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Årsredovisning för

New Starbreeze Publishing AB

559194-5471

Räkenskapsåret
2024-01-01 - 2024-12-31

Innehållsförteckning: **Sida**

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Fastställelseintyg

Undertecknad styrelseledamot i New Starbreeze Publishing AB intygar härmed dels att denna kopia av årsredovisningen överensstämmer med originalet, dels att resultat- och balansräkningen fastställts på årsstämma 2025-06-30. Stämman beslutade också att godkänna styrelsens förslag till resultatdisposition.

Stockholm, 2025-06-30

Adolf Kristjansson
Styrelseordförande

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Förvaltningsberättelse

Styrelsen och verkställande direktören för New Starbreeze Publishing AB, 559194-5471, får härmed avge årsredovisning för räkenskapsåret 2024-01-01 - 2024-12-31.

Allmänt om verksamheten

New Starbreeze Publishing AB, med säte i Stockholm, är dotterbolag till Starbreeze Production AB (556292-1063). Bolaget innehar rollen som förläggare av spännande gameplayfokuserade och communitycentrerade egenproducerade samt externt utvecklade spel. Bolaget startades 2019-02-11.

Utveckling av företagets verksamhet, resultat och ställning i kkr

	2024-12-31	*2023-12-31*	*2022-12-31*	*2021-12-31*
Nettoomsättning	338 572	785 842	252 265	182 786
Resultat efter fin poster	-152 616	-177 676	-146 135	-183 017
Balansomslutning	871 411	1 205 892	1 286 723	1 244 775
Soliditet %	26,7	19,1	18,7	18,7
Definitioner: se not 20				

Väsentliga händelser under räkenskapsåret samt efter räkenskapsårets utgång

PAYDAY 3 lanserades i slutet av år 2023 och i slutet av oktober 2024 lanserades en av våra största uppdateringar sedan lanseringen, med helt nytt användargränssnitt, server browser, VoIP och mycket mer. Vi ser fortsatt stora förbättringar i betyg, sentiment och engagemang från våra spelare - viktiga delmål på vägen att öka PAYDAY 3s försäljning.

I slutet av 2023 lanserades vårt tredjepartförläggningsspel Roboquest. Under året 2024 har innehållsuppdateringar till Roboquest lanserats, och vi tillkännagav att spelet kommer till PlayStation®4 och 5 under första halvåret 2025.

Samtidigt fortsätter vårt Dungeons & Dragons®-projekt - Projekt Baxter - med full fart, med plan att lanseras under 2026.

Förväntad framtida utveckling

Genom Starbreeze-koncernens gedigna erfarenheter som utvecklare är New Starbreeze Publishing AB särskilt väl positionerat att vara en förlagspartner till andra mindre spelstudios. Där en typisk förlagsaffär ger begränsade rättigheter till utvecklaren vill New Starbreeze Publishing AB istället vara en katalysator för sin partner och dess succé. Affärsmodellen varierar, anpassad för investerings- storleken, men tillåter alltid att spelstudion behåller del av ägandet till de intellektuella rättigheterna.
Både vid egenfinansiering och när bolaget agerar förläggare för externa spelutvecklingsprojekt står bolaget för en väsentlig andel av finansieringen. Om spelet inte mottas positivt vid lanseringen erhåller bolaget lägre intäkter vilket påverkar kassaflöde och likviditet negativt.
New Starbreeze Publishing AB har ett omfattande ansvar för att inget material i spelen gör upphovsrättsintrång eller bryter mot andra legala regelverk. Om bolaget skulle göra sig skyldigt till upphovsrättsligt intrång i något spel så finns det risk att ett lanserat spel måste återkallas och bolaget kan få bära de ekonomiska konsekvenserna av detta vilket kan påverka bolagets lönsamhet, resultat och ekonomiska ställning negativt.
Bolaget har i huvudsak intäkter, samt även vissa tillgångar, i USD och EUR. Rapporteringsvaluta är i sek. Därmed uppstår viss känslighet för valutakursförändringar.

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Eget kapital

	Aktiekapital	*Reservfond*	*Övrigt bundet eget kapital*	*Fritt eget kapital*
Vid årets början 2024-01-01	226 177 700	9 900 002	199 243 270	-204 957 894
Förändring fond för utvecklingsutgifter			-129 904 123	129 904 123
Aktieägartillskott, erhållna				154 915 116
Årets resultat				-152 615 726
Vid årets slut 2024-12-31	**226 177 700**	**9 900 002**	**69 339 147**	**-72 754 381**

Vid årets början 2023-01-01	226 177 700	9 900 002	-	5 078 019
Förändring fond för utvecklingsutgifter			199 243 270	-199 243 270
Aktieägartillskott, erhållna				166 883 282
Årets resultat				-177 675 925
Vid årets slut 2023-12-31	**226 177 700**	**9 900 002**	**199 243 270**	**-204 957 894**

Förslag till disposition av företagets vinst eller förlust

Styrelsen föreslår att fritt eget kapital, disponeras enligt följande:

	Belopp i kr
Balanserat resultat	79 861 346
Årets resultat	-152 615 726
Balanseras i ny räkning	**-72 754 380**

Vad beträffar resultat och ställning i övrigt hänvisas till efterföljande resultat- och balansräkning med tillhörande noter

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Resultaträkning

Belopp i kr	*Not*	*2024-01-01-2024-12-31*	*2023-01-01-2023-12-31*
Nettoomsättning	*3*	338 572 462	785 841 739
Aktiverat arbete för egen räkning		-	15 581 893
		338 572 462	801 423 632
Rörelsens kostnader			
Spelutvecklingskostnader		-177 808 742	-274 174 624
Övriga externa kostnader	*4*	-79 944 121	-141 415 558
Av- och nedskrivningar av materiella och immateriella anläggningstillgångar		-137 896 733	-465 752 187
Övriga rörelsekostnader	*5*	6 087 235	-19 024 198
Övriga rörelseintäkter	*7*	2 883 154	9 581 140
Rörelseresultat		-48 106 745	-89 361 795
Resultat från finansiella poster	*21*	-	2 101 570
Resultat från andelar i koncernföretag	*6*	-17 246 649	-
Resultat från övriga värdepapper och fordringar som är anläggningstillgångar		5 596 120	5 065 385
Ränteintäkter och liknande resultatposter	*8*	1 313 666	438 183
Räntekostnader och liknande resultatposter	*9*	-94 172 118	-95 919 268
Resultat efter finansiella poster		-152 615 726	-177 675 925
Resultat före skatt		-152 615 726	-177 675 925
Årets resultat		**-152 615 726**	**-177 675 925**

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Balansräkning

Belopp i kr	*Not*	*2024-12-31*	*2023-12-31*
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar	*11*		
Övriga immateriella anläggningstillgångar		69 339 148	199 243 270
		69 339 148	199 243 270
Materiella anläggningstillgångar			
Inventarier, verktyg och installationer		29 290	-
		29 290	-
Finansiella anläggningstillgångar			
Andelar i koncernföretag	*12*	17 838 607	30 119 987
		17 838 607	30 119 987
Summa anläggningstillgångar		87 207 045	229 363 257
Omsättningstillgångar			
Kortfristiga fordringar			
Kundfordringar		41 943 062	142 645 619
Fordringar hos koncernföretag	*13*	646 388 524	631 768 942
Övriga fordringar		1 006 799	1 088 642
Förutbetalda kostnader och upplupna intäkter	*14*	45 355 884	51 027 011
		734 694 269	826 530 214
Kassa och bank		49 509 832	149 998 509
Summa omsättningstillgångar		784 204 101	976 528 723
SUMMA TILLGÅNGAR		871 411 146	1 205 891 980

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Balansräkning

Belopp i kr	*Not*	*2024-12-31*	*2023-12-31*
EGET KAPITAL OCH SKULDER			
Eget kapital			
Bundet eget kapital			
Aktiekapital		226 177 700	226 177 700
Reservfond		9 900 002	9 900 002
Fond för utvecklingsutgifter		69 339 147	199 243 270
		305 416 849	435 320 972
Fritt eget kapital			
Balanserad vinst eller förlust		79 861 346	-27 281 969
Årets resultat		-152 615 726	-177 675 925
		-72 754 380	-204 957 894
Summa eget kapital		232 662 469	230 363 078
Långfristiga skulder	*15*		
Skulder till koncernföretag		212 451 251	453 039 420
		212 451 251	453 039 420
Kortfristiga skulder			
Leverantörsskulder		-2 026 023	22 215 285
Skulder till koncernföretag		390 247 633	435 382 450
Övriga kortfristiga skulder	*16*	4 446 216	5 692 009
Upplupna kostnader och förutbetalda intäkter	*17*	33 629 600	59 199 738
		426 297 426	522 489 482
SUMMA EGET KAPITAL OCH SKULDER		871 411 146	1 205 891 980

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Kassaflödesanalys

Belopp i kr	*Not*	*2024-01-01-2024-12-31*	*2023-01-01-2023-12-31*
Den löpande verksamheten			
Rörelseresultat		-65 353 399	-89 361 796
Justeringar för poster som inte ingår i kassaflödet, m m		37 667 897	214 257 838
Betald kreditkostnad inklusive ränta		-35 167 331	-132 200
Intäktsränta		1 294 583	414 810
Kassaflöde från den löpande verksamheten före förändringar av rörelsekapital		**-61 558 250**	**125 178 652**
Kassaflöde från förändringar i rörelsekapital			
Ökning(-)/Minskning (+) av rörelsefordringar		257 161 652	-103 673 879
Ökning(+)/Minskning (-) av rörelseskulder		-94 862 152	-4 825 970
Kassaflöde från den löpande verksamheten		**100 741 250**	**16 678 803**
Investeringsverksamheten			
Förvärv av immateriella anläggningstillgångar		-8 795 324	-8 579 548
Avyttring av immateriella anläggningstillgångar		5 213 269	
Förvärv av materiella anläggningstillgångar		-42 178	
Investeringar i immateriella tillgångar			-15 581 889
Kassaflöde från investeringsverksamheten		**-3 624 233**	**-24 161 437**
Finansieringsverksamheten			
Checkräkningskredit			-523 680
Finansiering spelutveckling		42 982 474	77 856 718
Amortering av skuld		-240 588 169	
Kassaflöde från finansieringsverksamheten		**-197 605 695**	**77 333 038**
Årets kassaflöde		**-100 488 678**	**69 850 404**
Likvida medel vid årets början		**149 998 509**	**80 148 105**
Likvida medel vid årets slut		**49 509 831**	**149 998 509**

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Noter

Not 1 Redovisningsprinciper

Belopp i kr om inget annat anges

Allmänna redovisningsprinciper

Årsredovisningen har upprättats i enlighet med årsredovisningslagen och Bokföringsnämndens allmänna råd BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Värderingsprinciper m m

Tillgångar, avsättningar och skulder har värderats utifrån anskaffningsvärden om inget annat anges nedan.

Utländsk valuta

Transaktioner i utländsk valuta omräknas till den funktionella valutan enligt de valutakurser som gäller på transaktionsdagen. Valutakursvinster och -förluster som uppkommer vid betalning av sådana transaktioner och vid omräkning av monetära tillgångar och skulder i utländsk valuta till balansdagens kurs, redovisas i resultaträkningen som övriga rörelseintäkter respektive övriga rörelsekostnader.

Andelar i dotterföretag, intresseföretag, gemensamt styrda företag och företag med ägarintresse i

New Starbreeze Publishing AB är ett moderbolag men upprättar inte koncernredovisning, då det görs längre upp i koncernen i Starbreeze AB som är det överordnade moderbolaget, hänvisar till ÅRL 7:2.

Andelar i dotterföretag redovisas till anskaffningsvärde minskat med ackumulerade nedskrivningar. I anskaffningsvärdet ingår förutom inköpspriset även utgifter som är direkt hänförliga till förvärvet.

Intäkter

Försäljning av egentillverkade spel sker digitalt och fysiskt via externa distributörer för såväl PC som spelkonsoller som PS4, Xbox Live och Nintendo Switch. Bruttobetalningsströmmen går i samtliga fall via plattformsdistributören. Starbreeze har bedömt att avtal gällande försäljning av egenutvecklade spel skall klassificeras som intäktsdelningsavtal innebärande att Starbreeze i sin resultaträkning endast redovisar sin andel av intäkten, sin royalty. För avtal där bedömningen istället är att Starbreeze är part mot slutkunden så skall bolaget redovisa hela intäkten brutto och förläggarens andel av intäkterna skall redovisas som en avgående kostnadspost vilket innebär samma nettoresultat som med nuvarande redovisning. I nettoomsättningen ingår även försäljning av licenser, spelfranchise eller andra liknande rättigheter då sådana transaktioner är av återkommande karaktär för Bolaget.

Skatt

Uppskjutna skattefordringar redovisas avseende skattemässiga underskottsavdrag i den utsträckning som det är sannolikt att de kan tillgodogöras genom framtida beskattningsbara vinster. Eftersom bolagets framtida beräknade vinster inte kan beräknas på ett tillfredställande sätt, har koncernen per den 31 december 2024 inga redovisade skattefordringar kopplade till underskottsavdrag.

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Immateriella anläggningstillgångar

Balanserade utgifter för spel- och teknikutveckling:
Kostnader för underhåll av programvara kostnadsförs när de uppstår. Utvecklingsutgifter som är direkt hänförliga till utveckling och testning av identifierbara och unika programvaruprodukter (vanligtvis spelutvecklingsprojekt) som kontrolleras av koncernen, redovisas som immateriella tillgångar när följande kriterier är uppfyllda;
det är tekniskt möjligt att färdigställa programvaran så att den kan användas,
företagets avsikt är att färdigställa programvaran och att använda eller sälja den
det finns förutsättningar att använda eller sälja programvaran,
det kan visas hur programvaran genererar troliga framtida ekonomiska fördelar, adekvata tekniska, ekonomiska och andra resurser för att fullfölja utvecklingen och för att använda eller sälja programvaran finns tillgängliga, och de utgifter som är hänförliga till programvaran
under dess utveckling kan beräknas på ett tillförlitligt sätt.

För utvecklingsprojekt som bedöms uppfylla samtliga kriterier för aktiverbarhet aktiveras dessa utgifter i balansräkningen och benämns Balanserade utgifter för egen spel- och teknikutveckling. Starbreeze kostnadsför utgifter för utveckling om ovanstående inte är uppfyllt.Bolaget har under året aktiverat spelutvecklingsutgifter avseende PAYDAY 2 och PAYDAY 3. Tillgången skrivs av från och med lanseringen av spelet och över en bedömd nyttjandeperiod vilket vanligtvis är mellan 18 och 120 månader.

Rättigheter till programvaror:
Spelrättigheter, spelmotorer och övriga programvarulicenser (teknologi) som förvärvats genom ett rörelseförvärv redovisas till verkligt värde på förvärvsdagen.Förvärvade programvarulicenser aktiveras på basis av de kostnader som uppstått då den aktuella programvaran förvärvats och satts i drift.
Dessa aktiverade kostnader skrivs av under den bedömda nytttjandeperioden vilket vanligtvis är mellan 18 och 60 månader. Då avskrivningstiden skall spegla den ekonomiska livslängden är avskrivningstiden inte alltid linjär.Rättigheter avseende spelet PAYDAY skrivs av över en bedömd nyttjandeperiod på 10 år.

Finansiella tillgångar och skulder

Finansiella tillgångar och skulder redovisas i enlighet med kapitel 11 (Finansiella instrument värderade utifrån anskaffningsvärdet) i BFNAR 2012:1. Finansiella instrument som redovisas i balansräkningen inkluderar finansiella anläggningstillgångar, kundfordringar,övriga fordringar, leverantörsskulder och låneskulder. Instrumenten redovisas i balansräkningen när New Starbreeze Publishing AB blir part i instrumentets avtalsmässiga villkor.
Finansiella tillgångar tas bort från balansräkningen när rätten att erhålla kassaflöden från instrumentet har löpt ut eller överförts och bolaget har överfört i stort sett alla risker och förmåner som är förknippade med äganderätten. Finansiella skulder tas bort från balansräkningen när förpliktelserna har reglerats eller på annat sätt upphört.

Finansiella anläggningstillgångar:
Finansiella anläggningstillgångar avser tillgångar som kan säljas och värderas till anskaffningsvärde minskat, i förekommande fall, med nedskrivningar.

Nedskrivningsprövning av finansiella anläggningstillgångar:
Vid varje balansdag bedömer New Starbreeze Publishing AB om det finns någon indikation på nedskrivningsbehov i någon utav de finansiella anläggningstillgångarna. Nedskrivning sker om värdenedgången bedöms vara bestående. Nedskrivning redovisas i resultaträkningsposten Resultat från övriga värdepapper och fordringar som är anläggningstillgångar. Om nedskrivning av aktier sker fastställs nedskrivningsbeloppet som skillnaden mellan det redovisade värdet och det högsta av verkligt värde med avdrag för försäljningskostnader och nuvärdet av framtida kassaflöden (som baseras på företagsledningens bästa uppskattning).

Kundfordringar och övriga fordringar:
Fordringar redovisas som omsättningstillgångar med undantag för poster med förfallodag mer än 12 månader efter balansdagen, vilka klassificeras som anläggningstillgångar. Fordringar tas upp till det

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belopp som förväntas bli inbetalt efter avdrag för individuellt bedömda osäkra fordringar.

Låneskulder och leverantörsskulder:
Låneskulder och leverantörsskulder redovisas initialt till anskaffningsvärde efter avdrag för transaktionskostnader.

Kvittning av finansiell fordran och finansiell skuld:
En finansiell tillgång och en finansiell skuld kvittas och redovisas med ett nettobelopp i balansräkningen endast då legal kvittningsrätt föreligger samt då en reglering med ett nettobelopp avses ske eller då en samtida avyttring av tillgången och reglering av skulden avses ske.

Not 2 Uppskattningar och bedömningar

Uppskattningar och bedömningar utvärderas löpande och baseras på historisk erfarenhet och andra faktorer, inklusive förväntningar på framtida händelser som anses rimliga under rådande förhållanden. New Starbreeze Publishing AB gör uppskattningar och bedömningar om framtiden. De uppskattningar för redovisningsändamål som blir följden av dessa kommer, definitionsmässigt, sällan att motsvara det verkliga resultatet. De uppskattningar och antaganden som innebär en betydande risk för väsentliga justeringar i redovisade värden för tillgångar och skulder under nästkommande år behandlas i huvuddrag nedan.

Immateriella anläggningstillgångar
Bolaget undersöker varje år om något nedskrivningsbehov föreligger för immateriella tillgångar med obestämbar nyttjandeperiod. Prövningen sker oftare om indikation finns på värdenedgång. Nedskrivningstesterna, som inte visar på något nedskrivningsbehov, baseras på respektive tillgångs bedömda framtida kassaflöde.

Not 3 Nettoomsättning per rörelsegren och geografisk marknad

Nettoomsättning per rörelsegren

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Royalty , licencer mm	338 572 462	785 841 739
Summa	**338 572 462**	**785 841 739**

Nettoomsättning per geografisk marknad

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Sverige	165 694 357	165 894 695
Övriga Europa	81 689 043	480 477 025
USA	84 215 014	137 254 218
Asien	6 974 048	2 215 801
Summa	**338 572 462**	**785 841 739**

Not 4 Arvode och kostnadsersättning till revisorer

Årets revisionsarvode har i sin helhet fakturerats till moderbolaget och därifrån fördelas till dotterbolagen via business support fee.

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Not 5 Övriga rörelsekostnader

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Kursförluster på fordringar/skulder av rörelsekaraktär	4 466 356	-19 024 198
Nedskrivning koncern skulder	1 620 879	-
Summa	**6 087 235**	**-19 024 198**

Not 6 Resultat från andelar i koncernföretag

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Nedskrivningar	-17 246 649	-
Summa	**-17 246 649**	**-**

Not 7 Övriga rörelseintäkter

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Vidarefakturering publishing kostnader	-1 514 513	8 554 580
Övriga rörelseintäkter	4 397 667	1 026 560
Summa	**2 883 154**	**9 581 140**

Not 8 Ränteintäkter och liknande resultatposter

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Ränteintäkt, koncernföretag	19 083	23 373
Övrigt	1 294 583	414 810
Summa	**1 313 666**	**438 183**

Not 9 Räntekostnader och liknande resultatposter

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Räntekostnader	-94 172 118	-95 919 268
Summa	**-94 172 118**	**-95 919 268**

Not 10 Skatt på årets resultat

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Aktuell skattekostnad	-	-
	-	**-**

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Avstämning av effektiv skatt

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Resultat före skatt	-152 615 726	-177 675 925
Skatt enligt gällande skattesats 20,6%	31 438 840	36 601 240
Ej avdragsgilla kostnader	-9 528	-3 000
Ej skattepliktiga intäkter	928	440 623
Ej aktiverat underskottsavdrag	-31 430 240	-37 038 863
Redovisad effektiv skatt	**-**	**-**

Not 11 Licencer och övriga immateriella anläggningstillgångar

	2024-12-31	*2023-12-31*
Ackumulerade anskaffningsvärden		
-Vid årets början	1 094 965 004	1 070 803 564
-Nyanskaffningar	8 795 324	13 900 012
-Egen spelutveckling	-	15 581 893
-Försäljnings av förlagsrättigheter	-815 602	-
Avyttring	-	-5 320 465
Vid årets slut	1 102 944 726	1 094 965 004
Ackumulerade avskrivningar		
-Vid årets början	-895 721 734	-429 969 547
-Årets avskrivning	-137 883 844	-465 752 187
Vid årets slut	-1 033 605 578	-895 721 734
Redovisat värde vid årets slut	**69 339 148**	**199 243 270**

Not 12 Andelar i koncernföretag

	2024-12-31	*2023-12-31*
Ackumulerade anskaffningsvärden:		
-Vid årets början	30 119 987	25 934 604
-Ovillkorat aktieägartillskott	4 965 269	4 185 383
-Avyttring	-17 246 649	-
Redovisat värde vid årets slut	**17 838 607**	**30 119 987**

Not 13 Fordringar hos koncernföretag

	2024-12-31	*2023-12-31*
Ackumulerade anskaffningsvärden:		
-Vid årets början	631 768 942	506 321 872
-Tillkommande fordringar	290 978 396	226 013 212
-Reglerade fordringar	-276 358 814	-100 566 142
Redovisat värde vid årets slut	**646 388 524**	**631 768 942**

20250922201777

Not 14 Förutbetalda kostnader och upplupna intäkter

	2024-12-31	*2023-12-31*
Upplupna intäkter	33 332 049	32 651 643
Förutbetalda kostnader	12 023 835	18 375 369
	45 355 884	**51 027 012**

Not 15 Långfristiga skulder

	2024-12-31	*2023-12-31*
Skulder som förfaller senare än ett år från balansdagen		
Skulder till koncernföretag, förfaller senare än fem år	212 451 251	453 039 420
	212 451 251	**453 039 420**

Not 16 Övriga kortfristiga skulder

	2024-12-31	*2023-12-31*
Skulder som förfaller inom ett år från balansdagen:		
Övriga kortfristiga skulder	4 446 216	5 692 009
	4 446 216	**5 692 009**

Not 17 Upplupna kostnader och förutbetalda intäkter

	2024-12-31	*2023-12-31*
Upplupna kostnader övrigt	12 639 948	43 196 837
Upplupna räntekostnader	20 989 652	16 002 901
	33 629 600	**59 199 738**

Not 18 Transaktioner med närstående

New Starbreeze Publishing AB är dotterbolag till Starbreeze Production AB (556292-1063).
New Starbreeze Publishing AB har under räkenskapsåret fakturerat koncernbolag
för 291,5 (147,7) MSEK.
New Starbreeze Publishing AB har under räkenskapsåret köpt tjänster från koncernbolag
för 335,7 (104,7) MSEK.
Per den 31 december 2024 har New Starbreeze Publishing AB skulder till koncernbolag uppgående
till 390,2 (888,4) MSEK samt fordringar uppgående till 646,4 (661,9) MSEK.
Aktieägartillskott har erhållits 2024 med 4,97 (0) MSEK

Not 19 Väsentliga händelser efter räkenskapsårets slut

Inga väsentliga händelser efter räkenskapsårets slut.

20250922201778

Not 20 Nyckeltalsdefinitioner

Balansomslutning:
Totala tillgångar.

Soliditet:
(Totalt eget kapital +79,4% av obeskattade reserver) /Totala tillgångar.

Not 21 Orealiserad värdeförändring derivat

	2024-01-01-2024-12-31	*2023-01-01-2023-12-31*
Orealiserad värdeförändring derivat	-	2 101 570

20250922201779

Underskrifter

Stockholm, 2025-06-30

Adolf Kristjansson
Styrelseordförande

Mats Juhl
Styrelseledamot

Marika Kleivard
Styrelseledamot

Vår revisionsberättelse har lämnats 2025-06-30

Öhrlings PricewaterhouseCoopers AB

Martin Johansson
Auktoriserad revisor

Kopian stämmer med originalet 25-09-15
Erica Danielsson
Erica Danielsson 073 031 7375

20250922201780

Revisionsberättelse

Till bolagsstämman i New Starbreeze Publishing AB, org.nr 559194-5471

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för New Starbreeze Publishing AB för år 2024.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av New Starbreeze Publishing ABs finansiella ställning per den 31 december 2024 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen för New Starbreeze Publishing AB.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till New Starbreeze Publishing AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

En ytterligare beskrivning av vårt ansvar för revisionen av årsredovisningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens förvaltning för New Starbreeze Publishing AB för år 2024 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman behandlar förlusten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till New Starbreeze Publishing AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

20250922201781

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation, och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon försummelse som kan föranleda ersättningsskyldighet mot bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

En ytterligare beskrivning av vårt ansvar för revisionen av förvaltningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Stockholm den 30 juni 2025

Öhrlings PricewaterhouseCoopers AB

Märtin Johansson
Auktoriserad revisor

Kopia av Koncern rapport och revisionsberättelse. Starbreeze AB. Kopian överensstämmer med originalet. 2025-09-15

20250922201782

STARBREEZE
ENTERTAINMENT

Erica Daniels
Tvistad
073 031 73 75
Stockholm

Annual Report 2024

*This report is a translation of the Swedish original. In case of differences, the Swedish text shall prevail.

Ärende 9529448/2025

STARBREEZE

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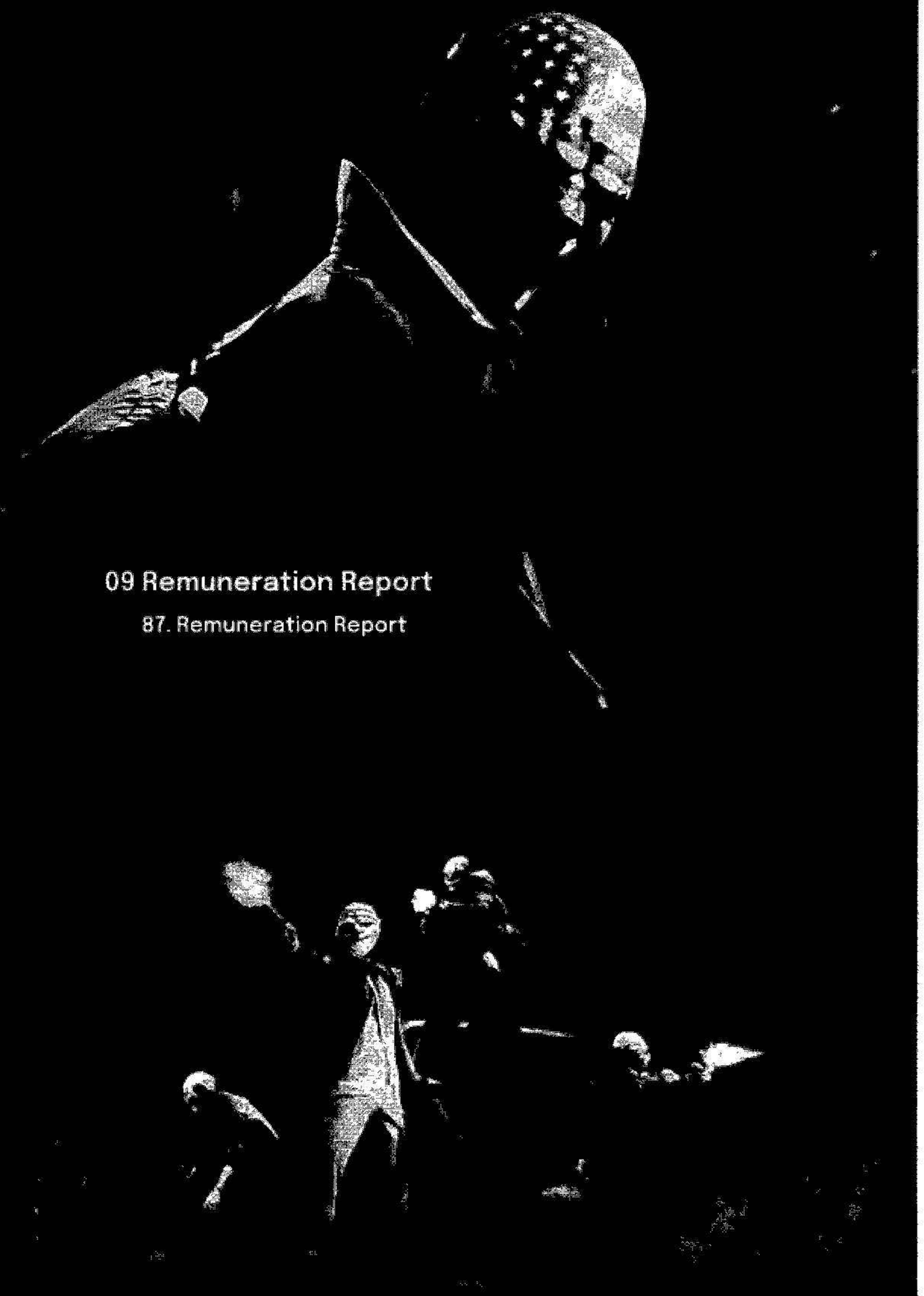
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STARBREEZE

Starbreeze in Brief

Starbreeze is an independent developer, publisher, and distributor of engaging, social gaming experiences. Based in Sweden with employees across Europe and worldwide, we've been a driving force in the global gaming industry for over 25 years.

PAYDAY® has been our flagship franchise since 2011 – the world's leading heist simulator and our most successful game series. It continues to grow and reach new players across the globe. Through our licensing and franchise model, we're building on the brand's strength, bringing PAYDAY® to new platforms and audiences. It's more than just a game – it's an iconic experience that engages millions.

We are currently developing a new co-op multiplayer game based on the world's greatest role-playing game – Dungeons & Dragons®–with a planned launch in 2026.

We act as a publisher for external developers and are the publisher behind successful titles such as Roboquest.

We believe in gaming as a social experience that brings people together. That's why we focus on building, maintaining, and nurturing our relationship with players. Through our platform, Starbreeze Nebula, we strive to foster an active and engaged community around our games.

