

Agenda

Welcome and agenda

- > Alexis Bonte, COO

Entering a new phase

- > Jörgen Larsson, CEO & Founder

Breaking down Stillfront's financials

- > Andreas Uddman, CFO

Building a sustainable gaming business

- > Sofia Wretman, EVP Communications & Sustainability

Operationalizing Stillops to level up synergies

- > Amy Lee, SVP Synergies & Operations

Studio deep dive: 6waves

- > Alexis Bonte, COO
with Rex Ng, President 6waves

Outgrowing a challenging market

- > Phillip Knust, CPO

Studio deep dive: Jawaker

- > Alexis Bonte, COO,
with Mohamad Haj Hasan, CEO Jawaker

Summary & wrap-up

- > Jörgen Larsson, CEO & Founder



Stillfront's next phase

Jörgen Larsson, CEO & Founder

Stillfront's mission:

We strive to make a positive impact in our gamers' everyday lives

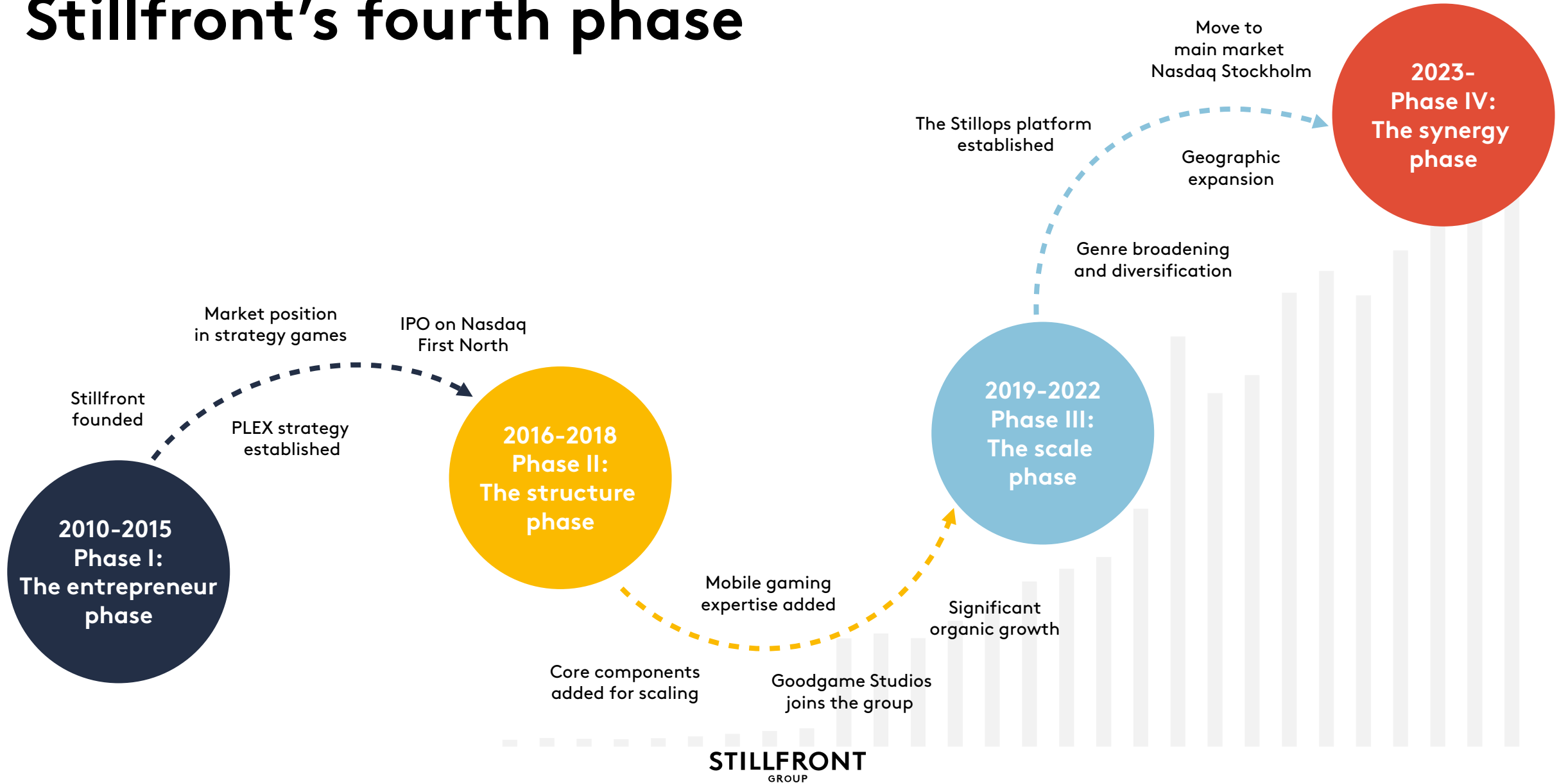


WHAT WE WANT TO ACHIEVE

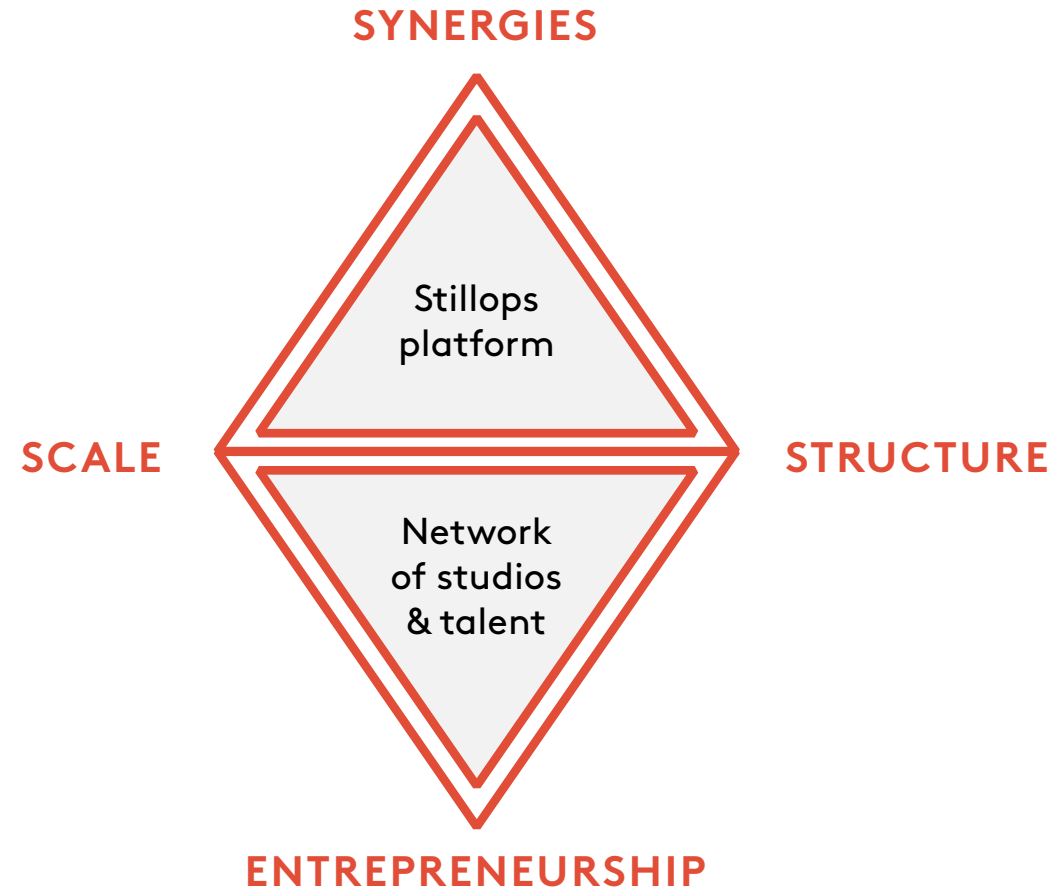


Stillfront's vision:
**We want to build the best games
company in the world**

Stillfront's fourth phase



OUR KEY CORPORATE PILLARS



We did not fully reach our ambitious scale targets

The financial targets
from November 2019:

4bn

SEK in revenues
by 2024

35%

adjusted EBIT
margin

The updated financial targets
from September 2020:

