

# Stillfront Group

Interim report, Q2 2022

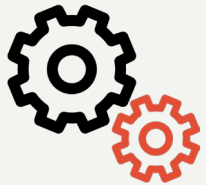
21 July 2022

STILLFRONT  
GROUP

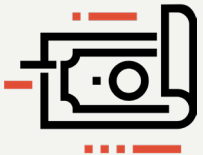
# Positive momentum accelerates in Q2

**31**  
percent

Net revenue growth of 31 percent with positive organic growth

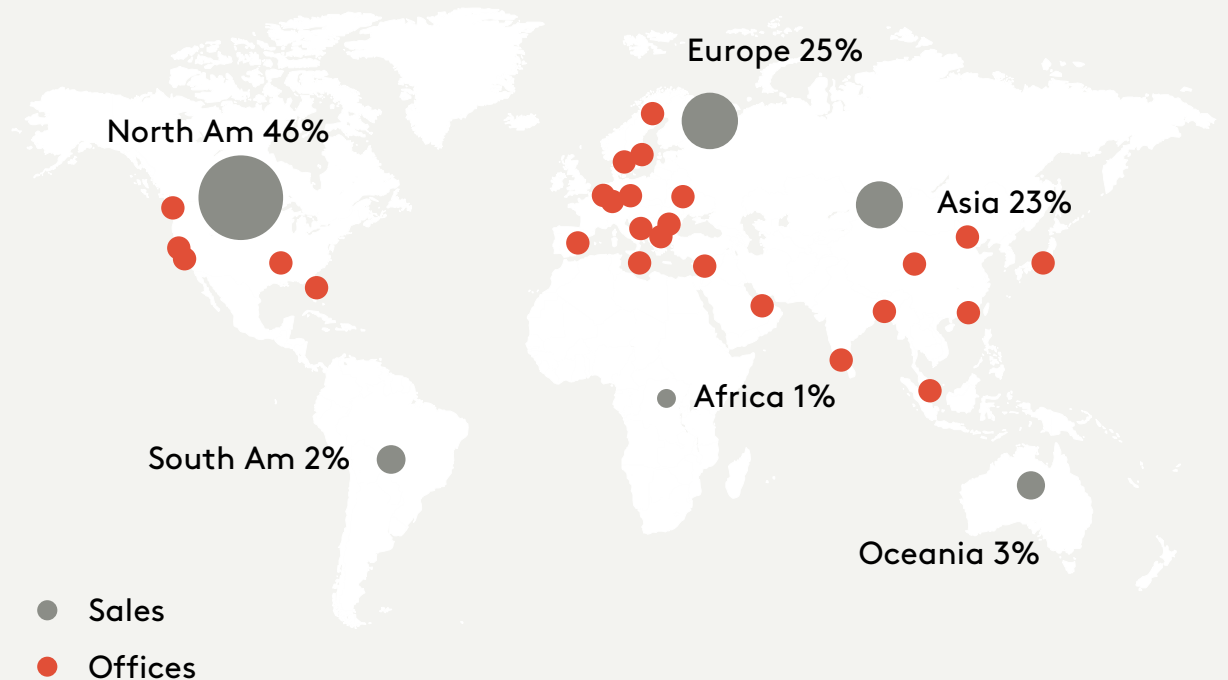


Performance driven by new game launches, studio collaborations and strong live ops



Strong cash generation across group with LTM free cash flow growth of 18 percent

## GROWING NUMBER OF TALENTS SPREAD ACROSS OUR STUDIOS WORLDWIDE





# Studio collaborations and live ops supporting growth

## ORGANIC EXPANSION OF THE ACTIVE PORTFOLIO

- Three games added to the active portfolio in Q2, continuing the good momentum from Q1