Number of Employees

186

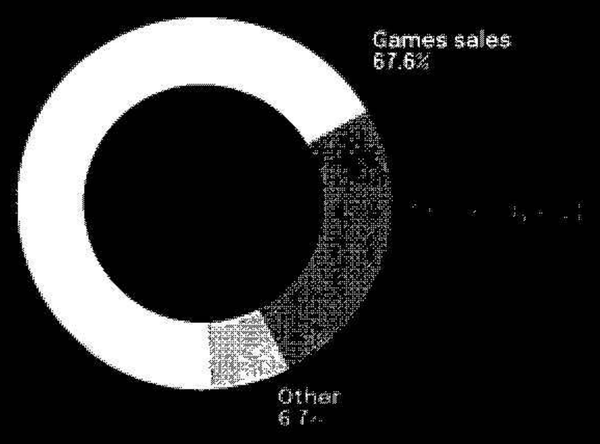
(194 in 2023)

Net sales

186

(634 in 2023)

Net Sales, distribution in percent



Net Sales & Results, 2020-2024



Male | Female| Other

143 **37** **6**

2024 in Brief

During 2024, we have taken steps to expand and strengthen our game portfolio. PAYDAY™ 3 has grown and improved with new content and features, and we're expanding the PAYDAY® brand by bringing it to new platforms and experiences. Our Dungeons & Dragons®-based game is in production, targeting a 2026 release. Additionally, Roboquest is expanding with a launch on PlayStation 4 and PlayStation 5 in the first half of 2025.

PAYDAY™ 3

Project Overview

PAYDAY™ 3 received several major updates to its content, functionality, and technical platform through both Operation Medic Bag and ongoing development.

Updates

Three DLCs:
Boys in Blue, Houston Breakout, Fear & Greed

Two "Legacy Heists":
Diamond District, First World Bank

PROJECT BAXTER

Project Overview

A co-op urban crawl through a reactive Dungeons & Dragons®-world, utilizing procedural tools to enhance emergent gameplay in an endlessly replayable setting.

Updates

Baxter entered full production, and we showed the first images of the transition from concept to production

ROBOQUEST

Project Overview

Roboquest received significant new content and improvements through multiple major updates that added to the game and expanded its reach.

Updates

Super Update, Dead Cells Update, Endless Update,

Coming launch on PlayStation 4 and PlayStation 5 during the first half of 2025

THE PAYDAY®-FRANCHISE

Project Overview

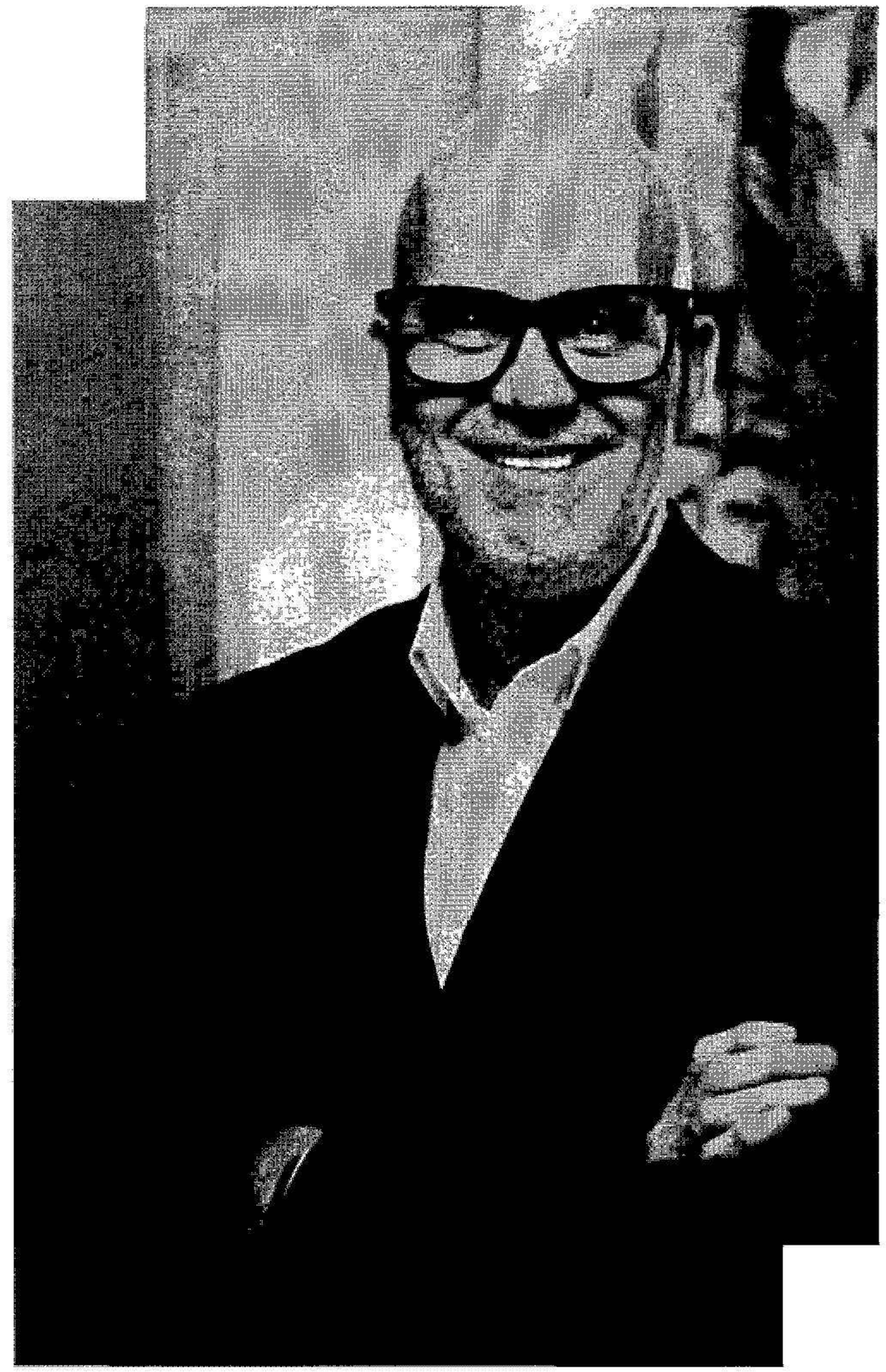
PAYDAY x PUBG
Starbreeze announced a partnership with KRAFTON, Inc., the company behind PUBG: Battlegrounds, to integrate PAYDAY's cooperative heist experience into PUBG.

Project Overview

Notoriety, a popular co-op FPS on the Roblox platform, underwent significant development that culminated in its relaunch as an officially licensed PAYDAY® experience.

Message from the CEO

We expand our reach



Throughout 2024, we have continued to strengthen Starbreeze's position as a multi-title studio, with PAYDAY at the heart of our business. Over the last 24 months, the gaming industry has undergone significant challenges and rapid changes, impacting both us and our industry peers. Navigating these turbulent times has required making difficult decisions, with clear focus and careful prioritization being key to our resilience and continued progress.

By developing and fostering our own IPs, engaging in strategically important work-for-hire projects, streamlining third-party publishing, and optimizing our organization, we've strengthened our long-term competitiveness. These focused initiatives are designed to deliver greater value for both our players and our shareholders.

We currently have three active projects engaging our nearly two hundred employees: PAYDAY 3, our Dungeons & Dragons® project 'Baxter,' and the integration of PAYDAY into 'PUBG: Battlegrounds' through a work-for-hire agreement with KRAFTON, Inc. In addition, we are also actively developing our franchise and licensing business, highlighted by our collaboration with KRAFTON and the successful relaunch of the ROBLOX game 'Notoriety' under the official PAYDAY brand. Through ROBLOX, we are reaching a new, broader, audience and can foster long-term brand loyalty. Our philosophy is to expand brand reach and relevance through creative partnerships supported by our strong proprietary titles.

Third-party publishing remains an important area, with the commercial success of Roboquest playing a key role. At the end of May, Roboquest will launch on PlayStation®4 and 5, giving over 100 million additional players the opportunity to enjoy this critically acclaimed game. We have also recently expanded our portfolio with the addition of the Swedish game 'Out of Sight' from the studio The Gang – a thrilling title with unique gameplay set to launch in the first half of 2025.

Today, Starbreeze is a well-diversified business, generating revenue from original development, increasing contributions from third-party publishing, work-for-hire agreements, and expanding licensing income from key collaborations. Collectively, this provides a stable foundation for sustained growth in 2025 and beyond.

STRATEGIC DIRECTION

Our strategy focuses on creating engaging and social gaming experiences with a strong focus on cooperative gameplay and player interaction. PAYDAY remains our flagship IP, and we continue to invest in its development while actively expanding partnerships with established franchises such as Dungeons & Dragons and PUBG: Battlegrounds. We are committed to the long-term support of our games, with an emphasis on high replayability. Our ultimate goal is to deliver memorable and iconic experiences that deepen player engagement and foster lasting loyalty.

PAYDAY

PAYDAY 3

This year, we released several highly anticipated updates for PAYDAY 3, enhancing functionality and adding key features such as server browser, VoIP, and an updated user interface. The game continues to evolve and attract new players, supported by successful initiatives like our collaboration with PlayStation®Plus, which has introduced millions of new players to the PAYDAY 3 universe.

PARTNERSHIPS AND BRAND EXPANSION

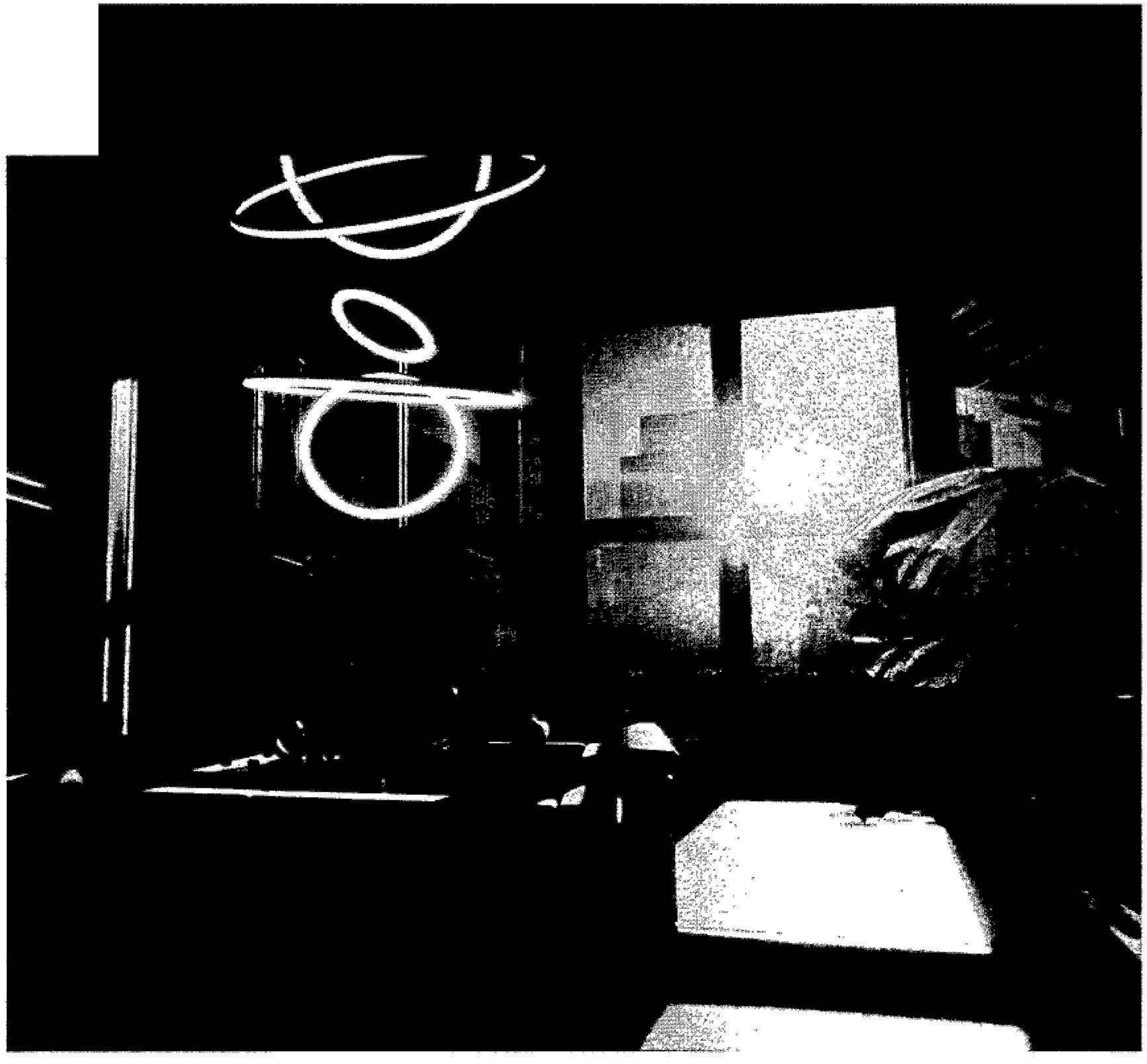
Our strategic partnership with KRAFTON, Inc., integrating PAYDAY into PUBG: Battlegrounds, offers a unique opportunity to introduce the PAYDAY brand and experience to a broader global audience. PUBG is one of the few truly "evergreen" and consistently popular gaming platforms worldwide, making this collaboration particularly exciting. Similarly, the ROBLOX game 'Notoriety' is another successful example of reaching a new, younger audience and building brand awareness among the next generation of players.

PROJECT BAXTER – DUNGEONS & DRAGONS®
Project Baxter has made strong progress this year, with regular internal playtests driving development forward. We are engaged in ongoing conversations and gameplay sessions with potential partners to maximize the project's commercial potential, receiving consistently positive feedback. Our goal is to deliver a unique cooperative gaming experience where player choices and actions have a meaningful impact on the game world, and we remain optimistic about its future success.

ORGANIZATION
Throughout the year, we have optimized our organization to better address market challenges and focus resources on our core business – game development. This included a moderate net change in staffing and targeted restructuring to further strengthen our development team. Moving to our new headquarters in Stockholm in early 2025 marked an important milestone in fostering internal culture, enhancing collaboration, and increasing overall efficiency.

FINAL WORDS
2024 has been a year of significant progress for Starbreeze. We have enhanced our existing titles, expanded strategic partnerships, and built a stronger foundation for long-term success. Looking ahead to 2025, we are optimistic and well-positioned to reach our goals, drive innovation, and continue delivering value to our players, employees, and shareholders.

ADOLF KRISTJANSSON, CEO
MATS JUHL, CFO



Why invest in Starbreeze

1. Market

Large and Growing Sector
Starbreeze operates within a gaming market expected to surpass USD 200 billion by 2026. By focusing on consoles and PC, the company addresses nearly half of that market.

Engaged Players
Multiplayer and cooperative games represent one of the fastest-growing segments, attracting audiences willing to invest substantial amounts of time and money over the long term.

2. Strong IP Portfolio Centered Around PAYDAY®

Global Reach
The PAYDAY franchise has over 50 million players worldwide.

Licensing and Partnerships
Strategic collaborations (e.g., with KRAFTON, Inc. for PUBG: Battlegrounds or 'Notoriety' on Roblox) expands PAYDAY's audience, generate additional revenue streams, and maintain cultural relevance among both existing and new fans.

Low Risk, High Return
Licensing agreements provide supplementary revenue streams without significant development costs, maintaining momentum ahead of upcoming launches.

3. Diversified Revenue Streams & New Development

New Co-op Projects
Development of a game based on the globally recognized Dungeons & Dragons® brand leverages Starbreeze' expertise and broadens the company's reach.

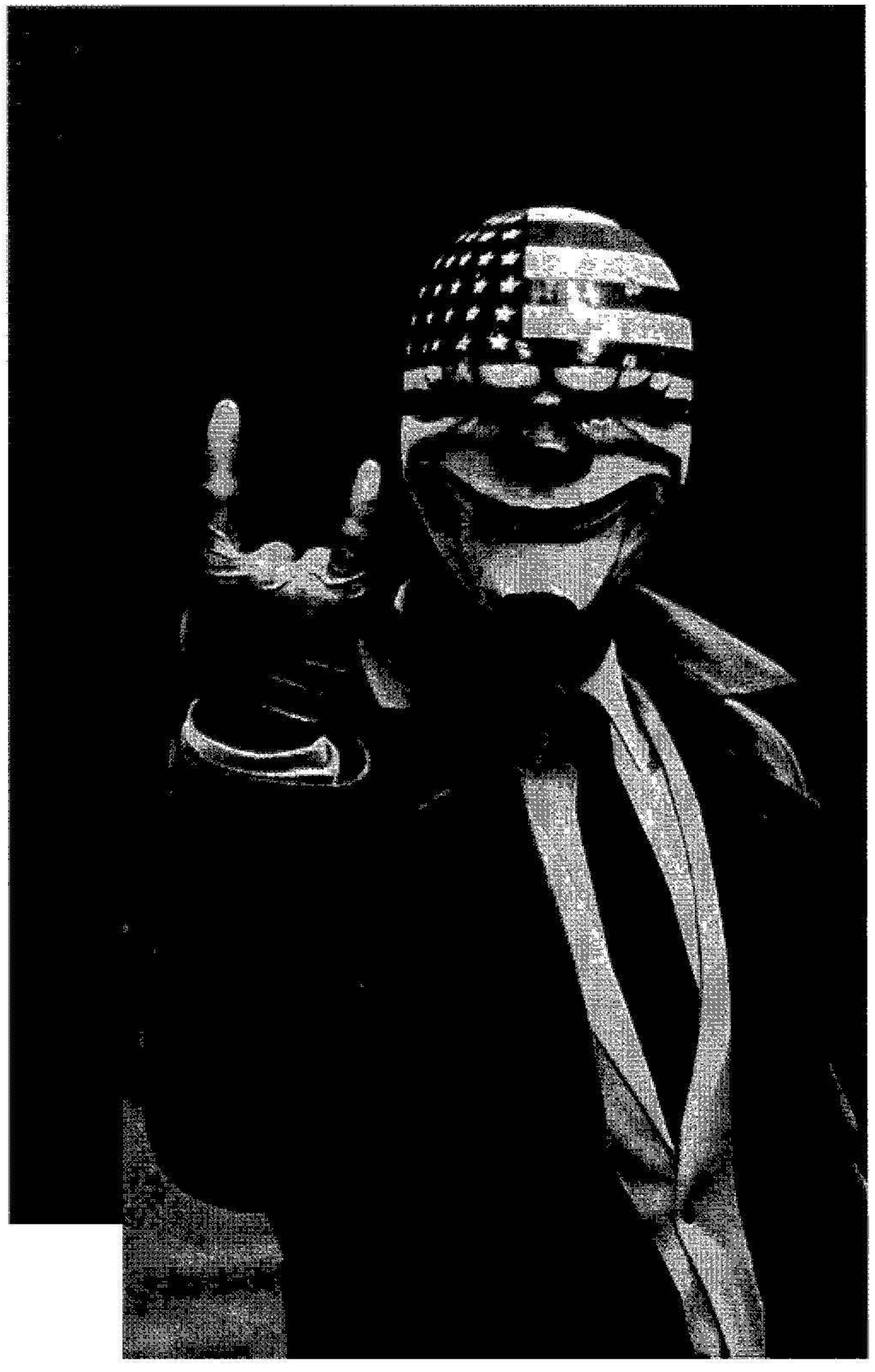
Leveraging PAYDAY® Expertise
Lessons learned from PAYDAY are utilized to create new gaming brands, reducing dependency on a single franchise.

Third-party Publishing (3PP)
By publishing and supporting titles such as Roboquest, Starbreeze taps into new genres and audiences.

4. Financial Stability

Solid Balance Sheet
Limited debt and a strong net cash position provide a stable foundation for strategic investments.

Growth and Diversification
By driving proprietary projects and capitalizing on licensing opportunities, Starbreeze strengthens its financial position, mitigates project risk, and enables further investment in new gaming brands and expansion opportunities.



STARBREEZE



Operating environment & Strategy

02

Market

The global games market continues to show strong long-term growth, with close to 3.5 billion players at the end of 2024. In total, the market amounted to USD 188 billion in 2024, divided between PC, console and mobile games. Starbreeze primarily addresses the PC and console markets.

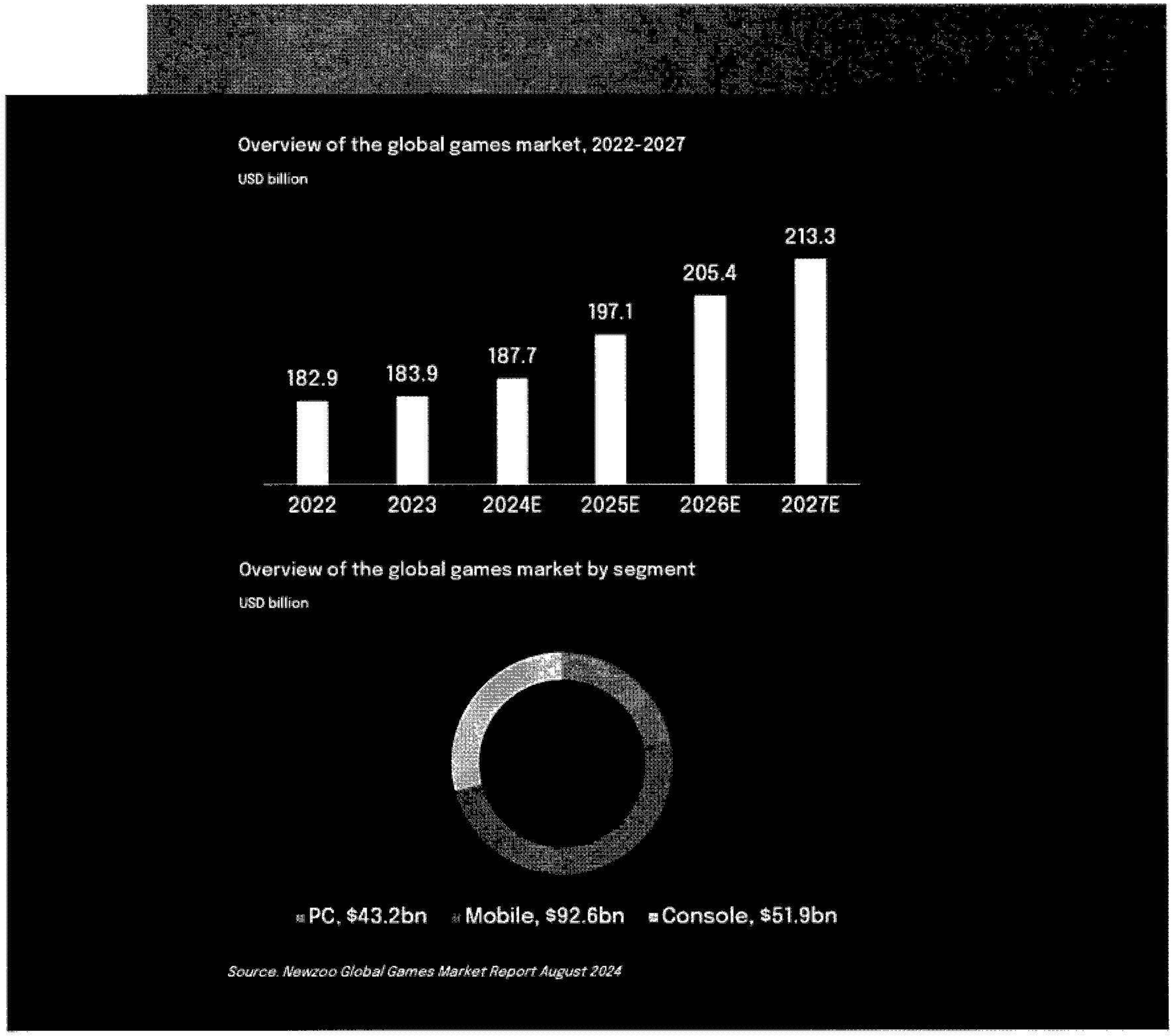
Market overview

In 2024, the global games market continued to grow as demand for interactive entertainment experiences increased. The market for PC games increased by 4 percent and the market for console games decreased by 1 percent. The mobile games market reversed a multi-year trend and grew by 3 percent.

Growth

The analysis company Newzoo estimates that the market will continue to grow with a CAGR of just over 3 percent between 2022 and 2027, and the market value is then expected to amount to USD 213.3 billion.

Starbreeze products are sold via digital platforms such as Steam, Playstation Store, Xbox Game Store and Epic Games Store, and via physical retailers. Geographically, North America and Europe are the largest markets for our games and together account for just over 70 percent of Starbreeze's revenue.



Trends

The gaming industry and market are expansive and rapidly changing. Key market trends continue to evolve, influenced by technological advancements, shifting consumer gaming habits, and structural changes in the industry's makeup.

Here is a selection of the market trends that impact our business.

Generative AI

Generative AI is used today in the games industry in everything from pre-production processes, to generating textures and content, creating dynamic and varied games environments, as well as character design and animation. According to surveys, generative AI is expected to increase the overall quality of games and shorten production times, but not to the same extent reduce costs or alleviate the industry's talent shortage.

For Starbreeze

Today, we use generative AI primarily in the pre-production work for our various projects. The ability to quickly visualize and communicate a visual direction or design track shortens the time between pre-production and production. Starbreeze is investigating the possibility of using generative AI in the future for the processual generation of both commercial and user-generated content.

Global focus on IP

The gaming industry is increasingly focused on building strong brands and IPs that can expand both within and beyond the gaming world. A successful IP has the potential to evolve into new game genres, movies, TV series, books, and merchandise, creating new and diversified revenue streams. An IP that can be leveraged across multiple platforms is a key competitive advantage, especially at a time when the gaming market is showing signs of saturation.

For Starbreeze

Starbreeze's most important game IP, PAYDAY®, provides significant opportunities to expand into new genres and formats. We currently have a project to bring PAYDAY® to film or TV, a collaboration with KRAFTON to integrate PAYDAY® into the global hit PUBG, and partnerships with indie developers to introduce the brand to a younger audience on platforms like Roblox.

Co-op[1] & UGC[2]

Games that encourage players to play together - by solving problems, building or creating - are becoming increasingly popular. Minecraft and Roblox let players build their own worlds or even create their own games from scratch, and in 2023 Fornite creator Epic Games released a special version of their game engine Unreal Engine to let players create tracks and design entire games based on the Fortnite brand.

For Starbreeze

We believe in games as a social experience that unites people. Starbreeze niche lies within cooperative multiplayer games, with a strong connection to the community. Historically, user-generated content (UGC) has been a significant part of driving the success of our titles, and we will continue to be involved in developing and pushing the boundaries of user-generated content.

[1] "Co-op", is a form of game where players cooperate to reach a common goal
[2] "UGC" ("User Generated Content")

Strategy & business model

We will develop and publish games that create value and revenue streams beyond the games experience – and offer more Starbreeze, to more players. By moving higher up in the value chain for game development, while expanding experiences beyond game products, we will create both short-term and long-term value for our stakeholders.

Starbreeze's strategy revolves around what we are best at: cooperative games experiences with a strong focus on community. Our operations are divided into three main areas to build value and growth: Studio (builds games on our own or licensed brands), Publishing (acts as publisher for our own and externally developed games) and Franchise to build, strengthen and lift our brands.

We have a successful history of developing games with strong brands in close collaboration with our player base. For us, it is key to build long-term, strong player engagement by continuously delivering new, high-quality content in close collaboration with our players, as well as facilitating co-created content.

Our strategy is based on four key pillars;

Developing Games, IP and Beyond

We are experts in creating action-packed, long-lasting games experiences for dedicated players. Our skilled studio teams create characters and storylines that are not only engaging, but also take the brand beyond the game to create new experiences, customer environments and revenue.

A Co-Creating Community

Providing space for an enthusiastic community that clearly contributes to the games experience is a powerful tool for building engagement and strengthening relationships between players, games, and the company. Today, co-creation includes game modding, streamers and influencers, as well as cosplay.

Lifetime Commitment

We are committed to developing games that engage and deliver value even many years after their release. A plan is made in the early stages of game development for how each game should be updated after its release: the pace at which DLC and additional purchases should be released to enhance the games experience. In addition to game add-ons, we work actively to strengthen long-term relationships with customers – for both our own and licensed brands.

The Place to Be

We want to offer the best and most inspiring studio to work in for game developers from all over the world. This is Starbreeze's ultimate ambition, and we will achieve this through a culture where we work as a team. A culture and a studio where employees can evolve and achieve a balance between their professional and private lives. We believe this is how Starbreeze will build the best games experiences in the long run.



Our business, strategic pillars, cornerstones for game development and the values we strive for in the organization are closely interlinked and together form the foundations for a strong and successful organization. We have a clear framework and model for both achieving our goals and creating a sustainable and motivating working environment.

Clear strategic focus

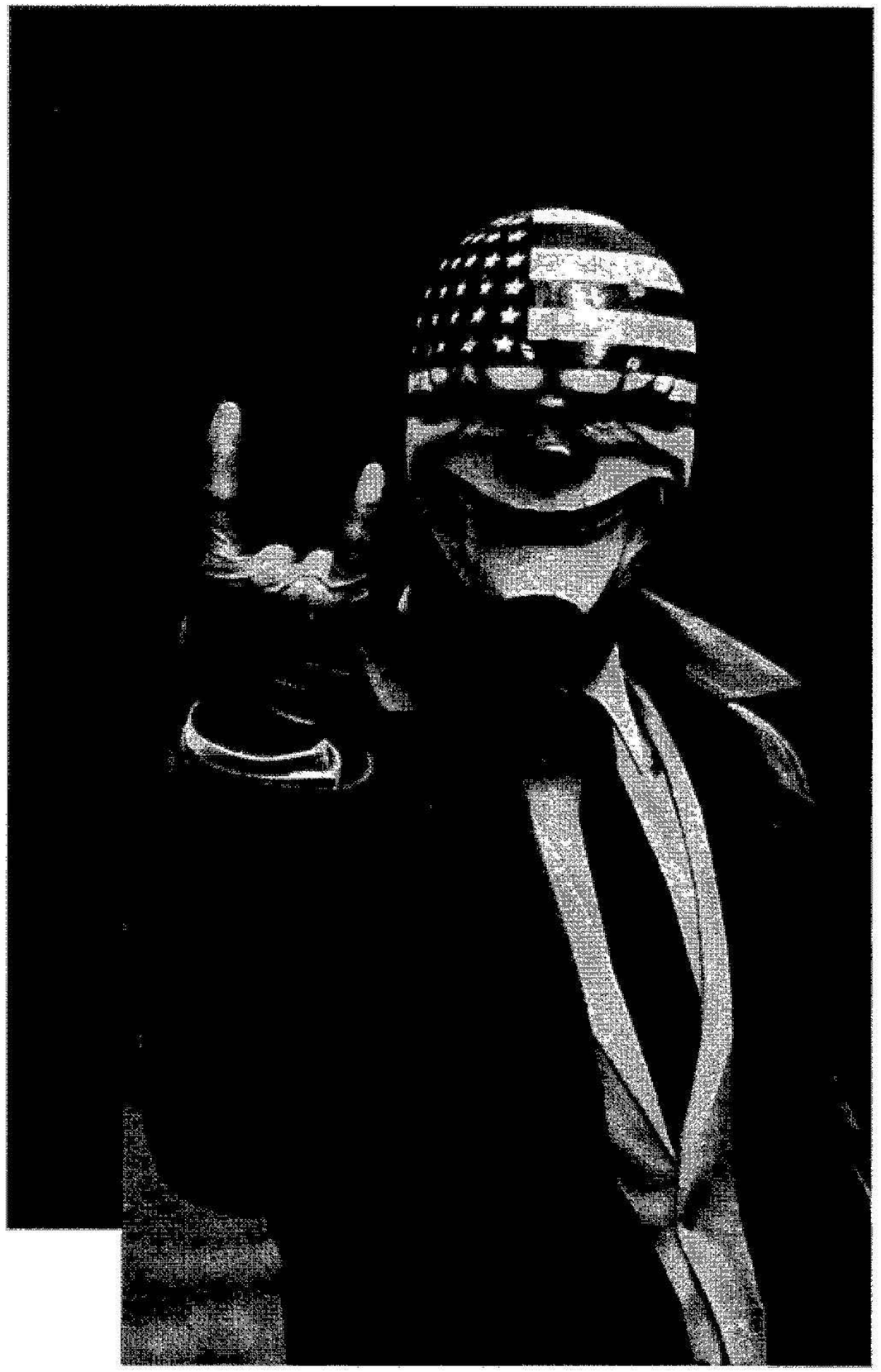
We will expand our games portfolio with more titles based on strong brands; either proprietary like PAYDAY, acquired or licensed like Dungeons & Dragons® for our upcoming game with the code name Baxter. The combination of brands provides an advantageous risk profile for each title, and through our Lifetime Commitment model, we deliver continuous updates of content and functionality over a long period of time. The goal is to have three separate titles on the market by 2028, that share the same tenets.