10bn

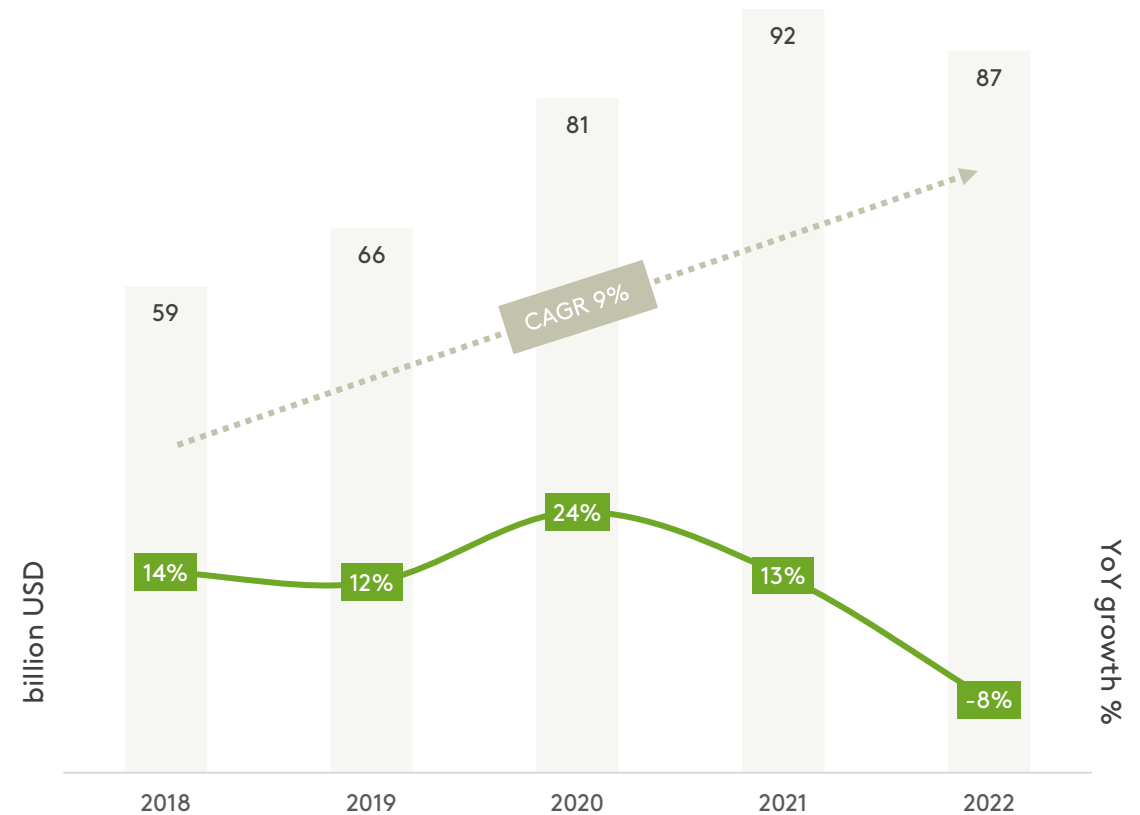
SEK in revenues
by 2023

35%

adjusted EBIT
margin

2022 was a difficult year for the mobile games industry

- › The global mobile games market declined in 2022 following several years of strong growth
- › Weak second half of 2022 expected to impact first half of 2023
- › Market expected to return to growth in coming years, with a long-term expected growth rate of 3-5%
 - › People are spending more time and money on games
 - › Strong growth driven by new markets including Middle East & Africa and Latin America



There have been headwinds, but we could also have done things better in 2022



- › Certain product investments in the past year have not lived up to our ROI requirements
 - › One-time amortization related to specific products communicated in Q4
- › Insufficient focus on growing margins in studios that have not grown revenues
- › Ad revenues have not grown in line with in-app purchases

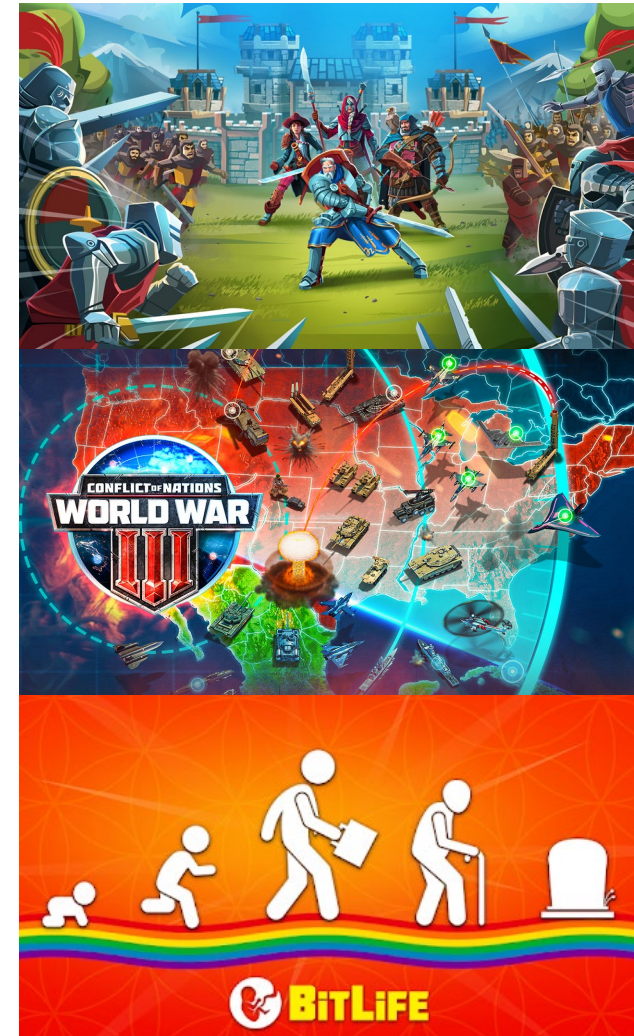
A stable business with high margins and strong cash generation

- › Stillfront significantly outgrew the mobile games market in 2022
- › Generated strong free cash flow despite elevated product investments
- › Maintained strict payback requirements on user acquisition spend with a 180-days ROAS well above 100 percent
- › Added 14 new titles to the active portfolio, of which several based on existing and successful Stillfront franchises
- › The Stillops platform enabled synergy projects between studios and has created significant value for Stillfront during the year



Successful game franchises are important for continued growth and profitability

- › Stillfront has a diversified portfolio of major game franchises
 - › Five game franchises >500 MSEK in bookings in 2022
 - › Twelve game franchises >200 MSEK in bookings in 2022¹
- › Existing game franchises have large and loyal user bases that generate recurring revenue
- › Focusing product investments on established game franchises increases success rate, while reducing development time and cost



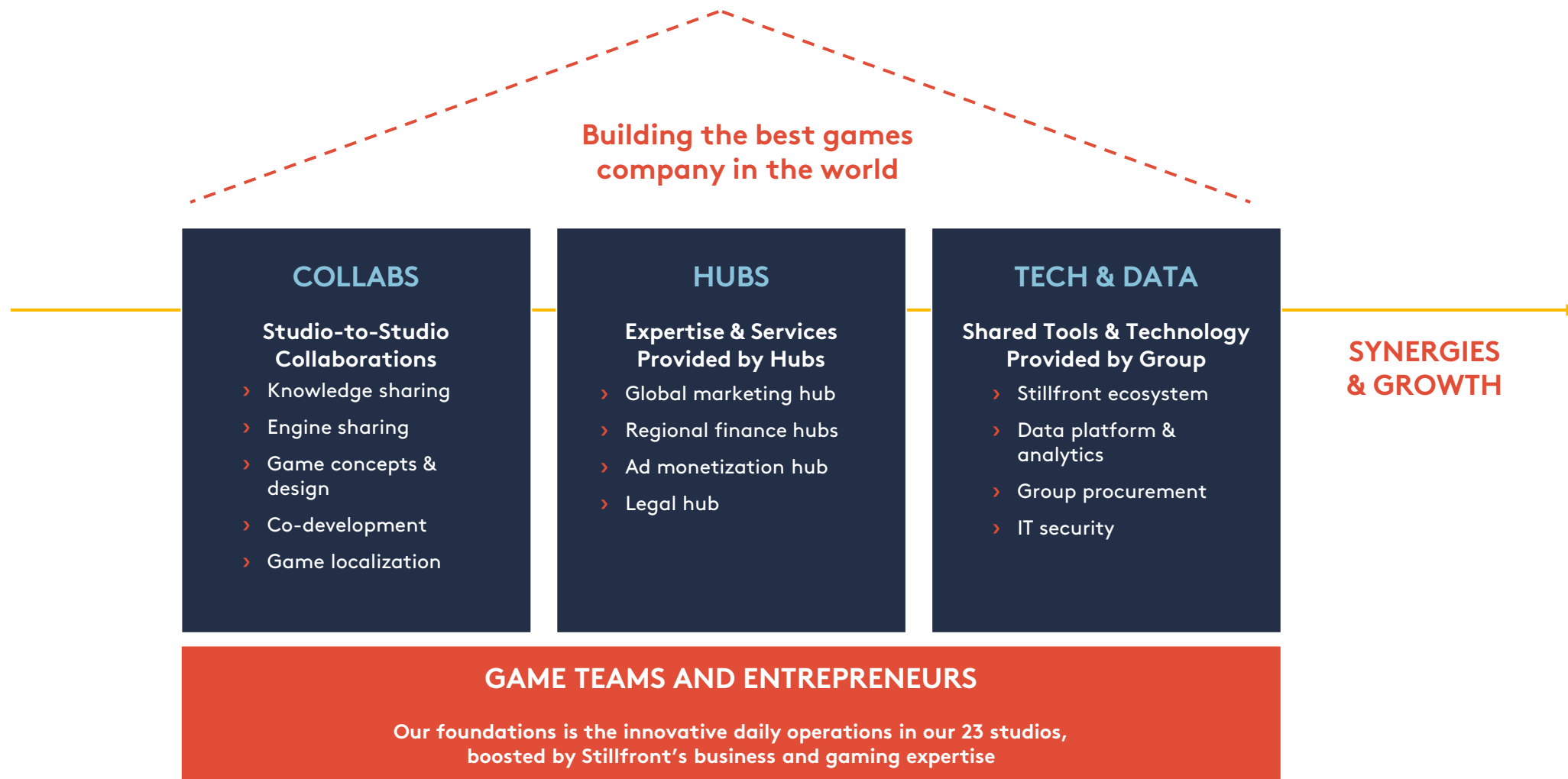
¹ Includes the five franchises mentioned in the bullet above

Core strategy:

We connect and empower the best game teams around the world through our unique Stillops platform



Stillops unlocks value for our studios



We will continue to grow with high margins and strong cash generation to deliver value for our shareholders

- › Leverage our diversification
 - › Continued strict payback targets on user acquisition enabled by dynamic allocation across our diversified portfolio
- › Leverage our franchises
 - › Allocate product investments to focus on strengthening and growing existing game franchises
- › Further development and investment in the Stillops model
 - › Follow-up on financial impact of generated synergy projects
- › Focus on continued strong cash flow generation
 - › Launch of share repurchase program



A new phase requires new financial targets

1.

Annual organic revenue growth above addressed market¹

Supported by selective and accretive M&A

2.

Annual adjusted EBITDAC² margin in the range 26-29%

3.

Leverage ratio³ below 2.0x

Including cash earnouts next 12 months

Stillfront Group's updated financial targets will be followed up annually and are valid until further notice

¹ The addressed market is defined as the global mobile games market excluding China, using average market growth numbers from data.ai, Newzoo and Sensor Tower.