## PORTFOLIO HIGHLIGHTS

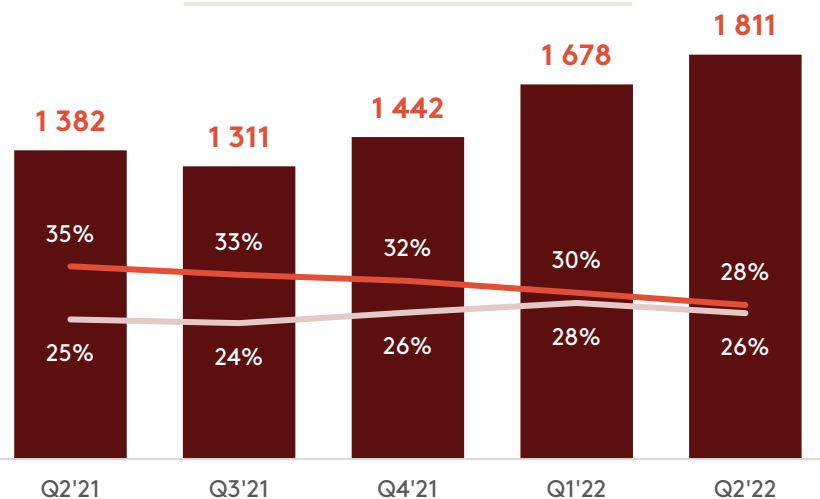
- Continued strong performance from Bytro's grand strategy engine, with five titles from three studios driving significant organic growth contribution
- Nanobit announced collaboration with Netflix and successfully scaled their new game Winked: Episodes of Romance
- BitLife launched two successful content updates in the quarter, grew organically by almost 40 percent year-over-year
- Candywriter and Goodgame gained traction in Latin America with releases of Portuguese and Spanish versions of BitLife



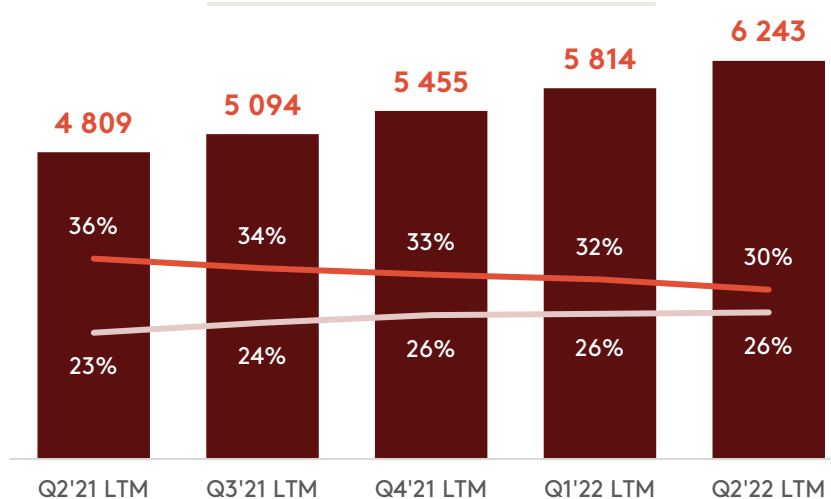
- Net Revenue, MSEK
- Adj. EBIT, % of Net Revenue
- UAC, % of Net Revenue

## FINANCIAL DEVELOPMENT

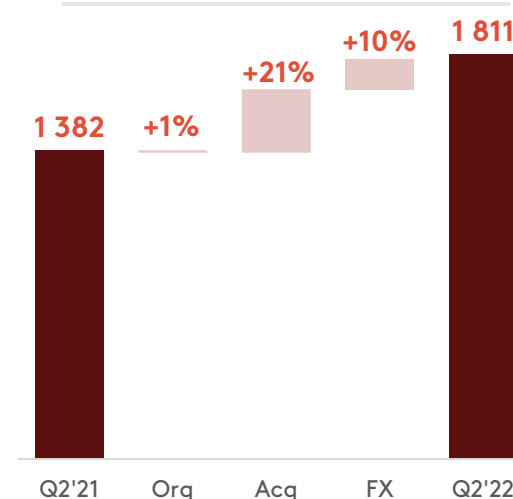
Net revenue, Adj. EBIT & UAC



Net revenue, Adj. EBIT & UAC (LTM)



