

Stillfront Q1 2024 Interim Report



A promising start to 2024

- Stillfront delivered organic growth for the full quarter in Q1, organic bookings grew by 1 percent
- Gross profit grew by 2pp year-over-year to 80 percent
- Sustained high UAC driven by strong seasonal push paired with continued successful scaling of Sunshine Island
- Adjusted EBITDAC margin at 21 percent, down by 3 pp year-over-year due to higher UAC and in line with fourth quarter
- Free cash flow of 828 MSEK last 12 months, down by 2 percent compared to same period last year

Net revenue

-1.0% year-over-year

1,739 MSEK

Gross profit

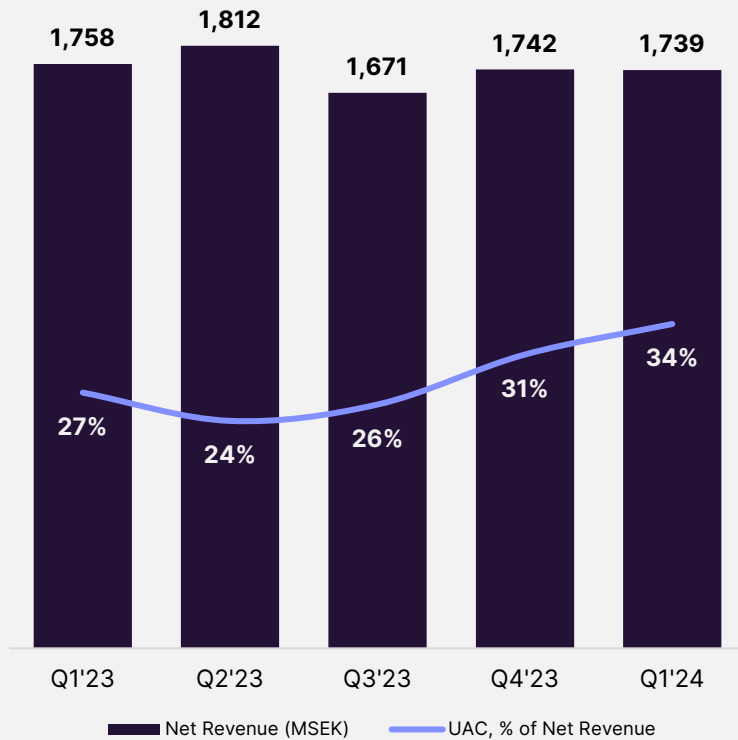
+1.6% year-over-year

1,387 MSEK

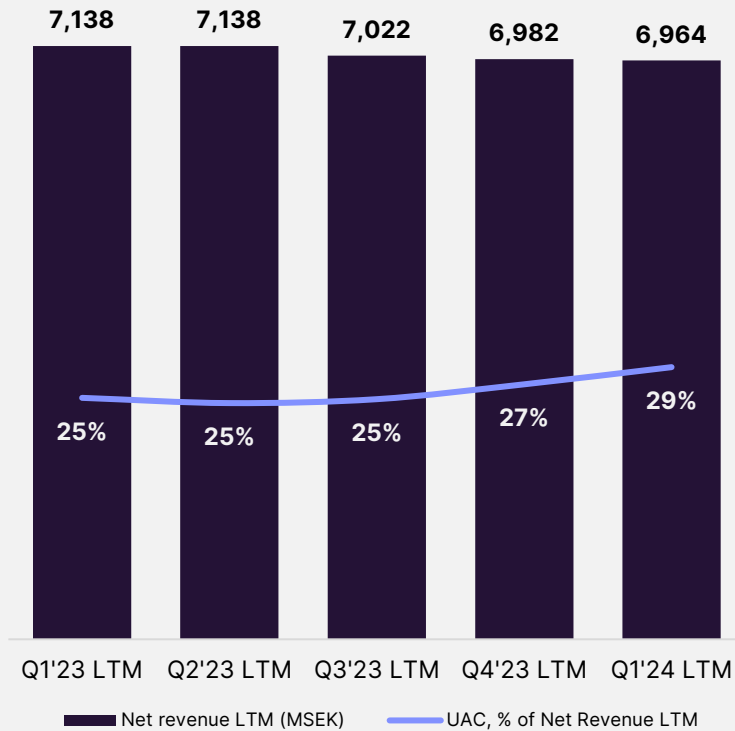


Stable net revenue development in Q1

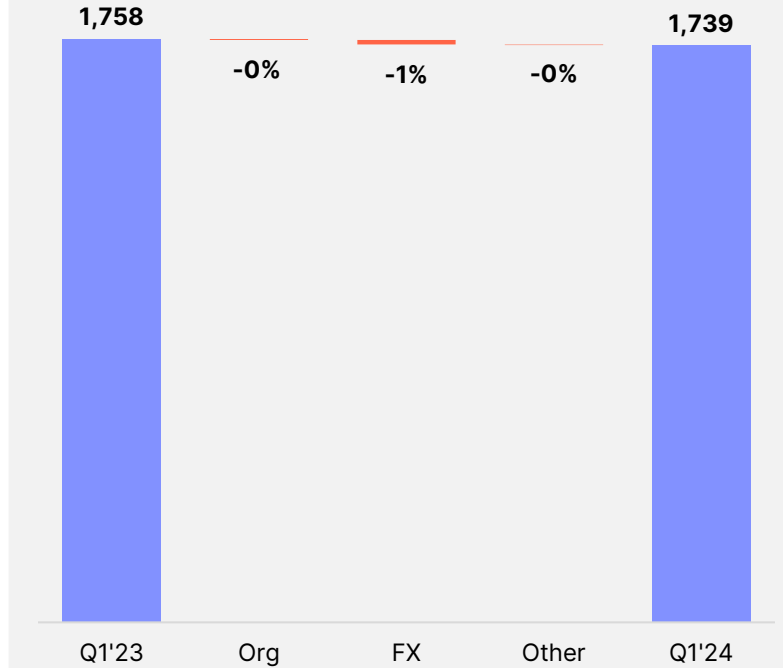
Net revenue & UAC



Net revenue & UAC (LTM)

