Year-End Report 2018

"Our strong fourth quarter performance concluded a transforming year for Stillfront and our shareholders. Net revenue grew by 29% YoY, in the fourth quarter, on the strength of our development in Core products. The top line growth we delivered generated increased profitability, reflecting the scalability in our business model."

Altigi GmbH (Goodgame Studios), has been consolidated into Stillfront Group as a reverse acquisition from January 1, 2018. Therefore, the 2018 financials reflect the new business combination whereas the 2017 financial numbers refer to Altigi GmbH only. The proforma numbers for 2017 represent the acquisition as if it had been completed January 1, 2017, unless stated otherwise.

HIGHLIGHTS FOURTH QUARTER

- Net revenue for the fourth quarter amounted to 366 MSEK (corresponding period previous year 231 MSEK), an increase of 58% compared to the fourth quarter last year. On a proforma basis, net revenue increased by 29%.
- Adjusted EBITDA (EBITDA excluding items affecting comparability) amounted to 160 MSEK (35), an increase of 357%. On a proforma basis, adjusted EBITDA increased by 215%.
- Adjusted EBIT (EBIT excluding items affecting comparability) amounted to 128 MSEK (14), an increase of 814% compared to the fourth quarter last year. On a proforma basis, adjusted EBIT increased by 540%.
- Items affecting comparability amounted to -5 MSEK (-66).
- EBIT amounted to 123 MSEK (-52), an increase of 175 MSEK compared to the same quarter last year.
- The net result for the quarter amounted to 26 MSEK (-36). The net result for the quarter included non-recurring financial cost of 36 MSEK, relating to the refinancing activities during the fourth quarter, and non-recurring tax costs of 12 MSEK, for revaluation of tax losses.
- The net result per share undiluted amounted to 1.02 SEK (-2.15). The net result per share diluted amounted to 1.02 SEK (-2.15). The corresponding numbers excluding non-recurring financial costs and non-recurring tax costs were 3.05 SEK and 3.04 SEK, respectively.
- Net debt amounted to 521 MSEK and the proforma adjusted leverage ratio was 0.9x.
- The Board of Directors proposes no dividend for 2018 in order to maintain a high degree of financial flexibility for future potential acquisitions.

HIGHLIGHTS FULL-YEAR 2018

- Net revenue for 2018 amounted to 1 325 MSEK (in comparison with 2017, 913 MSEK), an increase of 45% compared to 2017. On a proforma basis, net revenue increased by 23%.
- Adjusted EBITDA (EBITDA excluding items affecting comparability) amounted to 490 MSEK (313), an increase of 57%. On a proforma basis, adjusted EBITDA increased by 34%.
- Adjusted EBIT (EBIT excluding items affecting comparability) amounted to 364 MSEK (228), an increase of 60% compared to 2017. On a proforma basis, adjusted EBIT increased by 44%.
- Items affecting comparability amounted to -16 MSEK (-112 proforma).
- EBIT amounted to 348 MSEK (116), an increase of 200% compared to 2017.
- The net result for 2018 amounted to 157 MSEK (75). The net result per share undiluted amounted to 6.72 SEK (4.47). The net result per share diluted amounted to 6.68 SEK (4.47). The corresponding numbers excluding non-recurring financial costs and non-recurring tax costs were 204 MSEK, 8.78 SEK and 8.73 SEK, respectively.

KEY FIGURES, GROUP

MSEK	2018 Oct-Dec	2017 Oct-Dec	Chg%	2018 Jan-Dec	2017 Jan-Dec	Chg%
Net Revenues	366	231	58	1 325	913	45
Adjusted EBITDA*	160	35	357	490	313	57
Adjusted EBITDA margin*, %	44	15	n/a	37	34	n/a
Adjusted EBIT*	128	14	814	364	228	60
Adjusted EBIT margin*, %	35	6	n/a	27	25	n/a
Items affecting comparability	-5	-66	n/a	-16	-112	n/a
EBIT	123	-52	n/a	348	116	200
EBIT margin, %	34	-23	n/a	26	13	n/a
Profit before tax	73	-52	n/a	265	116	129
Net Result	26	-36	n/a	157	75	109
Net result per share undiluted, SEK	1.02	-2.15	n/a	6.72	4.47	50
Net result per share diluted, SEK	1.02	-2.15	n/a	6.68	4.47	49

* Adjusted EBIT and EBITDA are defined as EBIT and EBITDA excluding items affecting comparability.

PROFORMA KEY FIGURES, GROUP

MSEK	2018 Oct-Dec	2017 Oct-Dec	Chg%	2018 Jan-Dec	2017 Jan-Dec	Chg%
Net Revenues	366	284	29	1 325	1 079	23
Adjusted EBITDA*	160	51	215	490	362	34
Adjusted EBITDA margin*, %	44	18		37	34	
Adjusted EBIT*	128	20	540	364	253	44
Adjusted EBIT margin*, %	35	7		27	23	

* Adjusted EBIT and EBITDA are defined as EBIT and EBITDA excluding items affecting comparability

Comment by the CEO

High growth and strong profitability conclude 2018

For Stillfront, 2018 was a transforming year, characterized by high activity and significant growth. In the beginning of the year, we completed the acquisition of Goodgame Studios, thereby establishing a far stronger position, from a scale and reach perspective, encompassing in total 500 million users to date, with significant contribution from the Big and Empire brands. At the end of the year we closed two other acquisitions: Imperia Online and Playa Games, which align well with our strategy to acquire studios with long-term player relationships. Stillfront is today a global group with eleven gaming studios built on a portfolio strategy and supported by an underlying data-driven decision-making process.

The strategy of diversification is paying off. Our portfolio of studios and games serves two purposes: cash generation and growth, and we currently have a very good balance to achieve both.

Our business focus is clear. At every point in time we allocate the user acquisition costs and development efforts to ensure that we get the best return on investment across the Group. This can be illustrated by the successful utilization of Goodgame Studios´ unique competence within performance marketing to drive growth and reduce costs for other studios within the Group, also considering potential synergies. This cross-utilization of resources helped Nida Harb 3 achieve outstanding growth through-out the year.

Our strong fourth quarter performance ended a transforming year for Stillfront and our shareholders. Net revenue on a proforma basis grew by 29% year on year on the strength of our development in Core products. The top line growth we delivered generated increased profitability, reflecting the scalability in our business model. The Empire and Big products have contributed significantly to a very strong adjusted EBIT margin of 35% for the fourth quarter.

Our financial development for the full year 2018 was also strong, with good revenue growth and high profitability. Our largest brands, Empire and Big, generated stable revenues compared to last year. For Goodgame Studios we came in at the high end of our earnings guidance but below our revenue guidance. This development was a result of our decision to reduce marketing spend as well as a technical shift from Flash to HTML5 which is coming to an end within the first quarter of 2019. Goodgame Studios is showing high profitability and has popular brands with long-lifecycles and I look forward to a profitable growth in the coming years.

