

This English text is an informal translation solely for convenience purposes. In case of inconsistencies between the Swedish and the English text, the Swedish text shall prevail.

Complete proposal to the Annual General Meeting 2018 in Starbreeze AB (publ) (the "Company")

Proposal regarding resolution to amend the terms of the convertible 2016/2018 (item 7 according to the proposed agenda)

The Board of Starbreeze AB (publ), reg.no. 556551-8932, proposes that the Extraordinary General Meeting on 14 September 2018 resolves to amend the terms for the convertible 2016/2018 in Starbreeze AB (publ) whereby the main amendments regards amendment of the convertibles maturity date until 31 August 2019, with quarterly repayments of the outstanding loan amount so that the convertibles are fully repaid on 31 August 2019. During the extension the Company will no longer be entitled to request conversion of the convertibles into shares, otherwise all terms remain mainly unchanged. The amendments of the terms of the convertibles are agreed with the holder of all issued convertibles. In respect of the above, the following amendments are proposed:

AMENDMENT 1

The following new definition shall be inserted in Section 1 of the Terms:

"Interest Period" means the interest periods set out in Section 2, each period individually being an **"Interest Period"**.

AMENDMENT 2

The following new definition shall be inserted in Section 1 of the Terms:

"Repayment Dates" means the repayment dates set out in Section 2, each date individually being a **"Repayment Date"**.

AMENDMENT 3

The current definition of Maturity Date in Section 1 of the Terms shall be replaced with the following wording:

"Maturity Date" means 31 August 2019, except to the extent of prior Conversion or early redemption being made as provided in Sections 7 (change of control), 8 (adjustments) or 11 (event of default in which case the Maturity Date shall be the Conversion effective date or the early redemption effective date in accordance with said provisions (including, but not limited to, on the Change of Control Maturity Date, as the case may be);

AMENDMENT 4

The current paragraph 1-3 of Section 2 of the Terms shall be replaced with the following paragraphs:

The loan amount is SEK **75,515,400**.

The loan is due for repayment in accordance with the following payment plan, unless Conversion has occurred before such dates:

- SEK 4,195,300 on 30 September 2018;
- SEK 4,195,300 on 31 December 2018;
- SEK 16,781,200 on 31 March 2019;
- SEK 25,171,800 on 30 June 2019; and
- SEK 25,171,800 on the Maturity Date;

each date individually being a "Repayment Date".

The abovementioned amounts shall be distributed per Convertible on a pro rata basis.

The loan carries annual fixed interest of 1 per cent on the outstanding amount of the loan from time to time. Interest is paid in arrears and is due on the last Banking day of each respective Interest Period unless Conversion has taken place.

Interest is based on the exact number of days during the respective Interest Period divided by 360 days. The initial Interest Period shall commence on Day of Registration and end 15 September 2017 and the second Interest Period shall commence on 16 September 2017 and end 30 September 2018. Each Subsequent Interest Period shall be three (3) months and shall start on the day after the end of the preceding Interest Period. No Interest Period shall extend beyond the Maturity Date.

AMENDMENT 5

The wording of the current first paragraph of Section 5 of the Terms shall be replaced with the following wording:

From registration up to and including the date occurring 14 days prior to the Maturity Date, or the earlier date specified in Section 8, the Holder may, subject to the paragraph below, demand Conversion of all or part of any outstanding unpaid amount of the Convertible into new Shares in the Company at a Conversion Price of SEK 17.82 per B-share.

A Holder may not demand Conversion of any Convertible during a 15-day period commencing 14 days prior to each Repayment Date and ending on the respective Repayment Date.

AMENDMENT 6

The wording of the current first paragraph of Section 5 of the Terms shall be replaced with the following wording:

From the date occurring 14 days prior to the first Repayment Date (30 September 2018) up to and including the date occurring 7 days prior to such first Repayment Date, the

Company may demand Conversion of all or part of the Convertible into new Shares in the Company at the same price as indicated in the section above, provided that the Conversion Price is lower than the relevant 5-trading day volume-weighted average share price up to and including the trading day prior to the day the Company notifies the Holder about the Conversion.

The complete amended terms of the convertible 2016/2018 in Starbreeze AB (publ) in Swedish is available on Starbreeze website:

<https://www.starbreeze.com/sv/investerare/bolagsstyrning/bolagsstamman/>

The Meeting is proposed to authorize the Board, or any other person appointed by the Board, to make such minor adjustments to the conditions set forth above which may be necessary to be able to register the resolution with the Swedish Companies Registration Office.