

Interim Report Q2 2024

Financial highlights Q2

- Net revenue 1,744 (1,812) MSEK, a decline of -4 percent
- Organic net revenue decline of -4 percent
- Adjusted EBITDAC of 505 (516) MSEK, a decline of -2 percent, Adj EBITDAC margin of 29 (28) percent
- Capitalization of product development amounted to 152 (192) MSEK, 9 (11) percent in relation to net revenue
- EBIT 253 (275) MSEK, a decline of -8 percent
- Net result of -107 (-54) MSEK
- Free cash flow last 12 months of 737 (969) MSEK
- Total net debt, including cash earnout for next 12 months, of 5,022 (5,130) MSEK
- Adjusted leverage ratio, including cash earnout for next 12 months, pro forma was 2.15x (1.91x)
- Cash position of 895 (874) MSEK and 1,519 (2,262) MSEK of undrawn credit facilities

Key figures

MSEK	2024	2023	2024	2023	Last 12	2023
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	months	Jan-Dec
Bookings	1,737	1,810	3,479	3,555	6,882	6,958
Deferred revenue	7	2	4	15	14	24
Net revenue	1,744	1,812	3,483	3,570	6,895	6,982
EBIT	253	275	370	489	635	754
EBITDA	649	695	1,148	1,315	2,246	2,413
Items affecting comparability, EBITDA	-8	-13	-25	-32	-89	-96
Adjusted EBITDA	657	708	1,173	1,348	2,335	2,510
<i>Adjusted EBITDA margin, %</i>	<i>38</i>	<i>39</i>	<i>34</i>	<i>38</i>	<i>34</i>	<i>36</i>
Capitalization of product development	152	192	310	417	698	805
Adjusted EBITDAC	505	516	863	931	1,637	1,705
<i>Adjusted EBITDAC margin, %</i>	<i>29</i>	<i>28</i>	<i>25</i>	<i>26</i>	<i>24</i>	<i>24</i>
Profit before tax	-65	3	-68	110	-23	156
Net result	-107	-54	-117	7	-112	12
Number of employees	1,346	1,498	1,346	1,498	1,346	1,401
Adjusted leverage ratio, pro forma, x	1.93	1.64	1.93	1.64	1.93	1.64
Adjusted leverage ratio incl. NTM cash earnout payments, pro forma, x	2.15	1.91	2.15	1.91	2.15	1.84
Earnings per share undiluted, SEK	-0.22	-0.11	-0.24	0.00	-0.23	0.01
Earnings per share diluted, SEK	-0.22	-0.11	-0.24	0.00	-0.23	0.01

Quote from the CEO

"Stillfront's net revenue amounted to 1,744 MSEK in the second quarter, in line with the first quarter. Adjusted EBITDAC amounted to 505 MSEK during the quarter, representing an adjusted EBITDAC margin of 29 percent. During the past 18 months, Stillfront has taken several measures to increase efficiency and lower costs across the group. Staff costs were down by -12 percent in the second quarter compared to the same period last year, as we have delivered on our promise to reduce capex spending and address the cost-base of underperforming studios. This, in combination with gross margin improvements and lower user acquisition levels compared to the past two quarters led to the highest adjusted EBITDAC margin in the quarter that Stillfront has had in three years."

Jörgen Larsson, CEO, Stillfront

Comments by the CEO

Positive margin development in the second quarter

Stillfront's net revenue amounted to 1,744 MSEK in the second quarter, in line with the first quarter and down by -4 percent on an organic basis compared to the same period last year. Adjusted EBITDAC amounted to 505 MSEK during the quarter, representing an adjusted EBITDAC margin of 29 percent. The high profitability in the second quarter resulted in strong cash generation with free cash flow for the quarter amounting to 272 MSEK.

During the past 18 months, Stillfront has taken several measures to increase efficiency and lower costs across the group. Staff costs were down by -12 percent in the second quarter compared to the same period last year, as we have delivered on our promise to reduce capex spending and address the cost-base of underperforming studios. This, in combination with gross margin improvements and lower user acquisition levels compared to the past two quarters led to the highest adjusted EBITDAC margin in the quarter that Stillfront has had in three years.

DTC strategy drives gross margin improvements

Stillfront's gross profit amounted to 1,396 MSEK in the second quarter, representing a gross margin of 80 percent, compared to 78 percent during the same period last year. The continued positive gross margin development is driven by a combination of portfolio mix effects as well as our efforts to increase the share of bookings from direct-to-consumer channels (DTC) in our games, which have significantly lower payment fees compared to bookings from 3rd party stores. Stillfront increased the share of bookings from DTC in the active portfolio to 33 percent in the second quarter, up from 26 percent during the same period last year.

Sunshine Island continues to deliver on growth plan

Sunshine Island has been one of Stillfront's most successful new game releases and it continues to perform in line with our growth plan for the game. As mentioned in the report for the first quarter, the game has now stabilized at high bookings levels, while user acquisition costs have come down significantly. Sunshine Island

grew bookings quarter-over-quarter by 10 percent in the second quarter, while user acquisition spend was down by -40 percent. In the coming months, we will continue to focus on building content and optimizing the game to enable further scaling during the seasonally stronger last quarter of the year.

Strong cash flow generation enables buybacks of shares

In the second quarter, free cash flow amounted to 272 MSEK, which is a significant improvement compared to the past two quarters, despite a large negative net working capital effect in the period. Our ability to generate a strong cash flow is important as it enables us over time to deleverage our balance sheet and do buybacks of our own shares. During the second quarter, Stillfront acquired 15,100,126 own shares for a total amount of 182 MSEK. The acquired shares were used to settle the equity components of our earnout debts for the financial year 2023 during the quarter.

The second quarter is typically the quarter when our leverage ratio peaks, as we include next year's cash earnouts in the leverage ratio calculation. Stillfront's leverage ratio including earnouts for the coming twelve months was 2.15x in the second quarter, which is just above our long-term target of 2.0x. With the strong cash flow generation in our business and solid debt financing platform, we can choose to exceed our leverage target during shorter time periods if we see attractive opportunities to deploy capital.

Usual seasonality expected ahead

The summer season is typically the slowest time of the year for our business, and we have experienced lower activity levels across our games during the beginning of the summer. This development was especially evident in our Strategy portfolio, where user acquisition costs and bookings both decreased towards the end of the second quarter, which paired with the strong comparison numbers from the launch of Albion Online Asia last year drove the organic growth decline in the quarter.

We expect the lower activity levels to continue into the third quarter, which is in line with the usual seasonal pattern, while we

expect to be able to reaccelerate user acquisition spend and scale new titles towards the second half of the third quarter and into the seasonally stronger fourth quarter. Going into the second half of the year, we will continue to make improvements in how we run Stillfront which will help us drive both increasing growth rates and higher profitability, putting us in a good position to reach our financial targets.

Profitability-enhancing measures going forward

The efficiency measures that we have taken have started to show in our strengthened profitability. Furthermore, we are in the process of identifying certain projects that will aim to increase transparency and accountability across the organization, heighten operational efficiencies as well as lower our cost base. As these projects are in the process of being initiated, we will be able to provide more details during the second half of the year.



Jörgen Larsson, CEO, Stillfront

Portfolio overview

Game performance

Bookings in the second quarter amounted to 1,737 MSEK, of which 1,632 MSEK in the active portfolio. Bookings in the active portfolio decreased by -2 percent quarter-over-quarter, driven by softer performance from the Strategy product area, the effect was however mostly offset by strong growth from key franchises within Simulation, RPG & Action.

Bookings from other games outside of the active portfolio amounted to 105 MSEK in the second quarter. Other games consist of new game releases that have not yet been added to the active portfolio as well as smaller long-tail games and platform deals. The sequential increase of 24 MSEK in other games was mostly driven by higher bookings from Nanobit's platform deals, including its collaboration with Netflix on the successful Too Hot to Handle game. Going forward, we expect that bookings from platform deals will be significantly lower in the third quarter.

Stillfront reports group bookings in its active portfolio in three categories: Ad bookings, 3rd party stores, and Direct-to-consumer (DTC).

In the second quarter, ad bookings amounted to 13 percent of bookings in the active portfolio, down from 14 percent in the first quarter and in line with the same quarter last year.