Net revenue bridge



- Net revenue growth of 31% driven by acquisitions, positive FX effects and organic growth
- Continued high UA spend within our strict return target
- Slightly lower margin due to growth initiatives and short to mid-term impact from product mix
- Organic growth guidance of mid-single digit for full-year 2022 reiterated

Q2 Adjusted EBIT  
margin of

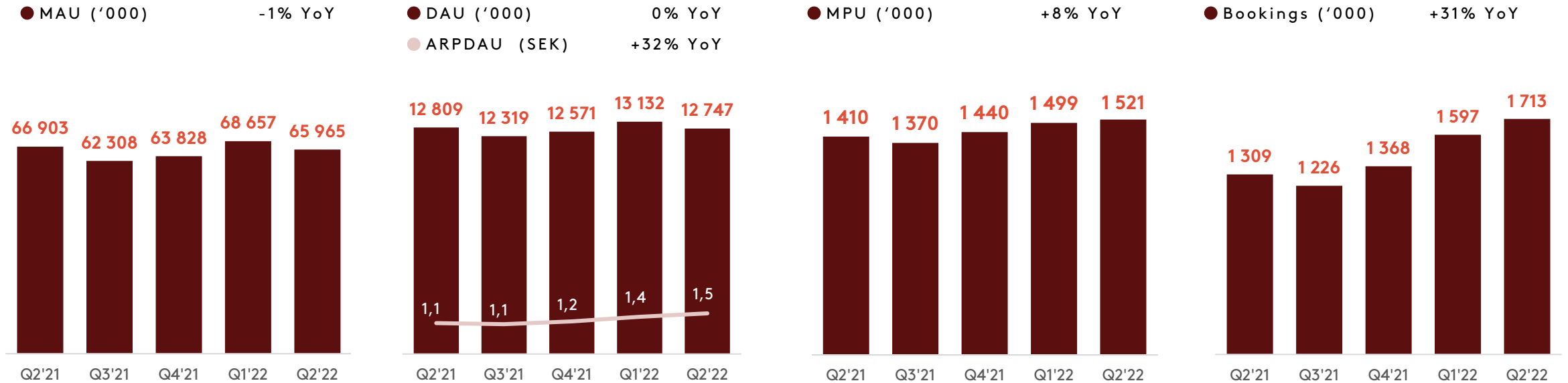
**28%**

Q2 Net revenue  
growth of

**31%**

YoY

## ACTIVE PORTFOLIO: TOTAL



- Larger portfolio with strong geographic and title diversification
- DAU and MAU stable across portfolio
- ARPDAU continues up quarter-over-quarter as strategy games have a larger weight in the portfolio
- Share of mobile increase to 79% driven by strong performance from mobile strategy titles and addition of 6waves for the full quarter

