

The background features a dark, textured surface with various abstract elements. In the top right, there are large, overlapping, semi-transparent red and orange shapes that resemble stylized petals or flowing liquid. Scattered throughout the scene are numerous small, glowing red and orange particles, some of which are diamond-shaped or square, creating a sense of depth and movement. The overall aesthetic is modern and high-tech.

A leading free-to-play powerhouse

Full-year report 2021

STILLFRONT AT A GLANCE*



A leading free-to-play powerhouse of 22 gaming studios creating significant operational synergies

64
million

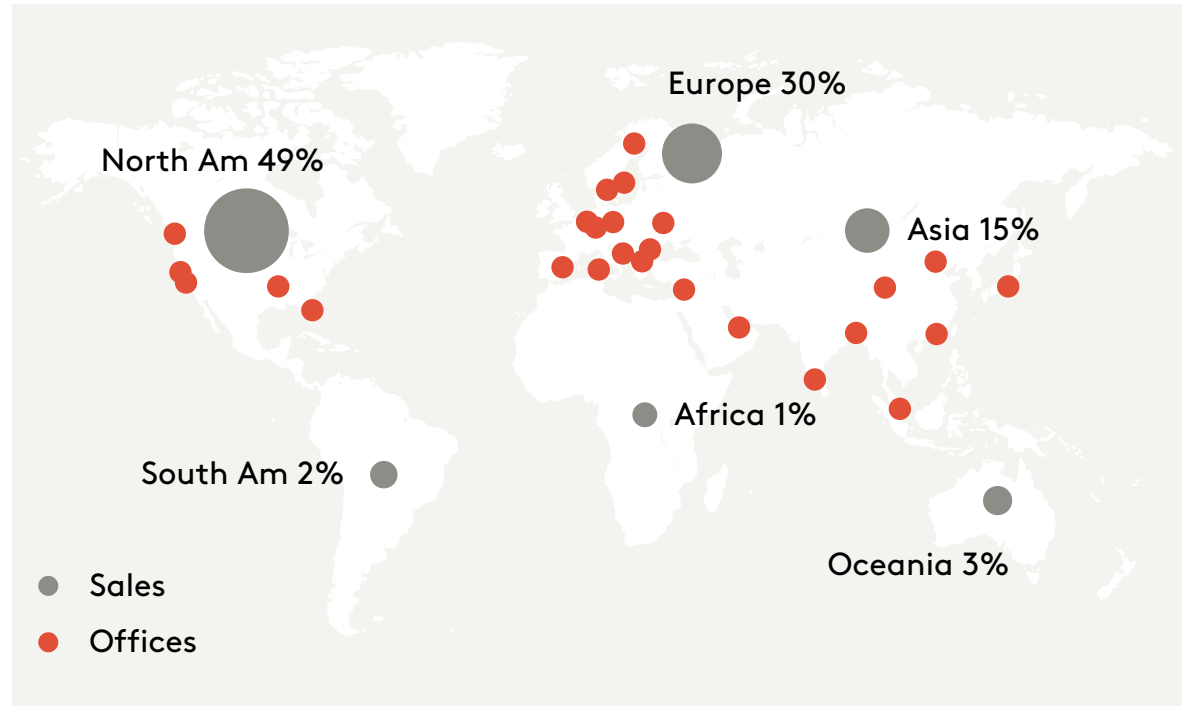
64 million MAU and 13 million DAU
Main markets by revenue are US, Germany, MENA, UK and Canada



A diverse and evolving game portfolio with two common themes; loyal users and long lifecycle games

1,381
professionals

Headquartered in Stockholm with a group of studios operating across the globe



* 6waves not included in user data, sales numbers or employees.

