA margin (%)	-6%	-27%	-11%	-27%	-21%
Adj. EBITDA*	-25,683	-75,144	-128,065	-241,228	-272,337
Adj. EBITDA margin (%)*	-6%	-23%	-11%	-26%	-20%
Operating loss	-43,631	-101,986	-180,980	-294,008	-352,643
Operating margin (%)	-10%	-32%	-16%	-31%	-25%
Adj. operating loss*	-43,631	-91,013	-180,980	-282,718	-330,031
Adj. operating margin (%)*	-10%	-28%	-16%	-30%	-24%
Items affecting comparability*	–	10,973	–	11,290	22,612
Loss for the period	24,085	-68,543	-62,146	-212,379	-286,375
Cash flow from operating activities	-19,266	-96,707	-78,466	-281,971	-294,284
Basic and diluted earnings per share (SEK)***	0.13	-0.38	-0.34	-1.19	-1.59
Listens (millions)	1,280	1,318	3,857	3,812	5,139
Average revenue per listen, ARPL (SEK)	0.33	0.24	0.30	0.25	0.27

\*Q3 and full year 2022 adjusted for costs from the acquisition of Podchaser and restructure costs.

For definitions and purpose see note 9, and for reconciliations see note 10.

# Comments from the CEO:

## On track towards profitability

During the third quarter, we have succeeded in balancing growth with prudent cost control, positioning us on our established path to profitability with a significant improvement in EBITDA results. We are delivering positive net sales growth, with North America leading the way. Our efforts to develop podcasts into an increasingly efficient advertising channel continues, and during the quarter, we introduced several initiatives that enhance our ability to further scale up revenues.

### BALANCING GROWTH AND COST CONTROL LEADS TO PROFIT IMPROVEMENT

Net sales of the third quarter amounted to SEK 424.5 million (322.0), corresponding to a growth of 32 percent. The increase was largely attributable to North America. The organic growth amounted to 26 percent, a continued recovery compared to the beginning of the year and a clear improvement compared to a year ago.

The gross margin amounted to 35 percent (35). We see continued good development of all our products as well as an increasing share of SaaS revenues from Podchaser, impacting the gross margin positively. We also saw some negative impact on the gross margin, as certain larger podcast contracts are affected by Apple's ongoing roll out of iOS17. This update implies a change to how podcast episodes are downloaded on mobile devices, which in turn

affects the measurement of listens. In the long term, the change will mean a more accurate picture of the listening frequency for each podcast, which is a positive development for our industry. In the short term, we expect a decrease in the number of overall listens and an increase in the average revenue per listen (ARPL). During the third quarter, ARPL increased by 36 percent, whilst the number of listens decreased by 3 percent.

The EBITDA result improved to -25.7 MSEK (-86.1), a continued improvement in the EBITDA margin, which now amounts to -6 percent in the quarter. The actions taken throughout the year to reduce operational costs have had the expected effect. Good cost control is a critical parameter to reach the goal of a positive EBITDA in 2024. The work to continuously adjust and streamline our organization to meet the current market in the



best possible way continues.

### **NORTH AMERICA REMAINS AN IMPORTANT GROWTH DRIVER**

Our growth is primarily driven by a positive development in North America, where net sales increased by 55 percent to SEK 122.5 million (79.2). Net sales in Europe amounted to SEK 263.7 million (211.7), an increase of 25 percent, and in Other Markets net sales increased by 24 percent to SEK 38.4 million (31.1).

We succeed in driving growth despite the continued uncertainty in the advertising markets.

### **PODCAST ADVERTISING - AN INCREASINGLY EFFECTIVE ADVERTISING CHANNEL**

Through Podchaser, Acast has the most extensive and detailed database of podcasts in the industry, and we are constantly working to create solutions that strengthen and develop podcasting as a media channel. Earlier this year we launched Collections+: AI-powered data capabilities that increase advertisers' reach in podcasts. In the third quarter, this feature was further developed through Predictive Demographics, an offering that optimizes advertisers' ability to target the most relevant audience, based on a data-driven analysis of the dialogue in the episodes. In other words, an advertiser can increase the reach and accuracy of their advertising by targeting completely new podcasts and audiences relevant to their goals. By doing so, we can increase our advertising sales in smaller and medium-sized podcasts and thus scale up our advertising sales further.

### **EFFICIENCY THROUGH DEVELOPMENT OF SCALABLE SALES CHANNELS**

Streamlining our processes and increasing the scalability of ad sales is key to building the future of Acast. With automated sales flows, the foundations for building long-term growth are strengthened. The development of Acast's self-serve advertising platform is a good example of how we are increasing scalability and I am delighted by the very positive reception, which has led us to already reach our full-year revenue target for this new sales channel in the third quarter.

During the quarter, we launched AdCollab: a tool that enables advertisers and podcast creators to collaborate in real time to create host-read sponsorship campaigns. Through AdCollab, the podcasters and advertisers can create host reads within the Acast product, reducing the time and resources needed from Acast sales teams. Early test results show a 85 percent time improvement in the process of booking and producing this type of ad.

### **NEW PARTNERSHIPS WITH LEADING PODCAST PUBLISHERS**

We also entered into new agreements with Warner Bros. Discovery and Luminary, two leading podcast publishers, which each bring a slate of premium, popular and high-profile shows to our marketplace. By adding even more household name brands to our already extensive marketplace, we increase our attractiveness to both advertisers and podcast creators.