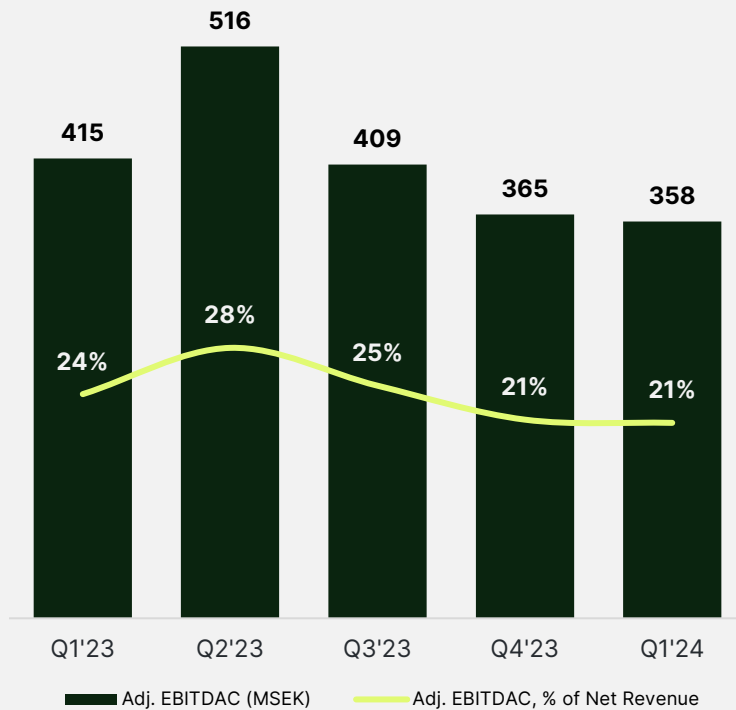


Net revenue bridge

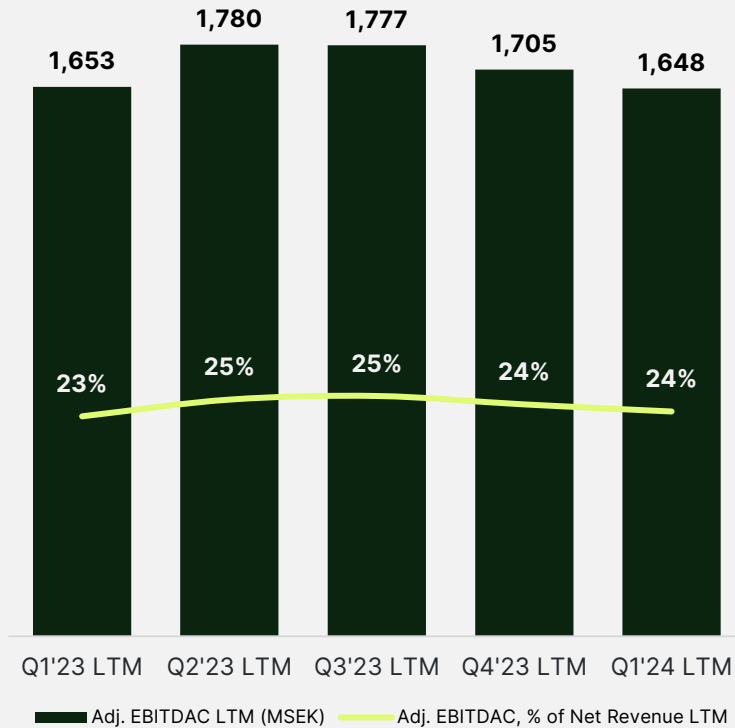


Continued high marketing spend to fuel future growth and margins

Adj EBITDAC



Adj EBITDAC (LTM)



