

Pressrelease

Stockholm 2019-11-07

STILLFRONT
GROUP

Notice of extraordinary general meeting in Stillfront Group AB (publ)

The shareholders of Stillfront Group AB (publ), reg. no. 556721-3078 ("Company"), are hereby convened to the extraordinary general meeting on Tuesday, 10 December 2019 at 4:00 p.m. The general meeting will be held at the offices of the law firm Advokatfirma DLA Piper Sweden KB at Kungsgatan 9 in Stockholm.

The right to participate at the general meeting etc.

Shareholders who wish to participate at the general meeting shall i) be registered in the share register kept by Euroclear Sweden AB on the record day which is Wednesday, 4 December 2019, as well as ii) notify the Company of their intention to participate at the general meeting no later than by Wednesday, 4 December 2019 by way of mail to Stillfront Group AB (publ), "Extraordinary General Meeting", Sveavägen 9, 111 57 Stockholm or by e-mail to ir@stillfront.com.

To be entitled to participate at the general meeting, shareholders with nominee-registered shares through a bank or other nominee must register their shares in their own name with Euroclear Sweden AB. Shareholders requesting such registration must notify their nominee well before Wednesday, 4 December 2019, when such registration shall have been executed.

The notification shall set out name/company name, personal ID number/registration number, number of shares held and, when applicable, number of advisors which may not exceed two.

Shareholders who are represented by proxy should submit a power of attorney concurrently with the notice of participation. The power of attorney shall be in writing, dated and signed. The original power of attorney shall be brought to the general meeting. Power of attorney forms are available on the Company's website www.stillfront.com and sent free of charge to those shareholders who so request and state their postal address or e-mail address. Representatives of legal entities shall also enclose a copy of the registration certificate or equivalent document which indicates the persons authorised to represent the legal entity.

PROPOSED AGENDA

1. Opening of the meeting
2. Appointment of the chairman for the meeting
3. Preparation and approval of the voting register
4. Approval of the agenda

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5. Election of one or two persons to approve the minutes
6. Examination of whether the meeting has been duly convened
7. Resolution on authorisation for the board of directors to issue shares, convertible instruments and warrants
8. Resolution on employee stock option program including an issue of warrants and approval of transfers of warrants/shares
9. Resolution to amend the Company's articles of association
10. Closing of the meeting

Principal proposals for resolutions

Resolution on authorisation for the board of directors to issue shares, convertible instruments and warrants (item 7)

The board of directors proposes that the general meeting resolves to authorise the board of directors to, until the next annual general meeting, with or without deviation from the shareholders' preferential rights, on one or several occasions resolve to issue shares, convertible instruments and/or warrants. The increase of the share capital, which entails issuance, conversion or subscription for new shares, may – where it entails a deviation from the shareholders' preferential rights – correspond to a dilution of a maximum of 10 percent of the share capital at the time of the first use of the authorisation to issue shares, convertible instruments and/or warrants. Payment may be made in cash and/or with a condition to pay in kind or by way of set-off, or other conditions. The authorisation shall primarily be used for the purpose of acquisitions or financing.

A valid resolution by the general meeting requires that shareholders holding not less than two-thirds of both the votes cast and the shares represented at the general meeting vote in favor of the proposal.

Resolution on employee stock option program including an issue of warrants and approval of transfers of warrants/shares (item 8)

The board of directors of Stillfront Group AB (publ), reg. no 556721-3078, (the "Company" and "Stillfront ") proposes that the general meeting resolves, in accordance with the below, to (A) adopt an employee stock option program for senior executives of Stillfront (the "Program") and (B) issue warrants of series 2019/2023 and to approve transfers of warrants/shares to ensure delivery of shares under the employee stock options issued under the Program.

A) Proposal to resolve to adopt the Program

The board of directors proposes that the general meeting resolves to issue employee stock options on the following terms:

- Not more than 200,000 employee stock options shall be issued (the "Stock Options").
- The Stock Options shall be offered to approximately ten senior executives in the Company or its subsidiaries.
- The board of directors resolves on the final allotment of the Stock Options.
- The Stock Options shall be allotted free of charge.
- Provided that the participant is still employed by the group at the exercise of the Stock Options, each Stock Option entitles the employee an option right to acquire one (1) share in the Company during the period 15 December 2022 up to and including 15 December 2023. Acquisition is carried out through the exercise of warrants issued in accordance with item (B) below.
- The price for the shares at exercise shall be equal to the amount to be paid upon exercise of the warrants that are allotted to the holder upon exercise of the Stock Options.
- The amount of shares each Stock Option entitles subscription to and the price for the shares at exercise can be recalculated in the event of a bonus issue, new issue and in certain other cases entailing a recalculation in accordance with the terms and conditions of the proposed warrants of series 2019/2023 as set forth in item (B) below.
- The Stock Options may not be transferred or pledged.

