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To the bondholders in:

ISIN NO 001 063043.7 – 10 per cent Funcom N.V. Senior Unsecured Convertible Bond Issue 2011/2014

Oslo, 6 July 2016

Summons to Bondholders' Meeting – Proposed Amendments of Maturity Date and Conversion Price

Nordic Trustee ASA (formerly known as Norsk Tillitsmann ASA) (the “**Bond Trustee**” or **Nordic Trustee**”) acts as bond trustee for the holders (the “**Bondholders**”) of the above mentioned bond issue (the “**Bond Issue**”) issued by Funcom N.V. (“**Funcom**”, the “**Company**” or the “**Issuer**”).

All capitalized terms used and not otherwise defined herein (including any attachment hereto) shall have the meaning assigned to them in the bond agreement for the Bond Issue dated 21 December 2011 (as amended) (the “**Bond Agreement**”).

The information in this summons regarding the Issuer and market conditions are provided by the Issuer, and the Bond Trustee expressly disclaims all liability whatsoever related to such information.

1. BACKGROUND

In addition to this summons to Bondholders' Meeting, please, refer to the most recent quarterly report and presentation, published by the Company on 19 May 2016 which provides background information and an update on the Company's financial and operating status (the “**Background and Company Update**”). The quarterly report and presentation can be found at: <http://www.newsweb.no/newsweb/search.do?messageId=402184>.

The Company has received and accepted some offers from its major creditor KGJ Investments S.A., SICAV-SIF (“**KGJI**”) regarding the maturity date of the Bond Issue, of which KGJI holds USD 6 million. KGJI has offered to extend the current Maturity Date to 31 December 2018 and to change the Fixed Rate to 3.5%.

The Issuer also proposes to settle the accrued interest from and including 25 April 2013 to, but not including, 26 February 2016 by way of issuance of additional Bonds. Interest from and including 26 February 2016 until 20 July 2016 will be calculated against the current Fixed Rate of 5 % (and paid within 10 Banking Days after the Bondholders' Meeting); interest from and including 20 July 2016 is proposed to accrue at a Fixed Rate of 3.5% (and paid quarterly in cash). To facilitate the issuance of additional Bonds, the denomination of the Bonds will be changed to USD 1. These Bonds will be issued as soon as possible, and not later than 15 Banking Days, after the Effective Date. For the avoidance of doubt, the additional Bonds will bear interest from and including 20 July 2016, and no default interest according to clause 10.4 of the Bond Agreement will accrue. The Bondholders will receive 16,180.56 additional Bonds with denomination of USD 1 per Bond with denomination of USD 100,000 held (subject to rounding).

2. PROPOSED AMENDMENTS TO THE BOND AGREEMENT

The Issuer has approached the Bond Trustee with a request to convene a Bondholders' Meeting in order to put forward the following proposed amendment of certain terms of the Bond Agreement (together the "**Proposal**");

- (i) the Maturity Date shall be extended from 15 December 2016 to 31 December 2018. Any adjustment will be made according to the Business Day Convention;
- (ii) the Conversion Price shall be adjusted from USD 0.24 per Share to USD 0.1036 per Share;
- (iii) the definition of "Conversion Right" shall be amended to read as follows:

"means the right of each Bondholder to convert each Bond into Shares at the Conversion Price in effect on the relevant Conversion Date. Based on the initial Conversion Price, each Bond will convert into 9.6525 Shares, subject to clauses 12, 13 and 14 (including, inter alia, that the number of Shares shall be rounded down to the nearest whole Share)."

- (iv) clause 8.1 shall be amended to read as follows:

*"The Issuer shall pay interest (the "**Fixed Rate**") on the face value of the Bonds as follows:*

- (i) *from, and including, the Issue Date to, but not including, 25 April 2013 at a fixed rate of 10 per cent per annum;*
- (ii) *from, and including, 25 April 2013 to, but not including, 20 July 2016 at a fixed rate of 5 %; and*
- (iii) *from, and including, 20 July 2016 to the Maturity Date at a fixed rate of 3.5 per cent per annum.*

- (v) the definition of "Interest Payment Date" shall be amended to read as follows:

"means 31 March, 30 June, 30 September and 31 December each year and the Maturity Date. Any adjustment will be made according to the Business Day Convention.

- (vi) clause 3.1 shall be amended to reflect a reduction of denomination from USD 100,000 to a denomination of USD 1. As a consequence each holder of a Bond with a denomination of USD 100,000 will following the reduction of denomination hold 100,000 Bonds with a denomination of USD 1 that each can convert into 9.6525 Shares subject to clauses 12, 13 and 14 (including, inter alia, that the number of Shares shall be rounded down to the nearest whole Share) and the Issuer will issue to each holder of a Bond the incremental number of rights to acquire shares (*rechten tot het nemen van aandelen*) in the capital of the Issuer.

