

Minutes of the Extraordinary General Meeting of Shareholders of Fyber N.V. held on 21 February 2019

Fyber N.V., having its official seat in Amsterdam, the Netherlands (the **Company**), held its Extraordinary General Meeting of shareholders in Amsterdam on Tuesday 21 February 2019, at 1:30 pm CET.

Chairperson : Yaron Zaltsman
Secretary : Manon Cremers, Stibbe

Mr Yaron Zaltsman, CFO of the Company was appointed by the Supervisory Board to act as chairperson of the meeting (hereafter the **Chairperson**), such in accordance with Article 36.1 of the articles of association of the Company (the **Articles of Association**).

Agenda item 1 - Opening and announcements

The Chairperson opened the Extraordinary General Meeting of shareholders (**EGM**) and introduced the following persons: Mr Yair Safrai, interim member of the Supervisory Board of the Company, who is attending by phone, Ms Verena Wrodnigg-Fladischer, Senior Director Governance of the Company, Ms Sabrina Kassmannhuber, Director Investor Relations of the Company, Ms Manon Cremers, partner and civil law notary with Stibbe N.V., Mr Allard Metzelaar, partner at Stibbe N.V., and Dennis Mollema, senior associate with Stibbe.

The Chairperson appointed Ms Manon Cremers as secretary of the EGM in accordance with article 37.1 of the Articles of Association of the Company and asked her to prepare the minutes of the proceedings of the meeting.

On behalf of the Chairperson, Ms Cremers made some practical announcements:

- (i) the meeting was convened by a notice that was placed on the website of the Company on 20 December 2018 and a press release has been issued about its availability. The complete agenda for the meeting, the explanatory notes thereto and a proxy form have been available on the website of the Company as well as in the German Bundesanzeiger as of the day of the convocation. These documents were also available for inspection at the offices of the Company in Berlin. The formal requirements provided by Dutch law and the articles of association for the holding of a general meeting of shareholders have been complied with so legally valid resolutions can be adopted at this meeting.
- (ii) the issued capital of the Company consists of 114,533,333 ordinary shares with a nominal value of EUR 0.10 each, of which the Company holds 1,966,667 shares in its own share capital. According to the attendance list 7 shareholders are represented. Together they are authorized to cast 56,869,117 votes. In respect of the entire issued and outstanding share capital 50,52% of the share capital of the Company was represented.
- (iii) the language of the meeting will be in English.

- (iv) if someone wishes to make a comment or ask a question during the meeting, this person will have to state his name and, if applicable, the name of the shareholder that he or she is representing;
- (v) the meeting is being recorded, in order to be able to prepare the minutes of the meeting.

The Chairperson then proceeded to agenda item 2.

Agenda item 2 - Refinancing

The Chairperson referred to the explanatory notes to the agenda and opens the floor for questions.

Questions and discussion

Mr Jansen (*representative of Guy Dubois and Tetra House Ltd.*) stated that Lexence, on behalf of Mr Guy Dubois and Tetra House, being shareholders in the Company, has been communicating with the Company in response to the notice that was given to this EGM, to have posed some questions and to have received a response on 14 February 2019. Mr Jansen referred to the explanatory notes, stating “*the preparation of a prospectus (...) is prohibitive given the urgency of the Refinancing*” and asked why the Refinancing is considered urgent, given the bond interest payments have been deferred until maturity date in July 2020.

The Chairperson responded by making reference to the Q3 interim financial statement of November 2018 in which the Company stated that the bonds interest payments have been delayed. The Chairperson mentioned that raising additional funds was key for the continuity of the Company, and it was therefore seeking additional financing of around EUR 5 million to support its short-term liquidity needs and the bonds coupon payment in January 2019. The Company approached banks that the Company used to work with in Israel and Europe, and a few shareholders. Unfortunately, all of them refused to finance the Company for several reasons, including the negative equity and the outstanding liability of the convertible bonds maturing in July 2020. The only viable offer was received by Sapinda Holding B.V. After the delay of the bonds interest payments, the loan facility was reduced to EUR 3 million, payable in two tranches, of which the first tranche has already been paid out in January 2019. The Chairperson confirms that this EUR 3 million bridge loan was essential for the Company’s working capital needs and that this fact was already communicated to the market with the Company’s Q3 interim statement.