Starbreeze has a publishing business that has historically been a success. By publishing a few selected games that follow our cornerstones, we can leverage our internal expertise and benefit from the accumulated player base and community that exist around Starbreeze games. At the end of the year, three external titles were contracted for publishing services.

An expanded games portfolio with strong IPs will create the conditions that allow the community to grow. The Starbreeze Nebula membership platform will be an important platform for marketing and direct communication with the player base, but above all a way of creating added value for our customers through various services and collaborations.

Building Community by Making Games

Business	Studio	Publishing	Franchise	
Strategic pillars	Developing Games, IP and Beyond	A Co-Creating Community	Lifetime Commitment	The Place to Be
Game cornerstones	Experience Together	Community Engagement	Lifetime Commitment	"Larger than life" experience
Behaviors	Smarter Together	Enabling Creativity	Learn & Develop	Accountability



Value chain for games

IP-OWNERS	IP owners are the entities that own the intellectual property rights to the trademarks used in games.	*Starbreeze owns all rights to the PAYDAY® brand. Currently,* PAYDAY 2 , PAYDAY 3 , *and* Notorious: A PAYDAY Experience *are on the market, along with and ongoing project for PUBG.*
DEVELOPERS	Work on creating and developing games. The composition and size of teams vary greatly depending on the type of game and phase.	*Starbreeze has approximately 150 game developers in various roles, working on PAYDAY 3, Project Baxter, and pitches for future game titles and brands.*
PUBLISHERS	The publisher's role varies, but may include, for example, financing game development, quality control of production, and primary distribution and marketing of the game to retailers and end customers	*Starbreeze acts as the publisher for PAYDAY 2 on PC, shares publishing responsibilities for PAYDAY 3 with Plaion, and publishes games from other studios through third-party publishing.*
PHYSICAL DISTRIBUTION	Physical distributors serve as intermediaries between game developers and consumers by managing the storage, transportation and distribution of physical game products to the retail stage.	
DIGITAL DISTRIBUTION	Digital game distribution means that games are purchased, downloaded, and played directly through digital platforms without the need for physical discs or retail stores. Examples include Steam, Xbox Game Pass, Epic Games Store, and PlayStation Store.	
RETAILERS	Physical retailers sell games in stores or online as discs and game codes. Examples include Amazon, Walmart, GameStop, POWER, and Webhallen.	
CONSUMERS	More than **3,3** billion gamers globally	

Our operations



03

Our operations

Studio

Starbreeze Studios consists of around 150 employees in different production disciplines. In 2023, most employees worked on the development of PAYDAY 3 and the development of the Dungeons & Dragons® project, Baxter. A small number of employees are working on sales materials for future potential games and brands.

Game development at Starbreeze is based on a clear allocation of roles in the development process, where delivery goals are set for each role in each phase. Creativity is encouraged in the context of the goals in each development cycle through a holistic approach to development work, where all processes are based on the player and the game experience. Starbreeze's approach has always been, and still is, dynamic, involving cross-functional teams where a high level of interaction and collaboration is required. Setting clear goals for delivery at all stages of game development across all teams creates a focused work environment in which each role has greater ownership and the opportunity to *work on what they enjoy doing and do best*. Strategic leadership keep projects on track and the game concept intact.

Publishing

The Starbreeze Publishing department consists of approximately 20 employees with a focus on the game publishing and the publishing process. In 2023, most employees worked on the launch of PAYDAY 3, preparatory work for Project Baxter, and in the role of third-party publisher for Roboquest, among others.

The department plays a central role in ensuring and managing various aspects of a game's launch and distribution, with product managers for each game title. Working closely with Studio production and partners, the team is responsible for strategic and creative planning and execution of marketing campaigns and data analysis. Publishing includes the Community team, which plays a crucial role in shaping the games experience beyond the game itself. By promoting and contributing to a positive and engaged community, it leads to the long-term success of the games and serves as a link between the development that takes place in Studio and our community.

Franchising

At Starbreeze we are passionate about telling stories in many ways. We always strive to innovate and improve the experience through different formats and partnerships. By licensing our brands, and integrating others into our games, we can give our community more of what they love.

The Starbreeze Franchise department is responsible for nurturing, strengthening, and expanding our brands to new areas of experience, including film and TV, new game genres and collaborations with partners for merchandise production and brand building activities. Business development managers identify and negotiate new opportunities and partnerships to increase the reach and audience of our brands. The Franchise team collaborates with other corporate functions to make decisions and initiate projects that strengthen our brands in the long term.

Cornerstones for our games

Experience Together

- Cooperative multiplayer games – where the focus is on experiencing together!
- Player-to-Computer (PvE) or Player-to-Player (PvP) can both be right – if it's a cooperative experience
- Always with a focus on community and belonging – through modding, community, streaming, etc.

Lifetime commitment

- Create a foundation for long-term engagement; grow and expand our community over time
- Replayability and variety are an absolute key to our games
- Undeniable value, added over time – through revenue models that are fair for all
- A mix of free and paid content for our games, ensuring *everyone gets more*

Community engagement

- Co-creating the gameplay experience
- Co-creation in the game development process
- Modding and user-generated content in games (UGC)
- Commitment and integration with the community where it exists, in an open and honest way

"Larger than Life" Experience

- Focus on gameplay and embodying iconic characters
- Being part of something bigger – a group or a journey – together
- Evolution in the experience – there is always a way forward and to develop
- Our games suit different play styles, but always with a feeling of tension

Studio Projects







PAYDAY® 3 – THE ULTIMATE HEIST EXPERIENCE
PAYDAY® 3 is the latest installment in the best-selling co-op franchise, turning players into professional criminals orchestrating spectacular heists. Combining intense action, tactical finesse, and cooperative gameplay, every heist can be meticulously planned or executed in breakneck fashion. PAYDAY® 3 delivers a vibrant, modern heist experience suitable for both newcomers and veteran players.

As the flagship title in Starbreeze's portfolio, PAYDAY® 3 plays a pivotal role in our continued growth. The franchise has a loyal fanbase that continuously demands new content and updates, making PAYDAY® 3 a stable, recurring revenue stream. Additionally, the game is a critical brand-builder thanks to its unique blend of co-op action and strong global brand recognition.

PROJECT BAXTER – FANTASY ADVENTURE ON ICONIC IP
Project Baxter is Starbreeze's upcoming co-op action game. The project is based on the globally recognized fantasy brand Dungeons & Dragons™ and combines intense action, a strong focus on player cooperation, and collaborative storytelling. With Project Baxter, Starbreeze enters the fantasy genre, creating a unique gaming experience where players team up to face epic challenges in a rich and well-known universe.

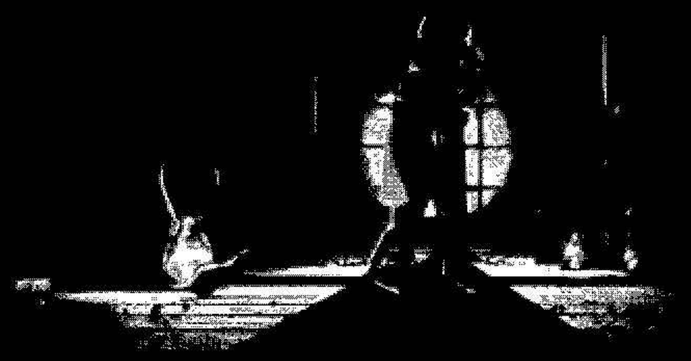
For Starbreeze, Project Baxter is a strategic initiative to diversify the company's project portfolio. By partnering with an established entity like Wizards of the Coast, Starbreeze gains access to a globally recognized IP with a loyal audience, significantly reducing the project's commercial risk. This initiative demonstrates our ambition to grow in new genres and reach a broader audience, while also strengthening our ability to secure attractive licenses and long-term partnerships.

PAYDAY™ TO PUBG: BATTLEGROUNDS
Starbreeze has entered a strategic collaboration with South Korean KRAFTON to bring the PAYDAY experience to KRAFTON's PUBG: Battlegrounds through a work-for-hire project.

For Starbreeze, this agreement offers an attractive opportunity to expand the global reach of the PAYDAY series without direct investments, providing an additional revenue stream with limited financial risk. The partnership also strengthens PAYDAY's international brand position and opens doors to new markets, especially in Asia. By leveraging KRAFTON's established resources and expertise in high-quality game production, Starbreeze can focus on its core business while maximizing the value of its strongest IP.

External Projects

THIRD-PARTY PUBLISHING

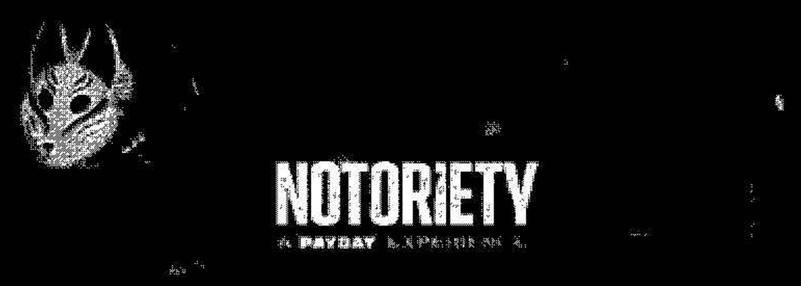


OUT OF SIGHT – INNOVATIVE HORROR ADVENTURE
Out of Sight is an atmospheric horror game developed by the Swedish studio The Gang. The game offers a unique blend of first- and second-person perspectives, creating a captivating and emotional experience. Players assume the role of Sophie, a young blind girl relying on her faithful teddy bear to navigate through shadowy corridors of a haunted house. Each creaking floorboard and unsettling silhouette hints at looming dangers, challenging players to overcome frightening obstacles and uncover the mansion's dark history before it's too late.



ROBOQUEST – SNABB ROGUELITE-ACTION
Roboquest is an action-packed roguelite FPS developed by French studio RyseUp Studios, where players team up to face intense battles in a futuristic world with high replayability. Through the partnership with RyseUp, Starbreeze expands its offering with a fast-paced title targeting players seeking challenges and deep engagement in a rapidly growing genre.

LICENSING



NOTORIETY – ROBLOX MEETS PAYDAY®
Notoriety: A PAYDAY® Experience, developed by Moonstone Games, merges the PAYDAY universe with the Roblox social gaming platform. The collaboration involves Starbreeze licensing its PAYDAY® IP to reach younger players through an established developer on the Roblox platform. The agreement creates new revenue opportunities with low risk, strengthens the PAYDAY® brand's reach, and introduces PAYDAY® to the next generation of gamers.

STARBREEZE

Sustainability 04

Sustainability

The games sector is growing rapidly, and as a game developer we have a responsibility for how our products and the company's operations affect the environment, climate, people, and society in general. We are committed to ensuring a responsible approach and behavior both within our own operations and in the value chain.

Sustainability for Starbreeze

As one of Sweden's oldest game development companies, our ambition is to contribute to sustainable digital growth and digital innovation. Starbreeze has grown to become a leading player in the industry and has built up a strong community within the games world, which makes it our responsibility to run a sound and responsible business. The work is based on a transparent and honest dialog with both internal and external stakeholders, where trust is crucial in everything we do. Our ambition is to operate a business that is aware of its impact on the environment and people, and to constantly strive for improvement.

Our behaviors

Engagement comes from freedom, creativity, and involvement. To grow as a company, we must support each individual employee and allow them to grow and develop at Starbreeze. Action creates culture. At Starbreeze, we work based according to the following behaviors:

Smarter Together
We use our different experiences, skills and backgrounds to achieve the best possible results.

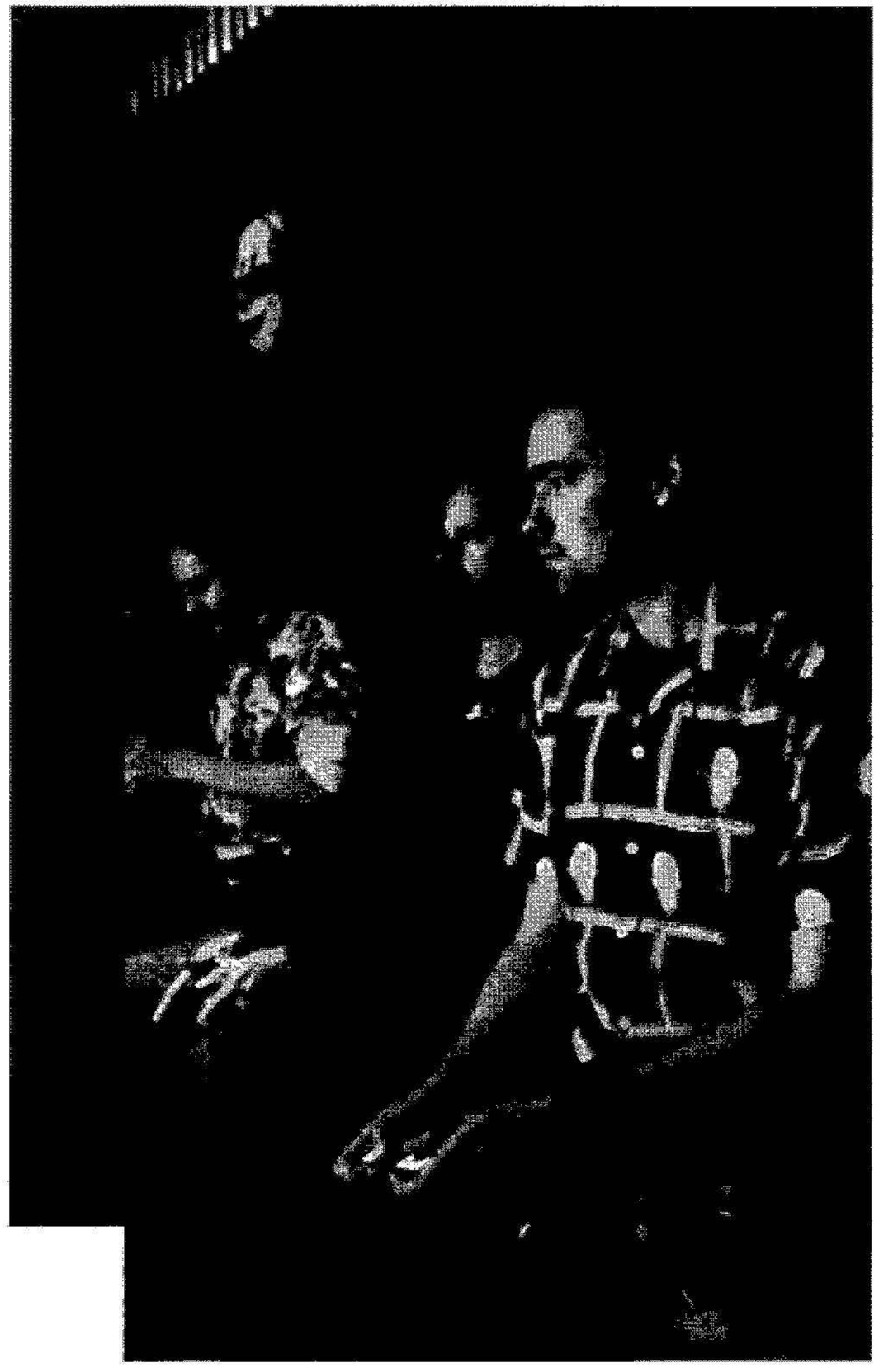
Learn & Develop
We learn from our mistakes – giving and receiving feedback is part of our day-to-day routine.

Accountability
We are committed and hold ourselves and others accountable for delivering fantastic results.

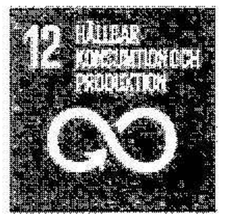
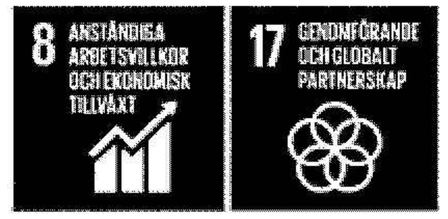
Enabling Creativity
We explore new ideas and opportunities through fun, passion and creativity.

Our contribution

Starbreeze supports Agenda 2030 and its holistic approach to sustainable development. Six global sustainable development goals have been identified for our business, where we see that we have a great responsibility, but also the opportunity to contribute. The goals give us a good indicator of how our work can be part of positive development, also from a global perspective.



Our contribution

MILJÖ OCH KLIMAT	MEDARBETARE OCH SAMHÄLLE	AFFÄRSETIK OCH STYRNING
		
Goal 12 aims to ensure sustainable consumption and production patterns. Among other things, the goal highlights sustainable management and the efficient use of natural resources, as well as reducing the amount of waste.	*Goal 4 aims to ensure inclusive and equal education of good quality and promote lifelong learning for all.* *Goal 5 aims to increase gender equality and reduce all forms of discrimination, violence and oppression.* *Goal 10 focuses on reducing inequality and the importance of working for a society where no one is left behind.*	*Goal 8 focuses on decent working conditions and sustainable economic growth.* *Goal 17 aims to strengthen the implementation of global partnerships for sustainable development.*
Goal 12: Most of Starbreeze's game distribution is digital, which reduces the extent of the physical distribution link and thereby the need for transport and plastic packaging. The ambition is to minimize the company's ecological footprint, so that Starbreeze is working towards this goal by following the development of climate-smart alternatives for all parts of its operations.	Goal 4: To contribute to a stronger supply of skills, Starbreeze has close practical collaborations with universities and colleges in Sweden. The company's CEO and employees are active lecturers on most labor market days and at Swedish higher education institutions. Goal 5: All employees, regardless of gender, must have the same conditions at Starbreeze. To increase gender equality in the games industry, Starbreeze is actively working on the issue and runs several initiatives for increased inclusion. Goal 10: For Starbreeze, equal rights for everyone, regardless of background and circumstances, are of utmost importance. Starbreeze ensures protection under labor law by only operating in countries with such a national function and sets requirements for partners in the value chain using the company's code of conduct.	Goal 8: Starbreeze intends to create the right conditions for innovation and at the same time ensure decent working conditions by offering employees a developing and sustainable workplace. To create a stimulating working atmosphere in which employees can thrive, career opportunities and scope for development are offered within the company. Routine employee surveys are conducted to engage all parts of the business. Goal 17: Starbreeze works according to international guidelines and engages in global partnerships to ensure relevance in its sustainability work and contribute to strengthened cooperation within the industry.

Governance

Sustainability, based on social, environmental, and economic responsibility, underpins our business. Our vision, mission, values, code of conduct and other governance documents guide employees and managers in their day-to-day and strategic work, and cover HR and social issues, human rights, the environment, and anti-corruption. Starbreeze' management team is responsible for the company's sustainability work, where the ultimate responsibility lies with the CEO.

In 2023, work began for Starbreeze to establish a framework to prioritize the most relevant environmental, social, and corporate governance issues. The work will take account of established international principles, regulations, standards, and guidelines. Examples include the UN Global Compact, the EU Taxonomy, the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

Main policies

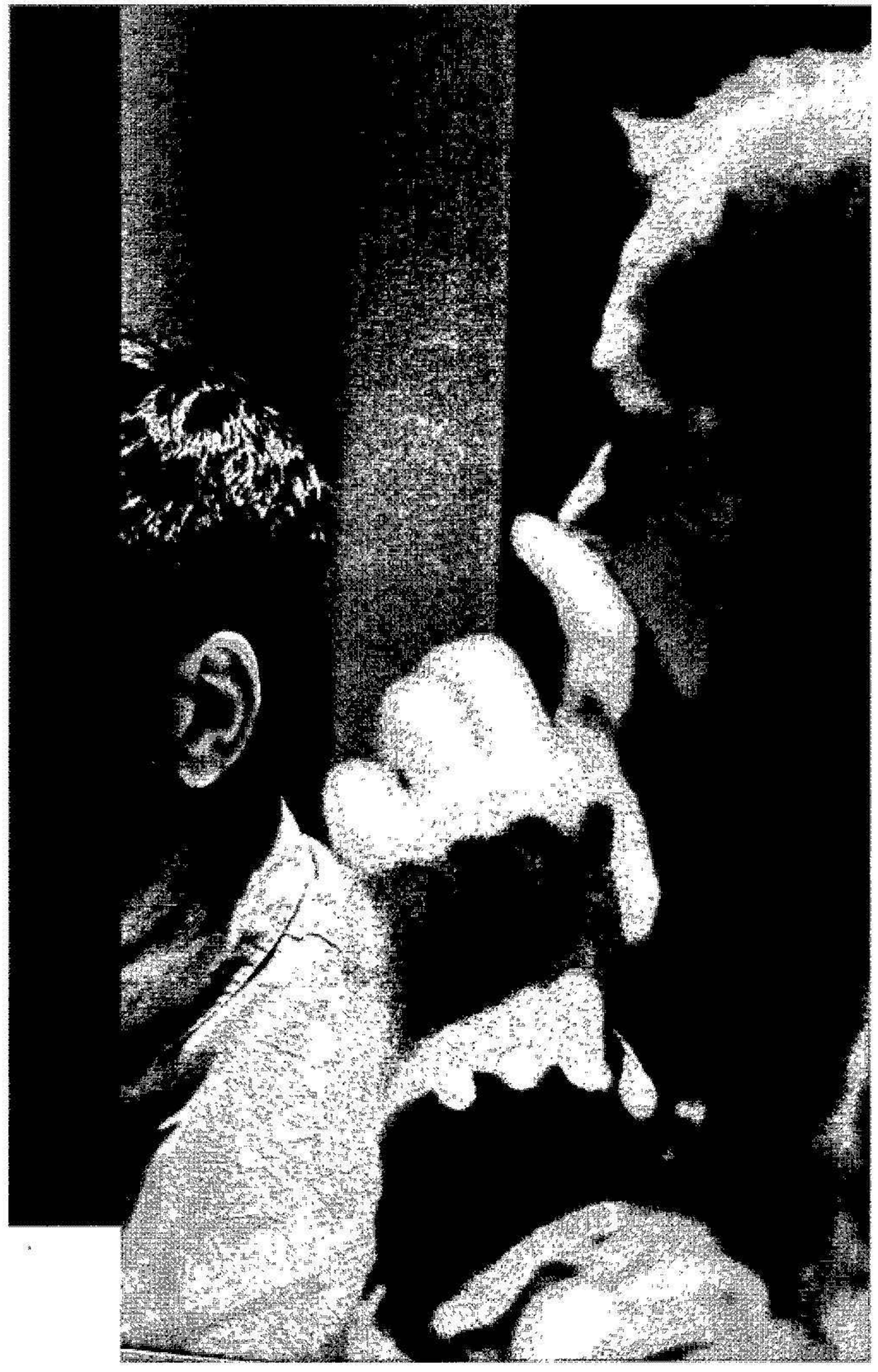
Starbreeze has a set of policies that support the sustainability work in our operations. Our most important policies are our Code of Conduct, HR policies, IP data protection and data integrity policies. The Code of Conduct includes how we must work within business ethics, anti-corruption, corporate governance, and the environment, and how we act towards our colleagues and business partners.

All policy documents are prepared by the person responsible in accordance with Starbreeze's internal control guidelines and are updated at least annually, or when necessary. The central documents are approved annually by the Board of Directors, and each new employee must have access to them.

Policy Documents

Starbreeze works on the basis of the following policy documents to, among other things, ensure that laws and values are complied with and communicated to the entire company. Selected policies are;

- Code of Conduct for employees and suppliers
- Information Security Policy
- IP Privacy Policy
- Corporate Governance Policy
- Communication and Insider Policy
- Health and Safety Policy
- Data Protection Policy
- Non-Discrimination and Harassment Policy



Environment and climate

The game industry has a relatively low impact on the environment and climate, since most operations are carried out digitally, and games are distributed primarily through digital channels. Our greatest environmental and climate impact comes from the energy consumption of server rooms and business travel by air.

Server operation and digital distribution

Most of our products are sold via downloads. We seek to promote sales through digital channels rather than retail sales in stores, as digital management reduces the climate impact by reducing consumption of raw materials. Running servers and hardware has an environmental and climate impact, and the company actively seeks more climate-friendly server rooms and other solutions to minimize the company's negative environmental footprint.

Business travel

We aim wherever possible to replace physical travel and gatherings with digital alternatives, such as digital conferences and meetings. In 2022, we produced a Business Travel Policy to ensure that our employees use the most sustainable travel solution available. Among other things, the policy states that means of transport with the least possible climate impact should be prioritized and that public transport should be chosen as it is usually the most efficient option, from both a financial and environmental perspective. The challenge for us lies mainly in flights to the USA, where most global trade fairs and game development conferences take place.

Premises

Starbreeze rents all its premises, which means limited opportunities for influence and control over things such as the proportion of renewable electricity, waste management and recycling options. We engage in active dialog with our landlords to ensure that our premises with associated services are as environmentally- and climate-friendly as possible. We have offices all over the world, with the largest office in Stockholm, where over 80 percent of our employees work.

Energy consumption and emissions

Starbreeze is working to continuously reduce its environmental impact and in 2023 began to survey the company's energy consumption and carbon emissions. In this year's report, the company's premises, where more than 80 percent of the company's employees are based, are included in the calculations. In total, Starbreeze's energy consumption amounted to 501,660 kWh, a decrease of 1 percent compared to the previous year. It is equivalent to 1,264 kg of carbon[3]emissions, an increase of 27 percent compared to the previous year as the premises has had a larger amount of district heating in the energy mix. All electricity purchased for the property is produced by wind power and is therefore 100 percent fossil-free.

ENERGY CONSUMPTION[1]	2024	2023
Total energy consumption, kWh	501,660	507,033
- Of which electricity	474,180	488,655
- Of which heating	27,480	18,378
- Of which cooling	-	-
Proportion of non-renewable electricity, %	-	-
Share of renewable electricity, %	100	100
Carbon emissions, kg/Co2	1,264	992

1 Refers only to the company's head office in Stockholm, Sweden

[redacted]

[3] Data on energy consumption and carbon emissions is provided by the property owner and is calculated on the basis of the number of square meters that Starbreeze rents.

Employees and society

Starbreeze is a skills-based company, where the success of the company depends on thriving and creative employees. Our goal is to be a model workplace and employer in terms of diversity, engagement, and career opportunities.

Employees in several countries

We have employees in four countries, with a total of around 30 nationalities, and it is of the utmost importance to conduct our business fairly and clearly with respect for all employees and the local conditions. Our governance documents apply to all employees, and we comply with applicable laws and regulations in the countries in which we operate.

Health and safety

The goal of Starbreeze's health and safety efforts is to create a safe and health-promoting workplace. Active measures are in place to prevent risks of physical and psychosocial occupational illnesses. Continuous evaluations of implemented initiatives are carried out to improve the day-to-day work. The game development industry is characterized largely by sedentary work and often by a high level of stress. We launched several different initiatives in 2024 that are designed to increase physical activity and reduce the risk of work-related stress. This has included: working environment training, wellness allowances, company-wide sports, and continued work on focus time.

In 2023, a review of the company's existing policy documents was carried out, which means that they have been consistently updated and apply to all employees, regardless of geographical location. We continuously monitor the sick leave statistics for our employees and are observant in cases where there is a risk of a negative trend arising.

Diversity, equality, and inclusion

We value all our colleagues and prospective colleagues equally, regardless of gender, transgender identity or expression, ethnic origin, religion or other belief, disability, sexual orientation, or age. Starbreeze has zero tolerance of all forms of discrimination, harassment, and threats. It is therefore important that all employees feel safe at their workplace and thus dare to raise any incidents with their manager, colleagues, or the HR department.

Our diversity and equity work aims to create an inclusive and informed culture, both among employees and in the business relationships and activities that we initiate and conduct. We have employed more women in the company in recent years as a result of our systematic work. Starbreeze carries out a number of different types of initiatives and activities in this area. For example, when conferences are organized, we seek as far as possible to ensure a broad palette of speakers, including on the basis of gender.

HEALTH AND WELL-BEING, %	2024	2023
ABSENCE	2.02	1.91
OWN WORKFORCE	**2024**	**2023**
Total number of employees (FTE)	186	194
Average total number of employees (FTE)	189	184
Number of countries with a local presence	4	4
Number of languages spoken	30	30
TYPE OF EMPLOYMENT, NUMBER OF EMPLOYEES	**2024**	**2023**
Permanent employees	178	194
Temporary employees	7	0
Temporary employment with hourly salary	0	0
Full-time employees	185	194
Part-time employees	0	0
AGE DISTRIBUTION, NUMBER OF EMPLOYEES	**2024**	**2023**
<30	23	35
30–50	151	148
>50	11	11

1 including remote employees and excluding consultants.

Attract and retain talent

There is a shortage of game developers in Sweden, which means that the ability to attract and retain talent is a key issue for Starbreeze. In order to attract new expertise, we worked actively in 2023 to ensure a well-functioning recruitment and onboarding process. This resulted in a greater number and wider range of applicants. In 2024, the number of new hires amounted to 36.

To ensure that talented employees stay with us, we focus on offering good career opportunities and scope for personal development, regardless of where in the organization the employee works. Employee surveys are conducted twice a year to measure and monitor employee commitment over time.

Skills development

The technical skills of Starbreeze's game developers are ensured through various skills development training courses. Good leadership is key to ensuring that the business functions optimally, and that employees' well-being and engagement are maximized.

Community engagement

Taking social responsibility and contributing to the positive development of society where it can is important to Starbreeze. Our strongest game brand, PAYDAY, has an age limit of 18, which means that we are unable to take on interns aged below 18. Consequently, we have no close partnerships with high schools or secondary schools, but we do have partnerships with universities and colleges in Sweden. Starbreeze encourages employees to participate in labor market days and other events linked to Swedish universities and colleges as well as industry conferences.

GENDER DISTRIBUTION, %	2024	2023
The entire organization		
- Women	20	18
- Men	77	82
- Non-binary	2	-
- Not specified	1	-
Managment team		
- Women	0	33
- Men	100	67
Board of Directors		
- Women	40	33
- Men	60	67

EMPLOYEES PER REGION, %	2024	2023
Sweden	82.6	83.5
UK	2.2	2.1
Spain	2.7	1.5
USA	0	1.0
Ireland	0	0.5
Germany	0	0.5
Switzerland	0	0.5
France	12.5	10.8
Total	**100.0**	**100.0**

HIRING AND TURNOVER	2024	2023
New hires	36	49
Staff turnover, %	22,1	13.5

Business ethics and governance

Our operations are defined by good business ethics in all aspects of our operations and business activities. Applicable laws, regulations and standards are complied with in the countries in which we operate.

Anti-corruption and fair competition

Our Code of Conduct sets out the basic principles for how the company should do business. This Code provides an ethical compass for employees, the organization and its partners and suppliers. It describes how we and our partners/suppliers should act with regards to corruption and bribery and promote fair competition.

All employees and managers must read and sign the Code of Conduct as part of the recruitment and onboarding process. Each manager is responsible for ensuring that the Code of Conduct is followed in everyday practice by members of their team.