- (vii) new clause 8.4 to be included as follows:

"The interest for the period from and including 25 April 2013 to, but not including, 26 February 2016 shall be paid in the form of additional Bonds, each having a denomination of USD 1. The number of additional Bonds shall be rounded down to the nearest USD. The additional Bonds shall be issued as soon as possible, and not later than 15 Banking Days, after the Effective Date."

The Proposal shall inter alia be subject to the Bond Trustee having received the following documents, in form and substance satisfactory to it, on or before 31 August 2016 (the "**Conditions**");

- (i) an amendment agreement to the Bond Agreement duly executed (the “**Amendment Agreement No. 3**”);
- (ii) copies of all necessary corporate resolutions to amend the Bond Agreement and to execute the Amendment Agreement;
- (iii) any statements or legal opinions required by the Bond Trustee.

3 THE COMPANY’S EVALUATION

The proposed changes have the objective of

- (i) Providing a more reasonable Conversion Price incentive given current share price level of the Funcom stock.
- (ii) Give Funcom a cash relief which would help Funcom in their search of interested parties for discussions surrounding a possible investment, acquisition, merger, or any other strategic options available to the Company.

For more information, please contact:

Rui Casais, CEO at: ruic@funcom.com

4 NON-RELIANCE

Nothing herein shall constitute a recommendation to the Bondholders by the Bond Trustee. The Bondholders should independently evaluate the Proposal and vote accordingly.

5 BONDHOLDERS’ MEETING

To enable the Issuer to conduct the proposed change of the Bond Agreement, the Issuer has requested the Bond Trustee to summon a Bondholders’ Meeting to consider the approval of the proposed changes in the form of the Proposal.

Bondholders are hereby summoned to a Bondholders’ Meeting:

Time: 20 July 2016 at 13:00 hours (Oslo time)
Place: The premises of Nordic Trustee ASA
Haakon VIIIs gt 1, 0161 Oslo, 6th floor

Agenda:

- 1. Election of Bond Trustee as Chairman
- 2. Approval of the summons
- 3. Approval of the agenda
- 4. Election of two persons to co-sign the minutes together with the Chairman
- 5. Approval of the Proposal:

It is proposed that the Bondholders’ Meeting resolve the following:

“The Bondholders’ Meeting approves the Proposal, subject to the Conditions (both as described in section 2 of the summons to this Bondholders’ Meeting, insofar not already satisfied by the time of the Bondholders’ Meeting).

The Bond Trustee is hereby authorised to complete the negotiation of form, terms, conditions and timing in relation to the Proposal, without any obligation to notify the Bondholders as provided for in the Bond Agreement. Further, the Bond Trustee is given power of attorney to enter into the necessary agreements in connection with documenting the decisions made by the Bondholders' Meetings as well as to carry out the necessary completion work, including making amendments to the Bond Agreement and enter into an addendum agreement to the Bond Agreement."

To approve the above Proposal, Bondholders representing at least 75% of the Voting Bonds represented in person or by proxy at the Bondholders' Meeting must vote in favour of the Proposal. In order to have a quorum, at least 1/2 of the Voting Bonds must be represented at the Bondholders' Meeting. If the Proposal is not adopted, the Bond Agreement will remain unchanged.

Please find attached a Bondholder's Form from the Securities Depository (VPS), indicating your bondholding at the printing date. The Bondholder's Form will serve as proof of ownership of the Bonds and of the voting rights at the Bondholders' Meeting. (If the bonds are held in custody - i.e. the owner is not registered directly in the VPS - the custodian must confirm; (i) the owner of the bonds, (ii) the aggregate nominal amount of the bonds and (iii) the account number in VPS on which the bonds are registered.)

The individual Bondholder may authorise Nordic Trustee to vote on its behalf, in which case the Bondholder's Form also serves as a proxy. A duly signed Bondholder's Form, authorising Nordic Trustee to vote, must then be returned to Nordic Trustee in due time before the date of the Bondholders' Meeting is scheduled (by scanned e-mail, telefax or post).

In the event that Bonds have been transferred to a new owner after the Bondholder's Form was made, the new Bondholder must bring to the Bondholders' Meeting or enclose with the proxy, as the case may be, evidence which the Bond Trustee accepts as sufficient proof of the ownership of the Bonds.

For practical purposes, we request those who intend to attend the Bondholders' Meeting, either in person or by proxy other than to Nordic Trustee, to notify Nordic Trustee by telephone or by e-mail (mail@nordictrustee.com) within 16:00 hours (4 pm) (Oslo time) the Banking Day before the Bondholders' Meeting takes place.

Yours sincerely
Nordic Trustee ASA


Lars Erik Lærum