Mr Jansen asked why Fyber did not give a status update of its current financial situation prior to deciding on the Refinancing?

The Chairperson referred to the Company’s Q3 2018 interim statement, which was published on 21 November 2018 and the Annual Report 2018, which will be published in April 2019. Any material updates to the information contained in the Q3 report would have been communicated to the market.

Mr Jansen stated that by letter of 31 January 2019 to the Management Board and Supervisory Board of the Company they have stated that it follows from the Company’s market communication dated 7 December 2018 that the Sapinda bridge loan was basically needed to serve a EUR 6 million short-term liquidity gap of the Company, comprising substantially of the EUR 4 million coupon payment due in January 2019. But then the bondholders resolved on 4 and 19 December 2018 to defer the coupon payments until July 2020, the maturity date of the bonds. Consequently, the EUR 6 million bridge facility turned out to be largely unnecessary. By letter of Mr Elul dated 14 February 2019, Mr Elul said that the bridge loan provided

by Sapinda was by no means unnecessary. Mr Jansen asked to explain why this Sapinda bridge loan is and continues to be essential for the Company's working capital needs.

The Chairperson referred to the Company's Q3 2018 interim statement, which states the Company's cash needs in relation to the interest payments and additional EUR 5 million for ongoing operations. In total the Company needed around EUR 10 million. As the Company has been able to defer the interest payments on the bonds, the Company still needs around EUR 5 million for ongoing operations. And that is the facility the Company receives from Sapinda.

Mr Jansen asked to confirm which amount Sapinda actually paid to the Company.

The Chairperson responded that the Company, after the interest payment was delayed, received EUR 3 million in total, split into two payments: EUR 2 million in January, and another EUR 1 million to be paid in Q1 2019.

Mr Jansen stated that in the 7 December 2018 communication it was mentioned that *"the Company considered to offer to bondholders the opportunity to acquire new shares (...)and plans to invite to an extraordinary shareholder meeting to, inter alia, present the Swap (...)for approval"*, and further *"Sapinda is committed to support such swap and to assure the contribution of bonds in the amount of at least EUR 70 million into such swap."* Mr Jansen stated that in the explanatory notes to the agenda of the EGM it is mentioned that the early conversion is also a condition of the latest shareholder loan the Company entered into to bridge short term liquidity needs in 2019. Mr Jansen stated to consider this ambiguous and asked if the swap was demanded by Sapinda in exchange for their EUR 3 million bridge loan.

The Chairperson confirmed that the agreement with Sapinda includes the legal obligation on the part of Sapinda to convert at least 70 million in debt. This could be bonds, this could be a combination of bonds and loan, but in total the commitment on the part of Sapinda is to convert EUR 70 million in this program.

Mr Jansen asked if the Company was in direct contact with a number or larger bondholders and shareholders to negotiate this early conversion, other than Sapinda.

The Chairperson responded that on 6 September 2018 the Company published that it intended to offer the equity swap and invited all its bondholders to contact the Company in this respect. It was an invitation to all bondholders.

Mr Jansen asked how many talks the Company has had with bondholders.

The Chairperson responded that the Company has had conversations with a few bondholders.

Mr Jansen asked which certainty, other than Sapinda's "assurance", the Company has that EUR 70 million debt will actually be converted? Mr Jansen elaborates that, based on public sources, he sees a lot of examples of assurances or undertakings from Lars Windhorst, the CEO of Sapinda, which have not been met in the past.

The Chairperson responded that he is aware of the history of Mr Windhorst, but since he joined the Company as CFO in July 2017, Sapinda has fulfilled all its commitments and that he has no reason to believe that they would not fulfil this commitment.