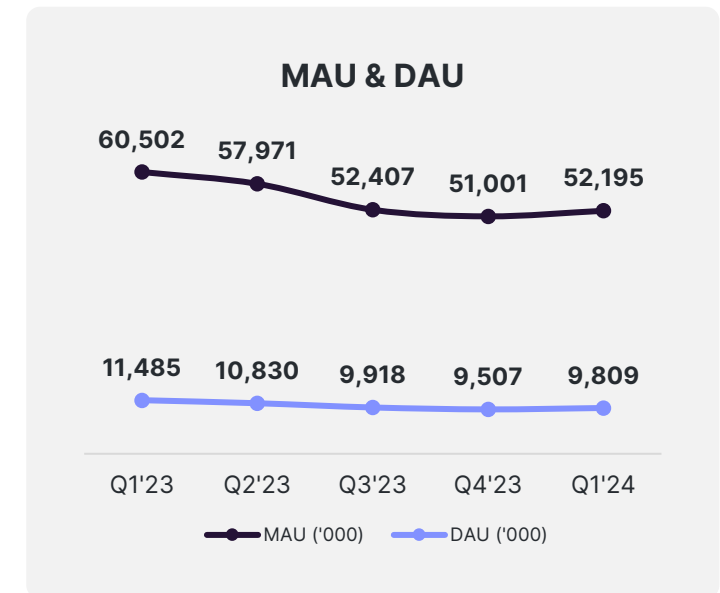
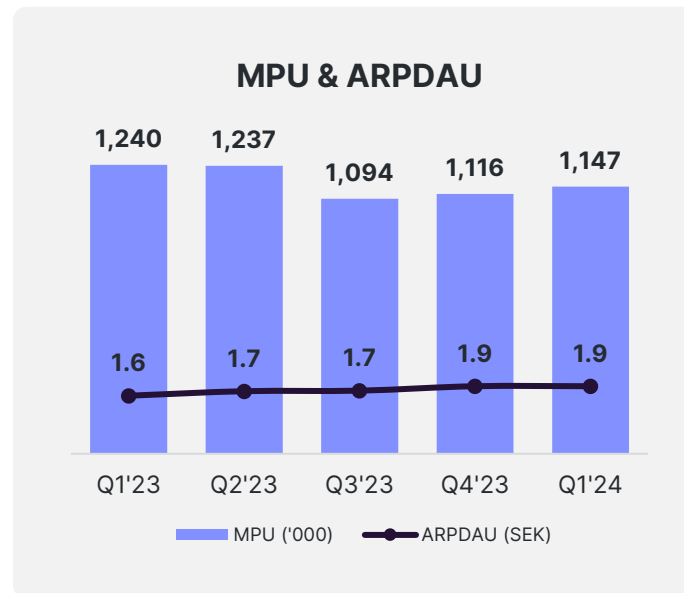
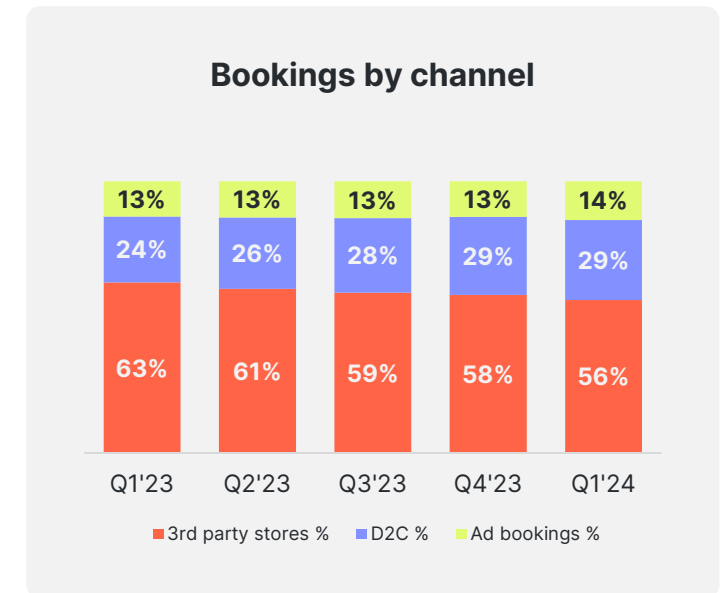
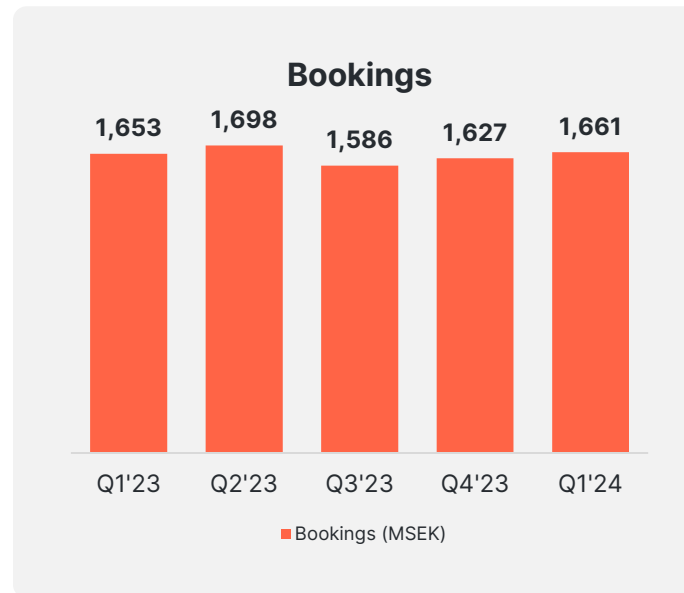
- Adjusted EBITDAC margin 21 percent, down from 24 percent same period last year, driven by increased UAC
- Gross margin improvement of 2 percentage points year-over-year
- Continued focused product investments driving lower capitalization with improved ROI
- User acquisition costs expected to come down in coming quarters, leading to strengthened margins



