

Press release

Stockholm 2020-01-22



Notice

of extraordinary general meeting in Stillfront Group AB (publ)

The shareholders of Stillfront Group AB (publ), reg. no. 556721-3078 ("Company"), are hereby convened to the extraordinary general meeting on Friday, 7 February 2020 at 4:00 p.m. The general meeting will be held at the offices of the law firm Advokatfirma DLA Piper Sweden KB at Kungsgatan 9 in Stockholm.

The right to participate at the general meeting etc.

Shareholders who wish to participate at the general meeting shall i) be registered in the share register kept by Euroclear Sweden AB on the record day which is Saturday, 1 February 2020 (please note that the record day is on a Saturday, which means that the shareholders must be registered in the aforementioned share register no later than by Friday, 31 January 2020), as well as ii) notify the Company of their intention to participate at the general meeting no later than by Monday, 3 February 2020 by way of mail to Stillfront Group AB (publ), "Extraordinary General Meeting", Sveavägen 9, 111 57 Stockholm or by e-mail to ir@stillfront.com.

To be entitled to participate at the general meeting, shareholders with nominee-registered shares through a bank or other nominee must register their shares in their own name with Euroclear Sweden AB. Shareholders requesting such registration must notify their nominee well before Friday, 31 January 2020, when such registration shall have been executed.

The notification shall set out name/company name, personal ID number/registration number, number of shares held and, when applicable, number of advisors which may not exceed two.

Shareholders who are represented by proxy should submit a power of attorney concurrently with the notice of participation. The power of attorney shall be in writing, dated and signed. The original power of attorney shall be brought to the general meeting. Power of attorney forms are available on the Company's website www.stillfront.com and sent free of charge to those shareholders who so request and state their postal address or e-mail address. Representatives of legal entities shall also enclose a copy of the registration

certificate or equivalent document which indicates the persons authorised to represent the legal entity.

Proposed agenda

1. Opening of the meeting
2. Appointment of the chairman for the meeting
3. Preparation and approval of the voting register
4. Approval of the agenda
5. Election of one or two persons to approve the minutes
6. Examination of whether the meeting has been duly convened
7. Approval of the resolution by the board of directors on directed share issue
8. Approval of the resolution by the board of directors on directed share issue
9. Resolution on directed share issue paid by set-off
10. Resolution on authorization for the board of directors to issue shares, convertible instruments and warrants
11. Closing of the meeting

Principal proposals for resolutions

Approval of the resolution by the board of directors on directed share issue (item 7)

The board of directors has, on 21 January 2020, resolved upon a directed share issue. The resolution is subject to the approval of the general meeting. The resolution by the board of directors includes the following terms:

1. The Company's share capital shall increase by not more than SEK 369,401.90 through an issue of not more than 527,717 shares.
2. The shares shall be issued without preferential subscription rights for the Company's shareholders. The right to subscribe for the new shares shall vest in certain institutional investors who previously have announced their interest in subscription.
3. The subscription price shall be SEK 381, which is based on the price determined in an accelerated bookbuilding procedure carried out by Carnegie Investment Bank AB (publ), Swedbank AB (publ) and Nordea Bank Abp, filial i Sverige. Since the subscription price in the share issue has been determined through a bookbuilding procedure, it is the board of directors' assessment that the subscription price will be in accordance with market conditions.
4. The newly-issued shares shall be subscribed for on a subscription list no later than 21 January 2020.
5. Payment shall be made on the same day as the subscription of the newly-issued shares, however, no later than 21 January 2020.
6. The board of directors shall be entitled to extend the subscription period and the time for payment.
7. 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.
8. The board of directors shall be authorized to make any formal adjustments that may be required in connection with registration of the resolution with the Swedish Companies Registration Office or Euroclear Sweden AB, including but not limited to procuring that so called interim shares (Sw. betald tecknad aktie, BTA) shall be delivered to the subscribers.

The purpose of the new share issue and the reasons for the deviation from the shareholders' preferential rights are mainly to diversify the shareholder base among Swedish and international institutional investors and at the same time raise capital in a time efficient manner. The purpose of the share issue is to finance the acquisition of Storm8 Inc. and to provide the Company with additional equity capital in a quick and efficient manner in order to further strengthen the Company's future financial flexibility in line with the Company's communicated financial targets. The additional equity capital improves the Company's key performance indicators while enabling the Company to utilize on opportunities for continued profitable growth through acquisitions. The new share issue is carried out thorough a bookbuilding procedure managed by Carnegie Investment Bank AB (publ), Swedbank AB (publ) and Nordea Bank Abp, filial i Sverige.

The board of directors proposes that the general meeting approves the resolution as described above.

A valid resolution by the general meeting requires that shareholders holding not less than two-thirds of both the votes cast and the shares represented at the general meeting vote in favor of the proposal.