I am proud of the way that we are able to deliver both growth and profit improvement. It is still too early to point with certainty to a moment of broad recovery and upswing in the world's advertising markets, but despite

this, we continue to strengthen our position as the global independent market leader in podcasting.

**ROSS ADAMS**  
Chief Executive Officer

# Financial information

## Sales and earnings

### NET SALES

#### Jul-Sep

Net sales for the third quarter amounted to SEK 424,549 thousand (321,950), an increase of 32%. Acquired operations accounted for net sales of SEK 2,225 thousand\*, and contributed SEK 5,727 thousand via revenue synergies in the quarter. The organic net sales growth was 26%, adjusted for currency effects and acquisitions. Net sales increased for all segments, Europe's net sales increased by 25%, North America's net sales increased by 55% and Other Markets' by 24%. The segment Europe had a positive impact from currency during the quarter. North America and Other Markets did not have a significant impact from currency.

#### Jan-Sep

Net sales for the nine-month period amounted to SEK 1,142,146 thousand (936,069), an increase of 22%. Acquired operations accounted for net sales of SEK 15,466 thousand\*\*, and contributed SEK 7,927 thousand via revenue synergies for the nine-month period. The organic net sales growth was 16%, adjusted for currency effects and acquisitions. Europe's net sales increased by 19%, North America's by 28% and Other Markets' by 28%. All segments had a positive impact from currency during the nine-month period.

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

#### Jul-Sep

Gross profit for the quarter increased by 30% and amounted to SEK 146,651 thousand (112,551). With a gross margin of 35% (35%) which is in line with last year. In Q3 2023, gross profit was negatively affected by SEK 22,458 thousand in costs related to the revaluation of long-term podcast contracts. Excluding this cost, the underlying gross margin was 40%.

#### Jan-Sep

Gross profit for the nine-month period increased by 29% and amounted to SEK 402,226 thousand (312,839) This resulted in a gross margin of 35% (33%), an improvement compared to the previous year. Excluding the costs related to the revaluation of long-term podcast contracts, the underlying gross margin was 38%.

### OTHER OPERATING EXPENSES

#### Jul-Sep

Other operating expenses in the third quarter of 2023 amounted to SEK 190,280 thousand

(214,564). Which is a decrease of 11% compared to the same period last year. The operating expenses for the third quarter last year included costs attributable to restructuring of SEK 7,757 thousand, excluding these, the decrease compared to the same period last year was 8%. The Group's operating expenses include amortizations of SEK 1,624 thousand attributable to the acquisition of Podchaser.

#### Jan-Sep

Other operating expenses for the nine-month period amounted to SEK 583,850 thousand (606,939). The previous year included costs attributable to restructuring of SEK 7,757 thousand, excluding these the decrease compared to the same period last year is 3%. The Group's operating expenses include amortizations of SEK 4,770 thousand attributable to the acquisition of Podchaser.

### OPERATING LOSS

#### Jul-Sep

The operating loss for the third quarter decreased to SEK -43,631 thousand (-101,986), an improved result of 57% compared to last year. Acquired operations accounted for SEK -1,173 thousand of the operating loss\*. This operating margin improved compared to the third quarter of last year and was -10% (-32%). An improvement compared to last year, due to higher net sales and thus higher gross profit and lower costs.

#### Jan-Sep

The operating loss for the nine-month period decreased to SEK -180,980 thousand (-294,008), a decrease of 38%. 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% (-31%). An improvement compared to last year, due to higher net sales and thus higher gross profit and lower costs.

### FINANCIAL ITEMS

#### Jul-Sep

Financial items increased to SEK 68,842 thousand (35,490) for the quarter, an increase of SEK 33,352 thousand. Net financial items for the quarter 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. Also included in the financial items are unrealized currency exchange losses for the quarter.

#### Jan-Sep

Financial items for the nine-month period increased to SEK 123,004 thousand (86,791), an increase of SEK 36,213 thousand. 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. Finan-

\* refers to July 2023

\*\* refers to Jan-Jul 2023

# Financial information cont.

cial items also include unrealized currency exchange gains, which however are lower than for the nine-month period last year, and financial income from the sale of the previous investment in the liquidity fund of SEK 5,439 thousand.

## LOSS FOR THE PERIOD

### Jul-Sep

Altogether, the profit for the period was SEK 24,085 thousand (-68,543), an increase of 135% compared to the third quarter last year. Excluding the dissolution of the contingent consideration, the loss for the period would be SEK -49,484 thousand, an improvement of 28% compared to the third quarter last year.

### Jan-Sep

The loss for the nine-month period decreased by SEK 150,232 thousand or 71%, compared to the same period last year and amounted to SEK -62,146 thousand (-212,379). Excluding the dissolution of the contingent consideration, the loss for the period would be SEK -135,715, an improvement of 36% compared to the same period last year.

## EARNINGS PER SHARE

### Jul-Sep

Earnings per share (basic and diluted) amounted to 0.13 SEK for the third quarter 2023 compared to -0.38 SEK for the same period last year.

### Jan-Sep

Earnings per share (basic and diluted) amounted to -0.34 SEK for the nine-month

period compared to -1.19 SEK for the same period last year.