² Adjusted EBITDAC is defined as profit before interest, tax, depreciation, amortization, less capital expenditure, adjusted for items affecting comparability.

³ Leverage ratio is defined as net interest-bearing debt including short-term earnout payments in relation to the last twelve month's Adjusted EBITDA pro forma. Stillfront may, under certain circumstances, choose to exceed this level during shorter time periods.

Breaking down Stillfront's financials

Andreas Uddman, CFO

Stillfront has scaled to a global games company

Net revenue 2022
>7 billion SEK

3.6x

in 3 years¹

Adjusted EBIT 2022
>2 billion SEK

3.1x

in 3 years

CFFO 2022
>2 billion SEK

4.2x

in 3 years

23 studios
2022

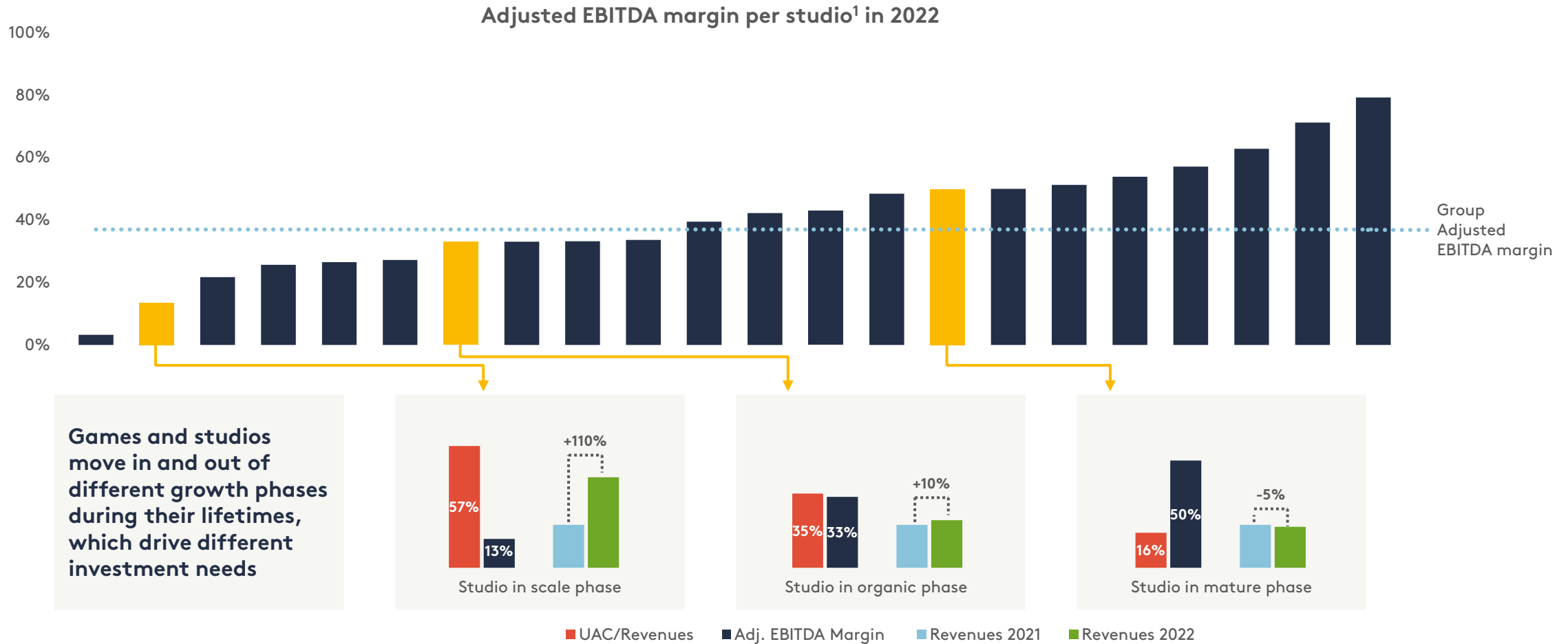
+10

in 3 years

¹ Full-year 2022 compared to full-year 2019

ALLOCATION OF USER ACQUISITION

A diversified portfolio of games and studios enable for efficient capital allocation of user acquisition

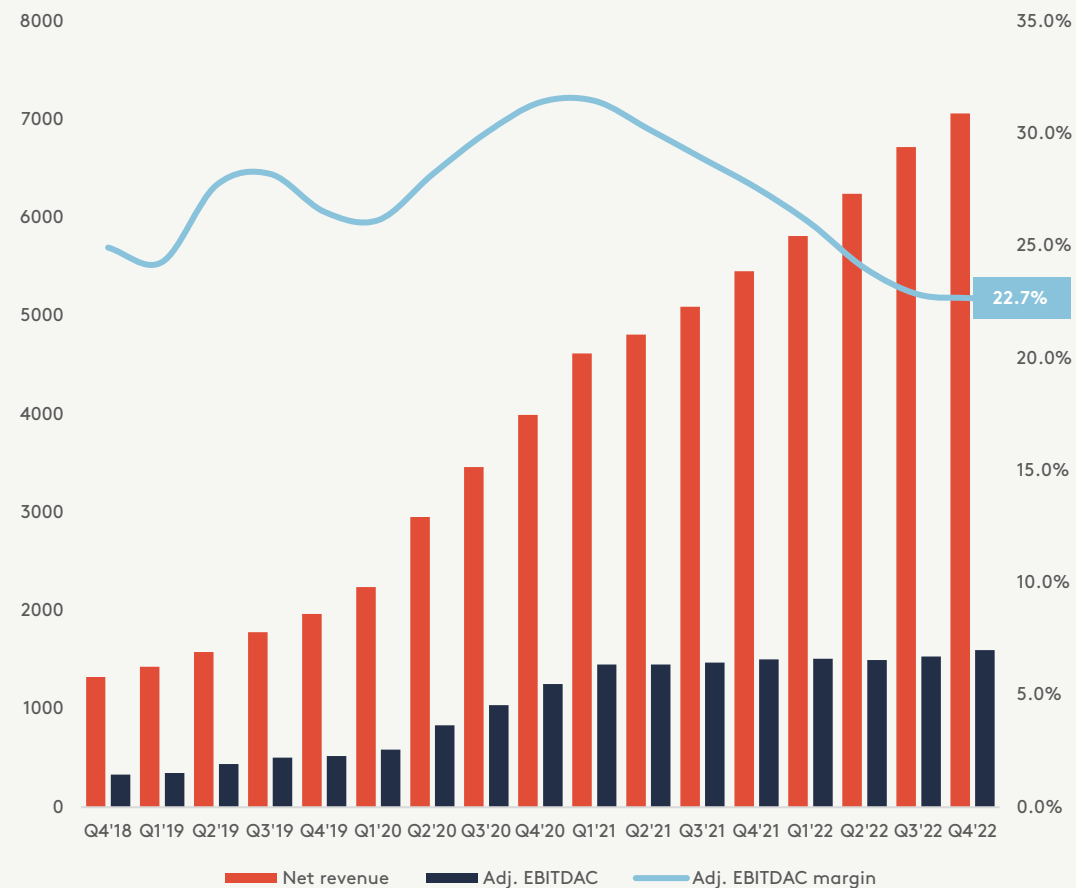


¹ Goodgame Studios and New Moon Production shown together in graph

A profitable and growing business

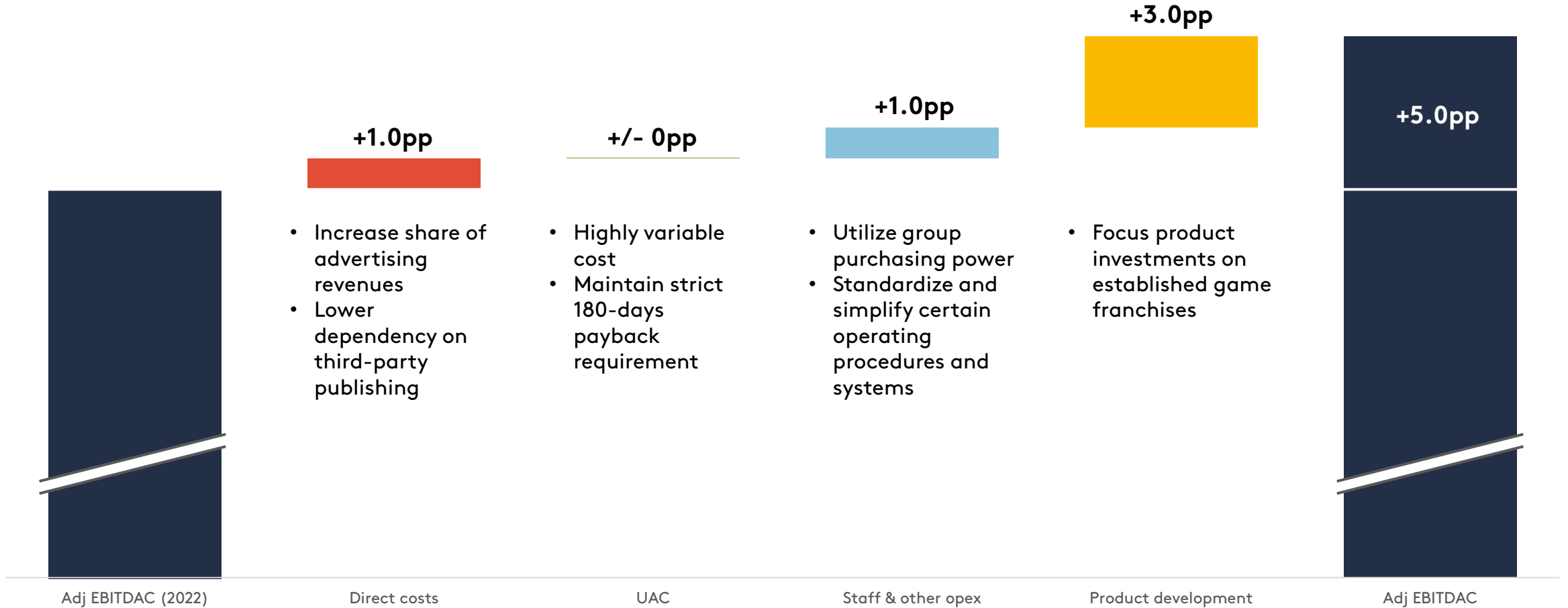
- › New financial target to reach Adj EBITDAC¹ at between 26 and 29 percent
- › Adj EBITDAC a good measure of underlying value creation in the business
- › Adj EBITDAC intentionally lower in 2022 following strong investment push in new game development
 - › Profitability levels will fluctuate between quarters
- › Clear path to return to historic levels of profitability

