

**Explanatory notes to the agenda for the Extraordinary General Meeting of Shareholders of Funcom N.V. of 30 January 2018 (the “Meeting”)**

**1. Opening. (discussion)**

The chairman will open the Meeting at 11.00 Central European Time.

**2. Proposal to designate (*aanwijzen*), pursuant to Section 4.9 and 4.1 of Funcom N.V.’s articles of association, the Board of Supervisory Directors as body (*orgaan*) of Funcom N.V. authorized to issue up to a maximum of 22,300,000 (twenty-two million three hundred thousand million) shares (*aandelen*) in the capital of Funcom N.V., specifically including the authority to issue rights to acquire shares (*rechten tot het nemen van aandelen*) in the capital of Funcom N.V., and to determine the terms and conditions of each and any such issuance(s), which proposed designation of the Board of Supervisory Directors shall be valid from the date of the Meeting until the first ordinary general meeting of shareholders of Funcom N.V. to be held in the year 2018. This proposed designation of the Board of Supervisory Directors shall furthermore be in addition to – expand – the authority granted to the Board of Supervisory Directors in the Annual General Meeting of Shareholders of Funcom N.V. of 27 June 2017. This proposed designation may at all times be revoked by the general meeting of Funcom N.V. The general meeting of Funcom N.V. furthermore remains authorized to (i) resolve on any issuance of shares (*aandelen*) and/or rights to acquire shares (*rechten tot het nemen van aandelen*) during the period of this proposed designation of the Board of Supervisory Directors and (ii) to designate (*aanwijzen*), pursuant to Section 4.9 and 4.1 of Funcom N.V.’s articles of association, the Board of Supervisory Directors as body (*orgaan*) of Funcom N.V. authorized to issue shares (*aandelen*) in the capital of Funcom N.V., specifically including the authority to issue rights to acquire shares (*rechten tot het nemen van aandelen*) in the capital of Funcom N.V. (vote)**

The proposed designation is intended to give the Board of Supervisory Directors, *inter alia*, the possibility to issue shares (*aandelen*) in the capital of Funcom N.V., specifically including the authority to issue rights to acquire shares (*rechten tot het nemen van aandelen*) in the capital of Funcom N.V. to Tranicos LLC, a Cabinet Group LLC subsidiary. Reference is furthermore made to the press release by Funcom N.V. that was published – *inter alia* – on the website of the Oslo Stock Exchange and on Funcom N.V.’s website on 18 December 2017.

**3. Proposal to designate, pursuant to Section 4.3 of Funcom N.V.’s articles of association, the Board of Supervisory Directors as body of Funcom N.V. authorized to limit or exclude the pre-emptive rights (*voorkeursrecht*) of the shareholders of Funcom N.V. in relation to each and every issuance of shares, or granting of rights to acquire shares, in the capital of Funcom N.V., referred to under agenda item 2 above. This proposed designation of the Board of Supervisory Directors shall be valid from the date of the Meeting until the first ordinary general meeting of shareholders of Funcom N.V. to be held in the year 2018. This proposed designation of the Board of Supervisory Directors shall also be in addition to – expand – the authority granted to the Board of Supervisory Directors in the Annual General Meeting of Shareholders of Funcom N.V. of 27 June 2017. The general meeting of Funcom N.V. furthermore remains authorized to (i) resolve on any limitation or exclusion of pre-emptive rights (*voorkeursrecht*) during the period of this proposed designation of the Board of Supervisory Directors and (ii) to designate, pursuant to Section 4.3 of Funcom N.V.’s articles of association, the Board of Supervisory Directors as body of Funcom N.V. authorized to limit**

**or exclude the pre-emptive rights (*voorkeursrecht*) of the shareholders of Funcom N.V. in relation to issuances of shares, or granting of rights to acquire shares, in the capital of Funcom N.V. (vote)**

The proposal is to designate the Board of Supervisory Directors as body of Funcom N.V. authorized to limit or exclude the pre-emptive rights of the shareholders of Funcom N.V. in relation to each and every issuance of shares, or granting of rights to acquire shares, in the capital of Funcom N.V., referred to under agenda item 2 above. Reference is made to the explanatory notes made in relation to this agenda item 2.

This proposal can only be adopted by a majority of at least two-thirds of the votes cast.