## NUMBER OF OUTSTANDING SHARES AND WARRANTS

At the end of the period Acast had 181,068,106 outstanding shares and an additional 15,259,575 unexercised warrants. A total of 196,327,681 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 September 30, 2023, Acast had 340 employees (394) and an additional 34 full time consultants (44), totaling a combined 374 (438) full time employees and consultants.

## Group financial position, equity and cash flow

### FINANCIAL POSITION AND EQUITY MOVEMENTS

#### Jan-Sep

As at September 30, 2023, equity amounted to SEK 1,274,074 thousand, compared to SEK

1,372,145 thousand per September 30, 2022. As at September 30, 2023, cash and cash equivalents amounted to SEK 750,147 thousand, compared to SEK 901,870 thousand per September 30, 2022.

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

## CASH FLOW

### Jul-Sep

The Group's cash flow from operating activities amounted to SEK -19,266 thousand during the third quarter 2023, compared to SEK -96,707 thousand for the same period last year. During the third quarter a retention bonus of SEK 7,568 thousand, attributable to the acquisition of Podchaser has been paid out. The improvement compared to the third quarter of 2022, is due to changes in working capital, and an improved operating loss.

The Group's cash flow from investing activities amounted to SEK -14,996 thousand for the quarter. Cash flow for the same period last year amounted to SEK -217,917 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 same period last year was affected by the acquisition of Podchaser, which led to an outflow of cash of SEK 209,004 thousand.

The Group's cash flow from financing activities amounted to SEK -6,056 thousand during the third quarter 2023 compared

to SEK -7,564 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 801,127 thousand. Cash flow for the period was SEK -40,318 thousand and the effect from movements in exchange rates on cash and cash equivalents was SEK -10,663 thousand resulting in cash and cash equivalents at the end of the period of SEK 750,147 thousand.

### Jan-Sep

The Group's cash flow from operating activities amounted to SEK -78,466 thousand during the nine-month period, compared to SEK -281,969 thousand for the same period last year. Compared to the previous year, the improvement is due to lower working capital tied up due to paid accounts receivable, and an improved operating loss.

The Group's cash flow from investing activities amounted to SEK -39,674 thousand for the nine-month period. Cash flow for the same period last year amounted to SEK -239,804 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 same period last year was affected by the acquisition of Podchaser, which led to an outflow of cash of SEK 209,004 thousand.

The Group's cash flow from financing activities amounted to SEK -19,131 thousand



# Financial information cont.

during the nine-month period compared to SEK -20,323 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 867,757 thousand. Cash flow for the period was SEK -137,272 thousand and the effect from movements in exchange rates on cash and cash equivalents was SEK 19,661 thousand resulting in cash and cash equivalents at the end of the period of SEK 750,147 thousand.

## Parent company

Acast AB is the Parent company of the Group.

### Jul-Sep

Net sales of the Parent company for the third quarter 2023 were SEK 146,833 thousand (80,458). The increase is mainly due to large currency exchange effects for the third quarter last year, which affect transactions between the companies in the group.

Total operating expenses were SEK 143,051 thousand (153,523) including cost of content, sales and marketing costs, administration expenses, product development costs and other income.

Financial items amounted to SEK -5,469 thousand for the third quarter 2023 (34,148), and consisted mainly of unrealized exchange losses.

The loss for the quarter for the parent company was SEK -1,687 thousand (-38,917).

### Jan-Sep

Net sales of the Parent company for the nine-month period were SEK 326,520 thousand (253,592).

Total operating expenses were SEK 444,410 thousand (431,081) including cost of content, sales and marketing costs, administration expenses, product development costs and other income. The operating expenses are higher due to the group's Transfer pricing model being adjusted to current organizational conditions concerning global functions between the model's main agents.

Financial items amounted to SEK 53,942 thousand for the nine-month period (83,566). and consisted mainly of unrealized exchange gains, and financial income from the sale of the previous investment in the liquidity fund of SEK 5,439 thousand.

The loss for the nine-month period for the parent company was SEK -63,948 thousand (-93,923).

## 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 interim 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.

The interim 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 November 7, 2023.

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 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Net sales	4	424,549	321,950	1,142,146	936,069	1,390,366
Cost of content		-277,898	-209,399	-739,920	-623,230	-920,510
<b>Gross profit</b>		<b>146,651</b>	<b>112,551</b>	<b>402,226</b>	<b>312,839</b>	<b>469,856</b>
Sales and marketing costs		-103,957	-104,189	-283,503	-293,020	-399,635
Administration expenses		-48,867	-54,092	-165,335	-162,044	-220,695
Product development costs		-37,456	-56,282	-135,011	-151,874	-203,844
Other income		-1	26	644	92	1,675
<b>Operating loss</b>		<b>-43,631</b>	<b>-101,986</b>	<b>-180,980</b>	<b>-294,008</b>	<b>-352,643</b>
Financial items		68,842	35,490	123,004	86,791	72,377
<b>Loss before income tax</b>		<b>25,211</b>	<b>-66,496</b>	<b>-57,975</b>	<b>-207,217</b>	<b>-280,266</b>
Income tax expense		-1,126	-2,047	-4,171	-5,162	-6,109
<b>Loss for the period</b>		<b>24,085</b>	<b>-68,543</b>	<b>-62,146</b>	<b>-212,379</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		0.13	-0.38	-0.34	-1.19	-1.59
Diluted earnings per share, SEK		0.13	-0.38	-0.34	-1.19	-1.59
Average number of shares, thousands		181,068	180,195	181,068	179,219	179,685