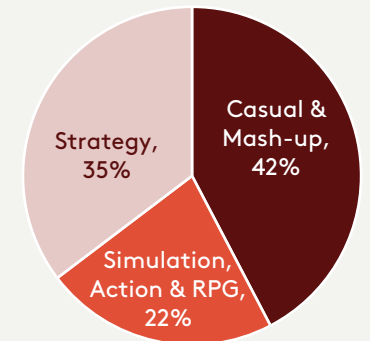
**76**  
Games in  
active portfolio

**79%**  
Mobile share  
of bookings

**16%**  
Ad bookings

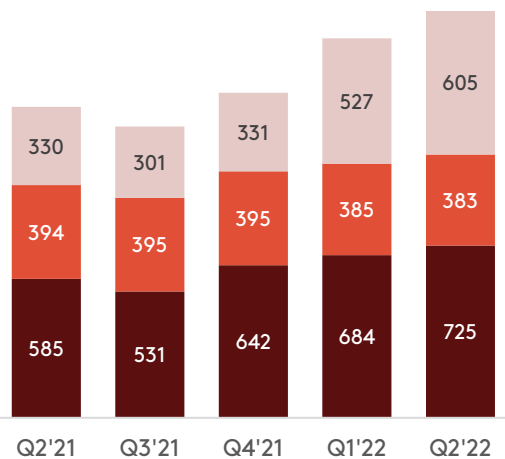
**42%**  
Casual & Mash-up

### Diversified portfolio

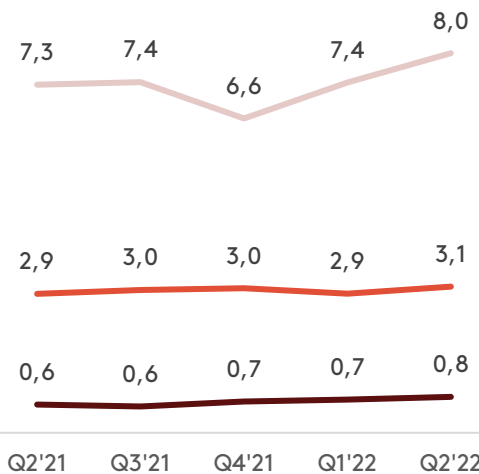


## ACTIVE PORTFOLIO: PRODUCT AREAS

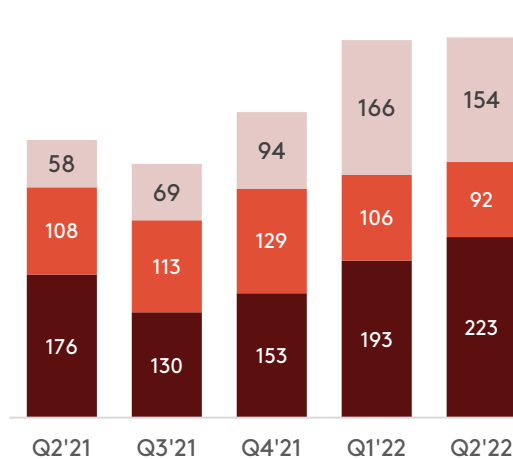
Bookings (MSEK)



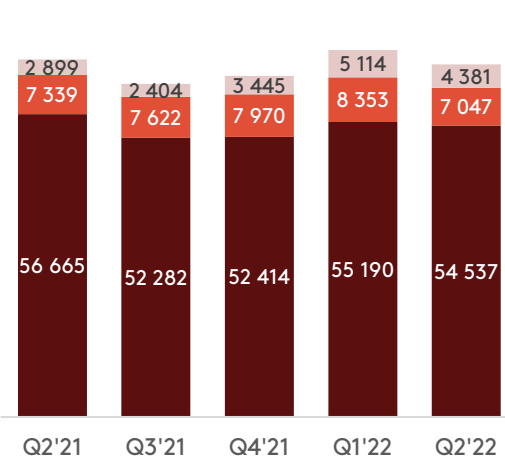
ARPDau (SEK)



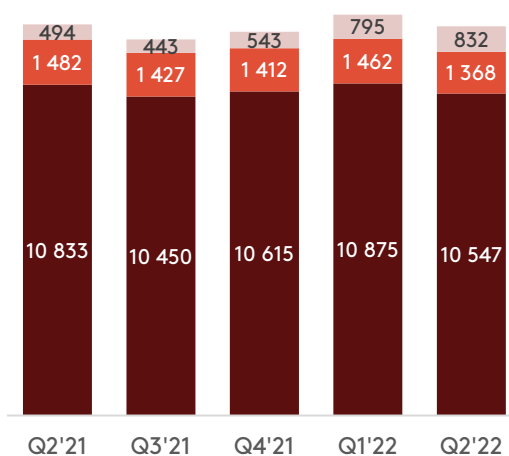
User acquisition cost (MSEK)



