

## **Appendix 1 – Compilation of postal votes**

*[Separately attached]*

[illegible]

## **Appendix 2 – List of present shareholders**

*[Separately attached]*

# Remuneration report 2020

## Stillfront Group AB (publ)

### Introduction

The annual general meeting in Stillfront Group AB (publ) (the “**Company**”) on 14 May 2020 adopted guidelines for remuneration and other terms of employment for the Company’s executive management (the “**Remuneration Guidelines**”). The Remuneration Guidelines can be found on pp. 91-93 in the annual report 2020 (the “**Annual Report 2020**”).

The board of directors has prepared this remuneration report on how the Remuneration Guidelines have been applied during the financial year 2020. The report also provides details on the remuneration of the Company’s CEO and a summary of the Company’s outstanding long-term incentive programs.

Although not directly applicable to the Company, the report has been prepared in compliance with the Swedish Companies Act (2005:551) and the Remuneration Rules issued by the Swedish Corporate Governance Board.

Information required by Chapter 5, Sections 40-44 of the Annual Accounts Act (1995:1554) is available in note 8 on pp. 89-94 in the Annual Report 2020.

Information on the work of the remuneration committee in 2020 is set out in the corporate governance report, which is available on pp. 34-47 in the Annual Report 2020.

Remuneration of the board of directors is not covered by this report. Such remuneration is resolved annually by the annual general meeting and disclosed in note 8 on p. 94 in the Annual Report 2020.

### Key Developments 2020

#### *Overall company performance in 2020*

For information about the general performance of the Company during the financial year, please see the CEO’s statement on pp. 5-8 and the Directors’ report on pp. 49-57 in the Annual Report 2020.

#### *Compliance with the Remuneration Guidelines in 2020*

A prerequisite for the successful implementation of the Company’s business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company can recruit and retain qualified personnel.

The Remuneration Guidelines enable the Company to offer executives a competitive total remuneration. Under the Remuneration Guidelines, executive remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. The variable cash remuneration shall be linked to predetermined and measurable criteria such as earnings, achievements in relation to the budget, the development of the Company’s share price and personal performance.

The guidelines are found on pp. 91-93 in the Annual Report 2020. The Remuneration Guidelines,

adopted by the annual general meeting 2020, have been fully implemented in 2020. No deviations from the Remuneration Guidelines or the procedure for implementation of the Remuneration Guidelines have been made. No remuneration has been reclaimed.

The auditor's report regarding the Company's compliance with the Remuneration Guidelines is available on <https://www.stillfront.com/en/arsstamma-agm-2021/>

In addition to remuneration covered by the Remuneration Guidelines, the general meetings of the Company have resolved to implement long-term share-related incentive plans and approve remuneration to the board of directors.

The bonus payable under the CEO employment contract for 2020 was 23% of the base salary for 2020. In addition to the beforementioned bonus, the CEO was compensated in the form of an extra bonus payment of SEK 2,700,000 (set out under the column "extraordinary items" in Table 1 below) for part of the warrant premium paid under incentive program LTIP 2020/2024 I, in compliance with the Remuneration Guidelines.

*Table 1 – Total remuneration of the CEO during 2020 (SEK)*

Name of Director (position)	Financial year	Fixed remuneration		Variable remuneration		Extraordinary items	Pension expense	Total remuneration	Proportion of fixed and variable remuneration
		Base salary	Other benefits	One- year variable	Multi- year variable				
Jörgen Larsson (CEO)	2020	5,522,160	0	1,260,000	See under Table 2	2,700,000 <sup>1</sup>	1,080,000	10,562,160	77% / 23% <sup>2</sup> 42% / 58% <sup>3</sup>

1. Extra bonus payment for part of the warrant premium paid under incentive program LTIP 2020/2024 I
2. Excluding the extra bonus payment referred to under 1 above.
3. Including the extra bonus payment referred to under 1 above.

#### Remuneration from other entities within the Stillfront Group

The CEO has not received any remuneration from any other company within the Stillfront Group during the financial year 2020.

#### Share-based remuneration

##### *Outstanding long-term share-based incentive programs*

The Company has four outstanding share related incentive programs, see Table 2 below.

*Table 2 – Long-term incentive programs*

Program	Outstanding share options/warrants*	Vesting period	Exercise period	Exercise price (SEK)**	CEO participation in Program
Series 2018/2021	177,500	3 years	15 May – 1 Jun 2021	472.20	No
Series 2019/2023	200,000 employee share options with attached warrants	3 years	15 Dec 2022 – 30 Dec 2023	500	Yes, 70,000 employee share options
Series 2020/2024 I	277,000	3 years	1 Jun 2023 – 31 May 2024	785.49	Yes, 100,000 warrants
Series 2020/2024 II	125,000	3 years	1 Jun 2023 – 31 May 2024	1193.6	No

\* Post the share split completed by the Company on 28 December 2020, each warrant/employee share option entitles the holder a subscription right of 10 shares in the Company subject to the terms and conditions of the relevant long-term incentive program.

\*\* Post the share split completed on 28 December 2020, the subscription price for each long-term incentive program set out in Table 2 above shall be recalculated by dividing it by 10, in each case subject to the terms and conditions of the relevant long-term incentive program.

The total dilution upon full exercise of all outstanding warrants will amount to approx. 2.13 percent.

#### *Long-term incentive programs completed in 2020*

The long-term incentive program of Series 2017/2020 was completed in June 2020. 210,000 shares were subscribed for and issued to the participants under that program.