Stillfront Group adjusted EBITDAC LTM quarterly 2018-2022



¹ Adjusted EBITDAC is defined as profit before interest, tax, depreciation, amortization, less capitalized product development, adjusted for items affecting comparability

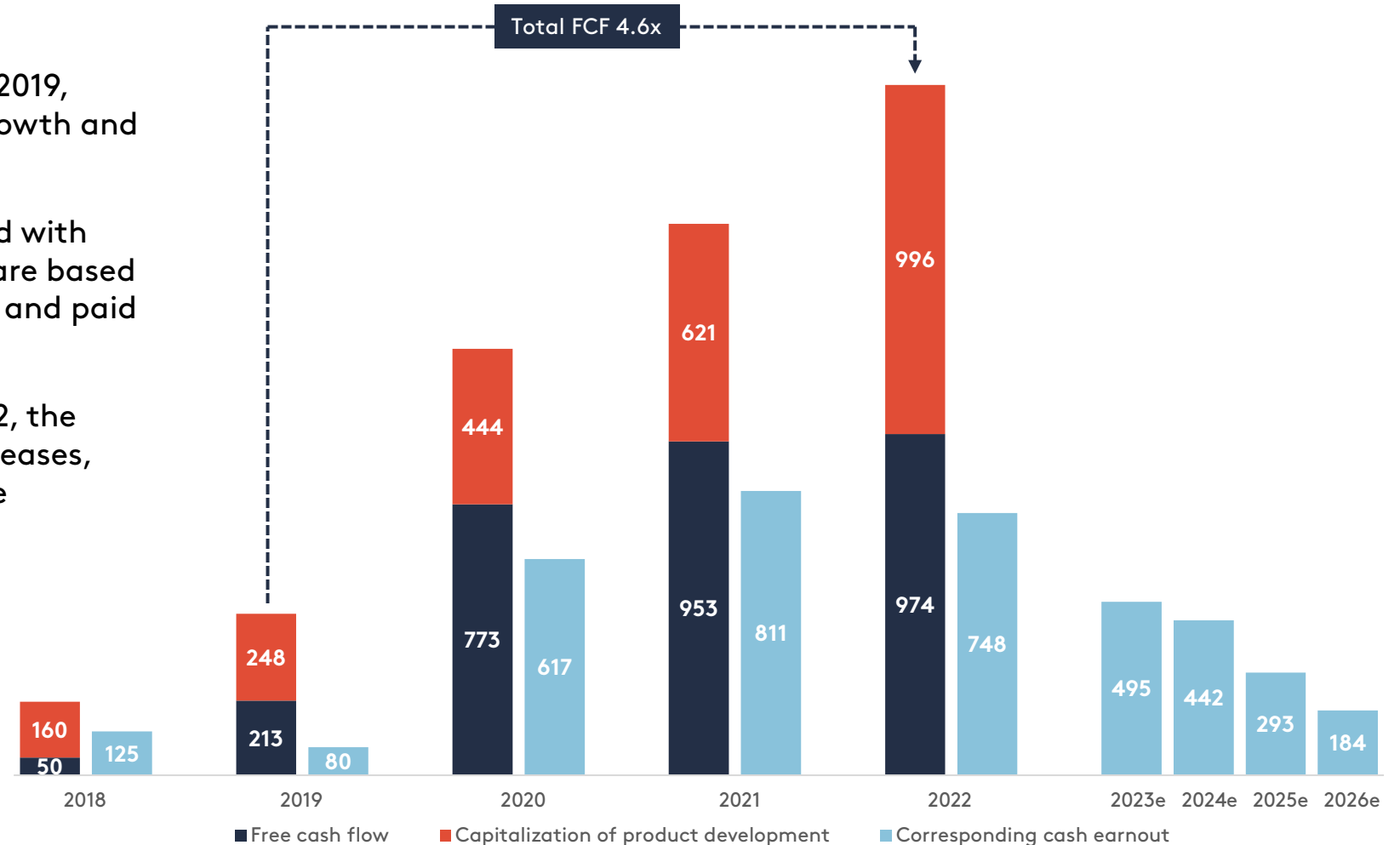
Clear path to further strengthened profitability



Please note: The graph above is an illustrative example and should not be regarded as guidance

Strong growth in cash flow generation

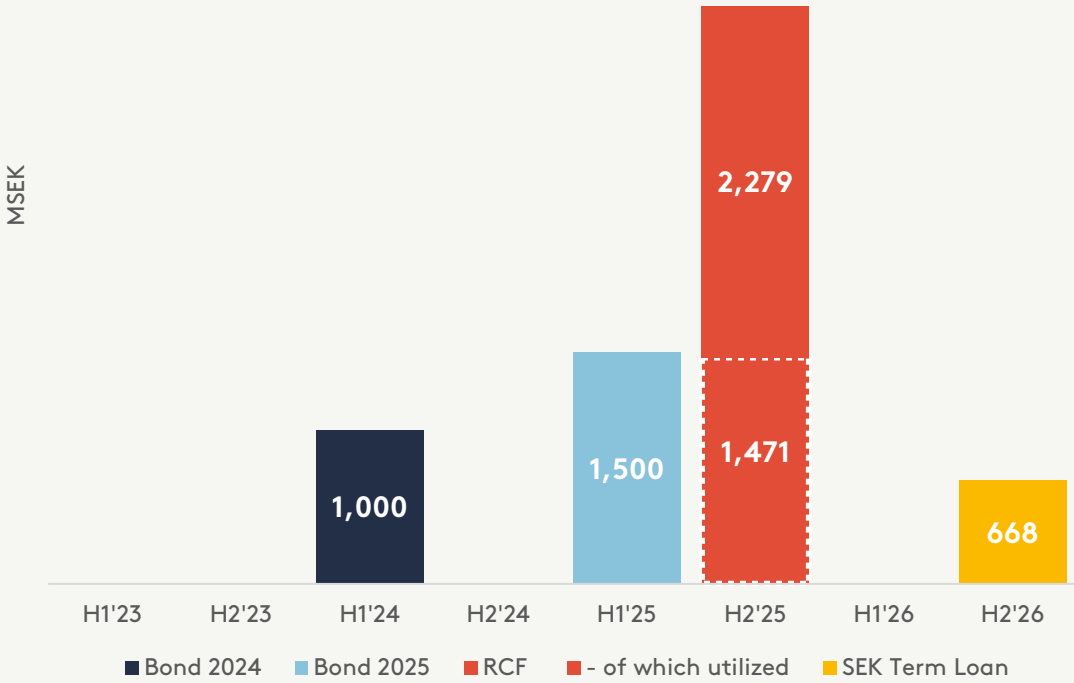
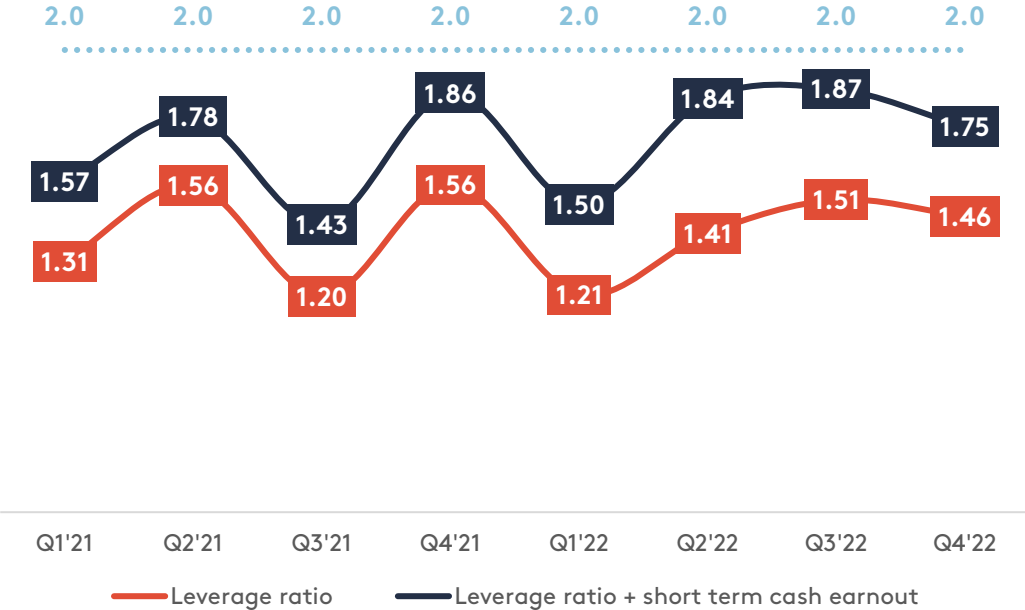
- › Stillfront has grown FCF by 4.6x since 2019, driven by a combination of organic growth and acquisitions
- › Acquisitions have been partly financed with earnout component, where earnouts are based on the acquired studios' performance and paid the following year
- › As M&A activity has been lower in 2022, the number of studios under earnout decreases, while the studios continue to generate significant cash flows



Continued conservative leverage and well-balanced maturity profile

Continued conservative leverage ratio in line with historic levels

Well-balanced maturity profile with no interest-bearing debt maturing in the coming twelve months



¹ Stillfront's leverage ratio is defined as net interest-bearing debt, including short-term cash earnout payments, in relation to the last twelve month's Adjusted EBITDA pro forma. Stillfront may, under certain circumstances, choose to exceed this level during shorter time periods.