Throughout 2018 we have successfully accomplished key milestones for the Group, including raising a new bond at attractive terms and securing a new bank financing package. We are continuously working on adding more great companies into the Group. This is a daily proactive process and we are in dialogue with a substantial number of studios across the globe.

We enter 2019 with a profitable and expanding business and a solid pipeline and I am confident that Stillfront is well positioned to build on the strong momentum from 2018 into this year and beyond.

Jörgen Larsson, CEO, Stillfront Group

Operational overview of the fourth quarter

GAME PERFORMANCE

2018 Q4	Total	Core**	Empire**	Big**
DAU ('000)	1 140	476	335	330
Y-o-Y %	8	90	-27	-4
MAU ('000)	4 770	2 040	1 254	1 476
Y-o-Y %	-6	105	-38	-28
MPU ('000)	184	71	69	44
Y-o-Y %	12	95	-11	-13
ARPMPU (SEK)	654	640	749	528
Y-o-Y %	14	31	-1	45
Deposits (MSEK) (*)	360	136	155	69
Y-o-Y %	27	155	-11	26
UAC (MSEK)	76	38	15	23
Y-o-Y %	-35	331	-56	-69

Notes:

* Deposits are revenues excluding IFRS revenues recognition adjustments and online games only, hence the difference versus reported revenues. All Y-o-Y comparable numbers represent the Altigi-acquisition as if it had been completed January 1, 2017.

** Core, Empire, Big are product categories. For further description, see definitions, page 24.

Deposits in the fourth quarter amounted to 360 MSEK. The increase of 27%, on a proforma basis, is a result of a continued strong development in Core products. Deposits for Empire brands declined, in total a decline of 11%, due to the ongoing transformation to HTML5 and a low marketing spend. The deposits for Big products increased by 26% in comparison to the fourth quarter 2017 as a result of Big products' maturing user base and increased content. Deposits within Core products amounted to 136 MSEK, an increase of 155% with a UAC of 38 MSEK. Core products continued to develop well and more than doubled the organic revenue compared to the fourth quarter in 2017. The increase is also due to Imperia Online and Shakes & Fidget being added to Core products.

During the fourth quarter, the number of MAUs in total decreased by 6% compared to the fourth quarter 2017 when we had three global launches: Nida Harb 3, War and Peace and a trampoline launch of Big Farm: Mobile Harvest. This year we had no global launches in the fourth quarter. The number of DAUs increased by 8% compared to the fourth quarter 2017.

User acquisition cost, UAC, in the fourth quarter amounted to 76 MSEK, corresponding to 21% in relation to net revenues. The decrease of 35% compared to the fourth quarter of 2017 is due to a significantly smaller UAC spend, specifically in Big and Empire products.

The customer loyalty and average revenue* per monthly paying user (ARPMPU) are core strengths of the Stillfront portfolio and this quarter totalled average revenue of 654 SEK, an increase of 14% compared to the same period last year

The mobile share of revenues during the fourth quarter was 51% compared to 57% in the third quarter 2018. The decline in the proportion of mobile revenue is due to the addition of Imperia Online and Playa Games, both of which have a high share of browser revenues.

Our releases for the quarter have focused on new content and new platforms for existing games, continuing our strong long-tail support for all of our games.

* Deposits are revenues excluding IFRS revenues recognition adjustments and online games only, hence the difference versus reported revenues. All Y-o-Y comparable numbers represent the Altigi-acquisition as if it had been completed January 1, 2017.

OTHER SIGNIFICANT EVENTS

Closing of Imperia Online
In October 2018, Stillfront Group completed the acquisition of 100% of the shares in Imperia Online. All the closing deliveries have been fulfilled or waived as applicable and Stillfront has thus acquired the shares in Imperia Online.

New financing package in place
In November 2018, Stillfront Group placed 600 MSEK in senior unsecured bonds due 2022, under a new bond framework of up to 1,000 MSEK. The proceeds from the bond issue was used for early redemption of the Company's outstanding 500 MSEK 2017/2020 senior secured bond loan due 2020 and for general corporate purposes. Stillfront also agreed on terms on bank facilities in the amount of 600 MSEK, of which 100 MSEK is a working capital facility and 500 MSEK is a revolving credit facility maturing in 2021.

The interest rate for the new bond loan was set to Stibor 3m + 500bps and the terms include several beneficial changes as compared to the company's outstanding bond loan, including release of security, more flexible terms for bank financing and permission for dividends in line with the company's financial policy. The bonds were placed with Nordic institutional and private investors.

Acquisition of Playa Games
In December Stillfront acquired Playa Games, one of Germany´s leading casual game developers and publishers, based in Hamburg. Playa Games has released five games and has approximately 70 million registered players. Playa´s flagship title is Shakes & Fidget, a cartoon style massively multiplayer online role-playing game (MMORPG), published on both browser and mobile platforms. Playa Games is consolidated in the Group from December 1, 2018.

Stillfront announces Head of M&A
In December, Stillfront announced Marina Andersson as Head of M&A and part of the Group´s management team.

Financial overview of the fourth quarter

REVENUE AND OPERATING PROFIT

MSEK	2018 Oct-Dec	2017 Dec-Oct	Chg%	2018 Jan-Dec	2017 Jan-Dec	Chg%
Net Revenue	366	231	58	1 325	913	45
Adjusted EBITDA*	160	35	357	490	313	57
Adjusted EBITDA margin*, %	44	15		37	34	
Adjusted EBIT*	128	14	814	364	228	60
Adjusted EBIT margin*, %	35	6		27	25	
Items affecting comparability	-5	-66	n/a	-16	-112	n/a
EBIT	123	-52	337	348	116	200
EBIT margin, %	34	-23		26	13	

* Adjusted EBIT and EBITDA are defined as EBIT and EBITDA excluding items affecting comparability.

Net revenue in the fourth quarter amounted to 366 MSEK (231). The increase of 58% is due to the consolidation of the new Group. On a proforma basis, net revenues increased 29% as a result of a strong development in Big and Core products.

Adjusted EBITDA amounted to 160 MSEK (35) during the fourth quarter, corresponding to an Adjusted EBITDA-margin of 44% (15%). On a proforma basis, Adjusted EBITDA increased by 109 MSEK, corresponding to an Adjusted EBITDA margin of 44% (15%), mainly as a result of a lower user acquisition spend in the fourth quarter of 2018 compared to the fourth quarter of 2017, and the addition of the highly profitable studios Imperia Online and Playa Games.