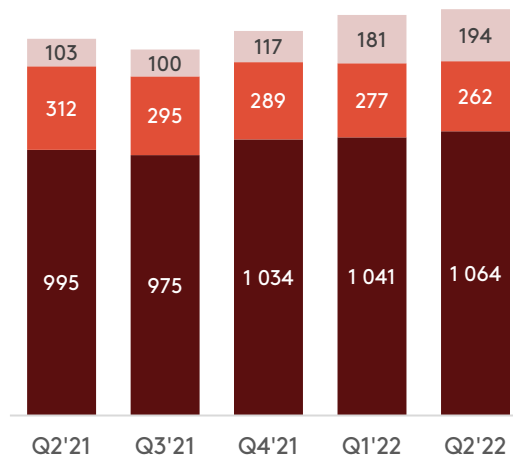
Monthly active users ('000)



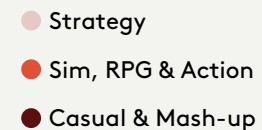
Daily active users ('000)



Monthly paying users ('000)



- Strong growth in bookings year-over-year for both Strategy (+83%) and Casual & Mash-up (+24%)
- Simulation, RPG & Action bookings declined slightly (-3%) driven by lower UA allocation
- Improved monetization organically for all product areas increasing ARPDau
- Significant MPU growth year-over-year driven by continued strong performance in Strategy



# Continued strong cash flow generation

Q2, MSEK	Q2 2022	Q2 2021	Δ
Cash flow from operations (before NWC)	477	434	9%
Change in NWC	-27	9	-346%
Cash flow from operations (CFFO)	450	443	2%
Cash flow from investment activities	-829	-1,004	-17%
Cash flow from financing activities	-4	211	-102%
Cashflow for the period	-382	-350	9%



**Free cash flow of 1,016 MSEK LTM  
growing by 18% year-over-year**

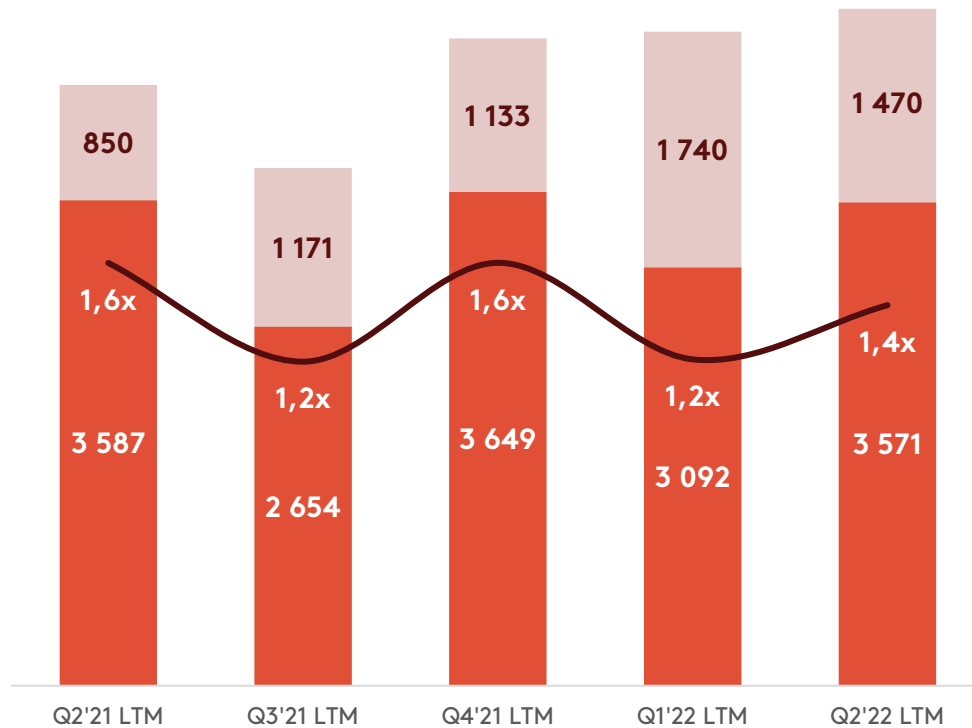
Last 12 months, MSEK	Q2 2022	Q2 2021	Δ
CFFO (- IFRS 16 lease repayment)	1,849	1,395	33%
- of which NWC	119	30	321%
Acquisition of intangible assets	-832	-530	57%
- in relation to CFFO (- IFRS 16 lease repayment)	-45%	-38%	-7 pp
Free cash flow	1,016	865	18%
EBITDA last 12 months	2,261	1,860	22%
Cash conversion rate	0.45	0.46	-3%



