



STARBREEZE

ENTERTAINMENT

Notice of Annual General Meeting in Starbreeze AB (publ)

The shareholders of Starbreeze AB (publ), Reg. No. 556551–8932, are given notice of the Annual General Meeting to be held on Thursday 11 May 2023 at 13.30 in Celsiussalen, Citykonferensen, Malmskillnadsgatan 46, Stockholm, Sweden. Registration for the meeting starts at 13.00.

The Board of Directors has decided that shareholders shall be able to exercise their voting rights at the Annual General Meeting also by postal voting in accordance with the regulations in Starbreeze's Articles of Association.

Right to participate and notification

Participation in the meeting room

- A) Anyone wishing to attend the meeting room in person or through a representative must:
- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on Wednesday 3 May 2023, and
 - give notice of participation no later than on Friday 5 May 2023 to the address Starbreeze AB, "Annual General Meeting 2023", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden or via the company's website www.starbreeze.com.

The shareholder shall in such notification include name, personal identification number or corporate registration number, address, telephone number and number of possible assistants (maximum two). If shareholders are represented by a proxy, a written and dated power of attorney signed by the shareholder must be issued to the proxy. If the power of attorney has been issued by a legal entity, a registration certificate or equivalent authorization document must be attached. A power of attorney is valid one year from its issue or such longer time period as set out in the power of attorney, however not more than five years. In order to facilitate the registration process at the Annual General Meeting, the power of attorney together with registration certificate and any other authorization documents should be received by the company at the address above no later than Friday 5 May 2023. Proxy forms are available on the company's website, www.starbreeze.com.

Participation by postal vote

- B) Anyone wishing to attend the meeting by postal vote must:
- be listed as a shareholder in the presentation of the share register prepared by Euroclear Sweden AB concerning the circumstances on Wednesday 3 May 2023, and
 - give notice of participation no later than Friday 5 May 2023, by casting its postal vote in accordance with the instructions below so that the postal vote is received by Euroclear Sweden AB no later than that day.

Anyone who wishes to attend the meeting room in person or through a representative must give notice in accordance with the instructions stated under A) above. Hence, a notice through postal voting only is not sufficient for those who wishes to attend the meeting room.

A special form must be used for the postal vote. The form for postal voting is available on the company's website www.starbreeze.com. Completed and signed forms for postal voting can be sent by mail to Starbreeze AB, "Annual General Meeting 2023", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden or by e-mail to generalmeetingservice@euroclear.com (state " Starbreeze AB – Postal voting" in the subject line). Completed forms must be received by Euroclear Sweden AB no later than Friday 5 May 2023. Shareholders may also cast their votes electronically through verification with Bank-ID. A link to electronic postal voting is available on the company's website, www.starbreeze.com, and via <https://anmalan.vpc.se/EuroclearProxy>.

The shareholders may not provide special instructions or conditions to the postal vote. If so, the postal vote in its entirety is invalid. Further instructions and conditions can be found in the postal voting form.

If the shareholder submits its postal vote by proxy, a written and dated power of attorney signed by the shareholder must be attached to the postal voting form. Proxy forms are available on the company's website www.starbreeze.com. If the shareholder is a legal entity, a registration certificate or other authorization document must be attached to the form.

Nominee-registered shares

In order to be entitled to participate in the meeting, a shareholder whose shares are registered in the name of a nominee must, in addition to giving notice of participation in the general meeting, register its shares in its own name so that the shareholder is listed in the presentation of the share register as of the record date Wednesday 3 May 2023. Such registration may be temporary (so-called voting rights registration), and request for such voting rights registration shall be made to the nominee, in accordance with the nominee's routines, at such a time in advance as decided by the nominee. Voting rights registrations that have been made by the nominee no later than Friday 5 May 2023 will be taken into account in the presentation of the share register.

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 properly convened
6. Election of one or two persons to verify the minutes
7. Presentation of
 - a. the annual accounts and the auditor's report as well as the consolidated accounts and the auditor's report on the consolidated accounts, and
 - b. the auditor's statement on whether the guidelines for remuneration to senior executives, which have applied since the 2021 Annual General Meeting, have been followed
8. Resolution on
 - a. adoption of the income statement and balance sheet and the consolidated income statement and the consolidated balance sheet,

- b. allocation of the company's profits or losses in accordance with the adopted balance sheet, and
 - c. discharge from liability of the Board members and the CEO
- 9. Determination of the number of Board members and deputy Board members to be elected by the meeting
- 10. Determination of remuneration to the Board members and the auditor
- 11. Election of the Board members and Chairman of the Board of Directors
 - a. Election of Torgny Hellström (re-election)
 - b. Election of Anna Lagerborg (re-election)
 - c. Election of Thomas Lindgren (re-election)
 - d. Election of Martin Walfisz (new election)
 - e. Christine Rankin (new election)
 - f. Election of Torgny Hellström as Chairman (re-election)
- 12. Election of auditor
- 13. Resolution on instructions for the appointment and work of the Nomination Committee
- 14. Resolution on approval of the remuneration report
- 15. Resolution on guidelines for remuneration to senior executives
- 16. Resolution on authorizing the Board of Directors to resolve upon new issues
- 17. Resolution on amendment of the Articles of Association
- 18. Closing of the meeting

Nominating Committee's proposals (items 2 and 9-13)

Election of Chairman of the meeting (item 2)

The lawyer Patrik Marcelius.

