

STARBREEZE

AGM 2019

June 2019



THE ROLE AS AN ADMINISTRATOR

The administrator appointed by the court shall investigate whether the business which the debtor is operating is capable of continuing, in whole or in part, and if so, the manner in which such can take place and whether there exists a possibility for the debtor to reach a financial agreement with its creditors (composition).

In carrying out his duties pursuant to his appointment, the administrator shall act in order to ensure that the interests of creditors are not neglected.

When fulfilling the duties specified above, the administrator shall examine the debtor's financial position and, in consultation with the debtor, prepare a plan which sets forth the manner in which the goals of the company reconstruction shall be achieved (reorganisation plan). The plan shall be submitted to the court and the creditors.

The main features of a reconstruction can be summarized as follows:

- ensure that the cessation of payments is effective and payment management is correct,
- maintain required liquidity for the business to prevent value loss, and
- find out how the companies can be reorganised and how the creditors' losses can be repaid.

RECON- STRUCTION TIMELINE

3 DECEMBER



COMPANY FILES FOR RECONSTRUCTION

Starbreeze AB (publ) and 5 subsidiaries enter into reconstruction.

21 DECEMBER



CREDITORS' MEETING

5 FEBRUARY



PUBLISHING DEAL FOR PAYDAY: CRIME WAR

1.5 MUSD advance, cost coverage for the team

20 FEBRUARY



YEAR END REPORT, Q4

The company reports the year end report and Q4

RECON- STRUCTION TIMELINE

1 MARCH

RECONSTRUCTION PERIOD EXTENDED

Reconstruction period extension approved by the District Court up until June 3rd, 2019

7 MARCH

EGM

New board members voted in, Starbreeze BOD now holding a quorum

4 APRIL

ACER CONVERTS CB

Reducing the debt side in the reconstruction with 71,7 MSEK

16 APRIL

CONSOLIDATION OF CORE BUSINESS

Clarification of the future business

7 MAY

Q1 REPORT 2019

First quarter report release

RECON- STRUCTION TIMELINE

12 MAY

INDIAN SUBSIDIARY DHRUVA DIVESTED TO ROCKSTAR GAMES

Divestment in the non-core segment

14 MAY

YEARLY REPORT 2018

Release of the 2018 yearly report

29 MAY

APPLICATION FOR THIRD RECONSTRUCTION PERIOD

Applied for extension up until September 3rd 2019

4 JUNE

AGM 2019, ANNOUNCED ORGANIZATIONAL CHANGES IN STHLM

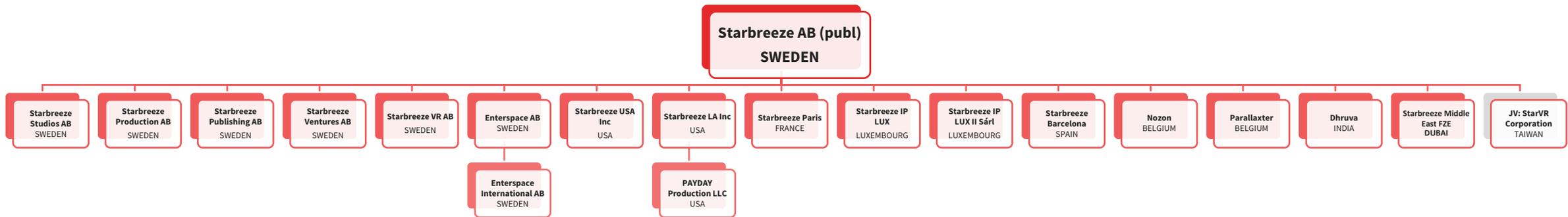
Approx. 60 employees in Stockholm affected by the org changes