Bookings from 3rd party stores are defined as bookings from purchases on external platforms such as Apple App Store, Google Play Store, Steam and Microsoft Store. Bookings from 3rd party stores amounted to 53 percent of bookings in the active portfolio, compared to 56 percent in the first quarter and 61 percent in the same period last year.

DTC primarily consists of bookings generated from Stillfront's own internal proprietary payment platforms. Payment processing fees and other related expenses for in-app purchases are significantly lower in Stillfront's proprietary channels compared to 3rd party stores. The category also includes bookings from reseller networks. Stillfront's DTC bookings amounted to 33 percent of bookings in the active portfolio, compared to 29 percent in the first quarter and 26 percent reported in the same period last year.

User acquisition costs, UAC, in the active portfolio was up by 6 percent year-over-year and down by -23 percent quarter-over-quarter. The sequential decline in UAC across all product areas follows the expected seasonal patterns, with a slightly larger seasonal decline in Strategy than expected, driven by lower activity levels in June.

Both MAU, monthly active users, and DAU, daily active users, decreased by -10 percent quarter-over-quarter. MPU, monthly paying users, decreased by -2 percent quarter-over-quarter. The decline in user numbers is driven by a combination of lower user acquisition spend paired with an ongoing portfolio shift where we have focused on increasing monetization and replacing low-monetized users with high-value users in the games.

ARPDau for the active portfolio was up by 18 percent year-over-year and by 9 percent compared to the previous quarter. The increase was driven by improved monetization owing to successful live ops within Simulation, RPG & Action and Casual & Mash-up.

2024 Q2	Active Portfolio	Strategy	Sim / RPG / Action	Mashup / Casual	Other games
Bookings (MSEK)	1,632	488	475	669	105
<i>Y-o-Y change, %</i>	-4%	-12%	2%	-1%	
<i>Ad bookings, %</i>	13%	1%	6%	27%	
<i>3rd party stores, %</i>	53%	55%	50%	55%	
<i>DTC, %</i>	33%	44%	44%	18%	
UAC (MSEK)	454	78	157	219	7
<i>Y-o-Y change, %</i>	6%	-40%	37%	19%	
DAU ('000)	8,809	646	1,202	6,961	
<i>Y-o-Y change, %</i>	-19%	-12%	-10%	-21%	
MAU ('000)	47,114	2,943	6,045	38,126	
<i>Y-o-Y change, %</i>	-19%	-16%	-16%	-19%	
MPU ('000)	1,129	148	329	652	
<i>Y-o-Y change, %</i>	-9%	-10%	4%	-14%	
ARPDau (SEK)	2.0	8.3	4.3	1.1	
<i>Y-o-Y change, %</i>	18%	0%	13%	24%	

47m

monthly active users in Q2

9m

daily active users in Q2



Product areas

The active portfolio

Stillfront has a diversified portfolio of major franchises and smaller niche products that together make up Stillfront’s active portfolio. During the second quarter, Stillfront’s five largest franchises represented 51 percent of total bookings in the active portfolio.

Strategy

Strategy games amounted to 30 percent of the bookings in the active portfolio in the second quarter. Strategy bookings declined by -15 percent quarter-over-quarter and by -12 percent year-over-year to 488 MSEK, driven by significantly lower user acquisition spend in the product area. User acquisition amounted to 78 MSEK in the second quarter, down by -52 percent quarter-over-quarter. User acquisition costs were down by -40 percent compared to the same period last year, as it has been more difficult to scale user acquisition across strategy titles in the quarter.

Stillfront’s strategy games continued to grow the share of DTC bookings in the quarter, with DTC representing 44 percent of the bookings in the product area, compared to 27 percent during the same period last year. The shift of bookings from 3rd party stores to DTC channels has a slight negative effect on topline, while being accretive on gross profit, as DTC bookings have significantly lower payment processing fees. On a gross profit level, the Strategy product area declined by -7 percent year-over-year, which was a significantly lower decline than on bookings.

Bookings from key strategy franchise Supremacy declined slightly year-over-year as a result of significantly lower user acquisition

spend during the quarter. The Empire franchise continues its very stable performance with bookings at around the same levels as last year with no user acquisition spend, resulting in high profitability.

The lower user acquisition spend in the Strategy product area compared to the first quarter resulted in lower user numbers, with MAU declining by -21 percent and DAU by -16 percent sequentially.

Simulation, RPG & Action

Simulation, RPG & Action amounted to 29 percent of the bookings in the active portfolio in the second quarter. Bookings increased by 13 percent quarter-over-quarter and by 2 percent year-over-year, amounting to 475 MSEK.

User acquisition spend in Simulation, RPG & Action decreased by -11 percent quarter-over-quarter to 157 MSEK in the second quarter. Year-over-year, user acquisition spend was up by 37 percent compared to the same period last year.

Albion Online’s bookings declined year-over-year due to the difficult comparison period as the franchise benefited greatly from its successful Asian server launch in the second quarter last year. On 29 April, Albion launched Albion Online Europe, a new server for Albion’s players in the Europe and MENA regions. The new server saw a strong initial launch reaching all-time high daily active users on 1 May. During June, the activity levels in the game normalized and going forward we expect the game to stabilize at a higher bookings level compared to before the Europe server launch.

Sunshine Island continues to do well and grew bookings quarter-over-quarter by 10 percent in the second quarter to 47 MSEK, while

user acquisition spend was down by -40 percent to 47 MSEK. In the coming months, the team will continue to focus on building content and optimizing the game to enable further scaling during the seasonally stronger last quarter of the year.

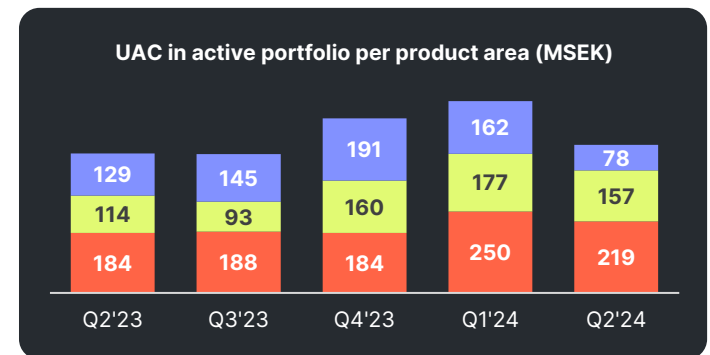
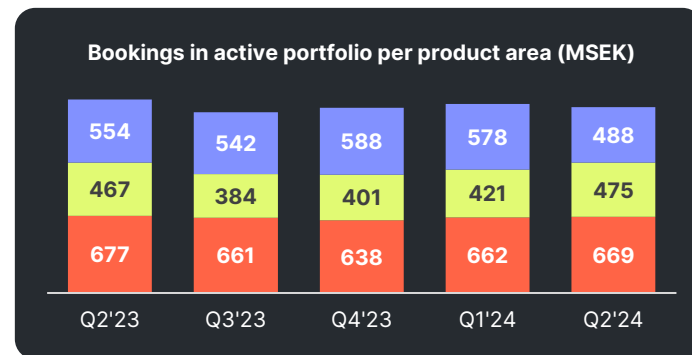
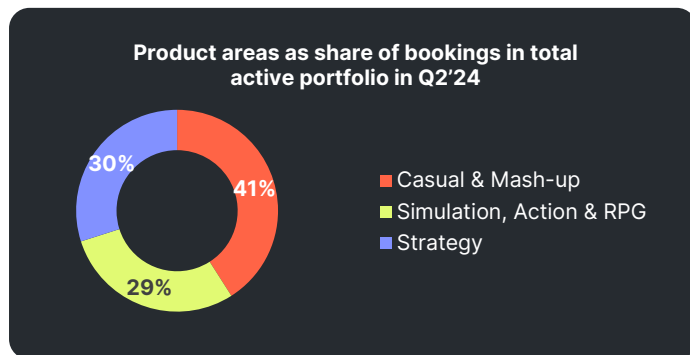
Casual & Mash-up

Casual & Mash-up area amounted to 41 percent of the bookings in the active portfolio and 669 MSEK in the second quarter. Bookings increased by 1 percent quarter-over-quarter and declined by 1 percent year-over-year. User acquisition spend increased by 19 percent compared to the same period last year to 219 MSEK, driven mostly by Super Free’s Word franchise.

Super Free’s Word franchise continued to scale well in the second quarter, driving both user acquisition spend and organic growth for the franchise. The studio continues to make progress in improving ad monetization in the Word franchise, driven by strong performance from its key title Word Collect.