Determination of the number of Board members and deputy Board members to be elected by the meeting (item 9)

Five Board members and no deputies.

Determination of remuneration to the Board members and the auditor (item 10)

The Chairman of the Board: SEK 700,000 (650,000).

Board members: SEK 260,000 (260,000).

The Chairman of the audit committee: SEK 175,000 (175,000).

Member of the audit committee: SEK 65,000 (65,000).

The Chairman of the remuneration committee: SEK 50,000 (50,000).

Member of the remuneration committee: SEK 40,000 (40,000).

The auditor's fee is to be paid as per approved invoice.

Election of the Board members and Chairman of the Board (item 11)

Re-election of Torgny Hellström, Anna Lagerborg, and Thomas Lindgren as Board members. Kerstin Sundberg and Mike Gamble have declined re-election. New election of Martin Walfisz and Christine Rankin.

Re-election of Torgny Hellström as Chairman of the Board.

Martin Walfisz, born 1973, studies in systems science, honorary doctorate at Blekinge Institute of Technology. During his more than twenty-five years in the gaming industry, Martin has founded several companies and associations, including Massive Entertainment (acquired by Ubisoft). In recent years, he has mainly worked as an investor, first with Nordisk Games (Egmont) and now with VC fund Behold ventures. During his career, Martin has held a number of board assignments, including for Avalanche Studios Group, SuperMassive

Games (UK), and also formerly for Starbreeze during the years 2003-2006. Martin is a board member of Orcatronic AB, Game Habitat, Cross Reality International AB, Malmö Grow Gaming AB, and Multiscription International Aps. Martin holds no shares in Starbreeze. Martin is considered independent in relation to the company, its management and major shareholders.

Christine Rankin, born 1964, master's degree in economics from Stockholm University. Christine has previously been an authorized auditor and partner at PwC and has since 2014 held senior positions in the finance departments of several companies, most recently as CFO at Cherry AB (publ). Today, Christine is a Board member and Chairman of the Remuneration Committee in Coinshares International Ltd, 4C Group AB (publ) and Bonesupport AB (publ). Christine holds 10,000 shares of class B in Starbreeze. Christine is considered independent in relation to the company, its management and major shareholders.

Information about the Board members proposed for re-election can be found on the company's website, www.starbreeze.com.

Election of auditor (item 12)

The Nomination Committee proposes, in accordance with the Audit Committee's recommendation, re-election of Öhrlings PricewaterhouseCoopers AB as auditor for the period until the end of the 2024 Annual General Meeting. Öhrlings PricewaterhouseCoopers AB has announced that if the audit firm is elected, the audit firm will appoint the authorized auditor Alexander Lyckow as auditor in charge.

Resolution on instructions for the appointment and work of the Nomination Committee (item 13)

The Nomination Committee has evaluated the instruction for the Nomination Committee that were adopted by the 2020 Annual General Meeting and proposes the following instruction.

Starbreeze shall have a Nomination Committee, in accordance with the rules set out in the Swedish Code of Corporate Governance, consisting of, at most, four members, who shall represent, by votes, the largest owners or owner groups. The Chairman of the Board is a co-opted member of the Nomination Committee and convenes the Nomination Committee by contacting the four largest shareholders in terms of voting power on the basis of the company's list of registered shareholders provided by Euroclear as of the last banking day of August. Before a person is nominated as a member of the Nomination Committee, careful consideration should be given to whether any non-immaterial conflict of interest exists. If so, he or she should not be nominated. Those shareholders who are not registered with Euroclear, and who wishes to be represented on the Nomination Committee, shall submit an application to the Chairman of the Board no later than September 1 and provide evidence of shareholding. When determining who the four, with regards to votes, largest owners are, a group of shareholders shall be considered one owner if (i) they have been ownership grouped in the Euroclear system, or (ii) has made public and notified the Company in writing that they have agreed, in writing, to through coordinated performance of voting rights take a long-term joint standpoint with regards to the company's management.