Mr Jansen referred to the bondholders meeting of 6 December 2018 in which meeting the bondholders could not adopt the proposed interest deferral because the 75% quorum was not met. In a subsequent meeting the amendments were adopted by less than 1/3 of the bondholders. This was only possible because a lower threshold was applicable. Mr Jansen asked why management of the Company expected under these circumstances EUR 70 million bonds to be converted into shares.

The Chairperson responded that the Company has confidence in the commitment of Sapinda and explains that the Company generally does not have knowledge about their bondholder structure, other than based on the registrations to the bondholder meetings.

Mr Jansen asked the Chairman if he sees an economic rationale for bondholders to convert.

The Chairperson responded that he leaves that to the bondholders, they have to decide on that.

Mr Jansen asked how the Company expects to solve the refinancing risk in relation to the repayment of the remaining principal amount of EUR 80 million of Bonds plus the deferred interest.

The Chairperson responded that it is too early to discuss this at this forum and agreed that it is crucial for the Company to solve this matter as soon as possible.

Mr Jansen asked Mr Safrai if the Supervisory Board has seen the valuation work of the independent private bank M.M.Warburg & CO (AG & Co.) KGaA, Hamburg, Germany in the 20 December 2018 meeting of the Supervisory Board.

Mr Safrai confirmed that the report of M.M.Warburg & CO (AG & Co.) KGaA has been shared with the Supervisory Board prior to the meeting.

Mr Jansen asked why M.M.Warburg & CO (AG & Co.) KGaA has been selected to conduct this analysis.

The Chairperson responds that the Company approached several banks and that the Management Board selected Warburg as the best available candidate based on expertise, pricing and availability.

Mr Jansen asked if the Company was aware that M.M.Warburg & CO (AG & Co.) KGaA has a long-lasting relationship with Lars Windhorst. More specifically, that it was to appear before the Landesgericht Trier in 2005 for producing a comfort letter that Lars Windhorst used to move Ulrich Marseille to borrow him approx. EUR 10 million on which loan Windhorst later defaulted.

The Chairperson responds that he was not aware of this.

Mr Jansen asked what the expected percentage of dilution for existing shareholders is following the swap.

The Chairperson responded that, with around 114 million shares at the moment, the commitment by Sapinda to exchange EUR 70 million of debt into shares, is resulting in approximately 360 million shares, which leads to a dilution of almost 2/3.

Mr Jansen asked how the Management Board and the Supervisory Board considered the timing and the conditions of the swap to be in the best interest of the Company and its stakeholders.

The Chairperson referred again to the Company's capital needs and adds the negative impact the negative equity has on the Company's business relations, ability to attract new clients, new employees and ability to raise capital. The negative equity needs to be solved as fast as possible. In the management's view the conversion price represents the value of the Company.

Mr Jansen asked Mr Safrai how the Management Board and the Supervisory Board determined the swap to be a proportionate measure for the Company despite the dilution.

Mr Safrai added that the boards are aware of the dilution but considering that the loan and related swap have been the only available financing options, it is considered a viable option. It was the boards' goal to equip the Company with capital, solve the negative equity issue and avoid total loss of capital for shareholders - the said dilution had to be accepted when putting this suggestion up for decision by shareholders.

Mr Jansen asked what the remedy is if Sapinda does not fulfill its commitment.

The Chairperson responded that he does not think that Sapinda will not fulfill its commitment.

Mr Metzelaar added that since there is no actual payment involved as this will be done by way of set off, the Company is in a fairly strong position to enforce the obligation if for any reason Sapinda would not meet its obligation.

Mr Jansen quoted that the EGM notice was sent "*on behalf of the Supervisory Board and the Management Board of Fyber N.V.*". Therewith it is implied that the required Supervisory Board approval was obtained. He asked if the Supervisory Board was fully staffed in its meeting dated 20 December 2018 and refers to the Articles of Association of the Company stating that the Supervisory Board shall consist of at least three members.