Adjusted EBIT amounted to 128 MSEK (14) during the fourth quarter, corresponding to an Adjusted EBIT-margin of 35% (6%). On a proforma basis, Adjusted EBIT increased by 108 MSEK, corresponding to an Adjusted EBIT-margin of 35% (7%).

PRODUCT DEVELOPMENT

MSEK	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Capitalization of product development	53	17	156	67
Depreciations and amortization	-31	-19	-120	-75

During the fourth quarter investments in product development have been capitalized by 53 MSEK (17). The comparable period previous year pertains to Goodgame Studios only, which had a lower level of product development investments. Investments include new games such as SIEGE: World War II, Strike of Nations, Empire: Millennium Wars and other new titles based on existing engines as well as extensions and additions to existing games.

Depreciation and amortization of -31 MSEK (-19) was charged during the fourth quarter. Depreciation and amortization primarily pertain to intangible assets acquired by the Group related to the Group's acquisitions of subsidiaries and to capitalization of product development expenses.

FINANCIAL NET

The financial net was -50 MSEK for the fourth quarter (0). The financial net has been charged with non-recurring costs amounting to 36 MSEK for cost related to the refinancing concluded in the quarter. Other items in the financial net were, interest net of 9 MSEK, non-cash interest charge on earn-out considerations of 3 MSEK, fx effects of 1 MSEK and other financial items of 1 MSEK. Comparable numbers for 2017 refer to Altigi GmbH, which did not have any material borrowings.

TAX

The Group´s tax expense for the fourth quarter was -46 MSEK (16). The tax expense for the quarter has been charged with 12 MSEK of non-recurring costs related to revaluations of accumulated tax losses related to the Parent Company. Further, no deferred tax assets income has been realized for losses in the Parent that have occurred in the fourth quarter and which mainly pertain to financial expenses. Taking these two items into account, the underlying tax rate for the fourth quarter was 28%. The corresponding number for the full year is 27%.

FINANCING

	2018 31-Dec	2017 31-Dec
Net debt	521	-
Cash and cash equivalents	246	176
Interest Coverage Ratio, x	6	-
Pro forma Interest Coverage Ratio, x	7	-
Adjusted Leverage Ratio, x	1.06	-
Pro forma Adjusted Leverage Ratio, x	0.91	-

Net Debt as of December 31, 2018 amounted to 521 MSEK. The Group has as of the same date liabilities of 402 MSEK for contingent conditional considerations, to be settled during 2019, 2020, 2021 and 2022 of which about 58% is expected to be paid out in cash and 42% in newly issued shares. About 124 MSEK of the contingent conditional consideration is expected to be settled during 2019 of which about 76% in cash and 24% in newly issued shares.

The Interest Coverage ratio was 6x as of December 31, 2018 and 7x on a proforma basis (based on 12 months EBITDA of acquired entities). The Adjusted Leverage ratio was 1.06x as of December 31, 2018 and 0.91x on a proforma basis as of the same date. Stillfront Group has a financial target of maximum 1.5x for the proforma adjusted leverage ratio.

As of December 31, 2018, unutilized credit facilities amounted to 421 MSEK.

CASH FLOW

MSEK	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Cash flow from operations	50	75	210	211
Cash flow from investment activities	-236	-19	-288	-67
Cash flow from financing activities	281	-120	140	-120
Cash flow for the period	95	-64	62	23
Cash and cash equivalents at the end of period	247	176	247	176

Cash flow from operations was 50 MSEK (75) in the fourth quarter. The cash flow from operations was negatively impacted by the non-recurring financial cost of 36 MSEK, related to the re-financing package completed during the quarter. Cash flow from investment activities amounted to -236 MSEK (-19). The cash flow from investment activities was a result of the acquisitions of Playa Games and Imperia Online and investments in product development.

Cash flow from operations during the year amounted to 210 MSEK.

The full year operating cash flow was negatively impacted by cash flow from changes in working capital, mainly due to unusually high payables and accruals at year end 2017, settled during the first quarter of 2018. In addition, increased sales combined with increased share of revenues from mobile payments also had a negative impact on cash flow from working capital.

EMPLOYEES

	2018 31 Dec	2017 31 Dec
Number of Employees	482	287

The number of employees at the end of period was 482. The increase compared to the same period previous year is primarily due to the consolidation of the new Group and the acquisitions of Imperia Online and Playa Games.

Events after the fourth quarter

In January, Stillfront announced the appointment of the Group´s new CFO: Andreas Uddman. Andreas has more than 13 years of experience in finance. He has a solid track record in building strong finance functions and teams, equity raising, financing strategies and M&A in a growth environment. He is currently CFO at the Swedish fintech company Qliro Financial Services, one of the Nordic region´s fastest growing fintech companies, which is under the supervision of the Swedish Financial Supervisory Authority. Prior to this, he was CFO at Kinnevik-backed renewable energy player Vireo Energy. Former positions also include Finance and Business Development positions at Shell in London.

Andreas will assume his position at latest June 1, 2019.

Market

The global gaming industry is one of the largest sectors of the entertainment industry globally. Since 2012, the gaming industry has burgeoned by 54% and posted a CAGR of 9% for 2012-2017. In 2018, the gaming industry generated revenue of around USD 138bn, rendering it the largest form of entertainment globally.

Market forecasts indicate that the gaming industry will grow at a CAGR of around 9.3% for 2017-2021. According to Newzoos segmentation, the largest and fastest growing area is mobile; including smartphones and tablets. They account for 47% of the market, with 12.8% growth YoY. The remaining market is shared by console games (PlayStation, Xbox, Nintendo) 28% and PC games, including browser games 25%.

Europe, Middle East and Africa together accounted for 22% of total global revenue with 13.2% growth YoY. North America accounted for 25% of total global revenue and grew by 14.1% YoY.

Asia-Pacific accounted for 49% of total global revenue with 8.3% growth YoY.

Stillfront Group is well positioned to grow faster than the market in the coming years. A portfolio of games and game engines across all major platforms, with the fastest growing mobile market and strong brands and marketing skills in the free-to-play model, provide a good platform for growth. Stillfront Group is very active in the fast-growing MENA region in addition to the main markets Europe and North America.*

*Source: Newzoo, October 2018 Quarterly Update, Global Games Market Report.

Parent Company

Customary group management functions and group wide services are provided via the parent company. The revenue for the parent during the fourth quarter was -7 MSEK (2). The profit before tax amounted to -66 MSEK (-5).

Related Party Transactions

Other than customary transactions with related parties such as remuneration to key individuals, there has been no transactions with related parties.