Active portfolio

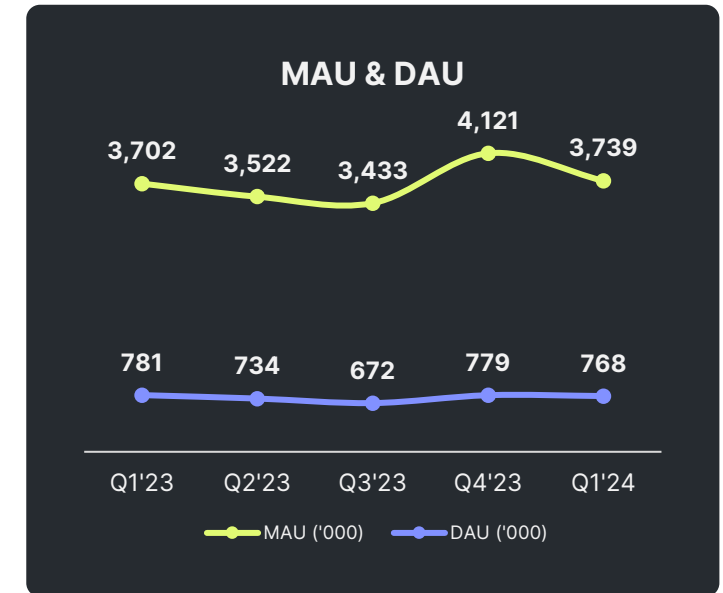
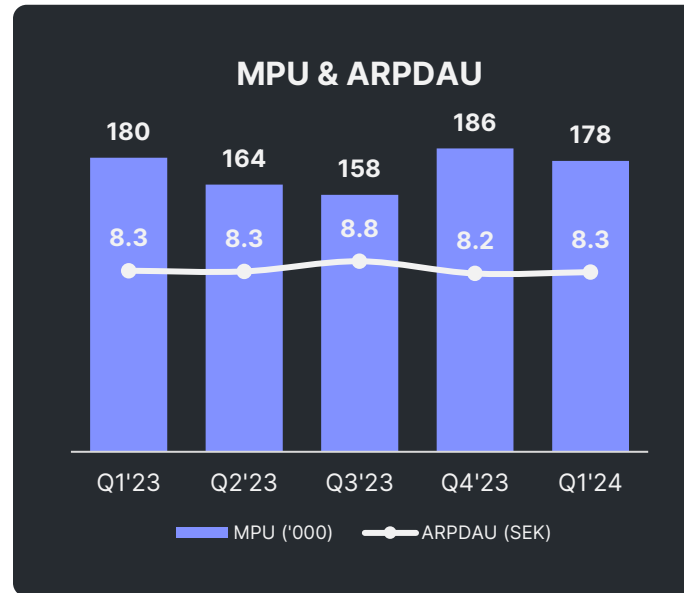
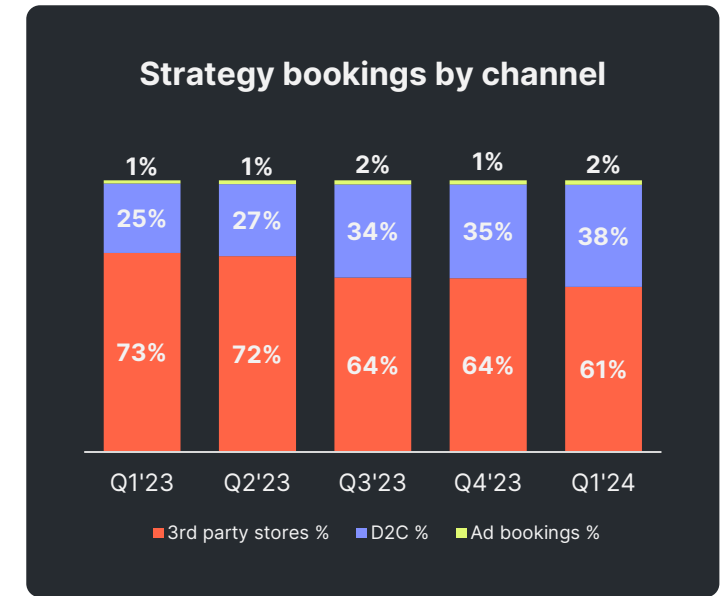
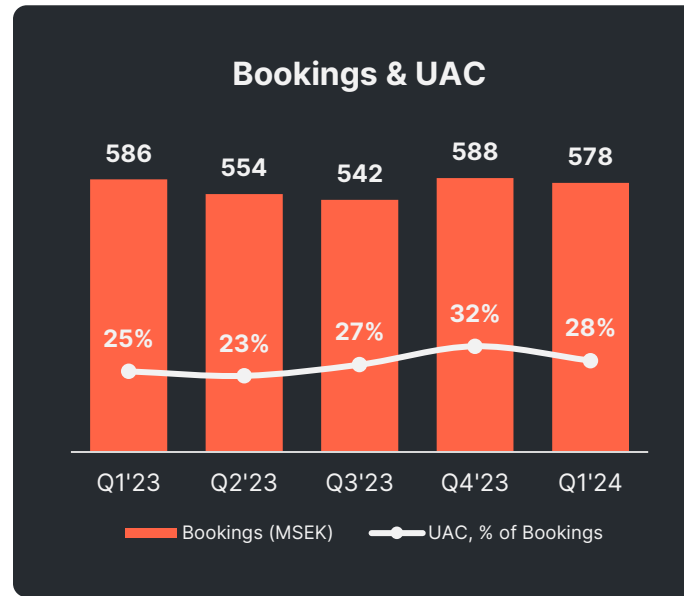
Positive organic growth in first quarter driven by strong marketing spend

- Bookings in active portfolio grew by 4 percent sequentially on an organic basis
- MAU and DAU back to sequential growth in first quarter
- ARPDAU up significantly year-over-year driven by strong monetization across all product areas
- Direct-to-Consumer (DTC) up by 5 percentage points year-over-year driven by strategic initiative to increase share of own channels, driving gross margin improvement
- Ad bookings up by 1 percentage points driven by scaling of Super Free's titles in quarter



