

## Stillfront announces non-cash goodwill impairment of SEK 6.9 billion, and preliminary 2024 full year results

Stillfront Group AB (publ) ("Stillfront") today announces that it will record a non-cash goodwill impairment of SEK 6.9 billion and an acceleration of amortization due to shorter economic lifetime of other developed games of SEK 0.2 billion in the fourth quarter 2024. The impairment of goodwill is attributed to the new North America business area and will be reported as an item affecting comparability. Stillfront also announces preliminary figures for the full year and the fourth quarter of 2024.

### Impairment of goodwill

As of January 1, 2025, Stillfront operates as three business areas: Europe, North America and MENA&APAC, which will be reported as three separate operating segments in Stillfront's financial reporting starting from the first quarter of this year. As a consequence, in Stillfront's regular assessment of possible goodwill impairment as of year-end 2024, these three business areas have been considered as three separate cash-generating units, instead of one combined cash-generating unit for Stillfront as a whole in previous years. Based on this assessment, Stillfront has concluded that an impairment write-down of goodwill in the amount of SEK 6.9 billion is required in business area North America which will be reported as an item affecting comparability. The impairment assessment using the updated methodology has not resulted in any impairment of goodwill within business area Europe or MENA&APAC. Stillfront has also recorded costs for accelerated amortization in the quarter reflecting a shortened economic lifetime of other developed games by SEK 0.1 billion in business area North America and SEK 0.1 billion in business area MENA&APAC. The total impairment charge and amortization represents approximately 33% of the Stillfront's total amount of goodwill and other intangible assets of SEK 21.4 billion prior to the impairment and amortization.

### Preliminary results for the Stillfront Group

SEK million	Q4 2024	Q4 2023	Chg%	FY 2024	FY 2023
Net revenue	1,660	1,742	-5	6,737	6,982
Gross profit	1,319	1,365	-3	5,371	5,445
Gross margin (%)	79	78		80	78
UAC	-504	-539		-2,021	-1,874
Adjusted EBITDAC	410	365	+12	1,658	1,705

<i>Adjusted EBITDAC margin (%)</i>	25	21	25	24
Free cash flow LTM	1,050	833	1,050	833

Stillfront's net revenue amounted to SEK 1,660 million in the fourth quarter, 2024 with a 5 percent organic decline year-over-year which was disappointing, although with an adjusted EBITDAC growth of 12 percent and strong free cash flow generation.

Gross profit amounted to SEK 1,319 million in the fourth quarter, 2024. Gross profit declined by 3 percent on an organic basis whilst gross margin improved by 1 percentage point year-over-year mainly driven by migration of customers to the DTC channels.

User acquisition costs amounted to SEK 504 million in the fourth quarter, 2024, which was lower year-over-year, primarily driven by lower user acquisition spend on the title Sunshine Island and the Supremacy franchise.

The decline in net revenue and gross profit was fully offset by less fixed costs and less product development costs, resulting in an adjusted EBITDAC of SEK 410 million and a 25 percent adjusted EBITDAC margin in the fourth quarter, 2024.

Free cash flow LTM was strong and amounted to SEK 1,050 million in the fourth quarter, 2024 compared to free cash flow LTM of SEK 833 million in the fourth quarter, 2023.

Stillfront's interim report for the full year of 2024 will be published on February 5, 2025, in accordance with the financial calendar.

**For additional information, please contact:**

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**About Stillfront**

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Stillfront is a global games company. We develop digital games that are played by almost 45 million people each month. Our diversified portfolio spans well-established franchises like Big Farm, Jawaker and Supremacy, to smaller, niche games across our different genres. We believe gaming can be a force for good and we want to create a gaming universe that is digital, affordable, equal, and sustainable. Our HQ is in Stockholm, Sweden, but our game development is done by teams and studios all over the world. Our main markets are the US, Japan, MENA, Germany, and the UK. Stillfront's shares (SF) are listed on Nasdaq Stockholm. For further information, please visit: [stillfront.com](https://stillfront.com)

*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 persons set out above, at 2025-01-29 20:45 CET.*

**Attachments**

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[Stillfront announces non-cash goodwill impairment of SEK 6.9 billion, and preliminary 2024 full year results](#)