Storm8’s Home Design franchise struggled to meet our expectations during the second quarter and negatively impacted the bookings growth in the product area. The new title “Ellen’s Garden Restoration” was launched in the beginning of the quarter and is slowly making progress as new features have been added to the game throughout the quarter. Stillfront is actively working with Storm8 to scale new games and enhance the studio’s performance going forward.

Jawaker continued its impressive performance in the second quarter, growing bookings by 41 percent compared to the same period last year with low user acquisition and very strong margins.



Financial overview of the second quarter

Revenue and operating profit

MSEK	2024		Chg%	2023		Last 12 months	2023
	Apr-Jun	Apr-Jun		Jan-Jun	Jan-Jun		
Net revenue	1,744	1,812	-4	3,483	3,570	6,895	6,982
Gross profit	1,396	1,418	-2	2,783	2,784	5,445	5,445
<i>Gross profit margin, %</i>	<i>80</i>	<i>78</i>		<i>80</i>	<i>78</i>	<i>79</i>	<i>78</i>
EBIT	253	275	-8	370	489	635	754
EBITDA	649	695	-7	1,148	1,315	2,246	2,413
<i>EBITDA margin, %</i>	<i>37</i>	<i>38</i>		<i>33</i>	<i>37</i>	<i>33</i>	<i>35</i>
Items affecting comparability, EBITDA	8	13	-36	25	32	89	96
Adjusted EBITDA	657	708	-7	1,173	1,348	2,335	2,510
<i>Adjusted EBITDA margin, %</i>	<i>38</i>	<i>39</i>		<i>34</i>	<i>38</i>	<i>34</i>	<i>36</i>
Capitalization of product development	152	192	-21	310	417	698	805
Adjusted EBITDAC	505	516	-2	863	931	1,637	1,705
<i>Adjusted EBITDAC margin, %</i>	<i>29</i>	<i>28</i>		<i>25</i>	<i>26</i>	<i>24</i>	<i>24</i>

Net revenue in the second quarter amounted to 1,744 (1,812) MSEK, which corresponds to an organic growth of -4 percent. The impact of currency movements was limited in the quarter. Currency rates in the quarter are outlined in the currency table on page 24 in this report.

The revenue impact of the divestment in October 2023 of the studio Power Challenge is described as 'Other change' in the table.

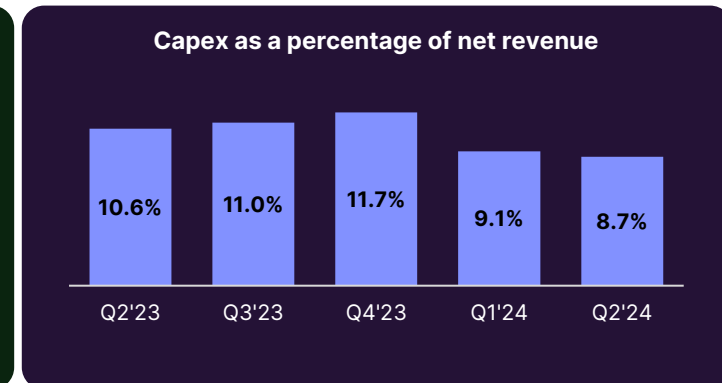
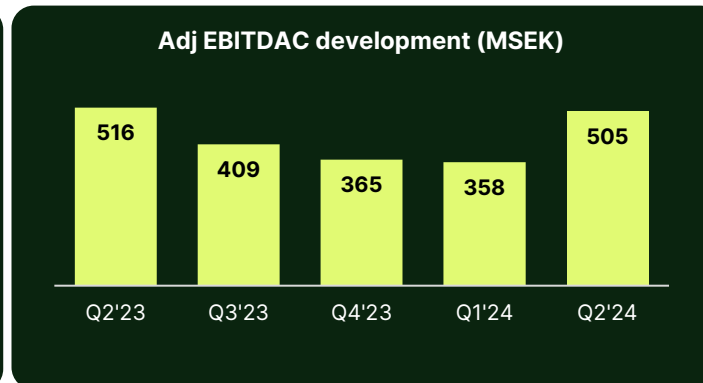
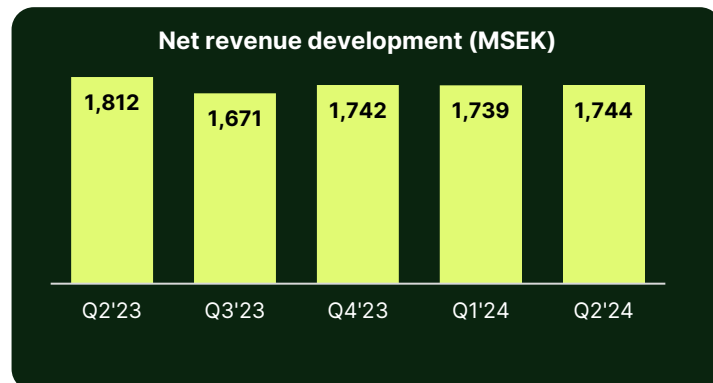
Net revenue growth	2024	2023	2024	2023	2023
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	Jan-Dec
Change through acquisitions, %	0.0	0.0	0.0	1.5	0.7
Change through currency movements, %	0.2	6.6	-0.3	7.0	5.0
Organic growth, %	-3.9	-5.5	-2.1	-5.2	-5.9
Other change %	-0.1	-1.1	-0.1	-1.1	-0.9
Total net revenue growth, %	-3.8	0.0	-2.4	2.3	-1.1

Stillfront's gross profit for the quarter amounted to 1,396 (1,418) MSEK, representing a gross margin of 80 (78) percent. Personnel expenses for the quarter were -283 (-323) MSEK in the group, corresponding to 16 (18) percent of net revenue in the quarter, while other external expenses amounted to 7 (6) percent of net revenue. The lower cost base in the quarter enabled Stillfront to increase user acquisition costs to -462 (-434) MSEK, representing 26 (24) percent of net revenue.

EBITDA amounted to 649 (695) MSEK in the second quarter. Adjusted EBITDA amounted to 657 (708) MSEK, corresponding to an adjusted EBITDA margin of 38 (39) percent in the quarter. Items affecting comparability affecting EBIT amounted to -8 (-13) MSEK in the quarter, comprising mainly costs for cost optimization programs and long-term incentive programs, partly offset by cash payments received of 8 MSEK being purchase price adjustments after the end of the measurement period for business acquisitions.

Adjusted EBITDAC amounted to 505 (516) MSEK in the second quarter, corresponding to an adjusted EBITDAC margin of 29 (28) percent.

EBIT amounted to 253 (275) MSEK in the second quarter.



Product development

MSEK	2024	2023	2024	2023	Last 12	2023
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	months	Jan-Dec
Capitalization of product development	152	192	310	417	698	805
Amortization of product development	-207	-181	-404	-351	-792	-739
Amortization of PPA items	-175	-222	-346	-442	-751	-846

In the second quarter, investments in product development amounted to 152 (192) MSEK. The lower investments in product development are a result of Stillfront's efforts to become more focused in how we allocate investments for product development across the group. Capitalized development fluctuates between quarters and depends on the number of new launches.

Amortization of product development of -207 (-181) MSEK was recorded during the second quarter. The increased amortization of product development compared to Q1 2024 is driven by games coming out of soft launch in the quarter. Amortization of PPA items amounted to -175 (-222) MSEK, where the reduction is primarily an effect of PPA assets having been fully amortized.

Financial net

MSEK	2024	2023	2024	2023	Last 12	2023
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	months	Jan-Dec
Net interest excluding interest on earnouts	-105	-83	-200	-155	-392	-347
Interest on earnout consideration (non-cash)	-16	-24	-31	-47	-64	-80
Currency exchange differences	-16	5	-17	-6	-20	-10
De-consolidation of subsidiaries	-66	-	-66	-	-66	-
Other	-5	-	-14	-	-26	-12
Changes in fair value of contingent consideration	-109	-171	-109	-171	-89	-150
Net financial items	-318	-272	-438	-379	-658	-598

The financial net was -318 (-272) MSEK in the second quarter, consisting of net interest expenses -105 (-83) MSEK, non-cash interest charge on earnout provision -16 (-24) MSEK, earnout revaluations of -109 (-171) MSEK, currency exchange differences -16 (5) MSEK, a deconsolidation of the subsidiary in Bangladesh -66 (-) MSEK and other financial items -5 (-) MSEK. Other financial items consist primarily of one-off costs for the early redemption of nominally 546 MSEK of outstanding bonds 2021/2025.