20 AUGUST

Q2 REPORT 2019

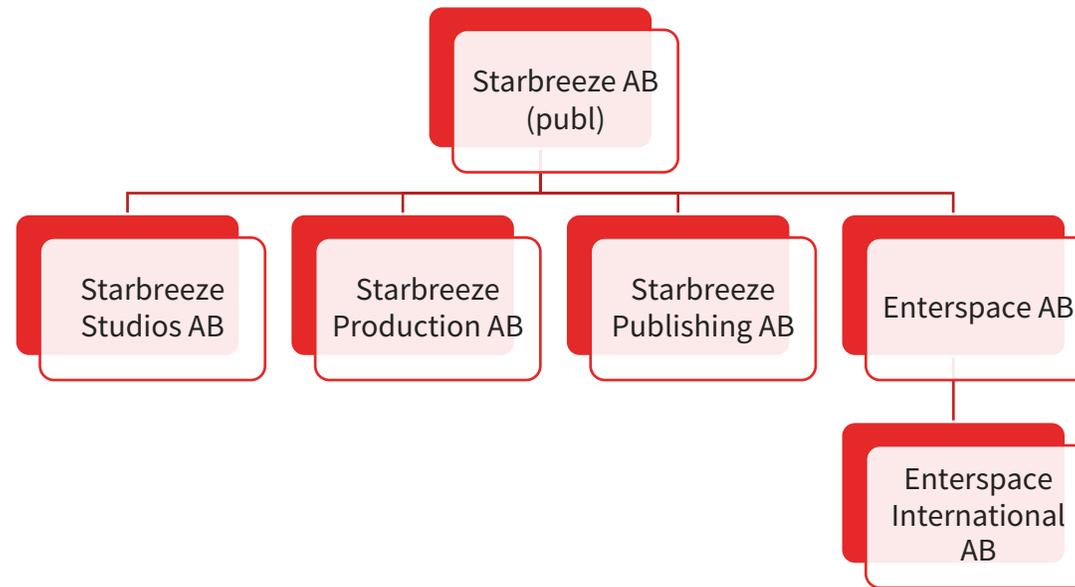
Second quarter report release

STARBREEZE GROUP STRUCTURE

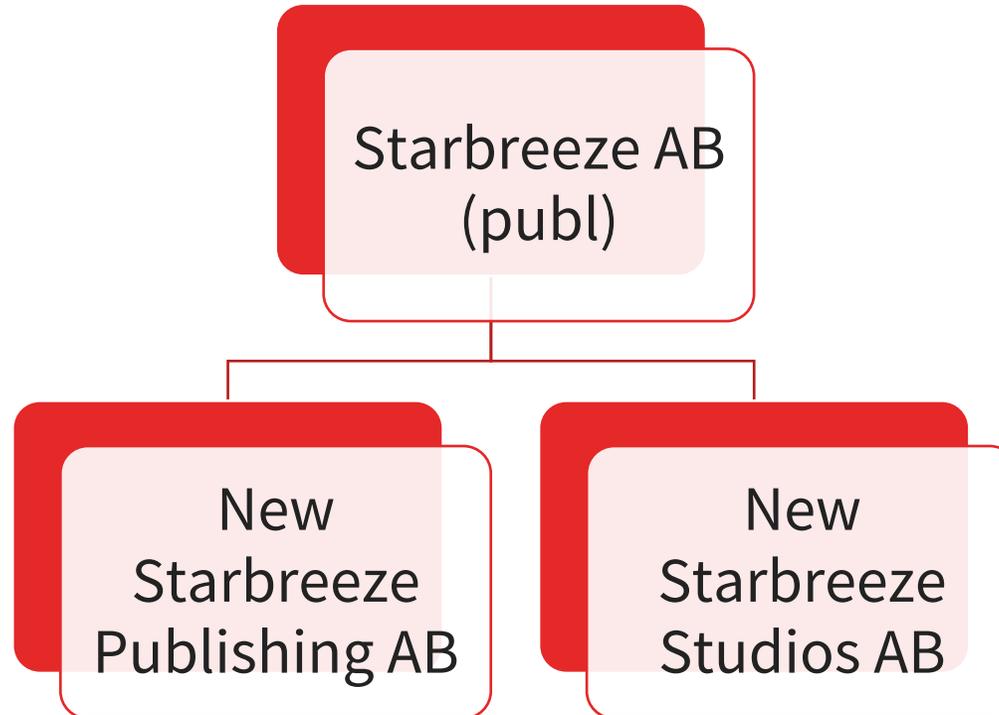


Starbreeze AB (publ), hereinafter referred to as the Parent Company, is the parent company in a group of companies consisting of, among others, the subsidiaries Starbreeze Studios AB, Starbreeze Production AB, Starbreeze Publishing AB, and Enterspace AB with its subsidiary Enterspace International AB. In addition to these companies, the Company has subsidiaries in which a company reorganisation has not been initiated; two Swedish companies, three companies in the United States, two in Luxemburg as well as Belgium, and one company in France, Spain, India and Dubai. Furthermore, the Company has an associate company in Taiwan.

