

Articles of Association

1 NAME OF THE COMPANY

The name of the company is Starbreeze AB (publ).

2 REGISTERED OFFICE

The board of directors shall have its registered office in the municipality of Stockholm, Sweden.

3 OBJECTS

The business of the Company shall be to, directly and through subsidiaries or associations, joint ventures or other partnerships, develop, market, license, publish, sell and/or distribute software, equipment and/or brands related to interactive entertainment and/or products and services in the area of virtual reality, both for consumers and professional users, and related business.

4 SHARE CAPITAL

Share capital shall be not less than SEK 10,000,000 and not more than SEK 40,000,000.

5 SHARES

5.1 The number of shares in the company shall be not less than 500,000,000 and not more than 2,000,000,000. Shares may be issued in two classes: Class A shares and Class B shares. Shares of each class may be issued up to an amount corresponding to a total of 100 percent of share capital. Each Class A share shall carry ten (10) votes and each Class B share shall carry one (1) vote. Otherwise, Class A shares and Class B shares carry equal rights to a share in the company's assets and profits.

5.2 If the Company decides to issue new Class A and Class B shares through a cash issue or offset issue, owners of Class A and Class B shares shall have preferential rights to subscribe for new shares of the same class, pro rata to the number of shares the shareholder previously owned (primary preferential rights). Shares that are not subscribed under primary preferential rights shall be offered to all shareholders for subscription (subsidiary preferential rights). If shares thus offered do not suffice for the subscription under subsidiary preferential rights, the shares shall be allocated among the subscribers pro rata to the number of shares they previously owned and, to the extent this is impossible, through the drawing of lots.

If the Company decides to issue only Class A shares or only Class B shares through a cash issue or offset issue, all shareholders, regardless of whether their shares are of Class A or Class B, shall have preferential rights to subscribe for new shares, pro rata to the number of shares previously owned.

If the Company decides to issue warrants or convertible securities through a cash issue or offset issue, shareholders have preferential rights to subscribe for warrants, as if the issue applied to the shares that may be newly subscribed on the basis of the warrant right or preferential right;

respectively, shareholders shall have preferential rights to subscribe for convertible securities as if the issue applied to the shares against which the convertible securities may be exchanged.

That stated in the foregoing shall not imply any restriction to the option to resolve in favor of a cash issue or offset issue with a waiver of the shareholders' preferential rights.

If share capital is increased through a bonus issue, new shares of each share class shall be issued pro rata to the previously existing number of shares of the same class. In that connection, previously existing shares of a particular class shall carry the right to new shares of the same class. That stated in the foregoing shall not imply any restriction to the option to issue shares of a new class by means of a bonus issue and subsequent to the requisite amendment to the articles of association.

- 5.3 Upon request of the shareholder, Class A shares shall be converted to Class B shares. The request for conversion shall be made in writing to the board of directors and shall specify the number of Class A shares to be converted to Class B shares and, if the request does not refer to the entire holding, specify the Class A shares to which the conversion refers. The company shall immediately notify the conversion to the Swedish Companies Registration Office for registration in the companies register. The conversion is executed once the registration is complete and has been entered in the CSD register.

6 BOARD OF DIRECTORS

The board of directors shall be composed of no fewer than four (4) directors and no more than eight (8) directors and no more than two (2) alternate directors.

7 STATUTORY AUDITOR

The company shall have one (1) or two (2) statutory auditors. Registered audit firms may be appointed as the statutory auditor.

8 NOTICE AND REGISTRATION TO ATTEND GENERAL MEETINGS

Notices of general meetings must be made through advertisement in Post- och Inrikes Tidningar and by posting the notice on the company's website. When notice is made, the company shall advertise in Dagens Industri that that notice to attend has been issued.

Shareholders wishing to attend the general meeting must notify the Company of intent to participate no later than the day specified in the notice of meeting. This day cannot be a Sunday, other public holiday, Midsummer's Eve, Christmas Eve or New Year's Eve and cannot be earlier than five (5) weekdays before the meeting.

9 COLLECTION OF POWERS OF ATTORNEY AND POSTAL VOTING

The Board of Directors has the right to collect powers of attorney as set out in Chapter 7, Section 4, second paragraph of the Swedish Companies Act (2005:551). The Board of Directors may decide before a General Meeting that the shareholders shall be able to exercise their voting rights by post before the General Meeting pursuant to the procedure stated in Chapter 7, Section 4 a of the Swedish Companies Act (2005:551).

10 FINANCIAL YEAR

The company's financial year shall begin 1 January and end 31 December.

11 CSD CLAUSE

The company's shares shall be registered in a CSD register pursuant to the Swedish Central Securities Depositories and Financial Instruments (Accounts) Act (1998:1479).