

STILLFRONT GROUP

Press Release
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Announcement from the Annual General Meeting in Stillfront Group AB (publ) 11 May 2021

Stillfront Group AB (publ) held its Annual General Meeting on 11 May 2021 where mainly the following resolutions were adopted.

At the Annual General Meeting the presented profit and loss statement and the balance sheet and consolidated profit and loss statement and balance sheet were adopted. The meeting resolved that the amount at the disposal of the Annual General Meeting, SEK 8,346,330,821, be carried forward. The board of directors and the managing director were discharged from liability for the fiscal year 2020. The board of directors' remuneration report for 2020 was approved.

The meeting resolved, in accordance with the nomination committee's proposal, to re-elect Jan Samuelson, Erik Forsberg, Katarina G. Bonde, Birgitta Henriksson, Ulrika Viklund and Kai Wawrzinek as director of the board for the time until the next Annual General Meeting has been held. Jan Samuelson was re-elected chairman of the board of directors.

The auditing firm Öhrlings PricewaterhouseCoopers AB was re-elected as the company's auditor and it has notified that Nicklas Kullberg will continue to be the auditor in charge.

The meeting resolved that the fees to be paid to the board members for the period until the next Annual General Meeting shall be in total SEK 2,030,000 (SEK 1,650,000 last year), with SEK 730,000 (SEK 550,000) to the chairman of the board of directors and SEK 260,000 (SEK 220,000) to each of the board members that are elected by the Annual General Meeting. The meeting resolved that the fees to be paid to each of the members of the audit committee for the period until the next Annual General Meeting shall be in total SEK 325,000 (SEK 260,000), with SEK 250,000 (SEK 200,000) to the chairman of the audit committee and SEK 75,000 (SEK 60,000) to each of the members of the audit committee. The meeting resolved that the fees to be paid to each of the members of the remuneration committee for the period until the next Annual General Meeting shall be in total SEK 105,000 (SEK 90,000), with SEK 70,000 (SEK 60,000) to the chairman of the remuneration committee and SEK 35,000 (SEK 30,000) to each of the members of the remuneration committee.

The meeting resolved that remuneration to the auditors shall be paid according to current approved account.

The meeting adopted the instructions to the nomination committee in accordance with the nomination committee's proposal to apply until further notice.

The meeting established guidelines for remuneration and other terms of employment for the company's CEO and executive management in accordance with the board of director's proposal.

The meeting resolved to implement a long-term incentive program in accordance with the board of directors' proposal, meaning that a maximum of 3,500,000 employee stock options shall be offered to approximately 45 participants, consisting of the CEO, senior executives and key employees at studio level within the Stillfront Group. The employee stock options are gradually vested during a three-year period, and after the expiration of the three-year period each vested employee stock option entitles for subscription of one share in Stillfront. The price for the shares at exercise of the employee stock option shall be equal to the average volume weighted share price for Stillfront's shares during a period of ten trading days before the allotment of the employee stock options to the relevant participant, increased by 8 percent per year. The meeting resolved against the proposal of the board of directors to issue up to 3,500,000 warrants to ensure delivery of shares to the participant in the long-term incentive program.

The meeting resolved, in accordance with the proposal of the board of directors, to authorise the board of directors to, within the scope of the articles of association, with or without deviation from the shareholders' preferential rights, on one or several occasions during the period until the next Annual General Meeting, resolve to increase the company's share capital by issuing new shares, warrants or convertible debt in the company. The authorisation shall be limited whereby the board of directors may not resolve to issue shares, warrants or convertible debt that involve the issue of, or conversion into shares corresponding to, more than ten per cent of the shares in the company at the time when the board of directors first utilises the authorisation. The issues shall be made on market terms and payment may, apart from payment in cash, be made in kind or by set-off or otherwise with conditions.

The meeting resolved, in accordance with the proposal of the board of directors, on four directed new share issues to the sellers of four of the companies that Stillfront previously has acquired:

- New share issue of not more than 130,583 shares directed to the sellers of Imperia Online JSC for a subscription price of SEK 93.676, meaning that Stillfront's share capital shall increase by not more than SEK 9,140.81.
- New share issue of not more than 730,306 shares directed to the sellers of Playa Games GmbH for a subscription price of SEK 93.676, meaning that Stillfront's share capital shall increase by not more than SEK 51,121.42.
- New share issue of not more than 1,786,924 shares directed to the sellers of Storm8 Inc for a subscription price of SEK 105.578, meaning that Stillfront's share capital shall increase by not more than SEK 125,084.68.
- New share issue of not more than 987,608 shares directed to the sellers of Candywriter LLC for a subscription price of SEK 112.046, meaning that Stillfront's share capital shall increase by not more than SEK 69,132.56.

The reason for the new share issues and the deviation from the shareholders' pre-emption rights is to fulfil the share purchase agreements which Stillfront has entered into with the sellers of Imperia Online JSC, Playa Games GmbH, Storm8 Inc and Candywriter LLC. The newly issued shares shall be subscribed for on a subscription list no later than 31 August 2021. Payment for subscribed shares shall be made by way of set-off of the sellers' claim for earn-out consideration pursuant to the share purchase agreements. The size of the earn-out consideration, which determines the number of shares which will be allotted, is not yet finally determined. The determined number of shares which will be issued (which can be lower, but not higher, than the maximum number of shares set out for each new share issue above) will be communicated in connection with the allotment of the shares. The board of directors shall be entitled to extend the subscription period and the time for payment. 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 registered in the share register kept by Euroclear Sweden AB.

The meeting resolved, in accordance with the proposal of the board of directors to change § 1, § 3 and § 13 of the company's articles of association, including by adding mobile games to § 3 of the articles of association.

For additional information, please contact:

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About Stillfront

Stillfront is a leading free-to-play powerhouse of gaming studios. 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 1,250+ co-workers thrive in an organization that engenders the spirit of entrepreneurship. Our main markets are the US, Germany, MENA, UK and France. We are headquartered in Stockholm, Sweden, and the company is listed on Nasdaq First North Premier Growth Market. For further information, please visit: stillfront.com

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Attachments

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