## Condensed consolidated statement of other comprehensive income

SEK thousand	Note	2023 Jul-sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
<b>Loss for the period</b>		<b>24,085</b>	<b>-68,543</b>	<b>-62,146</b>	<b>-212,379</b>	<b>-286,375</b>
<b>Other comprehensive income</b>						
Items that may be reclassified subsequently to profit or loss						
Foreign currency translation differences		-6,334	4,034	6,910	14,283	14,147
<b>Total comprehensive income for the period</b>		<b>17,751</b>	<b>-66,956</b>	<b>-55,236</b>	<b>-198,096</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	30 Sep 2023	30 Sep 2022	31 Dec 2022
<b>ASSETS</b>				
<b>Non-current assets</b>				
Goodwill	6	364,641	373,618	351,046
Intangible assets		97,056	92,389	89,706
Tangible assets		859	934	824
Right-of-use assets		27,074	35,347	30,335
Financial assets		2,384	2,326	2,292
Deferred tax assets		402	360	328
<b>Total non-current assets</b>		<b>492,416</b>	<b>504,974</b>	<b>474,531</b>
<b>Current assets</b>				
Accounts receivable		432,547	367,884	444,482
Other receivables		9,376	9,319	12,213
Prepaid expenses and accrued income		63,338	71,940	63,752
Cash and cash equivalents		750,147	901,870	867,757
<b>Total current assets</b>		<b>1,225,408</b>	<b>1,351,013</b>	<b>1,388,204</b>
<b>TOTAL ASSETS</b>		<b>1,747,824</b>	<b>1,855,987</b>	<b>1,862,735</b>

SEK thousand	Note	30 Sep 2023	30 Sep 2022	31 Dec 2022
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Share capital		1,174	1,174	1,174
Other paid in capital		2,337,807	2,337,807	2,337,807
Translation reserves		16,722	9,948	9,812
Retained earnings (including loss for the period)		-1,081,628	-976,784	-1,040,913
<b>Total equity attributable to Parent company shareholders</b>		<b>1,274,074</b>	<b>1,372,145</b>	<b>1,307,880</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Lease liabilities		5,428	13,952	11,624
Other long-term liabilities		10,313	21,918	19,686
Deferred tax liabilities		20,806	19,871	19,462
<b>Total non-current liabilities</b>		<b>36,547</b>	<b>55,741</b>	<b>50,772</b>
<b>Current liabilities</b>				
Accounts payable		110,250	87,393	122,030
Other payables		68,218	125,012	132,329
Current tax liabilities		958	1,155	876
Lease liabilities		20,457	20,162	17,097
Accrued expenses and prepaid income		237,320	194,379	231,751
<b>Total current liabilities</b>		<b>437,203</b>	<b>428,101</b>	<b>504,083</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,747,824</b>	<b>1,855,987</b>	<b>1,862,735</b>

## Condensed consolidated statement of changes in equity

	Note	Equity attributable to the equity holders of the parent company				Total equity
		Share capital	Other paid in capital	Translation reserves	Retained earnings (including loss for the period)	
<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>
Loss for the period		-	-	-	-212,379	-212,379
Other comprehensive income		-	-	14,283	-	14,283
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>14,283</b>	<b>-212,379</b>	<b>-198,096</b>
<b>Transactions with owners</b>						
Consideration through issued shares		15	37,141	-	-	37,156
Employee share schemes - value of employee services		-	-	-	38,277	38,277
<b>Total transactions with owners</b>		<b>15</b>	<b>37,141</b>	<b>-</b>	<b>38,277</b>	<b>75,433</b>
<b>Closing balance at 30 September 2022</b>		<b>1,174</b>	<b>2,337,807</b>	<b>9,948</b>	<b>-976,784</b>	<b>1,372,144</b>
<b>Opening balance at 1 October 2022</b>						
<b>Opening balance at 1 October 2022</b>		<b>1,174</b>	<b>2,337,807</b>	<b>9,948</b>	<b>-976,784</b>	<b>1,372,144</b>
Loss for the period		-	-	-	-73,996	-73,996
Other comprehensive income		-	-	-136	-	-136
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-136</b>	<b>-73,996</b>	<b>-74,132</b>
<b>Transactions with owners</b>						
Consideration through issued shares		-	1	-	-	1
Employee share schemes - value of employee services		-	-	-	9,866	9,866
<b>Total transactions with owners</b>		<b>-</b>	<b>1</b>	<b>-</b>	<b>9,866</b>	<b>9,867</b>
<b>Closing balance at 31 December 2022</b>		<b>1,174</b>	<b>2,337,807</b>	<b>9,812</b>	<b>-1,040,914</b>	<b>1,307,880</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 2023</b>	<b>1,174</b>	<b>2,337,807</b>	<b>9,812</b>	<b>-1,040,914</b>		<b>1,307,880</b>
Loss for the period	-	-	-	-62,146		-62,146
Other comprehensive income	-	-	6,910	-		6,910
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>6,910</b>	<b>-62,146</b>		<b>-55,236</b>
<b>Transactions with owners</b>						
Employee share schemes - value of employee services	-	-	-	21,431		21,431
<b>Total transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,431</b>		<b>21,431</b>
<b>Closing balance at 30 September 2023</b>	<b>1,174</b>	<b>2,337,807</b>	<b>16,722</b>	<b>-1,081,629</b>		<b>1,274,074</b>