Ms Cremers responded that the Supervisory Board was staffed with three members at the date of the mentioned meeting, and that only later, in January 2019, two members stepped down. At the date of this EGM there is one member in function, one member to be appointed in this EGM and one temporary member who is suggested to be appointed in the annual general meeting. Ms Cremers stated that the Supervisory Board, even when not complete, can still function and adopt resolutions.

Mr Jansen asked Mr Safrai to testify that the Supervisory Board unanimously resolved to recommend shareholders to accept the debt-to-equity conversion at the EUR 0.30 conversion ratio.

Mr Safrai confirmed that in the meeting held on 20 December 2018 the Supervisory Board unanimously resolved to approve the convening of the EGM with the agenda of a debt-to-equity swap (including the EUR 0.30 conversion price), and clarified that the ultimate approval of the conversion price is at the discretion of the shareholders meeting, not the Supervisory Board.

Mr Jansen asked why the pre-emptive rights of the existing shareholders are excluded in the Swap.

Ms Cremers answered that this is a standard procedure, because it is in practice not possible to follow the statutory pre-emptive procedure. Even in a rights issue, where a lot of shareholders can acquire shares, the statutory pre-emptive rights are excluded for practical reasons.

The Chairperson ended this discussion and proceeded to agenda item 2a.

Agenda item 2a – Bond Conversion: Issuance of new Shares (vote)

On behalf of the Chairman, Ms Manon Cremers explained that under Dutch law the Bond Conversion requires an issuance of new Shares. Because it is not known at the date of this EGM how many holders of Bonds wish to subscribe for Shares against contribution of their Bonds, the Management Board, with the approval of the Supervisory Board proposes to the General Meeting in accordance with articles 6.2 and 6.3 of the articles of association of the Company, to designate the Management Board as the company body competent to

- (i) issue such number of Shares as required for the Bond Conversion, at a rate of EUR 0.30 per Share; the number of Shares to be issued shall be limited to a maximum of 499,666,667 (*calculated as: 149,900,000 outstanding Bonds / EUR 0.30 swap price*) and
- (ii) exclude pre-emptive rights of existing shareholders, without prejudice to the authority of the Management Board granted in the 2018 annual general meeting of shareholders.

The issue can only take place to the extent the authorized capital provides sufficient room for such issue. In view hereof, under agenda item 2c it is proposed to amend the articles of association in order to increase the authorized capital.

This designation will be valid for a period of one (1) year following the date of the EGM, and hence until 21 February 2020.

Resolutions by the Management Board to issue Shares or to exclude pre-emptive rights are subject to the approval of the Supervisory Board.

The Chairperson states that the commitment by Sapinda to exchange EUR 70 million of debt into shares at a swap price of EUR 0.30, is resulting in 233,333,333 new shares.

The Chairpersons invited those present to raise any questions. The Chairperson noted that there are no further questions on this agenda item and proposes to start the voting procedure on the proposal.

Voting

The Chairperson concluded that the resolution was adopted by absolute majority of the votes cast in favor of the proposal, and that the resolution was validly adopted.

The Chairperson proceeded to agenda item 2b.

Agenda item 2b – Debt Conversion: Issuance of new Shares (vote)

On behalf of the Chairman, Ms Manon Cremers explained that under Dutch law the Debt Conversion requires an issuance of new Shares. The Management Board, with the approval of the Supervisory Board, proposes to the General Meeting in accordance with articles 6.2 and 6.3 of the articles of association of the Company, to designate the Management Board as the company body competent to

- (i) issue 50,000,000 Shares, as required for the Debt Conversion, at a rate of EUR 0.30 per Share and

- (ii) exclude the pre-emptive rights of existing shareholders with respect to this issuance, without prejudice to the authority of the Management Board granted in the 2018 annual general meeting of shareholders.

