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## **Starbreeze decides on previously announced rights issue of approximately SEK 150 million**

**STOCKHOLM (15 February 2018) The Board of Directors of Starbreeze AB (publ) (“Starbreeze” or the “Company”) has decided on a rights issue of approximately SEK 150 million before issuing expenses with pre-emptive rights for existing shareholders. The rights issue, which was announced on 24 January 2018, is subject to approval by an extraordinary general meeting of shareholders.**

### **Summary**

- In connection with the announcement of a directed share issue on 24 January 2018, Starbreeze also announced its intention to carry out a rights issue to support further growth. The proceeds of the rights issue, together with the remaining net issue proceeds from the directed share issue, will be used to accelerate growth and broaden the revenue base within the core business, and to expand the game portfolio.
- The detailed terms and conditions, including the subscription price, are expected to be announced on 15 March 2018. Provided that the rights issue is approved by the extraordinary general meeting on 20 March 2018, the record date for the rights issue will be 22 March 2018 and the subscription period will run from and including 26 March 2018 up to and including 10 April 2018.
- Shareholders corresponding to approximately 44 percent of the voting rights, are positive to the rights issue and have expressed their intention to vote in favor of the rights issue at the extraordinary general meeting.
- The notice for the general meeting on 20 March 2018 will be announced through a separate press release.

### **Background and rationale**

In connection with the announcement of a directed share issue on 24 January 2018, Starbreeze also announced its intention to carry out a rights issue to support further growth. The directed share issue, which raised gross proceeds of SEK 238 million, secured the financing of the existing business plan by around SEK 75 million until the release of OVERKILL’s The Walking Dead (“OTWD”), scheduled for the fall of 2018.

In order to accelerate growth and broaden the revenue base within the core business, Starbreeze identified several business opportunities during the second half of 2017 in addition to the existing business plan that the Company believes could create significant shareholder value. Advance interest in the Company’s upcoming game OTWD is intense, as reflected in media coverage of the initial

marketing of the game. In order to create good conditions for a successful release and high game sales volumes, Starbreeze aims to expand marketing ahead of, and in conjunction with, the release of the game.

In order to expand the game portfolio and reduce operational and financial risk, the Company intends to use the remaining net proceeds from the completed directed share issue and the planned rights issue for the following:

- New publishing titles not included in the aforementioned business plan,
- Expansion of the existing game portfolio to new platforms and geographies, as well as extension of the development plan for PAYDAY 2 to 2019, and
- Accelerated production plan for PAYDAY 3.

In addition, the Board of Directors refers to the prospectus that will be compiled for the rights issue and which is due to be published on 22 March 2018.

### **Rights issue**

On 15 February 2018, the Board of Directors resolved on a rights issue of approximately SEK 150 million, conditional on approval by an extraordinary general meeting of shareholders on 20 March 2018. Those who are registered shareholders in the share register held by Euroclear Sweden AB on the record day, 22 March 2018, will have a preferential right to subscribe for new shares in proportion to the number of shares that the holder already owns. Application to subscribe for shares without the use of subscription rights will also be possible.

Detailed terms and conditions for the rights issue, including the share capital increase, the number of shares to be issued, and subscription price, is expected to be announced on 15 March 2018, at the latest.

The subscription period is expected to run from and including 26 March 2018, to and including 10 April 2018, or such later date as decided by the Board of Directors. For more information, please see the notice for the extraordinary general meeting in a separate press release.

Shareholders, together holding approximately 44 percent of the voting rights, are positive to the rights issue and have expressed their intention to vote in favor at the extraordinary general meeting.

### **Prospectus**

Comprehensive information regarding the rights issue will be included in the prospectus which is due to be published on 22 March 2018.

### **Timetable**

This timetable is preliminary and may be subject to change.

<b>15 March</b>	Planned publishing date of the detailed terms and conditions, including the number of shares issued and the subscription ratio
<b>20 March</b>	Extraordinary general meeting to approve the Board of Directors decision on the rights issue
<b>20 March</b>	Last day of trading shares of Starbreeze including right to participate in the rights issue
<b>22 March</b>	Planned publishing date for prospectus
<b>22 March</b>	Record date for participation in the rights issue, i.e. holders of shares who are registered in the share register on this day will receive subscription rights for participation in the rights issue
<b>26 March-6 April</b>	Trading in subscription rights
<b>26 March-10 April</b>	Subscription period
<b>13 April</b>	Expected press release of the outcome of the rights issue

**Advisers**

Carnegie Investment Bank AB is acting as financial adviser to Starbreeze and Advokatfirman Lindahl is acting as legal adviser to Starbreeze.

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**For more information, please contact:**

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*This information is information that Starbreeze AB 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 above, at 08:00 CET on 15 February 2018.*

**About Starbreeze**

*Starbreeze is a global game company whose vision is to be a leading provider in the entertainment industry by creating world-class experiences. Starbreeze was founded in 1998 and has since evolved into a well-established developer and publisher of PC and console games and VR products aimed at the global market. With studios in Stockholm, Paris, Los Angeles, Barcelona, Brussels and India, Starbreeze develops high-quality entertainment products based on proprietary and third-party rights, both in-house and in partnership with external game developers. Operations are organized in three business areas: Starbreeze Games, Publishing and VR Tech & Operations. Starbreeze shares are listed on Nasdaq Stockholm under the tickers STAR A and STAR B with the ISIN-codes SE0007158928 (A share) and SE0005992831 (B share). For more information, please visit [starbreeze.com](http://starbreeze.com)*

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*This press release is not a prospectus. Invitation for relevant persons to subscribe for shares in Starbreeze will only be made through the prospectus which Starbreeze intends to publish on or around 22 March 2018.*