

Starbreeze AB (publ)

Resolution by the Board of Directors on a rights issue of new shares subject to approval by the general meeting

The Board of Directors of Starbreeze AB (publ) resolves, subject to the approval by the general meeting, on an issue of new Class A and Class B shares in the company on the following 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.

The Board of Directors, or whoever the Board of Directors may appoint, shall be authorised to make such minor adjustments of the above resolution as may prove necessary in connection with the registration with the Swedish Companies Registration Office or Euroclear Sweden AB.

Documents pursuant to Chapter 13, Section 6 of the Swedish Companies Act have been prepared.

Stockholm on 30 June 2020
The Board of Directors of Starbreeze AB (publ)