Whistleblower function

Starbreeze implements a whistleblower function through a web-based reporting system where information is collected and handled securely. In accordance with the EU Whistleblower Directive, anyone who comes into contact with Starbreeze has the opportunity to anonymously report the occurrence of behavior or situations that are not in line with the Code of Conduct, and/or applicable laws. There are no requirements to provide personal data and the possibility of anonymity ensures the privacy of the whistleblower. The purpose of the whistleblower unction is to encourage all stakeholders, internal and external, to report suspicions of potential or actual misconduct. This is to maintain the company's cultural values and comply with high professional and ethical standards in our everyday activities.

Information and IT security

Information and IT security are critical to maintaining the long-term success of Starbreeze's operations. The company works continuously to develop robust systems and processes to ensure that everyone who encounters Starbreeze receives personal data protection. To guarantee confidentiality and integrity in the company, guidelines have been designed based on frameworks such as ISO 27001, CIS, and GDPR. All strategic decisions linked to information security must be taken by the management team to maintain relevant information management and at the same time minimize the risk of errors occurring. Training to increase awareness of information security must be carried out on an ongoing basis with Starbreeze employees so that everyone is confident about the risks that exist and the regulations that apply.

IT security is an integral part of Starbreeze's work and it must ensure appropriate protection of IT systems and infrastructure to successfully minimize risks. All information must be processed by appropriate people and classified based on the security level deemed to be correct. Sensitive information must be encrypted and processed according to the company's policies and, if necessary, Starbreeze must be able to remotely



control and delete all information on the company's various devices. At a minimum, Starbreeze must comply with the laws and regulations that are linked to data protection and privacy in all the countries in which the company operates.

Personal data and user privacy

Everyone who comes into contact with Starbreeze's activities must feel confident about how their personal data is handled. Starbreeze handles a large amount of personal data concerning employees and customers, which is why user privacy takes high priority. The company has processes for how information is collected and personal data is processed in accordance with the guidelines and requirements set out in the General Data Protection Regulation (GDPR). Starbreeze's Data Protection Officer is responsible for checking that the company complies with the regulations. The Starbreeze website presents the company's privacy policy, including separate policies for different games.

Fair marketing

We follow the regulations and recommendations in force in each geographical market for the labeling and marketing of games. The company follows the EU and US PEGI and ESRB rating systems for content and age limits. Marketing is ethical, accurate, honest and reflects generally accepted social product standards.

Human rights

Supporting and protecting human rights is seen as a matter of course, both in Starbreeze's own operations and in the value chain. We consider the risk of infringement of human rights in our own operations to be low, given that we actively follow a Code of Conduct and adhere to core values, and that we consciously avoid risk geographies. We only conduct our own operations in countries where employees have good protection under national labor law, which includes the working environment.

There is always a risk that our partners and suppliers operate in risk geographies. In order to avoid any possible risk of parties in the supply chain violating human rights, we impose contractual requirements which are based on the Code of Conduct and national laws and regulations.

Risks

Our risks relating to operations are presented in the Risk section on page 30.

About the Sustainability Report

The Sustainability Report concerns the financial year January 1 – December 31, 2024 and concerns Starbreeze AB and all the subsidiaries within the Group. The Board of Directors is responsible for ensuring that the Sustainability Report has been prepared in accordance with the provisions in Chapter 6 of the Swedish Annual Accounts Act.

The Sustainability Report is included in this document, which also includes the company's statutory financial statements for 2024.

Auditor's report on the statutory sustainability report

To the AGM of the shareholders in Starbreeze AB (publ), corporate identity number 556551-8932.

Engagement and responsibility
It is the board of directors who is responsible for the statutory sustainability report for the year 2024 on pages 20-27 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 *The auditor's opinion regarding the statutory sustainability report*. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion
A statutory sustainability report has been prepared.

Stockholm, April 15, 2025

Öhrlings PricewaterhouseCoopers AB

Aleksander Lyckow
Authorized Public Accountant

STARBREEZE

For Investors

05

The Share

Starbreeze shares have been listed on Nasdaq Stockholm in the Small Cap segment since October 2, 2017. The shares are traded under the tickers STAR A and STAR B, with ISIN codes SE007158928 and SE0005992831.

For up-to-date information on share capital development, shareholders, allocation and insider trading, please visit corporate.starbreeze.com.

Multi-market trading

Starbreeze has two share classes (A and B shares) that have been included in the small cap list on Nasdaq Stockholm since 2017. Starbreeze shares are traded in several marketplaces, with most trading on Nasdaq Stockholm. In 2024, shares were traded for an average value of SEK 2 million per trading day.

Ownership

As at December 31 2025, Starbreeze had 32,828 (36,278) shareholders. Of the outstanding shares, 34.6 percent were owned by foreign owners and 65.4 percent by Swedish owners, of which 55.4 percent were Swedish private individuals.

2025 AGM

The Annual General Meeting will be held on May 15, 2025 in Stockholm.



Risk

Starbreeze operates in a dynamic and challenging industry where we must continuously balance creativity, technology, and market demands. To ensure our long-term success, we actively work with internal controls and risk management, as described in more detail in our corporate governance report. Below, we present the most significant risks to our business, without any particular ranking, along with our strategies for managing and minimizing their impact.

External Environment

Market Competition
Impact
Intense competition can negatively affect market share and revenue.

Mitigation
Regularly analyze competitors and invest in innovation and marketing to differentiate Starbreeze's products.

Changing Regulatory Requirements
Impact
New regulations may result in adaptation costs and compliance risks.

Mitigation
Monitor regulatory changes and maintain legal and financial resources to adjust operations as needed.

Changes in Digital Distribution Platform Terms
Impact
Platforms such as Steam, Epic Games Store, Xbox Game Pass, and PlayStation Store may alter their revenue-sharing models, prioritize their own productions, or impose restrictions on third-party developers. This could negatively impact Starbreeze by reducing revenue or making it harder to reach players.

Mitigation
Diversify distribution channels, strengthen direct sales via platforms like a web shop or launcher, and build long-term partnerships with major platforms to ensure stable conditions.

Operations

Risks Related to External Developers
Impact
If external studios fail to meet agreements, it can result in delayed or subpar deliveries, affecting Starbreeze's credibility and finances. External developers may lack the necessary expertise to produce high-quality games, potentially harming Starbreeze's reputation as a publisher.

Mitigation
Thoroughly evaluate partners, establish clear contracts with regular milestone reviews, and develop contingency plans for critical projects. Implement clear quality control processes, dedicated project management teams, and risk-sharing agreements.

Project Delays
Impact
Delays can lead to increased costs and reduced liquidity, especially for internal projects where Starbreeze bears the expenses.

Mitigation
Set realistic timelines, create budget buffers, and apply agile work methods for flexibility in adapting to changes.

Low Revenue at Game or Product Launch
Impact
Underwhelming launches can result in financial losses and require the write-down of capitalized development costs. Starbreeze is particularly sensitive to the release of PAYDAY games, which account for a significant portion of the company's revenue.

Mitigation
Conduct market research, analyze target audiences, invest in marketing, and perform extensive quality assurance before launch. Expanding PAYDAY to multiple platforms and projects can reduce risk and diversify revenue streams.

Intellectual Property (IP) Issues
Impact
Infringements on Starbreeze's intellectual property or legal disputes can lead to financial and legal costs.

Mitigation
Ensure strong contractual protections, conduct regular IP monitoring, and collaborate with legal experts to safeguard assets.

Cyber Threats and Data Breaches
Impact
Data breaches can result in the loss of customer data, damage to brand reputation, and high remediation costs.

Mitigation
Implement robust cybersecurity measures, train employees, and establish an incident response plan.

Technological Changes and Risks Associated with New Platforms
Impact
Rapid technological advancements can render existing products and platforms obsolete.

Mitigation
Monitor technological trends, invest in R&D, and collaborate with technology partners.

Employees & Organization

Dependence on Key Personnel
Impact
The loss of key personnel can negatively affect innovation, efficiency, and strategic development. Difficulties in attracting top talent in development and design may create bottlenecks in production cycles.

Mitigation
Offer competitive compensation packages, cultivate a strong corporate culture, and develop talent programs to build internal expertise.

Financing & Investments

Financing Needs and Capital
Impact
Irregular revenue streams can impact liquidity and create the need for additional financing, which may be difficult to secure under favorable conditions.

Mitigation
Diversify revenue sources, optimize cash flow management, and build financial buffers to handle periods of low liquidity.

Foreign Exchange Risks
Impact
Currency fluctuations can negatively impact revenues and costs, particularly with revenues in USD and expenses in SEK/EUR.

Mitigation
Use ongoing currency hedging instruments and diversify revenue streams across multiple currencies.

Impairment of Goodwill and Other Intangible Assets
Impact
Changes in market conditions may necessitate asset write-downs, negatively affecting the balance sheet.

Mitigation
Conduct regular and thorough valuations of intangible assets and track market trends to minimize the risk of write-downs.

Environment

Sustainability-Related Requirements and Expectations
Impact
Sustainability requirements may lead to increasing costs and higher expectations from investors and customers.

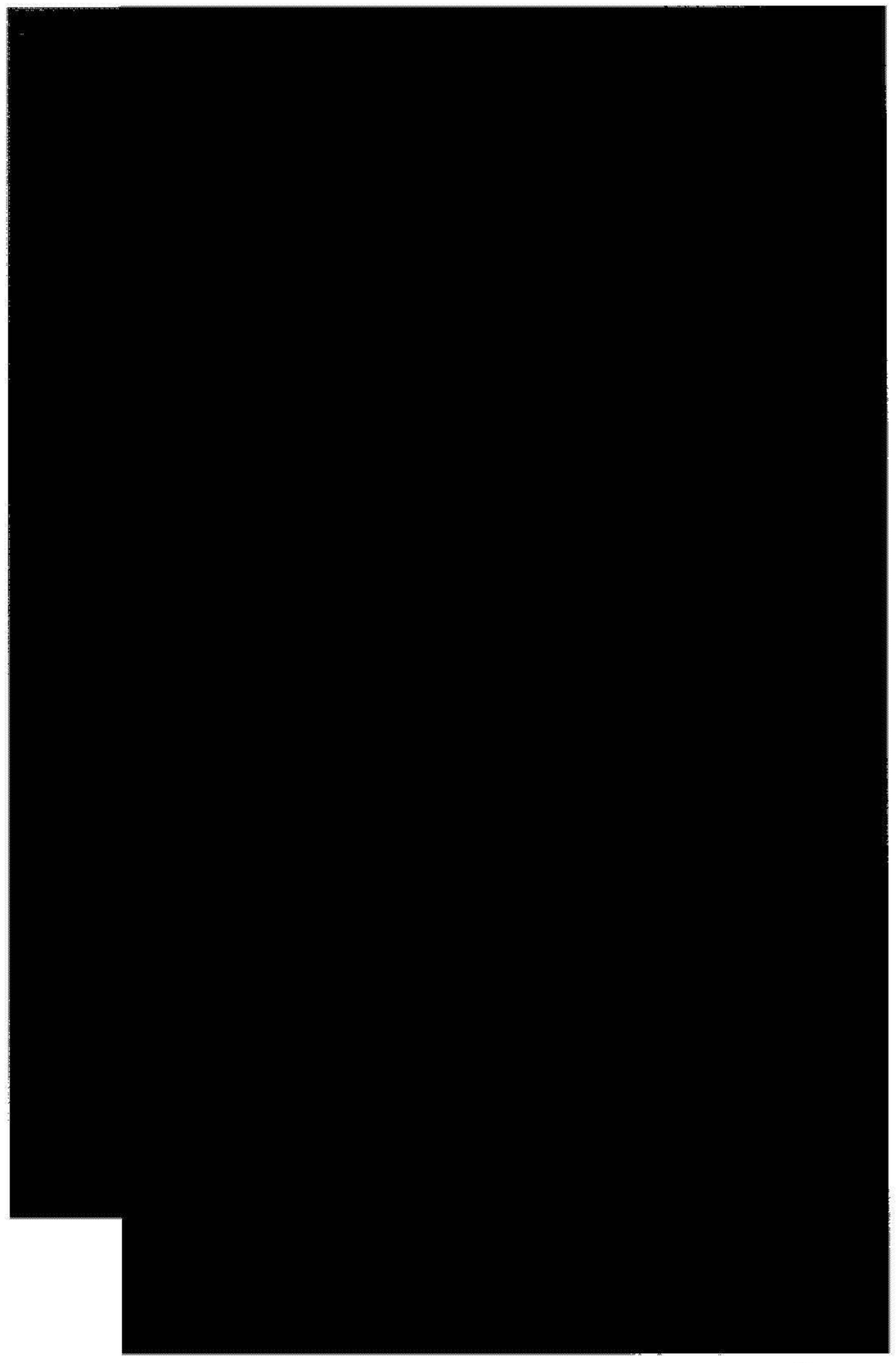
Mitigation
Develop a sustainability strategy and reporting framework that meets investor and customer expectations.

Environmental Risks in Office and IT Operations
Impact
Energy consumption and waste production could impact Starbreeze's reputation and lead to sustainability-related demands.

Mitigation
Implement sustainable practices, such as energy-efficient technology and recycling programs.

High Energy Consumption from Servers and Gaming Platforms
Impact
The gaming industry is an energy-intensive sector, particularly for companies that require extensive server capacity for online functionality. High energy consumption can negatively impact both costs and sustainability goals.

Mitigation
Optimize server capacity for energy efficiency, partner with data centers that use renewable energy, and collaborate with national and international organizations to track, report, and improve environmental impact related to server usage and gaming platforms.



Corporate Governance Report

General information about corporate governance

Starbreeze is a Swedish limited liability company that is listed on Nasdaq Stockholm. Starbreeze's corporate governance is based on Nasdaq's rules for issuers, the Swedish Corporate Governance Code (the "Code"), the Swedish Companies Act, good stock market practice, the company's Articles of Association, internal governance documents and other applicable laws, regulations, and recommendations.

The internal control documents primarily comprise the Board's rules of procedure, the CEO's instructions, instructions for financial reporting, and the authorization and financial policies. Starbreeze also has a number of policy documents and manuals containing rules and recommendations, which set out principles and provide guidance for the company's operations and for its employees.

Companies applying the Code are not obliged to comply with every one of the Code's rules at all times. If the company finds that a particular rule is not appropriate in that company's particular circumstances, the company may choose an alternative solution, provided that the company then discloses the deviation and the alternative solution (in accordance with the "comply or explain" principle). Starbreeze has applied the Code since October 2, 2017, when the company was listed on Nasdaq Stockholm.

General Meeting of Shareholders

Shareholders exercise their influence in the company at the General Meeting of Shareholders, which is the company's highest decision-making body. Any shareholder who, on the record date for the General Meeting, is entered in the share register kept by Euroclear Sweden AB and registered in a CSD register or CSD account is entitled to attend, in person or by proxy. The general meeting of shareholders may pass resolutions on all matters concerning the company which do not expressly fall within the exclusive competence of another corporate body under the Companies Act or the Articles of Association. The meeting may, for example, pass a resolution to increase or decrease the share capital, amend the Articles of Association or liquidate the company. In the case of new share issues, convertible bonds or warrants, the general meeting of shareholders may authorize the Board of Directors to decide on the issue, in addition to taking the decision itself. Each shareholder, irrespective of the size of their shareholding, has the right to have a specific matter dealt with at the General Meeting. Shareholders wishing to exercise this right must submit a written request to the company's Board of Directors. Such requests must normally be received by the Board of Directors in sufficient time for the matter to be included in the notice convening the General Meeting.

The Annual General Meeting (AGM) is held annually within six months of the end of the financial year. The meeting's chair is nominated by the Nomination Committee and elected by the meeting. The tasks of the AGM include electing the company's Board of Directors and auditors, adopting the Group's and the company's balance sheets and income statements, deciding on the appropriation of the company's profit or loss in accordance with the adopted balance sheet, and discharging the Board members and the CEO from liability. The AGM also decides on the fees to be paid to the members of the Board of Directors and the company's auditors.

An Extraordinary General Meeting (EGM) may be convened by the Board of Directors when the Board of Directors considers that there is reason to hold a meeting before the next AGM. The Board of Directors must also convene an EGM when an auditor or a shareholder holding more than ten percent of the shares in the company requests in writing that a meeting be held to consider a specific matter.

Notice of the general meeting is published in the Post och Inrikes Tidningar (Swedish Official Gazette) and on the company's website. At the time of convening the meeting, information that the meeting has been convened is published in the Dagens Industri newspaper. Notice of AGMs and EGMs at which amendments to the Articles of Association are to be considered are issued no earlier than six (6) and no later than four (4) weeks before the General Meeting. Notice of other EGMs are issued no earlier than six (6) weeks and no later than three (3) weeks before the General Meeting. The meeting minutes will be available on the company's website no later than two weeks after the general meeting.

The AGM for the 2024 financial year was held on May 15, 2024. The next AGM is scheduled to take place on May 15, 2025

Nomination Committee

On May 13, 2020, the AGM resolved to adopt a procedure for the appointment of a Nomination Committee for future AGMs.

According to this procedure, the Nomination Committee shall consist of the Board Chair and a maximum of four members, who shall be appointed by the largest shareholders or groups of shareholders in terms of voting rights. The four largest shareholders in terms of voting rights based on the company's list of registered shareholders as at the last business day in August, provided by Euroclear, will be contacted. Shareholders who are not registered with Euroclear and who wish to be represented on the Nomination Committee must notify the Board Chair no later than September 1, and provide proof of ownership. For the purposes of determining who constitutes the four largest shareholders in terms of voting rights, a group of shareholders shall be deemed to constitute one shareholder if they (i) have

been grouped together in the Euroclear system or (ii) have publicly disclosed and notified the company in writing that they have reached a written agreement to adopt a long-term common approach to the company's governance through the coordinated exercise of voting rights. As soon as possible after the last business day in August, the Board Chair shall convene the four largest shareholders of the company in terms of voting rights to form the Nomination Committee. If any of the four largest shareholders in terms of voting rights waives their right to appoint a member of the Nomination Committee, the next largest shareholder will be given the opportunity to appoint a member, but no more than ten shareholders need be consulted. The Nomination Committee's Chair is the member representing the largest shareholder, unless the members agree otherwise. The names of the committee members and the names of the shareholders who appointed them, as well as how to contact the Nomination Committee, must be announced as soon as the Nomination Committee has been appointed, which must be no later than six months before the AGM.

The Nomination Committee's term of office runs until a new Nomination Committee has been appointed. Fees are not paid to Nomination Committee members. However, the company is responsible for reasonable costs associated with the performance of the Nomination Committee's duties.

The Nomination Committee's tasks are to submit proposals to the AGM and, where appropriate, to the EGM, concerning the number of Directors to be elected by the meeting, Directors' fees, the composition of the Board, the Board Chair, the AGM Chair, the election of auditors and auditors' fees and the appointment of the Nomination Committee.

The composition of the Nomination Committee shall be published on the company's website no later than six months before the AGM.

The company's Nomination Committee for the 2025 AGM and for the period until a new Nomination Committee is appointed comprises: Michael Hjort, (Indian Nation), Christoffer Saidac, (Digital Bros), Emanuel Lipschütz (Spiky Investments AB, Strongvault Capital AB), Göran Westman (ADB-Pedagogik G Westman AB) while Jürgen Goeldner (Chairman of the Board) is co-opted to the Nomination Committee.

Board of Directors

The Board of Directors' duties

The Board of Directors holds ultimate responsibility for the company's organization and for managing the company's activities in the interests of the company and all its shareholders. Some of the Board's main tasks include managing strategic issues relating to the company's operations, financing, business establishments, growth, results and financial position, and continuously evaluating the company's economic position. The Board also ensures that there are effective systems for monitoring and controlling the company's activities and that the company's information is transparent, accurate, relevant and reliable.

Composition of the Board

According to Starbreeze's Articles of Association, the Board of Directors must consist of a minimum of three and a maximum of eight members, with a maximum of two alternates. Directors are normally elected annually at the AGM to serve until the end of the next AGM, but additional Directors may be elected during the year at an extraordinary general meeting.

At the time of publication of this Annual Report, the Board of Directors consists of five ordinary Directors: Jürgen Goeldner (Chairman), Christine Rankin, Jon Gillard, Thomas Lindgren and Anna Lagerborg.

At the 2024 AGM, members Anna Lagerborg, Christine Rankin, Thomas Lindgren, Jon Guillard and Jürgen Goeldner were re-elected.

All Directors are elected to serve until the end of the next AGM, which will be held on May 15, 2025. However, each Director is entitled to step down at any time.

The Nomination Committee has made the assessment that Jürgen Goeldner, Christine Rankin, Jon Guillard, Thomas Lindgren and Anna Lagerborg are independent in relation to the company and its management, as well as its major shareholders. The composition of the Board therefore meets the independence requirements set out in the Code.

The table on page 37 lists each Director's participation in the various committees, when the Director took up their position and the Board's assessment of the independence of each Director.

Chair of the Board of Directors

The Board Chair has numerous responsibilities, including directing the work of the Board and ensuring that the Board operates effectively and fulfills its duties. Through their contacts with the CEO, the Board Chair continuously receives the necessary information to follow the company's position, financial planning and development. The Board Chair also liaises with the CEO on strategic issues and ensures that the Board's decisions are implemented effectively.

The Board Chair is responsible for liaising with shareholders on ownership issues and for communicating the views of shareholders to the Board. The Board Chair is elected by the General Meeting.

The Board's working methods

The Board follows written rules of procedure which are reviewed annually and adopted at the inaugural Board meeting following the AGM. The rules of procedure regulate matters such as the Board's working methods and tasks, decision-making procedures within the company, the Board's meeting procedures, the Board Chair's tasks and the division of tasks between the Board and the CEO. Financial reporting instructions and instructions to the CEO are also set at the inaugural Board meeting.

14 minuted meetings were held during the 2024 financial year. Each Director's attendance at Board and Committee meetings is shown in the table on page 37.

The CEO is the spokesperson on strategic matters, and the Group CFO is responsible for economic and financial matters. The Board met with the auditor on several occasions during the financial year.

Board committees

The company's Board of Directors has established two committees, the Audit Committee and the Remuneration Committee. The Board has adopted rules of procedure for both committees.

Audit Committee

The Audit Committee's task is to prepare the Board's work with regard to quality assuring the company's financial reporting. In addition, the Audit Committee establishes guidelines for any services other than auditing that the company may procure from its auditors. The Audit Committee is also responsible for submitting its evaluation of the audit work to the Nomination

Committee in preparation of the Nomination Committee's proposal to the AGM for the election of auditors and the audit fee. During the 2024 financial year, the Audit Committee consulted with the company's auditors on matters including the existing accounting assessments. Furthermore, the Audit Committee has proposed actions to ensure that the company continuously improves its internal controls.

Since the inaugural Board meeting after the 2024 AGM, the Audit Committee has comprised: Christine Rankin (Chair), Jürgen Goeldner and Thomas Lindgren.

Remuneration Committee
The main task of the Remuneration Committee is to consider matters relating to the remuneration and other terms of employment of the CEO and other senior managers. The Remuneration Committee also monitors and evaluates ongoing variable remuneration programs for the management team as well as programs completed during the year and evaluates the application of the Remuneration Guidelines adopted by the AGM for senior managers.

Since the inaugural Board meeting after the 2024 AGM, the Remuneration Committee has comprised: Jürgen Goeldner (Chairman) and Anna Lagerborg.

Remuneration paid to Directors Remuneration paid to Directors elected by the General Meeting is decided by the General Meeting. At the AGM in 2024, it was resolved that a fee of SEK 725,000 would be paid to the Board Chair and SEK 270,000 to each of the other Directors who are not company employees.

In addition, the Annual General Meeting adopted a fee of SEK 175,000 for the Chair and SEK 65,000 for a member of the Audit Committee, and a fee of SEK 50,000 for the Chair and SEK 40,000 for a member of the Remuneration Committee. Auditor's fees are paid according to approved invoices.

See page 37 for the fees paid to the members of the Board of Directors in 2022.

Evaluation of the Board's work
The Board's work is evaluated annually to improve its working methods and efficiency. The Board Chair is responsible for this evaluation and for presenting it to the Nomination Committee. The evaluation is intended to provide an assessment of the views of the Directors on how Board work is conducted and what actions can be taken to improve efficiency, and whether the Board is well balanced in terms of skills. The evaluation is an important document for the Nomination Committee ahead of the AGM.

During 2024, an evaluation of the Board's work was conducted and presented to the Nomination Committee. The Nomination Committee discussed the experience and skills needed on the Board, particularly in the light of the now completed corporate restructuring and the core business defined by the company.

The CEO and other senior managers

Duties of the CEO and other Group management
The CEO is appointed by the Board of Directors and manages the Group's day-to-day business in accordance with the Board's guidelines and instructions. The CEO is responsible for keeping the Board informed of the company's progress and reporting on significant deviations from established business plans, as well as any events that have a major impact on the company's performance and operations, and for providing the Board with relevant decision-making information, for example regarding business establishments, investments and other strategic issues. Corporate management, headed by the company's CEO, consists of people with responsibility for key business areas within Starbreeze.

Remuneration of the CEO and senior managers
A total of SEK 14,486 thousand (13,870) was paid to senior managers, including the CEO, to cover salary, variable remuneration and other benefits in 2024. Share-related remuneration amounted to SEK 0 (0). Defined contribution pension premiums are paid for senior managers, corresponding to the cost set out in the ITP plan.

Guidelines for the remuneration of senior managers
These guidelines apply to Starbreeze's senior managers, defined as employees who are part of the company's management team at any time. These guidelines apply to any remuneration agreed, and any changes made to remuneration already agreed, after the guidelines have been adopted by the AGM. The guidelines do not cover any remuneration that is determined by the General Meeting.

In the case of employment relationships governed by regulations other than Swedish regulations, appropriate adjustments may be made to comply with any mandatory regulations or local practices, while still meeting the overall objectives of these guidelines.

The guidelines promote the company's business strategy, long-term interests and durability.

The company's business strategy in brief is as follows:
Starbreeze is an independent developer, creator, publisher and distributor of PC and console games targeting the global market, with studios in Stockholm, Barcelona, Paris and London. With the successful PAYDAY brand at its core, Starbreeze develops games based on proprietary and third-party rights, both in-house and in partnership with external game developers.

Starbreeze's main activity is the development of proprietary video and computer games, which are wholly or partly financed by the company. The majority of the company's employees are primarily engaged in the development of the company's products. The games are then distributed, mainly via digital platforms such as Steam, or in partnership with other companies for retail distribution. The company's end customers are the consumers who purchase the games via the various game platforms or retailers.

To find out more about the company's business strategy, see www.starbreeze.com / corporate.starbreeze.com.

The company offers market conditions that enable it to recruit and retain competent staff.

The variable remuneration covered by these guidelines is aimed at promoting the company's business strategy and long-term interests, including its longevity.

Forms of remuneration, etc.
Remuneration to the management team may consist of a fixed salary, variable remuneration, pension and other customary benefits. In addition, the Board of Directors shall evaluate whether share-based or share price-based incentive programs should be proposed to the Annual General Meeting on an annual basis. Such share-based or share-price based incentive schemes are determined by the Annual Meeting and are therefore not covered by these guidelines.

As a rule, fixed salaries are reviewed once a year and must take each individual's qualitative performance into account. The

remuneration of the CEO and other senior managers must be market-based.

The Board of Directors is also entitled to determine variable remuneration in the form of a cash bonus for the company's senior managers. All variable remuneration is linked to predetermined and measurable criteria. Maximum annual variable remuneration may not exceed 75 percent of the CEO's fixed annual salary, and 50 percent of fixed annual salary for other senior managers.

Defined contribution pension premiums are paid for the CEO and senior managers, corresponding to the cost set out in the customary ITP plan. Other customary benefits may not total more than ten percent of the fixed annual salary.

In the case of employment relationships governed by regulations other than Swedish regulations, appropriate adjustments may be made to pensions and other benefits to comply with any mandatory regulations or local practices, while still meeting the overall objectives of these guidelines.

Termination of employment
The CEO is required to give six months' notice on resigning, and the company is required to give the CEO six months' notice of termination of employment, with the addition of six months' severance pay. Other senior managers have a notice period of three to nine months.

Remuneration may be paid for a non-compete obligation. This is designed to compensate for any loss of income and is only payable when the former manager is not entitled to severance pay. This remuneration may not exceed 60 percent of the fixed cash salary at the time of termination, subject to any mandatory provisions in the collective agreement, and is paid for the duration of the non-competition obligation, which may not exceed 18 months after employment ends.

Salary and employment terms for employees
In preparing the Board's proposal for these Remuneration Guidelines, the remuneration and employment terms of the company's employees have been considered by including data on the total remuneration of employees, the components of this remuneration and the increase and rate of increase in remuneration over time. This is used in the Remuneration Committee's and the Board's decision-making process when evaluating the appropriateness of the guidelines and their limitations.

The decision-making process for adopting, reviewing and implementing the guidelines
The Board has established a Remuneration Committee. The Committee's tasks include preparing the Board's decision on proposed guidelines for the remuneration of senior managers. The Board drafts new guidelines at least every four years and submits them to the AGM for approval.

The guidelines apply until new guidelines are adopted by the General Meeting. The Remuneration Committee also monitors and evaluates variable remuneration programs for the management team, the application of the guidelines for the remuneration of senior managers, and the current remuneration structures and levels in the company. The CEO and other members of the management team are not present when the Board discusses and decides on remuneration-related matters if they are affected by them.

Departure from the guidelines
The Board of Directors has the right to depart from the above guidelines in whole or in part if it considers that, in a particular case, there are special reasons justifying this and a departure is necessary to meet the long-term interests of the company, including its durability, or to ensure the financial viability of the company. As stated above, the Remuneration Committee is responsible for preparing the Board's decisions on remuneration matters, including decisions on departures from the guidelines.

Auditing and control

External auditor
The company's auditor is appointed by the General Meeting. The auditor examines the company's annual accounts and financial statements and how the company has been managed by the Board of Directors and the CEO.

In addition to the auditor's report, the auditor also normally produces a reviser's report at the same time as the interim report for the third quarter.

At the AGM on May 15, 2024, audit firm Öhrlings PricewaterhouseCoopers AB, (Torsgatan 21, 113 21 Stockholm) was re-appointed as the company's auditors until the end of the AGM to be held in 2024. Öhrlings PricewaterhouseCoopers AB has been the company's auditor for the years 2015-2024 and up to the end of the AGM in 2025. The auditor in charge is Aleksander Lyckow, Authorized Public Accountant.

Aleksander Lyckow is a member of FAR. The auditor's report is signed by Aleksander Lyckow.

Remuneration of auditors
The auditor's remuneration is decided by the General Meeting, following a proposal from the Nomination Committee. At the AGM on May 15, 2024, it was decided that the auditor's fee would be paid according to the approved invoice.

Internal control
The Board's responsibility for internal control is governed by the Swedish Companies Act and the Swedish Annual Accounts Act, which require that information on the key elements of Starbreeze' systems for internal control and risk management in connection with financial reporting be included in the Corporate Governance Report each year. The Board's responsibility for internal control is also governed by the Code.

The Board of Director's duties include ensuring that Starbreeze has good internal control and formalized procedures that ensure compliance with established principles for financial reporting and internal control, and that there are appropriate systems for monitoring and controlling the company's operations and the risks associated with the company and its operations. The overall objective of internal control is to provide reasonable assurance that the company's operational strategies and objectives are followed up and that the shareholders' investment is protected. In addition, internal control ensures that external financial reporting is reliable with reasonable assurance and prepared in accordance with generally accepted accounting principles, that disclosed requirements are met in accordance with internal policies, and that applicable laws and regulations and requirements for listed companies are complied with.