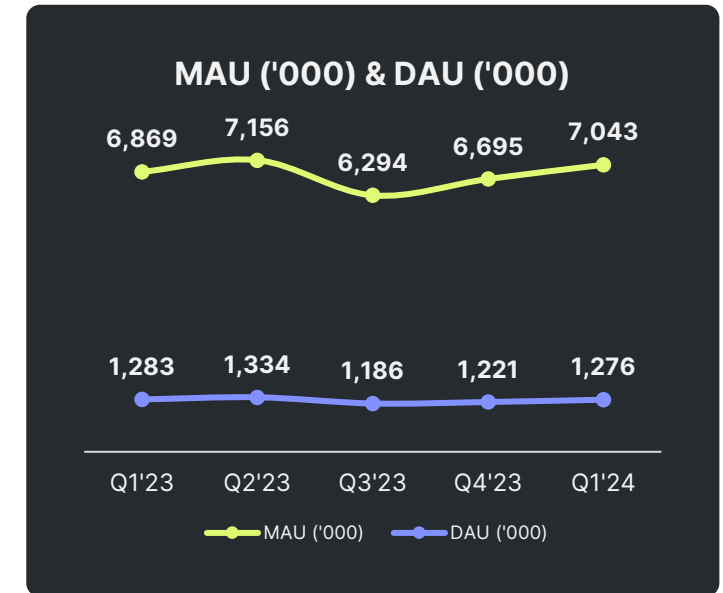
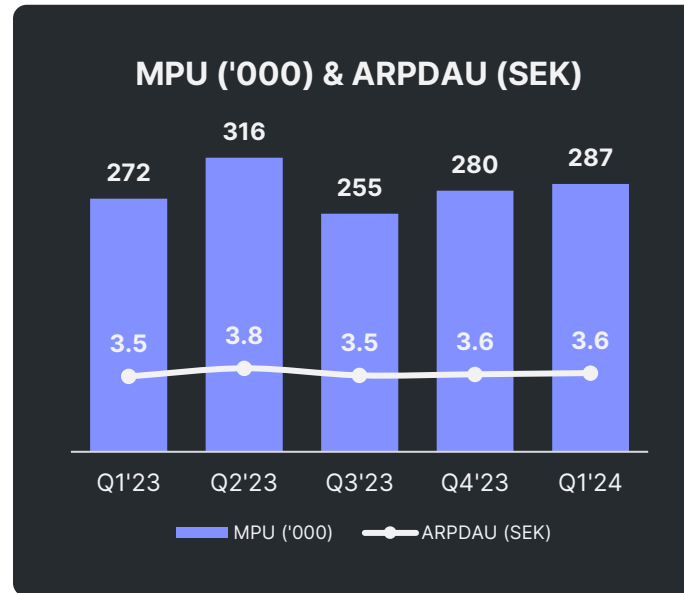
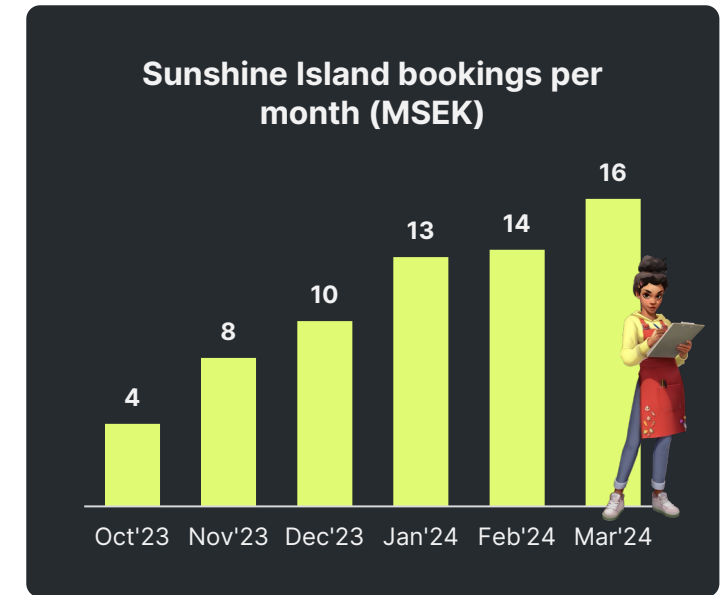
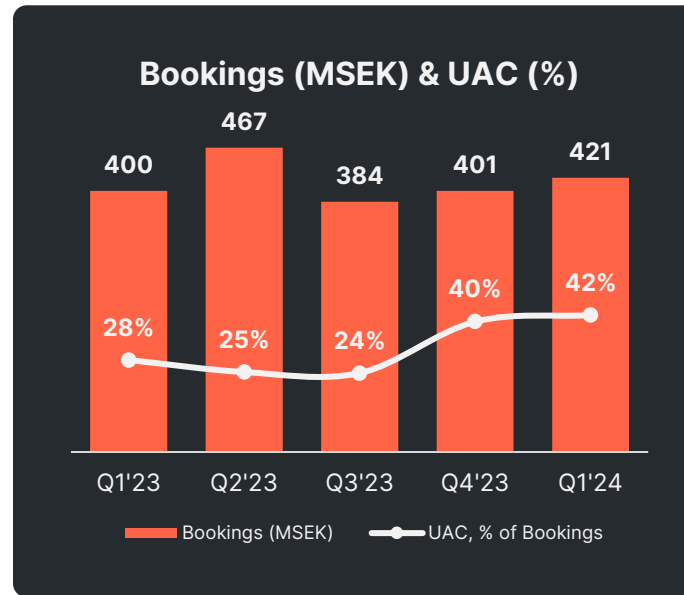
Stable performance from key Strategy franchises

- › Stable bookings performance from key franchises in Strategy product area
 - › Supremacy grew bookings by double digits year-over-year
 - › Empire remains stable with limited user acquisition spend, leading to high profitability
- › UAC down by 15 percent quarter-over-quarter, bookings down by 2 percent
- › Continued increased share of Strategy bookings generated from DTC channels, up by more than 12 percentage points compared to same period last year