The non-cash earnout revaluations of -109 MSEK comprise -46 MSEK of realized and non-realized forecast adjustments, mainly driven by Jawaker's continued strong performance, and -64 MSEK of risk premium (the difference between the WACC and the marginal cost of debt).

Stillfront has, as reported in the annual report, been in the process to close the group's operations in Bangladesh. The Bangladeshi company has ceased its operations and is dormant, however, having a

cash and bank balance of 82 MSEK as of May 2024. A court in Bangladesh has in May appointed a so called Official Receiver to govern the company, and Stillfront therefore considers loss of control of the entity to have taken place. The company is consequently deconsolidated from the accounts at a cost of -66 MSEK, recorded as an item affecting comparability within other financial items. The amount corresponds to net assets (cash and bank of 82 MSEK minus net liabilities of 16 MSEK) related to the company in Bangladesh. The cost is partially offset by positive earnout revaluations of 40 MSEK related to Moonfrog.

Tax

MSEK	2024	2023	2024	2023	Last 12	2023
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	months	Jan-Dec
Profit before tax	-65	3	-68	110	-23	156
Total taxes for the period	-42	-57	-49	-103	-89	-143
<i>Tax rate, %</i>	<i>-65</i>	<i>1,820</i>	<i>-71</i>	<i>94</i>	<i>-387</i>	<i>92</i>
Transaction costs	-	-0	-	-0	-	-0
Earnout interest	-16	-24	-31	-47	-64	-80
Earnout revaluations	-109	-171	-109	-171	-89	-150
De-consolidation of subsidiaries	-66	-	-66	-	-66	-
Profit before tax, excl. transaction costs and earnout interest & revaluations	126	198	139	328	196	386
Tax on dividends	-4	-	-7	-7	-29	-29
Underlying tax excl. tax on dividends	-38	-57	-42	-96	-60	-114
<i>Underlying tax rate, %</i>	<i>30</i>	<i>29</i>	<i>30</i>	<i>29</i>	<i>31</i>	<i>30</i>

The group's tax cost amounted to -42 (-57) MSEK for the second quarter, with a non-meaningful tax rate.

Tax costs for the quarter are affected by non-deductible items such as costs for transactions - (0) MSEK, earnout interest -16 (-24) MSEK, earnout revaluations -109 (-171) MSEK and deconsolidation of subsidiary -66 (-) MSEK, as well as irrecoverable tax on dividends received from studios -4 (-) MSEK. Withholding tax on dividends distributed from foreign studios cannot be offset against Swedish tax and therefore effectively implies a double-taxation of profits already taxed in the local jurisdiction. An underlying tax rate, which better describes tax costs related to Stillfront's ongoing business, can be calculated excluding such special items.

As of 2024, Stillfront applies IAS 34.30 (c) in the quarterly reports whereby the expected effective tax rate for the year is applied on profit before tax for each quarter, excluding transaction costs, earnout interest, earnout revaluations and deconsolidation of subsidiary. The underlying tax rate for the second quarter is thereby 30 (29) percent.



Financing

	2024	2023
MSEK	30 Jun	30 Jun
Total net debt incl. cash earnout NTM	5,022	5,130
Net debt	4,507	4,404
Cash and cash equivalents	895	874
Adjusted interest coverage ratio, pro forma, x	5.63	9.15
Adjusted leverage ratio, pro forma, x	1.93	1.64
Adjusted leverage ratio incl. NTM cash earnout, pro forma, x	2.15	1.91

In the first quarter, new senior unsecured 2024/2028 bonds with an initial nominal amount of 1,000 MSEK were issued. The receipts for the new bonds were primarily used to repurchase nominally 954 MSEK of the outstanding 2021/2025 bonds. Stillfront furthermore announced that it exercised its right to make a voluntary early redemption of the remaining outstanding 2021/2025 bonds, with a nominal outstanding amount of 546 MSEK, with settlement in April 2024.

In the second quarter, 15,100,126 (2,956,510) shares were repurchased for a total of 182 (67) MSEK. Shares repurchased in the first six months, in total 15,100,126 (13,441,510) shares, and 0 (4,769,026) newly issued shares, have at the end of the second quarter been used to settle earnout liabilities of 163 (336) MSEK. Additionally in the second quarter, 432 (621) MSEK of earnout liabilities have been settled in cash.

Net debt as of the end of the second quarter amounted to 4,507 (4,404) MSEK. Total net debt, including cash earnouts for the next 12 months, amounted to 5,022 (5,130) MSEK. The adjusted interest coverage ratio, pro forma, was 5.63x (9.15x) at the end of the quarter.

The adjusted leverage ratio, pro forma, including cash earnouts for the next 12 months, was 2.15x (1.91x). Stillfront has a financial target for the adjusted leverage ratio pro forma, including cash earnouts for the next 12 months, not to exceed 2.0x.

At the end of the quarter, Stillfront had total unutilized credit facilities of 1,519 (2,262) MSEK, of which 1,222 (1,869) MSEK were long-term credit facilities. Cash balances amounted to 895 (874) MSEK.

Stillfront's financial assets and liabilities are in general measured at amortized cost, which is also a good approximation of their fair value. Bond loans with a carrying value of 1,986 (2,496) MSEK, however, have a fair value of 2,036 (2,494) MSEK. Fx forwards and currency basis swaps with a net carrying amount of -81 (-164) MSEK are measured at fair value through other comprehensive income. Contingent purchase considerations (earnout provisions) with a carrying amount of 1,690 (2,398) MSEK are measured at fair value through profit and loss.

Provisions for earnouts

MSEK	2024	2025	2026	2027	Total
Cash	43	472	373	322	1,210
Equity	-	184	158	138	480
Total provisions for earnout	43	656	531	460	1,690

The amounts stated in the table refer to provisions in the balance sheet, calculated as present values of nominal expected future payments, by year of expected settlement. As of the quarter-end, the group had liabilities of 1,690 (2,398) MSEK for earnout provisions, of which 699 (891) MSEK current and 991 (1,507) MSEK non-current. The book value of the amounts that will be settled during 2024 to 2027 comprises 1,210 MSEK expected to be paid out in cash and 480 MSEK expected to be settled in Stillfront shares. Stillfront may choose to do buybacks to enable payment with the company's own shares to settle earnout payments.

Earnout provisions at the end of the first quarter 2024 were 2,178 MSEK and decreased to 1,690 MSEK at the end of the second quarter 2024, driven by settlements in cash of -432 MSEK, settlements in Stillfront shares of -163 MSEK and currency exchange differences of -18 MSEK, offset by revaluations of 109 MSEK and non-cash discounting interest of 16 MSEK.

Cash flow

	2024	2023	2024	2023	Last 12	2023
MSEK	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	months	Jan-Dec
Cash flow from operations	434	567	739	948	1,482	1,690
Cash flow from investment activities	-668	-825	-829	-1,073	-1,427	-1,671
Cash flow from financing activities	260	319	144	-25	-6	-175
Cash flow for the period	25	61	54	-150	49	-156
Cash and cash equivalents at the end of period	895	874	895	874	895	807

The Group had cash flows from operations of 434 (567) MSEK in the second quarter. The amount includes taxes paid of -45 (-130) MSEK, cash disbursements related to net financial items of -100 (-79) MSEK, and changes in working capital of -48 (66) MSEK, mainly impacted by payments to suppliers.

Cash flows from investment activities amounted to -668 (-825) MSEK, including -432 (-621) MSEK in cash settlements of earnout obligations -152 (-192) MSEK in product development investments, -2 (-11) MSEK in acquisitions of tangible fixed assets and -82 (-) MSEK in de-consolidation of subsidiary. The cash flow from de-consolidation of the subsidiary corresponds to cash and bank assets in the company at the time of the deconsolidation.

Cash flows from financing activities amounted to 260 (319) MSEK, including cash outflow for early redemption of old bonds of -552 (-) MSEK, cashflows for currency derivatives of -12 (-11) MSEK, lease

payments of -10 (-12) MSEK, repurchase of own shares of -182 (-67) MSEK and other net movements on credit facilities of 1,016 (408) MSEK.