Game highlights in the fourth quarter

- 8 new titles across all product areas added to the active portfolio during Q4, new additions across all three product areas
- 64 games in active portfolio with continued strong pipeline and multiple engine-share projects in soft launch
- Launched BitLife DE as first localized version of BitLife in successful engine share collaboration between Candywriter and Goodgame
- Continued platform expansion with the launch of Storm8's games on the Microsoft Store
- Strong growth for Jawaker with new game launches within the app, leveraging the one-app strategy

New games in the active portfolio

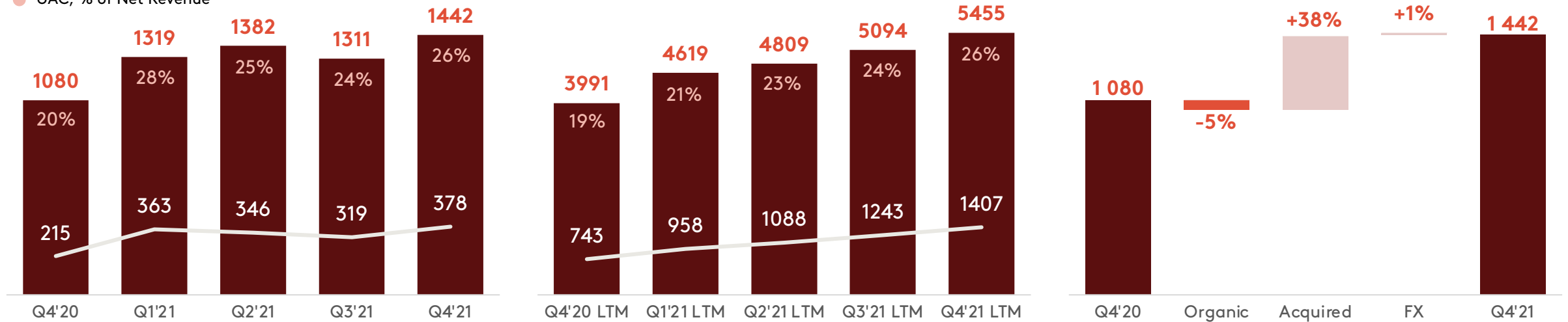


Select new platform launches



NET REVENUE, UAC DEVELOPMENT & ORGANIC GROWTH

- Net Revenue, MSEK
- UAC, MSEK
- UAC, % of Net Revenue



Q4 Net Revenue
growth of

33%

YoY

Q4 UAC in relation
to Net Revenue

26%

Q4 organic net
revenue growth,
excl. FX effects

-4.9%

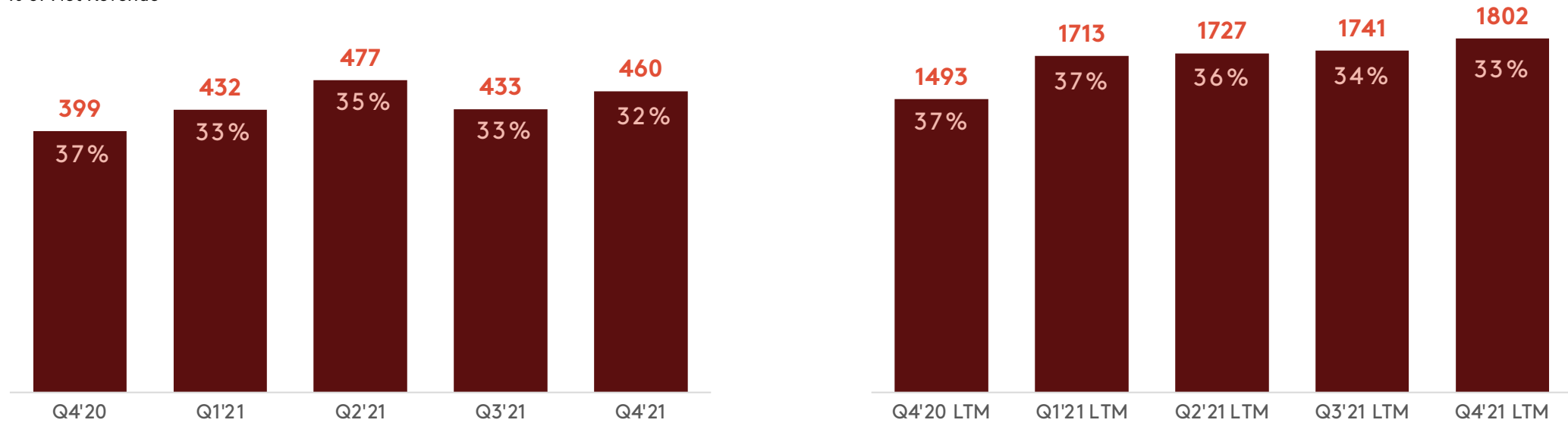
YoY

Comments

- Net revenue growth of 33% driven by acquired studios as well as strong organic growth from several studios
- Organic net revenue growth of -4.9% driven by continued normalization from the pandemic levels
- Positive organic growth year-over-year in December
- Organic growth expected to be negative in Q1'22 due to the addition of Super Free, group expects positive organic growth for full-year 2022