## Group financial statement

# Condensed consolidated statement of cash flows

SEK thousand	Note	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
<b>Operating activities</b>						
Operating loss		-43,631	-101,986	-180,980	-294,008	-352,643
Adjustments for non-cash items		21,106	23,310	68,719	48,568	83,202
Interest received		6,538	1,016	19,627	1,608	4,012
Interest paid		-431	-378	-2,252	-1,621	-1,958
Income taxes paid		-1 779	-	-2 007	-	-5,120
		<b>-18,196</b>	<b>-78,036</b>	<b>-96,893</b>	<b>-245,453</b>	<b>-272,507</b>
<b>Changes in working capital</b>						
Accounts receivable (increase - / decrease +)		-27,622	-10,454	31,030	6,513	-74,217
Other current receivables (increase - / decrease +)		15,147	-4,374	3,616	-45,002	-39,554
Accounts payable (increase + / decrease -)		-5,964	-10,533	-12,147	-14,534	20,188
Other current liabilities (increase + / decrease -)		17,369	6,692	-4,073	16,506	71,806
<b>Total change in working capital</b>		<b>-1,070</b>	<b>-18,669</b>	<b>18,427</b>	<b>-36,517</b>	<b>-21,777</b>
<b>Cash flows from operating activities</b>		<b>-19,266</b>	<b>-96,707</b>	<b>-78,466</b>	<b>-281,969</b>	<b>-294,284</b>

SEK thousand	Note	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
<b>Investing activities</b>						
Investment in equipment		-5	-61	-281	-61	-55
Investment in intangible assets		-14,986	-11,301	-39,392	-33,345	-42,701
Acquisition of subsidiaries	7	-	-209,004	-	-209,004	-209,549
Long-term asset (increase - / decrease +)		-5	2,449	-	2,606	1,039
<b>Cash flows from investing activities</b>		<b>-14,996</b>	<b>-217,917</b>	<b>-39,674</b>	<b>-239,804</b>	<b>-251,266</b>
<b>Financing activities</b>						
Principal elements of lease payments		-6,056	-7,564	-19,131	-20,323	-27,007
<b>Cash flows from financing activities</b>		<b>-6,056</b>	<b>-7,564</b>	<b>-19,131</b>	<b>-20,323</b>	<b>-27,007</b>
Cash flows for the period		-40,318	-322,187	-137,272	-542,096	-572,559
Cash and cash equivalents at the beginning of the period		801,127	1,216,410	867,757	1,364,751	1,364,751
Effect from movements in exchange rates on cash and cash equivalents		-10,663	7,648	19,661	79,215	75,566
<b>Cash and cash equivalents at the end of the period</b>		<b>750,147</b>	<b>901,870</b>	<b>750,147</b>	<b>901,870</b>	<b>867,757</b>



# Parent company financial statement

## Condensed parent company income statement

SEK thousand	Note	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Net sales		146,833	80,458	326,520	253,592	366,677
Cost of content		-31,702	-26,335	-77,250	-66,083	-101,188
<b>Gross profit</b>		<b>115,131</b>	<b>54,123</b>	<b>249,270</b>	<b>187,509</b>	<b>265,489</b>
Sales and marketing costs		-38,976	-17,426	-96,406	-58,454	-104,441
Administration expenses		-32,041	-73,168	-130,791	-193,763	-233,110
Product development costs		-40,332	-36,594	-140,527	-112,781	-190,690
Other income		-	-	564	-	1,583
<b>Operating profit / loss</b>		<b>3,782</b>	<b>-73,065</b>	<b>-117,890</b>	<b>-177,489</b>	<b>-261,168</b>
Financial items		-5,469	34,148	53,942	83,566	74,050
<b>Profit / loss before income tax</b>		<b>-1,687</b>	<b>-38,917</b>	<b>-63,948</b>	<b>-93,923</b>	<b>-187,118</b>
Income tax expense		-	-	-	-	-
<b>Profit / loss for the period</b>		<b>-1,687</b>	<b>-38,917</b>	<b>-63,948</b>	<b>-93,923</b>	<b>-187,118</b>

# Condensed parent company statement of financial position

SEK thousand	Note	30 Sep 2023	30 Sep 2022	31 Dec 2022
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets		3,836	5,840	5,339
Tangible assets		375	620	559
<b>Financial assets</b>				
Participations in group companies		682,611	382,451	666,017
Receivables from group companies		199,374	–	193,711
<b>Total non-current assets</b>		<b>886,196</b>	<b>388,911</b>	<b>865,626</b>
<b>Current assets</b>				
Accounts receivable		61,736	60,544	64,877
Receivables from group companies		587,968	1,358,063	1,165,925
Other receivables		4,094	212,721	8,841
Prepaid expenses and accrued income		63,338	68,142	61,499
Other short-term investments		–	298,673	300,769
Cash and bank		480,828	277,082	312,961
<b>Total current assets</b>		<b>1,197,964</b>	<b>2,275,225</b>	<b>1,914,872</b>
<b>TOTAL ASSETS</b>		<b>2,084,160</b>	<b>2,664,136</b>	<b>2,780,498</b>