The Share and Shareholders

#	Owners	No of shares	Capital/ Votes
1	Laureus Capital GmbH	6 283 570	26.1%
2	Handelsbanken Fonder	2 265 897	9.4%
3	Första AP-fonden	2 092 599	8.7%
4	Swedbank Robur Fonder	2 030 804	8.4%
5	SEB Fonder	730 233	3.0%
6	Carnegie Fonder	693 712	2.9%
7	Global Founders Capital GmbH	638 104	2.7%
8	Avanza Pension	467 040	1.9%
9	Prioritet Finans	429 089	1.8%
10	Livförsäkringsbolaget Skandia	402 905	1.7%

The total number of shares per December 31, 2018 was 24,048,240 including the 425,913 newly issued, but not yet registered, shares related to the acquisition of Playa Games.

Stillfront Group's shares are traded on Nasdaq First North since December 8, 2015. As of June 29, 2017, the share is traded on First North Premier. Closing price as of December 31, 2018 was 131 SEK/share.

Stillfront's 2018/2022 bond with ISIN: SE0011897925 is traded on Nasdaq OMX Stockholm.

Accounting and Valuation Principles

This interim report has been prepared in accordance with IFRS. Please see note 1, Accounting and valuation principles, for more details.

Risks and Uncertainty Factors

Risks and uncertainties are described in Prospectus Stillfront Group AB (publ) Bond 2018/2022, which is available on the company's web site http://www.stillfront.com/site/the-bond/

Audit

This report has not been reviewed by the auditors.

Declaration

The Board of Directors and the CEO provide their assurance that this year-end report provides an accurate overview of the operations, position and earnings of the Company and the Group, and that it also describes the principal risks and sources of uncertainty faced by the Company and its subsidiaries.

Stockholm, February 22, 2019

Jan Samuelsson
Chairman of the Board

Katarina Bonde

Birgitta Henriksson

Erik Forsberg

Fabian Ritter

Ulrika Viklund

Jörgen Larsson, CEO

Financial reports

Income statement in summary, Group

MSEK	Note 1,2,3	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Revenues					
Net revenue		366	231	1 325	913
Work performed by the company for its own use		22	17	118	67
Other revenue	4	-1	2	23	10
Operating expenses					
Other external expenses	5	-169	-196	-738	-523
Personnel expenses		-65	-84	-236	-265
Depreciations, amortisation and write-downs		-32	-22	-125	-85
Other expenses		2		-19	
Operating result		**123**	**-52**	**348**	**116**
Result from financial items					
Net financial items		-50	0	-83	0
Result after financial items		**73**	**-52**	**265**	**116**
Taxes for the period		-46	16	-107	-40
Net result for the period		**26**	**-36**	**157**	**75**
Other comprehensive income					
Items that later can be reversed in profit					
Foreign currency translation differences		-5	0	2	0
Total comprehensive income for period		**21**	**-36**	**159**	**75**
Net result for the period attributed to:					
Parent company shareholders		24	-36	156	75
Non-controlling interest		2	0	1	0
Period total comprehensive income					
Parent company shareholders		19	-36	157	75
Non-controlling interest		2	0	2	0
Average number of shares					
Undiluted		23 653 566	16 868 623	23 256 070	16 868 623
Diluted		23 763 071	16 868 623	23 386 780	16 868 623
Net result per share attributable to the parent company shareholders					
Undiluted, SEK/share		1.02	-2.15	6.72	4.47
Diluted, SEK/share		1.02	-2.15	6.68	4.47

Balance sheet in summary, Group

MSEK	Note 1,2,3,7	2018-12-31	2017-12-31
Intangible non-current assets	6	2 179	150
Tangible non-current assets		14	10
Deferred tax assets		5	0
Current receivables		153	72
Cash and cash equivalents		246	176
Total assets		**2 598**	**408**
Shareholders' equity			
Shareholders' equity attributable to parent company's shareholders		1 081	64
Non-Controlling interest		15	0
Total Shareholders' equity		**1 096**	**64**
Deferred tax liabilities		102	0
Bond		588	0
Non-current liabilities		430	42
Current liabilities		382	302
Total Liabilities and Shareholders' equity		**2 598**	**408**

Shareholders' equity, Group

MSEK	Share capital	Other Shareholder Contribution	Other reserves	Other equity incl profit of the year	Equity attributed to parent share holders	Non-controlling interest	Total equity
Opening balance 2017-01-01	1	32		150	183	0	183
Net result for the period				75	75		75
Total comprehensive income	0	0		75	75	0	75
Dividend				-194	-194		-194
Total transactions with shareholders	0	0		-194	-194	0	-194
Closing balance 2017-12-31	1	32		31	64	0	64
Opening balance 2018-01-01	1	32		31	64	0	64
Net Result for the period				156	156	1	157
*** Foreign currency translation differences			1		1	1	2
Total comprehensive income	0	0	1	156	157	2	159
New share issue	0	11			11		11
Issue costs		-53			-53		-53
Ongoing issues of shares		103			103		103
Issue for non-cash consideration		1 186			1 186		1 186
Warrants		1			1		1
Dividend**				-388	-388		-388
Re-classification to legal parent structure*	16	-32		16	0	13	13
Total transactions with shareholders	16	1 215		-371	859	13	872
Closing balance 2018-12-31	16	1 247	1	-184	1 081	15	1 096

*Note 3.

** Due to reverse acquisition, cash consideration paid to the sellers of Altigi GmBH is classified as a dividend.

Cash flow in summary, Group

MSEK	Note 3	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Operations					
Result after financial items		70	-50	270	118
Adj for items not in cash flow etc		34	83	129	137
Tax paid		-31	-2	-97	-49
Cash flow from operations before changes in working capital		72	32	301	206
Changes in working capital					
Increase(-)/Decrease (+) operating receivables		7	-5	-28	8
Increase (+)/Decrease (-) in operating liabilities		-30	48	-64	-3
Cash flow from changes in working capital		-23	43	-92	5
Cash flow from operations		50	75	210	211
Investment activities					
Acquisition of business		-179	-	-124	-
Acquisition of tangible assets		-3	0	-4	1
Acquisition of intangible assets		-54	-18	-160	-68
Cash flow from investment activities		-236	-19	-288	-67
Financing activities					
New debt		747	1	1 129	-
Repayment debt		-500	-	-500	-
Credit facilities		35	-	35	-
Issue cost		-1	-	-53	-
Warrants		0	-	1	-
Payment to shareholders (incl. dividend paid)		0	-120	-85	-120
Dividend reversed acquisition		0	-	-388	-
Cash flow from financing activities		281	-120	140	-120
Cash flow for the period		95	-64	62	23
Cash and cash equivalents at start of period		152	240	176	153
Translation differences		0	-	9	-
Cash and cash equivalents at end of period		247	176	247	176