Control environment
Internal control at Starbreeze is based on a control environment that includes organization, decision paths, powers and responsibilities. The Board has written rules of procedure that clarify its responsibilities and regulate the division of labor. The rules of procedure also specify the issues to be submitted to the Board for decision. The division of roles between the Board and the CEO is communicated in the Board's rules of procedure and in

its instructions to the CEO. In addition, the CEO manages the business based on the Swedish Companies Act, other laws and regulations, regulations for stock market companies, the Swedish Code of Corporate Governance, etc. The Board monitors compliance with established financial reporting and internal control principles and maintains appropriate relations with the company's auditors. The management team is responsible for the system of internal controls necessary to manage material risks in day-to-day operations. In addition, the Audit Committee prepares matters for the Board to consider to ensure effective control.

Risk assessment and control activities
A clear organizational and decision-making structure aims to create a good risk awareness among employees and a balanced approach to risk-taking. Embedded control points aim to minimize the risk of accounting errors. There are also documented procedures for the management of the company's financial and consolidation systems. Monitoring is carried out on an ongoing basis to maintain good internal control and thus prevent and detect risks.

Risk management
The material risks affecting internal control over financial reporting and operational controls are identified and managed at Group, business area and subsidiary level. Within the Board, the Audit Committee is responsible for identifying material financial risks and risks of misstatement in the financial reporting and preparing for decisions on possible actions by the Board to ensure accurate financial reporting. A particular priority is to identify processes where the risk of material misstatement is relatively high due to the complexity of the process, or in contexts where large amounts are involved.

The Board instructs the management team to analyze the business and identify and quantify the risks to which the Group is exposed. Once the risks have been identified, they are ranked according to their probability and impact. From this process, the company has developed a large number of controls in the areas of Finance, Management, IT, HR, and Game Development, as well as in Publishing, PR, and IR. Scheduled self-assessment procedures are carried out according to a defined plan and the results are reported to the Audit Committee and the Board, which ensures that the controls have been carried out. The results, analysis and actions of this process are reported directly to the Audit Committee and the Board.

Follow-up
The Board continuously evaluates the information presented by the management team and the Audit Committee. The Board's work also includes ensuring that action is taken on any deficiencies or measures recommended in connection with the external audit and the internal monitoring of internal control implemented by the company. After the Board has received the internal control analysis, the Audit Committee prepares proposals for adoption by the Board to remedy the deficiencies and weaknesses identified.

At the end of the year, the Audit Committee receives a final report on the outcome and status of the internal control. Based on this, the Audit Committee prepares proposals for improvement actions to be submitted to the Board. This is a continuous process according to the annual audit and control cycle.

The Board also receives regular reports on the Group's financial position and performance. After the end of each quarter, the Group's financial position is reviewed, and the management team analyzes the monthly performance in detail. A summarized report is then provided to the Board monthly. The Audit Committee monitors the financial statements at its meetings and the Audit Committee together with the Board receives a specific report from the auditors on their observations once per financial year.

Composition of the Board of Directors

Name	Audit and Remuneration Committee	Position held since	Independent of company/shareholders	Attendance of Board meetings	Attendance of Audit Committee	Attendance of Remuneration Committee
Jürgen Goeldner	Audit and Remuneration Committee	2023	Yes/Yes	13/14	4/6	1/3
Anna Lagerborg	Remuneration Committee	2020	Yes/Yes	14/14	-	3/3
Thomas Lindgren	Audit Committee	2021	Yes/Yes	13/14	5/6	-
Christine Rankin	Audit Committee(chair)	2023	Yes/Yes	14/14	6/6	-
Jon Gillard		2023	Yes/Yes	14/14	-	-

Remuneration of the Board of Directors and Senior Managers*

2024 (SEK thousand)	Basic salary/director's fee	Variable remuneration	Other benefits	Pension expense	Total
Jürgen Goeldner, Chairman of the Board	694	-	-	-	694
Anna Lagerborg	310	-	-	-	310
Thomas Lindgren	331	-	-	-	331
Christine Rankin	441	-	-	-	441
Jon Gillard	334	-	-	-	334
Mats Juhl, acting CEO	1,772	-	75	290	2,137
Other senior managers, on average 4 people, at year-end 4 people	6,516	-	77	1061	7,657
Total	10,401	-	152	1,351	11,904

*for detailed information about Remuneration of the Board and senior managers, see Note 13.

Board of Directors and auditor

Juergen Goeldner

Chairman of the Board since 2024. Director since 2023

Born: 1953

Education: Studies in education and psychology at German University in Darmstadt

Principal occupation: Juergen is a German citizen and has spent 40 years in the games industry and held several senior positions. His most recent position was as CEO of Focus Home Interactive. Juergen is currently a business consultant and investor.

Other assigments: No other assignments.

Holdings in the company: For updated ownership, see .

Juergen is independent in relation to the company, its management and the major shareholders.

Anna Lagerborg

Director since 2020

Born: 1966

Education: Bachelor of Science in Systems Science.

Principal occupation: Anna currently works in the field of executive search and business development at Safemind, a recruitment company specializing in tech and digitalization. Anna has a long background in leading tech organizations, including at NetEnt where she was Chief Development Officer and a member of the corporate management team, and at Hemnet where she held roles as CTO, Acting CEO and Deputy CEO.

Other assignments: -

Holdings in the company: For updated ownership, see .

Anna Lagerborg is independent in relation to the company, its management and the major shareholders.

Thomas Lindgren

Director since 2021

Born: 1971

Education: Double Master of Science in Finance and Managerial Accounting, Stockholm School of Economics.

Principal occupation: Investor and mentor with several board assignments. Previous managerial positions at Fatshark, Goodbye Kansas Game Invest and ISD. Former CEO of Glorious Games (Stardoll), Gamefederation and ISD, founder of Wanderword, TNTX, Northify and Boden Intressenter Fastighets AB.

Other assignments: Chair of the Board at Wanderword, Northify and BIFAB. Member of the Boards of Rahms Städ and Goodbye Kansas.

Holdings in the company: For updated ownership, see .

Thomas Lindgren is independent in relation to the company, its management and the major shareholders.

Christine Rankin

Director since 2023

Born: 1964

Education: Master of Business Administration from Stockholm University

Principal occupation: Christine has previously been an authorized auditor and co-owner at PwC and has held senior positions in several companies' finance departments since 2014, most recently as Senior VP Corporate Control at Veoneer Inc.

Other assignments: Board member of Coinshares International Ltd, Orexo AB, 4C Group AB (publ) and Bonesupport AB (publ).

Holdings in the company: For updated ownership, see .

Christine Rankin is independent in relation to the company, its management and the major shareholders.

Jon Gillard

Director since 2023

Born: 1966

Education: Education in Physics, Chemistry and Maths at Oxford Brookes University

Principal occupation: Jon is a British citizen and has spent 36 years in the games industry, where he has held several senior positions within Games Workshop Group Plc. Jon is now a business consultant, investor and mentor.

Other assignments: No other assignments.

Holdings in the company: For updated ownership, see .

Jon Gillard is independent in relation to the company, its management and the major shareholders

Auditor

Auditing firm Öhrlings PricewaterhouseCoopers AB has been elected as the company's auditor.

Aleksander Lyckow

Chief Auditor Auditor of Starbreeze AB (publ) since 2022.

Born in 1980

Authorized Public Accountant

Management team

Mats Juhl

Acting CEO since 2024, CFO since 2020

Born: 1973

Education: Master's Degree in Finance, Lund University

Background: CFO of Mips AB (publ.), CFO of Tengbomgruppen AB, CFO of Sweden Arena Management KB (Friends Arena), Finance Director at Ticnet AB, Finance Manager Enea AB (publ.)

Holdings in the company: For updated ownership, see .

Egil Strunke

Chief Operating Officer since 2024.

Born: 1965

Education: Studies in Economics, Law, Language at Stockholm University.

Background: Former founder and CEO of Strunke Games, Chief Operating Officer of Embracer Group AB (publ.). Nordic Sales Director at 20th Century Fox, several senior roles at Nordic Games. Business Area Manager for Games at Pan Vision and Country Manager at Electronic Arts Sweden.

Holdings in the company: For updated ownership, see .

Fredrik Malmqvist

Chief Product Officer since 2021

Born: 1979

Education: Bachelor of Science - Computer Science, Karlstad University

Background: Fredrik has extensive experience in the games industry, spending the last ten years as Development Director at DICE, where he worked on live and box products in their Battlefield franchise. He also has eight years' experience in software development.

Holdings in the company: For updated ownership, see .

André Persson

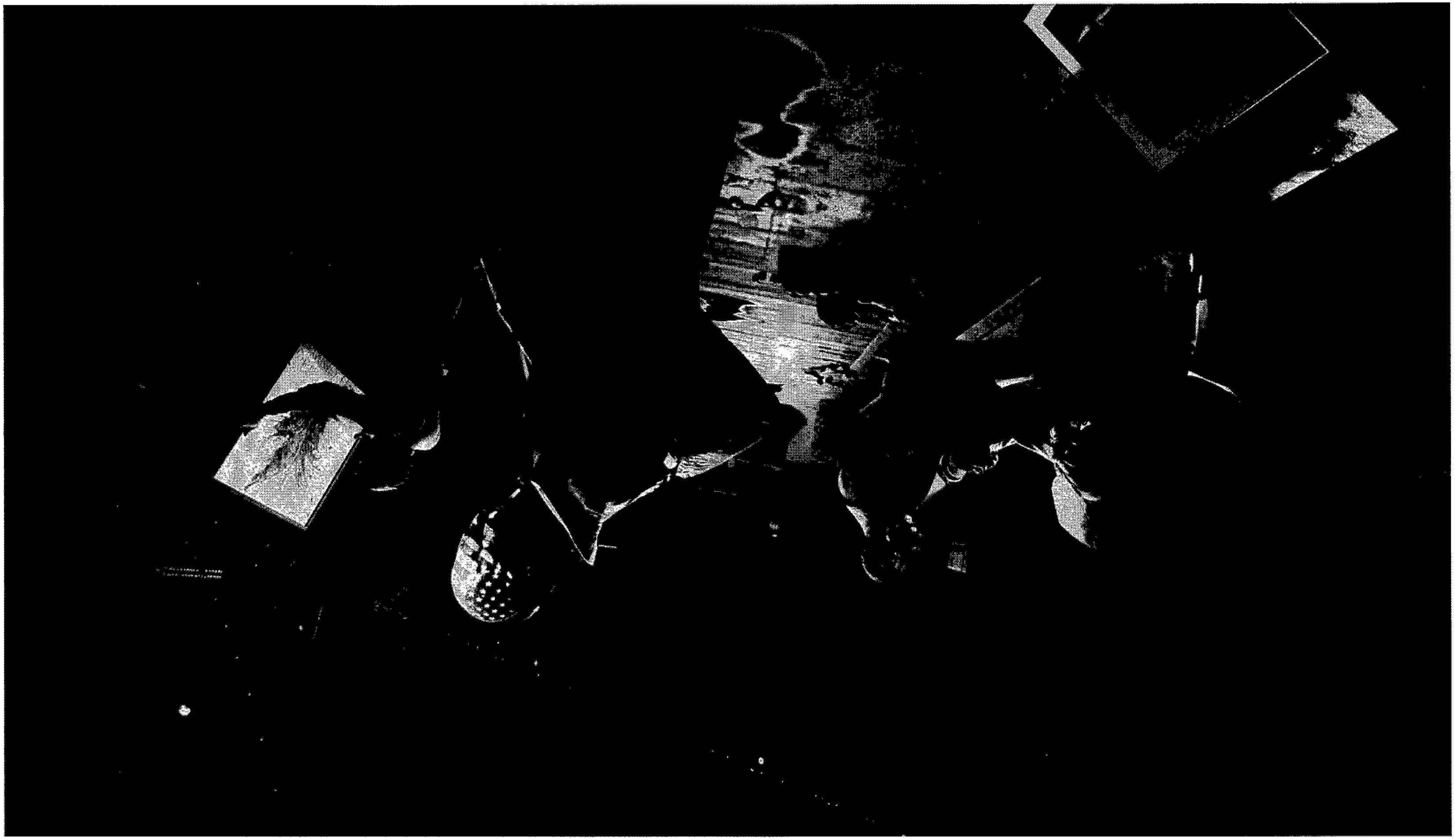
Chief Marketing Officer since 2024

Born: 1980

Education: -.

Background: With over 25 years of experience in the gaming industry, Andre has worked with over 200 products in leading roles, from product manager, marketing and publisher director to VP of communications at leading studios and publishers such as Sharkmob AB, CI Games and BANDAI NAMCO Entertainment Europe S.A.S. He comes most recently from his own business Project 369 Group Ltd.

Holdings in the company: For updated ownership, see .



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STARBREEZE

Directors' Report

07

Director's report

The Board of Directors and CEO of Starbreeze AB (publ), 556551-8932, hereby present the Annual Report and Consolidated Financial Statements for the financial year from January 1 to December 31, 2024, Starbreeze's twenty-seventh financial year. Unless otherwise stated, the information given in the Annual Report refers to the Group. All amounts, unless otherwise stated, are stated in TSEK. Figures in brackets refer to the previous year.

General information about the business

Starbreeze is an independent developer, creator, publisher and distributor of PC and console games targeting the global market.

Starbreeze was founded in 1998 and has since become a well-established game developer and publisher of computer and video games with offices in several countries around the world and its main business in Stockholm. In 2024, the business mainly consisted of in-house game development and publishing activities, focusing on the in-house IPs PAYDAY and Baxter, as well as third-party publishing.

Other activities are part of what is defined as non-core activities, and no resources were allocated to these activities during the year.

The Starbreeze Group consists of the Parent Company Starbreeze AB (publ) and the subsidiaries Starbreeze Production AB, Starbreeze Studio AB, Starbreeze Publishing AB, New Starbreeze Publishing PD IP AB, Starbreeze VR AB, Starbreeze Barcelona SL, Starbreeze Paris SAS, New Starbreeze Studios AB, New Starbreeze Publishing AB, Enterspace AB, Starbreeze IP AB, and Starbreeze Studios UK Ltd. Starbreeze USA Inc, Starbreeze LA Inc, Starbreeze IP LUX, and Starbreeze IP LUX II Sarl were liquidated during the year. During the year, the Group sold its 33 per cent share in the joint venture company StarVR Corporation to Acer.

Significant events during the year

On March 12, Starbreeze's Board of Directors decided to appoint Jürgen Goeldner as Acting CEO. He replaced Tobias Sjögren.

On May 15, Starbreeze's Board of Directors decided to appoint Mats Juhl, CFO, as Acting CEO.

On December 5, a strategic partnership was announced with Korean KRAFTON, Inc, to use a work-for-hire agreement to bring PAYDAY to KRAFTON's game PUBG: Battlegrounds.

Significant events after the end of the financial year

January 30, Starbreeze announced that PAYDAY 3 will be the monthly game on PlayStation® Plus and that the game will also get its first paid character when fan favorite Jacket returns to the game.

On February 6, it was announced that Starbreeze will act as publisher for the Swedish gaming company The Gang's upcoming game, Out of Sight.

On March 31, Adolf Kristjansson was appointed as new CEO of Starbreeze AB. Adolf will assume his position on April 1st, 2025. He replaces the current interim CEO, Mats Juhl, who will continue in his role as Chief Financial Officer of Starbreeze.

For detailed information on significant events during the year and after the end of the financial year, see corporate.starbreeze.com

Net sales and earnings

The financial year covers 12 months (January-December 2024).

Net sales for the period January to December 2024 amounted to SEK 185.9 million (633.5). The comparison period includes revenue attributable to the launch of PAYDAY 3. Game sales amounted to SEK 125.7 million (616.7), Third-party publishing to SEK 47.7 million (14.9) and Licensing to SEK 1.7 million (1.7). Other revenue amounted to SEK 10.7 million (0.1) and relates to the sale of the Cinemaware catalog and work-for-hire.

Starbreeze's reported revenue attributable to PAYDAY 3 amounted to SEK 82.9 million (477.0). All revenue is related to sales on Steam, Xbox Game Pass, Xbox X|S, Playstation 5, and Epic Games Store platforms. Sales consist of different editions of the base game, license versions, and sales of DLC.

PAYDAY 2 sales amounted to SEK 41.8 million (139.1) and relate to Steam, Epic Games Store, and console platform sales.

Direct costs amounted to SEK 448.8 million (309.3) and consist of costs linked to game production and game development. Direct costs include depreciation of intangible assets of SEK 396.3 million (231.6), server costs of SEK 15.9 million (41.5) and revenue sharing linked to third-party publishing of SEK 25.5 million (10.8).

Capitalized development expenditure reduced the direct costs by SEK 185.2 million (143.7) and relates to the games PAYDAY 3 and Baxter, and development of new IP.

Sales and marketing costs amounted to SEK 30.2 million (46.8) and relate to marketing activities and personnel costs. Marketing costs were down year on year in Q4 2024.

Administrative expenses for the period amounted to SEK 29.0 million (79.4). Adjusted for items affecting comparability of SEK 22.3 million, expenses amounted to SEK 51.3 million. In addition to the items affecting comparability, the expenses are related to office costs, salaries to personnel who do not work in game production or marketing, as well as other external costs.

The items affecting comparability of SEK 22.3 million are attributable to the reversal of previously expensed personnel costs relating to the company's long-term incentive program linked to the launch of PAYDAY 3 and restructuring costs relating to personnel changes.

Administrative expenses include depreciation of SEK 21.0 million (15.6). Capitalized development expenditure reduced the administrative expenses by SEK 38.5 million (36.8) and relates to the games PAYDAY 3, Baxter, and other IP.

Other revenue amounted to SEK 8.8 million (13.7). This item also consists of exchange rate effects relating to the revaluation of assets and liabilities denominated in foreign currencies of SEK 9.8 million (-21.4).

Other expenses amounted to SEK 6.4 million (-21.4) and relate to a capital loss linked to the liquidation of subsidiaries in

Luxembourg and the US. This item consisted of exchange rate effects in the previous year.

Earnings before interest, taxes, depreciation, and amortization (EBITDA) amounted to SEK 97.6 million (439.3). In the comparison period, earnings were strongly impacted by the launch of PAYDAY 3.

Net financial income amounted to SEK 2.0 million (17.4). During the period, the company received interest of SEK 5.7 million (3.1) relating to holdings in banks. During the period, the company liquidated its share in the StarVR joint venture, which had a negative effect of SEK -0.4 million, and impaired financial assets of SEK -2.3 million. During the period, the company impaired lease liabilities and fixed assets linked to the office in Stockholm, due to terminated agreements, in accordance with IFRS 16. The impact on earnings amounted to SEK 1.8 million (0).

During the period, interest expenses on lease liabilities of SEK -4.0 million (-0.4) were charged to net financial income/expense.

Profit/loss before taxes amounted to SEK -317.7 million (207.7).

Earnings for the period were SEK -317.8 million (207.6).

Basic and diluted earnings per share amounted to SEK -0.22 (0.19).

Non-current assets

Licenses amount to SEK 21.8 million (11.1) and consist of rights to use IP rights.

Intangible assets, consisting mainly of IP rights, amounted to SEK 65.0 million (141.9).

Capitalized expenditure for proprietary game and technology development amounted to SEK 275.0 million (312.0).

Investments in publishing projects amounted to SEK 10.4 million (6.8).

Amortization and impairment of intangible assets amounted to SEK 396.6 million (233.6) during the period. The increase is due to the depreciation of PAYDAY 3.

Current assets

Trade and other receivables amounted to SEK 43.1 million (164.2), of which trade receivables linked to PAYDAY 3 amounted to SEK 19.3 million. Starbreeze receives cash only after Plaion receives cash, and Starbreeze has issued an invoice for the share to which Starbreeze is entitled according to the terms of the revenue sharing agreement.

Prepaid expenses and accrued income at the end of the period amounted to SEK 74.1 million (62.0), of which SEK 13.3 million (17.1) relates to receivables for PAYDAY 2 and PAYDAY 3 sales.

Cash and cash equivalents amounted to SEK 191.9 million (347.8).

Equity

Group equity at the balance sheet date amounted to SEK 586.9 million (894.7).

Non-current liabilities.

Non-current liabilities amounted to SEK 2.5 million (2.0). The non-current part of lease liabilities amounted to SEK 0 million (0.2). During the period, the company impaired lease liabilities and fixed assets linked to the office in Stockholm due to the termination of contracts. New offices will be acquired in 2025 and are not included in the books in accordance with IFRS 16. Deferred tax liabilities amounted to SEK 2.0 million (1.3).

Current liabilities

Current liabilities amounted to SEK 122.2 million (214.8). Trade payables and other liabilities at the end of the period amounted to SEK 68.8 million (100.2). Current lease liabilities amounted to SEK 17.7 million (6.5) and relate to leasing costs for the remaining period for the current office in Stockholm. Accrued expenses and deferred income at the end of the period was SEK 35.7 million (108.1).

Cash flow

Cash flow from operating activities before changes in working capital amounted to SEK 40.5 million (190.0), with operating profit amounting to SEK -319.7 million (190.3), and adjustments for items not included in cash flow amounting to SEK 354.4 million (-2.5). Adjustments for items not included in cash flow consist of the depreciation of assets of SEK 417.4 million (249.0) and exchange rate effects of SEK -9.7 million (5.9). The item also includes the payment made in relation to financing for game development previously received from Plaion of SEK -59.6 million (-259.6). The debt was settled in conjunction with the release of DLC as previously received financing for game development is recognized as income without any impact on cash flow. The cash flow effect has already occurred as the game financing is received on an ongoing basis during the development of PAYDAY 3.

Cash flow from operating activities after changes in working capital amounted to SEK 64.9 million (114.6). The paid receivable linked to PAYDAY 3 had a positive effect on working capital.

Cash flow from investing activities amounted to SEK -245.5 million (-202.4), of which investments in proprietary game development accounted for SEK -227.6 million (-173.9). Investments of SEK -8.8 million (-13.9) were made in publishing projects and of SEK -10.7 million (-11.1) in other intangible assets.

Cash flow from financing activities amounted to SEK 24.5 (327.4) million and is a result of the game financing received for the development of DLC for PAYDAY 3 of SEK 47.9 million (77.9). Outstanding trade receivables linked to PAYDAY 3 amounted to SEK 19.3 million. Leasing expenses amounted to SEK -23.4 million (-15.3).

Total cash flow for the period was SEK -156.1 million (239.6). Cash and cash equivalents at the end of the year amounted to SEK 191.9 million (347.8).

Investments

During the period, the Group's investments in property, plant and equipment amounted to SEK -5.9 million (-3.5). Investments in proprietary game and technology development amounted to SEK -227.6 million (-173.9).

Impairment

Starbreeze regularly performs impairment tests on assets without a fixed useful life to ensure that the carrying amount does not exceed its fair value. During the financial year, these impairment tests have resulted in write-downs related to capitalized development costs for PAYDAY 3 of SEK 118.6 million and other projects of SEK 8.5.

Research and development
The Group conducts R&D in game development. The majority of the company's R&D expenditure is spent on developing and updating games and associated development and primarily comprises personnel costs. Most of the work is specific to individual games, but some of the development relates to features and mechanics common to several games. These costs are incurred throughout the development phase, i.e. until it is technically possible to complete the product and make it commercially viable. When the project reaches this level and moves into a development phase, the expenses are capitalized and recognized as an intangible asset. Once the asset is completed, it is amortized on a straight-line basis over the useful life of the asset.

Environmental impact
None of the Group's companies conduct any activities requiring a permit under the Swedish Environmental Code. Despite this, Starbreeze has a clear ambition to minimize the negative impact of its operations on the environment and has established a number of guidelines in this regard.

Sustainability
Starbreeze's sustainability report can be found on pages 20-27 of this annual report. Ensuring a safe and healthy working environment is an important sustainability issue for Starbreeze. The goal of Starbreeze's health and safety efforts is to create a workplace that is physically, mentally and socially healthy and stimulating for all its employees.

The company's Code of Conduct sets out the basic principles of how Starbreeze does business. The Code of Conduct also sets out what employees can expect from Starbreeze as an employer in terms of work environment, safety, human rights, gender equality, health and personal privacy.

The Group's marketing efforts must be ethical, honest and reflect generally accepted social standards of good taste and decency.

Employees
The number of employees at the end of the year was 185 (194), of whom 77 percent were men, 20 percent women and 3 were non-binary/unspecified. The average age at December 31, 2024 was 37 (34). For more information, see Notes 11 and 12 and the Group Sustainability Report on pages 20-27 of this annual report.

Remuneration of the Board of Directors and senior managers
The guidelines for remuneration of the Board of Directors and senior managers adopted and proposed to the 2024 AGM can be found in the Corporate Governance Report on pages 32-36. Expenses in 2024 for remuneration to senior managers are shown in Note 13 and in the Remuneration Report for 2024.

Parent company
Starbreeze AB (publ) is the Group's Parent Company. The management team and other key group structures are centralized at the Parent Company.

The Parent Company's net sales for the quarter amounted to SEK 17.2 million (32.4). Sales mainly relate to the allocation of management fees.

Earnings before and after tax were SEK -252.0 million (-597.6). At the end of the period, cash and cash equivalents amounted to SEK 106.6 million (161.8) and the Parent Company's equity was SEK 484.7 million (736.8).

Shares and ownership structure
Starbreeze shares have been listed on Nasdaq Stockholm in the Small Cap segment since October 2, 2017. The shares are traded under the tickers STAR A and STAR B with ISIN codes SE007158928 and SE0005992831.

At the end of the year, the total market capitalization was approximately SEK 310 million, compared to approximately SEK 696 million in the previous year.

Under the company's conversion program, 7,068,445 class A shares were converted to class B shares during the year.

Starbreeze had 32,828 shareholders (36,278 shareholders) at the end of the year. The three largest shareholders at year-end were Digital Bros S.P.A with 21.02 percent of the share capital and 39.67 percent of the votes, Avanza Pension with 15.70 percent of the share capital and 3.20 per cent of the votes, and Nordnet Pensionsförsäkring with 3.13 percent of the share capital and 1.81 percent of the votes. More information about the share and owners can be found at corporate.starbreeze.com.

Risks and uncertainties
Starbreeze's approach to internal control and risk management is described in the Corporate Governance Report. The most material business risks for Starbreeze are described below in no particular order.

Risks related to external developers
Starbreeze's publishing activities are dependent on the studios that produce the contracted work honoring the agreements entered into.

Project delays
Delays can occur in both in-house projects and projects where external partners are managing development. Completion of a project may also require more resources than originally estimated, in which case the costs will usually have to be borne by Starbreeze, primarily in the case of internal projects.

Low revenue when releasing games or other products
Whenever new games or other products are released, there is a risk that they will not be well received by the market. This applies to self-financed projects as well as games where Starbreeze acts as the publisher and provides a significant proportion of the financing. Capitalized development expenditure may have to be impaired in such cases.

Dependency on key people
Starbreeze is a knowledge-intensive company and is dependent on its ability to continue to recruit, train and retain a number of key people in order to achieve success across all functions at the locations in which it operates. Important knowledge includes commercial experience, an understanding of player preferences and expertise in game development and technology. The business is also dependent on key people at management level.

Financing needs and capital

In the context of Starbreeze's operations, revenues are often spread unevenly over time, which affects liquidity. Consequently, there is a risk that the company will need to be capitalized in the future. There is also a risk that, at any given time, the company may not be able to raise additional capital or that it may not be raised in a manner that is favorable to existing shareholders.

Intellectual property rights issues

Intellectual property is a significant part of Starbreeze's assets, mainly in the form of copyright for proprietary games and software, publisher licenses for games whose rights are owned by third parties, patents and patent applications, trademarks, and company-specific knowledge and expertise.

It is therefore of great importance that the assets developed within the Group remain the property of Starbreeze.

There is also a risk that third parties may infringe the company's intellectual property rights or that the company may infringe others' intellectual property rights.

Currency risks

Starbreeze operates in an international market. A large percentage of Starbreeze's revenue is earned in USD and EUR, while costs are primarily in SEK and also in EUR. Starbreeze is therefore exposed to currency market fluctuations and changes in exchange rates.

Risk of impairment of intangible assets

The consolidated balance sheet consists largely of goodwill and other intangible assets totaling SEK 372.3 million as at December 31, 2024. Starbreeze continuously monitors relevant circumstances affecting the company's business and general financial position and the possible impact such circumstances may have on the valuation of the company's intangible assets. It is possible that changes in such circumstances, or in the many factors that the company considers in making judgments, assumptions and estimates in connection with the valuation of intangible assets, may require the company to record impairment losses on intangible assets in the future. Following the publication of the Year-end Report 2024, the Company has completed an analysis of previously capitalized development costs for 2024 attributable to PAYDAY 3. Due to the valuation of the assets in relation to PAYDAY 3's sales in 2024, the company has made an accounting, non-cash flow impact, adjustment of the value of SEK 118.6 million on the intangible assets recorded in the balance sheet. In 2024, Starbreeze's impairment losses related to intangible assets amounted to SEK 127.1 million.

Proposed appropriation of profits

The Board of Directors proposes that the retained earnings of SEK 455,208,831 be carried forward.

	Parent Company
SEK	**2024-12-31**
Retained earnings	-1,819,152,394
Share premium reserve	2,526,378,620
Net profit/loss for the year	-252,017,395
Carried forward	**455,208,831**

Dividend

The Board of Directors proposes that no dividend (0) be distributed for the 2024 financial year.

Annual General Meeting (AGM)

The Annual General Meeting of Starbreeze AB (publ), 556551-8932, will be held on Thursday, May 15, 2025.

Financial overview

Condensen consolidated statement of comprehensive income

SEK thousand	2024	2023	2022	2021
Operating revenue				
Net sales	185,851	633,510	127,602	125,689
Operating expenses	-505,565	-443,207	-120,856	-179,409
Operating profit/loss (EBIT)	**-319,714**	**190,303**	**6,746**	**-53,720**
Net financial income/expense	2,047	17,353	-61,149	-51,506
Profit/loss before tax	**-317,667**	**207,656**	**-54,403**	**-105,226**
Income tax	-180	-24	-5,405	1,758
Earnings for the period	**-317,847**	**207,632**	**-59,808**	**-103,468**

Condensed consolidated balance sheet

SEK thousand	2024-12-31	2023-12-31	2022-12-31	2021-12-31
Assets				
Non-current assets				
Intangible assets	376,544	526,864	563,406	462,494
Property, plant and equipment	25,928	10,592	22,520	36,013
Total non-current assets	**402,472**	**537,456**	**585,926**	**498,507**
Current assets	**309,100**	**574,037**	**160,479**	**175,640**
Total assets	**711,572**	**1,111,493**	**746,405**	**674,147**
Equity and liabilities				
Equity	**586,883**	**894,652**	**56,786**	**122,817**
Liabilities				
Non-current liabilites	2,529	1,992	386,462	442,743
Current liabilities	122,160	214,849	303,157	108,587
Total liabilities	**124,689**	**216,841**	**689,619**	**551,330**
Total equity and liabilities	**711,572**	**1,111,493**	**746,405**	**674,147**

Condensed consolidated statement of cash flows

SEK thousand	2024	2023	2022	2021
Cash flow from operating activities	64,870	114,575	57,825	73,868
Cash flow from investing activities	-245,458	-202,379	-143,936	-109,006
Cash flow from financing activities	24,523	327,445	65,522	6,172
Cash flow for the period	**-156,065**	**239,641**	**-20,589**	**-28,966**
Cash and cash equivalents at the start of the period	347,752	108,217	128,572	157,423
Exchange rate difference in cash and cash	219	-106	234	115
Cash and cash equivalents at the end of the	**191,906**	**347,752**	**108,217**	**128,572**

Group key figures

SEK thousand	2024	2023	2022	2021
EBITDA margin, %	52.5	69.4	52.0	5.0
EBITDA margin, % adjusted[1]	52.5	69.4	52.0	59.6
Profit margin, %	-170.9	32.8	-42.6	-83.7
Basic earnings per share, SEK	-0.22	0.19	-0.08	-0.14
Diluted earnings per share, SEK	-0.22	0.19	-0.08	-0.14
Equity/assets ratio, %	82.5	80.5	7.6	18.2
Number of shares at the end of the period before dilution	1,476,762,040	1,476,762,040	724,609,266	724,609,266
Number of shares at the end of the period after dilution	1,476,762,040	1,476,762,040	724,609,266	724,609,266
Average number of shares before dilution	1,476,762,040	1,097,076,815	724,609,266	724,609,266
Average number of shares after dilution	1,476,762,040	1,097,076,815	724,609,266	724,609,266
Average number of employees	189	184	154	135
Number of employees at the end of the period	186	194	165	138

1 Operating profit before depreciation, amortization and impairment as a percentage of net sales adjusted for one-off effects related to PAYDAY Crime War licensing agreement.

