Explanatory notes to the agenda of the Annual General Meeting of Shareholders of Fyber N.V. (the Company) to be held on 26 September 2017

Agenda item 2 - Annual Accounts 2016

(a) Report by the management board regarding the financial year 2016

This item will be discussed.

The management board will report on the business and results of operations for the financial year 2016.

(b) Implementation of the remuneration policy for the management board in the financial year 2016

This item will be discussed.

In accordance with Section 2:135 paragraph 5a of the Dutch Civil Code, the execution of the remuneration policy during the financial year 2016 is discussed on the basis of the information provided by the Company in the 2016 annual accounts. The 2016 annual accounts, which include the information required pursuant to Sections 2:383c through 2:383e of the Dutch Civil Code, are available on the website of the Company http://www.fyber.com/reports-presentations/.

(c) Proposal to adopt the 2016 annual accounts and appropriation of losses.

This item will be voted on.

It is proposed to the general meeting to adopt the 2016 annual accounts drawn up by the management board and approved by the supervisory board. The auditor of the Company has audited the annual accounts and issued an unqualified auditors statement (page 140 of the 2016 annual accounts). The adoption of the 2016 annual accounts includes the proposal of the management board to allocate the losses of the Company for the financial year 2016 to the accumulated deficit.

(d) Proposal to discharge the management board members from liability

This item will be voted on.

In accordance with article 28.2 of the articles of association of the Company, it is proposed to the general meeting to discharge all members of the management board, including the members who have now left the Company; Mr Andreas Bodczek and Mr Heiner Lutz, who both stepped down on 25 July 2017, from all liability in relation to the exercise of their duties in the financial year 2016, to the extent that such exercise is apparent from the 2016 annual accounts or has been otherwise disclosed to the general meeting prior to the adoption of the 2016 annual accounts.

(e) Proposal to discharge the supervisory board members from liability

This item will be voted on.

In accordance with article 28.2 of the articles of association of the Company, it is proposed to the general meeting to discharge the members of the supervisory board, including Mr. Crid Yu, who stepped down from the supervisory board on 25 July 2017, Mr. Thorsten Grenz, who stepped down on 5 April 2017 and Mr. Ryan Kavanaugh, who stepped down on 16 November 2016, from all liability in relation to the exercise of their duties in the financial year 2016, to the extent that such exercise is apparent from the 2016 annual accounts or has been otherwise disclosed to the general meeting prior to the adoption of the 2016 annual accounts.

3. Restriking exercise price convertible bonds

Proposal to designate the management board as the competent body to grant rights to subscribe for a maximum of up to 50,000,000 shares pursuant to convertible bonds, to restrict or exclude related pre-emptive rights and to ratify the existing grants.

This item will be voted on.

On 1 April 2015 the general meeting has designated the management board, with the approval of the supervisory board, to offer up to 1,500 Senior Secured Convertible Bonds with a nominal amount of EUR 100,000 each, due in 2020 and convertible into shares in the capital of the Company (the **Convertible Bonds**).

The Convertible Bonds may be converted into shares from the date of their issue, until the close of business on the day falling 10 calendar days prior to their maturity date, being the date five (5) years after the date on which the Convertible Bonds have been issued. However, in the event of early redemption, the Convertible Bonds may be converted until the close of business on the 10th calendar day before the date fixed for redemption. All subject to any excluded periods pursuant to Dutch law and regulations. It was originally contemplated to issue the Convertible Bonds with a minimum conversion price of EUR 3.75 per share, which could have resulted in a maximum number of 40,000,000 ordinary shares into which the Convertible Bonds could be converted.

Earlier this year, the terms of the Convertible Bonds were amended and the conversion price was changed to EUR 3, resulting in a maximum number of 50,000,000 ordinary shares into which the Convertible Bonds may be converted. More information on the restriking of the Convertible Bonds can be found in the press release of 2 March 2017:

https://investors.fyber.com/assets/media/rntsmedian-v-bondholdermeetingnotice-pressrelease.pdf

The current issued share capital of the Company amounts to EUR 11,453,333.30, divided into 114,453,333 ordinary shares of EUR 0.10 each. This means the Convertible Bonds are convertible into a maximum of up to 43.7% of the current issued share capital under the amended terms.