**High cash conversion rate of 0.45**

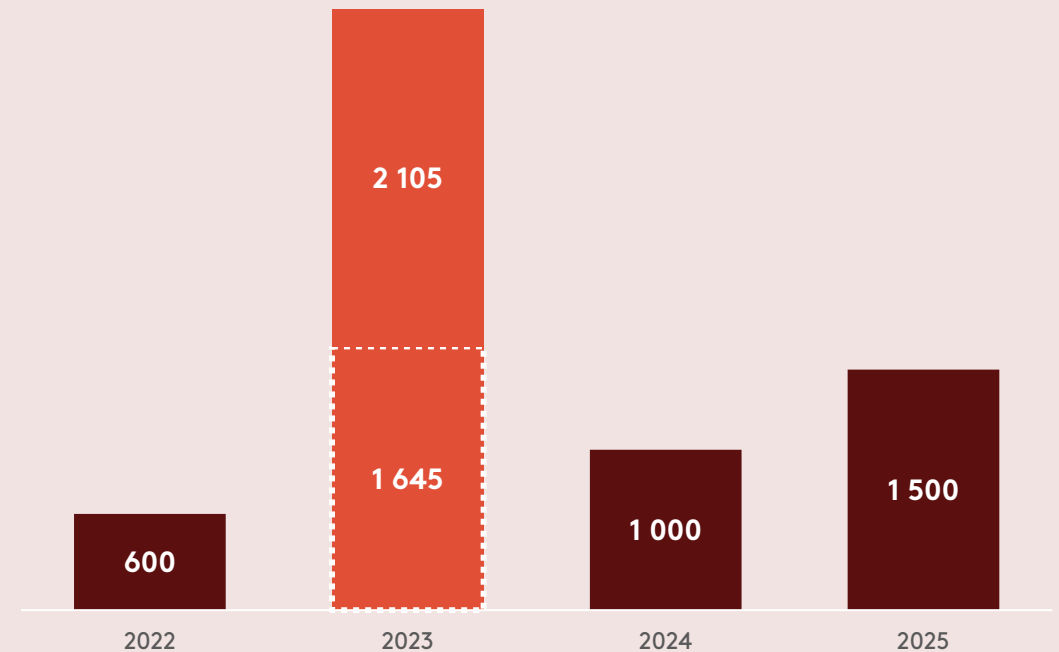
## BALANCE SHEET HIGHLIGHTS

Strong financial position with leverage below target...



- Net debt, MSEK
- Cash and cash equivalents
- Leverage ratio proforma

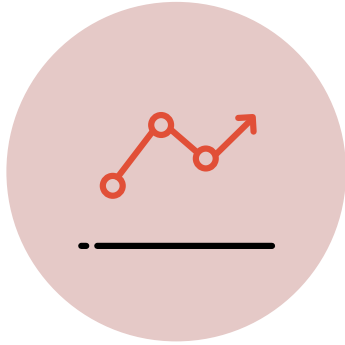
...and a diversified financing platform



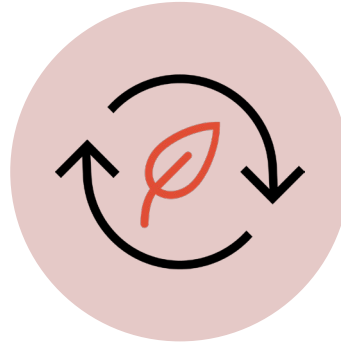
- RCF Maturity, MSEK
- - of which utilized
- Bond maturity, MSEK



# Continued organic growth acceleration expected for second half of the year



Return to  
organic growth in Q2



Usual seasonality  
expected in Q3



Reiterated guidance of  
mid-single digit  
organic growth for  
FY2022

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## GROUP