Strong balance sheet and cash flow generation creates financial flexibility

- › New financial targets communicated today with a clear outlined path to reach them
- › Strong cash generation, following several years of building scale
- › Good financial position with a diversified financing platform and balanced maturity profile



Building a sustainable gaming business

Sofia Wretman, EVP Communications & Sustainability

The world loves to play digital games

>3bn
gamers

More than 3 billion people play digital games globally, with almost 2.7 billion playing on mobile



Everyone is playing. Average age of a gamer in the US is 33 years old (almost 80% >18) and female gamers make up 48% of the population

Gen Z and Gen Alpha are turning to games as their primary source of entertainment and socializing.

~60m

**monthly active users means
we have a large responsibility**

We want to make a positive impact in our gamers' everyday lives.

To achieve this, we create social, entertaining and affordable games that can be enjoyed in a sustainable way.

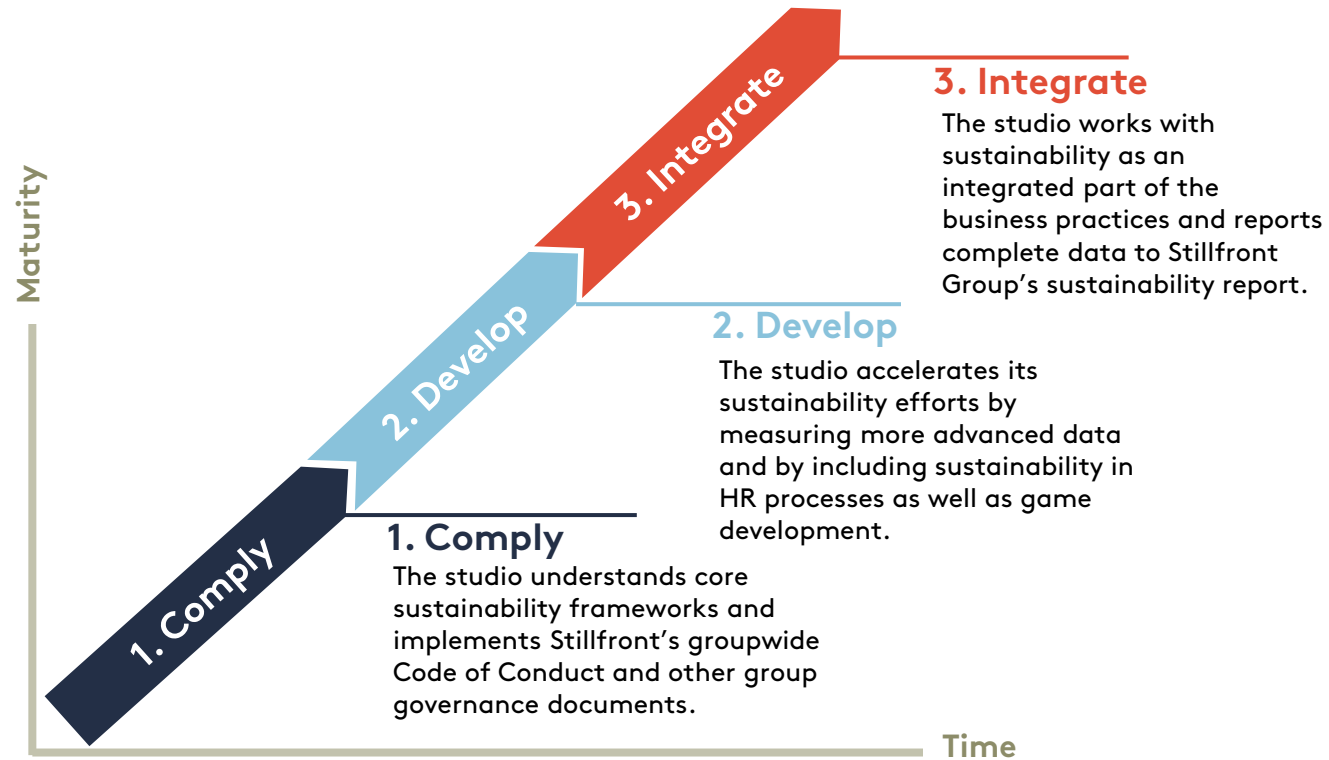


Our sustainability roadmap

The roadmap presents the way forward for Stillfront studios to advance the sustainability commitment in the operations.

The roadmap is divided into three phases:

1. Comply
2. Develop
3. Integrate



Sustainability achievements up until 2022

2019

2020

2021

2022

Environmental

Initiated data collection
Climate neutral since 2019

Social

Gender balance: men/women
Board 50/50
Group 74/26

Governance

Materiality assessment
Management workshop
Sustainability strategy and framework established

Environmental

Climate forum established
Climate neutral 2020

Social

Gender balance: men/women
Board 50/50
Group 74/26
Introduced talent management program

Governance

Introduced a Speak-Up system
90 % trained in of code of conduct
FAIR declaration introduced

Environmental

Climate reduction impact analysis
Climate neutral 2021

Social

Gender balance: men/women
Board 50/50
Group 70/30

Governance

Sustainability training
UN's Sustainable Development Goals included in reporting
Global Compact Signatory



Environmental

Commitment to Science Based Targets initiative, SBTi
Set emission reduction targets

Social

Living our values forum established
Extended focus on employee satisfaction & wellbeing

Governance

Taxonomy reporting
Established the ESG playbook
Implemented online reporting tool
Regular data privacy and data protection trainings

Focus areas for 2023



Continue strengthening our data privacy controls throughout the group



Increase our focus on talent management across the group



Implement a reduction plan and targets according to the Science Based Targets initiative (SBTi)

Operationalizing Stillops to level up synergies

Amy Lee, SVP, Synergies & Operations

Amy Lee - SVP, Synergies & Operations



- › Joined Stillfront in 2021. Focused on maximizing the value of Stillfront's ecosystem of growing game studios, while providing support and governance to designated studios
- › 15+ years of experience in the gaming industry across product management, live operations, user acquisition and marketing
- › As Head of Product Management for Mobile, built and led the Product Management group at Blizzard Entertainment across all incubation Mobile titles, including *Diablo Immortal*
- › Led Blizzard's Mobile capabilities assessment and development efforts across disciplines



Stillfront has taken a structured approach to expanding and operationalizing the Stillops platform in 2021-2022

1.

Determine studios' key capability gaps and critical needs

2.

Determine approach to closing gaps

3.

Prioritize 2023 focus areas

4.

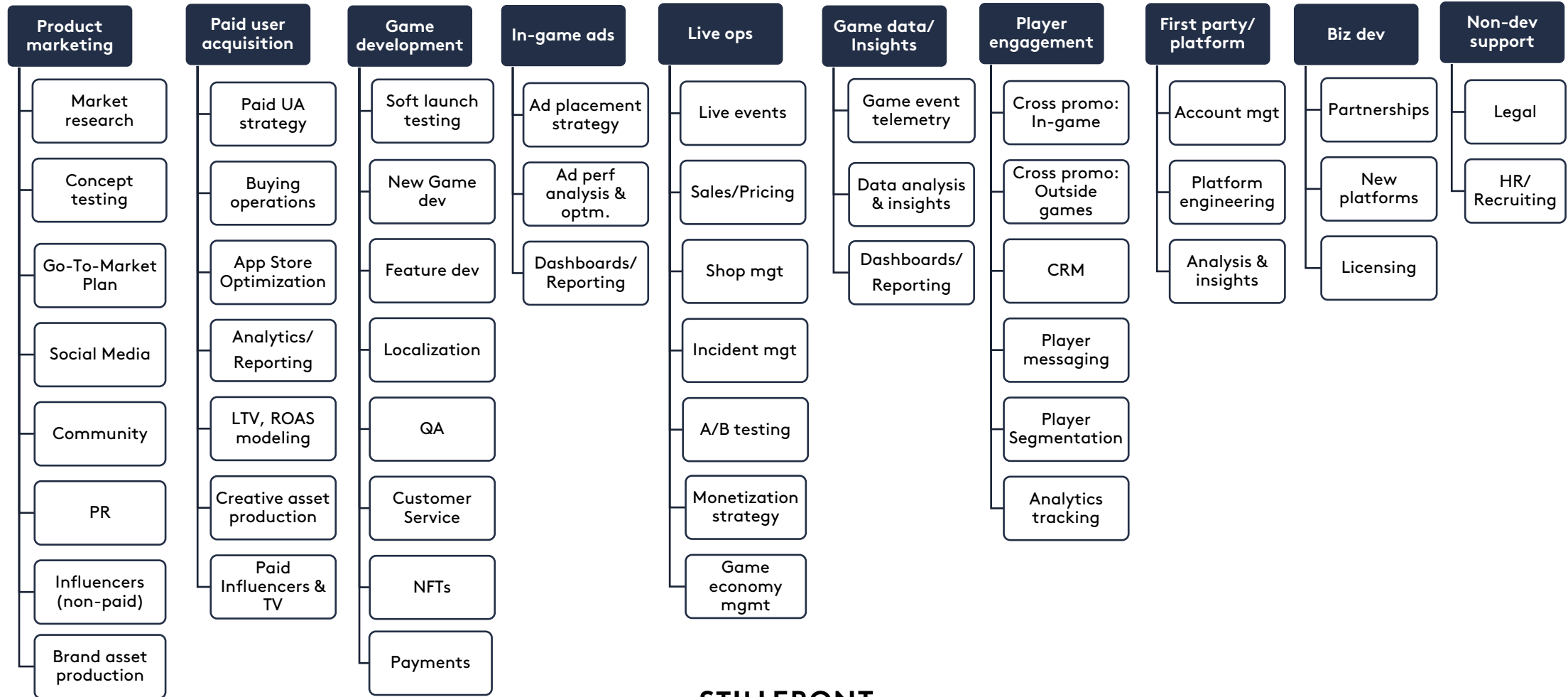
Define clear success metrics

5.