ADJ. EBIT DEVELOPMENT

- Adj. EBIT, MSEK
- Adj. EBIT, % of Net Revenue



Adj. EBIT growth of

15%

YoY

Q4 Adj. EBIT
in relation to
Net Revenue

32%

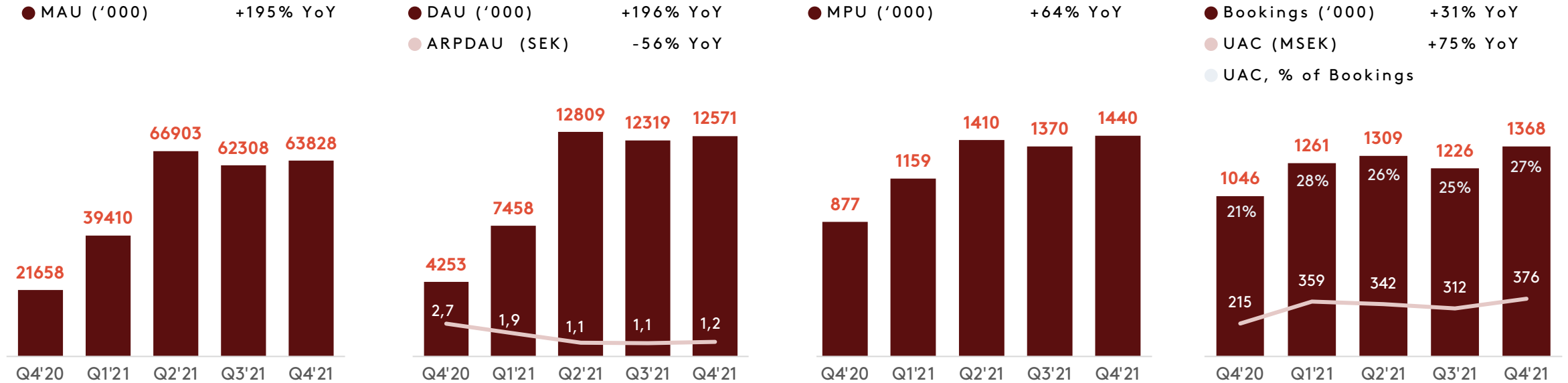
LTM Adj. EBIT
in relation to
Net Revenue

33%

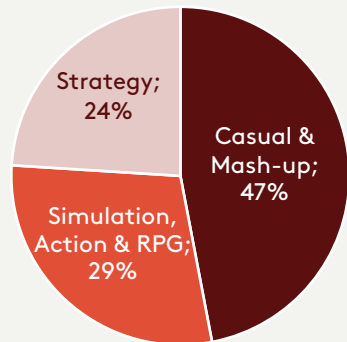
Comments

- Q4 Adj. EBIT of 460 MSEK or 32% in relation to Net Revenue
- Continued high and stable profitability despite high UA spend, leveraging our broad range of marketing channels
- Lower EBIT margin year-over-year driven by higher UA spend and continued normalization from pandemic levels

