

PROPOSAL OF THE MANAGEMENT BOARD OF FUNCOM SE REGARDING RELOCATION OF CORPORATE DOMICILE IN ACCORDANCE WITH ARTICLE 8.2 OF THE COUNCIL REGULATION (EC) NO 2157/2001 ON THE STATUTE FOR A EUROPEAN COMPANY (SE)

1 INTRODUCTION

The Management Board (management organ) (the "**Board**") of Funcom SE, a Societas Europaea, organized under the laws of the Netherlands, having its statutory seat (*statutaire zetel*) in Katwijk, the Netherlands and its principal place of business at Prins Mauritslaan 37-39, 1171 LP Badhoevedorp, the Netherlands, registered with the Trade Register of the Chamber of Commerce (*Handelsregister Kamer van Koophandel*) under number 28073705 ("**Funcom**" or the "**Company**"), has on 30 August 2019 approved this proposal regarding relocation of the registered office (*statutaire zetel*) in accordance with article 8.2 of the Council Regulation (EC) No 2157/2001 on the Statute for a European company (SE) (the "**Relocation Proposal**").

2 LOCALIZATION AND LEGAL BASIS

The Relocation Proposal proposes to the Company's general meeting that Funcom shall transfer its registered office (*statutaire zetel*) from Katwijk, the Netherlands to Oslo, Norway (the "**Relocation**"). The Board may decide on the localization of the registered office in Oslo, Norway, which initially has been decided to be Kirkegata 15, 0153 Oslo.

The Relocation shall take place in accordance with the Council Regulation (EC) No 2157/2001 on the Statute for a European company (SE) (the "**Council Regulation**").

3 EXPLANATION AND JUSTIFICATION OF THE LEGAL AND ECONOMIC ASPECTS OF THE RELOCATION

The justification for the proposed Relocation is, amongst other, that the Company's shares are listed on the Oslo Stock Exchange and that the main development studio is located in Norway. Thus, Relocation to Norway would facilitate the Company's business and reduce necessary administrative work and expenses, including but not restricted to audit and legal processes resulting from the fact that the Company is a Dutch law-regulated SE-company listed on the Oslo Stock Exchange, and result in a more efficient and agile group structure.

Funcom wishes to further improve the unified corporate identity, the employee and other stakeholder's identification, and to enhance the supra national nature and image of the Funcom group by the Relocation.

Given the aforementioned, it is the Board's opinion that the Relocation to Norway will be an important strategic decision and would benefit the Company and its shareholders.

The Relocation (in and of itself) is not expected to have an economic impact on the Company and is not expected to lead to a change in the Company's business or activities.

4 LEGAL CORPORATE IMPLICATIONS AND ARTICLES OF ASSOCIATION

The Company will remain the same legal person and remain a SE-company after the Relocation and the Board proposes that the company name, after the Relocation, shall continue to be Funcom SE. It is hereby noted that the Relocation will not result in the winding up or liquidation of the Company or the creation of a new legal entity.

After the Relocation, the Company will be governed by Norwegian company law. The SE-regulations in Norway are to a large extent compliant with the same regulations as in the Netherlands. Thus, there should not be any significant changes in the company law framework regulations applicable for the Company.

Pursuant to the Relocation, the Articles of Association of the Company must be amended in order to be compliant with Norwegian law. The Board therefore proposes that the Articles of Association shall have the wording set out in Schedule 1. The Board shall however be entitled to make minor changes necessary according to Norwegian law, Oslo Stock Exchange regulations or otherwise required. The new articles of association will be effective from the time that the registered office (*statutaire zetel*) of the Company has been transferred to Norway.

5 ACCOUNTING CONSEQUENCES

Under Dutch regulations, the Company prepares its annual report for the legal person in accordance with the Dutch implementation of IFRS. The consolidated annual report is also prepared in accordance with the Dutch implementation of IFRS.

After the Relocation, the annual report of the Company for the legal person and the consolidated annual report will be prepared in accordance with the Norwegian implementation of IFRS.

6 IMPLICATIONS FOR THE SHAREHOLDERS AND LISTING ON THE OSLO STOCK EXCHANGE

The Company's share capital and the quota value of the shares are already nominated in Euro. Consequently, no conversion needs to be carried out due to the Relocation. Neither will the Relocation have any other impact on the share capital or otherwise. The shareholders keep their proprietary rights in the same proportion as before the Relocation.