Track and communicate synergy impact

- › Stillfront has taken a more **structured and disciplined** approach to building and operationalizing the Stillops platform in 2021 and 2022
- › A **comprehensive capabilities assessment** was conducted across Stillfront's studios to determine key capability strengths and gaps and **critical needs identified by our studios**
- › **Assessment result** helped set **clear priorities** to ensure an appropriate type and level of investment were being made in leveling up Stillops
- › **Clear success metrics** have been defined

A comprehensive capabilities assessment was conducted to determine key strengths and gaps across Stillfront studios

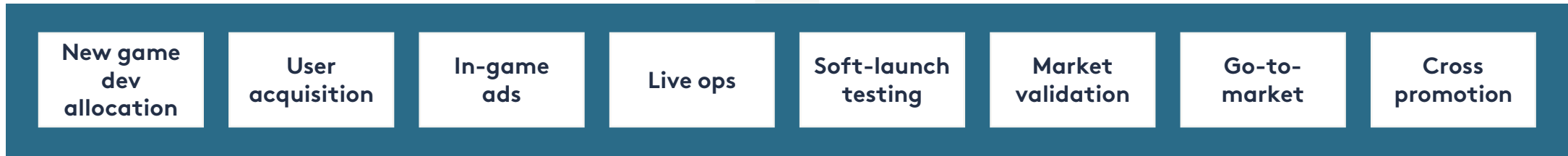


Guided by the assessment results, Stillops is being leveled up to close key capability gaps and amplify existing strengths

Track & communicate impact



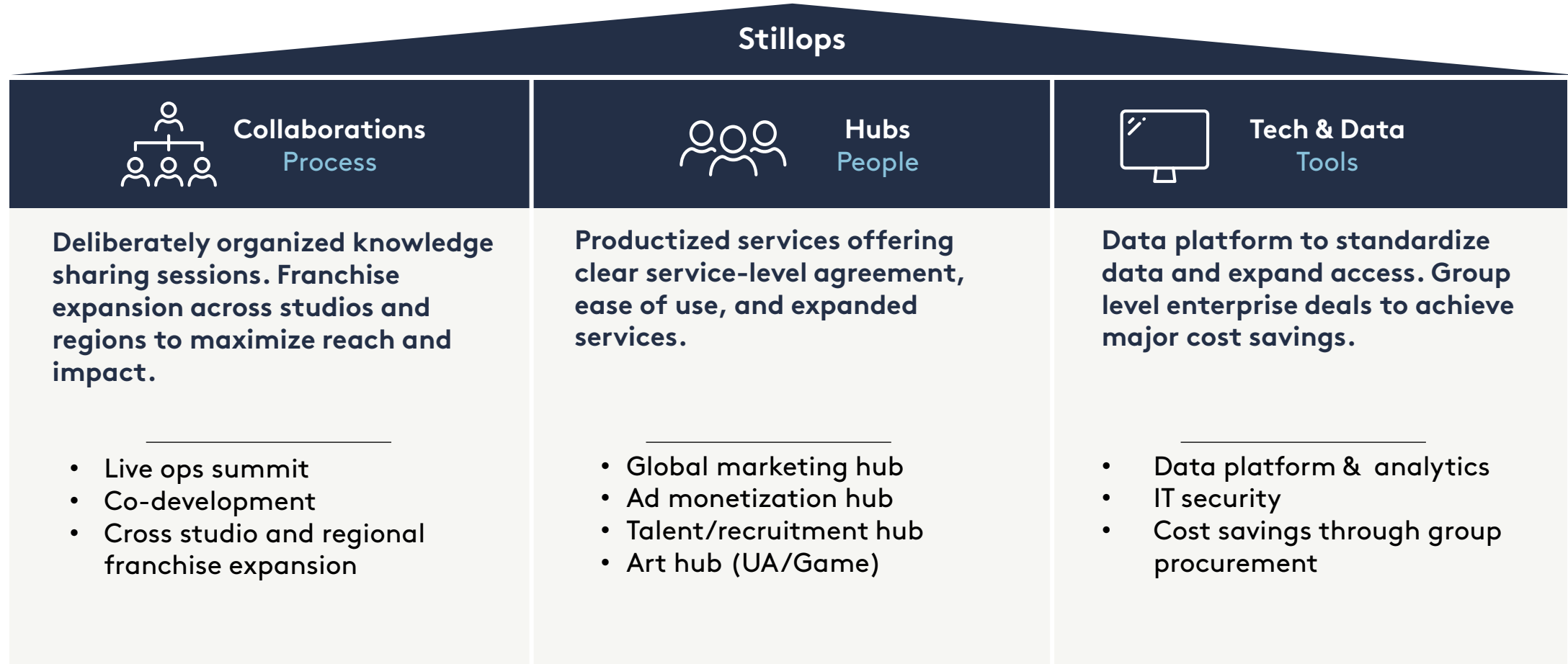
Key capabilities focus areas in 2023



Underlying assets



Stillops accelerates synergies by leveraging our assets and capabilities to maximize cost efficiency and growth

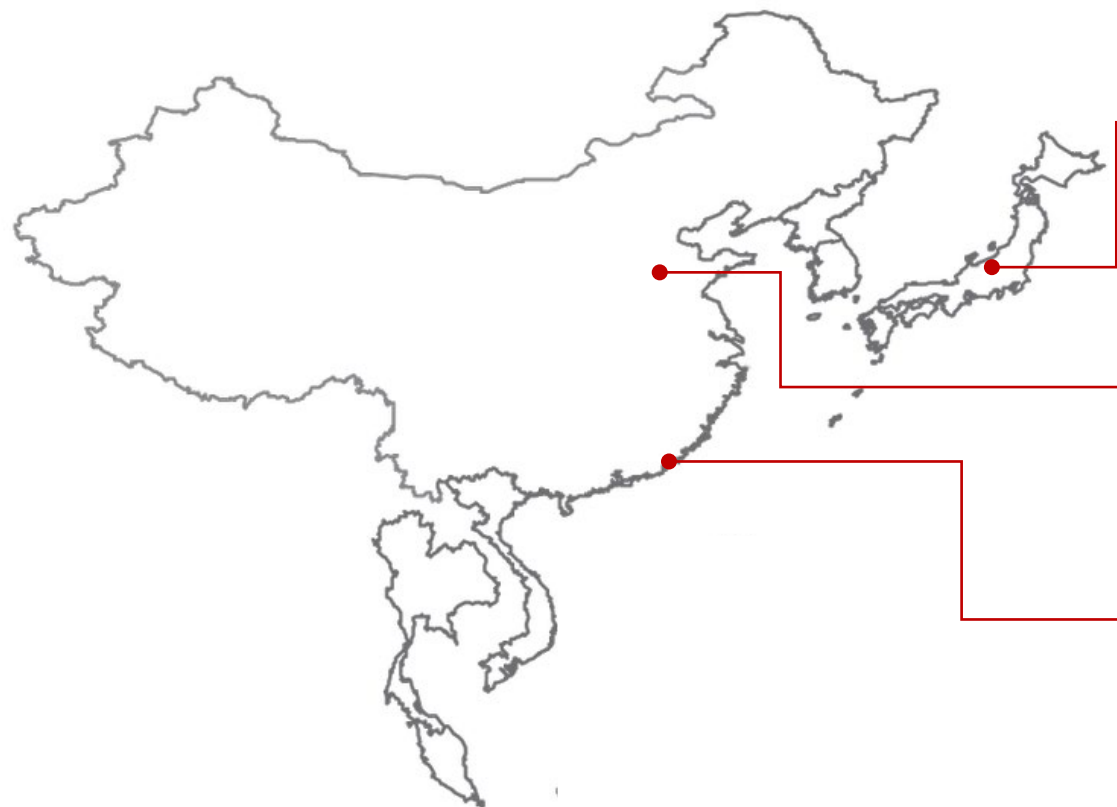


6waves

A leading mobile game publisher in Asia



Operation Offices in Key Asian Markets



Tokyo 东京

Established in 2011

- Full publishing and operation support in Japan
- Local marketing, community and customer services
- 25 Headcount

Beijing 北京

Established in 2011

- Game development: in-house development team
- Publishing: Business Development in China
- 56 Headcount

HK HQ 香港

Founded in 2008

- Headquarters of the group
- Worldwide publishing and operation support
- 33 Headcount