In connection with the annual general meeting 2020, the Board resolved to cancel all outstanding warrants of Series 2019/2022.

#### Application of performance criteria

The performance measures for the CEO's variable remuneration have been selected to deliver the Company's strategy and to encourage behavior which is in the long-term interest of the Company. In the selection of performance measures, the strategic objectives, and short-term and long-term business priorities for 2020 have been considered.

Comparative information on the change of remuneration and company performance

*Table 3 – Change of remuneration and company performance over the last three reported financial years (RFY) (kSEK). (Comparable figures are not available for periods prior to 2017)*

	2020	2019	2018	2017
Remuneration for the year to the CEO (kSEK)	10 562	3 883	3 883	2 492
Annual change (%)	172	-	56	
Average remuneration among employees not belonging to the Group executive team (kSEK)	500	434	399	549
Annual change (%)	15	9	-27	
Consolidated net profit for the year (MSEK)	581	341	157	75
Annual change (%)	70	117	109	

### **Principles for the appointment of the Nomination Committee**

The Nomination Committee proposes that the annual general meeting resolves that the Nomination Committee shall be appointed in accordance with the following principles.

The chairman of the board of directors shall, based on the shareholding according to Euroclear Sweden AB as of the last business day in September 2021, contact the three largest shareholders, who shall be entitled to appoint one member each of the Nomination Committee. If any of the three largest shareholders declines to appoint a member of the Nomination Committee, the next largest shareholder shall be offered the opportunity to appoint a member of the Nomination Committee. However, no more than the ten largest shareholders need to be requested to appoint a member of the Nomination Committee. The Nomination Committee may decide that the chairman of the board of directors shall be a member of the Nomination Committee. The chief executive officer or another member of the Company's executive management shall not be a member of the Nomination Committee. The chairman of the board of directors shall convene the Nomination Committee to its first meeting. The Chairman of the Nomination Committee shall, unless its members agree otherwise, be the member appointed by the largest shareholder. The term of the Nomination Committee expires when a new Nomination Committee has been appointed.

If a shareholder, who is represented in the Nomination Committee, during the term of the Nomination Committee ceases to be one of the three largest shareholders, a representative appointed by that shareholder shall offer to vacate his or her office and the shareholder who has become one of the three largest shareholders shall be offered the opportunity to appoint a member of the Nomination Committee. No changes will be made to the composition of the Nomination Committee if only minor changes to the shareholding have taken place or if a change occurs later than three months prior to the annual general meeting. A shareholder who has appointed a representative in the Nomination Committee is entitled to remove such representative and appoint another representative. Changes in the Nomination Committee's composition shall be published on the Company's website as soon as the composition has changed.

It is proposed that the Nomination Committee's tasks shall be to prepare and draw up proposals regarding appointment of chairman of the annual general meeting, chairman of the board of directors and other directors of the board, remuneration to the chairman of the board of directors and the other directors of the board, including any remuneration for committee work, appointment of auditor, remuneration to the auditor and principles for the appointment of Nomination Committee. No remuneration shall be paid to the Nomination Committee. If deemed necessary, the Nomination Committee may engage external consultants to find candidates with relevant experience and the Company shall cover the cost for such consultants. The Nomination Committee shall, in connection with performing its tasks, forward certain information to the Company so that the Company can comply with applicable obligations to disclose information.

The composition of the Nomination Committee shall be announced no later than six months before the annual general meeting. In connection therewith, information shall also be provided on how shareholders can submit proposals to the Nomination Committee.



# STILLFRONT

GROUP

## The board of directors' proposal for guidelines for executive remuneration

These guidelines apply to remuneration and other terms of employment of the Chief Executive Officer (the “CEO”) and other individuals of the executive management of Stillfront Group AB (publ), reg. no. 556721-3078 (“Stillfront” or the “Company”).

Subject to what is set out in the next paragraph, these guidelines shall also apply in relation to a member of the board of directors of Stillfront who receives any remuneration from the Company and any reference herein to the “executive management” and/or an “executive” shall for such purposes be deemed to also include such board member.

These guidelines do not apply to any remuneration decided or approved by the general meeting.

The guidelines are forward-looking, i.e. they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the annual general meeting 2021.

*The guidelines' promotion of the Company's business strategy, long-term interests and sustainability*

Stillfront's business strategy is to be a leading free-to-play powerhouse, offering long term first class digital entertainment through its global group of gaming studios. Organic growth and carefully selected and executed acquisitions embody Stillfront's growth strategy. For more information regarding the Company's business strategy, please see <https://www.stillfront.com/en/about-the-company/>.

A prerequisite for the successful implementation of the Company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company is able to recruit and retain qualified personnel. To this end, it is necessary that the Company offers competitive remuneration. The overall guidelines for remuneration to executive management shall be based on the position, the individual performance, the Company's earnings and that the remuneration shall be competitive.

*Types of remuneration, etc.*

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration based on annual performance targets (bonus), pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

### Fixed salary

The fixed salary shall be based on the individual's experience, field of responsibility and related to the relevant market. Fixed salary shall be revised annually.

### Variable cash remuneration

The satisfaction of criteria for awarding variable cash remuneration shall be measured annually. The variable cash remuneration for an executive manager may, as the main rule, correspond to not more than fifty per cent (50%) of the fixed annual cash salary.

However, the variable cash remuneration may correspond to up to one hundred per cent (100%) of the fixed annual cash salary of an executive manager if justified by remuneration structures or extraordinary arrangements in the individual case.