Key figures, Group

MSEK	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Deposits	363	237	1 324	922
Deferred revenue	-3	5	-1	9
Net revenue	366	231	1 325	913
Adjusted EBITDA*	160	35	490	313
Adjusted EBITDA margin, %*	*43.7*	*15.3*	*36.9*	*34.3*
Adjusted EBIT*	128	14	364	228
Adjusted EBIT margin, %*	*34.8*	*5.9*	*27.5*	*24.9*
Net result	26	-36	157	75
Adjusted Interest Coverage Ratio, x	5.9	-	5.9	-
Pro forma Interest Coverage Ratio, x	6.9	-	6.9	22.4
Adjusted Leverage Ratio, %	1.06		1.06	
Pro forma Adjusted Leverage Ratio, %	0.91		0.91	
Shareholders' equity per share undiluted, SEK	44.93	3.80	44.93	3.80
Shareholders' equity per share diluted, SEK	44.69	3.80	44.69	3.80
Earnings per share undiluted, SEK	1.02	-2.15	6.72	4.47
Earnings per share diluted, SEK	1.02	-2.15	6.68	4.47
No of shares end of period undiluted	24 048 240	16 868 623	24 048 240	16 868 623
No of shares end of period diluted	24 178 949	16 868 623	24 178 949	16 868 623
Average no of shares period undiluted	23 653 566	16 868 623	23 256 070	16 868 623
Average no of shares period diluted	23 763 071	16 868 623	23 386 780	16 868 623

* Excluding items affecting comparability

RATIOS NOT DEFINED PER IFRS

Stillfront applies IFRS, see Note 1. IFRS defines only a few key ratios. Stillfront applies ESMA's (European Securities and Markets Authority) guidelines for alternative key performance indicators, Alternative Performance Measures. An alternative performance measure is a financial measurement of historical or future earnings performance, financial position or cash flow that is not defined or specified in IFRS. To facilitate analysis of Stillfront's development, certain performance measures are disclosed, which are not defined in IFRS. This additional information is supplementary information to IFRS and is not to be regarded as substitute for key ratios defined in IFRS. Stillfront's definitions of alternative performance measures are shown on page 24.

Parent company income statement, summary

MSEK	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Revenue				
Net revenue	-7	2	19	5
Other revenue	0	0	0	3
Operating expenses				
Other external expenses	-5	-3	-12	-8
Personnel expenses	-5	-2	-13	-7
Operating result	-16	-3	-5	-7
Financial items				
Financial income	0	0	3	1
Financial expenses	-50	-9	-82	-12
Total financial items	-50	-9	-79	-12
Result after financial items	-66	-12	-84	-18
Appropriations				
Group contribution	0	7	0	7
Total appropriations	0	7	0	7
Profit before tax	-66	-5	-84	-12
Tax for the period	-13	3	-10	3
Net result for the period/Comprehensive income for the period	-80	-2	-95	-9

Parent company balance sheet, summary

MSEK	NOTE 3, 7	2018-12-31	2017-12-31
Intangible assets		1	0
Financial non-current assets		4 399	328
Deferred tax		-	10
Current receivables		35	12
Cash and bank		26	20
Total assets		4 461	360
Shareholders' equity		3 315	234
Provisions for contingency consideration		406	25
Bond		588	103
Current liabilities – Overdraft		35	0
Other current liabilities		117	8
Total liabilities & Shareholders' equity		4 461	370

NOTES

Note 1 Accounting and valuation principles

Stillfront's year-end report has been prepared in accordance with IAS 34, Interim Financial Reporting. The consolidated financial statements have been prepared in accordance with IFRS such as adopted by the EU and the relevant references to Chapter 9 of the Swedish Annual Accounts Act. The parent company's financial statements are prepared in accordance with RFR 2, Accounting for Legal Entities and the Swedish Annual Accounts Act.

CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

IFRS 9 and IFRS 15 are applied by the company from January 1, 2018. Further, the accounting principles applied are consistent with the publication of the 2017 annual report. New standards adopted since 2018 have not had material impact on the financial position.

IFRS 9 "Financial Instruments" addresses the classification, measurement and recognition of financial assets and liabilities and introduces new rules for hedge accounting. The final version of IFRS 9 was published in July 2014. It replaces those parts of IAS 39 that deal with the classification and measurement of financial instruments, hedge accounting and adds a new expected loss impairment model. The revenues of Stillfront arise from prepaid revenues and the group has historically had very few credit losses. Therefore, this new model did not result in any changes of historically figures and is not assessed to have any material effect of future outcome. Stillfront will continue to hedge net investment in foreign operations without any changes. The new classification of financial instrument will not affect the valuation of financial instruments; All financial assets within the group is still classified and measured as amortised costs and all liabilities, excluding conditional contingent considerations, are still classified and measured as amortised costs. The conditional contingent considerations will continue to be classified and measured as liabilities measured as financial liabilities at fair value through profit and losses.

IFRS 15 "Revenue from Contracts with Customers" is the new standard for revenue recognition. IFRS 15 replaces IAS 18 Revenue and IAS 11 Construction contracts. IFRS 15 is based on the principle that revenues are recognised when the customer gains control over the good or service sold – a principle which replaces the principle that revenues are recognised when the risks and benefits have been transferred to the purchaser.

To determine when revenues are to be reported, Stillfront has conducted a detailed analysis of standard contracts, against the various types of sales channels that exist, to assess how revenue from these will be reported.

The games within Stillfront are so called Free-to-play games. This means that the base platform can be used by a player without paying an entry fee. The player can play the games without paying a license fee. The revenue is generated when a player makes in game purchases to access additional content, functions, features or advantages in the games. When a player makes a deposit in the game, he/she obtains various types of virtual means of payment. These means of payment can be used to get different types of virtual goods i.e. different types of tools to use in the games or services in-game. Some virtual goods can be used either immediately or unlimited over the playing time (the playing time can be either unlimited or limited in time).

Access to the game platform
The license to use the game in its base platform means that the player has access to all updates that occur in the game. Stillfront's assessment is that this license should be treated as a right to gain access to the gaming platform in its existing state throughout the license period, which would mean accrual over the useful life. The price is however 0 SEK for this right, thus no revenue accounting principle needs to be established.

Virtual goods
The right to use virtual goods is considered to be a "license in the license" and the acquisition does not include any future updates of this specific acquisition or this specific license. Stillfront´s assessment is therefore that this license meets the definition of "To use" and that revenues should

therefore be recognized directly upon acquisition, i.e. when the means of payment is used as payment for the goods.

Premium subscriptions

The assessment is that premium subscriptions also shall be treated as "to use", based on the same notes as for virtual goods, i.e. the revenues are generated when the means of payment is used.

In summary, revenue recognition will occur at the same time as before i.e. when the means of payment is used for the purchase of virtual goods or premium subscription.

IFRS 16 “Leases” is the new standard for leases. IFRS 16 replaces IAS 17 Leases and the related interpretations. The standard will enter in to force January 1, 2019.