Top Games

Leader in 4X strategy games in Japan

3K SLG - Mar 2018



Tenchi - Mar 2019

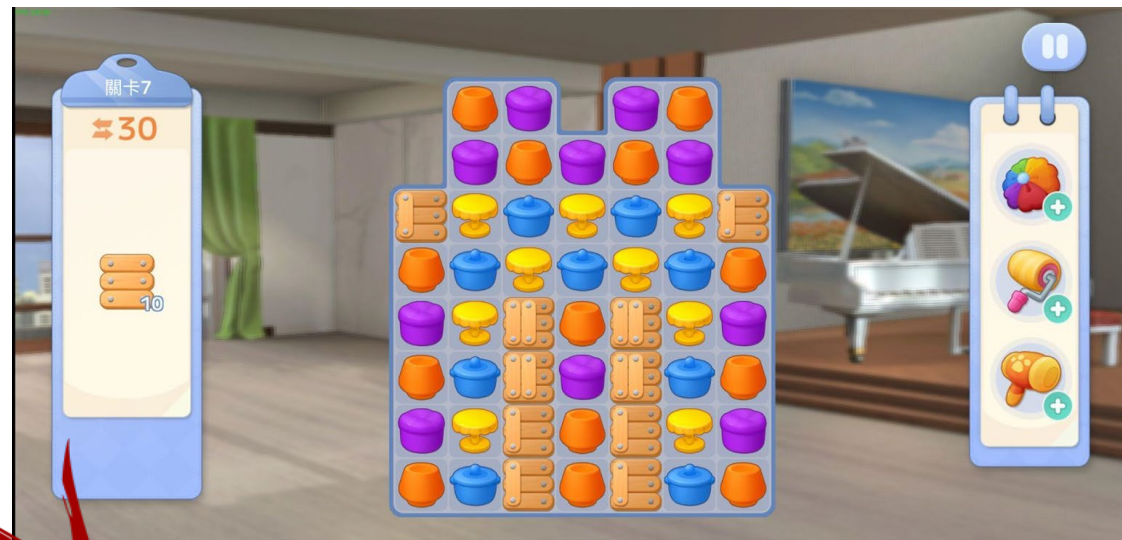
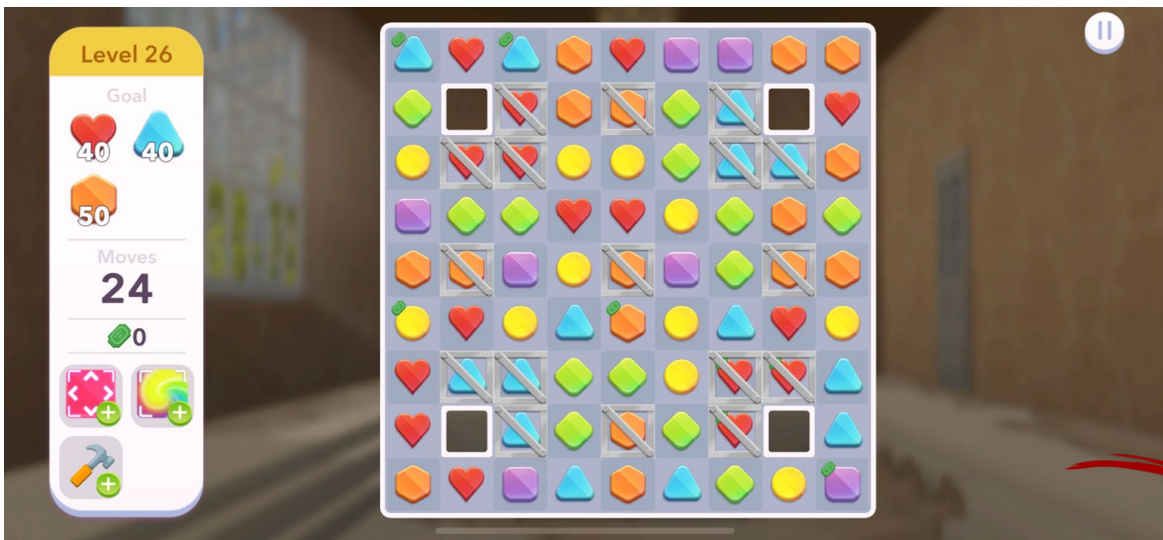


Shishi - Aug 2019



Remake of Home Design Makeover for Asia

Japanese style characters, high saturation graphics, colorful text



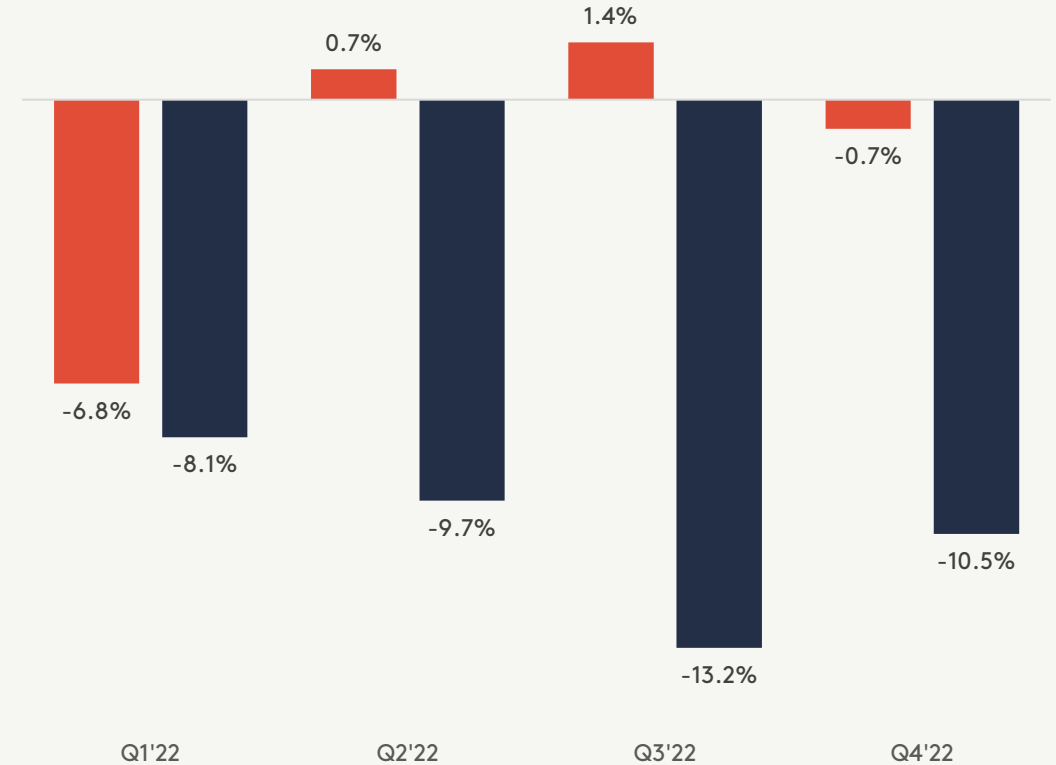
Outgrowing a challenging market

Phillip Knust, CPO

Stillfront outgrew a challenging market in 2022

- › The gaming market was under pressure in 2022 due to tough comparison with the COVID years and a challenging market environment
- › Stillfront consistently outgrew our peers in 2022
 - › Strong live ops, especially within strategy product area, compensated for potential weakness in consumer spending
 - › Stillfront live ops summit established in 2022 with >40 monetization and live ops experts from across the group meeting in-person to tackle challenging market environment
 - › Challenging ad-monetization environment partly compensated by optimizing hybrid monetization
 - › Investments in new game development delivered significant growth of new game revenue
- › The mobile market environment is expected to remain tough in H1 2023 and Stillfront’s strong fundamentals continue to be an edge

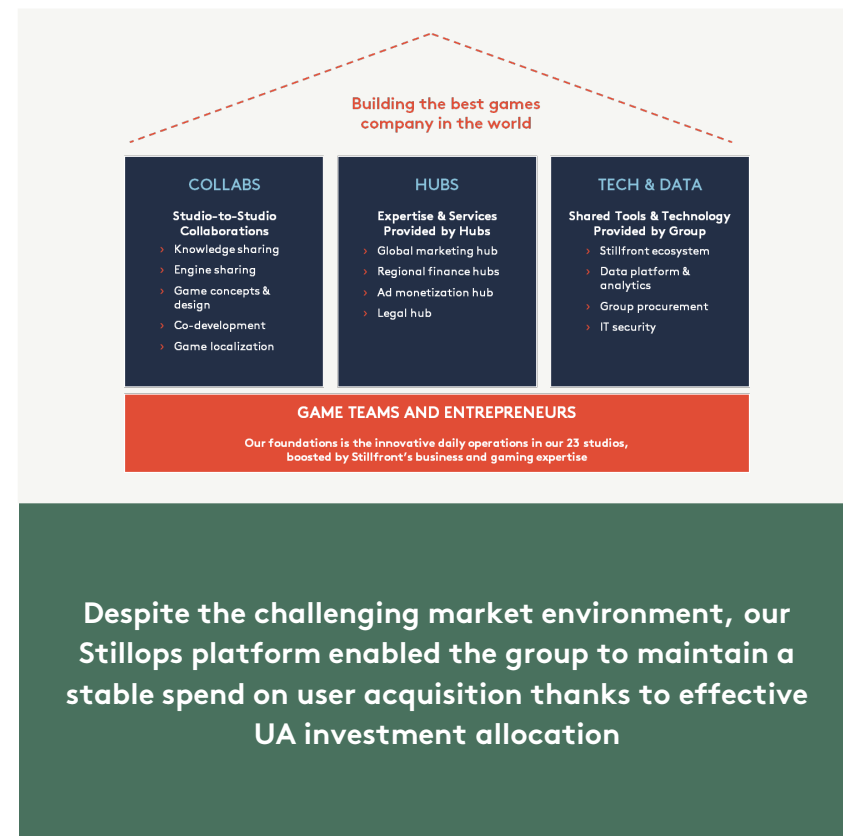
Stillfront vs. mobile games market in 2022



¹ Mobile games market growth defined as average growth in reported consumer spend in mobile games from data.ai (excl. China) and Sensor Tower

