

Explanatory notes to the agenda for the Extraordinary General Meeting of Shareholders of Funcom N.V. of 14 September 2018 (the “Meeting”)

1. Opening. (discussion)

The chairman will open the meeting at 11.00 CET local time.

2. Proposal to, effective as of the date of the Meeting, appoint Mrs. Susana Meza Graham as new member of the Board of Supervisory Directors, pursuant to a proposal from the Board of Supervisory Directors to that end. The term of appointment of the new Supervisory Director (*commissaris*) shall expire at the end of the first ordinary general meeting of shareholders which is held after two full calendar years have elapsed since 14 September 2018. (vote)

Mrs. Meza Graham is a Swedish citizen and was born on 6 August 1976 and lives in Stockholm, Sweden. Mrs. Meza Graham has a background as Marketing and PR Manager at Paradox Interactive AB (2004-2005), Marketing and PR Director at Paradox Interactive AB (2006), Director Marketing & PR at Paradox Interactive AB and GamersGate AB (2007-2009), Executive Vice President Publishing at Paradox Interactive AB (2009-2011), Chief Marketing Officer at Paradox Interactive AB (2011-2014), Board Member at Association of Swedish Game Developers (2014-2017), the trade association for Swedish Game Developers. As a board member she worked together with the rest of the elected board to create a good environment for successful development of great games in Sweden, in the short- and long term. Mrs. Meza Graham acted furthermore as Chief Operating Officer at Paradox Interactive AB (2014-2018), where she led the company as part of the management team and helped set the strategic direction, vision and goals of Paradox. She was responsible for everything related to the People of Paradox including leadership development and company culture as well as performed the corporate communication and messaging pre- and post IPO. Mrs. Meza Graham is currently a member of the Advisory Board at The AbleGamers Charity (since 2016), an organization aimed at making sure everyone can game, where she supports the management based on needs. She also is a Senior Advisor & Brand Ambassador at Paradox Interactive AB (since June 2018). Mrs. Meza Graham holds a Bachelor degree from the Stockholm University focused on International management and marketing. The Board of Supervisory Directors is of the opinion that Mrs. Meza Graham’s business knowledge in the gaming industry and vast experience as PR executive will be very valuable in advising Funcom N.V. and making strategic decisions concerning Funcom N.V. going forward. Mrs. Meza Graham does not serve as Supervisory Director for any other (Dutch) company. Mrs. Meza Graham holds, via her controlled company Advenimus AB, 5,000 (depository ownership in) shares (*aandelen*) Funcom N.V. Mrs. Meza Graham currently holds no options in Funcom N.V.

3. Proposal to determine the compensation of Mrs. Susana Meza Graham for her activities as Supervisory Director, for the (remaining period of the) 2018

financial year. The proposal is to fix her gross pro-rata compensation at EUR 21,000 (twenty-one thousand Euro) per annum. (vote)

Funcom N.V. has a policy regarding the compensation of the members of the Board of Supervisory Directors. Pursuant to Section 21 of Funcom N.V.'s articles of association the General Meeting determines the compensation of the members of the Board of Supervisory Directors. The proposed compensation together with the proposed rights to acquire shares of Funcom N.V. (reference is made to agenda item 4) represent a remuneration package comparable to current market trends for supervisory board members' remuneration in similar industries and allows Funcom to attract competent and experienced professionals such as Mrs. Susana Meza Graham to serve as Supervisory Directors.

- 4. Proposal to approve the issuance of 38,000 (thirty-eight thousand) rights to acquire (an equal number of) (depository ownership in) shares in Funcom N.V. to Mrs. Susana Meza Graham as part of her compensation as Supervisory Directors over the 2018 financial year. The allocation and exercise of the rights to acquire shares (*options*) shall be subject to the relevant general terms and the exercise price of the options will be the average volume-weighted share price on the Oslo Stock Exchange for the five trading days preceding and the five trading days following the date of the grant of the aforementioned rights. (vote)**

Funcom N.V. has a policy regarding the compensation of the members of the Board of Managing Directors. Pursuant to Section 10.5 of Funcom N.V.'s articles of association compensation in the form of shares or rights to acquire shares – as is proposed here – require the approval of the General Meeting.

- 5. Proposal to set the number of Supervisory Directors at 6 (six). (vote)**

In case the proposed appointment of Mrs. Susana Meza Graham as Supervisory Director is adopted, the Board of Supervisory Directors will – in addition to Mr. Ole Arne Prydz Gladhaug, Mr. Alain Tascan, Mr. Fredrik Per Malmberg, Mr. Andreas Arntzen and Mr. Egil Kvannli – consist of six members. Pursuant to Section 17.1 of Funcom N.V. articles of association, the number of Supervisory Directors is determined by the General Meeting.

- 6. Closing. (discussion)**

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

The Board of Supervisory Directors