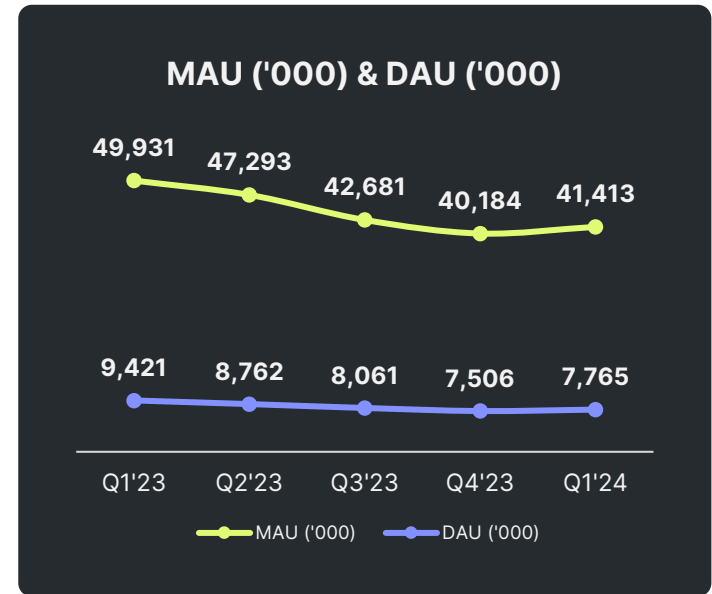
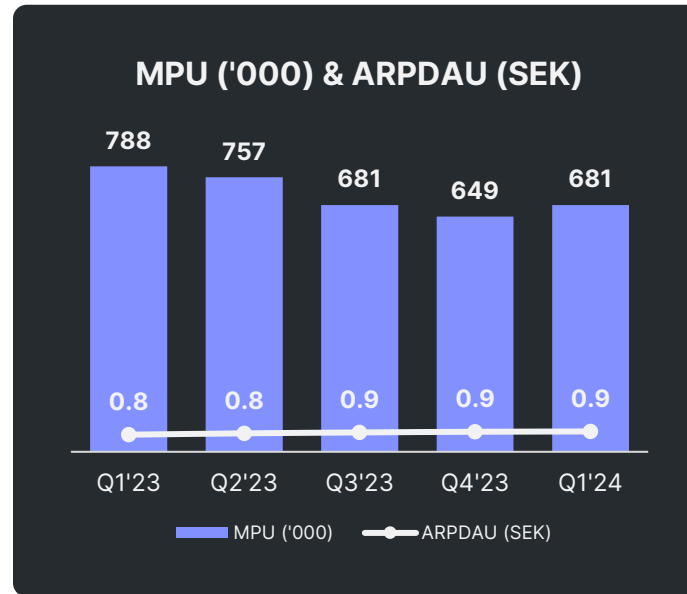
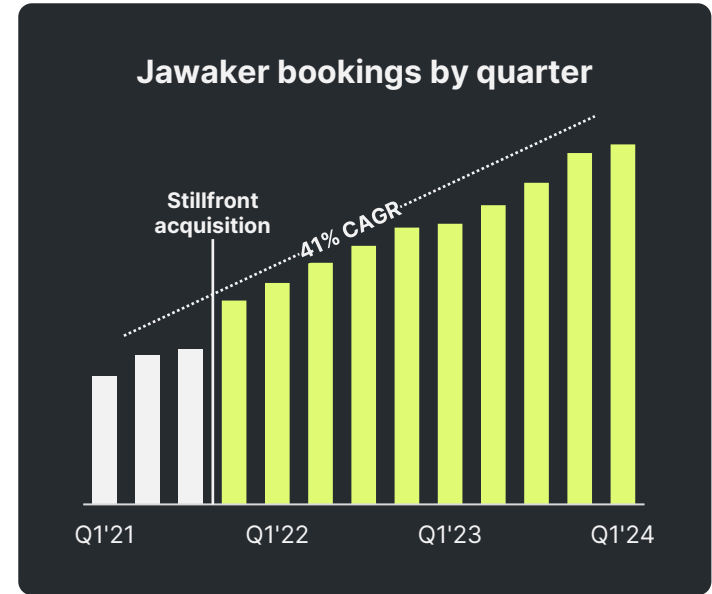
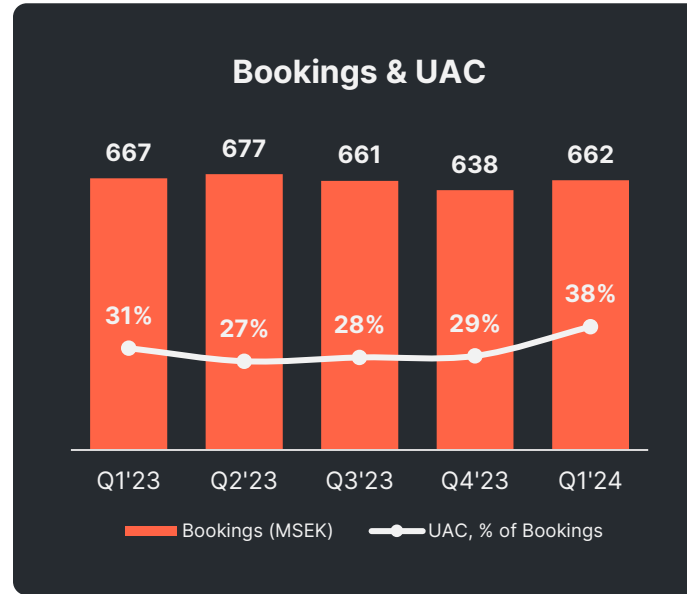
Sunshine Island continues its success

- › Strong sequential increase in bookings and users in Simulation, RPG & Action driven by continued successful scaling of Sunshine Island
- › Sunshine Island grew bookings by almost 100 percent quarter-over-quarter, expected to stabilize at high levels with increasing returns on user acquisition
- › Strong growth from Nanobit's Narrative franchise in first quarter
- › Albion Online down slightly year-over-year due to the Asian server launch in March last year, new Albion Online Europe launch planned for April 29