Free cash flow for the last twelve months amounted to 737 (969) MSEK. The cash conversion rate, defined as free cash flow for the last twelve months divided by adjusted EBITDA for the last twelve months, amounted to 0.33 (0.37). The lower free cash flow for the last twelve months compared to the last twelve months one year ago is primarily driven by higher interest paid on external debt, with cash disbursements related to net financial items in the last twelve months being 132 MSEK higher compared to the same period last year.

Significant events in the quarter

Stillfront's board resolved to exercise its authorization to acquire own shares

On 25 April, Stillfront communicated that its Board of Directors resolved to acquire its own shares on Nasdaq Stockholm. The purpose of the repurchase was to enable payment with the company's own shares of certain earnout payments relating to previous acquisitions. The repurchases were administered by Carnegie Investment Bank AB (publ), in accordance with instructions from Stillfront.

Announcement from the annual general meeting in Stillfront on 14 May 2024

On 14 May, Stillfront held its annual general meeting where, in addition to customary resolutions, it was resolved: (i) on four directed new share issues to the sellers of four of the companies that Stillfront previously has acquired; (ii) to authorize the board of directors to resolve on issuance of shares, repurchase of own shares and transfer of own shares; and (iii) implement a long-term incentive program. The meeting also resolved, in accordance with the nomination committee's proposal, to elect Maria Hedengren and Lars-Johan Jarnheimer as new members of the board until the close of the next annual general meeting.

Earnout considerations for financial year 2023 determined

The earnout considerations related to the financial year 2023 to the sellers of certain previously acquired entities were determined and settled at the end of the second quarter. Stillfront has agreed on the earnout considerations for the financial year 2023 with the sellers of Everguild, Ltd; Jawaker FZ LLC; Sandbox Interactive GmbH; Six Waves Inc and Super Free Games, Inc. See page 10 for further information.

Market

The games industry is one of the largest entertainment industries globally and is growing as more and more people discover the joys of digital games. According to Newzoo's estimates, the global games market generated revenues of USD 184 billion in 2023 and mobile games make up almost 50 percent of the total global games market. In 2023, almost 3.4 billion people across the world played digital games, of which almost 2.9 billion people play on mobile devices.

The mobile games industry declined slightly in 2023. Newzoo estimates that the mobile games market declined by -2.1 percent and generated revenues of USD 89.9 billion in 2023, accounting for 49 percent of the total games market globally. According to data.ai's estimates, global player spending on mobile games declined by -2 percent year-over-year in 2023 to USD 107.3 billion.

In the coming years, the total games industry is expected to grow with an expected CAGR of approximately 4 percent from 2022 to 2026, according to Newzoo. Newzoo expects the global games market to amount to USD 205.7 billion by 2026 and the total number of players to reach almost 3.8 billion. Data.ai expects the mobile games market to rebound and grow by 3.8 percent in 2024.

People across all demographics play games. Nearly two-thirds of US adults play video games regularly and the average age of a gamer in the US is 32 years old, according to the Entertainment Software Association, ESA. The number of female gamers has increased during the past years, and today 46 percent of US video game players identify as female, and 53 percent identify as male.

Sources for market data:

Newzoo: Last looks: The global games market in 2023, May 2024
 Data.ai's 5 Mobile App Predictions, December 2023
 Data.ai's State of Mobile 2024, January 2024
 Essential Facts about the US Video Game Industry 2023, by ESA

Parent company

Customary group management functions and group wide services are provided via the parent company. The revenue for the parent company during the quarter was 50 (41) MSEK. The result before tax includes dividends from subsidiaries and amounted to 1,881 (267) MSEK.

Related party transactions

Other than customary transactions with related parties such as remuneration to key individuals, there have been no transactions with related parties.

Acquisitions

No business combinations have taken place in the first six months of 2024.

The earn-out considerations related to the financial year 2023 to the sellers of certain previously acquired entities have been determined and settled in the quarter. Settlements reduced earnout provisions in the balance sheet by 595 MSEK, whereof 432 MSEK was settled in cash and reported in cash flow from investment activities. The remaining 163 MSEK was settled with 15,100,126 Stillfront shares that had been re-purchased for 182 MSEK, reported in cash flow from financing activities.

Additional information relating to the entities where a part of the purchase price/earnout consideration consists of shares is set out below.

Everguild, Ltd

The Annual General Meeting in Stillfront resolved on 14 May 2023 on a directed new share issue of not more than 220,122 shares and transfer of no more than 220,122 own shares to the sellers of Everguild, Ltd, as part of the earn-out consideration to be paid following Stillfront's acquisition of all shares in Everguild, Ltd pursuant to the terms of the acquisition agreement. The earn-out consideration for the financial year 2023, which shall be paid partly in cash and partly in the form of shares in Stillfront, has now been determined to a total amount of GBP 338,309. Stillfront's board of directors has resolved that the 176,098 shares to be paid as part of the earnout consideration are to be paid in the form of own shares acquired under Stillfront's buyback program and the transfers of such shares have been settled.

Jawaker FZ LLC

The Annual General Meeting in Stillfront resolved on 14 May 2023 on a directed new share issue of not more than 14,698,006 shares and transfer of no more than 14,698,006 own shares to the sellers of Jawaker FZ LLC, as part of the earn-out consideration to be paid following Stillfront's acquisition of all shares in Jawaker FZ LLC pursuant to the terms of the acquisition agreement. The earn-out consideration for the financial year 2023, which shall be paid partly in cash and partly in the form of shares in Stillfront, has now been determined to a total amount of USD 40,382,474. Stillfront's board of directors has resolved that the 11,758,402 shares to be paid as part of the earnout consideration are to be paid in the form of own shares acquired under Stillfront's buyback program and the transfers of such shares have been settled.

Sandbox Interactive GmbH

The Annual General Meeting in Stillfront resolved on 14 May 2023 on a directed new share issue of not more than 3,566,928 shares and transfer of no more than 3,566,928 own shares to the sellers of Sandbox Interactive GmbH, as part of the earn-out consideration to be paid following Stillfront's acquisition of all shares in Sandbox Interactive GmbH pursuant to the terms of the acquisition agreement. The earn-out consideration for the financial year 2023, which shall be paid partly in cash and partly in the form of shares in Stillfront, has now been determined to a total amount of EUR 11,359,343. Stillfront's board of directors has resolved that the 2,853,543 shares to be paid as part of the earnout consideration are to be paid in the form of own shares acquired under Stillfront's buyback program and the transfers of such shares have been settled.

Six Waves Inc.

The Annual General Meeting in Stillfront resolved on 14 May 2023 on a directed new share issue of not more than 390,110 shares and transfer of no more than 390,110 own shares to the sellers of Six Waves Inc., as part of the earn-out consideration to be paid following Stillfront's acquisition of all shares in Six Waves Inc. pursuant to the terms of the acquisition agreement. The earn-out consideration for the financial year 2023, which shall be paid partly in cash and partly in the form of shares in Stillfront, has now been determined to a total amount of USD 1,512,211. Stillfront's board of directors has resolved that the 312,083 shares to be paid as part of the earnout consideration are to be paid in the form of own shares acquired under Stillfront's buyback program and the transfers of such shares have been settled.

The share and shareholders

#	Owners	No of shares	Capital/votes
1	Laureus Capital GmbH	60,702,417	11.7%
2	Handelsbanken Funds	43,583,247	8.4%
3	DNB Funds	26,628,894	5.1%
4	First National Pension Fund	26,000,000	5.0%
5	SEB Funds	18,380,683	3.5%
6	Nordea Liv & Pension	18,051,267	3.5%
7	Vanguard	16,884,684	3.3%
8	Utah State Retirement Systems	13,973,041	2.7%
9	DNB Funds	12,899,565	2.5%
10	Skandia Funds	8,845,735	1.7%
11	Other Shareholders	272,018,947	52.5%

Source: Monitor by Modular Finance AB. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish Financial Supervisory Authority (Finansinspektionen).

The total number of shares outstanding per June 30, 2024, was 517,968,480. This is the number of shares registered at the Companies' Registration Office at that date.

The shares are traded on Nasdaq Stockholm. Closing price as of June 28, 2024, was 9.955 SEK/share.