In 2018, Stillfront compiled and assessed the group’s lease arrangements and analyzed the effects of the transition to IFRS 16.

When the standard comes into effect, Stillfront will use the modified transition approach, which means that comparative information from previous periods will not be restated. The lease liability consists of the discounted remaining lease payments as of 1 January 2019. For all leases, the right-of-lease asset is an amount corresponding to the lease liability, restated for prepaid or accrued lease payments recognized in the Statement of Financial Position on the date of initial application. The transition to IFRS 16 does not have any impact on equity.

Stillfront will be applying the practical expedients for those leases where the underlying asset is of low value, and short-term arrangements, which also include leases signed in 2019.

Stillfront’s significant leases are lease contracts on office premises, but to a limited extent, there are also other agreements such as office equipment. As a result of the implementation of IFRS 16, the group’s total assets will increase through the inclusion of right-of-use assets and lease liabilities. Lease payments, recognized as other external expenses in the Income Statement pursuant to IAS 17, will be replaced by amortization of right-of-use assets, which are recognized as an expense in operating profit or loss, and interest on the lease liability, which is recognized as a financial expense. The lease payment is allocated between amortization of the lease liability and payment of interest.

On transition to IFRS 16, the present value of all remaining lease charges has been computed using Stillfront’s incremental borrowing rate. The borrowing rate has been 3.5% as of 1 January 2019. When the standard comes into effect, the following restatements will be reported in Stillfront’s Statement of Financial Position:

SEK	
Right-of-use assets	51
Lease liabilities	51

Note 2 Fair value

All liabilities, excluding contingent consideration, are recognized at amortized cost. Financial assets and liabilities recognized at amortized cost have variable interest rates. The fair value of these are in all material aspects consistent with book value. No financial assets or liabilities have been transferred between valuation categories. Stillfront reports additional consideration in connection with the acquisition of operations. These additional contingent considerations are valued at fair value in accordance with the IFRS 3.

Note 3 Acquisitions

ACQUISITION OF GOODGAME STUDIOS

The acquisition of Altigi GmbH was completed in January 2018. The operations are conducted under the name Goodgame Studios. The purpose of the acquisition is to increase the scope of Stillfront's operations and to benefit from the strong marketing skills within Goodgame Studios.

Purchase price of the acquisition are as follows:

MSEK Purchase price	
Cash and cash equivalents	390
Ordinary shares issued	3 112
Total purchase consideration	3 502

In connection with the acquisition of Altigi GmbH, 16,868,623 shares were issued at the price of SEK 184.60 per share. The cash component of the purchase price was financed with a tap issue of Stillfront's corporate bond by SEK 390 million. The acquisition was carried out on a debt- and cash-free basis.

Reverse acquisition

The Board of Directors of Stillfront Group has deemed, according to IFRS 3 Business Combinations, Altigi GmbH to be the accounting acquirer and Stillfront Group AB to be the legal acquirer i.e. a reverse acquisition.

Upon a reverse acquisition, the purchase price analysis will be established with the legal subsidiary as the acquirer and the legal parent company as the acquired company. The purchase price analysis is based on the Stillfront Group Financial Statements by 2017-12-31.

The consolidated financial statement after the reverse acquisition is issued in the name of the legal parent company, Stillfront Group AB, but is described in the notes as a continuation of the legal subsidiary Altigi GmbH's financial statements. The comparative figures in Stillfront Group's financial reporting is consequently attributable to the legal subsidiary Altigi GmbH.

Equity

The purchase price in the reverse acquisition is calculated on the basis of the number of shares that had been required to be issued to the legal subsidiary for the acquisition of Stillfront Group, and the value is estimated to be 1 186 MSEK. The compensation that Stillfront has paid in cash for its acquisition of the legal subsidiary, 388 MSEK, is considered in the reverse acquisition as a dividend to Altigi i.e. the accounting parent company. The equity pertained is in its entirety from comparative figures from the legal subsidiary with the addition of the Stillfront Group. The reported outgoing share capital, however, should reflect the share capital of the legal parent company, which means 16 MSEK have been reclassified from other capital components to share capital.

Purchase price analysis

The purchase price analysis is finalized. There are no changes compared to the last published report from the third quarter.Hence, the consideration as described below differs from the purchase consideration stated above, due to the fact this is a reverse acquisition from an accounting point of view.

The fair value of acquired assets and assumed liabilities (MSEK):	
Intangible non-current assets	222
Property, plant and equipment	1
Deferred tax assets	12
Current receivables excl cash and bank	32
Cash and cash equivalents	66
Non-current liabilities	-164
Deferred tax liabilities	-59
Current liabilities	-51
Total net assets acquired excluding goodwill	**59**
Non-controlling interest	-13
Total consideration attr. Parent excl. goodwill	46
Goodwill	1140
Total consideration	1186

The previous consolidated group Stillfront Group is from an accounting point of view the acquired business and is included in the new Stillfront Group consolidated net sales with 385 MSEK and in the period's net result with -38 MSEK. The net result has been charged with 84 MSEK in financial net of which 36 MSEK pertains to refinancing cost during the fourth quarter.

ACQUISITION OF IMPERIA ONLINE

The acquisition of Imperia Online was completed in October 2018. The purpose of the acquisition is to broaden Stillfront´s portfolio of studios and games with characteristics that drive long term gamer relations.

Purchase price of the acquisition is as follows:

MSEK **Purchase price**	
Cash and cash equivalents	52
Ordinary shares issued	45
Contingent conditional considerations	134
Total purchase consideration	**231**

In connection with the acquisition of Imperia Online, 269,412 shares were issued at the price of SEK 167 per share. The cash component of the purchase price was financed by cash at hand by 52 MSEK. The acquisition was carried out on a debt- and cash-free basis.

The contingent conditional consideration will depend on the EBIT development of the Company based on the years 2018, 2019, 2020 and 2021. The total contingent conditional consideration cannot exceed 17.5 MEUR.

Preliminary purchase price analysis

A preliminary purchase price analysis of Imperia Online is provided below. The analysis is preliminary mainly due to the fact that the valuation and allocation of intangible assets is not completed. Finalization is expected to be completed in conjunction with the reporting of the second quarter.

The fair value of acquired assets and assumed liabilities (MSEK):	
Intangible non-current assets	61
Property, plant and equipment	1
Current receivables excl cash and bank	5
Cash and cash equivalents	15
Non-current liabilities	0
Deferred tax liabilities	-6
Current liabilities	-5
Total net assets acquired excluding goodwill	**71**
Goodwill	160
Total net assets acquired	**231**
Less	
Cash and cash equivalents	-15
Ordinary shares issued	-45
Contingent conditional consideration	-134
Net cash outflow on acquisition of business	**37**

Goodwill relating to Imperia Online represents the value of the competencies in the company regarding the ability to develop and publish long life MMORP games.

