

Starbreeze has successfully completed the company reconstruction process, Stockholm District Court approved the composition proposal

STOCKHOLM (December 6, 2019) - The Stockholm District Court has today approved the composition proposal regarding Starbreeze's company reconstruction. Starbreeze, which has been in reconstruction since 3 December 2018, has now successfully completed the process.

"Today, we are delighted and proud to announce that we have successfully completed the reconstruction process," said Mikael Nemark, acting CEO Starbreeze AB. "It has been a toilsome journey for the entire company over the past twelve months, but we are very pleased to have gained the creditors' confidence and have succeeded in reclassifying the majority of our debts to long-term to be repaid over five years. We have also succeeded in positioning the company in a situation where we can look forward to the future and focus on our core business - to develop games within the PAYDAY-franchise. Together with all our employees, I look forward to reaching a publishing agreement for PAYDAY during the first half of 2020 via the ongoing dialogues we're currently in, and to develop the game into a worthy sequel to the series together with a respected partner. Our most important brand has great potential to provide the company with a stable foundation for decades to come. I would like to thank our Administrator Lars Söderkvist and the entire team at WSA Lawfirm for the collaboration. "

A significant majority of the creditors voted in favor of the composition proposal, which today was decided on in Stockholm District Court. All creditors will additionally receive 100% payment for their debts within the framework of the stipulated composition.

Starbreeze with five subsidiaries entered into reconstruction on December 3, 2018 due to shortage of liquidity and it was considered necessary to give the company the time needed to negotiate a long-term financial solution and to implement operational and organizational changes.

During the restructuring period, parts of the business were classified as core business, primarily game development on the PAYDAY brand, and non-core business. Most of the business classified as a non-core business has been divested, discontinued or in other ways found new forms of cooperation with lower risk for Starbreeze. The remaining parts of the non-core business will continue to be processed. The Group has also made significant operational cost savings during the process.

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 15:10 CET on December 6, 2019.

About Starbreeze

Starbreeze is an independent developer, creator, publisher and distributor of PC and console targeting the global market, with studios in Stockholm, Barcelona and Paris. Housing the smash hit IP PAYDAY, Starbreeze develops games based on proprietary and third-party rights, both in-house and in partnership with external game developers. 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). Starbreeze including certain subsidiaries is, since December 3 2018, in reconstruction. For more information, please visit starbreeze.com