The variable cash remuneration shall be linked to predetermined and measurable criteria such as earnings, achievements in relation to the budget, the development of the Company's share price, fulfilled sustainability goals and personal performance.

The board of directors shall have the possibility, under applicable law or contractual provisions, subject to the restrictions that may apply under law or contract, to in whole or in part reclaim variable remuneration paid on incorrect grounds (claw-back).

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The remuneration committee is responsible for the evaluation so far as it concerns variable remuneration to the CEO. For variable cash remuneration to other executives, the CEO is responsible for the evaluation. For financial objectives, the evaluation shall be based on the latest financial information made public by the Company.

#### Variable long-term incentive program (LTIP)

Long-term incentive programs have been implemented in the Company. Such programs have been resolved by the general meeting and are therefore excluded from these guidelines. The LTIPs include the executive management and other key individuals of the Company and its subsidiaries. The programs are conditional upon certain holding periods of several years. For more information regarding these LTIPs, including the criteria which the outcome depends on, please see <https://www.stillfront.com/en/remuneration/>.

#### Pension benefits and other benefits

Pension benefits, including health insurance (*Sw: sjukförsäkring*), shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than thirty per cent (30%) of the fixed annual cash salary.

Other benefits may include, for example, medical insurance (*Sw: sjukvårdsförsäkring*) and company cars. Such benefits shall be limited and not exceed five per cent (5%) of the fixed annual cash salary.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

#### *Termination of employment*

Members of the executive management shall be offered employment terms in accordance with the laws and practices applicable to the country in which the employee is employed. Upon termination of an employment, the notice period may not exceed twelve (12) months. Fixed cash salary during the notice period and severance pay may not together exceed an amount corresponding to the fixed cash salary for one (1) year for any executive. When termination is

made by the executive, the notice period may not exceed six (6) months, without any right to severance pay.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed executive is not entitled to severance pay. The remuneration shall be based on the fixed cash salary at the time of termination of employment, unless otherwise provided by mandatory collective agreement provisions, and be paid during the time the non-compete undertaking applies.

#### *Salary and employment conditions for executive management*

When evaluating whether these guidelines and the limitations set out herein are reasonable, the board of directors (including the remuneration committee) has considered the total income of all employees of the Company, including the various components of their remuneration as well as the increase and growth rate over time.

#### *The decision-making process to determine, review and implement the guidelines*

The board of directors has established a remuneration committee. The committee's tasks include preparing the board of directors' decision to propose guidelines for executive remuneration. The board of directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The remuneration committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the Company. The members of the remuneration committee are independent of the Company and its executive management. The CEO and other members of the executive management do not participate in the board of directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

#### *Information on remuneration resolved but not yet due*

There is no resolved remuneration that is not yet due.

#### *Derogation from the guidelines*

The board of directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and derogation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As set out above, the remuneration committee's tasks include preparing the board of directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

There has been no deviation from the remuneration guidelines resolved by the annual general meeting 2020.

*NB. The English text is an in-house translation and the Swedish version will prevail*

### **The board of directors' proposal for a long term incentive program (LTIP 2021/2025)**

The board of directors proposes that the annual general meeting, as set out below, resolves on implementing an employee stock option program for senior executives and key employees on studio level (the “**Program**”).

#### **Preparation and administration of the Program**

Stillfront's remuneration committee has prepared the proposal for the Program in consultation with external advisors and major shareholders. The Program has been discussed at board meetings during the first quarter of 2021. The board of directors or the remuneration committee shall be responsible for preparing the detailed terms and conditions of the Program in accordance with the terms and guidelines resolved on by the annual general meeting.

#### **Objectives of the Program**

The main objective of the Program is to, by promoting a common interest between the participants and the Company as well as creating conditions to retain key employees, strengthen Stillfront's financial development. The board of directors believes that the Program will have a positive effect on the Group's long-term growth as well as the participants' long-term commitment to the Company's development through a long-term shareholding in Stillfront, and will thus be beneficial to both the shareholders and the Company. The long-term objective of the Program will be reflected in the agreements that will be entered into with the participants of the Program.

#### **Allocation of employee stock options**

A maximum of 3,500,000 employee stock options (“**Employee Stock Options**”) shall be offered to approximately 45 participants, consisting of the CEO, senior executives and key employees at studio level. The Employee Stock Options shall be granted free of charge no later than 11 May 2022. Members of the board of directors shall not be entitled to participate in the Program. At least 40 per cent of the total amount of Employee Stock Options shall be granted to persons who are not participants in the Company's existing share-related incentive programs. No individual participants shall be able to be allocated more than 15 per cent of the total amount of Employee Stock Options (i.e. 525,000 Employee Stock Options). The board of directors shall have the right to resolve on allocation to participants in accordance with the following framework.

