



Fyber N.V. publishes Annual Report 2019 and preliminary results for Q1 2020

22% growth of programmatic business in 2019 year-over-year and 36% in Q1 2020

Key Facts

- 22% year-over-year growth in the programmatic business in 2019 and 36% in Q1 2020
- Total revenue decreased by 7% 2019 due to a 30% decrease in offer wall business in 2019; returned to growth in Q1 2020 with year-over-year revenue increase of 12%
- Adjusted EBITDA improved by +62% to €-2.7 million in 2019 from €-7.2 million in 2018
- Positive adjusted EBITDA in Q4 2019
- Successful ongoing roll-out of Fyber's proprietary monetization platform Fyber FairBid
- Completed debt restructuring and returned to positive equity position

Berlin, 30 April 2020 – Fyber N.V. ("Fyber" or the "Company", FSE:FBEN), a leading app monetization company, today published its financial results for the full year 2019. The Company achieved a revenue of €119.0 million (FY 2018: €128.5 million) at an adjusted EBITDA of -€2.7 million (FY 2018: -€7.2 million). The operational cost base was reduced by 20% to €43.0 million through further cost savings following the completed integration of former group companies. Despite a 7% decline in revenue in 2019 compared to the previous year, the adjusted EBITDA improved by more than 60% and was positive in Q4 2019.

Diversified product offering led by advanced programmatic trading

Through consolidating existing products and releasing new ones throughout 2019 Fyber established a stable, well-diversified product stack. Each product is at a different stage of the life cycle and targets different customer groups. The Company formed relationships with some of the biggest app developers in the industry, confirming its product direction and investment focus. 2019 was the first year fully relying on Fyber's core business. The Company's ad space supply now comes exclusively from direct integrations with app developers, as opposed to aggregators on the publisher side.

Fyber FairBid is at the heart of our vision of becoming the primary independent monetization platform for app developers. It can be considered one of the few available monetization platforms on the market combining traditional and programmatic mediation capabilities, app bidding and the related granular and dynamic reporting. Fyber FairBid stands for transparency, fairness and true yield optimization. It brings together all demand sources in one parallel auction, maximizes the competition and minimizes missed revenue for app developers and advertising opportunities for marketers.

The programmatic business grew by 22% year-over-year for the full year 2019 and by 36% year-over-year for Q1 2020, driven by the Fyber Marketplace as the major revenue contributor. The programmatic in-app ad exchange is focused on display advertising such as banners, yet our investments are focused on video advertising capabilities and other full screen ad units. In the second half of 2019, we initiated a dedicated program to strengthen our video advertising demand from mobile-first demand-side platforms. First preliminary results for Q1 2020 demonstrate the effectiveness of the measure and the future potential, with the share of revenue stemming from video advertising growing compared to past periods.

Revenues from the non-programmatic business declined by more than 30% year-over-year in 2019. The development is largely based on Offer Wall Edge, a non-programmatic rewarded ad format mostly used within gaming apps, and the biggest contributor to Fyber's non-programmatic business. A change in Apple's policy rejected the concept of incentivizing users to download apps through a value exchange form

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Chairman of the Supervisory Board: Yair Safrai



of advertising within all offer walls. This impacted the segment industry-wide, as it eliminated certain ad campaign types from the offer wall and caused ad spend to weaken.

A combination of business and product initiatives enabled Fyber to achieve a turn-around for this specific ad format already during the year and we expect to return to growth for the full year 2020.

Outlook 2020 & preliminary results for Q1 2020

Fyber established a strong starting point for 2020. The revenue base consists entirely of the core products and all ad space supply comes from direct integrations with app developers. This creates a healthy foundation for the business and is one of the main strategic assets for Fyber. Moreover, the lean cost base allows the business to scale.

We will focus 2020 on organically growing the existing business lines and expanding the footprint of Fyber FairBid and our partner network on the publisher and the advertiser-side.

The Fyber Marketplace and Offer Wall Edge are expected to remain the main revenue contributors. We have developed product-driven growth initiatives for both of them, which are expected to positively influence the Company's operational and financial position. Already in the second half of 2019, we have onboarded new differentiated premium supply partners, which will help drive traction with new and potential demand partners. We will work on growing these young accounts during 2020. For existing clients, we assume stable rates of retention.

Due to the ongoing COVID-19 pandemic and the uncertainties around the effects on the global economy and Fyber's addressable market, the Company is not able to provide guidance for the full year 2020 at this point.

Initial preliminary results for Q1 2020 show a continuation of the growth trend in our programmatic business. Total revenue is expected at €31 million (Q1 2019: €28 million) with an adjusted EBITDA of €-1.0 million (Q1 2019: €-1.3 million). However, the onset of the COVID-19 pandemic showed first effects on the available brand advertising spend. For Fyber, this leads to an increase of the share of performance advertising and with that to a decline in revenue margin due to mix effects.

Ziv Elul, CEO of Fyber, comments: "2019 marked the 10 year anniversary of Fyber – a great occasion to present our best, most comprehensive technology platform yet to the market. We start the new decade with innovation and inspiring products led by Fyber FairBid that enable our publisher partners to achieve their full monetization potential. Ending the investments into the legacy structures freed up important resources to keep developing the existing offering and be more agile in adding new product features. It also helped to create a lean cost base, which will allow the business to scale."

Key Figures

In € million	Full year			Q4		
	2019	2018	Change YoY	2019	2018	Change YoY
Revenue	119.0	128.5	-7%	36.3	38.6	-6%
EBITDA*	(2.7)	(7.2)	+62%	0.6	0.6	n/a

*Note: Adjusted EBITDA excluding one-off impacts, not a measure calculated in accordance with IFRS

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About Fyber

Fyber is a leading advertising technology company, developing a next generation platform for the programmatic trading of ads, in a data-driven environment. Our mission is to fuel the creation of quality content by empowering app developers to unlock the true value of their advertising properties through advanced technologies, innovative ad formats and data-driven decision-making. Fyber's technology platform provides an open-access platform for both digital advertisers and publishers with a global reach. Fyber has offices in Berlin, Tel Aviv, New York, San Francisco, London, Beijing and Seoul. The Company employs more than 250 people globally and is listed on the Prime Standard of the Frankfurt Stock Exchange under the symbol 'FBEN'.

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