

## Pressrelease

Stockholm 2019-05-09

**STILLFRONT**  
GROUP

### **Announcement from annual general meeting in Stillfront Group AB (publ) 9 May 2019**

#### **Stillfront Group AB (publ) ("Stillfront" or "Company") held its annual general meeting on 9 May 2019 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. In accordance with the proposal of the board of directors and the managing director, the meeting resolved that the year's result shall be carried forward and that no dividend shall be paid. The board of directors and the managing director were discharged from liability for the fiscal year 2018.

The meeting resolved that remuneration of SEK 425,000 shall be paid to the chairman of the board of directors and that remuneration of SEK 200,000 shall be paid to each of the directors of the board. The meeting resolved that for work in the audit committee, remuneration of SEK 100,000 shall, in addition to the board remuneration, be paid to the chairman and SEK 50,000 to each of the members in the committee. The meeting resolved that for work in the remuneration committee, remuneration of SEK 60,000 shall, in addition to the board remuneration, be paid to the chairman and SEK 30,000 to each of the members in the committee.

The meeting resolved that remuneration to the auditors shall be paid according to current approved account. The meeting resolved, in accordance with the nomination committee's proposal, to re-elect Jan Samuelson, Birgitta Henriksson, Ulrika Viklund, Katarina Bonde and Erik Forsberg and to elect Kai Wawrzinek as director of the board for the time until the next annual general meeting has been held.

Jan Samuelson was re-elected chairman of the board of directors. The auditing firm Öhrlings PricewaterhouseCoopers AB was elected as the Company's auditor, and has notified the Company that Nicklas Kullberg will be appointed as auditor in charge.

The meeting established the nomination procedure for the nomination committee in accordance with the nomination committee's proposal.

The meeting resolved, in accordance with the proposal of the board of directors, to authorise the board of directors to, until the next annual general meeting, with or without deviation from the shareholders' preferential rights, on one or several occasions resolve to issue shares, convertible instruments and/or warrants. The increase of the share capital, which entails issuance, conversion or subscription for new shares, may – where it entails a

deviation from the shareholders' preferential rights – correspond to a dilution of a maximum of 10 percent of the share capital at the time of the first use of the authorisation to issue shares, convertible instruments and/or warrants. The price per share shall be determined as an average of the market price during 30 days. Payment may be made in cash and/or with a condition to pay in kind or by way of set-off, or other conditions. The authorisation shall primarily be used for the purpose of acquisitions or financing.

The meeting resolved, in accordance with the proposal of the board of directors, on a directed issue of not more than 175,000 warrants. Each warrant entitles to subscription of one share in the Company, entailing an increase of the share capital of not more than SEK 122,500 if all warrants are exercised. The purpose of the directed issue of warrants is to constitute an incentive for the group's current and future key employees. The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, be granted to the Company's wholly owned subsidiary Todavia AB, with the right and the obligation to transfer the warrants to current and future employees that are of particular importance for the Stillfront group's development, in accordance with instructions from the board of Stillfront. The warrants will be acquired against payment of a market value premium which has been established by Optionspartner Sverige AB in accordance with accepted methods of calculation (Black & Scholes). The meeting approved the transfer of warrants from the subsidiary within the framework of the proposed program. Each warrant entitles to the subscription of one share in the Company at a subscription price corresponding to 150 per cent of the volume weighted average price of the share from and including 24 April 2019 up to and including 8 May 2019. Subscription of shares in accordance with the terms and conditions of the warrants may take place from and including 15 May 2022 up to and including 1 June 2022.

The meeting resolved, in accordance with the proposal of the board of directors on a directed new share issue to the sellers of Imperia Online JSC ("**Imperia**") of not more than 120,336 shares. The reason for the new share issue and the deviation from the shareholders' pre-emption rights is to fulfil the share purchase agreement which the Company has entered into with the sellers of Imperia. The Company's share capital shall increase by not more than SEK 84,235.20. The right to subscribe for the new shares shall, with deviation from the shareholders' pre-emption rights, only be offered to the sellers of Imperia. The subscription price shall be the average price per share in the Company on Nasdaq First North during the 30 days preceding the last day of the fiscal year 2018, which corresponds to a subscription price of approximately SEK 142. The newly-issued shares shall be subscribed for on a subscription list no later than 31 August 2019. Payment for subscribed shares shall be made by way of set-off of the sellers' claim for earn-out consideration pursuant to the share purchase agreement. The size of the earn-out consideration, 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 board of directors shall be entitled to extend the subscription period and the time for payment. The new shares shall be entitled to dividend as from the first record day for dividend after the newly issued shares have been registered with the Swedish Companies Registration Office and the shares have been registered in the share register kept by Euroclear Sweden AB.

The meeting resolved, in accordance with the proposal of the board of directors on a directed new share issue to the sellers of eRepublik Labs. Limited ("**eRepublik**") of not more than 68,700 shares. The reason for the new share issue and the deviation from the shareholders' pre-emption rights is to fulfil the share purchase agreement which the Company has entered into with the sellers of eRepublik. The Company's share capital shall increase by not more than SEK 48,090.00. The right to subscribe for the new shares shall, with deviation from the shareholders' pre-emption rights, only be offered to the sellers of eRepublik. The subscription price shall be the average price per share in the Company on Nasdaq First North during the 30 days preceding the last day of the fiscal year 2018, which corresponds to a maximum subscription price of approximately SEK 142. The newly-issued shares shall be subscribed for on a subscription list no later than 31 August 2019. Payment for subscribed shares shall be made by way of set-off of the sellers' claim for earn-out

consideration pursuant to the share purchase agreement. The size of the earn-out consideration, 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 board of directors shall be entitled to extend the subscription period and the time for payment. The new shares shall be entitled to dividend as from the first record day for dividend after the newly issued shares have been registered with the Swedish Companies Registration Office and the shares have been registered in the share register kept by Euroclear Sweden AB.

The meeting resolved, in accordance with the proposal of the board of directors on a directed new share issue to the sellers of Babil Games FZ LLC ("**Babil**") of not more than 54,330 shares. The Company's share capital shall increase by not more than SEK 38,031.00. The reason for the new share issue and the deviation from the shareholders' pre-emption rights is to fulfil the share purchase agreement which the Company has entered into with the sellers of Babil. The right to subscribe for the new shares shall, with deviation from the shareholders' pre-emption rights, only be offered to the sellers of Babil. The subscription price shall be the average price per share in the Company on Nasdaq First North during the 30 days preceding the last day of the fiscal year 2018, which corresponds to a maximum subscription price of approximately SEK 141. The newly-issued shares shall be subscribed for on a subscription list no later than 31 August 2019. Payment for subscribed shares shall be made by way of set-off of the sellers' claim for earn-out consideration pursuant to the share purchase agreement. The size of the earn-out consideration, 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 board of directors shall be entitled to extend the subscription period and the time for payment. The new shares shall be entitled to dividend as from the first record day for dividend after the newly issued shares have been registered with the Swedish Companies Registration Office and the shares have been registered in the share register kept by Euroclear Sweden AB.

The meeting resolved, in accordance with the proposal of the board of directors to adopt the remuneration policy for the CEO and other persons in the Company's executive management.

#### **About Stillfront**

Stillfront is a global group of gaming studios and a market leader in the free-to-play online strategy games genre. 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 500 co-workers thrive in an organisation that engenders the spirit of entrepreneurship. Our main markets are the US, Germany, MENA, France and UK. We are headquartered in Stockholm, Sweden, and the company is listed on Nasdaq First North Premier.

For further information, please visit: [stillfront.com](http://stillfront.com)

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