The shareholders' rights are considered to be safeguarded through the Dutch and Norwegian SE-regulations and the rules applicable for companies listed on the Oslo Stock Exchange.

7 THE RELATION TO THE COMPANY'S CREDITORS

The Company's creditors will be safeguarded in accordance with the following:

- The Relocation Proposal will be publicly available at least two months prior to the general meeting, at which the decision to execute the Relocation will take place. The creditors will also have the right to review the Relocation Proposal at the Company's principle place of business and to and to request a copy of the Relocation Proposal and the Board's report in accordance with article 8.3 of the Council Regulation;

- All known creditors will, following the public announcement of the Relocation Proposal, in a Dutch national newspaper, be informed about the decision to relocate the Company and their right to oppose the Relocation in accordance with article 8.7 of the Council Regulation;
- Prior to the Dutch Civil-Law Notary issuing the certificate attesting to the completion of the acts and formalities to be accomplished before the Relocation, the Company will need to demonstrate that all debts that have been incurred prior to the announcement of the proposal for Relocation have been adequately protected in accordance with requirements laid down by the Member State where the SE has its registered office prior to the transfer. The Company will need to provide a security or other surety for every creditor who so desires, concerning the payment of their claim. This does not apply if the creditor has sufficient guarantees or the financial position of the Company offers sufficient assurance that the respective claim of the Company creditor will be paid.

8 IMPLICATIONS FOR THE EMPLOYEES

The Company does not have any employees and the employees in the subsidiaries will not be affected by the Relocation.

9 CORPORATE RESOLUTIONS AND TIME SCHEDULE

The Relocation must be approved by the Company's general meeting by the same majority that is required for amending the Articles of Association. In other words: it needs to be approved by a majority of at least two-thirds of the votes cast in during the Company's general meeting.

The Relocation shall be carried out as soon as possible after the Company's general meeting has approved the Relocation Proposal. The Relocation Proposal may be approved by the general meeting no earlier than 2 months after it was announced and filed with the Commercial Register of the Chamber of Commerce (*Handelsregister van de Kamer van Koophandel*) (hereafter: "CRCC") cf. Council Regulation article 8 no. 6. The Company's creditors will have a two-month opposition period which will commence from the announcement of the Relocation Proposal. The Board expects to propose the Relocation Proposal to the Company's extraordinary meeting to be held on or about week 45.

The proposed timeline for the Relocation is set out in further detail below:

Action	Week
Registration of the Relocation Proposal with the CRCC and the announcement of the Relocation Proposal in a Dutch national newspaper where after two months creditor opposition period starts.	36
The Board calls for an extraordinary meeting of shareholders.	38/39
The two months creditor opposition period expires.	45/46
The extraordinary general meeting will decide upon the Relocation (including adoption of the new Articles of Association and certain other matters in relation to the Relocation). The decision requires 2/3 majority vote.	46
The Dutch Notary will issue a certificate in accordance with article 8, section 8 of the Council Regulation.	47/48

The Relocation is registered with Norwegian Register of Business Enterprises.	47/48
The Company is deregistered from the CRCC.	48/49

The Board expects the Relocation to be completed during the fourth quarter of 2019.

10 CONDITIONS FOR THE RELOCATION

The completion of the Relocation is subject to:

- that the shares in the Company are not delisted from the Oslo Stock Exchange as a consequence of the Relocation;
- the approval of the Relocation by the Company's general meeting;
- receipt of the certificate issued by the Dutch civil-law notary; and
- all permits for the Relocation are obtained.

The Company is not aware of any required public permits to complete the Relocation.

The Relocation and the amendments to the Articles of Association will take effect when the Company is registered with Norwegian Register of Business Enterprises, and the Company will thereafter be deregistered with CRCC.

11 AMENDMENTS

The Board shall be entitled to adopt minor adjustments and clarifications in the Relocation Proposal to the extent required in connection with registration of the aforesaid.

12 ENCLOSURES

Attached to this is:

- Draft Articles of Association of Funcom SE

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The Management Board of Funcom SE

Date: 30 August 2019

Signed
Rui Manuel Monteiro Casais
Chairman

Signed
Christian Olsthoorn
Managing Director