If any of the four by votes largest shareholders abstain from their right to elect a member to the Nomination Committee, the next shareholder in order of magnitude shall be given the opportunity to appoint a member, however, no more than ten shareholders need to be contacted if the Nomination Committee consists of at least three members appointed by larger owners. The Chairman of the Nomination Committee shall, unless he or she is the Chairman of the Board or the members agree otherwise, be the member representing the largest shareholder. The names of the members and the names of the shareholders who have appointed them, as well as how the Nomination Committee can be contacted, shall be made public as soon as the Nomination Committee has been appointed, which shall take

place at least six months before the Annual General Meeting. The Nomination Committee's term extends until a new Nomination Committee has been appointed. Remuneration shall not be paid to the members of the Nomination Committee. The company shall however reimburse appropriate costs referable to the Nomination Committee's fulfilment of the assignment.

The Nomination Committee's assignment shall be to, before the Annual General Meeting and, when applicable, an Extraordinary General Meeting, present proposals regarding the number of Board members to be elected by the general meeting, remuneration to the Board including committees, the Board's composition, Chairman of the Board, Chairman of the Annual General Meeting, election of auditors and auditors' remuneration and, when applicable, proposals on changes to this instruction regarding appointment of the Nomination Committee and other assignments which follow from the Swedish Corporate Governance Code. The shareholder who has appointed a member of the nomination committee has the right to dismiss such member and appoint a new member to the Nomination Committee. In case of a material change in the ownership of the Company, the Nomination Committee's composition shall change in accordance therewith. If the change takes place later than two months before the Annual General Meeting, the Nomination Committee can instead decide to co-opt a member appointed by the new larger owner. Changes to the Nomination Committee's composition shall be made public as soon as they are made.

Preparation and approval of the voting list (item 3)

The voting list proposed for approval is the voting list drawn up by Euroclear Sweden AB on behalf of the company, based on the Annual General Meeting's register of shareholders, shareholders having given notice of participation and being present at the meeting venue, and postal votes received.

Allocation of the company's profits (item 8b)

The Board of Directors proposed that the Annual General Meeting resolves that no dividend be paid to the company's shareholders for financial year 2022.

Resolution on guidelines for remuneration to senior executives (item 15)

The Board of Directors proposes that revised guidelines for remuneration to senior executives as follows shall be adopted by the Annual General Meeting. In comparison with the previously applicable guidelines, the proposal entails that the fixed salary during the notice period and any severance pay for the CEO shall, together, not exceed an amount corresponding to the fixed salary for 12 months.

The Board's proposal regarding remuneration guidelines for senior executives

The senior executives in Starbreeze, which consist of those who from time to time form part of the company's management team, fall within the provisions of these guidelines. The guidelines are forward-looking, *i.e.* they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting. These guidelines do not apply to any remuneration decided or approved by the General Meeting.

Remuneration under employments subject to other rules than Swedish may be duly adjusted to comply with mandatory rules or local practice, taking into account, to the overall purpose of these guidelines.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

In short, the company's business strategy is the following.

Starbreeze is an independent developer, creator, publisher and distributor of PC and console targeting the global market, with studios in Sweden, Spain, France and the United Kingdom. With the successful PAYDAY brand at the center, Starbreeze develops games based on proprietary and third-party rights, both in-house and in partnership with external game developers.

Starbreeze's main business consists of its own development of video and computer games, which are wholly or partly financed by own resources. The majority of the company's employees are mainly employed to develop the company's products. Thereafter, the games are mainly distributed via digital platforms such as Steam, or in partnership with other physical distribution companies. The company's end customers are the consumers who buy the game through the various gaming platforms or retailers.

For more information regarding the company's business strategy, please see www.starbreeze.com.

The company shall offer competitive remuneration in order to be able to recruit and retain qualified personnel.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

Types of remuneration, etc.

The remuneration to the senior executives may consist of fixed salary, variable remuneration, pension benefits and other customary benefits. In addition, the Board of Directors annually evaluates whether share-based or share price-related incentive programs should be proposed to the Annual General Meeting. Such share-related or share-price incentive programs are decided by the General Meeting and are therefore excluded from these guidelines.

As a general rule, the fixed salary is reviewed once a year and shall take into account the qualitative nature of the individual accomplishment. Remuneration to the CEO and other senior executives shall be on market terms.

Furthermore, the Board of Directors shall have the right to decide on variable remuneration in form of a cash bonus to the company's senior executives. The variable remuneration must be linked to predetermined and measurable criteria. The variable remuneration on an annual basis may amount to not more than 75 percent of the fixed annual salary for the CEO and 50 percent of the fixed annual salary for other senior executives.

For the CEO and senior executives, defined pension premiums are paid which corresponds to the cost according to the usual ITP plan.

Other benefits may amount to not more than 10 percent of the fixed annual salary.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or local practice, taking into account the overall purpose of these guidelines.