SEK thousand	Note	30 Sep 2023	30 Sep 2022	31 Dec 2022
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
<b>Restricted equity</b>				
Share capital		1,174	1,174	1,174
<b>Non-restricted equity</b>				
Other paid in capital		2,337,807	2,337,807	2,337,807
Retained earnings		-635,920	-479,977	-471,146
Profit / loss for the period		-63,948	-93,924	-187,118
<b>Total equity</b>		<b>1,639,113</b>	<b>1,765,080</b>	<b>1,680,717</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Other long-term liabilities		2,063	4,388	3,934
<b>Total non-current liabilities</b>		<b>2,063</b>	<b>4,388</b>	<b>3,934</b>
<b>Current liabilities</b>				
Accounts payable		109,004	83,136	116,404
Liabilities to group companies		140,951	632,248	769,919
Other payables		13,657	29,388	22,650
Accrued expenses and prepaid income		179,372	148,896	186,874
<b>Total current liabilities</b>		<b>442,984</b>	<b>894,668</b>	<b>1,095,847</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,084,160</b>	<b>2,664,136</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 interim report was authorized for issue by the board of directors on November 7, 2023.

## 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
- 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 Jul-Sep	Europe	North America	Other Markets	Total
Net sales from external customers	263,681	122,481	38,387	424,549
<b>Total segment net sales</b>	<b>263,681</b>	<b>122,481</b>	<b>38,387</b>	<b>424,549</b>
<b>CBIT*</b>	<b>36,103</b>	<b>5,858</b>	<b>3,031</b>	<b>44,992</b>
Global costs*				-88,623
<b>Operating loss</b>				<b>-43,631</b>
Financial net				68,842
<b>Loss before income tax</b>				<b>25,211</b>

2022 Jul-Sep	Europe	North America	Other Markets	Total
Net sales from external customers	211,689	79,207	31,054	321,950
<b>Total segment net sales</b>	<b>211,689</b>	<b>79,207</b>	<b>31,054</b>	<b>321,950</b>
<b>CBIT*</b>	<b>34,346</b>	<b>-20,956</b>	<b>-1,042</b>	<b>12,349</b>
Global costs*				-114,335
<b>Operating loss</b>				<b>-101,986</b>
Financial net				35,490
<b>Loss before income tax</b>				<b>-66,496</b>

See note 9 for definitions.

## Notes

<b>2023 Jan–Sep</b>	<b>Europe</b>	<b>North America</b>	<b>Other Markets</b>	<b>Total</b>
Net sales from external customers	715,659	316,108	110,379	1,142,146
<b>Total segment net sales</b>	<b>715,659</b>	<b>316,108</b>	<b>110,379</b>	<b>1,142,146</b>
<b>CBIT*</b>	<b>125,672</b>	<b>-21,834</b>	<b>6,418</b>	<b>110,256</b>
Global costs*				-291,236
<b>Operating loss</b>				<b>-180,980</b>
Financial net				123,004
<b>Loss before income tax</b>				<b>-57,975</b>

<b>2022 Jan–Sep</b>	<b>Europe</b>	<b>North America</b>	<b>Other Markets</b>	<b>Total</b>
Net sales from external customers	602,402	247,282	86,384	936,069
<b>Total segment net sales</b>	<b>602,402</b>	<b>247,282</b>	<b>86,384</b>	<b>936,069</b>
<b>CBIT*</b>	<b>101,164</b>	<b>-55,879</b>	<b>-1,177</b>	<b>44,108</b>
Global costs*				-338,116
<b>Operating loss</b>				<b>-294,008</b>
Financial net				86,791
<b>Loss before income tax</b>				<b>-207,217</b>

<b>2022 Jan–Dec</b>	<b>Europe</b>	<b>North America</b>	<b>Other Markets</b>	<b>Total</b>
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>CBIT*</b>	<b>155,017</b>	<b>-62,006</b>	<b>1,629</b>	<b>94,640</b>
Global costs*				-447,282
<b>Operating loss</b>				<b>-352,643</b>
Financial net				72,377
<b>Loss before income tax</b>				<b>-280,266</b>

See note 9 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.

<b>SEK thousand</b>	<b>2023 Jul-Sep</b>	<b>2022 Jul-Sep</b>	<b>2023 Jan-Sep</b>	<b>2022 Jan-Sep</b>	<b>2022 Jan-Dec</b>
<b>Purchases of services</b>					
IT-services	-	-	-	1,068	1,237
<b>Total purchases of services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,068</b>	<b>1,237</b>

### NOTE 6. GOODWILL

<b>SEK thousand</b>	<b>30 Sep 2023</b>	<b>30 Sep 2022</b>	<b>31 Dec 2022</b>
<b>Opening balance, January 1</b>	<b>351,046</b>	<b>27,094</b>	<b>27,094</b>
Acquisitions	-	311,023	311,468
Exchange difference	13,595	35,502	12,484
<b>Closing balance, end of period</b>	<b>364,641</b>	<b>373,618</b>	<b>351,046</b>

## NOTE 7. FAIR VALUE OF FINANCIAL INSTRUMENTS

As at September 30, 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 have not been achieved.

