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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, 12 October 2015

Summons to Bondholders' Meeting – Proposed Amendments of Maturity Date, Conversion Price and including a Prepayment Option

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 on 23 May 2013) (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 26 August 2015 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=384215>.

The Company has received and accepted an offer 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 15 December 2016.

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 22 December 2015 to 15 December 2016;
- (ii) the Conversion Price shall be adjusted from USD 0.37 per Share to USD 0.24 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 416,666.67 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) to include a new definition of a "Prepayment Option" that will read as follows:

"means the option of the Issuer to redeem outstanding Bonds upon the occurrence of a Prepayment Option Event."

- (v) to include a new definition of a "Prepayment Option Event" that will read as follows:

"means a sale of some, all or parts of the Issuer's subsidiaries or other assets prior to the Maturity Date."

- (vi) to include a new definition of the "Outstanding Loans" that will read as follows:

"means this convertible bond loan issued on 22 December 2011 with ISIN NO 001063043.7 plus certain loan agreements between Funcom N.V. and KGJ Investments S.A., SICAV-SIF, or a related party of KGJ Investments S.A., SICAV-SIF, being either current outstanding loan agreements or future loan agreements to be executed."

- (vii) to include a new clause 9.4 in the Bond Agreement that will read as follows:

"9.4 Prepayment Option

9.4.1 Upon the occurrence of a Prepayment Option Event, the Issuer has the possibility to apply any proceeds from such sales (the "Proceeds") to redeem the Outstanding Loans as follows

- (i) to redeem the Outstanding Loans in full if the Proceeds are sufficient; or*
- (ii) to apply a minimum of 80% of the Proceeds to redeem the Outstanding Loans.*

9.4.2 Exercise of the Prepayment Option with respect to the Bonds shall be notified by the Issuer in writing to the Bond Trustee and the Bondholders at least ten Business Days prior to the settlement date of the Prepayment Option.

9.4.3 In case Issuer opts for the Prepayment Option, partial redemption of Bonds must be carried out pro rata (in accordance with the procedures of the Securities Depository).

9.4.4 In case Issuer opts for the Prepayment Option, the Issuer shall pay on the settlement date of the Prepayment Option to each of the Bondholders holding Bonds to be redeemed, in respect of each such Bond, the principal amount of such Bond and any unpaid interest accrued to the settlement date.

9.4.5 Bonds redeemed by the Issuer in accordance with this clause 9.4 shall be discharged against the Outstanding Bonds."

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 30 November 2015 (the "Conditions"):

- (i) an amendment agreement to the Bond Agreement duly executed (the "Amendment Agreement No. 2");

- (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: 26 October 2015 at 13:00 hours (Oslo time)
Place: The premises of Nordic Trustee ASA
Haakon VII's 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 (www.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