

STILLFRONT GROUP

Press Release
12 May 2022 17:55:00 CEST

Announcement from the annual general meeting in Stillfront Group AB (publ) 12 May 2022

Stillfront Group AB (publ) held its annual general meeting on 12 May 2022 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 10,414,822,451, be carried forward. The board of directors and the managing director were discharged from liability for the fiscal year 2021. The board of directors' remuneration report for 2021 was approved.

The meeting resolved, in accordance with the nomination committee's proposal, to elect Marcus Jacobs as new member of the board of directors and to re-elect Jan Samuelson, Erik Forsberg, Katarina G. Bonde, Birgitta Henriksson and Ulrika Viklund as directors of the board until the close of the next annual general meeting. Jan Samuelson was re-elected as chairman of the board of directors.

The auditing firm Öhrlings PricewaterhouseCoopers AB was re-elected as the company's auditor and 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 2,250,000 (SEK 2,030,000 last year), with SEK 750,000 (SEK 730,000) to the chairman of the board of directors and SEK 300,000 (SEK 260,000) to each of the board members that are elected by the annual general meeting. The meeting resolved that the fees to be paid to the members of the audit committee for the period until the next annual general meeting shall be in total SEK 325,000 (SEK 325,000), with SEK 250,000 (SEK 250,000) to the chairman of the audit committee and SEK 75,000 (SEK 75,000) to the member 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 105,000), with SEK 70,000 (SEK 70,000) to the chairman of the remuneration committee and SEK 35,000 (SEK 35,000) to the member of the remuneration committee. The meeting resolved that fees to be paid to the members of the M&A committee (which was established in 2021) for the period until the next annual general meeting shall be SEK 105,000 with SEK 70,000 to the chairman of the M&A committee and SEK 35,000 to the member of the M&A 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, in accordance with the proposal of the board of directors, on seven directed new share issues to the sellers of seven of the companies that Stillfront previously has acquired:

- New share issue of not more than 2,607,429 shares directed to the sellers of Candywriter LLC for a subscription price of SEK 45.506 per share, meaning that Stillfront's share capital shall increase by not more than SEK 182,520.031.
- New share issue of not more than 6,075 shares directed to the sellers of Everguild Ltd. for a subscription price of SEK 37.363 per share, meaning that Stillfront's share capital shall increase by not more than SEK 425.263.
- New share issue of not more than 86,318 shares directed to the sellers of Game Labs Inc. for a subscription price of SEK 45.506 per share, meaning that Stillfront's share capital shall increase by not more than SEK 6,042.289.
- New share issue of not more than 253,265 shares directed to the sellers of Imperia Online JSC for a subscription price of SEK 48.163 per share, meaning that Stillfront's share capital shall increase by not more than SEK 17,728.547.
- New share issue of not more than 289,507 shares directed to the sellers of Sandbox Interactive GmbH for a subscription price of SEK 36.638 per share, meaning that Stillfront's share capital shall increase by not more than SEK 20,265.488.
- New share issue of not more than 1,927,559 shares directed to the sellers of Storm8, Inc. for a subscription price of SEK 36.638 per share, meaning that Stillfront's share capital shall increase by not more than SEK 134,929.110.
- New share issue of not more than 3,273,734 shares directed to the sellers of Super Free Games Inc. for a subscription price of SEK 45.506 per share, meaning that Stillfront's share capital shall increase by not more than SEK 229,161.382.

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 Candywriter LLC, Everguild Ltd., Game Labs Inc., Imperia Online JSC, Sandbox Interactive GmbH, Storm8, Inc. and Super Free Games Inc., respectively. The newly issued shares shall be subscribed for on subscription lists no later than 31 August 2022. Payment for subscribed shares shall be made by way of set-off of the sellers' claim for earn-out considerations pursuant to the share purchase agreements. The size of the earn-out considerations, which determines the number of shares which will be allotted, is not yet finally determined. The determined number of shares which will be issued will be communicated in connection with the allotment of the shares.

The meeting resolved, in accordance with the proposal of the board of directors, to authorize 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 authorization 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 (10) per cent of the shares in the company at the time when the board of directors first utilizes the authorization. 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, to authorize the board of directors to, on one or several occasions during the period until the next annual general meeting, resolve on repurchase of own shares. The meeting also resolved, in accordance with the proposal of the board of directors, to authorize the board of directors to, on one or several occasions during the period

until the next annual general meeting, resolve on transfer of own shares.

The meeting resolved to implement a long term incentive program in accordance with the board of directors' proposal, meaning that a maximum of 2,000,000 restricted stock units shall be offered to approximately 65 participants, consisting of the CEO, senior executives and key personnel of the group. Allotment of shares for vested restricted stock units is conditional upon satisfaction of a performance target set by the board of directors. Further, the restricted stock units are gradually vested during a three year period, and after the expiration of the vesting period and fulfilment of the above mentioned performance target, each vested restricted stock unit entitles the participant to acquire, free of charge, one share in the company. The meeting approved the proposal of the board of directors to issue up to 2,000,000 warrants to ensure delivery of shares to the participants in the long term incentive program. The meeting also resolved, in accordance with the board of director's proposal, that transfer of own shares to participants in the long term incentive program may be done to ensure delivery of shares in the company under the long term incentive program.

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 1,500+ co-workers thrive in an organization that engenders the spirit of entrepreneurship. Our main markets are the US, Japan, MENA, Germany and UK. We are headquartered in Stockholm, Sweden, and the company is listed on Nasdaq Stockholm. For further information, please visit: stillfront.com

Attachments

[Announcement from the annual general meeting in Stillfront Group AB \(publ\) 12 May 2022](#)