ACTIVE PORTFOLIO: TOTAL



Diversified portfolio



64

Games

75%

Mobile

19%

Ad bookings

47%

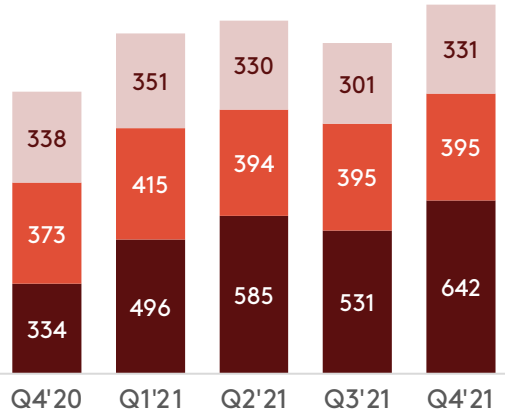
Casual & Mash-up

Comments

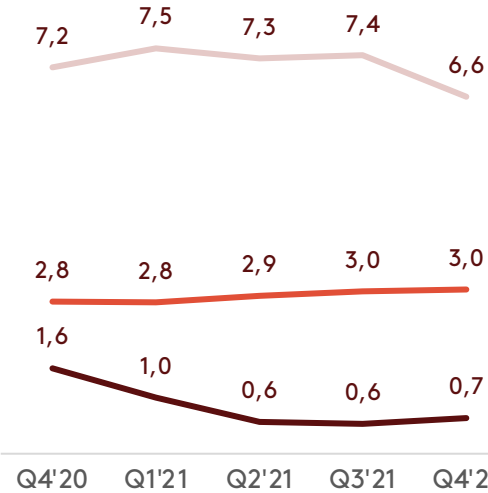
- Bookings in the active portfolio increased by 31%, driven by recently acquired studios and strong performance from several game titles
- DAU and MAU increased both year-over-year and quarter-over-quarter driven by addition of Super Free, Moonfrog and Jawaker
- ARPDau down year-over-year due to new product mix, up quarter-over-quarter due to increased monetization in Casual & Mash-up
- Bookings from games outside the active portfolio stable quarter-over-quarter at 78 MSEK, includes bookings from new game releases that have not yet been added to the active portfolio

ACTIVE PORTFOLIO: PRODUCT AREAS

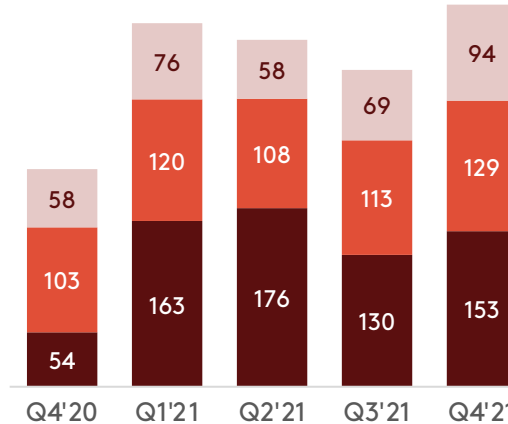
Bookings (MSEK)



ARPDau (SEK)



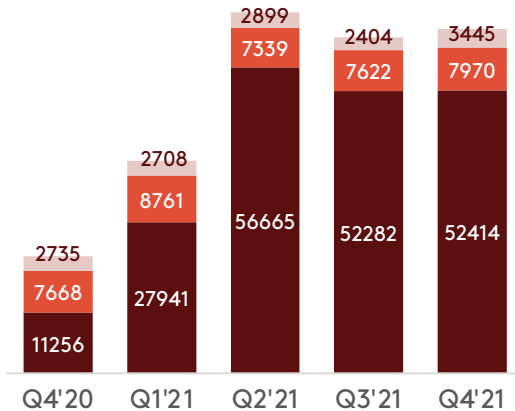
User acquisition cost (MSEK)



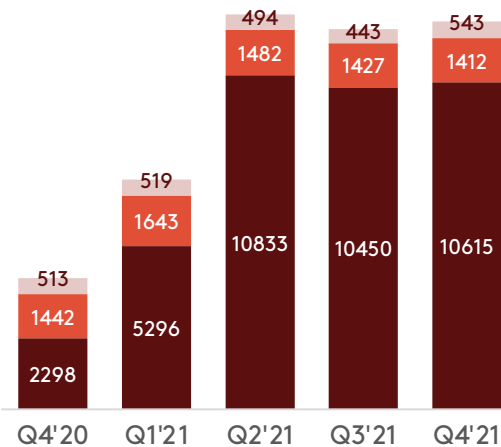
Comments

- Strategy bookings up by 10% quarter-over-quarter, driven by increased UA spend and strong performance across product area
- Simulation, RPG & Action bookings flat quarter-over-quarter, year-over-year growth driven by newly acquired studios
- Casual & Mash-up growth quarter-over-quarter driven by addition of Jawaker and strong organic growth from Candywriter
- ARPDau growth quarter-over-quarter in Casual & Mash-up with increased monetization of several titles, down in Strategy due to increased inflow of new users