STARBREEZE



Financial information

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Finansiell information

Definitions for the Group key figures

The Annual Report refers to a number of non-IFRS performance measures that are used to help both investors and the management team to analyze the company's operations. The measures presented in this report may differ from similarly named measurements in other companies.

EBITDA
Earnings before interest, tax, depreciation and amortization.

EBITDA margin
Earnings before interest, tax, depreciation and amortization as a percentage of net sales.

EBITDA adjusted
Operating profit before depreciation, amortization and impairment adjusted for one-off effects related to PAYDAY Crime War licensing agreement.

Adjusted EBITDA margin
Operating profit before depreciation, amortization and impairment as a percentage of net sales adjusted for one-off effects related to PAYDAY Crime War licensing agreement.

Profit margin
Profit after financial items as a percentage of total net sales.

Earnings per share
Profit or loss after taxes divided by the average number of shares during the period.

Equity/assets ratio
Equity as a percentage of capital employed.

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Consolidated statement of comprehensive income

SEK thousand	Note	2024	2023
	2,4,11		
Net sales	5,6	185,851	633,510
Direct costs	5,8	-448,848	-309,271
Gross profit (-loss)	5	**-262,997**	**324,239**
Selling and marketing costs	8,10,12,13	-30,166	-46,824
Administrative expenses	8,9,10,12,13	-28,971	-79,406
Other revenue	7	8,796	13,707
Other expenses	14	-6,376	-21,413
Operating profit (-loss), EBIT		**-319,714**	**190,303**
Financial income	15	7,406	3,098
Financial expenses	15	-6,717	14,319
Share of profit or loss from holdings recognized using the equity method	38	1,358	-64
Profit (-loss) before tax		**-317,667**	**207,656**
Income tax	17	-180	-24
Net profit (-loss) for the year		**-317,847**	**207,632**
Net income attributable to:			
Parent Company's shareholders		-317,847	207,632
Other comprehensive income that may subsequently be reclassified to profit and loss:			
Exchange differences		10,078	940
Total comprehensive income for the year		**-307,769**	**208,572**
Total comprehensive income attributable to:			
Capitalize Owners		-307,769	208,572
Earnings per share attributable to owners of the parent during the period (SEK)			
Basic earnings per share, SEK	18	-0.22	0.19
Diluted earnings per share, SEK	18	-0.22	0.19

Consolidated statement of financial position

SEK thousand	Note	2024-12-31	2023-12-31
Assets	1,2,3,4		
Non-current assets			
Intangible assets			
Licenses	5,20	21,845	11,121
Other intangible assets	5,20	65,021	188,518
Capitalized expenditure for own games and technology development	5,20	275,039	311,976
Investments in publishing projects	5,20	10,364	6,758
	24.25		
Financial assets			
Financial assets	5,22	4,275	7,253
Investments in joint ventures	38	-	1,238
Property, plant and equipment			
Computers and other equipment	5,21	8,276	4,428
Right-of-use asset - buildings	5,10	17,652	6,164
Total non-current assets		**402,472**	**537,456**
Current assets	25		
Trade and other receivables	24.26	43,118	164,244
Prepaid expenses and accrued income	27	74,076	62,041
Cash and cash equivalents	24,28,39	191,906	347,752
Total current assets		**309,100**	**574,037**
Total assets		**711,572**	**1,111,493**

SEK thousand	Note	2024-12-31	2023-12-31
Equity and liabilities			
Equity attributable to Parent Company's shareholders	19.29		
Share capital		29,535	29,535
Other capital contributions		2,593,362	2,593,362
Reserves		24,228	14,150
Retained earnings including profit or loss for the year		-2,060,242	-1,742,395
Total equity		**586,883**	**894,652**
	39		
Non-current liabilities			
Deferred tax liabilities	17	2,010	1,345
Non-current lease liability	10	158	158
Other non-current liabilities	24.37	519	489
Total non-current liabilities		**2,529**	**1,992**
Current liabilities			
Trade and other payables	24,30,37,39	68,762	100,202
Current lease liability	10	17,697	6,534
Accrued expenses and deferred income	31	35,701	108,113
Total current liabilities		**122,160**	**214,849**
Total liabilities		**124,689**	**216,841**
Total equity and liabilities		**711,572**	**1,111,493**

Consolidated statement of changes in equity

SEK thousand	Share capital	Other capital contributions	Reserves	Retained earnings (-loss)	Total equity
Balance at January 1 2024	**29,535**	**2,593,362**	**14,150**	**-1,742,395**	**894,652**
Net profit (-loss) for the year	-	-	-	-317,847	-317,847
Other comprehensive income for the year					
Exchange differences	-	-	10,078	-	10,078
Total comprehensive income	**-**	**-**	**10,078**	**-317,847**	**-307,769**
Balance at 31 December 2024	**29,535**	**2,593,362**	**24,228**	**-2,060,242**	**586,883**

SEK thousand	Share capital	Other capital contributions	Reserves	Retained earnings (-loss)	Total equity
Balance at January 1 2023	**14,492**	**1,979,111**	**13,210**	**-1,950,027**	**56,786**
Net profit (-loss) for the year	-	-	-	207,632	207,632
Other comprehensive income for the year					
Exchange differences	-	-	940	-	940
Total comprehensive income	**-**	**-**	**940**	**207,632**	**208,572**
Transactions with shareholders					
New share issue	12,077	440,804	-	-	452,881
Issue costs recognized in equity	-	-38,638	-	-	-38,638
Conversion convertible loan	2,966	212,086	-	-	215,052
Total contribution from and value transfers to shareholders, recognized directly in equity	**15,043**	**614,252**	**-**	**-**	**629,295**
Balance at 31 December 2023	**29,535**	**2,593,362**	**14,150**	**-1,742,395**	**894,652**

Consolidated statement of cash flows

SEK thousand	Note	2024	2023
Operating activities			
Cash flow from operations		-319,714	190,303
Adjustment for non-cash items	35	354,407	-2,522
Interest received		5,654	3,098
Income taxes paid		109	-902
Cash flow from (-used in) operating activities before changes in working capital		**40,456**	**189,977**
Cash flow from changes in working capital			
Increase (-)/decrease (+) in operating receivables		123,161	-164,423
Increase (+)/decrease (-) in operating liabilities		-98,747	89,021
Cash flow from (-used in) operating activities after changes in working capital		**64,870**	**114,575**
Investing activities			
Purchase of property, plant and equipment		-5,852	-3,506
Sold non-current assets		151	-
Sold intangible assets		5,213	-
Divested subsidiaries	38	2,186	-
Purchase of intangible assets	20	-10,725	-11,121
Investments in own games and technology	20	-227,636	-173,852
Investments in publishing projects		-8,795	-13,900
Cash flow from (-used in) investing activities		**-245,458**	**-202,379**
Financing activities			
New issue		-	452,881
Costs related to new issues		-	-38,638
Repayment of loans	39	-	-149,370
Financing game development		47,948	77,857
Effect of financial lease		-23,425	-15,285
Cash flow from financing activities		**24,523**	**327,445**
Cash flow from (-used in) the year		**-156,065**	**239,641**
Cash and cash equivalents at the beginning of the year		347,752	108,217
Exchange differences in cash and cash equivalents		219	-106
Cash and cash equivalents at the end of the year	**28**	**191,906**	**347,752**

Parent Company, income statement

KSEK	Note	2024	2023
	1,2,3,4		
Net sales	5.6	17,184	32,381
Other operating revenue	7	524	-2,826
Total revenue		**17,708**	**29,555**
Other external expenses	8.9	-27,731	-16,901
Employee benefits expenses	8,11,12,13	-22,341	-42,220
Depreciation of property, plant and equipment	8.21	-12	-26
Operating profit (-loss)		**-32,376**	**-29,592**
Profit from holdings in group companies	34	1,679	-513,587
Other financial income	15	14,006	13,841
Financial expenses	15	-4,733	12,965
Profit (-loss) after net financial income (-expense)		**-21,424**	**-516,373**
Appropriations	16	-230,593	-81,259
Profit (-loss) before tax		**-252,017**	**-597,632**
Income tax	17	-	-
Net profit (-loss) for the year		**-252,017**	**-597,632**

Parent Company balance sheet

KSEK	Note	2024-12-31	2023-12-31
Assets	1,2,3,4		
Non-current assets			
Property, plant and equipment			
Computers and other equipment	21	35	7
Financial assets	24		
Investments in group companies	23	344,780	336,059
Investments in joint venture	38	-	4,656
Other financial assets	22	-	2,208
Total non-current assets		**344,815**	**342,930**
Current assets			
Trade and other receivables	24.26	2,941	956
Receivables from group companies	24,26,34	342,602	740,139
Prepaid expenses and accrued income	27	3,628	622
Cash and cash equivalents	24.28	106,609	161,826
Total current assets		**455,780**	**903,543**
Total assets		**800,595**	**1,246,473**

KSEK	Note	2024-12-31	2023-12-31
Equity and liabilities			
Equity	19.29		
Share capital		29,535	29,535
Non-restricted equity			
Share premium reserve		2,526,379	2,526,379
Retained earnings (-loss)		-1,819,153	-1,221,521
Net profit (-loss) for the year		-252,017	-597,632
Total equity		**484,744**	**736,761**
Current liabilities			
Trade payables	24.30	1,564	1,400
Liabilities to group companies	24,30,34	304,417	480,753
Other liabilities	24.30	1,912	2,788
Accrued expenses and deferred income	31	7,958	24,771
Total current liabilities		**315,851**	**509,712**
Total equity and liabilities		**800,595**	**1,246,473**

Parent Company statement of changes in equity

	Restricted reserves		Non-restricted reserves		
SEK thousand	Share capital	Fair value reserve	Share premium reserve	Retained earnings (-loss)	Total equity
Balance at January 1 2024	29,535	-	2,526,379	-1,819,153	736,761
Net profit (-loss) for the year	-	-	-	-252,017	-252,017
Balance at 31 December	**29,535**	**-**	**2,526,379**	**-2,071,170**	**484,744**

	Restricted reserves		Non-restricted reserves		
SEK thousand	Share capital	Fair value reserve	Share premium reserve	Retained earnings (-loss)	Total equity
Balance at January 1 2023	14,492	-	1,912,128	-1,221,521	705,099
New share issue	12,077	-	440,804	-	452,881
Minority share of shareholder contributions to subsidiaries	-	-	-38,638	-	-38,638
Conversion of convertible loan	2,966	-	212,086	-	215,052
Net profit (-loss) for the year	-	-	-	-597,632	-597,632
Balance at 31 December 2023	**29,535**	**-**	**2,526,379**	**-1,819,153**	**736,761**

Parent Company statement of cash flows

SEK thousand	Note	2024	2023
Operating activities			
Cash flow from operations		-32,376	-29,592
Adjustment for non-cash items	35	12	26
Interest paid	35	-2	-
Interest received		4,291	2,428
Cash flow from (-used in) operating activities before changes in working capital		**-28,075**	**-27,138**
Cash flow from changes in working capital			
Increase (+)/decrease (-) in operating liabilities		452,835	-12,042
Cash flow from (-used in) operating activities		-482,123	-68,501
Cash flow from (-used in) operating activities		**-57,363**	**-107,681**
Investing activities			
Purchase of property, plant and equipment		-40	-
Divested Joint Venture		2,186	-
Cash flow from (-used in) investing activities		**2,146**	**-**
New issue		-	452,881
Costs related to new issues		-	-38,638
Repayment of loans		-	-147,518
Cash flow from (-used in) financing activities		**-**	**266,725**
Cash flow for (-used in) the year		**-55,217**	**159,044**
Cash and cash equivalents at the beginning of the year		**161,826**	**2,782**
Cash and cash equivalents at the end of the year		106,609	161,826
Total available cash and cash equivalents	**28**	**106,609**	**161,826**

Notes

Note 1 General information

Starbreeze AB (publ) is an independent developer, creator, publisher and distributor of PC and console games with a global market focus.

Starbreeze was founded in 1998 and has since become a well-established developer and publisher of computer and video games with offices in several countries around the world and its main business in Stockholm.

The Parent Company, registration number 556551-8932, is a registered limited liability company domiciled in Stockholm, Sweden. The company's address is Birger Jarlsgatan 61, Box 7731, 103 95 Stockholm, Sweden. Starbreeze AB (publ) is listed on Nasdaq Stockholm in the Small Cap segment.

The Board of Directors approved these consolidated financial statements for publication on April 10, 2025.

Note 2 Summary of key accounting policies

The key accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been applied consistently for all years presented, unless otherwise stated.

2.1 Basis for preparing the Parent Company's and the Group's consolidated financial statements

The consolidated financial statements for Starbreeze AB have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, as well as International Financial Reporting Standards (IFRS) and IFRIC interpretations, as adopted by the EU. They were prepared using the cost method, with the exception of the revaluation of liabilities at fair value through profit or loss.

The Parent Company's functional currency is Swedish kronor (SEK), which is also the reporting currency for the Parent Company and the Group. The financial statements are therefore presented in Swedish kronor. Unless otherwise stated, all amounts are rounded to the nearest thousand.

Preparation of financial statements in accordance with IFRS requires the application of a number of key accounting estimates. It also requires the management team to make certain assessments when applying the company's accounting policies. Estimates and assumptions are based on historical experience and a number of factors that are considered reasonable under the prevailing circumstances. The results of these estimates and assumptions are then used to assess the carrying amounts of assets and liabilities that are not otherwise readily apparent from other sources. Actual outcomes may differ from these estimates and assessments. Areas involving a high degree of estimation that are complex or where assumptions and estimates are of material significance for the consolidated financial statements are disclosed in Note 4. The Parent Company's accounting policies are set out in Note 2.22.

2.2 Changes to accounting policies and disclosures

A. New and amended standards applied by the Group
No IFRS or IFRIC interpretations that became mandatory for the first time for the financial year beginning on January 1, 2024 have had a material impact on the Group.

B. New standards, amendments and interpretations of existing standards that are not yet effective and for which the Group has not chosen early application.
A number of new standards and interpretations are effective for financial years beginning on or after January 1, 2024. These standards have not been applied in the preparation of this financial statement. These are not expected to have a material impact on the Group's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements The Group will apply the new standard from its mandatory entry into force on January 1, 2027. Retrospective application is required, therefore comparative information for the financial year ended December 31, 2026 will be recalculated in accordance with IFRS 18.

2.3 Consolidated financial statements

Subsidiaries are all companies over which the Group has a controlling influence.

The Group controls a company when it is exposed to or has the right to variable returns from its holding in the company and has the ability to affect those returns through its influence in the company. The Group also determines whether it has a controlling influence in cases where its shareholdings carry less than half of the voting rights, but it still has the ability to exercise a controlling influence through de-facto control. De-facto control may arise in circumstances where the proportion of the Group's voting rights in relation to the size and distribution of other shareholders' voting rights enables the Group to direct financial and operational strategies, etc.

Subsidiaries are included in the consolidated financial statements from the date on which the controlling influence is transferred to the Group. They are not included in the consolidated financial statements as of the date on which the controlling interest ceases.

The acquisition method is used for recognition of the Group's business combinations. The purchase price for the acquisition of a subsidiary consists of the fair value of the assets transferred, the liabilities incurred by the Group to the previous owners of the acquired company and the shares issued by the Group. The purchase price also includes the fair value of any assets or liabilities resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities assumed in a business combination are initially measured at their fair value at the date of purchase. The Group determines for each acquisition, on an acquisition-by-acquisition basis, whether holdings where there is a non-controlling interest in the acquired company should be recognized at fair value or at the holding's proportionate share of the carrying amount of the acquired company's identifiable net assets.

Acquisition-related costs are recognized as they arise.

Every contingent consideration to be transferred by the Group is recognized at fair value at the time of purchase. Subsequent changes in the fair value of a contingent consideration classified as a liability are recognized in the income statement in accordance with IFRS 9.

Goodwill is initially measured at the amount by which the total purchase price and fair value of non-controlling interests exceeds the fair value of the identifiable assets acquired and liabilities assumed. If the purchase price is less than the fair value of the acquired company's net assets, the difference is recognized directly through profit or loss. Intra-Group transactions, balance sheet items, income and expenses on transactions between Group companies are eliminated. Gains and losses resulting from intra-Group transactions that are recognized in assets are also eliminated. Where appropriate, subsidiaries' accounting policies have been changed to ensure consistent application of the Group's policies.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management team. The management team is responsible for allocating resources and assessing the performance of the company's operating segments.

Starbreeze's core business mainly consists of game development, game sales, third-party publishing and licensing. Any income and expenses that are not related to the core business are classified as other income and expenses. The Starbreeze Game Sales segment consists of Starbreeze's proprietary games. Revenue for the year relates mainly to sales revenue and royalties for the rights to PAYDAY.

2.5 Foreign currency translation

Functional currency and presentation currency.
Items included in the consolidated financial statements are measured in the currency used in the economic environment in which the respective company primarily operates (functional currency). The consolidated financial statements are presented in SEK, which is the Parent Company's functional currency and presentation currency.

Transactions and balance sheet items
Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing at the transaction date. Exchange rate gains and losses arising from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing day rate are recognized in the income statement as Other operating income and Other operating expenses, respectively.

Group companies
Earnings and the financial position of all Group companies (none of which have a hyperinflationary currency as their functional currency) that have a functional currency other than the presentation currency are translated into the Group's presentation currency as follows:

1. Assets and liabilities for each of the balance sheets are translated at the closing day rate
2. Income and expenses for each of the income statements are translated at the average exchange rate (provided this average rate constitutes a reasonable approximation of the accumulated effect of the exchange rates applicable at the transaction date, otherwise income and expenses are translated at the exchange rate prevailing at the transaction date).
3. All exchange rate differences arising are recognized in Other comprehensive income.

Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of that operation and translated at the closing day rate. Exchange rate differences are recognized in Other comprehensive income.

2.6 Property, plant and equipment

Property, plant and equipment are measured at cost less depreciation. Cost includes expenses directly attributable to the acquisition of the asset. Incremental expenses are added to the carrying amount of the asset or are recognized as a separate asset, depending on which is most suitable, only when it is probable that the future economic benefits associated with the asset will benefit the Group and the cost of the asset can be reliably measured. All other forms of repairs and maintenance are recognized as an expense in the period in which they arise.

Assets are depreciated on a straight-line basis over their estimated useful lives as follows:

- Computers – 3 years
- Other inventory – 5 years

The residual value and useful life of the assets are reviewed at each balance sheet date and adjusted as needed.

An asset's carrying amount is written down immediately to its net realizable value if the asset's carrying amount exceeds its estimated recoverable amount (section 2.7).

Gains and losses on disposals are determined by comparing the proceeds from the sale with the carrying amount at the time of the sale.

2.7 Intangible assets

A. Capitalized expenditure for game and technology development
Software maintenance costs are expensed as they arise. Development expenditure that is directly attributable to the development and testing of identifiable and unique software products (usually game development projects) controlled by the Group is recognized as an intangible asset when the following criteria are met:

- it is technically possible to complete the software so that it can be used
- the company intends to complete the software for sale or use
- there are conditions for selling or using the software,
- the company is able to demonstrate how the software will generate probable future economic benefits
- adequate technical, economic and other resources to complete development and use or sell the software are available, and
- the expenditure attributable to the software during development can be measured reliably.

Development projects that are considered to meet all criteria for capitalization are capitalized in the balance sheet and reported as "Capitalized development cost for proprietary game and technology development". Starbreeze expenses development costs if the above criteria are not met.

During the year, the Group capitalized game development expenses for PAYDAY 3, Baxter and new IPs.

Capitalization is recognized net in the income statement, which means that the costs capitalized reduce the costs in the income statement on the line where the original cost was recognized. Finished proprietary game development is depreciated in accordance with the principle of degressive depreciation, i.e. the amount of depreciation decreases over the useful life. Intangible assets with a determinable useful life are depreciated from the date on which they are available for use. The estimated useful life for proprietary game development is five years. Depreciation is performed at 2/3 in year 1, 33% in month 1 and 33% in months 2-12, 15% in year 2 and 6% in each of years 3-5.

B. Rights to software
Game rights, game engines and other software licenses (technology) acquired in business combinations are recognized at fair value at the acquisition date.

Acquired software licenses are capitalized on the basis of the costs incurred when the relevant software is acquired and put into use. These capitalized costs are amortized over the estimated useful life, which is typically between 18 and 60 months. As amortization periods should reflect economic life, depreciation periods are not always on a straight-line basis.

C. Licenses and other rights
Licenses and other rights acquired separately are stated at cost. Licenses acquired in business combinations are stated at fair value at the acquisition date. If there is variable remuneration based on future income, this is reported at fair value in conjunction with actual outcome. Licenses and rights have a determinable useful life and are stated at cost less accumulated amortization. Amortization is used to allocate the cost of licenses over their estimated useful life of 3-10 years.

2.8 Impairment of non-financial assets

Assets with an indefinite useful life are not written off but are tested annually for impairment. Assets that are being written off are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized at the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less selling costs and its value in use. During the year, depreciation has been made on projects that the company has decided not to continue or because of revaluation of these projects. Total impairment for 2024 amounts to SEK 127.1 million (6.7).

2.9 Financial instruments

Financial assets and financial liabilities are recognized when the Group becomes party to the contractual terms of the financial instrument. Financial assets are derecognized from the statement of financial position when the contractual rights relating to the financial asset cease, or when the financial asset and all significant risks and benefits are transferred. Financial liabilities are derecognized from the statement of financial position when they are extinguished, i.e. when the obligation is discharged, canceled or expires.

Classification and measurement of financial assets at initial recognition
With the exception of trade receivables that do not contain a significant financing component and are measured at transaction cost in accordance with IFRS 15, all financial assets are initially measured at fair value, adjusted for any transaction costs.

Subsequent measurement of financial assets
Financial assets, other than those identified and effective as hedging instruments, are classified in the following categories:

- amortized cost
- fair value through profit or loss
- fair value through other comprehensive income

The Group had no financial assets in the categories of fair value through profit or loss or fair value through other comprehensive income in 2024. The classification is determined by both:

- the company's business model for managing the financial asset, and
- the characteristics of the contractual cash flows from the financial asset

All income and expenses relating to financial assets that are recognized in the income statement are classified as financial expenses or financial income, except for the impairment of trade receivables classified as selling costs.

Financial assets are measured at amortized cost if the assets meet the following conditions and are not recognized at fair value through profit or loss:

- they are held within the framework of a business model whose objective is to hold the financial assets and collect contractual cash flows, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of the principal and interest on the outstanding principal.

After initial recognition, these are measured at amortized cost using the effective interest method. Discounting is omitted if the effect of discounting is immaterial.

The Group's cash and cash equivalents, trade receivables and most other receivables belong to this category of financial instruments.

Classification and measurement of financial liabilities
The Group's financial liabilities include trade payables and other liabilities, other long-term liabilities and liability for earnout.

Financial liabilities are initially measured at fair value, adjusted for transaction costs, unless the Group has classified the financial liability at fair value through profit or loss.

After initial recognition, financial liabilities are measured at amortized cost using the effective interest method, except for financial liabilities measured at fair value through profit or loss. Financial liabilities measured at fair value through profit or loss are financial liabilities held for trading and comprise the Group's contingent consideration. Liabilities in this category are classified as current liabilities if they are expected to be settled within twelve months, otherwise they are classified as non-current liabilities.

All interest-related fees and, where applicable, changes in the fair value of an instrument that are recognized in profit or loss are included in Financial expenses or Financial income, or Other operating income or Other operating expenses.

2.10 Impairment of financial assets

The Group assesses the value of its financial assets by evaluating the strengths and weaknesses of customers and other contracting parties based on the information available. Since the company's other receivables relate to a small number of counterparties who are financially sound and pay according to plan or past payment patterns, and the Group has not historically experienced significant credit losses, it is considered that any loss provisions in addition to the receivables already provided for do not need to be recognized because the amounts involved are insignificant.

2.11 Accounts receivable

Trade receivable are amounts due from customers for goods sold or services rendered in the ordinary course of business. If payment is expected within one year, they are classified as current assets. If not, they are recognized as non-current assets. Trade receivables are initially recognized at fair value and subsequently at amortized cost using the effective interest method, less any provision for a decline in value.

The Group's customers consist of a limited number of large customers who are financially sound, which means that the Group's credit risk is low. Revenues do not come from end customers. Receivables that are more than six months overdue relate to the old VRtech and Operations segment and have been provided for in full.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash, bank balances and current investments maturing within three months of the acquisition date.

2.13 Share capital

Ordinary shares are classified as equity. Transaction costs directly attributable to the issue of new shares or options are recognized in equity as a deduction from the proceeds of the issue, net of any tax.

2.14 Trade payables

Trade payables are obligations to pay for goods or services acquired in the course of ordinary operating activities. Trade payables are classified as current liabilities if they fall due within one year or less. If not, they are recognized as non-current liabilities.

Trade payables are initially recognized at fair value and subsequently at amortized cost using the effective interest method.

2.15 Current and deferred tax

Tax expenses for the year include current and deferred tax. Tax is recognized in the income statement. The current tax expense is calculated on the basis of the tax regulations that have been adopted or substantively adopted on the balance sheet date in the countries where the Parent Company and its subsidiaries operate and generate taxable revenue. The management team regularly evaluates the claims made in self-assessments for situations where applicable tax regulations are subject to interpretation. Where appropriate, it makes provisions for amounts that are likely to be payable to the tax authorities.

Deferred tax is recognized in full using the balance sheet method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the consolidated financial statements. However, it is not recognized if the deferred tax arises from a transaction that represents the initial recognition of an asset or liability that is not a business combination and, at the time of the transaction, affects neither accounting or taxable earnings or losses. Similarly, deferred tax is not recognized if it arises from the initial recognition of goodwill. Deferred tax is calculated using tax rates (and laws) that have been enacted or announced at the balance sheet date and are expected to apply when the deferred tax asset in question is realized or the deferred tax liability is settled.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized.

Deficits cannot be utilized between companies in different countries. For losses generated up to and including 2019, there is a Group contribution restriction relating to New Starbreeze Studios AB and New Starbreeze Publishing AB. These carryforwards cannot be utilized until 2026 at the earliest. For deficits generated up to and including the end of 2021, there is a Group contribution restriction relating to a subsidiary in the Group, New Starbreeze Publishing PD IP AB, and such deficits therefore cannot be utilized before 2028. For deficits generated up to and including the end of 2022, there is also a Group contribution restriction relating to a subsidiary in the Group, Starbreeze IP AB, and such deficits therefore cannot be utilized before 2029.

2.16 Employee benefits

Pension obligations
Within the Group, pension plans are predominantly defined contribution plans. In defined contribution plans, the company pays fixed contributions to a separate legal entity and has no obligation to pay further contributions in the future. Expenses in the form of personnel costs are charged against the Group's earnings as the benefits are vested.

Post-employment benefits
Post-employment benefits are paid when an employee's employment is terminated by the Group before the standard retirement date or when the employee accepts voluntary redundancy in exchange for such benefits. Severance pay is not recognized until the Group has offered voluntary redundancy or when a formal plan that cannot be withdrawn has been established.

Profit sharing and bonus plans
The Group recognizes a liability and an expense for bonus plans and variable remuneration. The cost and liability for variable remuneration are based on estimates of expected outcomes.

2.17 Revenue recognition

The Group's current revenue comes mainly from revenue sharing via the co-publishing partner Plaion with regard to PAYDAY 3. The Group's recurring revenue comes mainly from end customers who pay a one-off price for games and from the sale of DLCs, i.e. add-on packs. Revenue from Plaion and platforms like Steam and other platforms are invoiced monthly or quarterly in the month following the sales period. Payment terms vary from immediate payment upon receipt of invoice to 45 days from the invoice date.

Revenue from customers who buy games is often shared among more than one party, depending on the role of the party in the transaction. According to whether a party is a distributor,

publisher, developer or owns the game rights, it receives different shares of the gross revenue from the customer. For each contract entered into by the Group, the role and the accounting implications of acting as principal or agent in the revenue stream are analyzed. Where the Group is assessed as the principal for a revenue flow, the revenue is recognized gross as net sales, and the revenue shares passed on to other parties are recognized as costs in the income statement. At present, the Group is classified as the agent in all contracts and thus recognizes the net of revenues and shares passed on to the principal as net sales.

Where the sale of publishing rights or any licensing deals take place, these must be disclosed. No such transactions occurred during the year. For more information, see Notes 5 and 6.

In order to determine whether the Group is the principal or agent in revenue transactions when multiple parties are involved in delivering a game to the final customer, the question of whether the Group has control of the asset purchased by the customer before it is transferred is assessed. When the Group sells through a third party, the assessment is that it does not control the sales service involved in selling the game to the end customer. The Group also considers that it does not control the game (product) itself at the stage where it is sold to the end customer via another party. Starbreeze sets the price when sales are made through digital channels. In cases where the game is a physical product sold through a retailer, it is also assessed whether the retailer has assumed the inventory risk of the game, as is the case in all such sales. Starbreeze's overall assessment is that in the various transaction chains it does not have control over the final sales stage and therefore recognizes its revenues net of partners and retailers' share of the customer's payment for a game.

Royalties on games sold are recognized as revenue in the period in which the sale takes place in accordance with the rules of IFRS 15. Under certain agreements, Starbreeze sells the right to distribute a game IP for a specific platform. This usually occurs during the game's development. Starbreeze recognizes this payment as a liability until the game is completed and delivered. After delivery of the base game, which is performance commitment 1, the liability is taken up as revenue. Any future revenue sharing, which may benefit Starbreeze, will be recognized as revenue on an ongoing basis. This revenue stream relates to performance commitment 2, which is future DLC that will be provided under contract if the game is successful.

When selling games to retailers, the Group receives royalties only after the end consumer has purchased the game and not when the product is delivered to the retailer. Stores cannot return any products sold.

Interest income is recognized over the period using the effective interest method.

2.18 Leases

The company applies IFRS 16 Leases.

All leases accounted for in accordance with IFRS 16 relate to leased premises. Other leases fall under the exemption rules for low-value or short-term leases and relate mainly to the rental of office equipment.

The company has one car that is accounted for in accordance with IFRS 16.