### CONTINGENT EARN-OUT

SEK thousand	30 Sep 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)	1,753	-1,005
Dissolution contingent earn-out*	-73,569	
Currency exchange effect	2,505	1,764
<b>Closing balance, end of period</b>	<b>-</b>	<b>69,311</b>

\* Recognized in financial items in the income statement

## NOTE 8. 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	2021 Jan-Dec	2021 Oct-Dec
Decrease of adjustments for non-cash items	23,592	-23,592	-15,228	-15,228
Decrease of cash flow from operating activities	23,592	-23,592	-15,228	-15,228
Decrease of cash flow for the period	23,592	-23,592	-15,228	-15,228
Increase in effect from movements in exchange rates on cash and cash-equivalents	-23,592	23,592	15,228	15,228

## Notes

### NOTE 9. 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.
<b>EBITDA</b>	Loss for the period adding back income tax expense, financial income, financial costs, depreciation and amortization.	EBITDA is a measure of operating 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.
<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 show adjusted EBITDA excluding items that affect comparability with other periods

Alternative performance measurements not defined under IFRS	Definition	Purpose
<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>Operating loss</b>	Loss for the period adding back income tax expense, financial costs and financial income.	Operating loss is used to evaluate the Group's profitability.
<b>Operating margin (%)</b>	Operating loss in relation to net sales.	Operating loss in relation to the Group's net sales is an indicator of the Group's profitability.
<b>Adjusted operating loss</b>	Operating loss adjusted for items affecting comparability.	Adjusted operating loss is a supplement to operating loss and the purpose is to show the operating loss excluding items that affect comparability with other periods.
<b>Adjusted operating margin (%)</b>	Adjusted operating loss in relation to net sales.	Adjusted operating loss 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.	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 operating profit 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>CBIT</b>	Operating profit / loss in a segment before deducting Global costs.	CBIT is used in the assessment of the Group's operating segments. It shows the operating segments contribution to the Group's Operating loss before allocation of Global costs.
<b>CBIT margin (%)</b>	CBIT in relation to net sales.	CBIT in relation to net sales of a segment is an indicator of the segment's profitability.

## Notes

Alternative performance measurements not defined under IFRS	Definition	Purpose
<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 and local costs and is used in the calculation of CBIT.

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 10. RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES NOT DEFINED UNDER IFRS AND OTHER OPERATIONAL MEASURES

SEK thousand (unless stated otherwise)	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
<b>Alternative performance measures not defined under IFRS</b>					
Net sales	424,549	321,950	1,142,146	936,069	1,390,366
<b>Net sales growth (%)*</b>	<b>32%</b>	<b>21%</b>	<b>22%</b>	<b>36%</b>	<b>36%</b>
Net sales	424,549	321,950	1,142,146	936,069	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)	-16,724	-33,490	-42,390	-81,198	-84,789
Impact from acquisitions	-2,225	-3,999	-15,466	-3,999	-10,941
Organic net sales	405,600	284,462	1,084,290	850,872	1,294,634
<b>Net sales growth (%)</b>	<b>32%</b>	<b>21%</b>	<b>22%</b>	<b>36%</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)	-5%	-13%	-5%	-12%	-8%
Impact from acquisitions Net sales growth (%)	-1%	-2%	-2%	-1%	-1%
<b>Organic net sales growth (%)</b>	<b>26%</b>	<b>7%</b>	<b>16%</b>	<b>23%</b>	<b>26%</b>

SEK thousand (unless stated otherwise)	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Net sales	424,549	321,950	1,142,146	936,069	1,390,366
Cost of content	-277,898	-209,399	-739,920	-623,230	-920,510
<b>Gross profit</b>	<b>146,651</b>	<b>112,551</b>	<b>402,226</b>	<b>312,839</b>	<b>469,856</b>
Net sales	424,549	321,950	1,142,146	936,069	1,390,366
<b>Gross margin (%)</b>	<b>35%</b>	<b>35%</b>	<b>35%</b>	<b>33%</b>	<b>34%</b>
Loss for the period	24,085	-68,543	-62,146	-212,379	-286,375
Income tax expense	-1,126	-2,047	-4,171	-5,162	-6,109
Financial items	68,842	35,490	123,004	86,791	72,377
<b>Operating loss</b>	<b>-43,631</b>	<b>-101,986</b>	<b>-180,980</b>	<b>-294,008</b>	<b>-352,643</b>
Net sales	424,549	321,950	1,142,146	936,069	1,390,366
<b>Operating margin (%)</b>	<b>-10%</b>	<b>-32%</b>	<b>-16%</b>	<b>-31%</b>	<b>-25%</b>
Operating loss	-43,631	-101,986	-180,980	-294,008	-352,643
Items affecting comparability**	-	10,973	-	11,290	22,612
<b>Adj. Operating loss</b>	<b>-43,631</b>	<b>-91,013</b>	<b>-180,980</b>	<b>-282,718</b>	<b>-330,031</b>
Net sales	424,549	321,950	1,142,146	936,069	1,390,366
<b>Adj. Operating margin (%)</b>	<b>-10%</b>	<b>-28%</b>	<b>-16%</b>	<b>-30%</b>	<b>-24%</b>