In accordance with Articles 6.2 and 6.3 of the Articles of Association of the Company the management board, with the approval of the supervisory board, therefore proposes to the general meeting to (i) ratify and confirm the issuance of the Convertible Bonds at a conversion price of EUR 3 and (ii) designate the management board as the corporate body competent to grant rights to subscribe for a maximum of up to 50,000,000 shares of EUR 0.10 each against an issue price that is not lower than EUR 3 per share, to be paid up by conversion of the Convertible Bonds (one Convertible Bond equals up to 33,333.33 shares), for a period of five years from the date of the original designation, and hence until 1 April 2020.

A resolution by management board to issue the Convertible Bonds is subject to the approval of the supervisory board.

The authorisation to exclude the statutory pre-emptive rights of shareholders is requested to allow the Company to accelerate the book building process and to offer the management board the flexibility in its approach of possible investors who are willing to subscribe for the Convertible Bonds; all in order to maximise the expected terms and proceeds that the Company could acquire from the issue of the Convertible Bonds. Furthermore, it could be that certain shareholders in certain countries may not be eligible to participate in the issue of the Convertible Bonds.

In accordance with Articles 7.2 and 7.3 of the Articles of Association of the Company the Management Board, with the approval of the supervisory board, therefore proposes to the general meeting to designate the management board as the competent body to resolve to restrict or exclude pre-emptive rights with respect to the granting of rights to subscribe for shares under agenda item 3(a) for a period of five years, starting from the date of the original designation, and hence until 1 April 2020. A resolution by the management board to restrict or exclude pre-emptive rights in connection to the issue of the Convertible Bonds is subject to the approval of the supervisory board.

4. Proposal to appoint Yaron Valler as a member of the Supervisory Board

This item will be voted on.

On 13 February 2017 the Supervisory Board has appointed Mr. Yaron Valler as acting member of the Supervisory Board, to temporarily fill a vacancy in the Supervisory Board in accordance with Article 25.1 of the Articles of Association of the Company.

It is proposed to formalize this position and appoint Mr. Valler as member of the Supervisory Board. The proposed appointment is for a term ending at the close of the annual general meeting of shareholders to be held in 2021, which is the fourth year after the year of the appointment.

Mr. Valler (47) has Israeli nationality and is a partner at Target Global. Prior to joining Target Yaron managed Hasso Plattner Ventures, where he invested in companies such as Panaya (sold to Infosys), Fyber (sold to RNTS Media), Delivery Hero and many other leading companies in Berlin and Israel. Before that Yaron led the enterprise software practice at Giza Venture Capital where he invested in companies such as Soluto (sold to Asurion), Yadata (sold to Microsoft) and eGlue (sold to NICE Systems), was an early stage investor at the Technion Incubator, and was a co-founder and VP of business development at Excedo Technologies. Yaron holds an MBA from INSEAD in France and a B.Sc. in Information Systems Engineering from Ben-Gurion University in Israel.

Mr. Valler currently holds no shares in the Company.

Mr. Valler complies with the provisions of Section 2:142a of the Dutch Civil Code limiting the number of supervisory positions that may be held by supervisory board members of certain large companies within the meaning of these provisions. Mr Valler represents former shareholders of Fyber GmbH, whose holdings in the Company jointly exceed 10% of shares. Consequently, Mr Valler is not considered to be independent within the meaning of Best Practice Provision III.2.2 of the Dutch Corporate Governance Code.

The Supervisory Board nominates Mr. Valler because Mr Valler fits the criteria for expertise and background as described in paragraph 3 of the profile of the Supervisory Board. Further Mr Valler will act as representative of the group of shareholders of the Company who were former shareholders of Fyber GmbH and in such capacity still have certain rights against the Company under the share purchase agreement and related documentation governing the acquisition of Fyber GmbH by the Company. The designation of Mr Valler will therefore strengthen the connection with the shareholders and add a shareholder perspective.

Despite the Supervisory Board's aim of a diversified composition in terms of areas of expertise and experience, gender and independence, Mr. Valler is in the opinion of the Supervisory Board the best available candidate for this position.

As a Supervisory Board member Mr. Valler will be entitled to the same remuneration for members of the Supervisory Board as was approved by the general meeting at the April 2017 EGM, being USD 100,000 per annum or less upon decision of the Supervisory Board. Also, Mr. Valler will be entitled to coverage under the Company's D&O policy.