As at the balance sheet date, the Group's carrying amount of right-of-use assets was SEK 17.7 million (6.2). In terms of liabilities, the Group recognized a non-current liability of SEK 0.0 million (0.2) and a current liability of SEK 17.7 million (6.5). The value of right-of-use assets decreased by SEK 18.9 million (14.2) as a direct consequence of the amortization of right-of-use assets during the year. A new agreement was concluded during the year, generating an increase in assets of SEK 112.5 million. This agreement was subsequently written down by SEK 82.0 million as a result of termination of the same contract. New offices will be acquired in 2025 and are not included in the books in accordance with IFRS 16. Net financial income was negatively impacted by SEK 4.0 million (0.4). The deposit paid for the premises in Stockholm is recorded as a financial fixed asset in the balance sheet.

No rental fees had been paid in advance at the end of the year.

When discounting future lease payments, Starbreeze uses the marginal lending facility rate per country as the discount rate. The marginal borrowing rate is based on the lessee's financial strength, the country, and the length of the current lease.

As it is considered unlikely that these will be used, any renewal options in the contracts were not taken into account in the calculations. Non-lease components such as electricity costs were not included in the calculations. See also Note 10 Right-of-use assets.

2.19 Statement of cash flows

The statement of cash flows has been prepared using the indirect method. Reported cash flows include transactions involving cash receipts or payments only. The company's cash and cash equivalents consist of cash and bank balances at the balance sheet date.

2.20 Earnings per share

Basic
Basic earnings per share are calculated by dividing the profit attributable to the Parent Company's shareholders by a weighted average number of ordinary shares outstanding during the period, excluding any repurchased shares held as treasury shares by the Parent Company.

Diluted
To calculate diluted earnings per share, the weighted average number of ordinary shares outstanding is adjusted for the dilutive effect of all potential ordinary shares. There was no such dilutive effect for the 2024 financial year.

2.21 Joint ventures

Under IFRS 11, an interest in a collaborative arrangement shall be classified as either a joint operation or a joint venture, depending on the contractual rights and obligations of each investor. The Group only has joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method, investments in joint ventures are initially recognized at acquisition cost in the consolidated balance sheet. The carrying amount is subsequently increased or decreased to reflect the Group's share of profit or loss and other comprehensive income from its joint ventures after the acquisition date. The Group's share of profit or loss is included in the consolidated income statement and the Group's share of other comprehensive income is included in the Group's other comprehensive income. Dividends from joint ventures are recognized as a reduction of the carrying amount of the investment. Unrealized gains on transactions between the Group

and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction constitutes an indication of impairment of the asset being transferred. The accounting policies for joint ventures were adjusted where necessary to ensure compliance with the Group's accounting policies.

In 2024, the company sold its 33 per cent stake in its joint venture StarVR Corporation to Acer.

2.22 Parent Company accounting policies

Presentation format
The presentation format of the income statement and balance sheet complies with the Swedish Annual Accounts Act. This means that there are differences compared to the consolidated financial statements, mainly with regard to financial income and expenses, provisions and the statement of changes in equity.

The annual accounts for Starbreeze AB, the Parent Company, have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Accounting Standards Council's recommendation RFR 2. RFR 2 states that parent companies must apply International Financial Reporting Standards (IFRS) as adopted by the EU in their annual accounts, to the extent that this is possible within the framework of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act, and taking into account the relationship between accounting and taxation. The recommendation specifies the exceptions and amendments required in relation to IFRS.

Accordingly, the Parent Company applies the principles set out in Note 2 to the consolidated financial statements, with the exceptions indicated below. The policies have been consistently applied for all years presented, unless otherwise stated. The same accounting policies were applied as in the previous year.

Shares and investments in subsidiaries and associates
Shares and investments in subsidiaries and associates are recognized at cost less any impairments. Dividends received are recognized as income.

When there is an indication that shares and investments in subsidiaries or associates have declined in value, the recoverable amount is calculated. If this is lower than the carrying amount, an impairment loss is recognized. Impairment losses are recognized under Impairment of shares in subsidiaries.

The Parent Company does not apply the Group's accounting for acquisition costs. In the Parent Company, costs relating to the acquisition of shares in Group companies are included under the item Non-current assets.

Financial instruments
The notes on the financial assets show how the items in the balance sheet relate to the classification used in the consolidated balance sheet and in the Group's accounting policies. The company applies fair value measurement in accordance with ÅRL 4: 14 a-d and the description of accounting policies in the Group's note 2.9 thus also applies to the Parent Company.

Group contributions
Group contributions are recognized as appropriations.

Deferred income tax
Amounts allocated to untaxed reserves represent taxable temporary differences. Due to the relationship between accounting and taxation, however, deferred tax liabilities on untaxed reserves in a legal entity are recognized as a component of untaxed reserves. Appropriations in the income statement are also reported including deferred tax.

Leases
All leases, whether they are financial or operating leases, are recorded as operating leases.

Note 3 Financial risk management

The Group is exposed to a number of different financial risks in its operations: market risks (primarily currency risk and a non-material interest rate risk), credit risks, liquidity risks and capital risks. The Group's global risk management policy focuses on the unpredictability of the financial markets and seeks to minimize potential adverse effects on the Group's performance. Risk management is performed by the Finance Department and the CEO in accordance with the decisions taken by the Board of Directors. A more detailed description of the Group's risks and their management can be found in the Directors' report.

A. Market risk
Currency risk
The Group operates internationally and is exposed to currency risks from various currency exposures. Currency risk arises from future business transactions, recognized assets and liabilities and net investments in foreign operations. In order to manage the foreign exchange risk arising from future business transactions, recognized assets and liabilities, the Group has the option to use forward contracts. Before entering into foreign currency contracts, the CEO or CFO discusses possible hedging with the Board of Directors and the Board decides whether hedging should take place. The Group matches, as far as possible, cash inflows and outflows in the different currencies, thereby obtaining a natural form of hedging. Currency flows are continuously monitored and followed up by the Finance Department. In 2022 and 2023, the company used currency derivatives linked to expected future game financing from Plaion. Currency derivatives are used to hedge the foreign exchange risk for the expected future financing. Derivatives are reported at fair value through profit or loss, and as at December 31, 2024 there were no outstanding derivatives and the effect on profit or loss was thus SEK 0 million (2.1).

The Group receives royalties on games sold and other revenues in USD and EUR.

Currency risks arise when future business transactions or recognized assets and liabilities are denominated in a currency that is not the Group's functional currency. Decisions on forward cover are taken by the Board of Directors.

If the USD exchange rate had been 10 percent higher against SEK, with all other variables held constant, revenue for the year. ending December 31, 2024 would have been SEK 10.5 million (15.2) higher and expenses for the year would have been SEK 5.4 million (8.7) higher/lower.

If the EUR exchange rate had been 10 percent higher against SEK, with all other variables held constant, revenue for the year ending December 31, 2024 would have been SEK 9.3 million (47.3) higher and expenses for the year would have been SEK 7.4 million (4.6) higher/lower.

Of the net assets denominated in foreign currencies at the balance sheet date of December 31, 2024, SEK 4.6 million (24.7) were denominated in USD. If the USD exchange rate had been 10

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percent higher/lower than the exchange rate prevailing at December 31, 2024, the Group's result/equity after tax would have been positively/negatively impacted by SEK 0.5 million (2.5).

Of the net assets denominated in foreign currencies at the balance sheet date of December, 31 2024, approximately SEK 17.4 million (214.7) was denominated in EUR. If the EUR exchange rate had been 10 percent higher/lower than the exchange rate prevailing at December 31, 2024, the Group's result/equity after tax would have been negatively/positively impacted by approximately SEK 1.7 million (21.5).

If the Swedish krona had weakened/strengthened by 10 percent against the EUR, with all other variables held constant, the restated profit after tax as at December 31, 2024 would have been SEK 4.1 million (42.7) lower/higher.

If the Swedish krona had weakened/strengthened by 10 percent against the USD, with all other variables held constant, the restated profit after tax as at December 31, 2024 would have been SEK 6.2 million (6.5) lower/higher.

The Parent Company also has receivables from its subsidiaries, mainly in EUR and USD. These receivables are revalued at the exchange rate prevailing on the balance sheet date and changes are recorded in the Parent Company's operating profit/loss.

Interest rate risk relating to cash flow and fair values
The company currently has no interest-bearing liabilities. An increase in interest rates therefore has a limited impact on the company's cost side. However, as the company has a positive cash position, a higher interest rate means that the company receives interest income. A lower interest rate consequently results in lower interest income.

Price risk
The Group is exposed to price risk if investments, which are classified as assets at fair value through profit or loss, are held by the Group. As at December 31, 2023, the company had no short-term investments.

B. Credit risk
Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions and credit exposures to customers, including outstanding receivables and contractual transactions. The Group has no significant concentration of credit risk. The maximum credit risk exposure corresponds to the carrying amount of the financial assets.

Only banks and financial institutions with a minimum credit rating of "A" awarded by independent assessors are accepted and the approved financial institutions are named in the company's finance policy. A decision by the Board of Directors is required if another institution is to be used. The main bank funds are held in a Swedish commercial bank.

In order to minimize credit risks, the creditworthiness of partners is assessed on an ongoing basis. Any unpaid amounts are followed up immediately and customers are contacted. We follow the industry and have regular, close contact with our customers. The Group's customers consist of a limited number of large customers who are financially sound, which means that the Group's credit risk is low. Revenues do not come from end customers. For more information, see Note 2.10 Impairment of financial assets.

Remaining intra-Group liabilities are expected to be paid as the Group generates a positive cash flow.

C. Liquidity risk
Cash flow forecasts are prepared for the Group as a whole. The Finance Department regularly prepares and evaluates forecasts for the Group's cash reserve. The CFO is responsible for ensuring that these are prepared and reported to the CEO and Board of Directors in accordance with the Group's finance policy.

The Group's policy is that if investments are made, they should be safe, low-risk investments with short maturities, thus reducing the risk of liquidity shortfalls.

The table below shows the Group's financial liabilities broken down by the time remaining until the maturity date on the balance sheet. The amounts shown in the table are the contractual, undiscounted cash flows.

SEK thousand	1-6 mo	7-12 mo	1-2 yrs	3-5 yrs	>5 yrs
At 31 December 2024					
Trade and other payables	11,364	-	-	-	-
Lease liability	17,665	32	-	-	-
Other liabilities	5,819	51,578	2,529	-	-
Total	**34,847**	**51,610**	**2,529**	**-**	**-**

SEK thousand	1-6 mo	7-12 mo	1-2 yrs	3-5 yrs	>5 yrs
At 31 December 2023					
Trade and other payables	37,123	-	-	-	-
Lease liability	6,352	181	158	-	-
Other liabilities	6,373	56,706	1,834	-	-
Total	**49,848**	**56,887**	**1,992**	**-**	**-**

D. Capital risk
The CFO continuously monitors the Group's liquidity and capital requirements for the year ahead.

Note 4 Key accounting estimates and judgments

Estimates and judgments are evaluated regularly and are based on historical experience and other factors, including expectations of future events considered reasonable under prevailing circumstances.

The Group makes estimates and assumptions about the future. The resulting estimates for accounting purposes will, by definition, rarely correspond to actual outcomes. The estimates and assumptions that entail a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Income tax
Deferred tax assets are recognized in respect of tax loss carryforwards to the extent that it is probable that they can be utilized against future taxable profits.

Since the company's future estimated profits cannot be calculated satisfactorily, as at December 31, 2024 the Group has no reported tax assets linked to loss carryforwards. Deficits cannot be utilized between companies in different countries. Losses generated up to and including 2019 are subject to a Group contribution restriction relating to New Starbreeze Publishing AB and New Starbreeze Studios AB. For deficits generated up to and including the end of 2021, there is a Group contribution restriction relating to a subsidiary in the Group, New Starbreeze Publishing PD IP AB, and such deficits therefore cannot be utilized before 2028. For deficits generated up to and including the end of 2022, there is also a Group contribution restriction relating to a subsidiary in the Group, Starbreeze IP AB, and such deficits therefore cannot be utilized before 2029.

Revenue recognition
Proprietary games are sold digitally and physically via external distributors for PC as well as game consoles, such as PS4, PS5, Xbox Live and Nintendo Switch. In all cases, the gross payment stream goes through the platform distributor. Starbreeze has determined that agreements concerning the sale of proprietary games should be classed as revenue-sharing agreements, meaning that Starbreeze only recognizes its share of the revenue, its royalties, in its income statement. For agreements where Starbreeze is instead deemed to be a party to the end customer, the company is required to account for the entire revenue on a gross basis and the publisher's share of the revenue is accounted for as a deductible cost item, which means the same net profit or loss as with the current accounting. Net sales also include sales of licenses, game franchises or other similar rights, where such transactions are of a recurring nature for the company.

Capitalization of game development expenses
The Group's expenditure on game development is capitalized when an assessment of the game's commercial potential can be made. The assessment of commercial viability and return is based on factors including previously released games.

Leases
The company continuously reviews its need for premises, and it is uncertain whether any renewal options on the leases recognized under IFRS16 will be exercised. These have therefore not been taken into account in the calculations.

Impairment testing of intangible assets
The Group tests annually for impairment of intangible assets with indefinite useful lives, in accordance with IFRS and IAS 36. Testing is performed more often if there is an indication of decline in value. This year's impairment test have been made of projects that the company has decided not to pursue or in connection with the re-evaluation of these projects. Total impairment for 2024 amounts to SEK 127.1 million (6.7).

See Note 20, Intangible assets for information regarding the sensitivity analysis.

Valuation of subsidiary shares and receivables from subsidiaries
The Parent Company assesses each year whether there is any need for impairment of shares in subsidiaries and receivables from subsidiaries.

Note 5 Segment information

During the financial year, Starbreeze reported by segment: game sales, 3rd party publishing, licenses and Other. Reporting is done down to operating profit and no reporting is done on assets and liabilities.

Operating segments are reported in a manner consistent with the internal reporting provided to the management team responsible for allocating resources and assessing the operating segment's performance. Management assesses the business broken down into four segments.

	2024	2023
Game Sales		
Net sales	125,722	616,681
Direct costs	-227,268	-296,514
Gross profit	**-101,546**	**320,167**
Operating costs	-10,961	-93,407
Operating profit (-loss)	**-112,507**	**226,760**
3rd party publishing		
Net sales	47,729	14,885
Direct costs	-29,427	-6,404
Gross profit	**18,302**	**8,481**
Operating costs	-7,886	-4,788
Operating profit (-loss)	**10,416**	**3,693**
Licenses		
Net sales	1,731	1,682
Direct costs	-	-
Gross profit	**1,731**	**1,682**
Operating costs	-	-
Operating profit (-loss)	**1,731**	**1,682**
Other		
Net sales	10,669	262
Direct costs	-73,593	-6,353
Gross profit	**-62,924**	**-6,091**
Operating costs	-37,870	-35,741
Operating profit (-loss)	**-100,794**	**-41,832**
Total		
Net sales	185,851	633,510
Direct costs	-330,288	-309,271
Gross profit	**-144,437**	**324,239**
Operating costs	-56,717	-133,936
Operating profit (-loss)	**-201,154**	**190,303**

Refer also to section 2.3 under accounting policies for further information on the company's segments.

There is no revenue from inter-segment transactions so the net revenue presented relates to revenue from external customers. Profit or loss per segment is distributed through operating profit or loss.

For depreciation by segment, see note 20.

Operating profit or loss is reconciled against profit or loss before tax as follows:

	2024	2023
Starbreeze Games	-112,507	226,760
3rd party publishing	10,416	3,693
Licenses	1,731	1,682
Other	-100,794	-41,832
Total	**-201,154**	**190,303**
Net financial income or expense	2,047	17,353
Profit/loss before tax	**-199,107**	**207,656**

Assets and investments, distribution at December 31, 2024.

SEK thousand 2024-12-31	Sweden	USA	France	Spain	Total Group
Intangible assets	372,269	-	-	-	372,269
Financial assets	4,000	-	7	268	4,275
Property, plant and equipment	25,840	-	88	-	25,928
Total	**402,109**	**-**	**95**	**268**	**402,472**

Assets and investments, distribution at December 31, 2023.

SEK thousand 2023-12-31	Sweden	USA	France	Spain	Total Group
Intangible assets	474,900	43,473	-	-	518,373
Financial assets	6,282	779	1,170	259	8,491
Property, plant and equipment	10,447	-	145	-	10,592
Total	**491,629**	**44,253**	**1,315**	**259**	**537,456**

Note 6 Net sales

Revenue recognition occurs as follows: Revenue is recognized for development projects in the period in which the service is rendered, and for royalties in the period in which the end customer acquires the product.

Other services are recognized as revenue in the period in which the service is rendered.

Contract assets and contract liabilities
The Group has no contract assets. Within the Group, in addition to trade receivables, there are receivables from contracts with customers where the remuneration for services depends only on the time elapsed. Receivables from contracts with customers are recorded as part of Prepaid expenses and accrued income on the Royalties line.

Remaining unfulfilled performance obligations
All contracts for the sale of services included in development projects have an initial term of one year or less or are invoiced based on time spent.

	Group		Parent company	
SEK thousand	**2024**	**2023**	**2024**	**2023**
Game sales	125,722	616,681	-	-
3rd party publishing	47,729	14,885	-	-
Licenses	1,731	1,682	-	-
Other services	10,669	262	17,184	32,381
Total	**185,851**	**633,510**	**17,184**	**32,381**

Note 7 Other operating income

	Group		Parent company	
SEK thousand	**2024**	**2023**	**2024**	**2023**
Exchange differences	9,756	-	524	-2,874
Reinvoicing of publishing costs	-	9,906	-	-
Other income	-960	3,801	-	48
Total	**8,796**	**13,707**	**524**	**-2,826**

Note 8 Costs broken down by cost type

	Group		Parent company	
SEK thousand	**2024**	**2023**	**2024**	**2023**
Capitalized development	-238,361	-184,974	-	-
External services	154,350	155,655	27,731	16,901
Employee benefits expenses	171,561	207,361	22,341	42,220
Cost of premises	3,077	8,422	-	-
Depreciation, amortization and	417,358	249,037	12	26
Total	**507,985**	**435,501**	**50,084**	**59,147**

Note 9 Remuneration of auditors

	Group		Parent company	
PwC, KSEK	**2024**	**2023**	**2024**	**2023**
Statutory audit	2,281	1,414	2,281	1,414
Auditing services in addition to statutory audit	100	283	100	283
Tax advisory services	229	389	229	389
Other services	-	2	-	2
Other				
Statutory audit	210	77	-	-
Tax advisory services	32	-	32	-
Total	**2,852**	**2,165**	**2,642**	**2,088**

Group: Of the amount for auditing activities other than the statutory audit, SEK 0.1 million (0.3) relates to PwC Sweden. Of fees for tax advisory services, SEK 0.2 million (0.4) relates to PwC Sweden and of the amount for other services, SEK 0.0 million (0.0) relates to PwC Sweden.

The total audit fee for the Group is higher this year due to costs of SEK 0.6 million linked to fees in 2023.

Parent Company: In the Parent Company, audit activities other than the statutory audit relate to SEK 0.1 million (0.3) to PwC Sweden. Of fees for tax advisory services, SEK 0.2 million (0.4) relates to PwC Sweden, and of the amount for other services, SEK 0.0 million (0.0) relates to PwC Sweden.

Note 10 Right-of-use assets

The Group applies IFRS 16. The contracts that fall under the standard refer to leases for premises in Sweden. Other leases e.g., for office equipment, fall under the exemption rules for short-term or low-value leases and continue to be recognized in the income statement on a straight-line basis.

When discounting future lease payments, Starbreeze uses the marginal lending facility rate per country as the discount rate. The marginal borrowing rate is based on the lessee's financial strength, the country, and the length of the current lease. For more information, see Note 2.18

During December, the company impaired lease liabilities and fixed assets linked to the office in Stockholm, due to terminated agreements, A new agreement has been signed for a new office in Stockholm with effect from January 1, 2025. The value of this contract is not in the books as at December 31, 2024. in accordance with IFRS 16.

Right-of-use assets in the balance sheet	**2024-12-31**	**2023-12-31**
Development contracts	17,652	6,164
Total	**17,652**	**6,164**

Change in right-of-use assets during the	**2024-12-31**	**2023-12-31**
Opening right-of-use assets, January 1, 2024	6,164	20,363
Additional right-of-use assets	112,451	-
Depreciation for the year	-18,930	-14,199
Write-down for the year	-82,033	-
Carrying amount, december 31, 2024	**17,652**	**6,164**

Maturity analysis of lease liability	**2024-12-31**	**2023-12-31**
Within one year	17,697	6,534
Later than one year but within five years	-	158
Later than five years	-	-
Total	**17,697**	**6,692**

Note 11 Average number of employees

Average number of employees	2024 Total	2024 Of whom, men	2023 Total	2023 Of whom, men
Parent company				
Sweden	14	7	14	6
Subsidiaries				
Sweden	142	118	145	125
France	23	18	19	17
Spain	4	4	3	3
England	6	4	3	2
Total	189	151	184	153

Directors and senior management personnel	2024 Total	2024 Of whom, men	2023 Total	2023 Of whom, men
Group				
Directors	5	3	6	4
CEO and senior management personnel	5	5	6	4
Parent company				
Directors	5	3	6	4
CEO and senior management personnel	5	5	6	4

Note 12 Employee benefits expenses

Board of Directors
The Board Chair and Board Directors receive fees in accordance with a resolution passed by the AGM. The Board of Directors' fees for the period up to the next AGM, as adopted by the AGM on May 15, 2024, is SEK 2,240 thousand (2,435). The Board Chair receives SEK 725 thousand (700) and members of the Board of Directors receive SEK 270 thousand (260) each. In addition, the AGM set a fee of SEK 50 thousand (50) for the Chair of the Remuneration Committee and SEK 40 thousand (40) for each of the other committee members. A fee of SEK 175 thousand (175) for the Chair of the Audit Committee and SEK 65 thousand (65) for the committee member was approved.

Chief Executive Officer
The Board Chair negotiates with the CEO regarding the CEO's salary and other terms of employment. The Chair then reports the outcome of these negotiations to the whole Board prior to a final decision being made. Salaries and remuneration for the Board of Directors and CEO include salaries and benefits for the CEO during the year of SEK 6,111 thousand (3,050) and pension expenses of SEK 641 thousand (559). During the year, the company had three different CEOs and the remuneration includes severance pay for one. The CEO is required to provide six months' notice of resignation and the company is required to provide six months' notice in the event of termination. According to the agreement, the severance pay is for 6 months.

Defined contribution pension premiums are paid for the CEO, corresponding to the cost set out in the ITP plan.

Senior managers
Remuneration of other senior managers is decided by the CEO.

Employee remuneration expenses

Total	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Salaries and other remuneration	115,698	139,447	15,373	26,421
Social insurance costs	49,813	59,160	5,678	11,261
(of which, pension expenses)	16,033	14,765	3,728	3,326
Total	**165,511**	**198,607**	**21,051**	**37,682**

Salaries and remuneration allocated to the Board of Directors, the CEO and other employees

Total	Group 2024	Group 2023	Parent company 2024	Parent company 2023
Group	8,604	5,238	107,094	134,209
Parent company	8,604	5,238	6,769	21,183

During the year, a reserve for costs related to ongoing long-term incentive programs was reversed and generated a positive result effect of a total of SEK 28,658 thousand. Costs for employee remuneration adjusted for the transfer of reserves amounted to SEK 135,403 thousand for the Group.

Note 13 Remuneration of the Board of Directors and Senior Management

Principles
The principles for the remuneration of senior managers were adopted at the AGM in May 2024. The remuneration to the CEO and other senior managers is composed of a fixed salary. The Board of Directors is also authorized to decide on variable remuneration in the form of a cash bonus in an amount not exceeding, on an annual basis, 75 percent of the fixed annual salary for the CEO and 50 percent of the fixed annual salary for other senior managers.

Defined contribution pension premiums are paid for the CEO and senior managers, corresponding to the cost set out in the ITP plan. The CEO is required to give six months' notice of resignation and the company is required to provide six months' notice of termination. Other senior managers have a notice period of three to nine months. There is an agreement on severance pay for 6 months for the CEO.

Other senior managers refers to the management team as summarized in the section Senior managers.

Remuneration and other benefits during the financial year
A total of SEK 15,433 thousand (13,870) was paid to senior managers, including the CEO, to cover salary, variable remuneration and other benefits. Senior managers, including the CEO, on average amounted to 5 people in 2024, compared to 7 people in 2023. Defined contribution pension premiums are paid for senior managers, corresponding to the cost set out in the ITP plan.

Board and senior management 2024	Base pay/director's fee	Variable pay and royalties	Other benefits	Pension expenses	Total
Torgny Hellström, chairman 2024-01-01 -- 2024-05-15	306	-	-	-	306
Jürgen Goeldner, director 2024-01-01 -- 2024-05-15, chariman 2024-05-15	694	-	-	-	694
Anna Lagerborg, director	310	-	-	-	310
Thomas Lindgren, director	331	-	-	-	331
Christine Rankin, director	441	-	-	-	441
Jon Gillard, director	334	-	-	-	334
Tobias Sjögren, CEO 2024-01-01 -- 2024-03-12	3,760	-	1	351	4,112
Jürgen Goeldner, CEO 2024-03-12 -- 2024-05-15	579	-	-	-	579
Mats Juhl, tf vd 2024-05-15	1,772	-	75	290	2,137
Other senior management personnel; average of 6 individuals, 5 individuals at year-end	7,486	-	77	1,061	8,604
Total	**15,993**	**-**	**153**	**1,702**	**17,848**

Board and senior management 2023	Base pay/director's fee	Variable pay and royalties	Other benefits	Pension expenses	Total
Torgny Hellström, chairman	730	-	-	-	730
Kerstin Sundberg, director 2023-01-01 -- 2023-05-11	157	-	-	-	157
Anna Lagerborg, director	307	-	-	-	307
Mike Gamble, director 2023-01-01 -- 2023-05-11	260	-	-	-	260
Thomas Lindgren, director	325	-	-	-	325
Christine Rankin, director 2023-05-11	279	-	-	-	279
Jon Gillard, director 2023-05-11	65	-	-	-	65
Jürgen Goeldner, director 2023-05-11	65	-	-	-	65
Tobias Sjögren, CEO	3,050	-	-	559	3,609
Other senior management personnel; average of 6 individuals, 5 individuals at year-end	8,975	-	124	1,162	10,261
Total	**14,213**	**-**	**124**	**1,721**	**16,058**

Note 14 Other operating expenses

	Group		Parent company	
	2024	2023	2024	2023
Capital loss liquidated subsidiary	6,376	-	-	-
Currency loss	-	21,413	-	-
Total	**6,376**	**21,413**	**-**	**-**

Note 15 Financial income and expenses

	Group		Parent company	
	2024	2023	2024	2023
Interest income	5,654	3,098	14,006	13,841
Write-down leasing	1,752	-		-
Total financial income	**7,406**	**3,098**	**14,006**	**13,841**

	Group		Parent company	
	2024	2023	2024	2023
Interest expenses, convertible bonds	-	5,803	-	5,803
Interest expenses lease	-4,013	-359	-	-
Unrealized change in value of derivatives	-	2,102	-	-
Implicit interest	-	7,130	-	7,130
impairment of joint venture	-410	-	-2,471	-
Write-down financial asset	-2,261	-	-2,261	-
Other financial expenses	-33	-357	-1	32
Total financial expenses	**-6,717**	**14,319**	**-4,733**	**12,965**

Note 16 Appropriations

	2024	2023
Group Contribution	-230,593	-81,259
Total	**-230,593**	**-81,259**

Note 17 Income tax and deferred tax

The applicable tax rate is the Group income tax rate. The average weighted tax rate is 21.6 percent. Temporary differences occur in cases where the respective tax bases of assets or liabilities differ. Temporary differences at Starbreeze have mainly arisen through tax losses. Deferred tax assets are recognized in respect of tax loss carryforwards to the extent that it is probable that they can be utilized against future taxable profits and to the extent that they can be offset against deferred tax liabilities on temporary differences.

As at December 31, 2024, no deferred tax assets relating to loss carryforwards had been recognized. As at the balance sheet date, the unrecognized loss carryforwards for the parent company and the Swedish subsidiaries amount to SEK 954.9 million (874.3). Deficits cannot be utilized between companies in different countries. Group contributions to New Starbreeze Publishing AB and New Starbreeze Studios AB are blocked for losses generated up to and including 2019. For deficits generated up to and including the end of 2021, there is a Group contribution restriction relating to a subsidiary in the Group, New Starbreeze Publishing PD IP AB, and such deficits therefore cannot be utilized before 2028. For deficits generated up to and including the end of 2022, there is also a Group contribution restriction relating to a subsidiary in the Group, Starbreeze IP AB, and such deficits therefore cannot be utilized before 2029.

	Group		Parent company	
	2024	2023	2024	2023
Recognized profit (-loss) before tax	-317,667	207,656	-252,017	-597,632
Tax at applicable tax rate	56,951	40,727	51,916	21,476
Tax effect of other non-deductible costs	-29,416	-105,745	883	-104,089
Tax effect of other non-taxable income	108	2,740	9	17
Tax effect of costs for issue of equity instruments	-	7,977	-	7,977
Foreign withholding tax		-340	-	-
Change of unrecognized tax assets related to loss carryforwards	-27,823	54,617	-52,808	74,619
Tax on profit for the year according to income statement	**-180**	**-24**	**-**	**-**

Distribution of income tax, Group	2024	2023
Current tax	-243	-34
Deferred tax	63	10
Tax on profit for the year according to income statement	**-180**	**-24**

Group	2024-12-31	2023-12-31
Balance at 1 January, deferred tax liabilities	-1,345	-1,383
Change of value of loss carryforwards through profit or loss	3,162	173
Changes in temporary differences in surplus values in the Group	-2,589	-
Change in previously capitalized deficits	-1,162	-4
Lease IFRS16	-76	-131
Balance at December 31, deferred tax liabilities/assets	**-2,010**	**-1,345**

Specification of deferred tax liabilities/assets	2024-12-31	2023-12-31
Lease IFRS16	1	77
Temporary differences in surplus values in the	1,897	4,486
Reclassification of previously capitalized deficits	1	1,163
Change of temporary differences in capitalized development costs	-3,909	-7,071
Total deferred tax liabilities/asset	**-2,010**	**-1,345**

Note 18 Earnings per share

Group	2024	2023
Earnings per share		
Basic, SEK	-0.22	0.19
Diluted, SEK	-0.22	0.19
Number of shares at the end of the period		
Basic	1,476,762,040	1,476,762,040
Diluted*	1,476,762,040	1,476,762,040
Average number of shares		
Basic	1,476,762,040	1,097,076,815
Diluted*	1,476,762,040	1,097,076,815

Basic and diluted earnings per share are calculated by dividing earnings attributable to the Parent Company's shareholders by the weighted average number of outstanding shares during the period.

To calculate diluted earnings per share, the weighted average number of ordinary shares outstanding is adjusted for the dilutive effect of all potential ordinary shares.

Note 19 Dividend per share

No dividend will be proposed.

Note 20 Intangible assets

The Group regularly tests intangible assets in the course of construction for impairment in accordance with IAS 36. Impairment tests are performed on completed intangible assets that are being amortized if the Group receives indications that the fair value may be less than the carrying amount.

The recoverable amounts of cash-generating units were determined by calculating value in use. For these calculations, sales forecasts have been estimated for the Group as a whole and for individual game development projects. Cash flows are based on a conservative forecast.

Impairment tests were performed on intangible assets and shares in subsidiaries for the period ending December 31, 2024. The game development project for which costs have been capitalized were tested separately. Write-down has been made on projects that the company has decided not to continue. Total impairment for 2024 amounts to SEK 127.1 million (6.7). The remaining assets relate mainly to the core business of game development, i.e. the Starbreeze Games segment.