Category	Maximum allocation per participant
CEO	525,000 Employee Stock Options
Senior executives	350,000 Employee Stock Options
Key employees at studio level	350,000 Employee Stock Options

### Main terms for the Employee Stock Options

The Employee Stock Options shall be governed by the following main terms and conditions:

1. Each vested Employee Stock Option entitles the participant to acquire one (1) share in the Company during any of the periods (however, each participant may only acquire shares through Employee Stock Options on one occasion): (i) from and including the day of the Company's Q1 report 2025 up to and including seven days thereafter, (ii) from and including the day of the Company's Q2 report 2025 up to and including seven days thereafter, (iii) from and including the day of the Company's Q3 report 2025 up to and including seven days thereafter. However, participants shall not be entitled to acquire any share prior to the date that falls three years from the allotment to each participant. The period during which the Employee Stock Options may be exercised shall be possible to extend by the board of directors if participants are prevented from exercising their Employee Stock Options due to applicable laws on insider trading or similar.
2. The price for the shares upon exercise (taking into account any recalculation in accordance with the next item) shall correspond to the volume-weighted average price (VWAP) of the Company's shares on Nasdaq First North Premier Growth Market (or any other such stock exchange or trading venue where the Company's shares are listed) during a period of ten trading days before the allotment of the Employee Stock Options to each participants, increased by 8 per cent per year. The price shall be determined on the day of exercise, whereby a proportional increase shall also be made for part of the year (based on actual number of days/365). However, the price shall not be less than the share's quota value (Sw. kvotvärde).
3. The number of shares to which the Employee Stock Options entitles and the price for such shares upon exercise may be recalculated in the event of a bonus issue, new issue or in certain other cases. Such recalculation shall be carried out in accordance with the terms and conditions for warrants of series 2021/2025 proposed under item 18 on the proposed agenda.
4. The Employee Stock Options may not be transferred or pledged.

5. Participants in the Program shall enter into agreements with the Company regarding the Program, and the board of directors, or the person appointed by the board of directors, is authorised to execute and enter into such agreements with the participants.
6. The terms and conditions for participants in the Program may differ between the countries in which the participants are domiciled due to national law, however, the terms and conditions should not be more favourable for participants than what follows from this proposal.
7. The board of directors shall have the right to make adjustments to the terms and conditions for the Employee Stock Options if significant changes in the Group or its market results in a situation which means that the terms and conditions for exercising the Employee Stock Options are no longer appropriate. Such adjustments shall only be made in order to fulfil the main objectives of the Program.

### **Vesting**

In addition to the annual price increase price and the requirement, for each participant, to hold the Employee Stock Options for three years before the date of exercise, the Employee Stock Options shall be vested gradually based on the participants' employment in the Stillfront Group.

Provided that the participant is employed in the Stillfront Group, the Employee Stock Options shall be vested in accordance with the following:

- 25 per cent of the Employee Stock Options shall be vested on the anniversary of the allotment to the participant, and
- 75 per cent of the Employee Stock Options shall be vested on a quarterly basis during the period from the allotment to the participant up to and including April 2025 (i.e. as many Employee Stock Options are vested each quarter which corresponds to 75 per cent of the participant's Employee Stock Options divided by the number of quarters during the period).

If the participant ceases to be employed in the Stillfront Group, the right to all unvested Employee Stock Options shall be lost.

### **Information regarding other long-term share or share price related incentive programs in Stillfront**

For information regarding the currently ongoing long-term share or share price related incentive programs in Stillfront, please refer to the Company's website, [www.stillfront.com](http://www.stillfront.com).

The board of directors intends to cancel 125,000 outstanding warrants of series 2020/2024 II once the annual general meeting has resolved on the Program. When these warrants are cancelled, the total potential dilution for share related incentive programs in Stillfront, including the Program, will amount to approximately 2.3 per cent (of which approximately 0.98 per cent relates to the Program).

#### **Costs of the Program and effect on certain key ratios**

The Program will be accounted for in accordance with IFRS 2, which stipulates that the Employee Stock Options should be recorded as a personnel expense over the vesting period. Based on a share price upon allocation of the Employee Stock Options of SEK 87.3, a VWAP for the Company's shares for a period of ten trading days before allotment to each participant of SEK 87.3, a preliminary estimated value per Employee Stock Option of SEK 17.11, that all 3,500,000 Employee Stock Options are granted in close connection to the annual general meeting and an annual employee turnover of 5 per cent, the total cost for the Program, excluding social security costs, amount to approximately SEK 55.1 million at full allocation. This cost will be accrued during the vesting period of approximately four years. The cost does not affect cash flow.

In addition, there are social security costs. Based on the assumptions above and a share price increase of 50 per cent from the allotment until the Employee Stock Options are exercised and average social security costs of approximately 12 per cent, the social security costs are estimated to amount to approximately SEK 4.6 million. The final amount of the social security costs depends partly on the tax domicile of the holder and partly on the size of the holder's realised profit from the Employee Stock Options.

The volume weighted average annual cost of the Program, including social security costs, is estimated to amount to approximately SEK 15.1 million, based on these assumptions. This cost corresponds to approximately 2.4 per cent of the Company's total personnel costs, including social security costs, which amounted to approximately SEK 616 million during 2020. Based on the assumptions above and the preliminary annual cost for the Program, the earnings per share before dilution in 2020 would have decreased by approximately SEK 0.04 (pro forma on an annual basis).

#### **Delivery of shares**

The board of directors has considered two alternatives for delivering shares in the Company to participants in the Program. Firstly, the board of directors recommends that the Company issue warrants to a subsidiary and that the subsidiary transfer the warrants in accordance with items 18(a) and 18(b) on the proposed agenda which is included in the notice of the annual general meeting (the "**Warrant Hedge Arrangement**").

However, if the annual general meeting does not resolve on the Warrant Hedge Arrangement, the board of directors has also considered another alternative. This alternative entails higher costs for the Company, and is therefore only intended to be exercised if the Warrant Hedge Arrangement is not approved by the annual general meeting. Accordingly, the board of directors proposes that the annual general meeting resolves that Stillfront may enter into agreements on hedging arrangement with a third party in order to ensure the Company's obligation to deliver shares in accordance with the Program. Such arrangement would mean that Stillfront enters into agreement with a third party for such third party to acquire shares in the Company in its own name and thereafter transfer the shares to participants in the Program.