COMPANIES IN RECONSTRUCTION



ILLUSTRATIVE VIEW NEW STRUCTURE



FUTURE FINANCING

- **Step 1 – Started directly with the reconstruction:**
 - Strategic overview of the future Starbreeze, start of the Reconstruction Plan drafting.
 - Definition of core and non-core business
 - Decision that no personnel or financial resources should be allocated into non-core unless commercially viable.
 - Administrator and Management in agreement to ensure that Starbreeze has a healthy future cash-flow strategy
- **Step 2 – Future financing, core business**
 - Initiating dialogues with strategic and financial investors, all dialogues dependent on:
 - External valuation of all core assets
 - Resolve Management challenges - Board without a quorum.
 - Consolidation of assets and operations into two new legal entities.
- **Step 3 – On-going dialogues future financing**
 - Aim of the on-going dialogues with strategic and financial investors is to secure a healthy cash-flow on operating level
 - The net cash-flow generated by Starbreeze future operations to be used to manage Creditor debts.
 - On going discussions with main Creditors to Starbreeze and its subsidiaries.

FUTURE STARBREEZE

NON-CORE BUSINESS

The Company has further identified non-core assets and the company has initiated a process to find collaborations with external parties to secure that these operations develop in a positive way. These assets include, but are not limited to:

- **Enterspace**
- **Other VR LBE initiatives**
- **StarVR**
- **Nozon**
- **PresenZ**
- **Dhruva**
- **ePawn**

CORE BUSINESS

The Company's operational and financial resources will be focused to the core business and be the platform for the Group's future operations. These include:

- **Internal Development:**
PAYDAY 2, PAYDAY 3, PAYDAY: Crime War, Crossfire, Geminose, *OVERKILL's The Walking Dead*
- **Publishing:**
Psychonauts 2

Please note that the above definitions are preliminary and dependent on on-going negotiations and external funding.

VISION/MISSION

**TO CREATE, DEVELOP & PUBLISH EXCITING,
GAMEPLAY-FOCUSED & COMMUNITY-CENTRIC GAMES**

The background of the slide features a dark, semi-transparent overlay of architectural blueprints. The blueprints include various floor plans and technical drawings. One prominent drawing in the upper right quadrant is labeled 'FRANK YAL...' and 'SECURITY STORAGE SOLUTIONS'. Below it, another drawing is labeled 'TYPE: L (100cm x 100cm)'. The overall aesthetic is technical and tactical, consistent with the game's theme of heists.

PHILOSOPHY

- Be a creative and exciting game and IP creator, and publisher.
- To create engaging gameplay experiences where consumers are happy with the time spent.
- To ensure that all employees are given the best opportunity to succeed.

GOALS

- To develop wholly owned IP's for the games market, where customer value is sustained over time.
- To provide a unique service as a boutique publisher by ensuring that the games reach their highest potential and market appeal.
- To build a long-term commercially viable portfolio which minimizes risk and maximizes profit, through both internally developed and 3rd-party Published games.

STARBREEZE STRATEGY

GAMES DEVELOPEMENT
INTERNALLY DEVELOPED GAMES

PUBLISHING
PUBLISHING TITLES WITH BEST IN CLASS
EXTERNAL PARTNERS

STRATEGIC PARTNERSHIPS
IN THE GLOBAL NETWORK

PAYDAY IN NUMBERS

CASE STUDY: PAYDAY

DLCS AND UPDATES

> 170

INSTALLED BASE

> 28,000,000

PAYDAY IN GROSS SALES

> 200M EUR

STEAM COMMUNITY MEMBERS

5,800,000

Genre: Action / Co-op

Platforms: PC, Xbox 360, XboxONE, Playstation 3, Playstation 4, Nintendo Switch, VR (HTC Vive and Oculus Rift), coming to mobile through PAYDAY : Crime War

THE PAYDAY FRANCHISE



PAYDAY: CRIME WAR

RELEASE: 2019

FIRST MOBILE TITLE DEVELOPED ON OWN IP

BASED ON THE SUCCESSFUL PAYDAY FRANCHISE

PROOFED WITH BETA WITH 200K PARTICIPANTS

COLLABORATION WITH UNIVERSAL



PAYDAY 3

RELEASE: TBA

CO-OPERATIVE 1ST PERSON SHOOTER

OWN IP

MULTI PLATFORM



OVERKILL'S THE WALKING DEAD

RELEASED ON PC: NOVEMBER 2018

NARRATIVE DRIVEN CO-OPERATIVE
1ST PERSON SHOOTER

BASED ON THE SMASH-HIT GRAPHIC
NOVEL SERIES BY ROBERT KIRKMAN

ONE OF THE WORLDS MOST POPULAR
TV SERIES FRANCHISES



OVERKILL'S THE WALKING DEAD

CROSSFIRE CO-OP

(WORKING TITLE)