5. Shares

(a) Proposal to authorise the management board to resolve that the Company may acquire its own shares

This item will be voted on.

The management board proposes to the general meeting to resolve that the Company may acquire its own shares:

- for the specific purpose of repurchases of shares that may take place in connection with the acquisition by the Company of the shares in the capital of Fyber GmbH (the **Transaction**), which Transaction completed in October 2014;

- for the purpose of allowing the management board flexibility to cover the Company's obligations related to share based remuneration pursuant to the stock option plan and other obligations that the Company may have; and furthermore

- to allow the Company to repurchase shares in the interest of the Company and/or its shareholders for the purpose of mergers and acquisitions or otherwise.

The circumstances under which the Company could be required to repurchase shares in connection with the Transaction were described in the explanatory notes to the agenda of the extraordinary general meeting of shareholders that was held on 23 September 2014.

In these notes it was explained that as part of the Transaction, Sapinda Asia Ltd. (**Sapinda Asia**) has granted a put option right to the former shareholders of Fyber GmbH. Pursuant to the put option right Sapinda Asia may be required to purchase the shares in the capital of the Company that were acquired by the former shareholders of Fyber GmbH (the **Former Fyber Shareholders**) as part of the Transaction for a purchase price of EUR 3.00 per share, all subject to the terms and conditions of a certain put option agreement. Sapinda Asia and the Company have agreed that the Company has a step-in right in relation to the put option agreement, pursuant to which the Company (or a third party designated by the Company) will be allowed to purchase the shares from the aforementioned Former Fyber Shareholders once they exercised their put option right and all on the same terms and conditions as Sapinda Asia.

Further, the Company has entered into a certain Fall-Back Agreement whereby a call option has been granted to these Former Fyber Shareholders. Pursuant to the terms and conditions of this Fall-Back Agreement, such as the occurrence of a trigger event as described therein, the Former Fyber Shareholders shall be entitled to re-acquire from the Company shares in the capital of Fyber GmbH on a pro rata basis as held by them prior to the Transaction for the return of the shares in the capital of the Company that they acquired in connection with the Transaction. The terms and conditions of the call option further stipulate that it is not exercisable in parts. Reference is made to the shareholders circular that formed part of the meeting documents of the extraordinary general meeting of shareholders that was held on 23 September 2014 for further details of the Fall-Back Agreement (and the call option).

In accordance with Section 2:98(2) of the Dutch Civil Code and Article 9.3 of the articles of association of the Company, the management board, with the approval of the supervisory board, therefore proposes to the general meeting to authorise the management board to have the Company acquire its own shares for a period of 18 months starting 26 September 2017 and ending 26 March 2019 (the existing authorisation on this matter – as granted by the general meeting on 15 June 2016 – will expire upon the adoption of this resolution). The number of shares to be acquired shall be limited to the maximum allowed under Dutch law.
Own shares may either be acquired by the Company against a payment in kind, consisting of shares in the capital of Fyber GmbH (if a fall-back scenario is triggered pursuant to the Fall-Back Agreement (and the call option)) or against a purchase price in cash.

Shares that are acquired against a purchase price in cash may be acquired on the stock exchange or through other means at a price per share of at least EUR 0.10 and at most the higher of: (i) EUR 3.75, (ii) the quoted share price plus 10% or (iii) if purchases are made on the basis of a program entered into with a single counterparty or using a financial intermediary, the average of the Volume Weighted Average Share Prices during the course of the programme. The quoted share price is defined as the average of the closing prices of Fyber N.V. shares as reported in the official price list of the Frankfurt Stock Exchange over the five trading days prior to the acquisition date. The Volume Weighted Average Share Price is defined as the volume weighted average price of trades in Fyber N.V. shares on the Frankfurt Stock Exchange between 9:00 AM (CET) and 17:30 PM (CET) adjusted for block, cross and auction trades. Resolutions by the management board to acquire the Company's own shares are subject to the approval of the supervisory board.

(b) Proposal to designate the management board as the competent body to issue shares

This item will be voted on.