**Majority requirements**

A valid resolution in accordance with the proposal by the board of directors set out above must be supported by shareholders holding not less than half the votes cast at the general meeting.

\* \* \*

Stockholm in April 2021  
The board of directors



*NB. The English text is an in-house translation and the Swedish version will prevail*

### **The board of directors' proposal on a directed new share issue to the sellers of Imperia Online JSC**

The board of directors proposes that the annual general meeting resolves to carry out a directed new share issue on the following terms.

1. The Company's share capital shall increase by not more than SEK 9,140.81 through an issue of not more than 130,583 shares.
2. The right to subscribe for the new shares shall, with deviation from the shareholders' pre-emption rights, only be offered to the sellers of Imperia Online JSC.
3. The subscription price shall be SEK 93.676, which corresponds to the volume weighted average price per share in the Company on Nasdaq First North Premier Growth Market during the 30 days preceding the last day of the Company's fiscal year 2020. The share premium shall be transferred to the free share premium reserve.
4. The newly issued shares shall be subscribed for on a subscription list no later than 31 August 2021.
5. Payment for subscribed shares shall be made by way of set-off, whereby set-off of the subscription price can be made at a maximum amount corresponding to the subscribers' claims of not more than EUR 1,200,739 in aggregate. The amount of the claims may be lower. Over-subscription is not possible. Set-off is completed through subscription.
6. The board of directors shall be entitled to extend the subscription period and the time for payment.
7. The new shares shall be entitled to dividend as from the first record day for dividend after the newly issued shares have been registered with the Swedish Companies Registration Office and the shares have been recorded in the share register kept by Euroclear Sweden AB.
8. The board of directors shall be authorized to make any formal adjustments that may be required in connection with registration of the resolution with the Swedish Companies Registration Office or Euroclear Sweden AB.

The right to subscribe for the newly issued shares shall accrue to the following persons.

<b>Creditor</b>	<b>Maximal claim (EUR)</b>	<b>Maximal amount to set off (EUR)</b>
Dobroslav Dilianov Dimitrov	534,325	534,325

Moni Ganchev Dochev	534,325	534,325
Cvetan Stoiadinov Rusimov	60,036	60,036
Todor Todorov Ignatov	12,009	12,009
Mariela Hristova Tsvetanova	12,009	12,009
Borislav Veskov Mitev	12,009	12,009
Ivaylo Georgiev Ferdinandov	12,009	12,009
Alexander Vasilev Vasilev	12,009	12,009
Alexander Borislavov Nikolov	12,009	12,009
<b>Total</b>	<b>1,200,739</b>	<b>1,200,739</b>

The reason for the deviation from the shareholders' pre-emption rights is to fulfil the Company's obligations under the share purchase agreement which the Company has entered into with the sellers of Imperia Online JSC.

The Company's assessment is that the earn-out consideration will amount to in total approximately EUR 1,921,181, of which 50% of the amount shall be paid in new issued shares in the Company. The final amount is, however, dependent the outcome of the audit of the financial statements for 2020 and that the sellers accept the Company's calculation of the earn-out consideration. The board of directors of the Company will thereafter determine the number of shares to be allotted (the number of shares can be lower, but not higher, than the maximum number of shares proposed under item 1 above). The number of issued shares will be communicated at the day of the allotment. Based on the Company's calculation of the earn-out consideration, the number of shares which will be allotted is expected to amount to approximately 104,466 shares. In order to give the Company's board of directors some flexibility in connection with the determination of the final earn-out consideration, an issue of a maximum number of shares has been proposed (and the maximum amount of claim possible to set off has been increased correspondingly).

### **Majority requirements**

A resolution in accordance with the proposal by the board of directors set out above is valid only where supported by shareholders holding not less than nine-tenths of both the votes cast and the shares represented at the annual general meeting.

\* \* \*

Stockholm in April 2021  
The board of directors

*NB. The English text is an in-house translation and the Swedish version will prevail*

**The board of directors' proposal on a directed new share issue to the sellers of Playa Games GmbH**

The board of directors proposes that the annual general meeting resolves to carry out a directed new share issue on the following terms.

1. The Company's share capital shall increase by not more than SEK 51,121.42 through an issue of not more than 730,306 shares.
2. The right to subscribe for the new shares shall, with deviation from the shareholders' pre-emption rights, only be offered to the sellers of Playa Games GmbH.
3. The subscription price shall be SEK 93.676, which corresponds to the volume weighted average price per share in the Company on Nasdaq First North Premier Growth Market during the 30 days preceding the last day of the Company's fiscal year 2020. The share premium shall be transferred to the free share premium reserve.
4. The newly issued shares shall be subscribed for on a subscription list no later than 31 August 2021.
5. Payment for subscribed shares shall be made by way of set-off, whereby set-off of the subscription price can be made at a maximum amount corresponding to the subscribers' claims of not more than EUR 6,715,351 in aggregate. The amount of the claims may be lower. Over-subscription is not possible. Set-off is completed through subscription.
6. The board of directors shall be entitled to extend the subscription period and the time for payment.
7. The new shares shall be entitled to dividend as from the first record day for dividend after the newly issued shares have been registered with the Swedish Companies Registration Office and the shares have been recorded in the share register kept by Euroclear Sweden AB.
8. The board of directors shall be authorized to make any formal adjustments that may be required in connection with registration of the resolution with the Swedish Companies Registration Office or Euroclear Sweden AB.