RELEASE: TBA

CO-OPERATIVE 1ST PERSON SHOOTER

BASED ON SMILEGATE'S MEGA IP
CROSSFIRE WITH 650M PLAYERS

WESTERN VERSION OF THE GAME

PC

PROJECT

CROSSFIRE

CO-OP

(WORKING TITLE)

GEMINOSE

RELEASE: 2019

A GAME WHERE MAGIC, MUSIC AND DANCE IS AT THE HEART OF THE GEMINOSE SUPERSTARS WORLD

OWN IP

PREMIERING EXCLUSIVELY FOR THE NINTENDO SWITCH



PSYCHONAUTS 2

RELEASE: TBC

THIRD-PERSON ACTION/ADVENTURE

CREATOR: TIM SCHAFFER

STUDIO: DOUBLE FINE PRODUCTIONS

PC/CONSOLES



CONTACTS

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Lars Söderqvist,
Administrator

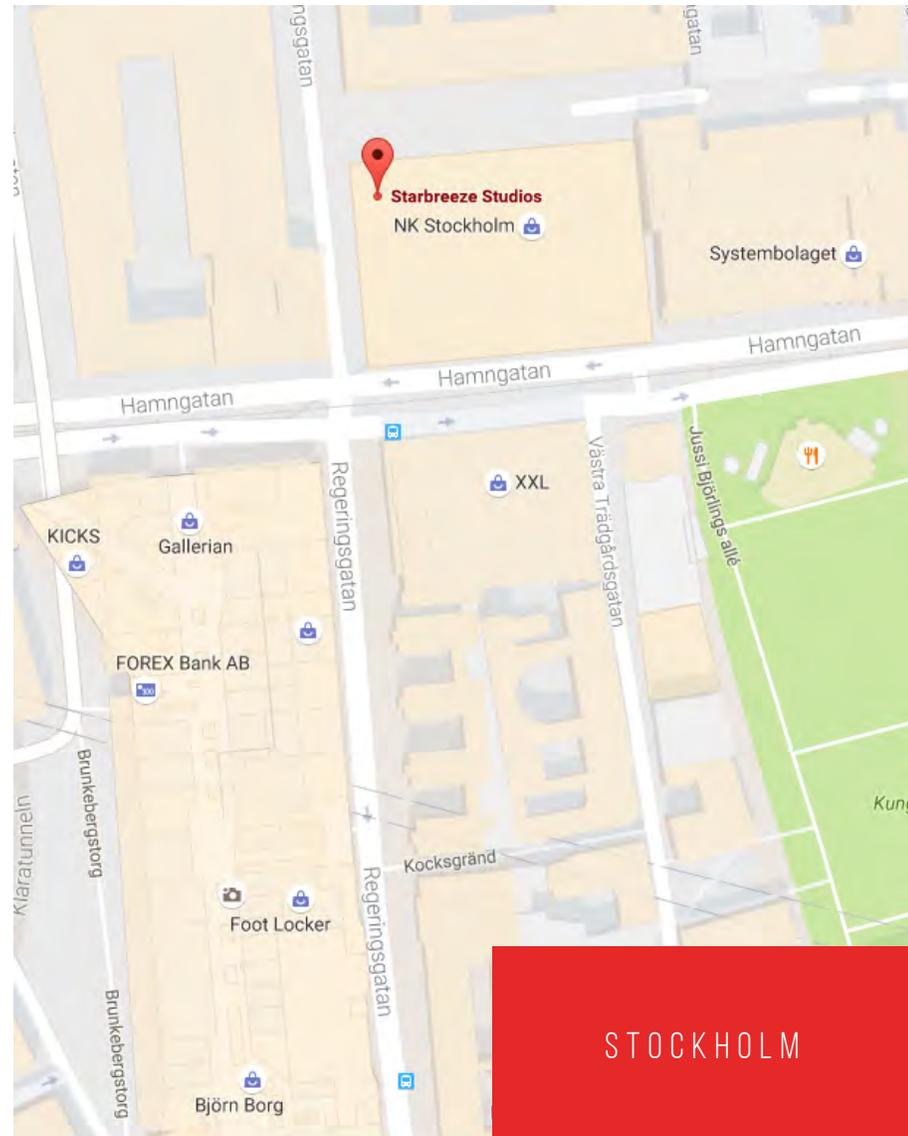
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THANKS!