Following bonds are traded on Nasdaq Stockholm:

2023/2027 bond: ISIN: SE0020846624

2024/2028 bond: ISIN: SE0021770955

Accounting policies

This interim report has been prepared in accordance with IAS34 Interim Financial Reporting. The consolidated financial statements have been prepared in accordance with IFRS as adopted by the EU and the relevant references to Chapter 9 of the Swedish Annual Accounts Act. The parent company's financial statements are prepared in accordance with RFR2 Accounting for Legal Entities and the Swedish Annual Accounts Act. As of 2024, Stillfront applies IAS 34.30 (c) in the quarterly reports whereby the expected effective tax rate for the year is applied on profit before tax for each quarter, excluding transaction costs, earnout interest and earnout revaluations.

De-consolidation of a subsidiary has been recorded due to loss of control in accordance with IFRS 10.25. Stillfront made the policy choice to record the cost among net financial items.

The financial statements are presented in SEK, which is the functional currency of the Parent Company. All amounts, unless otherwise stated, are rounded to the nearest million (MSEK). Due to rounding, numbers presented throughout these consolidated financial statements may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Risks and uncertainty factors

As a global group with a wide geographic spread, Stillfront is exposed to several strategic, financial, market and operational risks. Attributable risks include for example risks relating to market conditions, regulatory risks, tax risks and risks attributable to public perception. Other strategic and financial risks are risks attributable to acquisitions, credit risks and funding risks. Operational risks are for example risks attributable to distribution channels, technical developments and intellectual property. The risks are described in more detail in the latest Annual Report. No significant risks are considered to have arisen besides those being described in the Annual Report.

Forward-looking statements

Some statements herein are forward-looking that reflect Stillfront's current views or expectations of future financial and operational performance. Because these forward-looking statements involve both known and unknown risks and uncertainties, actual results may differ materially from the information set forth in the forward-looking information. Such risks and uncertainties include but are not limited to general business, economic, competitive, technological, and legal uncertainties and/or risks. Forward-looking statements in this report apply only at the time of announcement of the report and are subject to change without notice. Stillfront undertakes no obligation to publicly update or revise any forward-looking statements as a result of new information, future events or otherwise, other than as required by applicable law or stock market regulations.

Declaration

The Board of Directors and the CEO provide their assurance that the six-month report provides an accurate overview of the operations, position and earnings of the Company and the Group, and that it also describes the principal risks and sources of uncertainty faced by the Company and its subsidiaries.

Stockholm, 22 July 2024

Katarina Bonde

Chairman of the Board

Erik Forsberg Maria Hedengren Marcus Jacobs Lars-Johan Jarnheimer David Nordberg

Jörgen Larsson, CEO & Founder

The interim report has not been reviewed by the Company's auditors.



Financial reports

Income statement in summary, group

MSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Last 12 months	2023 Jan-Dec
Revenues						
Bookings	1,737	1,810	3,479	3,555	6,882	6,958
Deferred revenue	7	2	4	15	14	24
Net revenue	1,744	1,812	3,483	3,570	6,895	6,982
Own work capitalized	120	148	244	306	512	575
Other revenue	3	3	10	13	24	27
Operating expenses						
Direct costs	-348	-394	-700	-786	-1,451	-1,537
User acquisition costs	-462	-434	-1,055	-907	-2,023	-1,874
Other external expenses	-118	-104	-233	-213	-449	-429
Personnel expenses	-283	-323	-575	-635	-1,175	-1,234
Items affecting comparability	-8	-13	-25	-32	-89	-96
Amortization of product development	-207	-181	-404	-351	-792	-739
Amortization of PPA items	-175	-222	-346	-442	-751	-846
Depreciation	-14	-18	-28	-34	-68	-74
Operating result (EBIT)	253	275	370	489	635	754
Result from financial items						
Net financial items	-318	-272	-438	-379	-658	-598
Profit before tax	-65	3	-68	110	-23	156
Taxes for the period	-42	-57	-49	-103	-89	-143
Net result for the period	-107	-54	-117	7	-112	12



MSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Last 12 months	2023 Jan-Dec
Other comprehensive income						
<i>Items that later can be reversed in profit</i>						
Foreign currency translation differences	-81	711	755	658	-390	-488
Total comprehensive income for period	-188	658	638	665	-502	-475
<i>Net result for the period attributed to:</i>						
Parent company shareholders	-112	-57	-124	2	-120	7
Non-controlling interest	4	3	7	5	8	6
<i>Period total comprehensive income attributed to:</i>						
Parent company shareholders	-193	660	630	660	-510	-481
Non-controlling interest	4	5	8	5	8	5
<i>Average number of shares</i>						
Undiluted	511,569,881	501,966,262	514,769,180	506,318,353	516,377,571	512,191,294
Diluted	511,569,881	501,966,262	514,769,180	506,318,353	516,377,571	512,191,294
<i>Net result per share attributable to the parent company's shareholders</i>						
Undiluted, SEK/share	-0.22	-0.11	-0.24	0.00	-0.23	0.01
Diluted, SEK/share	-0.22	-0.11	-0.24	0.00	-0.23	0.01

Balance sheet in summary, group

MSEK	6/30/2024	6/30/2023	12/31/2023
Goodwill	16,313	16,718	15,595
Other non-current intangible assets	5,031	6,038	5,227
Tangible non-current assets	97	155	116
Deferred tax assets	45	81	21
Other non-current assets	17	25	16
Current receivables	838	840	823
Cash and cash equivalents	895	874	807
Total assets	23,235	24,731	22,605
Shareholders' equity			
Shareholders' equity attributable to parent company's shareholding	14,460	14,979	13,838
Non-Controlling interest	16	11	8
Total Shareholders' equity	14,477	14,990	13,846
Non-current liabilities			
Deferred tax liabilities	887	1,097	929
Bond loans	1,986	1,494	2,488
Liabilities to credit institutions	2,528	1,881	1,693
Term loan	682	708	666
Other liabilities	139	180	144
Provisions for earnout	991	1,507	1,392
Total non-current liabilities	7,212	6,866	7,310
Current liabilities			
Liabilities to credit institutions	104	9	27
Bond loans	-	1,002	-
Equity swap	21	22	19
Other liabilities	721	951	751
Provisions for earnout	699	891	651
Total current liabilities	1,546	2,875	1,449
Total Liabilities and Shareholders' equity	23,235	24,731	22,605



Shareholders' equity, group

MSEK	Share capital	Other shareholders' contributions	Other Reserves	Other equity incl profit of the year	Equity attributed to parent shareholders	Non controlling interest	Total equity
Opening balance 2023-01-01	36	10,942	1,434	1,825	14,237	6	14,242
Net result for the period				2	2	5	7
Foreign currency translation differences			658	-	658	0	658
Repurchase of own shares	-	-	-	-270	-270	-	-270
Other transactions with shareholders	0	82	-	270	353	-	353
Closing balance 2023-06-30	36	11,024	2,091	1,827	14,979	11	14,990
Opening balance 2024-01-01	36	11,029	947	1,826	13,838	8	13,846
Net Result for the period				-124	-124	7	-117
Foreign currency translation differences			754	-	754	1	755
Total comprehensive income	-	-	754	-124	630	8	638
Repurchase of own shares				-182	-182	-	-182
Other transactions with shareholders		-7	-	182	175	-	175
Closing balance 2024-06-30	36	11,022	1,701	1,702	14,460	16	14,477

Cash flow in summary, group

MSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Last 12 months	2023 Jan-Dec
Operations						
Profit before tax	-65	3	-68	110	-23	156
Adj for items not in cash flow etc	592	628	996	1,081	1,856	1,940
Tax paid	-45	-130	-97	-172	-247	-322
Cash flow from operations before changes in working capital	482	501	830	1,018	1,586	1,774
Changes in working capital						
Increase(-)/Decrease(+) in operating receivables	61	43	-3	-97	0	-94
Increase (+)/Decrease(-) in operating liabilities	-108	22	-88	27	-105	10
Cash flow from changes in working capital	-48	66	-91	-70	-105	-84
Cash flow from operations	434	567	739	948	1,482	1,690
Investment activities						
Acquisition and divestment of business	-432	-621	-432	-638	-631	-837
De-consolidation of subsidiaries	-82	-	-82	-	-82	-
Acquisition of tangible assets	-2	-11	-6	-18	-16	-28
Capitalization of product development	-152	-192	-310	-417	-698	-805
Net change in financial assets	-1	-0	0	-1	-1	-2
Cash flow from investment activities	-668	-825	-829	-1,073	-1,427	-1,671
Financing activities						
Net change in borrowings	463	408	354	294	262	202
Realized foreign currency swap	-12	-11	-8	-24	-38	-54
IFRS 16 lease repayment	-10	-12	-20	-25	-47	-52
Issue cost	-0	-0	-0	-0	-0	-0
Repurchase of own shares	-182	-67	-182	-270	-182	-270
Cash flow from financing activities	260	319	144	-25	-6	-175
Cash flow for the period	25	61	54	-150	49	-156
Cash and cash equivalents at start of period	877	776	807	989	874	989
Translation differences	-8	37	34	35	-28	-27
Cash and cash equivalents at end of period	895	874	895	874	895	807