Acquisition costs amounted to 1 MSEK and is included in the income statement as other external expenses.

The acquired business Imperia Online is included in Stillfront's consolidated net sales of with 14 MSEK and a profit of 10 MSEK. If the acquired business had been consolidated from January 1, Imperia Online would have consolidated with a revenue of 61 MSEK and a profit of 25 MSEK.

ACQUISITION OF PLAYA GAMES

In December 2018, Stillfront acquired of 100% of the shares in Playa Games GmbH, one of Germany´s leading casual strategy game developer and publisher. The acquisition was completed December 18, 2018. The purchase price of the acquisition is as follows:

MSEK Purchase price	
Cash and cash equivalents	144
Ordinary shares issued	58
Contingent conditional considerations	197
Total purchase consideration	**399**

In connection with the acquisition of Playa Games, 425 913 shares were issued at the price of 136 SEK per share. The cash component of the purchase price was financed by cash at hand by 144 MSEK. The acquisition was carried out on a debt- and cash-free basis.

The contingent conditional consideration will depend on the EBIT development of the Company based on the years 2018, 2019 and 2020. The total contingent conditional consideration cannot exceed 25 MEUR.

Preliminary purchase price analysis
A preliminary purchase price analysis of Playa Games is provided below. The analysis is preliminary mainly due to the fact that the valuation and allocation of intangible assets not is completed. Finalization is expected to be completed in conjunction with the reporting of the second quarter.

The fair value of acquired assets and assumed liabilities (MSEK):	
Intangible non-current assets	18
Property, plant and equipment	4
Current receivables excl cash and bank	11
Cash and cash equivalents	35
Non-current liabilities	0
Deferred tax liabilities	-15
Current liabilities	-33
Total net assets acquired excluding goodwill	**20**
Goodwill	378
Total net assets acquired	**398**
Less	
Cash and cash equivalents	-35
Ordinary shares issued	-58
Contingent conditional consideration	-197
Additional	
Loan payment to former owner	33
Net cash outflow on acquisition of business	**141**

Goodwill relating to Playa Games represents the value of the competencies in the company regarding the ability to develop and publish long life MMORP games. Acquisition costs amounted to 3 MSEK and is included in the income statement as other external expenses. The acquired business Playa Games is included in Stillfront's consolidated net sales of with 12 MSEK and a profit of 7 MSEK, thanks to strong sales in December. If the acquired business had been consolidated from January 1, Playa Games would have consolidated with a revenue of 112 MSEK and a profit of 59 MSEK (according to German GAAP).

Note 4 Other revenue

MSEK	2018 Oct-Dec	2018 Jan-Dec
Revaluation of Conditional Contingent Considerations	0	16
Other revenue	-1	7
Total Other revenue	**-1**	**23**

Note 5 Items affecting comparability

MSEK	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Revenue				
Revaluation of Conditional Contingent Considerations	0	0	16	0
Total IAC Revenues	**0**	**0**	**16**	**0**
Costs				
Revaluation of Conditional Contingent Considerations	0	0	-22	0
Restructuring Costs	0	0	0	-45
Transaction Costs	-5	-66	-11	-67
Total IAC Costs	**-5**	**-66**	**-33**	**-112**
TOTAL IAC – Period	**-5**	**-66**	**-16**	**-112**

*The total IAC cost in the quarter is mainly attributable to the acquisition cost for Imperia Online and Playa Games.

Note 6 Intangible assets

MSEK	Goodwill	Other intangible assets	Total
Opening acquisition value	**0**	**446**	**446**
Acquisitions in operations	1 679	300	**1 979**
Purchases	0	4	**4**
Internal development	0	156	**156**
Translation differences	-6	29	**23**
Ending acquisition value	**1 673**	**935**	**2 608**
Opening accumulated depreciation / impairment	**0**	**-296**	**-296**
Depreciation	**0**	-120	**-120**
Currency exchange	0	-13	**-13**
Ending accumulated depreciation / impairment	**0**	**-429**	**-429**
Net amount	**1 673**	**506**	**2 179**

The intangible assets identified are in-house developed technologies, engines, in-house technologies in development, games and studio titles. The majority of the acquisitions in operations have been identified and valued in connection with the acquisitions made throughout the year. The opening acquisition value derives from Altigi GmbH and relates to capitalised development expenses. Internal development refers to work that will be reported as capitalised development expenses. Amortisation takes place over a period of 2-10 years. An individual assessment is made for each newly identified asset.

Note 7 Financial assets and liabilities

Financial assets

The Group classifies its financial assets in the category: "Financial assets valued at amortized cost". The classification is based on the Group's business model to hold financial assets with the objective of collecting agreed cash flows. These financial assets are included in current assets, with the exception of items maturing later than 12 months after the end of the reporting period, which are classified as non-current assets. The Group's financial assets principally comprise of trade receivables, other receivables, accrued income, and cash and cash equivalents.

Financial assets are recognised after the time of acquisition at amortised cost by applying the effective rate method. The application of the effective rate method means that receivables that are interest-free or that are subject to interest that deviates from the market rate of interest and have a duration exceeding 12 months, are recognised at a net present value and change in value over time is recognised as interest income in the income statement. The discounting effect is considered to be insignificant for receivables due within 12 months.

Financial liabilities

Stillfront has contingent conditional considerations in relation to acquisitions. The contingent conditional considerations are settled both in cash and as shares in Stillfront, where the number of shares transferred on settlement of the contingent conditional consideration is based on an amount in Swedish kronor, which is specified in the conditions that apply to the calculation of the contingent conditional consideration. The contingent conditional considerations are classified as a financial liability, which is classified as current if settlement is to be made within 12 months of the balance sheet date. The liability is measured at fair value and changes in value are recognised through operating profit and loss in the income statement. Other financial liabilities are valued at amortized cost.

Financial instruments

All financial assets and liabilities are subject to floating interest, therefore the carrying amount is estimated to correspond to fair value. Transfer of financial assets and liabilities between value categories has not taken place during the period

Definitions

KEY FIGURES AND ALTERNATIVE PERFORMANCE MEASURES

ARPMPU
Average non-adjusted revenue per monthly paying user.

Average number of employees
Average number of employees during the period, recalculated to full-time positions.

Big
Category of games based on the Big brand.

Core
Category of games not belonging to the categories of Long Tail, Empire or Big

DAU
Daily active unique users.

Deposits
Includes all deposits from consumers excluding VAT during a given period.

EBITDA
Operating profit before depreciation and amortization. Adjusted EBITDA is EBITDA adjusted for IAC.

EBITDA margin
EBITDA as a percentage of Net revenue. Adjusted EBITDA margin is EBITDA margin adjusted for IAC.