Termination of employment

A mutual notice period of six months applies to the termination of employment of the CEO. The fixed salary during the notice period and any severance pay for the CEO shall together not exceed an amount corresponding to the fixed salary for 12 months. In the event of

termination by the CEO, no severance pay shall be granted. Other senior executives shall have a notice period of three to nine months, without the right to severance pay.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed executive is not entitled to severance pay. The remuneration shall amount to not more than 60 percent of the fixed cash salary at the time of termination of employment, unless otherwise provided by mandatory collective agreement provisions, and be paid during the time the non-compete undertaking applies, however not for more than 18 months following termination of employment.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a Remuneration Committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the General Meeting. The guidelines shall be in force until new guidelines are adopted by the General Meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Description of significant changes to the guidelines and how shareholders' views have been taken into account

The guidelines for remuneration to senior executives proposed to the Annual General Meeting 2023 are in large parts identical to the guidelines adopted by the Annual General Meeting on May 12, 2021, however, with the adjustment that fixed salary during the notice period and any severance pay for the CEO together shall not exceed an amount corresponding to the fixed salary for 12 months.

No comments on the guidelines have been made by the shareholders.

Resolution on authorizing the Board of Directors to resolve upon new issues (item 16)

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to, on one or several occasions and until the end of the next Annual General Meeting, with or without deviation of the shareholders' preferential rights, resolve to issue new shares of class B, or convertible bonds or warrants entitling to shares of class B,

corresponding to no more than ten (10) percent of the total number of outstanding shares in the company on the date when the authorization is utilized for the first time (this does not prevent convertible bonds or warrants from being combined with conversion terms which, if applied, may result in a different number of shares), against payment in cash, through set off or payment in kind. The purpose of the authorization and reason for any deviation from the shareholders' preferential rights is that the company shall be able to issue shares or other instruments in connection with acquisition of companies or businesses as well as to be able to execute issues with deviation from the shareholders' preferential rights for the purpose of raising funds to the company, for example in connection with financing of game production. The issue price may not be lower than a fair market price. Other terms and conditions shall be determined by the Board of Directors and made on fair market terms.

Resolution on amendment of the Articles of Association (item 17)

The Board of Directors proposes that the Annual General Meeting resolves to amend articles § 4 and § 5.1 of the Articles of Association in accordance with the below. The Board of Directors also proposes some minor editorial changes.

Current wording	Proposed wording
<p>§ 4 Share capital shall be not less than SEK 7,000,000 and not more than SEK 28,000,000.</p>	<p>§ 4 Share capital shall be not less than SEK 10,000,000 and not more than SEK 40,000,000.</p>
<p>§ 5.1 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.</p>	<p>§ 5.1 The number of shares in the company shall be not less than 500,000,000 and not more than 2,000,000,000. 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.</p>

The Board of Directors, or anyone appointed by the Board of Directors, shall be authorised to make such minor adjustments of the resolution of the general meeting that may be necessary in connection with registration with the Swedish Companies Registration Office.

Other information relating to the Annual General Meeting

Majority requirements

According to the Swedish Companies Act, the Annual General Meeting's resolution to (i) authorize the Board of Directors to resolve on new share issue and (ii) amend the Articles of Association requires that shareholders holding no less than two thirds of the votes cast as well as the shares represented at the Annual General Meeting vote in favor of the respective proposals.

Number of shares and votes

At the time of this notice there are a total of 724,609,266 shares in the company, of which 164,860,793 shares of class A with 10 votes each and 559,748,473 shares of class B with 1 vote each. The total number of votes in the company amounts to 2,208,356,403 votes. The company holds no own shares.

Right to information

The Board of Directors and the CEO shall at the Annual General Meeting, if any shareholder so requests and the Board of Directors believes that it can be done without significant harm to the company, provide information regarding circumstances that may affect the assessment of an item on the agenda, circumstances that can affect the assessment of the company's or its subsidiaries' financial position and the company's relation to other companies within the group.

Documents

The Nomination Committee's reasoned statement, form of power of attorney and postal voting form are available at the company's head office, Regeringsgatan 38, SE-111 56 Stockholm, Sweden and on the company's website, www.starbreeze.com.

The financial statements, the audit report and other documentation that shall be available for the shareholders according to the Swedish Companies Act will be available at the company's head office, Regeringsgatan 38, SE-111 56 Stockholm, Sweden and on the company's website, www.starbreeze.com, no later than three weeks before the Annual General Meeting. The documents will be sent free of charge to shareholders who so request and state their address.

Processing of personal data

For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>

Stockholm in April 2023
Starbreeze AB (publ)
The Board of Directors

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For more information, please contact:

Torgny Hellström, Chairman of the Board
torgny.hellstrom@starbreeze.com

The information was submitted for publication, through the agency of the contact person set out above, at 14.00 a.m. CEST on 6 April 2023.

About Starbreeze

Starbreeze is an independent developer, publisher, and distributor of PC and consoles 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