The right to subscribe for the newly issued shares shall accrue to the following persons.

<b>Creditor</b>	<b>Maximal claim (EUR)</b>	<b>Maximal amount to set off (EUR)</b>
Master Creating GmbH	4,477,821	4,477,821
Jan Beuck	1,118,765	1,118,765
Martin Jässing	1,118,765	1,118,765
<b>Total</b>	<b>6,715,351</b>	<b>6,715,351</b>

The reason for the deviation from the shareholders' pre-emption rights is to fulfil the Company's obligations under the share purchase agreement which the Company has entered into with the sellers of Playa Games GmbH.

The Company's assessment is that the earn-out consideration will amount to in total approximately EUR 10,744,531, of which 50% of the amount shall be paid in new issued shares in the Company. The final amount is, however, dependent the outcome of the audit of the financial statements for 2020 and that the sellers accept the Company's calculation of the earn-out consideration. The board of directors of the Company will thereafter determine the number of shares to be allotted (the number of shares can be lower, but not higher, than the maximum number of shares proposed under item 1 above). The number of issued shares will be communicated at the day of the allotment. Based on the Company's calculation of the earn-out consideration, the number of shares which will be allotted is expected to amount to approximately 584,243 shares. In order to give the Company's board of directors some flexibility in connection with the determination of the final earn-out consideration, an issue of a maximum number of shares has been proposed (and the maximum amount of claim possible to set off has been increased correspondingly).

### **Majority requirements**

A resolution in accordance with the proposal by the board of directors set out above is valid only where supported by shareholders holding not less than nine-tenths of both the votes cast and the shares represented at the annual general meeting.

\* \* \*

Stockholm in April 2021  
The board of directors

*NB. The English text is an in-house translation and the Swedish version will prevail*

**The board of directors' proposal on a directed new share issue to the sellers of Storm8 Inc.**

The board of directors proposes that the annual general meeting resolves to carry out a directed new share issue on the following terms.

1. The Company's share capital shall increase by not more than SEK 125,084.68 through an issue of not more than 1,786,924 shares.
2. The right to subscribe for the new shares shall, with deviation from the shareholders' pre-emption rights, only be offered to the sellers of Storm8, Inc.
3. The subscription price shall be SEK 105.578, which corresponds to the volume weighted average price per share in the Company on Nasdaq First North Premier Growth Market during ten (10) trading days prior to and the ten (10) trading days following the announcement of the year-end report for the Company for 2020. The share premium shall be transferred to the free share premium reserve.
4. The newly issued shares shall be subscribed for on a subscription list no later than 31 August 2021.
5. Payment for subscribed shares shall be made by way of set-off, whereby set-off of the subscription price can be made at a maximum amount corresponding to the subscribers' claims of not more than USD 22,621,246 in aggregate. The amount of the claims may be lower. Over-subscription is not possible. Set-off is completed through subscription.
6. The board of directors shall be entitled to extend the subscription period and the time for payment.
7. The new shares shall be entitled to dividend as from the first record day for dividend after the newly issued shares have been registered with the Swedish Companies Registration Office and the shares have been recorded in the share register kept by Euroclear Sweden AB.
8. The board of directors shall be authorized to make any formal adjustments that may be required in connection with registration of the resolution with the Swedish Companies Registration Office or Euroclear Sweden AB.

The right to subscribe for the newly issued shares shall accrue to the following persons.

<b>Creditor</b>	<b>Maximal claim (EUR)</b>	<b>Maximal amount to set off (EUR)</b>
Tam, Man-Hay "Perry"	9,662,419	9,662,419
Yip, Laura Hoi Sze	668,571	668,571
Li, Chak Ming	4,126,940	4,126,940
Man-Hay Tam Grantor Retained Annuity Trust U/T/A	570,255	570,255
Laura Yip Grantor Retained Annuity Trust U/T/A	570,255	570,255
WILLIAM SIU, as Trustee of the TEAM KUMA 2018 GRANTOR RETAINED ANNUITY TRUST	5,702,487	5,702,487
WILLIAM SIU and RACHEL NG, as Trustees of the TEAM KUMA TRUST	925,365	925,365
D'Aleo, Dominic	27,835	27,835
Koff, Alexandre	58,454	58,454
Li, Nigel	23,388	23,388
Okamura, Amber	696	696
Virdone, Paul	21,046	21,046
Hayes, Dana	3,513	3,513
Izzo, Barbara	4,684	4,684
Gong, Patrick	1,630	1,630
Wang, Hui	20,397	20,397
Austin, Michael	47,393	47,393
Carranza, Christopher	823	823
Chen, Derrick	1,851	1,851
Frederick, Brian	9,494	9,494
Gu, Quyou	2,105	2,105
Huang, Jingshu	9,748	9,748
Johnson, Steven	15,492	15,492
Kusaba, Christopher	3,418	3,418

Lam, Con	13,292	13,292
Lee, Junwoo	19,179	19,179
Liu, Jia	16,362	16,362
Ng, Justin	56,176	56,176
Paden, Matthew	2,105	2,105
Pierre, Paul	11,931	11,931
Scheidegger, Daniel	2,991	2,991
Suryavanshi, Bhushan	3,070	3,070
Temple, Jeffrey	6,789	6,789
Warren, James	5,254	5,254
Wood, Jesse	5,839	5,839
<b>Total</b>	<b>22,621,246</b>	<b>22,621,246</b>

The reason for the deviation from the shareholders' pre-emption rights is to fulfil the Company's obligations under the share purchase agreement which the Company has entered into with the sellers of Storm8, Inc.