**4. Proposal to designate (*aanwijzen*), pursuant to Section 4.9 and 4.1 of Funcom N.V.'s articles of association, the Board of Supervisory Directors as body (*orgaan*) of Funcom N.V. authorized to issue up to a maximum of 34,000,000 (thirty-four million) shares (*aandelen*) in the capital of Funcom N.V., specifically including the authority to issue rights to acquire shares (*rechten tot het nemen van aandelen*) in the capital of Funcom N.V., and to determine the terms and conditions of each and any such issuance(s), which proposed designation of the Board of Supervisory Directors shall be valid from the date of the Meeting until the first ordinary general meeting of shareholders of Funcom N.V. to be held in the year 2018. This proposed designation of the Board of Supervisory Directors shall furthermore be in addition to – expand – the authority granted to the Board of Supervisory Directors in the Annual General Meeting of Shareholders of Funcom N.V. of 27 June 2017. This proposed designation may at all times be revoked by the general meeting of Funcom N.V. The general meeting of Funcom N.V. furthermore remains authorized to (i) resolve on any issuance of shares (*aandelen*) and/or rights to acquire shares (*rechten tot het nemen van aandelen*) during the period of this proposed designation of the Board of Supervisory Directors and (ii) to designate (*aanwijzen*), pursuant to Section 4.9 and 4.1 of Funcom N.V.'s articles of association, the Board of Supervisory Directors as body (*orgaan*) of Funcom N.V. authorized to issue shares (*aandelen*) in the capital of Funcom N.V., specifically including the authority to issue rights to acquire shares (*rechten tot het nemen van aandelen*) in the capital of Funcom N.V. (vote)**

The proposed designation is intended to give the Board of Supervisory Directors, *inter alia*, the possibility to issue shares (*aandelen*) in the capital of Funcom N.V., specifically including the authority to issue rights to acquire shares (*rechten tot het nemen van aandelen*) in the capital of Funcom N.V. via private placement in order to attract funds for the development of new games. Reference is furthermore made to the press release by Funcom N.V. that was published – *inter alia* – on the website of the Oslo Stock Exchange and on Funcom N.V.'s website on 18 December 2017.

**5. Proposal to designate, pursuant to Section 4.3 of Funcom N.V.'s articles of association, the Board of Supervisory Directors as body of Funcom N.V. authorized to limit or exclude the pre-emptive rights (*voorkeursrecht*) of the shareholders of Funcom N.V. in relation to each and every issuance of shares, or granting of rights to acquire shares, in the capital of Funcom N.V., referred to under agenda item 8 above. This proposed designation of the Board of Supervisory Directors shall be valid from the date of the Meeting until the first ordinary general meeting of shareholders of Funcom N.V. to be held in the year 2018. This proposed designation of the Board of Supervisory Directors shall also be in addition to – expand – the authority granted to the Board of Supervisory Directors in the Annual General Meeting of Shareholders of Funcom N.V. of 27 June 2017. The general meeting of Funcom N.V.**

**furthermore remains authorized to (i) resolve on any limitation or exclusion of pre-emptive rights (*voorkeursrecht*) during the period of this proposed designation of the Board of Supervisory Directors and (ii) to designate, pursuant to Section 4.3 of Funcom N.V.'s articles of association, the Board of Supervisory Directors as body of Funcom N.V. authorized to limit or exclude the pre-emptive rights (*voorkeursrecht*) of the shareholders of Funcom N.V. in relation to issuances of shares, or granting of rights to acquire shares, in the capital of Funcom N.V. (vote)**

The proposal is to designate the Board of Supervisory Directors as body of Funcom N.V. authorized to limit or exclude the pre-emptive rights of the shareholders of Funcom N.V. in relation to each and every issuance of shares, or granting of rights to acquire shares, in the capital of Funcom N.V., referred to under agenda item 4 above. Reference is made to the explanatory notes made in relation to this agenda item 4.

This proposal can only be adopted by a majority of at least two-thirds of the votes cast.

**6. Proposal to amend the articles of association of Funcom N.V. pursuant to a proposal from the Board of Supervisory Directors to that end. The draft text of the amendment to the articles of association is available for inspection at Prins Mauritslaan 37 - 39, 1171LP Badhoevedorp, the Netherlands, at the website of Oslo Børs ([www.oslobors.no](http://www.oslobors.no)) and at Funcom N.V.'s website ([www.funcom.com](http://www.funcom.com)), as of the date hereof. The proposal includes authorizing (*machtiging verlenen*) the persons employed at the office of Caminada Notarissen, Civil Law Notaries, in Rijswijk (South Holland), the Netherlands to cause the notarial instrument of amendment of the articles of association of Funcom N.V. to be executed, to make the necessary filings with the Trade Register in relation thereto and to do and perform any and all such other acts as he or she may deem appropriate. (vote)**

The proposal is to approve the amendment to the articles of association substantially in accordance with the draft prepared for that purpose. The amendment to the articles of association allows for the 5:1 reverse stock split. Reference is furthermore made to the press release by Funcom N.V. that was published – *inter alia* – on the website of the Oslo Stock Exchange and on Funcom N.V.'s website on 18 December 2017.

This proposal can only be adopted by a majority of at least two-thirds of the votes cast.

## **7. Closing. (discussion)**

Absent any miscellaneous matters to be raised, the Meeting will be closed.

Board of Supervisory Directors