## Notes

SEK thousand (unless stated otherwise)	2023 Jul-Sep	2022 Jul-Sep	2023 Jan-Sep	2022 Jan-Sep	2022 Jan-Dec
Operating loss	-43,631	-101,986	-180,980	-294,008	-352,643
Depreciation and amortization	17,948	15,869	52,915	41,490	57,694
<b>EBITDA</b>	<b>-25,683</b>	<b>-86,117</b>	<b>-128,065</b>	<b>-252,518</b>	<b>-294,949</b>
Net sales	424,549	321,950	1,142,146	936,069	1,390,366
<b>EBITDA margin (%)</b>	<b>-6%</b>	<b>-27%</b>	<b>-11%</b>	<b>-27%</b>	<b>-21%</b>
<hr/>					
EBITDA	-25,683	-86,117	-128,065	-252,518	-294,949
Items affecting comparability**	-	10,973	-	11,290	22,612
<b>Adj. EBITDA</b>	<b>-25,683</b>	<b>-75,144</b>	<b>-128,065</b>	<b>-241,228</b>	<b>-272,337</b>
Net sales	424,549	321,950	1,142,146	936,069	1,390,366
<b>Adj. EBITDA margin (%)</b>	<b>-6%</b>	<b>-23%</b>	<b>-11%</b>	<b>-26%</b>	<b>-20%</b>
<hr/>					
<b>Operational measures</b>					
<b>Listens (millions)</b>	<b>1,280</b>	<b>1,318</b>	<b>3,857</b>	<b>3,812</b>	<b>5,139</b>
Net sales	424,549	321,950	1,142,146	936,069	1,390,366
<b>Average revenue per listen, ARPL (SEK)</b>	<b>0.33</b>	<b>0.24</b>	<b>0.30</b>	<b>0.25</b>	<b>0.27</b>

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

\*\* Items affecting comparability for Q3 and for the full year 2022 are costs from the acquisition of Podchaser and restructuring costs.



# Group financial KPIs and alternative performance measures

SEK thousand (unless stated otherwise)	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2022 Jan-Dec	2021 Jan-Dec
Net Sales	424,549	386,301	331,297	454,297	321,950	315,826	298,293	336,491	265,142	1,390,366	1,025,702
Net Sales growth (%)	32%	22%	11%	35%	21%	39%	51%	40%	89%	36%	73%
Organic net sales growth (%)	26%	15%	6%	24%	7%	28%	40%	35%	87%	26%	74%
Gross profit	146,651	137,205	118,370	157,016	112,551	94,003	106,285	122,811	96,740	469,856	373,476
Gross margin (%)	35%	36%	36%	35%	35%	30%	36%	36%	36%	34%	36%
EBITDA	-25,683	-41,666	-60,717	-42,431	-86,117	-98,570	-67,832	-28,123	-42,040	-294,949	-181,618
EBITDA margin (%)	-6%	-11%	-18%	-9%	-27%	-31%	-23%	-8%	-16%	-21%	-18%
Adj. EBITDA*	-25,683	-41,666	-60,717	-31,109	-75,144	-98,253	-67,832	-28,227	-42,009	-272,337	-150,480
Adj. EBITDA margin (%)*	-6%	-11%	-18%	-7%	-23%	-31%	-23%	-8%	-16%	-20%	-15%
Operating loss	-43,631	-59,328	-78,022	-58,636	-101,986	-111,959	-80,063	-39,512	-52,747	-352,643	-221,646
Operating margin (%)	-10%	-15%	-24%	-13%	-32%	-35%	-27%	-12%	-20%	-25%	-22%
Adj. operating loss*	-43,631	-59,328	-78,022	-47,314	-91,013	-111,642	-80,063	-39,616	-52,716	-330,031	-190,508
Adj. operating margin (%)*	-10%	-15%	-24%	-10%	-28%	-35%	-27%	-12%	-20%	-24%	-19%
Items affecting comparability*	-	-	-	11,322	10,973	317	-	-104	31	22,612	31,138
Loss for the period	24,085	-14,221	-72,010	-73,997	-68,543	-70,635	-73,201	-25,289	-46,132	-286,375	-300,394
Cash flow from operating activities	-19,266	-57,542	-1,659	-12,314	-96,707**	-97,629	-87,633**	12,383**	-70,830	-294,284	-121,806**
Basic and diluted earnings per share (SEK)***	0.13	-0.08	-0.40	-0.41	-0.38	-0.40	-0.41	-0.14	-0.26	-1.59	-1.91
Listens (millions)	1,280	1,294	1,283	1,327	1,318	1,238	1,256	1,091	891	5,139	3,735
Average revenue per listen, ARPL (SEK)	0.33	0.30	0.26	0.34	0.24	0.26	0.24	0.31	0.30	0.27	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 for the quarters in 2021 are costs for the IPO.

\*\*Adjustment of cashflow for previous periods has been done. For more information see note 8.

\*\*\*50:1 sharesplit undertaken in Q2-21 applied to all reporting periods.

For definitions and purpose see note 9, and for reconciliations see note 10.

# Review report

To the Board of Directors of Acast AB (publ)  
Corp. id. 556946-8498

## Introduction

We have reviewed the condensed interim financial information (interim report) of Acast AB (publ) as of 30 September 2023 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm 7 November 2023

## KPMG AB

**Mattias Lötborn**  
**Authorized Public Accountant**

**Acast**

For The Stories.