In accordance with articles 6.2 and 6.3 of the articles of association of the Company, the management board, with the approval of the supervisory board, proposes to the general meeting to designate the management board as the company body competent to issue shares and to grant rights to subscribe for shares for a period of five (5) years, starting 26 September 2017 and ending 26 September 2022 (the existing designation on this matter – as granted by the general meeting on 15 June 2016 – will expire upon the adoption of this resolution). The number of shares to be issued shall be limited to a maximum of 30% of the entire issued capital of the Company on a fully diluted basis. The term "issued capital" means the issued capital (on a fully diluted basis) as of 26 September 2017. Resolutions by the management board to issue shares or to grant rights to subscribe for shares are subject to the approval of the supervisory board.

With respect to the issuance of any shares that are issued under this authorization to participants of the Company's equity award programs, provided that such shares are issued on the terms of such programs and that these equity award programs have been approved by the general meeting or to members of the supervisory board to the extent that these shares are issued as part of their remuneration, the management board, with the approval of the supervisory board, may also determine that the shares concerned will, in whole or in part, be issued and paid-up at the expense of the Company's freely distributable reserves.

The proposed designation will replace the designation granted to the management board on 15 June 2016.

(c) Proposal to designate the management board as the competent body to restrict or exclude pre-emptive rights upon issuing shares

This item will be voted on.

In the event of a share or rights issue it could be that certain shareholders with residency outside EU may not be eligible to participate in the share or the rights issue.
In accordance with articles 7.2 and 7.3 of the articles of association of the Company, the management board, with the approval of the supervisory board, proposes to the general meeting to designate the management board as the competent body to resolve to restrict or to exclude the pre-emptive rights upon the issuance of shares or granting of rights to subscribe for shares for a period of five (5) years as of the day of the AGM and therefore until 26 September 2022. The authority of the management board to resolve to restrict or to exclude the pre-emptive rights upon the issuance of shares will be restricted to 30% of the entire issued capital of the Company on a fully diluted basis. The term "issued capital" means the issued capital (on a fully diluted basis) as of 26 September 2017. Resolutions by the management board to restrict or exclude the pre-emptive rights are subject to the approval of the supervisory board.

The proposed designation will replace the designation granted to the management board on 15 June 2016.

(d) Proposal to designate the supervisory board as the competent body to grant members of the management board rights to subscribe for shares pursuant to the stock option plan and to restrict or exclude related pre-emptive rights

This item will be voted on.

Pursuant to article 12.4 of the articles of association of the Company the remuneration and further conditions of employment of each member of the management board are established by the supervisory board. In accordance with the aforementioned provision, it is proposed that the supervisory board administers the grant of stock options to members of the management board pursuant to the stock option plan.

In accordance with articles 6.2 and 6.3 of the articles of association of the Company, the management board, with the approval of the supervisory board, therefore proposes to the general meeting to designate the supervisory board as the company body competent to grant rights to subscribe for shares to members of the management board who are eligible to participate in the stock option plan, which designation will be for a period of five (5) years, starting 26 September 2017 and ending 26 September 2022 (the existing designation on this matter – as granted by the general meeting on 15 June 2016 – will expire upon the adoption of this resolution).
The number of options to be granted shall be limited to the maximums referred to in the stock option plan.

The supervisory board will not use its authority to grant rights to subscribe for shares pursuant to the stock option plan other than to grant options to members of the management board.
In accordance with articles 7.2 and 7.3 of the articles of association of the Company, the management board, with the approval of the supervisory board, therefore proposes to the general meeting to designate the supervisory board as the competent body to resolve to restrict or exclude pre-emptive rights with respect to the granting of rights to subscribe for shares under agenda item 4(d) for a period of five (5) years as of the day of the AGM and therefore until 26 September 2022 (the existing designation on this matter – as granted by the general meeting on 15 June 2016 – will expire upon the adoption of this resolution).

Agenda item 6 - Proposal to appoint the external auditor for the financial year 2018

In accordance with article 31 of the articles of association of the Company, it is proposed by the management board, with the approval of the supervisory board, to appoint Grant Thornton Accountants en Adviseurs B.V. as the external auditor of the Company for the financial year ending on 31 December 2018.

Grant Thornton Accountants en Adviseurs B.V. also audited the 2016 annual accounts and has been appointed to audit the 2017 annual accounts.

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