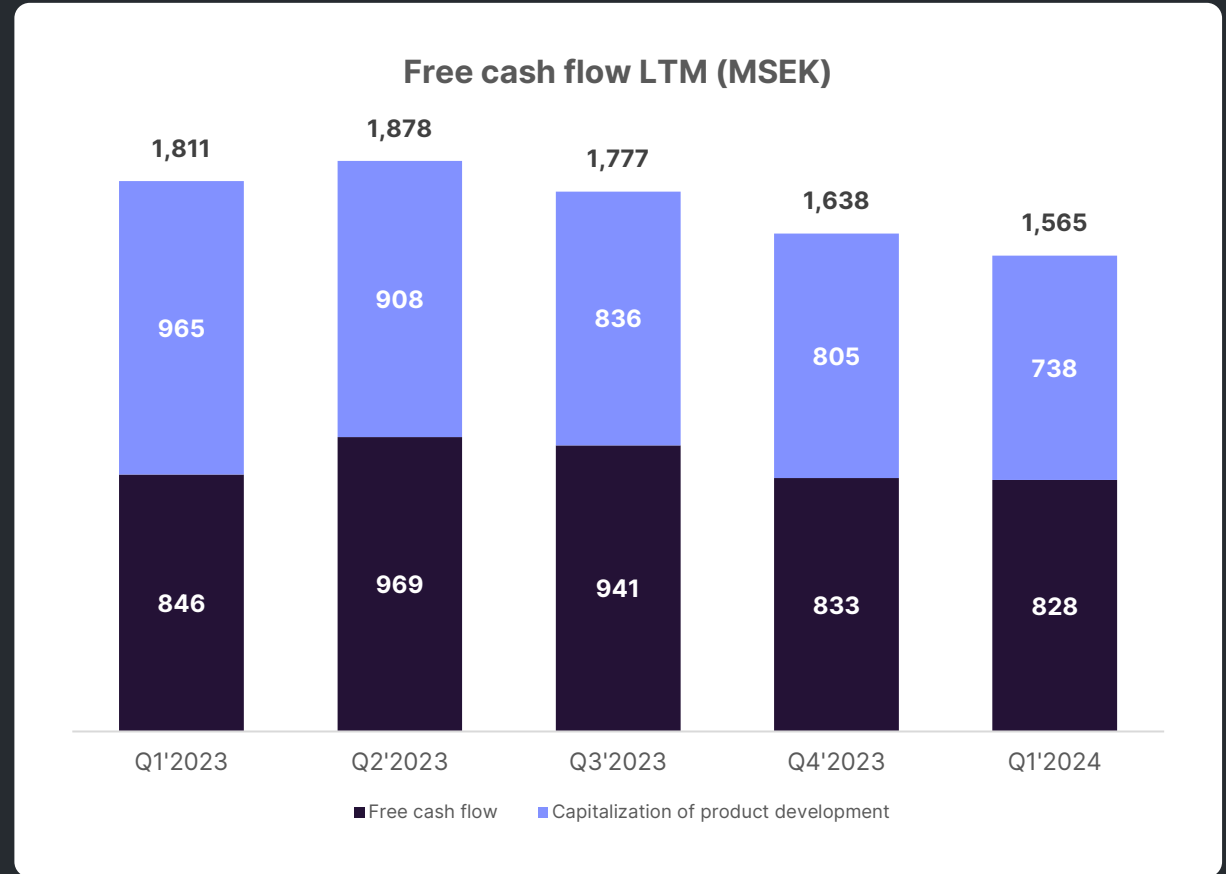
Jawaker continues to perform, Super Free back to growth

- › Sequential increase in both user numbers and bookings in Casual & Mashup, driven by strong UAC push in quarter
- › Super Free’s Word and Trivia franchises returned to organic growth in quarter, strong sequential growth in ad bookings
- › Jawaker continues its impressive performance, the franchise has grown with 41 percent CAGR since Stillfront’s acquisition
- › Soft performance from Storm8’s Home Design franchise negatively affected growth year-over-year, new game “Ellen’s Garden Restoration” in global soft-launch in April