Approval of the resolution by the board of directors on directed share issue (item 8)

The board of directors has, on 21 January 2020, resolved upon a directed share issue. The resolution is subject to the approval of the general meeting. The resolution by the board of directors includes the following terms:

1. The Company's share capital shall increase by not more than SEK 183,726.90 through an issue of not more than 262,467 shares.
2. The shares shall be issued without preferential subscription rights for the Company's shareholders. The right to subscribe for the new shares shall vest in Laureus Capital GmbH.
3. The subscription price shall be SEK 381, which is based on the price determined in an accelerated bookbuilding procedure carried out by Carnegie Investment Bank AB (publ), Swedbank AB (publ) and Nordea Bank Abp, filial i Sverige. Since the subscription price in the share issue has been determined through a bookbuilding procedure, it is the board of directors' assessment that the subscription price will be in accordance with market conditions.
4. The newly-issued shares shall be subscribed for on a subscription list during the period 20-28 February 2020.
5. Payment shall be made no later than 24 February 2020.
6. The board of directors shall be entitled to extend the subscription period and the time for payment.
7. 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.
8. The board of directors shall be authorized to make any formal adjustments that may be required in connection with registration of the resolution with the Swedish Companies Registration Office or Euroclear Sweden AB, including but not limited to procuring that so called interim shares (Sw. betald tecknad aktie, BTA) shall be delivered to the subscribers.

The purpose of the new share issue and the reasons for the deviation from the shareholders' preferential rights are mainly to diversify the shareholder base among Swedish and international institutional investors and at the same time raise capital in a

time efficient manner. The purpose of the share issue is to finance the acquisition of Storm8 Inc. and to provide the Company with additional equity capital in a quick and efficient manner in order to further strengthen the Company's future financial flexibility in line with the Company's communicated financial targets. The additional equity capital improves the Company's key performance indicators while enabling the Company to utilize on opportunities for continued profitable growth through acquisitions. The new share issue is carried out thorough a bookbuilding procedure managed by Carnegie Investment Bank AB (publ), Swedbank AB (publ) and Nordea Bank Abp, filial i Sverige.

The board of directors proposes that the general meeting approves the resolution as described above.

A valid resolution by the general meeting requires that shareholders holding not less than nine-tenths of both the votes cast and the shares represented at the general meeting vote in favor of the proposal.

Resolution on directed share issue paid by set-off (item 9)

Following the Company's previously announced acquisition of the shares in Storm8, Inc., the board of directors proposes that the general meeting resolves to carry out an issue of new shares paid by set-off of claims in accordance with the following:

1. The Company's share capital shall increase by not more than SEK 1,337,469.7 through an issue of not more than 1,910,671 shares.
2. The right to subscribe for the new shares shall vest in the sellers of Storm8, Inc. The reason for the deviation from the shareholders' pre-emption rights is that the Company will fulfill its commitments made in connection with the acquisition of Storm8, Inc.
3. The subscription price shall be SEK 370.80. The basis for the determination of the subscription price is based negotiations with the subscribers and corresponds to the volume weighted average price of the Company's shares for a period of fifteen (15) trading days up to and including 20 January 2020 and a USD/SEK exchange rate of 9.44636.
4. The newly-issued shares shall be subscribed and paid for no later than 28 February 2020. Payment is made by way of set-off.
5. The board of directors shall be entitled to extend the subscription period.
6. 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.
7. The board of directors shall be authorized to make any formal adjustments that may be required in connection with registration of the resolution with the Swedish Companies Registration Office or Euroclear Sweden AB.

A valid resolution by the general meeting requires that shareholders holding not less than two-thirds of both the votes cast and the shares represented at the general meeting vote in favor of the proposal.

Resolution on authorization for the board of directors to issue shares, convertible instruments and warrants (item 10)

The board of directors proposes that the general meeting resolves to authorize 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 authorization to issue shares, convertible instruments and/or warrants. 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 authorization shall primarily be used for the purpose of acquisitions or financing.

A valid resolution by the general meeting requires that shareholders holding not less than two-thirds of both the votes cast and the shares represented at the general meeting vote in favor of the proposal.

Details of number of shares, votes and holding of own shares

The total amount of shares and votes in the Company at the time of issue of this notice was 26,339,453 shares. All shares carry equal voting rights. The Company does not hold any own shares.

Documents

The complete proposals in accordance with above will be available at the Company (address as above) and on the Company's webpage, www.stillfront.com, not less than two weeks before the general meeting. The aforementioned documents will be sent to those shareholders who so request and submit their postal address or e-mail address.

Shareholders' right to request information

Shareholders are reminded of their right pursuant to Chapter 7, Section 32 of the Swedish Companies Act to request that the board of directors and managing director provide information at the general meeting in respect of any circumstances which may affect the assessment of a matter on the agenda. The obligation to provide information also applies to the Company's relationship to other group companies. Information must be provided if it can take place without significant harm to the Company.

For information on how the Company processes your personal data, please refer to the privacy policy available on Euroclear Sweden AB's website:
www.euroclear.com/dam/ESw/Legal/Integritetspolicy-bolagsstammor-svenska.pdf

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Stockholm in January 2020

The board of directors of Stillfront Group AB (publ)

About Stillfront

Stillfront is a global group of gaming studios and a market leader in the free-to-play online 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 650 co-workers thrive in an organization 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