Stillfront's diversification a competitive advantage during 2022

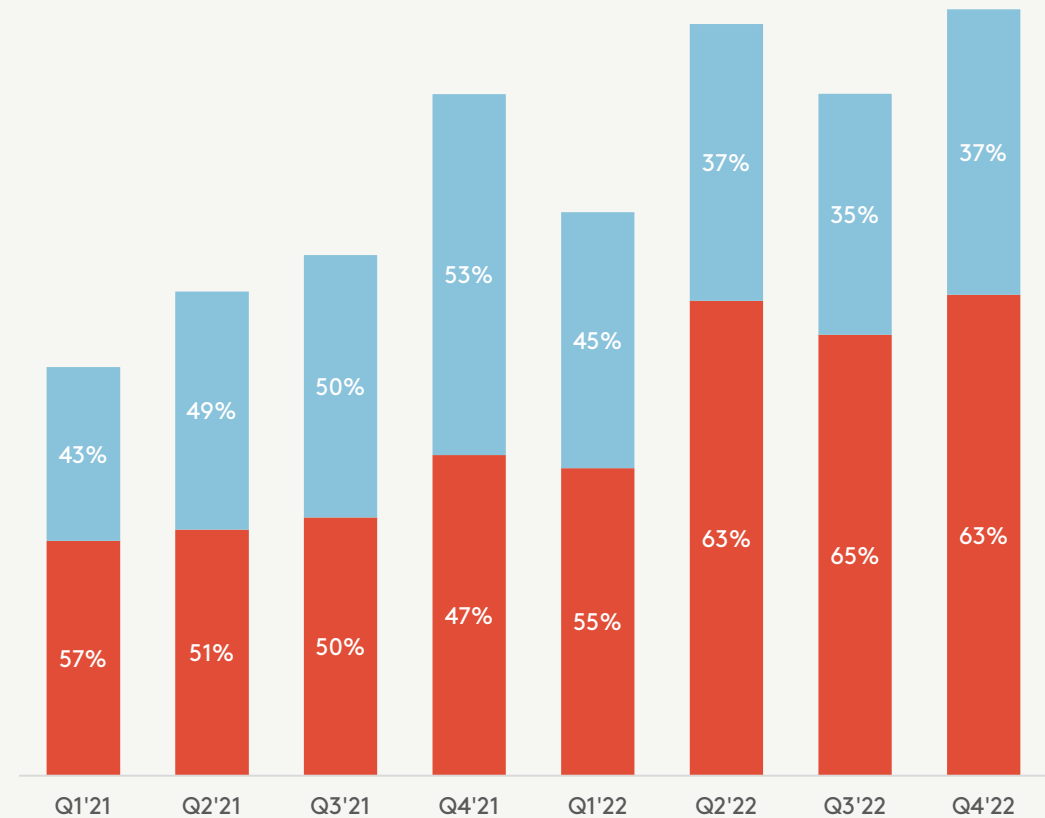
- › 2022 was the first post-pandemic year with no lockdowns in our target regions, high spring/summer seasonality and the FIFA World Cup in the fall
- › Apple's privacy changes affected most of our marketing partners, platforms and channels
 - › Generally, the market sees lower performance on iOS and higher prices on Android, as spending shifted to different channels
 - › Facebook's market share rapidly declined, while video networks benefited the most
 - › Some competitors reacted by further expanding their ROI windows, putting pressure on our strict 180-day-ROI profitability standards
- › Stillfront's high platform and marketing channel diversification limited exposure to iOS and Facebook, allowing dynamic allocation to best performing channels
- › Creative testing and fast exchange of successes via the Stillops platform is a key for success in the post-IDFA world
- › Limitations in marketing targeting on iOS could mostly be compensated thanks to Stillfront's diversification in channels, games and markets
 - › The expected impact on high LTV games (e.g. strategy genre) was limited because of Stillfront's strength in data analytics and LTV prediction
 - › The biggest disadvantages were visible when launching new games



Boosting hybrid monetization to grow bookings

- › The economic uncertainty caused brand marketers to cut back on their spending in 2022, negatively affecting ad monetization
- › For ad monetization partners who prioritize brand marketing, we observed an eCPM¹ decline of more than 70% YoY
- › Because these partners are often set up to only provide non-performance-driven brand marketing, a lack of demand usually does not mean that the game teams can benefit from cheaper ad placements for their own marketing
- › This resulted in an imbalance of a low eCPM and a high CPI² for games marketing and should have been particularly detrimental to the casual and hyper-casual gaming market segments
- › Stillfront reacted by further diversifying ad monetization partners and boosting hybrid monetization in certain studios
 - › Ad bookings declined by -8.8% organically on group level in 2022
 - › Candywriter grew +19% organically YoY in 2022, in parts by increasing share of in-game bookings YoY, from 47% to 63% in Q4

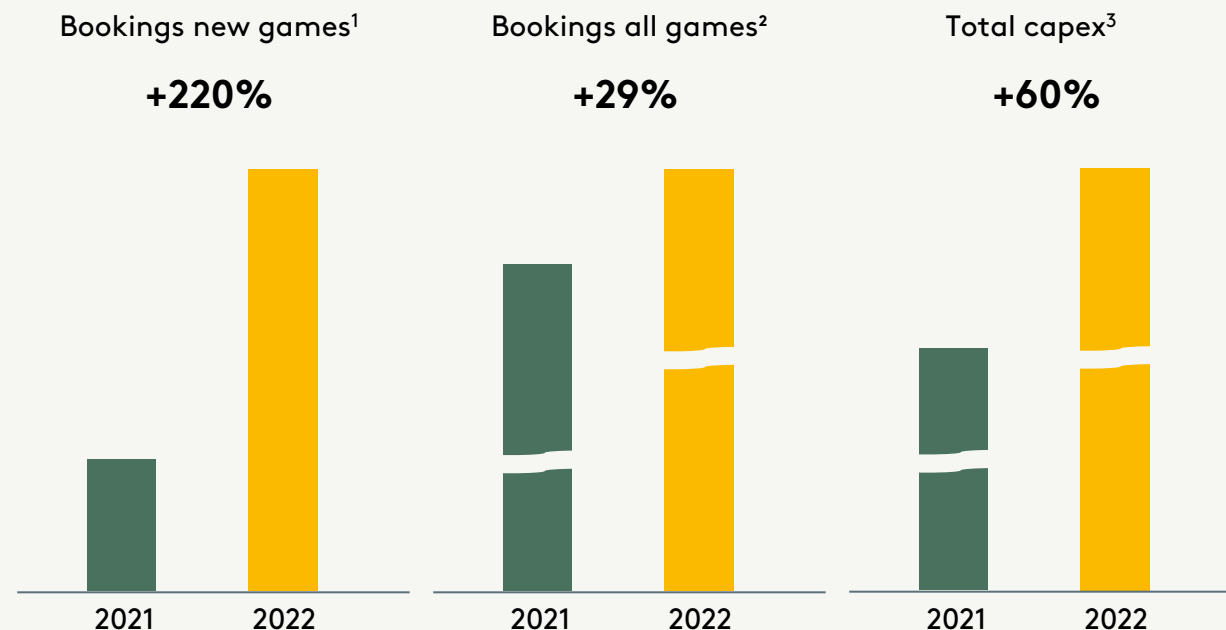
Candywriter's quarterly bookings 2021-2022



¹ eCPM: Effective cost per thousand impressions, a standard definition for revenue made by ad impressions
² CPI: Cost Per Install, the standard definition for costs applied to install based marketing traffic

Significant investments in new game development

- › Scaling new games was especially difficult in 2022, but we saw success with launching new games in our franchises, while cutting back on less promising projects
- › Stillfront grew the active portfolio by 14 games in 2022, of which 8 were organic launches
- › 2022 was an investment year, marking a significant growth in capex, which drove increased bookings from new games
 - › Specific new unsuccessful game development projects also led to a one-time amortization in Q4
- › As game development projects are completed, profitability increases and for 2023 we expect the bookings from new games to increase and capex to come down
- › Stillfront will seek to strengthen existing franchises and further diversify active games portfolio, allocating capital where we have seen the best returns



Significant growth new games bookings YoY following increase in investments. Many titles developed in 2022 will not be launched until 2023.

¹ Comparing FY bookings of all newly launched games each year, excluding asset acquisitions

² Comparing FY bookings of all games (organic and acquired)

³ Comparing FY capex on games and other sources

Stillfront's diversified portfolio of major game franchises

- › Stillfront has a diversified active portfolio of 78 game titles across three product areas
 - › The portfolio includes large, established franchises, as well as smaller, niche products
- › Stillfront's established game franchises have large and loyal user bases, strong brands and are evenly distributed over Stillfront's three product areas
- › Stillfront's franchises benefit from partly diverse branding for optimized marketing and a wide array of addressable audiences
- › Focusing investments on existing franchises and decreasing spend on projects outside of the proven franchises increases expected ROI
- › 7 of 8 games added organically to the active portfolio in 2022 were part of existing franchises

>200 MSEK

Bookings generated by each of Stillfront's 12 largest franchises in 2022

>500 MSEK

Bookings generated by each of Stillfront's top 5 franchises in 2022

HIGHLIGHTED FRANCHISES



Home Design
>820 MSEK in bookings in 2022



Empire
>11 billion SEK in lifetime bookings



Supremacy
5 studios working on franchise, achieving a >100% YoY growth



BitLife
#1 life simulator worldwide¹



Jawaker
#1 classic games in MENA region²



Albion
Expanded to mobile in 2021 and launching Asia version in 2023

STILLFRONT
GROUP

¹Worldwide highest ranking in Life Simulation category by bookings

²Highest ranking in Tabletop category in MENA region, excluding Ludo Games

Growing by leveraging Stillfront's franchises

Allocating capex in profitable franchises to optimize return on investment

Co-development with multiple studios for features and new games

Regional expansion with culturalized games

Marketing channel and audience diversification

Special projects focused on most valuable franchises

IP licensing and partnerships

Studio deep-dive: Jawaker

Alexis Bonte, COO Stillfront Group

Mohamad Haj Hasan, CEO Jawaker

What is Jawaker?

Jawaker is a **social card gaming platform** hosting over 40 of the **most popular Middle Eastern social and cultural games** under “one roof”.

Jawaker is a technical company at its core. **We develop all our games completely in house.**



Over 40 Games!

Including Tarneeb, Trix, Baloot, Dominoes, Uno, Tawla, Hand, and many more.

Active Users:

Daily
~1.6m

Weekly
~3.2m

Monthly
~5.0m

Number of Employees **101**



Male

63%



Female

37%



Tech

36%



Non-Tech

64%



Summary & wrap-up

Stillfront in a strong position to continue its growth journey for many more years to come

- › We will leverage our scale and diversification, to continue to build the best games company in the world
 - › Focus on strengthening and growing existing game franchises
 - › Continued strict payback targets on user acquisition
 - › Further development of the Stillops model, with a structured approach to tracking and communicating synergies
- › Focus on continued strong cash flow generation and profitability
- › Financial targets in place that better reflect the value generation potential in the business going forward



STILLFRONT GROUP