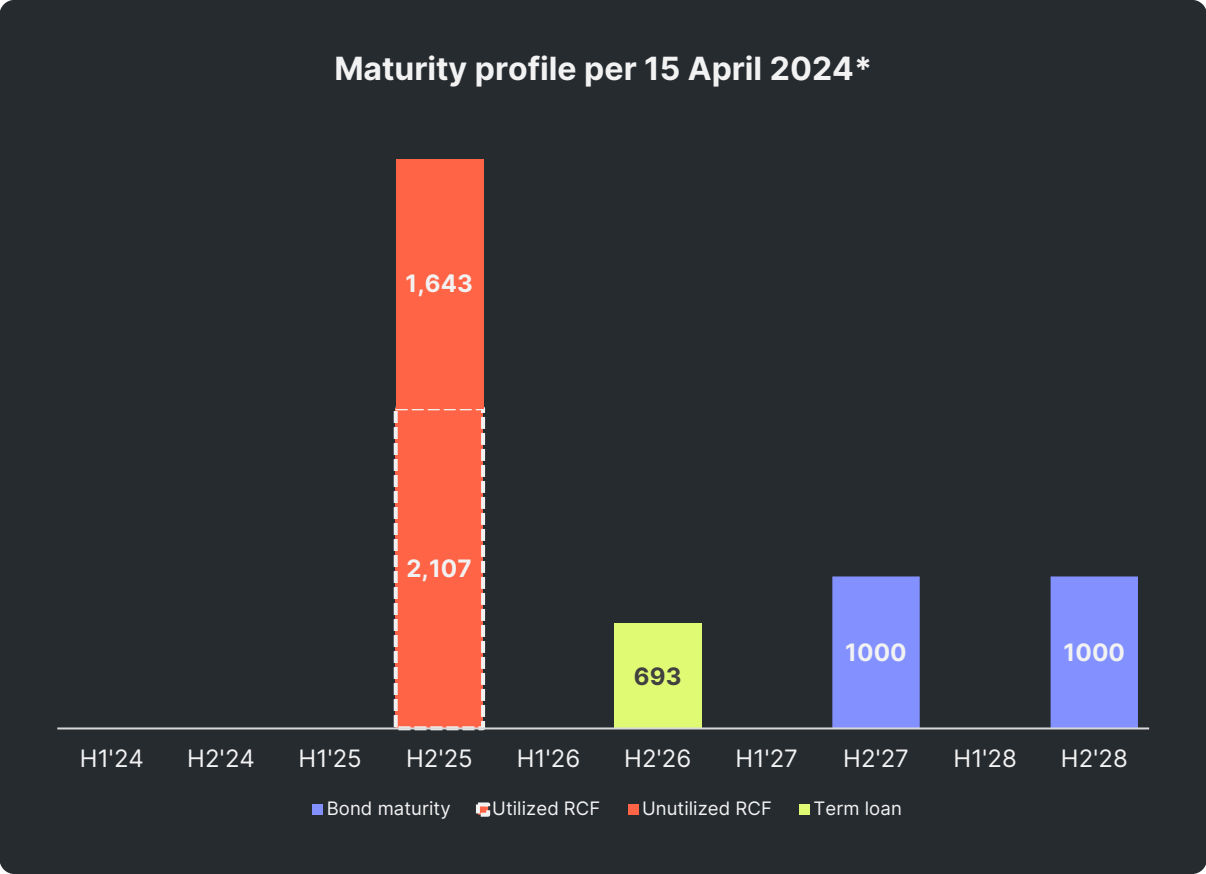
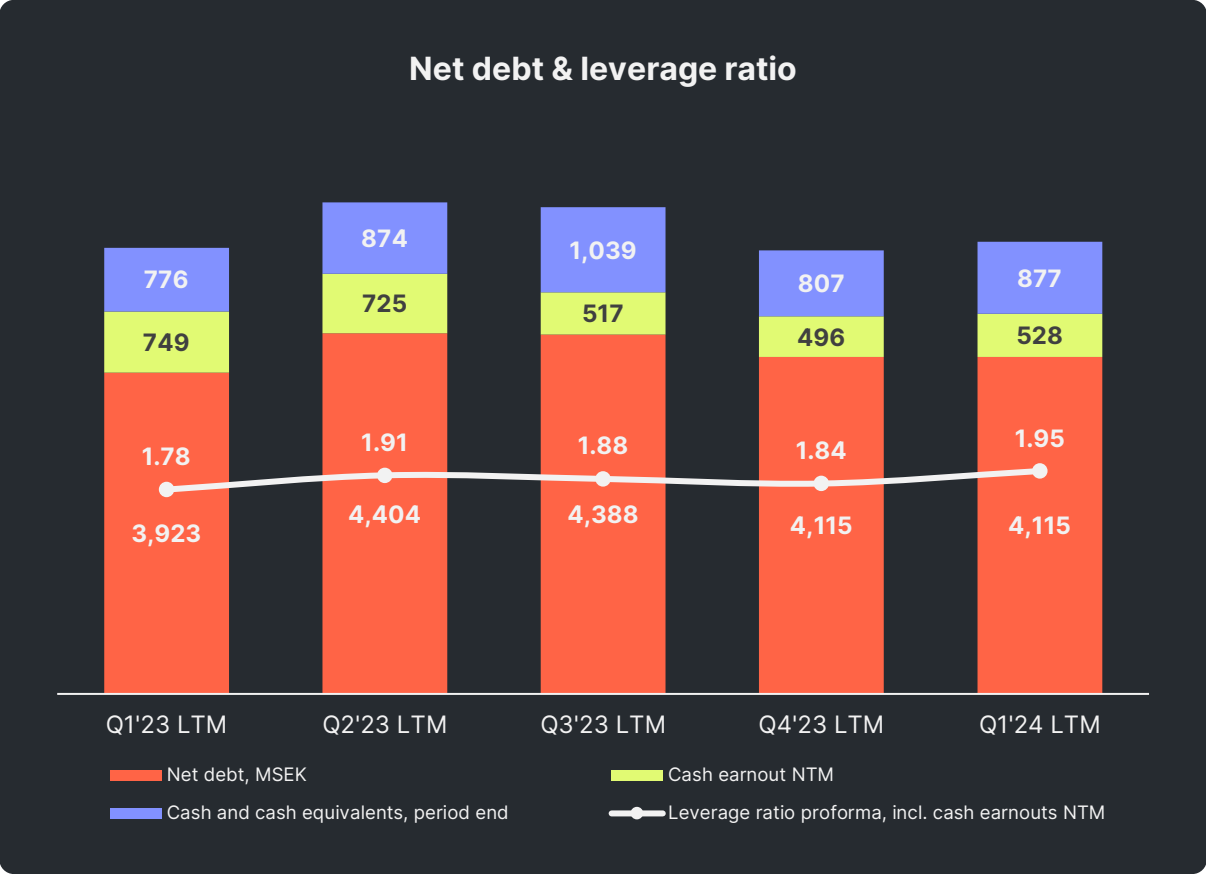


Stable free cash flow generation

MSEK	Q1 2024	Q1 2023
Cash flow from operations (before NWC)	349	517
Change in net working capital	-43	-136
Cash flow from operations (CFFO)	305	381
Cash flow from investment activities	-160	-248
Cash flow from financing activities	-116	-344
Cash flow for the period	29	-211



New bond framework further improves maturity profile



*Maturity profile per 15 April 2024, which was the redemption settlement date for Stillfront's 2021/2025 bonds

Share repurchase program

- Stillfront's cash flow generation and strong balance sheet enable us to launch a share repurchase program
- The repurchased shares will be used to cover the equity component of Stillfront's earnout provisions and the total program corresponds to approx. 15.1 million shares
- Acquisitions may be made on one or several occasions between 26 April 2024 and the 2024 Annual General Meeting on 14 May 2024



Continued high activity levels going into the second quarter

- Better market conditions for acquiring new users and scaling new games
- Strong winter season for acquiring new users in mobile games enabled high levels of user acquisition investments with attractive returns
- User acquisition expected to come down as a percentage of net revenue coming quarters, leading to strengthened margins and cash flow
- Several exciting new game launches and content releases in the second quarter



The logo icon consists of three parallel, slanted lines that form a stylized arrow pointing to the right. The lines are of equal length and are positioned close together, creating a sense of motion and direction.

Stillfront