The Company's assessment is that the earn-out consideration will amount to in total approximately USD 72,387,926, of which 25% of the amount shall be paid in new issued shares in the Company. The final amount is, however, dependent the outcome of the audit of the financial statements for 2020 and that the sellers accept the Company's calculation of the earn-out consideration. The board of directors of the Company will thereafter determine the number of shares to be allotted (the number of shares can be lower, but not higher, than the maximum number of shares proposed under item 1 above). The number of issued shares will be communicated at the day of the allotment. Based on the Company's calculation of the earn-out consideration, the number of shares which will be allotted is expected to amount to approximately 1,429,538 shares. In order to give the Company's board of directors some flexibility in connection with the determination of the final earn-out consideration, an issue of a maximum number of shares has been proposed (and the maximum amount of claim possible to set off has been increased correspondingly).

### **Majority requirements**

A resolution in accordance with the proposal by the board of directors set out above is valid only where supported by shareholders holding not less than nine-tenths of both the votes cast and the shares represented at the annual general meeting.



\* \* \*

Stockholm in April 2021  
The board of directors

*NB. The English text is an in-house translation and the Swedish version will prevail*

**The board of directors' proposal on a directed new share issue to the sellers of Candywriter LLC**

The board of directors proposes that the annual general meeting resolves to carry out a directed new share issue on the following terms.

1. The Company's share capital shall increase by not more than SEK 69,132.56 through an issue of not more than 987,608 shares.
2. The right to subscribe for the new shares shall, with deviation from the shareholders' pre-emption rights, only be offered to the sellers of Candywriter LLC.
3. The subscription price shall be SEK 112.046, which corresponds to the volume weighted average price per share in the Company on Nasdaq First North Premier Growth Market during ten (10) trading days prior to the announcement of the year-end report for the Company for 2020. The share premium shall be transferred to the free share premium reserve.
4. The newly issued shares shall be subscribed for on a subscription list no later than 31 August 2021.
5. Payment for subscribed shares shall be made by way of set-off, whereby set-off of the subscription price can be made at a maximum amount corresponding to the subscribers' claims of not more than USD 13,245,808 in aggregate. The amount of the claims may be lower. Over-subscription is not possible. Set-off is completed through subscription.
6. The board of directors shall be entitled to extend the subscription period and the time for payment.
7. The new shares shall be entitled to dividend as from the first record day for dividend after the newly issued shares have been registered with the Swedish Companies Registration Office and the shares have been recorded in the share register kept by Euroclear Sweden AB.
8. The board of directors shall be authorized to make any formal adjustments that may be required in connection with registration of the resolution with the Swedish Companies Registration Office or Euroclear Sweden AB.

The right to subscribe for the newly issued shares shall accrue to the following persons.

<b>Creditor</b>	<b>Maximal claim (EUR)</b>	<b>Maximal amount to set off (EUR)</b>
Kevin O'Neil	6,622,904	6,622,904
Nadir Khan	6,622,904	6,622,904
<b>Total</b>	<b>13,245,808</b>	<b>13,245,808</b>

The reason for the deviation from the shareholders' pre-emption rights is to fulfil the Company's obligations under the share purchase agreement which the Company has entered into with the sellers of Candywriter LLC.

The Company's assessment is that the earn-out consideration will amount to in total approximately USD 21,193,338, of which 50% of the amount shall be paid in new issued shares in the Company. The final amount is, however, dependent the outcome of the audit of the financial statements for 2020 and that the sellers accept the Company's calculation of the earn-out consideration. The board of directors of the Company will thereafter determine the number of shares to be allotted (the number of shares can be lower, but not higher, than the maximum number of shares proposed under item 1 above). The number of issued shares will be communicated at the day of the allotment. Based on the Company's calculation of the earn-out consideration, the number of shares which will be allotted is expected to amount to approximately 790,088 shares. In order to give the Company's board of directors some flexibility in connection with the determination of the final earn-out consideration, an issue of a maximum number of shares has been proposed (and the maximum amount of claim possible to set off has been increased correspondingly).

### **Majority requirements**

A resolution in accordance with the proposal by the board of directors set out above is valid only where supported by shareholders holding not less than nine-tenths of both the votes cast and the shares represented at the annual general meeting.

\* \* \*

Stockholm in April 2021  
The board of directors

*NB. The English text is an in-house translation and the Swedish version will prevail*

## **BOLAGSORDNING**

för Stillfront Group AB (publ), org. nr. 556721-3078, fastställd på årsstämma den 11 maj 2021.

*Articles of association for Stillfront Group AB (publ), reg. no. 556721-3078, adopted at the annual general meeting on 11 May 2021.*

---

### **§ 1.**

Bolagets företagsnamn är Stillfront Group AB (publ).

*The company's business name is Stillfront Group AB (publ).*

### **§ 2.**

Styrelsen skall ha sitt säte i Stockholm kommun.

*The board shall have its seat in Stockholm municipality.*

### **§ 3.**

Bolaget skall direkt och genom dotterbolag, eller genom intressebolag, joint ventures och andra samarbeten, bedriva utveckling, tillhandahållande och marknadsföring av (1) dator-, mobil- och konsolspel och (2) online-, community- och underhållningstjänster på Internet, samt därmed förenlig verksamhet.

*The company shall, directly and through subsidiaries or through affiliated companies, joint ventures and other forms of cooperation, develop, provide and market (1) computer, mobile and video games and (2) online, community and entertainment services on the Internet and pursue activities related therewith.*

### **§ 4.**

Aktiekapitalet skall vara lägst 18 900 000 kronor och högst 75 600 000 kronor.

