



Notice of Extraordinary General Meeting in Starbreeze AB (publ)

STOCKHOLM, SWEDEN (July 7, 2020) – The shareholders in Starbreeze AB (publ), reg.no. 556551-8932, (the “Company”) are hereby convened to the Extraordinary General Meeting (the “Meeting”) on Thursday 13 August 2020 at 2.00 p.m. at Mannheimer Swartling’s offices, Norlandsgatan 21, Stockholm, Sweden.

Notice

Shareholders who wish to participate at the Extraordinary General Meeting shall

- be registered under the shareholder's own name in the share register kept by Euroclear Sweden AB on Friday 7 August 2020, and
- notify the Company no later than on Friday 7 August 2020, to address Starbreeze AB, ”Extra bolagsstämma 2020”, c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm, or on the Company’s website: www.starbreeze.com/investor-relations/corporate-governance/meetings-events/.

Such notification shall include name, personal identification number or corporate registration number, address, telephone number and the name of any representative and/or advisor. If the shareholder intends to be represented by a representative, a proxy, in original, shall be presented at the Meeting along with any certificate of registration and other documents of authorization. Copies of such documents of authorization should also be included in the notification. A form of proxy is available at the Company and on the Company’s website, www.starbreeze.com, and can also be sent to the shareholders upon request. A proxy is valid one year from the date of issue or such longer period stated in the proxy, however, not more than five years.

To be entitled to participate in the Meeting, shareholders whose shares are registered in the name of a nominee must temporarily re-register their shares in their own names. Shareholders who wish to realize such re-registration must advise their nominees well in advance of Friday 7 August 2020, at which time such re-registration shall be executed.

Information with regard to the coronavirus

As part of the effort to minimize the risk of spreading the coronavirus, the Board of Directors has resolved that shareholders in the Company shall be able to exercise their voting rights at the Meeting in advance by so-called postal voting. The intention of the Board of Directors’ resolution is to reduce the number of people gathered at the location of the Meeting. The Company encourages its shareholders to, in the manner stated below, exercise the possibility of postal voting.

The Company has also decided to take the following measures due to the coronavirus:

- no beverages or food will be served,
- the number of non-shareholders, Board members, corporate officers and guests present will be limited, and

- the questions at the Meeting will be concentrated on matters on the agenda and other information that the participants are entitled to receive according to law, and the Meeting will as far as possible be minimized in time without restricting the rights of the shareholders.

Further measures may be presented by the Board before the Meeting. Information will be announced and available on the Company's website.

Please follow the recommendations regarding the coronavirus and the covid-19 disease from the Public Health Agency. For up-to-date information, see www.folkhalsomyndigheten.se.

Postal voting

Shareholders who wish to exercise the possibility of postal voting shall, in addition to being included in the shareholder's register in accordance with the above, use a form for postal voting and notice of attendance, which is available at the Company's website, www.starbreeze.com.

- The postal voting form shall be sent to the Company by e-mail to GeneralMeetingServices@euroclear.eu or by regular mail to Starbreeze AB, "Extra bolagsstämma 2020", c/o Euroclear Sweden AB, Box 191, 101 23 Stockholm.
- Shareholders who are natural persons may also give their notice and cast their postal votes digitally through BankID verification. Link to digital postal voting is available on the Company's website, www.starbreeze.com, and at <https://anmalan.vpc.se/EuroclearProxy/>.
- The postal voting form must be the Company at hand no later than the same time as the notice of attendance to the Meeting, on Friday 7 August 2020.

If the shareholder is a legal entity, a copy of the certificate of registration or a similar document of authorization is to be attached. For those who wish to postal vote via a representative, a proxy should also be attached. The shareholder may not provide the postal vote with specific instructions or conditions. If so, the vote is invalid.

Proposed agenda

1. Opening of the Meeting
2. Election of Chairman of the Meeting
3. Preparation and approval of the voting list
4. Approval of the agenda
5. Determination as to whether the Meeting has been duly convened
6. Election of one or two persons to verify the minutes
7. Resolution on amendment of the Articles of Association
8. Approval of the Board of Directors' resolution on a rights issue of new shares
9. Closing of the Meeting

Election of Chairman of the Meeting (item 2)

It is proposed that attorney Patrik Marcellius shall be elected as Chairman of the Meeting.

Resolution on amendment of the Articles of Association (item 7)

For the purpose of enabling the rights issue of new shares, as resolved by the Board of Directors on 30 June 2020 subject to the approval by the Meeting, the Board of Directors proposes that the limits of the share capital and the number of shares in the Articles of Association shall be adjusted by the Meeting resolving to amend § 4 and § 5, p. 5.1 of the Articles of Association, as follows:

	Current wording	Proposed wording
§ 4	Share capital shall be not less than SEK 3,000,000 and not more than SEK 12,000,000.	Share capital shall be not less than SEK 7,000,000 and not more than SEK 28,000,000.
§ 5, p. 5.1	The number of shares in the company shall be not less than 150,000,000 and not more than 600,000,000. Shares may be issued in two classes: Class A shares and Class B shares. Shares of each class may be issued up to an amount corresponding to a total of 100 percent of share capital. Each Class A share shall carry ten (10) votes and each Class B share shall carry one (1) vote. Otherwise, Class A shares and Class B shares carry equal rights to a share in the company's assets and profits.	The number of shares in the company shall be not less than 350,000,000 and not more than 1,400,000,000. Shares may be issued in two classes: Class A shares and Class B shares. Shares of each class may be issued up to an amount corresponding to a total of 100 percent of share capital. Each Class A share shall carry ten (10) votes and each Class B share shall carry one (1) vote. Otherwise, Class A shares and Class B shares carry equal rights to a share in the company's assets and profits.