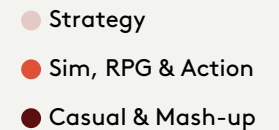
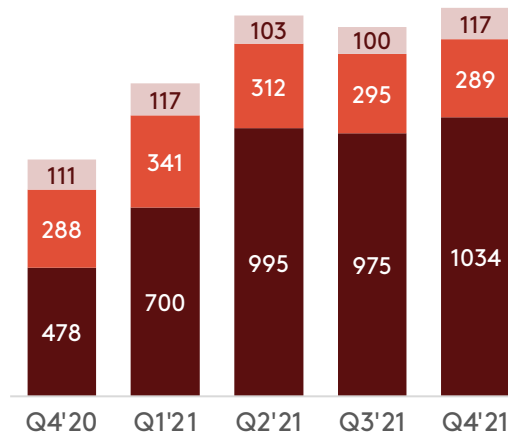
Monthly active users ('000)



Daily active users ('000)



Monthly paying users ('000)





Financial highlights Q4 and full-year 2021

FINANCIAL HIGHLIGHTS Q4 2021



Revenue growth of 33% paired with
Adj. EBIT margin of 32%



Cash generative business
with a strong cash flow from
operations of 442 MSEK in Q4



Continuously strong financial
position with a cash balance of
1,133 MSEK and an undrawn long-term
credit facility of 2,294 MSEK

1.56x

Leverage near the leverage target
of 1.5x following the
acquisitions of Jawaker



Strong underlying financial performance and a more diversified financing platform
creates flexibility to support further growth

INCOME STATEMENT Q4 2021

MSEK	Q4 2021	Q4 2020	Δ
Net revenue	1 442	1 080	33%
Platform fees	-306	-291	5%
Gross profit	1 136	789	44%
<i>Gross profit margin</i>	<i>79%</i>	<i>73%</i>	<i>6 pp</i>
 User acquisition costs (UAC)	 -378	 -215	 76%
<i>UAC/Net revenue</i>	<i>-26%</i>	<i>-20%</i>	<i>-6 pp</i>
Other external expenses	-92	-43	112%
<i>Other external expenses/Net revenue</i>	<i>-6%</i>	<i>-4%</i>	<i>-2 pp</i>
Personnel expenses	-239	-162	48%
<i>Personnel expenses/Net revenue</i>	<i>-17%</i>	<i>-15%</i>	<i>-2 pp</i>
Adjusted EBITDA	556	460	21%
 Depreciation & Amortization (non PPA)	 -96	 -61	 56%
Adjusted EBIT	460	399	15%
<i>Adjusted EBIT margin</i>	<i>32%</i>	<i>37%</i>	<i>-5 pp</i>
 Items affecting comparability (IAC)	 -24	 -43	 -45%
Amortization of PPA items	-187	-111	68%
EBIT	249	245	2%
 Net financial items	 -70	 -57	 23%
Result after financial items (EBT)	180	188	-5%
 Taxes for the period	 -11	 -25	 -58%
Net profit	169	163	4%

CASH FLOW AND BALANCE SHEET METRICS

CASH FLOW STATEMENT

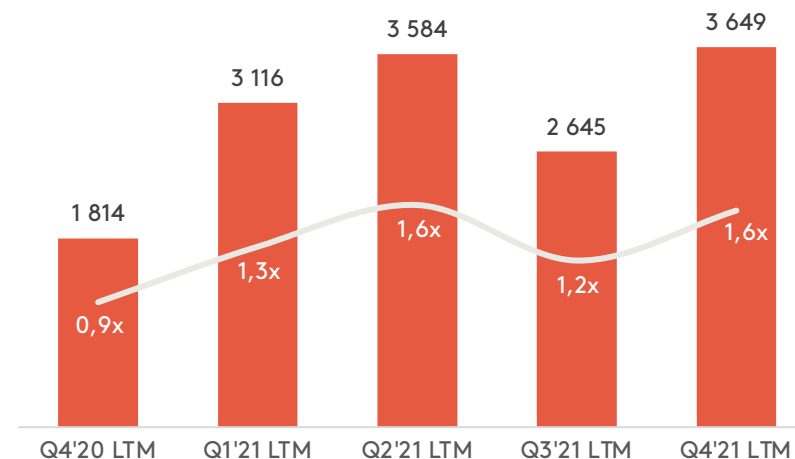
MSEK	Q4 2021	Q4 2020	Δ
Cash flow from operations (before NWC)	405	293	38%
Change in NWC	37	120	-69%
Cash flow from operations (CFFO)	442	413	7%
Cash flow from investment activities	-1,515	-1,010	50%
Cash flow from financing activities	1,014	599	69%
Cash flow for the period	-59	2	

