



## **PRESS RELEASE**

**September 1, 2014**

### **Starbreeze AB announces intent to acquire Geminose Inc. and sets up North American operations**

Starbreeze AB, an independent creator, publisher and distributor of computer and video games, has today announced its intentions to acquire and merge with the privately held Geminose Inc, an independent studio based in Los Angeles, via its subsidiary Starbreeze USA Inc.

Starbreeze USA Inc. is a newly established North American subsidiary with office in Los Angeles, USA.

Geminose is headed by multi-award winning game industry veterans Cos Lazouras and Foo Katan. Lazouras, has worked at Warner Bros Interactive, Fox Interactive, Atari and headed Vin Diesel's game production company, Tigon Studios where he produced Chronicles of Riddick: Escape from Butcher Bay. Katan owned and ran Bits Studios, where he produced multiple IP based games including Die Hard, Constantine, Terminator 2, R-Type, Wolverine and The Simpsons: Itchy & Scratchy among others.

The acquisition of Geminose will strengthen Starbreeze's range of IP's further to include a youth targeted franchise. The acquisition includes a title under development in a pre-alpha phase for iOS, Android and other platforms.

*"Acquiring Geminose is a vital strategic step in our aggressive campaign to further establish ourselves as a developer and digital publisher on the global market, expanding our range of IPs. Just like OVERKILL Software, I am convinced that Geminose will prove to be a worthwhile investment."* Said Bo Andersson Klint, CEO of Starbreeze. He continued *"This acquisition not only broadens our portfolio but also breaks new ground for us on mobile devices. With Geminose leading the push, we gain experience in a market that can be cross-leveraged to our other products. A significant amount of our business partners are located in the USA so setting up a subsidiary with office in Los Angeles will make sure we're better positioned to expand and refine our business and franchises. Los Angeles is, after all, the city of cities*

*within the entertainment industry”.*

“We are extremely excited to join the Starbreeze family, and broaden their excellent record of hardcore gamer based projects, to include our family based Intellectual Property, Geminose” said Geminose Creator, Cos Lazouras.

Geminose is acquired for \$7 million USD in Starbreeze shares, valued at the share price per closing date of the transaction. New shares will be issued by the board utilizing its authorization from the AGM and would if valued as of today correspond to approximately 3.0% of the share capital on a fully diluted basis. In addition to the shares, the sellers of Geminose Inc. could potentially get additional cash compensation based on positive results generated to Starbreeze from the Geminose IP over a five-year period amounting to a maximum of \$10 million USD.

The transaction is expected to close before the end of September after a final due diligence process.

As a part of the acquisition, Geminose co-founders Cos Lazouras and Foo Katan will join Starbreeze at the new office in Los Angeles and will retain leading positions within Starbreeze USA that will actively continue production of the Geminose IP. Bo Andersson Klint, CEO of Starbreeze AB and Mikael Nermark, COO of Starbreeze AB, will take seats on the Board of Directors of Starbreeze USA Inc.

More information will be provided when the acquisition has been finalized.

**For more information please contact:**

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***Brief information about Starbreeze:***

*Starbreeze is an independent creator, publisher and distributor of high quality entertainment products, headquartered in Stockholm, Sweden. At Starbreeze we create games by our own design and through licensed content, establishing franchises that can live and prosper outside the game itself. We live and die by gameplay.*

*Starbreeze is pioneering digital self-publishing, currently hosting one of the largest community groups on the digital distribution platform Steam. Starbreeze’s most recent products include PAYDAY 2, our adrenaline fuelled bank robbing co-op game and the critically acclaimed adventure game Brothers – A Tale of Two Sons.*

*Starbreeze AB is publicly traded on Nasdaq OMX First North Premier under the ticker STAR and the ISIN code: SE0005992831. Starbreeze’s brands include OVERKILL Software and the PAYDAY series.*

*See [www.starbreeze.com](http://www.starbreeze.com) for more information.*