For assets in the Starbreeze Games segment and other based, impairment assessments have been made within the Group based on discounted future cash flows.

The assets have been divided into different cash-generating units (CGUs). The classification of CGUs is based on their commercialization rather than on the platform to which they belong. For example, PAYDAY is its own CGU. The PAYDAY CGU includes PAYDAY, PAYDAY 2 and PAYDAY 3. In other words, it is not the platform that counts, but the IP itself that generates the cash flow. When assets are tested for impairment, this is done from a CGU perspective. During the financial year, these impairment tests have resulted in impairment charges related to capitalized development costs for PAYDAY 3 of SEK 118.6 million and other projects of SEK 8.5.

Key assumptions in the impairment test are the quantification of future revenues, expected margins, growth and cost of capital.

CGU	Base pay/director's fee	Licences	Other benefits	Pension expenses	Share-based payments	Total
Payday	Game IP	-	59,701	114,599	-	174,300
Baxter	Game IP	21,845	-	142,001	-	163,846
Roboquest	3rd party Publishing	-	-	-	8,123	8,123
Tribe must survive	3rd party Publishing	-	-	-	2,241	2,241
Other	Game IP	-	5,320	18,439	-	23,759
Total		**21,845**	**65,021**	**275,039**	**10,364**	**372,269**

Game and technology development projects
For game development projects, the impairment test was based on the respective game's estimated future cash flows and results based on the management team's forecasts and budgets for the next seven years. PAYDAY 2 was assumed to have lower sales than at present and for PAYDAY 3, the expected cashflows are based on the current forecast for the coming years. Refer also to section D. Capital risk in Note 3 Financial risk management for more information. The discount rate used in the impairment tests is 16.5 percent. It has been assessed that the discount rate for the remaining assets is the same for all assets. This assumption is based, among other things, on an external valuation of the assets. A sensitivity analysis shows that a margin remains even with an increased discount rate of five percent for proprietary games.

Group	IP/Technology	Licenses	Capitalized game and technology development costs	Investments in 3rd party publishing	Other	Total
Cost at 1 January 2024	778,639	11,121	1,363,272	191,002	6,705	2,350,739
Acquisition of publishing rights	-	-	-	8,795	-	8,795
Acquisition of licenses	-	10,724	-	-	-	10,724
Development in progress			-	-		
Own development	-	-	227,636	-	-	227,636
Exchange differences	24,270	-	408	-	-	24,678
Sales and disposals	-380,929	-	-733,844	-98,664	-6,705	-1,220,142
Cost at 31 December 2024	**421,980**	**21,845**	**857,472**	**101,133**	**-**	**1,402,430**
Depreciation, amortization and impairments at 1 January 2024	-590,121	-	-1,051,296	-184,244	-6,705	-1,832,366
Depreciation and amortization for the year	-75,163	-	-189,129	-5,189	-	-269,481
Impairments for the year	-51,668	-	-75,423	-	-	-127,091
Sales and disposals	380,111	-	733,823	98,664	6,705	1,219,303
Exchange differences	-20,118	-	-408	-	-	-20,526
Depreciation, amortization and impairments at 31 December 2024	**-356,959**	**-**	**-582,433**	**-90,769**	**-**	**-1,030,161**
Total carrying amount at 31 December 2024	**65,021**	**21,845**	**275,039**	**10,364**	**-**	**372,269**

Group	IP/Technology	Licenses	Capitalized game and technology development costs	Investments in 3rd party publishing	Other	Total
Cost at 1 January 2023	781,103	-	1,189,454	187,326	6,705	2,164,588
Sale of publishing rights	-	-	-	8,580	-	8,580
Acquisition of licenses	-	11,121	-	-	-	11,121
Development in progress						
Own development	5,320	-	173,852	-	-	179,172
Exchange differences	-7,784	-	-34	-	-	-7,818
Sales and disposals	-	-	-	-4,904	-	-4,904
Cost at 31 December 2023	**778,639**	**11,121**	**1,363,272**	**191,002**	**6,705**	**2,350,739**
Depreciation, amortization and impairments at 1 January 2023	-558,454	-	-861,264	-183,352	-6,705	-1,609,775
Depreciation and amortization for the year	-37,745	-	-189,170	-	-	-226,915
Impairments for the year	-	-	-896	-5,796	-	-6,692
Divested subsidiary	-	-	-	4,904	-	4,904
Exchange differences	6,078	-	34	-	-	6,112
Depreciation, amortization and impairments at 31 December 2023	**-590,121**	**-**	**-1,051,296**	**-184,244**	**-6,705**	**-1,832,366**
Total carrying amount at 31 December 2023	**188,518**	**11,121**	**311,976**	**6,758**	**-**	**518,373**

Note 21 Property, plant and equipment

	Group		Parent company	
Computers and other equipment	2024-12-31	2023-12-31	2024-12-31	2023-12-31
Cost at 1 January	135,960	132,463	2,753	2,753
Purchases	5,852	3,602	40	-
Retirements and disposals	-3,012	-90	-1,177	-
Exchange differences	65	-15	-	-
Accumulated cost at 31 December	**138,865**	**135,960**	**1,616**	**2,753**
Depreciation at 1 January	-131,532	-130,306	-2,746	-2,720
Retirements and disposals	2,960	10	1,177	-
Planned depreciation for the year	-1,957	-1,244	-12	-26
Exchange differences	-60	8	-	-
Closing balance accumulated depreciation	**-130,589**	**-131,532**	**-1,581**	**-2,746**
Planned residual value at 31 December	**8,276**	**4,428**	**35**	**7**

There were no impairment losses on the Group's property, plant and equipment during the year.

Note 22 Financial assets

	Group		Parent company	
	2024-12-31	2023-12-31	2024-12-31	2023-12-31
Deposits, rent guarantees	4,000	4,000	-	-
Other financial assets	275	3,253	-	2,208
Total	**4,275**	**7,253**	**-**	**2,208**

Outstanding deposits relate essentially to deposits for the rental of premises.

Note 23 Shares in Group companys

	Country of registration and operation	Business		Share of equity	Share of votes	Number of shares	Carrying amount in parent company	Equity excluding net result	Net result	Total Equity
Starbreeze Studios AB	Sverige	Spelutveckling	100.0%	100.0%	100.0%	10,000	16,947	46,533	-46,423	110
Starbreeze Publishing AB	Sverige	Spelutveckling	100.0%	100.0%	100.0%	1,000	276,400	635,656	73,119	708,775
Starbreeze Production AB	Sverige	Spelutveckling	100.0%	100.0%	100.0%	1,000	20,136	165,429	-22,100	143,330
Starbreeze VR AB	Sverige	Teknikutveckling	100.0%	100.0%	100.0%	50,000	-	292	-2	290
Starbreeze Paris SAS	Frankrike	Teknikutveckling	100.0%	100.0%	100.0%	58,281	-	8,452	-2,755	5,697
Starbreeze Barcelona SL	Spanien	Spelutveckling	100.0%	100.0%	100.0%	3,000	-	-5,229	-2,556	-7,785
New Starbreeze Publishing AB	Sverige	Spelutveckling	-	100.0%	100.0%	2,360,777	-	385,278	-152,616	232,662
New Starbreeze Studios AB	Sverige	Spelutveckling	100.0%	100.0%	100.0%	500	26,990	7,351	-3,378	3,973
Enterspace AB	Sverige	Teknikutveckling	100.0%	100.0%	100.0%	50,000	-	4,810	-	4,810
New Starbreeze Publishing PD IP AB	Sverige	Spelutveckling	-	100.0%	100.0%	500	-	5,015	-4,965	50
Starbreeze IP AB	Sverige	Spelutveckling	100.0%	100.0%	100.0%	500	4,305	4,093	-3,399	694
Starbreeze Studios UK Ltd	Storbritannien	Spelutveckling	100.0%	100.0%	100.0%	100	1	37	-16	22
							344,780	**1,257,720**	**-165,090**	**1,092,629**

Parent company, shares in subsidiaries	2024-12-31	2023-12-31
Cost at 1 January	336,059	331,373
Shareholder contribution	8,721	4,686
Accumulated cost at 31 December	**344,780**	**336,059**

Note 24 Financial instruments by category

Group, 31 December 2024

Assets on the balance sheet	Accrued acquisition value	Fair value through profit and loss	Fair value through comprehensive income	Derivative	Total
Financial assets	4,275	-	-	-	4,275
Trade and other receivables	43,118	-	-	-	43,118
Cash and cash equivalents	191,906	-	-	-	191,906
Total assets	**239,299**	-	-	-	**239,299**

Liabilities in the balance sheet	Accrued acquisition value	Fair value through profit and loss	Fair value through comprehensive income	Derivative	Total
Other non-current liabilities	519	-	-	-	519
Trade and other payables	68,762	-	-	-	68,762
Total liabilities	**69,281**	-	-	-	**69,281**

Group, 31 December 2023

Assets on the balance sheet	Accrued acquisition value	Fair value through profit and loss	Fair value through comprehensive income	Derivative	Total
Financial assets	7,253	-	-	-	7,253
Trade and other receivables	164,244	-	-	-	164,244
Cash and cash equivalents	347,752	-	-	-	347,752
Total assets	**519,249**	-	-	-	**519,249**

Liabilities in the balance sheet	Accrued acquisition value	Fair value through profit and loss	Fair value through comprehensive income	Derivative	Total
Other non-current liabilities	489	-	-	-	489
Trade and other payables	100,202	-	-	-	100,202
Total liabilities	**100,691**	-	-	-	**100,691**

Parent company at December 31 2024

Assets on the balance sheet	Accrued acquisition value	Fair value through profit and loss	Fair value through comprehensive income	Derivative	Total
Financial assets	-	-	-	-	-
Trade and other receivables	345,543	-	-	-	345,543
Cash and cash equivalents	106,609	-	-	-	106,609
Total assets	**452,152**	-	-	-	**452,152**

Liabilities in the balance sheet	Accrued acquisition value	Fair value through profit and loss	Fair value through comprehensive income	Derivative	Total
Trade and other payables	307,893	-	-	-	307,893
Total liabilities	**307,893**	-	-	-	**307,893**

Parent company at December 31 2023

Assets on the balance sheet	Accrued acquisition value	Fair value through profit and loss	Fair value through comprehensive income	Derivative	Total
Financial assets	2,208	-	-	-	2,208
Trade and other receivables	741,095	-	-	-	741,095
Cash and cash equivalents	161,826	-	-	-	161,826
Total assets	**905,129**	-	-	-	**905,129**

Liabilities in the balance sheet	Accrued acquisition value	Fair value through profit and loss	Fair value through comprehensive income	Derivative	Total
Trade and other payables	484,941	-	-	-	484,941
Total liabilities	**484,941**	-	-	-	**484,941**

Note 25 Credit quality of financial assets

	2024-12-31	2023-12-31
Group 1	22,018	160,591
Group 2	10,470	4,511
Total	**32,488**	**165,102**

As at December 31, 2024, past due and unpaid trade receivables amounted to SEK 24.7 million (120.5).

Group 1: Existing customers (more than six months) with no previous missed payments. Group 2: Existing customers (more than six months) with some previous missed payments.

Credit risk is managed at Group level. Only banks and credit institutions that have been awarded a minimum credit rating "A" from an independent rating agency are accepted.

Note 26 Trade and other recievables

	Group		Parent company	
	2024-12-31	2023-12-31	2024-12-31	2023-12-31
Trade receivables	32,488	165,102	-	-
Provision for doubtful receivables	-	-12,094	-	-
Receivables from group companies	-	-	342,602	740,139
Other receivables	10,630	11,236	2,941	956
Total	**43,118**	**164,244**	**345,543**	**741,095**

	Group	
Aging report	2024-12-31	2023-12-31
Not due	7,834	44,568
1-90 days	13,090	104,432
3-6 months	6,134	2,632
> 6 months	5,430	13,470
Total	**32,488**	**165,102**

	Group	
Trade and other receivables per currency	2024-12-31	2023-12-31
SEK	10,632	13,012
EUR	13,519	145,301
USD	18,967	5,928
GBP	-	3
Total	**43,118**	**164,244**

As the Group has not experienced any material credit losses historically and believes that the same conditions will prevail in the future, it is assessed that any provision for possible future credit losses is not material. For more information, see Note 2.10 Impairment of financial assets.

Note 27 Prepaid expenses and accrued income

	Group		Parent company	
	2024-12-31	2023-12-31	2024-12-31	2023-12-31
Other accrued receivables	38,744	44,598	3,628	622
Accrued royalty income	35,332	17,443	-	-
Total	**74,076**	**62,041**	**3,628**	**622**

Accrued royalty income refers to receivables for sales related to PAYDAY 2, PAYDAY 3 and Roboquest.

Note 28 Cash and cash equivalents

	Group		Parent company	
	2024-12-31	2023-12-31	2024-12-31	2023-12-31
Cash and bank deposits	191,906	347,752	106,609	161,826
Total	**191,906**	**347,752**	**106,609**	**161,826**

Cash and cash equivalents include short-term investments maturing within three months from the date of acquisition that are readily convertible to cash without incurring interest expenses.

Note 29 Change in the number of shares

The share capital, SEK 29,535 thousand, is divided into 1,476,762,040 shares, giving a quota value of SEK 0.02 per share. One class A share carries ten (10) votes and one class B share carries one (1) vote. All shares issued by the Parent Company are fully paid up.

Number of shares	**Class B shares**	**Class A shares**
Number of shares 31 Dec 2022	**558,347,922**	**166,261,344**
New subscription through exercise of convertible bond	148,311,724	-
New issue	466,917,220	136,923,830
Conversion	153,812,821	-153,812,821
Number of shares 31 Dec 2023	**1,327,389,687**	**149,372,353**
Conversion	7,068,445	-7,068,445
Number of shares 31 Dec 2024	**1,334,458,132**	**142,303,908**

Note 30 Trade and other payables

	Group		Parent company	
	2024-12-31	2023-12-31	2024-12-31	2023-12-31
Trade payables	11,364	37,123	1,564	1,400
Liabilities to group companies	-	-	304,417	480,753
Other liabilities	44,250	44,964	658	1,568
Social insurance and comparable fees	8,702	7,988	1,254	1,220
current part of convertible bond,	4,446	10,127	-	-
Total	**68,762**	**100,202**	**307,893**	**484,941**

Note 31 Accrued Expenses and prepaid income

	Group		Parent company	
	2024-12-31	2023-12-31	2024-12-31	2023-12-31
Accrued salaries	2,014	41,543	1,185	18,750
Accrued annual leave pay	12,671	13,585	1,706	2,516
Accrued social insurance fees, annual leave pay	4,272	4,505	536	791
other accrued expenses	16,744	48,480	4,531	2,714
Total	**35,701**	**108,113**	**7,958**	**24,771**

Note 32 Pledged assets

	Group		Parent company	
	2024-12-31	2023-12-31	2024-12-31	2023-12-31
Pledged shares in subsidiaries for loan credit with Nordea	235,978	235,978	-	-
Deposits, rent guarantees	4,000	4,000	-	-
Total	**239,978**	**239,978**	-	-

In March 2021, Starbreeze entered into a co-publishing agreement with Plaion regarding PAYDAY 3. The agreement concerns both product development and marketing of PAYDAY 3, as well as the continued development and marketing of the game according to the Starbreeze Games as a Service model. All development of the game is performed by Starbreeze, which owns the brand and all other rights associated with the brand, and Plaion will distribute and actively assist in marketing the game and managing local communities. In order to hedge investments made by Plaion under the agreement, all shares in Starbreeze's wholly-owned subsidiary, New Starbreeze Publishing PD IP AB, have been pledged in favor of Plaion.

Note 33 Contingent liabilities

In connection with the acquisition of the distribution rights to PAYDAY, a royalty of 33 per cent, up to USD 40 million, was agreed based on the net result of PAYDAY 3 after deduction of investments made as part of the purchase price to 505 Games S.p.A. As at the balance sheet date, no royalty payments have been updated. The Group has no other contingent liabilities.

Note 34 Related-party transactions

The Parent Company Starbreeze AB, which is the ultimate parent company in the Group, has invoiced SEK 17.2 million (32.4) to Group companies for game development costs and part of joint costs. Billing by other Group companies to Group companies is shown in the table below: The Parent Company, Starbreeze AB, purchased services for SEK 15.0 million (0.9) from Group companies. Purchases by other Group companies from Group companies are shown in the table below:

Remuneration to senior managers is specified in Note 13.

Receivables and liabilities	2024-12-31	2023-12-31
Receivables		
Parent company Starbreeze AB	342,602	740,139
Liabilities		
Parent company Starbreeze AB	304,417	480,753

Group company billing	2024	2023
Starbreeze AB	17,184	32,381
Starbreeze Paris SAS	28,372	25,063
Starbreeze Barcelona	3,855	4,283
Starbreeze LA	771	897
New Starbreeze Publishing AB	157,142	153,374
New Starbreeze Studios AB	204,215	196,409
New Starbreeze Publishing PD IP	16,054	98,843
Starbreeze Studios UK Ltd	6,905	3,588
Starbreeze IP AB	13,330	-
Total	**447,828**	**514,838**

Purchases from group companies	2024	2023
Starbreeze AB	14,985	912
Starbreeze Paris SAS	533	848
Starbreeze Barcelona	106	149
New Starbreeze Publishing AB	172,618	313,086
New Starbreeze Studios AB	6,075	6,525
New Starbreeze Publishing PD IP	112,826	136,143
Starbreeze Studios UK AB	199	140
Starbreeze IP AB	140,486	57,035
Total	**447,828**	**514,838**

Note 35 Adjustment of items not included in cash flow

	Group		Parent company	
	2024	2023	2024	2023
Amortization/write-down of intangible assets	396,571	233,608	-	-
Depreciation of property, plant and equipment	20,787	15,428	12	26
Gains & losses on sale of assets	-	-16	-	-
Change in provision	-	53	-	-
Other unrealized exchange losses	-9,740	5,873	-	-
Unrealized changes in value of derivatives	-	2,103	-	-
Adjustment financing debt	-59,587	-259,571	-	-
Total	**354,407**	**-2,522**	**12**	**26**

Note 36 Events after the balance sheet date

On January 30, it was announced that PAYDAY 3 would be the monthly game for PlayStation® Plus in February, and that the game would also receive its first paid character with the return of fan-favorite Jacket.

On February 6, Starbreeze announced it would act as publisher for the upcoming game *Out of Sight*, developed by the Swedish game studio The Gang.

On March 31, Adolf Kristjansson was appointed the new CEO of Starbreeze. Adolf assumed his position on April 1, 2025, replacing interim CEO Mats Juhl, who continues in his role as Chief Financial Officer at Starbreeze.

For detailed information on significant events during the year and after the end of the fiscal year, please visit corporate.starbreeze.com.

Note 37 Interest-bearing liabilities

Besides SEK, supplier invoices are mainly in USD and EUR.

	2024-12-31			2023-12-31		
Group	Base pay/director's fee	Variable pay and royalties	Other benefits	Pension expenses	Share-based payments	Total
Financing for game development	-	4,446	4,446	-	10,127	10,127
Other non-current liabilities	519	-	519	489	-	489
Total	**519**	**4,446**	**4,965**	**489**	**10,127**	**10,616**

	2024-12-31			2023-12-31		
Parent	Base pay/director's fee	Variable pay and royalties	Other benefits	Pension expenses	Share-based payments	Total
Convertible bond	-	-	-	-	-	-
Non current liability, renegotion loss	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

Note 38 Shares in joint venture

Group	Country of operation	Business	Share of equity	Share of votes	Number of shares	Carrying amount
StarVR Corporation	Taiwan	Technology development	-	-	-	-

The company's joint venture with Acer, StarVR Corporation, is a sales and marketing company that manages the sales process for business customers, as well as support and after-sales services. As an element of the partnership, Starbreeze owns and controls the IP rights related to StarVR, while Acer manufactures the product. R&D and reference design work for the StarVR headset is performed by Starbreeze and Acer jointly. StarVR Corporation bears all marketing and sales costs for StarV R, but for as long as Starbreeze retains the IP rights, Starbreeze bears the R&D-related costs. Manufacturing costs are borne by Acer. The following reconciliation reflects adjustments made by the Group in applying the equity method, including fair value adjustments at the time of acquisition and adjustments for differences in accounting policies.

In 2024, the company sold its 33 per cent stake to Acer.

	2024-12-31	2023-12-31
Reconciliation against net carrying amounts:		
Opening net assets, January 1	3,751	3,945
Profit/loss for the period	4,081	-30
Exchange rate differences	35	-164
Closing net assets	**7,867**	**3,751**
Group share	33%	33%
Group share in SEK thousand	2,596	1,238
Received cash divestment Joint Venture	-2,186	-
Write-down Joint Venture	-410	-
Group share in SEK thousand	-	1,238
Carrying amount	-	1,238

The table below provides condensed financial information for the holding in the joint venture company (StarVR Corporation) that the Group has deemed to be material. The information shows the amounts recognized in the joint venture's financial statements, and not Starbreeze's share of those amounts. The reconciliation of Starbreeze' share is shown above.

	2024-12-31	2023-12-31
Condensed balance sheet		
Current assets	-	11,571
Current liabilities	-	-7,820
Net assets	-	**3,751**
Condensed statement of comprehensive income		
Revenue	-	29
Profit (-loss) for the period	4,081	-30
Total comprehensive income	**4,081**	**-30**

Note 39 Net debt

	Other assets	Liabilities related to financing activities			
	Base pay/director's fee	Convertible bonds	Renegotion loss convertible bond and other non-current liabilities	Other Current liabilities	
Balance at 1 January 2024	347,752	-	-1,992	-16,661	-18,653
Cash flow	-155,846	-	128	-47,948	-47,820
Exchange differences	-	-	-	103	103
Other non-cash items	-	-	-665	42,364	41,699
Balance at 31 December 2024	**191,906**	**-**	**-2,529**	**-22,143**	**-24,672**

	Other assets	Liabilities related to financing activities			
	Base pay/director's fee	Convertible bonds	Renegotion loss convertible bond and other non-current liabilities	Other Current liabilities	
Balance at 1 January 2023	108,217	-220,855	-165,607	-177,464	-563,926
Cash flow	239,641	-	149,370	-77,333	72,037
Exchange differences	-106	-	-	-6,132	-6,132
Other non-cash items	-	220,855	14,245	244,268	479,368
Balance at 31 December 2023	**347,752**	**-**	**-1,992**	**-16,661**	**-18,653**

Net liability	2024-12-31	2023-12-31
Cash and cash equivalents	191,906	347,752
Non-current liabilities	-2,529	-1,992
Current liabilities	-22,143	-10,127
Net Liability	**167,234**	**335,633**

The income statements and balance sheets will be presented to the AGM on May 15, 2025 for approval.

The Board of Directors and the Chief Executive Officer declare that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and provide a true and fair view of the Group's position and earnings.

The annual accounts have been prepared in accordance with generally accepted accounting principles and provide a true and fair view of the Parent Company's position and performance.

The Directors' report for the Group and Parent Company provides a true and fair view of the development in the Group's and Parent Company's business, position and performance, and describes the material risks and uncertainties that the Parent Company and the companies in the Group may face.

Stockholm, 14 April, 2025 Starbreeze AB (publ)

Jürgen Goeldner
Chairman of the Board

Ledamöter

Anna Lagerborg
Board member

Christine Rankin
Board member

Thomas Lindgren
Board member

Jon Gillard
Board member

Adolf Kristjansson
CEO

Our auditor's report was issued on 15 April 2025 by
Öhrlings PricewaterhouseCoopers AB

Aleksander Lyckow
Authorized Public Accountant

Auditor's report

To the general meeting of the shareholders of Starbreeze AB, corporate identity number 556551-8932

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Starbreeze AB for the year 2024. The annual accounts and consolidated accounts of the company are included on pages 41-82 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as 31 Deember 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014/EU) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014/EU) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key audit matter	How our audit considered the key audit matter
Valuation of intangible assets Intangible assets including capitalized expenses for game and technology development amount to SEK 372 million in the Group as of December 31, 2024. Approximately 47% of the value is related to Payday. The company has tested the need for impairment. Significant assumptions in the impairment tests are stated in Note 20 of the annual report and include, among other things, estimates of future cash flows. Due to the degree of estimates, we have assessed that the valuation of goodwill and other intangible assets is a particularly significant area in the audit.	We have reviewed management's assessment of whether there is any impairment of goodwill and other intangible assets. We evaluated the mathematical accuracy of the models used and assessed significant assumptions in the impairment test and the reasonableness of the company's forecasts. We also compared historical sales assumptions with actual outcomes in 2023 and 2024 for Payday 3 after launch. We have also assessed the sensitivity of the calculations. Furthermore, we have reviewed a valuation made by an external party. Finally, we have assessed whether the disclosures provided in the notes to the annual report are consistent with IFRS. We found that the company's method and assumptions have been applied consistently.
Accounting of capitalized expenses for game and technology development and investments in publishing projects As stated in the management report and note 20, Starbreeze invests significant amounts in game and technology development. Note 20 shows that SEK 228 million has been capitalized in 2024 and the total carrying amount of capitalized game and technology development expenses and investments in publishing projects amounts to SEK 275 million. A significant portion of this amount is investments in the game Payday 3. Due to the size of the amount and the fact that capitalization of capitalized game and technology development expenses involves assessments by management regarding whether the expenses meet the criteria for capitalization, for example, that it is possible to reliably measure the expenses attributable to the asset and that it can be demonstrated that the asset will generate future economic benefits, this is a particularly significant area of the audit.	We have reviewed the company's specification of ongoing development projects that have been capitalized as intangible assets during the financial year. We have taken samples of the projects and tested the accuracy of capitalizing the expenses based on the criteria in IAS 38, including by assessing the procedures to ensure that the costs are recognized on the correct project and by randomly reviewing the underlying expenses against the supporting documents. We have also reviewed the calculation of future economic benefits.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–40. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Directors responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen och koncernredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen och koncernredovisningen.

En ytterligare beskrivning av vårt ansvar för revisionen av årsredovisningen och koncernredovisningen finns på Revisorsinspektionens webbplats: www.revisorsinspektionen.se/revisornsansvar. Denna beskrivning är en del av revisionsberättelsen.

Report on other legal and regulatory requirements

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Starbreeze AB for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Directors be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company´s organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Starbreeze AB for the financial year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Starbreeze AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the

appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHMTL format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Öhrlings PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed auditor of Starbreeze AB by the general meeting of the shareholders on 15 May 2024 and has been the company's auditor since 25 September 2020.

Stockholm den 15 April 2024

Öhrlings PricewaterhouseCoopers AB

Aleksander Lyckow
Authorized Public Accountant

Remuneration Report 2024

Introduction

This report describes how the current guidelines for remuneration to senior executives at Starbreeze were applied during 2024. It also includes information on compensation to the Chief Executive Officer (CEO) and a summary of the company's outstanding share- and share-price-related incentive programs in 2024. The report has been prepared in accordance with the Swedish Companies Act and the Swedish Corporate Governance Board's Rules on Remuneration of Senior Executives and on Incentive Programs.

Additional information on remuneration to senior executives can be found in Note 13 ("Remuneration to the Board of Directors and senior executives") on page 68 of the 2024 Annual Report. Details on the work of the Remuneration Committee in 2024 are presented in the Corporate Governance Report on pages 32–36 of the 2024 Annual Report.

Board fees are not covered by this report. Such fees are decided annually by the Annual General Meeting and are disclosed in Note 13 on page 68 of the 2024 Annual Report.

Deviopments in 2024

The CEO summarizes the company's overall performance in his statement on pages 5–6 of the 2024 Annual Report.

The company's remuneration guidelines: scope, purpose and deviations

A prerequisite for successfully implementing the company's business strategy and safeguarding its long-term interests–including sustainability–is the ability to recruit and retain qualified employees. To achieve this, the company must offer competitive compensation. The remuneration guidelines enable Starbreeze to offer senior executives a competitive total compensation package. Under the guidelines, remuneration to senior executives must be market-based and may consist of the following components: fixed salary, variable compensation, pension and other benefits. In addition, the Board shall annually evaluate whether to propose share- or share-price-related incentive programs to the Annual General Meeting.

Variable compensation shall be paid as a cash bonus and be linked to predetermined, measurable criteria. In addition to the annual cash bonus, variable cash compensation may be paid in the form of a long-term incentive bonus (LTI bonus) covering four financial years. The criteria for paying variable compensation must be designed to promote the company's business strategy and long-term interests, including sustainability.

The guidelines are set out on pages 32–36 of the 2024 Annual Report. In 2024 the company complied with the applicable remuneration guidelines adopted by the General Meeting. No deviations from the guidelines were made, and no departures occurred from the decision-making process prescribed in the guidelines for determining remuneration. The auditor's opinion on the company's compliance with the guidelines is available at www.starbreeze.com. No remuneration has been reclaimed.

Table 1 – Total compensation to the Chief Executive Officer in 2024 (SEK thousands)*

	Fixed remuneration		Variable renumeration				
Name of CEO	Base salary KSEK**	Other benefits (car, healthcare)	One-year variable	Multi-year variable	Pension	Total remuneration	Fixed/variable remuneration
Tobias Sjögren	3 342 KSEK	0 KSEK	N/A	0 KSEK	351 KSEK	3 362 KSEK	100 % / 0 %
Juergen Goeldner	579 KSEK	0 KSEK	N/A	N/A	0 KSEK	579 KSEK	100 % / 0 %
Mats Juhl	1 772 KSEK	75 KSEK	N/A	1 100 KSEK	290 KSEK	3 237 KSEK	67 % / 33 %

* Except where multi-year variable remuneration is concerned, the table shows compensation attributable to 2024. Multi-year variable remuneration is reported to the extent that it vested during 2024 and was therefore earned (see "Variable remuneration" below), regardless of whether the payment was made in the same year.
** Including vacation pay.

Share-based remuneration

Outstanding share- and share-price related incentive programs

During the 2024 financial year Starbreeze had no share-based or share-price-related incentive programs.

Ersättning till verkställande direktören i aktier och aktieoptioner

No remuneration in the form of shares or share options was granted to the CEO in 2024.

Variable remuneration

In 2024 the CEO had no opportunity to earn an annual cash bonus, and the Board set no criteria for such remuneration (see Table 1 above).

In 2021, however, the Board–pursuant to the remuneration guidelines adopted at the 2021 AGM–introduced multi-year variable cash remuneration in the form of a long-term incentive bonus (LTI bonus) covering four financial years. The CEO is eligible for this LTI bonus, which is tied to

milestones related to the launch, data-metrics reviews and sales performance of PAYDAY 3 during the bonus period. The CEO's total variable cash remuneration under the LTI bonus may amount to a maximum of 24 months' salary. A portion of the LTI bonus is subject to deferred payment for a set period to foster long-term growth.

In 2024 an LTI bonus of SEK 1,100 thousand (approximately SEK 1.1 million) was paid to the CEO, thereby fully closing the program.

Comparative information regarind changes in remuneration and the company's performance

Table 2 – Changes in remuneration and the company's performance in the last three reported financial years (SEK thousand)

KSEK		RR 2021	RR 2022	RR 2023	RR 2024
Remuneration to the CEOs		3 646	3 568	3 609	7 178**
	Change	-4 954 (-57,6%)	-78 (-2,1%)	41 (1,1%)	3 569 (98,9%)
Operating profit/loss for the Group		-53 720	6 746	190 303	-201 154
	Change	-64 595	+60 466	+183 557	-391 457
Employee remuneration on FTE basis*		657	637	629	675
	Change	0,8%	-3,0%	-1,2%	7,3%

** Average remuneration based on average number of employees (excluding CEO)*

*** Including severance pay to outgoing CEO*

STARBREEZE

ENTERTAINMENT