Parent company income statement, summary

MSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Last 12 months	2023 Jan-Dec
Revenue						
Net revenue	50	41	92	82	174	164
Own work capitalized	4	4	7	9	12	14
Operating expenses						
Other external expenses	-18	-16	-33	-34	-64	-65
Personnel expenses	-38	-35	-75	-65	-142	-132
Operating result	-2	-7	-8	-9	-19	-19
Result from financial items						
Net financial items	1,883	274	1,797	316	2,418	937
Result after financial items	1,881	267	1,789	307	2,399	918
Group contribution	-	-	-	-	-92	-92
Profit before tax	1,881	267	1,789	307	2,308	826
Tax for the period	-26	19	-19	-1	-101	-83
Net result for the period	1,855	286	1,770	306	2,206	743

Parent company balance sheet, summary

MSEK	6/30/2024	6/30/2023	12/31/2023
Intangible assets	33	22	26
Tangible non-current assets	0	1	1
Financial non-current assets	22,190	21,682	21,903
Deferred tax	25	81	21
Current receivables	35	73	66
Cash and bank	0	-	0
Total assets	22,284	21,859	22,017
Shareholders' equity	15,208	13,064	13,513
Provisions for earnouts	1,525	1,695	1,687
Non-current liabilities	60	67	52
Bond loans	1,986	2,496	2,488
Liabilities to credit institutions	2,632	1,890	1,720
Term loan	682	708	666
Equity swap	21	22	19
Other current liabilities	170	1,918	1,873
Total liabilities & Shareholders' equity	22,284	21,859	22,017



Key figures, group

MSEK	2024	2023	2024	2023	Last 12	2023
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	months	Jan-Dec
Bookings	1,737	1,810	3,479	3,555	6,882	6,958
Deferred revenue	7	2	4	15	14	24
Net revenue	1,744	1,812	3,483	3,570	6,895	6,982
Gross profit	1,396	1,418	2,783	2,784	5,445	5,445
<i>Gross profit margin, %</i>	<i>80</i>	<i>78</i>	<i>80</i>	<i>78</i>	<i>79</i>	<i>78</i>
EBIT	253	275	370	489	635	754
EBITDA	649	695	1,148	1,315	2,246	2,413
<i>EBITDA margin, %</i>	<i>37</i>	<i>38</i>	<i>33</i>	<i>37</i>	<i>33</i>	<i>35</i>
Items affecting comparability, EBITDA	8	13	25	32	89	96
Adjusted EBITDA	657	708	1,173	1,348	2,335	2,510
<i>Adjusted EBITDA margin, %</i>	<i>38</i>	<i>39</i>	<i>34</i>	<i>38</i>	<i>34</i>	<i>36</i>
Capitalization of product development	152	192	310	417	698	805
Adjusted EBITDAC	505	516	863	931	1,637	1,705
<i>Adjusted EBITDAC margin, %</i>	<i>29</i>	<i>28</i>	<i>25</i>	<i>26</i>	<i>24</i>	<i>24</i>
Profit before tax	-65	3	-68	110	-23	156
Net result	-107	-54	-117	7	-112	12
Number of Employees	1,346	1,498	1,346	1,498	1,346	1,401
Adjusted interest coverage ratio, pro forma, x	5.6	9.2	5.6	9.2	5.6	7.0
Adjusted leverage ratio incl. NTM cash earnout payments, pro forma, x	2.15	1.91	2.15	1.91	2.15	1.84
Shareholders' equity per share undiluted, SEK	27.92	28.92	27.92	28.92	27.92	26.72
Shareholders' equity per share diluted, SEK	27.92	28.92	27.92	28.92	27.92	26.72
Earnings per share undiluted, SEK	-0.22	-0.11	-0.24	0.00	-0.23	0.01
Earnings per share diluted, SEK	-0.22	-0.11	-0.24	0.00	-0.23	0.01
No of shares end of period undiluted	517,968,480	517,968,480	517,968,480	517,968,480	517,968,480	517,968,480
No of shares end of period diluted	517,968,480	517,968,480	517,968,480	517,968,480	517,968,480	517,968,480
Average no of shares period undiluted	511,569,881	501,966,262	514,769,180	506,318,353	516,377,571	512,191,294
Average no of shares period diluted	511,569,881	501,966,262	514,769,180	506,318,353	516,377,571	512,191,294



Definitions

Key figures and alternative performance measures

ARPAU

Average revenue per daily active user. Calculated as Bookings in the quarter divided by days in the quarter divided by average daily active users in the quarter.

Bookings

Revenue before changes in deferred revenue, including deposits from paying users, in-game advertising revenue and other game-related revenue.

Cash conversion ratio

Free cash flow for the last twelve months divided by EBITDA for the last twelve months.

DAU

Average daily active users. Calculated as the average daily active users each month of the quarter, divided by months in the quarter.

Operating profit (EBIT)

Profit before financial items and tax.

EBITDA

Operating profit before depreciation and amortization. Adjusted EBITDA is EBITDA adjusted for items affecting comparability.

EBITDA margin

EBITDA as a percentage of Net revenue. Adjusted EBITDA margin is EBITDA margin adjusted for items affecting comparability.

Adjusted EBITDAC

EBITDA less capitalized product development, adjusted for items affecting comparability.

Adjusted EBITDAC margin

Adjusted EBITDAC as a percentage of Net revenue.

Free cash flow

Cash flow from operations minus acquisitions of intangible assets and repayment of lease liabilities.

Gross profit margin

Gross profit as a percentage of Net revenue, where Gross profit is defined as Net revenue minus Direct costs.

IAC, Items affecting comparability

Significant income statement items that are not included in the Group's normal recurring operations and which distort the comparison between the periods.

Adjusted interest coverage ratio, pro forma

Adjusted EBITDA pro forma divided by net financial items excluding revaluation of provision for earnouts and interest on earnout consideration for the past twelve months.

Adjusted leverage ratio

Net debt in relation to the last twelve months' Adjusted EBITDA. Adjusted leverage ratio, pro forma is calculated as Net debt in relation to the last twelve months' Adjusted EBITDA pro forma.

Adjusted leverage ratio, including NTM cash earnout

Net debt, including cash earnout payments for the next twelve months, in relation to the last twelve months' Adjusted EBITDA. Adjusted leverage ratio, including NTM cash earnout, pro forma is calculated as Net debt, including cash earnout payments for the next twelve months, in relation to the last twelve months' Adjusted EBITDA pro forma.

MAU

Average monthly active users. Calculated as monthly active users each month of the quarter, divided by months in the quarter.

MPU

Average monthly paying users. Calculated as monthly paying users each month of the quarter, divided by months in the quarter.

Net debt

Interest bearing liabilities, including the book value of equity swaps and currency derivatives, minus cash and cash equivalents. Provisions for earnouts are not considered interest bearing in this context.

Organic growth

Change in consolidated net revenues, excluding the translation impact of changed currency exchange rates, acquisitions and divestments. Net revenues in acquired operations are considered as acquired growth during twelve months from the acquisition date. The impact of pausing operations in Bangladesh is excluded from the measure.

Shareholders' equity/share

Shareholders' equity attributable to the parent company shareholders divided by the number of shares at the end of the period.

Tax rate

Tax rate is calculated as total tax for the period divided by profit before tax. Underlying tax rate is calculated as underlying tax divided by profit before tax excl. transaction costs, earnout interest, earnout revaluations and deconsolidation of subsidiary.

UAC

User acquisition cost.

The purpose of each key figure and alternative performance measure is described in the latest Annual Report.



