



Dear Investors / Stakeholders,

During COVID-19, we changed our daily habits and became not only dependent on the internet to do our jobs, to study online, to do shopping, to keep informed, and connect with others, but also it became our main source of entertainment. Who creates those entertainments for us? Of course, the creatives: musicians and artists. Live music and concert industry in the US experienced strong growth in 2019, but the COVID-19 pandemic came, and all concerts, tours and album releases cancelled. At that time, online music platforms shoulder an additional responsibility, which we, as a market leader, understood our responsibility and tried to do our best. Now we would like to share with you the success we have achieved in 2020/2021.

First, we would like to give you financial information. We ended 2020 with strong financial data. Total revenue has been increased 17% to \$2,449 million compared to 2019. Ad-supported revenue grew 10% to \$76 million while Premium revenue was particularly strong, growing 17% to \$1,185 million compared to the previous year. Revenue has been 117% higher than the revenue of the closest competitor in the industry in 2020. One of the main reasons is that the number of premium users has increased by 28% and 30 new premium users have joined us. However, there are few strong competitors in the music streaming industry, Spotify maintain its leadership position in the industry. Over the past 5 years, Spotify's market share has been consistently in the 32%-43% range. In 2020, Spotify stock price reached \$ 314, the highest level in the last 3 years. And this turns the attention of more investors to Spotify.

Currently, we have an enormous number of 345 million monthly active user which approaches us to our goal of reaching half billion users. The number of premium users has increased by 30 million this year, reached 138 million, and we can maintain our leadership position in the market with the number of premium users. Our closest competitor, Apple Music has achieved 72 million premium user which is 92% behind from number of our total premium. Our customers from 174 different countries can enjoy listening to more than 70 million different genres of music.

We have 22.8 million active followers on Facebook, our digital marketing team makes interesting and attractive contents for our followers to increase our social media engagement. Talking with our existing and potential customer by posting, receiving message, responding them is created a special loyalty between our customer and us. Currently, our presence in social media is quite large when compared to other music streaming companies, but we are attracting more users not only on Facebook, also other social media platforms by creating new campaigns, promoting musicians and artists to support our increase in monthly active users.

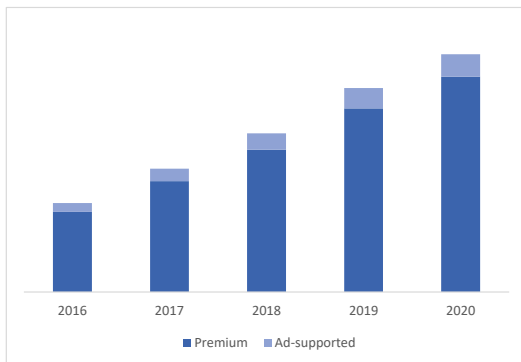
Spotify is the 2nd most used app for listening podcasts in the US, with 40% of listeners frequently using it and that is a 33% increase from 2019. Forecasted podcast listeners worldwide is expected to keep increasing for the next five years. According to statistics, podcast listener will increase 52% to 172million active user. Moreover, podcasting revenue in the US is expected to hit \$1.33 billion next year. And to further highlight the tremendous growth, US podcast ad revenue is set to surpass the \$2 billion in 2023. It will continue to rise to \$2.74 billion by 2025, effectively more than doubling the revenue in just four years. This is also an average annual growth rate of 20.05 percent. For the first time, Spotify's US podcast listeners will overtake Apple Podcasts', according to eMarketer's latest forecast. This year, 28.2 million people will listen to podcasts on Spotify at least monthly, while 28.0 million will listen via Apple Podcasts.

Finally, Spotify will become the convenient one-stop-shop for digital audio environment by adding podcasts and music in one place. Spotify's investments and innovation in podcast content and technology will attract more active listener to our platform. In addition, this investment has empowered podcast creators and advertisers through monetization tools.

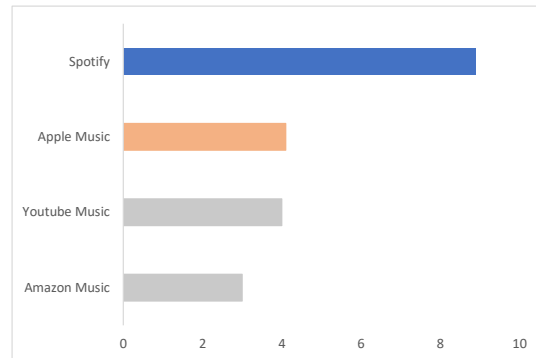
We will follow our simple but vital strategy, it means we will constantly develop our platform using innovative solutions for the convenience of our users, and as always, we will always be their first choice.

Despite the challenges in this year, we will continue our path with the support, trust, and encouragement of our investors. Thank you for everything.

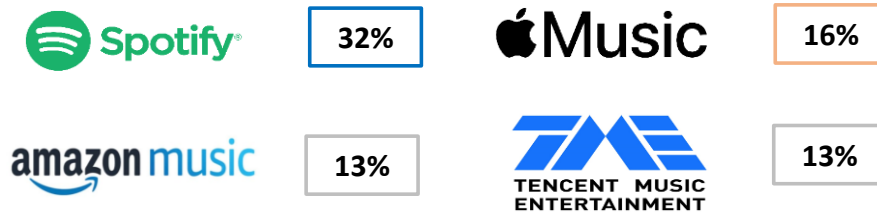
5 Year Total Revenue of Spotify by segments



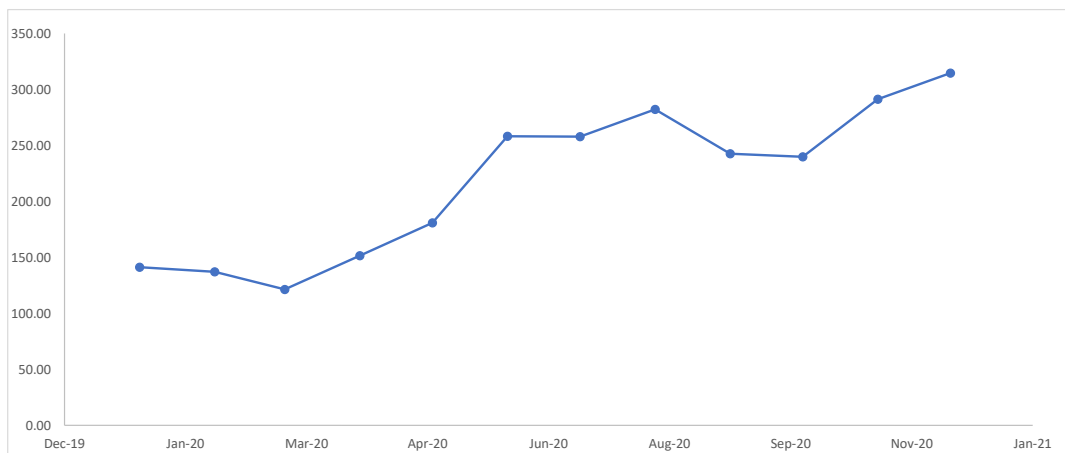
2020 Fiscal Year Total Revenue (\$ billions)



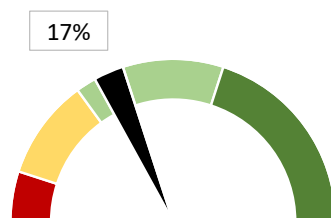
Streaming music subscriber market share(Q1 2021)



Adjusted close stock price of Spotify(Jan 2020 - Dec 2020)



% Growth of Revenue 2021 vs 2020 (Spotify)



% Growth of Premium subscriber in 2021 vs 2020