Last 12 months	FY 2021	FY 2020	Δ
CFFO (- IFRS 16 lease repayment)	1,574	1,217	29%
- of which NWC	5	77	-93%
Acquisition of intangible assets	-621	-444	40%
- in relation to CFFO (- IFRS 16 lease repayment)	-39%	-37%	-3 pp
Free Cash Flow	953	773	23%
EBITDA last 12 months	2,020	1,553	30%
Cash conversion rate	0.47	0.50	-5%

BALANCE SHEET METRICS

● Net debt, MSEK

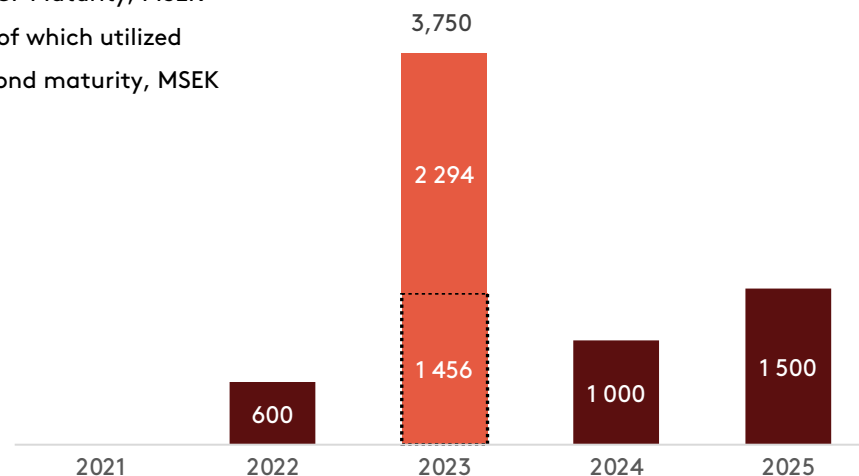
● Leverage ratio proforma

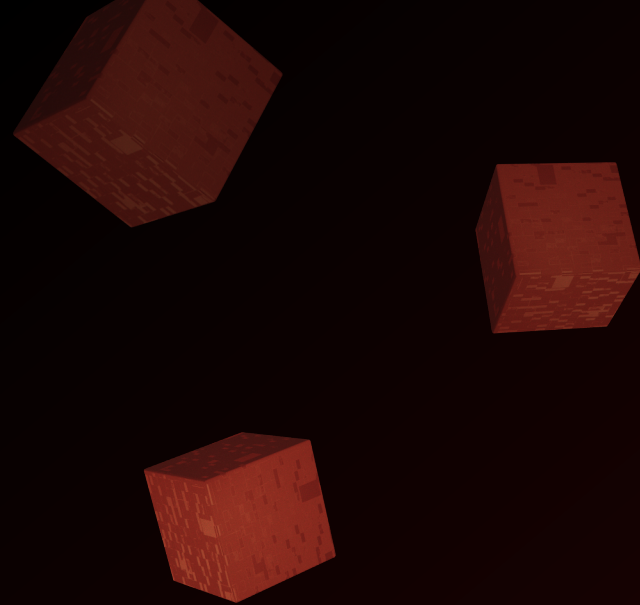


● RCF Maturity, MSEK

● - of which utilized

● Bond maturity, MSEK





Summary and outlook

Summary full-year 2021 and outlook

- Stable performance in 2021 with Net revenue growth of +37% and Adjusted EBIT growth of +21%
- Significant geographic expansion into India, MENA and Japan during past 12 months
- Strong performance across the group in December and January
- Super Free included in organic from February 2022, expected to have significant negative impact on organic growth in Q1'22
- Positive organic growth expected for full-year 2022

