

June 21, 2023

Starbreeze announces outcome of its oversubscribed rights issue

Starbreeze AB (publ) ("Starbreeze" or the "Company") today announces the outcome of the Company's rights issue, for which the extended subscription period ended on June 20, 2023. The outcome of the rights issue shows that the subscription by exercise of subscription rights and the applications for subscription without subscription rights in total correspond to approximately 103 percent of the shares offered for subscription. Shares subscribed for by exercise of subscription rights together with the applications for subscription without subscription rights correspond to approximately 98 percent of the shares of series A offered and approximately 104 percent of the shares of series B offered. Through the rights issue, Starbreeze will raise gross proceeds of approximately SEK 453 million before transaction costs.

Commenting the announcement, Tobias Sjögren, CEO of Starbreeze said:

"We are proud and thankful for the strong support from both existing and new shareholders in the oversubscribed rights issue. We can now fully execute on our set growth strategy by accelerating development of our next internal projects, expand our third-party publishing and create a stronger, more diversified, Starbreeze. Our focus remains steadfast - to generate growth and value for our players and our shareholders."

In the rights issue, a maximum of 136,923,830 shares of series A and 466,917,220 shares of series B were offered at a subscription price of SEK 0,75 per share, irrespective of share class. The outcome of the rights issue shows that 120,037,825 shares of series A, corresponding to approximately 88 percent of the offered shares of series A and 400,505,755 shares of series B, corresponding to approximately 86 percent of the offered shares of series B, have been subscribed for by exercise of subscription rights, and that applications for subscription without subscription rights for 13,576,017 shares of series A, corresponding to approximately 10 percent of the offered shares of series A and 87,237,057 shares of series B, corresponding to approximately 19 percent of the offered shares of series B, have been received. Accordingly, the shares subscribed for by exercise of subscription rights together with the applications for subscription without subscription rights correspond in total to approximately 103 percent of the shares offered, where shares subscribed for by exercise of subscription rights together with the applications for subscription without subscription rights correspond to approximately 98 percent of the shares of series A offered and approximately 104 percent of the shares of series B offered. Digital Bros S.p.A.'s guarantee commitment will be utilized for subscription, by way of set-off of part of the refinancing charge, of

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3,309,988 shares of series A, corresponding to approximately 0.5 percent of the offered shares. Following the rights issue, but prior to conversion of its convertible loan, Digital Bros will hold approximately 12 percent of the shares and approximately 30 percent of the votes in Starbreeze. The rights issue will provide the Company with approximately SEK 453 million before transaction costs.

Those who have subscribed for shares without subscription rights have been allocated shares in accordance with the principles set out in the prospectus published on May 26, 2023 and the prospectus supplement published on June 16, 2023, respectively. Notice of allotment to the persons who subscribed for shares without subscription rights is expected to be distributed on June 22, 2023. Subscribed and allotted shares shall be paid for no later than June 27, 2023, in accordance with the instructions on the settlement note. Those who have subscribed through a nominee will receive notification of allocation in accordance with their respective nominee's procedures. Only those who have been allotted shares will be notified.

The last day of trading in paid subscribed shares (BTAs) will be June 27, 2023. As soon as the increase in share capital has been registered with the Swedish Companies Registration Office, paid subscribed shares (BTAs) will be converted into new shares. The new shares are expected to be admitted to trading on Nasdaq Stockholm around July 3, 2023.

Shares and share capital

Through the rights issue, Starbreeze's share capital will increase by SEK 12,076,821.04, from the current SEK 14,492,185.37, to SEK 26,569,006.42 through the issuance of 136,923,830 new shares of series A and 466,917,220 new shares of series B. After the rights issue, the number of shares in Starbreeze will amount to 1,328,450,316 shares, of which 301,210,042 shares of series A and 1,027,240,274 shares of series B.

Advisors

Carnegie Investment Bank AB (publ) is acting as financial advisor and Sole Global Coordinator and Bookrunner, Lazard is acting as financial advisor, and Mannheimer Swartling Advokatbyrå is acting as legal advisor to Starbreeze in connection with the Rights Issue.

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About Starbreeze

Starbreeze is an independent developer, creator, publisher and distributor of PC and console targeting the global market, with studios in Stockholm, Barcelona, Paris and London. 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 www.starbreeze.com.

Important information

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares, subscription rights or other securities in the Company in any jurisdiction. Any offer to participate in Starbreeze's rights issue will only be made through the prospectus that Starbreeze published on May 26, 2023, and through the prospectus supplement that Starbreeze published on June 16, 2023. The prospectus and the prospectus supplement, which have been approved by the Swedish Financial Supervisory Authority (Finansinspektionen), are available on Starbreeze's website, www.starbreeze.com. The approval of the prospectus and the prospectus supplement by the Swedish Financial Supervisory Authority should not be understood as an endorsement of the securities offered or admitted to trading on a regulated market. Potential investors should read the prospectus and the prospectus supplement before making an investment decision in order to fully understand the potential risks associated with a decision to invest in the securities (see "*Risk factors*" in the prospectus). When an investor makes an investment decision, he/she must rely on his/her own analysis of Starbreeze and the offering in accordance with the prospectus and the prospectus supplement, including applicable facts and risks. Investors should, before making an investment decision, engage own professional advisers and carefully evaluate and consider the investment decision. Investors may only rely on the information in the prospectus and the prospectus supplement.

This press release may not be released, published or distributed, directly or indirectly, in or into Australia, Hong Kong, Canada, New Zealand, Singapore, the United States of America, including its territories and possessions, any state of the United States or the District of Columbia (the "**United States**") or any other jurisdiction where such action is wholly or partially subject to legal restrictions or where such action would require additional prospectuses, registrations or other actions in addition to what follows from Swedish, Danish, Finnish or Norwegian law. Nor may the information in this press release be forwarded, reproduced or disclosed in a manner that contravenes such restrictions or would entail such requirements. Failure to comply with this instruction may result in a violation of applicable securities laws.

The securities referred to in this press release have not been and will not be registered under the United States Securities Act of 1933, as amended ("**Securities Act**"), or under the securities laws of any state or other jurisdiction in the United States and may not be offered, subscribed, used, pledged, sold, resold, allotted, delivered or transferred, directly or indirectly, in or into the United States absent exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with securities laws of the relevant state or other jurisdiction in the United States. All offers and sales of securities in connection with any rights offer by the Company will be made, subject to certain limited exceptions, outside of the United States and in reliance on, and in compliance with, Regulation S under the Securities Act. There will be no public offering in the United States.

Within the European Economic Area ("**EEA**"), no public offering of securities is made in other countries than Sweden, Denmark, Finland and Norway. In other member states of the EU, such an offering of securities may only be made in accordance with an applicable exemption in the Prospectus Regulation (EU) 2017/1129.

This press release contains certain forward-looking information that reflects the Company's present view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "believe", "estimate" and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. Forward-looking information is not a guarantee of future results or development and actual outcomes may differ materially from the statements set forth in the forward-looking information.