*The share capital shall be not less than SEK 18,900,000 and not more than SEK 75,600,000.*

### **§ 5.**

Antal aktier skall vara lägst 270 000 000 st. och högst 1 080 000 000 st.

*The number of shares shall be not less than 270,000,000 and not more than 1,080,000,000*

### **§ 6.**

Bolagets räkenskapsår skall vara 1 januari – 31 december.

*The company's financial year shall be 1 January – 31 December.*

### **§ 7.**

Styrelsen skall bestå av 3 till 8 ordinarie ledamöter.

*The board shall consist of 3 to 8 ordinary directors.*

### **§ 8.**

Bolaget skall utse 1-2 ordinarie revisorer med eller utan suppleanter.

*The company shall appoint 1-2 ordinary auditors with or without deputies.*

## § 9.

Kallelse skall ske genom annonsering i Post- och Inrikes Tidningar och genom att kallelsen hålls tillgänglig på bolagets webbplats. Samtidigt som kallelse sker skall bolaget genom annonsering i Svenska Dagbladet upplysa om att kallelse har skett.

*Notice of a general meeting shall be given through an announcement in the Swedish Official Gazette and by way of being published on the company's website. Simultaneously, through advertisement in the Swedish newspaper Svenska Dagbladet, information shall be provided that notice has been issued.*

## § 10.

För att få delta i bolagsstämma skall aktieägare dels vara upptagen i utskrift eller annan framställning av hela aktieboken avseende ägarförhållandena det antal dagar före stämman som föreskrivs enligt aktiebolagslagen (2005:551), dels anmäla sig hos bolaget den dag som anges i kallelsen till stämman. Denna dag får inte vara söndag, annan allmän helgdag, lördag, midsommarafton, julafton eller nyårsafton och inte infalla tidigare än det antal dagar före stämman som föreskrivs enligt aktiebolagslagen (2005:551).

*To be entitled to participate in a general meeting, shareholders shall, firstly, be registered in the transcript or other list reflecting the entire share register regarding the shareholdings the number of days prior to the meeting as set out in the Swedish Companies Act and, secondly, notify the company of their intention to attend the meeting not later than on the day stipulated in the notice convening the general meeting. The latter mentioned day must not be a Sunday, any other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and must not be more than the number of days before the meeting as set out in the Swedish Companies Act.*

Aktieägare får vid bolagsstämman medföra ett eller två biträden, dock endast om aktieägaren gjort anmälan härom enligt föregående stycke.

*Shareholders may be accompanied at the meeting by a maximum of two advisors, on condition that the shareholder notifies the company of the number of advisors in the manner stated in the preceding paragraph.*

## § 11.

På årsstämma skall följande ärenden behandlas.

*At the annual shareholders' meeting the following matters shall be handled.*

1. Val av ordförande vid stämman;  
*Appointment of the chairman for the meeting;*
2. Upprättande och godkännande av röstlängd;  
*Approval of the voting register;*
3. Godkännande av dagordning;  
*Approval of the agenda;*
4. Val av en eller två justeringsmän;  
*Election of one or two persons to attest the minutes;*
5. Prövning av om stämman blivit behörigen sammankallad;  
*Examination on whether the meeting has been duly convened;*

6. Framläggande av årsredovisningen och revisionsberättelsen samt, i förekommande fall, koncernredovisning och koncernrevisionsberättelse;

*Presentation of annual report and the auditor's report and, if applicable, consolidated accounts and auditor's report for the group;*

7. Beslut om

- fastställande av resultaträkningen och balansräkningen samt, i förekommande fall, koncernresultaträkning och koncernbalansräkning;
- dispositioner beträffande aktiebolagets vinst eller förlust enligt den fastställda balansräkningen
- ansvarsfrihet åt styrelseledamöter och verkställande direktören

*Resolution on*

- *adopting of the profit and loss statement and the balance sheet and, if applicable, consolidated profit and loss statement and balance sheet,*
- *allocation of the company's profit or loss according to the adopted balance sheet, and*
- *discharge from liability for the directors of the board and the managing director;*

8. Fastställande av arvoden till styrelsen och revisorerna;

*Resolution to establish the remuneration for the directors of the board and the auditors;*

9. Beslut om antalet styrelseledamöter som skall väljas;

*Resolution on the number of directors of the board to be appointed;*

10. Val av styrelse samt val av revisor/er och revisorssuppleant/er; och

*Appointment of the directors and auditor/s and deputy auditor/s; and*

11. Annat ärende, som skall tas upp på bolagsstämman enligt aktiebolagslagen (2005:551) eller bolagsordningen.

*Other matter relevant to the meeting according to the Swedish Companies Act or the articles of association.*

## § 12.

Bolagets aktier skall vara registrerade i ett avstämningsregister enligt lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument.

*The shares of the company shall be registered in a central securities depository pursuant to the Central Securities Depositories and Financial Instruments (Accounts) Act (SFS 1998:1479).*

## § 13.

Styrelsen får inför en bolagsstämma besluta att aktieägarna ska kunna utöva sin rösträtt per post i enlighet med 7 kap. 4 a § aktiebolagslagen.

*The board of directors may, before a general meeting, decide that the shareholders shall have the right to exercise their voting rights by post in accordance with the procedure described in Chapter 7, section 4 a of the Swedish Companies Act.*

\*\*\*\*\*