- The board of directors is authorized to implement the Program and to draft and enter into agreements with the subscribers in accordance with the above terms.
- The board of directors shall be entitled to make adjustments to the terms and conditions of the Stock Options if significant changes in the group, or its markets, result in a situation where the decided terms and conditions for exercising the Stock Options are no longer appropriate.

B) Proposal to resolve to issue warrants and approval of transfers of warrants/shares

The board of directors proposes that the general meeting resolves to issue warrants on the following terms:

- The Company shall issue not more than 200,000 warrants of series 2019/2023 (the "Warrants").
- The right to subscribe for Warrants shall, with deviation from the shareholders' preferential rights, belong to a wholly owned subsidiary to the Company.
- Over-subscription is not allowed.
- Subscription of the Warrants shall take place on a separate subscription list no later than 14 December 2019. The board of directors is entitled to prolong the subscription period. The Warrants shall be allotted to the subsidiary free of charge.
- Each Warrant entitles the holder to subscribe for one (1) new share in the Company during the period from and including 15 December 2022 up to and including 30 December 2023.
- The price for the shares at exercise shall be equal to 150 % of the average volume weighted share price for the Company's share on Nasdaq First North Premier Growth Market during the period from and including 25 November 2019 until and including 9 December 2019. The price shall however not be lower than the quotient value of the share.
- Shares issued as a result of subscription will carry rights to dividends as of the first record date for dividends after the subscription is executed.
- The subscription price, as well as the number of shares which a Warrant entitles subscription for, can be recalculated in the event of a bonus issue, new issue and in certain other cases, as set out in the complete terms and conditions for the Warrants.
- The increase of the Company's share capital will, upon exercise of the Warrants, amount to not more than SEK 140,000, subject to such increase that may occur due to recalculation of the subscription price and the number of shares which each Warrant entitles subscription for in the event of issues etcetera.
- The board of directors is authorised to make such minor adjustments in the general meeting's resolutions as may be required in connection with the registration of the Warrants with the Swedish Companies Registration Office and Euroclear Sweden AB.

The board of directors proposes that the general meeting resolves to approve the subsidiary's transfer of warrants or shares, free of charge, to participants in the Program, in accordance with item A above, and that the subsidiary shall be entitled, in any other ways necessary, to distribute the Warrants to ensure delivery of shares under the Stock Options issued under the Program.

The reason for deviating from the shareholders' preferential rights is to achieve optimum alignment of interests between the participants in the Program and the shareholders and to promote long-term ownership of shares.

Upon full subscription by virtue of the Warrants, a maximum of 200,000 new shares may be issued, corresponding to a dilution of approximately 0.75 per cent of the total number of shares and votes in the Company.

A valid resolution according to the above must be supported by shareholders holding not less than nine-tenths of both the votes cast as well as the shares represented at the general meeting.

Resolution to amend the Company's articles of association (item 9)

The board of directors proposes that the general meeting resolves to change the articles of association according to the following:



- The share capital shall be not less than SEK 18,437,617.10 and not more than SEK 73,750,468.40. The number of shares shall be not less than 26,339,453 and not more than 105,357,812.
- It shall no longer be possible to appoint deputy board members.
- Auditor/s and deputy auditor/s shall be appointed yearly

Details of number of shares, votes and holding of own shares

The total amount of shares and votes in the Company at the time of issue of this notice was 26,339,453 shares. All shares carry equal voting rights. The Company does not hold any own shares.

Documents

The complete proposals in accordance with above will be available at the Company (address as above) and on the Company's webpage, www.stillfront.com, not less than two weeks before the general meeting. The aforementioned documents will be sent to those shareholders who so request and submit their postal address or e-mail address.

Shareholders' right to request information

Shareholders are reminded of their right pursuant to Chapter 7, Section 32 of the Swedish Companies Act to request that the board of directors and managing director provide information at the general meeting in respect of any circumstances which may affect the assessment of a matter on the agenda. The obligation to provide information also applies to the Company's relationship to other group companies. Information must be provided if it can take place without significant harm to the Company.

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Stockholm in November 2019

The board of directors of Stillfront Group AB (publ)

About Stillfront

Stillfront is a global group of gaming studios and a market leader in the free-to-play online strategy games genre. Our diverse and exciting games portfolio has two common themes; loyal users and long lifecycle games. Organic growth and carefully selected and executed acquisitions embody our growth strategy and our 650 co-workers thrive in an organization, that engenders the spirit of entrepreneurship. Our main markets are the US, Germany, MENA, France and UK. We are headquartered in Stockholm, Sweden, and the company is listed on Nasdaq First North Premier.

For further information, please visit: stillfront.com