Reconciliation of alternative performance measures

Items Affecting Comparability, IAC

MSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Last 12 months	2023 Jan-Dec
Items affecting comparability, IAC						
Revenue						
Other	8	-	8	-	8	-
Total IAC Revenues affecting EBIT	8	-	8	-	8	-
Costs						
Restructuring costs	-9	-1	-17	-13	-49	-44
Transaction costs	-	-0	-	-0	-	-0
Long term incentive programs	-6	-6	-13	-11	-26	-24
Other costs	-1	-6	-2	-9	-21	-28
Total IAC costs affecting EBIT	-16	-13	-32	-32	-96	-96
Total IAC in operating profit (EBIT)	-8	-13	-25	-32	-89	-96
Financial income						
Revaluation of earnouts	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total IAC financial income	-	-	-	-	-	-
Financial costs						
Revaluation of earnouts	-110	-171	-110	-171	-89	-150
Other	-72	-	-81	-	-90	-10
Total IAC financial costs	-181	-171	-190	-171	-179	-160
Total IAC in net financial items	-181	-171	-190	-171	-179	-160

APM

MSEK	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Last 12 months	Jan-Dec 2023
Net revenue	1,744	1,812	3,483	3,570	6,895	6,982
Direct costs	-348	-394	-700	-786	-1,451	-1,537
Gross profit	1,396	1,418	2,783	2,784	5,445	5,445
EBITDA						
Operating profit (EBIT)	253	275	370	489	635	754
Amortization of PPA items	175	222	346	442	751	846
Other amortization and depreciation	221	198	432	385	860	813
Comparison disturbing amortizations	-	-	-	-	-	-
EBITDA	649	695	1,148	1,315	2,246	2,413
Adjusted EBITDA and EBITDAC						
EBITDA	649	695	1,148	1,315	2,246	2,413
Items affecting comparability	8	13	25	32	89	96
Adjusted EBITDA	657	708	1,173	1,348	2,335	2,510
Capitalization of product development	-152	-192	-310	-417	-698	-805
Adjusted EBITDAC	505	516	863	931	1,637	1,705
In relation to net revenue						
<i>Gross profit margin, %</i>	<i>80</i>	<i>78</i>	<i>80</i>	<i>78</i>	<i>79</i>	<i>78</i>
<i>EBITDA margin, %</i>	<i>37</i>	<i>38</i>	<i>33</i>	<i>37</i>	<i>33</i>	<i>35</i>
<i>Adjusted EBITDA margin, %</i>	<i>38</i>	<i>39</i>	<i>34</i>	<i>38</i>	<i>34</i>	<i>36</i>
<i>Adjusted EBITDAC margin, %</i>	<i>29</i>	<i>28</i>	<i>25</i>	<i>26</i>	<i>24</i>	<i>24</i>
Cash conversion last 12 months						
Cash flow from operations last 12 months	1,482	1,931	1,482	1,931	1,482	1,690
IFRS 16 lease repayment last 12 months	-47	-53	-47	-53	-47	-52
Acquisition of intangible assets last 12 months	-698	-908	-698	-908	-698	-805
Free cash flow last 12 months	737	969	737	969	737	833
<i>Divided by</i>						
EBITDA last 12 months	2,246	2,631	2,246	2,631	2,246	2,413
Cash conversion rate	0.33	0.37	0.33	0.37	0.33	0.35



MSEK	2024 Apr-Jun	2023 Apr-Jun	Jan-Dec 2023
Adjusted interest coverage ratio			
Adjusted EBITDA last 12 months	2,335	2,688	2,510
<i>Divided by</i>			
Net financial items last 12 months	658	322	598
Total IAC affecting financial items last 12 months	-179	70	-160
Interest on earnout consideration affecting financial items last 12 months	-64	-98	-80
Adjusted interest coverage ratio, x	5.63	9.15	7.00
Adjusted leverage ratio			
Bond loans	1,986	2,496	2,488
Liabilities to credit institutions	2,632	1,890	1,720
Term loan	682	708	666
Equity swap	21	22	19
Currency derivatives	81	164	29
Cash and cash equivalents	-895	-874	-807
Net debt	4,507	4,404	4,115
Cash earnout next 12 months	515	725	496
Total net debt incl. cash earnout NTM	5,022	5,130	4,611
<i>Divided by</i>			
Adjusted EBITDA last 12 months	2,335	2,688	2,510
Adjusted leverage ratio, x	1.93	1.64	1.64
Adjusted leverage ratio incl. NTM cash earnout, x	2.15	1.91	1.84

APM pro forma

MSEK	2024 Jan-Jun	2023 Jan-Jun	Jan-Dec 2023
Adjusted EBITDA, pro forma			
Adjusted EBITDA last 12 months	2,335	2,688	2,510
<i>Including</i>			
EBITDA, acquired companies	-	-	-
Adjusted EBITDA, pro forma	2,335	2,688	2,510
Adjusted interest coverage ratio, pro forma			
Adjusted EBITDA last 12 months, pro forma	2,335	2,688	2,510
<i>Divided by</i>			
Net financial items last 12 months	658	322	598
Total IAC affecting financial items last 12 months	-179	70	-160
Interest on earnout consideration affecting financial items	-64	-98	-80
Adjusted interest coverage ratio, x, pro forma	5.63	9.15	7.00
Adjusted leverage ratio, pro forma, x			
Net debt	4,507	4,404	4,115
Cash earnout next 12 months	515	725	496
Total net debt incl. cash earnout NTM	5,022	5,130	4,611
<i>Divided by</i>			
Adjusted EBITDA, pro forma	2,335	2,688	2,510
Adjusted leverage ratio, pro forma, x	1.93	1.64	1.64
Adjusted leverage ratio incl. NTM cash earnout, pro forma, x	2.15	1.91	1.84

Share data

	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Last 12 months	Jan-Dec 2023
Equity per share						
Shareholders' equity attributable to parent co's shareholders, MSEK	14,460	14,979	14,460	14,979	14,460	13,838
<i>Divided by</i>						
No of shares end of period undiluted	517,968,480	517,968,480	517,968,480	517,968,480	517,968,480	517,968,480
Shareholders' equity per share undiluted, SEK	27.92	28.92	27.92	28.92	27.92	26.72
No of shares end of period diluted	517,968,480	517,968,480	517,968,480	517,968,480	517,968,480	517,968,480
Shareholders' equity per share diluted, SEK	27.92	28.92	27.92	28.92	27.92	26.72
Earnings per share						
Net result for the period attributed to parent co's shareholders, MSEK	-112	-57	-124	2	-120	7
<i>Divided by</i>						
Average no of shares period undiluted	511,569,881	501,966,262	514,769,180	506,318,353	516,377,571	512,191,294
Earnings per share undiluted, SEK	-0.22	-0.11	-0.24	0.00	-0.23	0.01
Average no of shares period diluted	511,569,881	501,966,262	514,769,180	506,318,353	516,377,571	512,191,294
Earnings per share diluted, SEK	-0.22	-0.11	-0.24	0.00	-0.23	0.01

Currency table (main currencies)

	Average 2024 Apr-Jun	Average 2023 Apr-Jun	Average 2024 Jan-Jun	Average 2023 Jan-Jun	Closing 2024 Jan-Jun	Closing 2023 Jan-Jun
MSEK						
1 EUR=SEK	11.5077	11.4609	11.3907	11.3235	11.3595	11.7917
1 USD=SEK	10.6881	10.5194	10.5347	10.4718	10.6114	10.8509
100 JPY=SEK	6.8637	7.6607	6.9335	7.7764	6.6070	7.4954

The average rates are used for converting profit and loss items in foreign currency during each respective period to Swedish currency, SEK. The closing rates are used for converting assets and liabilities in foreign currency at the end of each period to Swedish currency, SEK.

Other information

Financial calendar

Interim report January-September 2024

23 October 2024

Full-year report January-December 2024

5 February 2025

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About Stillfront

Stillfront is a global games company. We develop digital games that are played by almost 50 million people each month. Our diversified portfolio spans well-established franchises like Big Farm, Jawaker and Supremacy, to smaller, niche games across our different genres. We believe gaming can be a force for good and we want to create a gaming universe that is digital, affordable, equal, and sustainable. Our HQ is in Stockholm, Sweden, but our game development is done by teams and studios all over the world. Our main markets are the US, Japan, MENA, Germany, and the UK. Stillfront's shares (SF) are listed on Nasdaq Stockholm. For further information, please visit: stillfront.com

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