



Notice of extraordinary general meeting in Starbreeze AB (publ)

STOCKHOLM (15 February, 2018)

The shareholders in Starbreeze AB (publ) reg. no. 556551-8932 (the “**Company**”) are hereby convened to the extraordinary general meeting on Tuesday 20 March 2018, at 10.30 at Carnegie Investment Bank AB with address Regeringsgatan 56, 103 38 Stockholm.

Notice etc.

Shareholders who wish to participate at the extraordinary general meeting shall:

- be registered in the share register kept by Euroclear Sweden AB on Wednesday 14 March 2018, and
- notify the Company no later than Thursday 15 March 2018, preferably before 16.00, to address Starbreeze AB, “Extra bolagsstämma”, Box 7731, 103 95 Stockholm or by email: bolagsstamma@starbreeze.com

Such notification shall include the shareholder’s name, personal identification number or corporate registration number (or similar), address and telephone number, number of shares, details on advisors, if any, and where applicable, details of representatives or proxies.

Nominee-registered shares

To be entitled to participate in the general meeting, shareholders whose shares are registered in the name of a nominee must temporarily re-register their shares in their own names in the share register maintained by Euroclear Sweden AB in order to be entitled to attend the general meeting. Such registration must be duly effected in the share register on Wednesday 14 March 2018, and the shareholders must therefore advise their nominees well in advance of such date.

Proxy

Shareholders represented by proxy must submit a dated proxy. If the proxy is executed by a legal person, a certified copy of the certificate of registration or equivalent must be attached. The proxy may not be valid for a period longer than five years from its issuance. The original proxy and certificate of registration should be submitted to the Company by post at the address mentioned above in due time prior to the general meeting. The Company provides a form of proxy at request and it is also available at the Company's website, www.starbreeze.com.

Number of shares and votes

As of the date of this notice, there are a total of 303,719,737 shares, divided into 54,718,135 A-shares and 249,001,602 B-shares, in the Company. The total number of votes is 796,182,952, of which 547,181,350 are represented by A-shares and 249,001,602 by B-shares. The Company holds no shares of its own.

Proposed agenda

1. Opening of the general meeting and election of chairman of the general meeting
2. Preparation and approval of the voting list
3. Election of one or two persons to verify the minutes
4. Approval of the agenda
5. Determination as to whether the meeting has been duly convened
6. Resolution on approval of the board of directors' resolution on a new issue of shares with pre-emption rights for existing shareholders
7. Resolution on authorisation
8. Closing of the general meeting

Proposals to resolutions

Item 6 – Resolution on approval of the board of directors' resolution on a new issue of shares with pre-emption rights for existing shareholders

On 15 February 2018, the board of directors of the Company made the below resolution (in italics) regarding a new share issue with pre-emption rights for existing shareholders, subject to the general meeting's approval. The board of directors proposes that the general meeting approves the resolution.

The board of directors resolves, subject to approval by the general meeting, to increase the company's share capital by a rights issue of shares of Class A and B with preferential rights for the shareholders, on the following principal terms:

1. The board of directors, or a person appointed by the board amongst its members, shall be authorized to determine, no later than on the fifth weekday prior to the record date, the amount by which the company's share capital is to be increased, the number of shares which are to be issued in the rights issue and the subscription price per share.

2. The right to subscribe for new shares shall belong to those persons who on the record date for the new issue of shares are recorded as shareholders of the company, pro rata to their previous shareholding of each class of shares.
3. Firstly, shares will be allotted to subscribers for new shares with subscription rights, regardless of whether or not the subscriber was a shareholder on the record date, and in the case of oversubscription, pro rata to the total number of subscription rights each has exercised for subscription of new shares, and to the extent that this is not possible, by drawing of lots. Secondly, subscribers for new shares without subscription rights, and in the case of oversubscription, pro rata to the new number of shares subscribed for in the application, and to the extent that this is not possible, by drawing of lots.
4. The record date for determining which shareholders that are entitled to receive subscription rights shall be 22 March 2018.
5. Subscription of shares with subscription rights shall be made by cash payment or on a separate subscription list during the period from 26 March 2018 until 6 April 2018. The board of directors shall have the right to extend the subscription period.
6. Application for subscription of shares without subscription rights shall be made during the period mentioned in item 5 above. Subscription shall in such cases be made on a separate subscription list. Payment for shares subscribed for without subscription rights shall be made in cash no later than three (3) banking days after information regarding allotment of shares was sent. The board of directors shall have the right to extend such subscription and payment period.
7. To ensure that shares arising through subscription by virtue of warrants issued by the company or conversion from convertible instruments issued by the company, shall give right to participate in the new share issue, the subscription and/or conversion must be executed not later than 22 March 2018.
8. The new shares entitle to dividends for the first time on the first record date for distribution of dividend that takes place after the issue of new shares has been registered with the Swedish Companies Registration Office and the shares have been recorded in the share register kept by Euroclear Sweden AB.
9. The new A-shares are subject to a conversion condition in accordance with the company's articles of association.
10. The managing director, or any other person appointed by the board of directors, shall have the right to take those smaller measures that may be required in order to register the resolution with the Swedish Companies Registration Office and Euroclear Sweden AB.

Item 7 - Resolution on authorisation

The board of directors proposes that the general meeting resolves to authorise the board of directors to, on one or more occasions during the period up to the next annual general meeting of shareholders, with or without deviation from the shareholders' pre-emption rights, resolve upon a new issue of shares, both A-shares and B-shares, or warrants or convertible instruments entitling to subscription of A- and/or B-shares, corresponding to (at the contemplated exercise of such convertible instruments or warrants as applicable) not more than ten percent of the at each

time outstanding number of shares, against payment in cash, by way of set-off or contribution in kind. The reason behind the authorisation and for the deviation from the shareholders' pre-emption rights is that the Company shall be able to issue shares or other instruments in connection with acquisitions of companies or businesses, and to carry-out directed new issues in order to raise capital to the Company, e.g. in connection with the financing of games production. The issue price may not be set below a marketable price. The other terms and conditions shall be determined by the board of directors and shall be on market conditions.

A resolution in accordance with the above is valid only if supported by shareholders holding at least two-thirds of both the votes cast and the shares represented at the meeting.

Information at the Extraordinary General Meeting

The board of directors and the managing director shall, upon request by any shareholder and where the board of directors determines that it can be done without material harm to the Company, provide information on circumstances which may affect the assessment of an item on the agenda.

Documentation

The board of directors' complete proposal under item 6 and 7 is set out in this notice and other documents according to the Swedish Companies Act are available at the Company's website and at the Company's office at Regeringsgatan 38, 111 56 Stockholm. The documents will also be sent, without charge, to shareholders who so request and inform the Company of their address. The documents will also be held available at the general meeting.

Stockholm in February 2018

Starbreeze AB (publ)

The board of directors

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For more information, please contact:

Ann Charlotte Svensson, Head of Investor Relations and Corporate Communications
Tel: +46(0)8-209 208, email: ir@starbreeze.com

This information is such 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 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 and Brussels, 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 for own game development, Publishing, and VR Tech for technology development including the StarVR venture. 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