The resolution in accordance with the above proposal is conditional upon the Meeting approving the Board of Directors' resolution on a rights issue of new shares under item 8.

Majority requirement

Under the Swedish Companies Act (2005:551), the resolution of the Meeting on amendment of the Articles of Association requires the support of shareholders representing at least two-thirds of both the number of votes cast and the shares represented at the Meeting in order to be valid.

Approval of the Board of Directors' resolution on a rights issue of new shares (item 8)

The Board of Directors proposes that the Meeting approves the Board's resolution of 30 June 2020 on a rights issue of new Class A and Class B shares with preferential right for existing shareholders, on the following main terms and conditions:

1. The Board of Directors, or whoever the Board of Directors may appoint among its members, is authorised to resolve, on 12 August 2020 at the latest, on the maximum amount by which the share capital shall be increased, the maximum number of new shares to be issued, the number of existing shares that shall entitle to subscription for a certain number of new shares and the subscription price per share.
2. The company's shareholders shall have preferential right to subscribe for the new shares in proportion to the shares previously owned.
3. The record date for entitlement to participate in the rights issue with preferential right shall be 20 August 2020.
4. Owners of Class A and of Class B shares will have preferential right to subscribe for new shares of the same class in proportion to the number of shares previously owned (primary preferential right). Shares that have not been subscribed for with primary preferential right will be offered to all existing shareholders in proportion to the number of shares previously owned, irrespective of share class (secondary preferential right) and, to the extent that this is not possible, by drawing of lots. In the event that all shares are not subscribed for with primary or secondary preferential right, the Board of Director shall, up to the maximum amount of the rights issue, resolve to allot the remaining shares firstly to others who have applied for subscription of shares without preferential right (the general public in Sweden and "qualified investors"), pro rata in relation to submitted applications, and secondly to those who have entered into underwriting undertakings with the company, pro rata in relation to their

respective underwriting amounts. To the extent allotment in accordance with the above cannot be made pro rata, allotment shall be made by drawing of lots.

5. Subscription for new shares shall be made during the period as from 24 August 2020 up to and including 7 September 2020, or, as regards the guarantors, up to and including 10 September 2020. The Board of Directors shall be entitled to extend the period for subscription.
6. Subscription for new shares by exercise of subscription rights shall be made by simultaneous cash payment. Subscription for new shares without subscription rights shall be made on a separate subscription list where allotted shares shall be paid in cash no later than two (2) banking days from dispatch of the contract note to the subscriber setting forth the allotment of shares. The Board of Directors shall be entitled to extend the period for payment.
7. The new shares shall entitle to dividend as from the first record date for dividend to occur after the registration of the new share issue with the Swedish Companies Registration Office.
8. Class A shares are subject to a provision pursuant to Chapter 4 Section 6 of the Swedish Companies Act (conversion clause).
9. The resolution is conditional on amendment of the Articles of Association.
10. In accordance with the *Terms and conditions for Starbreeze AB (publ) convertible bond 2016:2021:1*, item 10.C.(i), conversion shall have been executed on 10 July 2020 at the latest in order for share issued through conversion to entitle to participation in the rights issue.

Number of shares and votes

At the time of the issue of the notice there are a total of 362,304,633 shares in the Company, whereof 85,444,417 shares of class A and 276,860,216 shares of class B, and in total 1,131,304,386 votes. The Company holds no own shares.

Right to information

The Board of Directors and the CEO shall, if any shareholder so requests and the Board believes that it can be done without significant harm to the Company, provide information regarding circumstances that may affect the assessment of items on the agenda, in accordance with Chapter 7 Section 32 of the Swedish Companies Act (2005:551).

Documents

Documents pursuant to Chapter 13 Section 6 of the Swedish Companies Act (2005:551) will no later than three weeks prior to the Meeting be available on the Company's website, www.starbreeze.com, and at the Company's office at Regeringsgatan 38, Stockholm, Sweden. The documents will further be sent free of charge to shareholders who request it and who state their address.

Processing of personal data

For information about the processing of your personal data, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Stockholm in July 2020

Starbreeze AB (publ)
The Board of Directors

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For more information, please contact:

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The information was submitted for publication, through the agency of the contact person set out above, at 10:00 CEST on 7 July 2020.

About Starbreeze

Starbreeze is an independent developer and creator 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). For more information, please visit starbreeze.com