EBIT
Profit before financial items and tax. Adjusted EBIT is EBIT adjusted for IAC.

EBIT margin
EBIT as a percentage of Net revenue. Adjusted EBIT margin is EBIT margin adjusted for IAC.

Empire
Category of games based on the Empire brand.

Free Cash Flow
Cash flow from operations minus capital expenditures.

Items affecting comparability, IAC
Significant income statement items which distort the comparison between the periods.

Interest Coverage Ratio
EBITDA divided by net financial items for the past twelve months.

Adjusted Leverage ratio
Net interest-bearing debt excluding earn-out payments in relation to the last twelve months Adjusted EBITDA.

MAU
Monthly active unique users.

MPU
Monthly paying users.

Net Debt
Interest bearing liabilities minus cash and cash equivalents. Contingent conditional consideration is not considered interest bearing in this context.

Shareholders' equity/share
Shareholders' equity attributable to the parent company shareholders divided by the number of shares at the end of the period.

UAC
User acquisition cost

Reconciliation of Alternative Performance Measures

Adjusted EBITDA

MSEK	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Operating result	123	-52	348	116
Depreciations	32	22	125	85
Excluded				
Items affecting comparability	5	66	16	112
Adjusted EBITDA	160	36	490	313

Adjusted EBITDA, pro forma

MSEK	2018 Jan-Dec	2017 Jan-Dec
Adjusted EBITDA	490	362
Including		
EBITDA, latest 12 months, Acquired companies 2018	84	n/a
Adjusted EBITDA, pro forma	574	362

Adjusted EBIT

MSEK	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Operating result	123	-52	348	116
Excluded				
Items affecting comparability	5	66	16	112
Adjusted EBIT	128	14	364	228

Adjusted interest coverage ratio

MSEK	2018 Jan-Dec	2017 Jan-Dec
Adjusted EBITDA latest 12 months	490	313
divided by		
- Net financial items latest 12 months	83	0
Adjusted interest coverage ratio, x	5.9	-

Adjusted interest coverage ratio, pro forma

MSEK	2018 Jan-Dec	2017 Jan-Dec
Proforma Adjusted EBITDA latest 12 months	574	362
divided by		
- Net financial items latest 12 months	83	16
Adjusted interest coverage ratio, x, pro forma	6.9	22.6

Adjusted leverage ratio

MSEK	2018 Jan-Dec	2017 Jan-Dec
Bond	588	0
Other interest-bearing liabilities	179	0
Cash and cash equivalents	-246	-176
Total net debt	521	-176
divided by		
Adjusted EBITDA	490	313
Adjusted leverage ratio	1.06	n/a

Adjusted leverage ratio, pro forma

MSEK	2018 Jan-Dec	2017 Jan-Dec
Bond	588	103
Other interest-bearing liabilities	179	0
Cash and cash equivalents	-246	-242
Total net debt	521	-139
divided by Adjusted EBITDA, pro forma	574	362
Adjusted leverage ratio, pro forma	0.91	n/a

Shareholders' equity per share undiluted, SEK

SEK	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Shareholders' equity attributable to parent company's shareholders	1 081	64	1 081	64
divided by No of shares end of period undiluted	24,048,240	16,868,623	24,048,240	16,868,623
Shareholders' equity per share undiluted, SEK	44.93	3.80	44.93	3.80

Shareholders' equity per share diluted, SEK

SEK	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Shareholders' equity attributable to parent company's shareholders	1 081	64	1 081	64
divided by No of shares end of period diluted	24,178,949	16,868,623	24,178,949	16,868,623
Shareholders' equity per share diluted, SEK	44.69	3.80	44.69	3.80

Earnings per share undiluted, SEK

SEK	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Net result for the period attributed to parent company's shareholders, MSEK	24	-36	156	75
divided by No of shares period undiluted	23,653,566	16,868,623	23,653,566	16,868,623
Earnings per share undiluted, SEK	1.02	-2.15	6.72	4.47

Earnings per share diluted, SEK

SEK	2018 Oct-Dec	2017 Oct-Dec	2018 Jan-Dec	2017 Jan-Dec
Net result for the period attributed to parent company's shareholders, MSEK	24	-36	156	75
divided by Average no of shares period diluted	23,763,071	16,868,623	23,386,780	16,868,623
Earnings per share diluted, SEK	1.02	-2.15	6.68	4.47

DIVIDEND

The Board of Directors of Stillfront Group AB proposes no dividend for 2018 in order to maintain a high degree of financial flexibility for future potential acquisitions.

FINANCIAL CALENDAR

Interim Report January-March 2019	8 May 2019
Annual General Meeting	9 May 2019
Interim Report January-June 2019	19 August 2019
Interim Report January-September 2019.	8 November 2019
Year End Report 2019	21 February 2020

The 2019 Annual General Meeting of Stillfront will be held on Thursday, May 9, 2019 at 16.00 CEST at the offices of DLA Piper, Kungsgatan 9, Stockholm.

This information is information that Stillfront Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, on February 22, 2019 at 07.00 CET.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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This interim report is a non-official translation from Swedish of the Bokslutskommuniké issued February 22, 2019. In the event of discrepancies between the language versions the Swedish wording will prevail.

ABOUT STILLFRONT

Stillfront is a group of independent creators, publishers and distributors of digital games - with a vision to become the leading group of indie game creators and publishers. Stillfront operates through eleven near-autonomous subsidiaries: Coldwood Interactive in Sweden, Power Challenge in the UK and Sweden, Dorado Online Games in Malta, Simutronics in the United States, Babil Games in UAE and Jordan, eRepublik in Ireland and Romania, Bytro Labs, OFM Studios, Goodgame Studios and Playa Games in Germany and Imperia Online, Bulgaria. Stillfront's games are distributed globally. The main markets are Germany, the United States, France, UK and MENA. For further information, please visit www.stillfront.com.

SELECTED GAMES

Stillfront's portfolio includes games across multiple platforms. Unravel and Unravel Two are widely acclaimed console games developed by Coldwood in collaboration with Electronic Arts. Supremacy 1914 and Call of War are high-immersion war strategy games developed by Bytro Labs. ManagerZone is a sports management strategy game launched in 2001. DragonRealms and GemStone IV are MUD-style games with a very loyal player base. Siege: Titan Wars (TM) is a popular mobile game developed by Simutronics. Nida Harb III and Admiral are mobile strategy games with very strong player bases, which are published by Babil Games. World at War: WW2 and War and Peace: Civil War are successful mobile strategy games developed and published by eRepublik Labs. Online Fussball Manager is a leading sports management game. Empire and Big Farm are major brands operated by Goodgame Studios. Imperia Online, is an MMO strategy game published on both browser and mobile platforms by Imperia Online.

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