The issue can only take place to the extent the authorized capital provides sufficient room for such issue. In view hereof, under agenda item 2c it is proposed to amend the articles of association in order to increase the authorized capital.

This designation will be valid for a period of one (1) year following the date of the EGM, and hence until 21 February 2020.

Resolutions by the Management Board to issue Shares or to exclude pre-emptive rights are subject to the approval of the Supervisory Board.

The Chairpersons invited those present to raise any questions. The Chairperson noted that there are no further questions on this agenda item and proposes to start the voting procedure on the proposal.

Voting

The Chairperson concluded that the resolution was adopted by absolute majority of the votes cast in favor of the proposal, and that the resolution was validly adopted.

The Chairperson proceeded to agenda item 2c.

Agenda item 2c – Amendment to the Articles of Association of the Company (vote)

On behalf of the Chairman, Ms Manon Cremers explained that under Dutch law applicable to the Company, the articles of association need to contain an authorized capital, which entails the maximum numbers of shares in the capital of the Company that can be issued before the articles of association need to be amended. The authorized capital can be a maximum of five (5) times the issued capital of the Company. The present authorized capital of the Company does not provide sufficient room for the contemplated issuance of Shares as described under agenda items 2(a) and 2(b) above, and for that reason the clause in the articles of association that reflects the authorized capital needs to be amended.

The Management Board, with the approval of the Supervisory Board, proposes to the General Meeting to

- (i) amend the articles of association of the Company to allow for the Refinancing in accordance with the proposed amendment to the articles of association that was published with these explanatory notes Explanatory Notes EGM February 2019_Fyber N.V. Page 3 of 4 (see Annex) and
- (ii) to authorize each member of the Management Board and each civil-law notary (and deputy civil-law notary), paralegal and notarial assistant at Stibbe in Amsterdam, the Netherlands to have the notarial deed of amendment of the articles of association executed.

Ms Cremers states that the current authorized capital of the Company amounts to EUR 40 million, divided into 400 million shares with a nominal value of EUR 0.10 each and shall be increased to EUR 120 million with the same nominal value.

The Chairpersons invited those present to raise any questions. The Chairperson noted that there are no further questions on this agenda item and proposes to start the voting procedure on the proposal.

Voting

The Chairperson concluded that the resolution was adopted by absolute majority of the votes cast in favor of the proposal, and that the resolution was validly adopted.

The Chairperson proceeded to agenda item 3.

Agenda item 3 - Supervisory Board

Proposal to appoint Mr Yair Safrai as a member of the Supervisory Board

On behalf of the Chairman, Ms Manon Cremers explained that on 1 October 2018 the Supervisory Board has appointed Mr Yair Safrai 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 Safrai 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 2023, which is the fourth year after the year of the appointment.

She refers to the explanatory notes to the agenda of the General Meeting for a bio of Mr Safrai, as well as information on his shareholding in the Company and his other board positions.

The Supervisory Board nominates Mr Sarai because he fits the profile of the Supervisory and is in the opinion of the Supervisory Board the best available candidate for this position.

As Supervisory Board member Mr Safrai 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 maximum EUR 100,000 per annum for members of the Supervisory Board or maximum EUR 200,000 per annum for the chairman of the Supervisory Board, or less upon decision of the Supervisory Board. Also, Mr Safrai will be entitled to coverage under the Company's D&O policy.

The Chairpersons invited those present to raise any questions.

Questions and discussion

Mr Jansen referred to the explanatory notes of the EGM and asked with which affiliated company Mr Safrai had a consulting relationship in the year prior to his appointment.

Mr Safrai responded that he had a consulting relationship with Fyber Monetization Ltd., Israel.

The Chairperson noted that there are no further questions on this agenda item and proposed to start the voting procedure on the proposal.

Voting

The Chairperson concluded that the resolution was adopted by absolute majority of the votes cast in favor of the proposal, and that the resolution was validly adopted.

Close of the meeting

The Chairperson thanked the persons present at the meeting for their contribution to the meeting and closed the meeting at 2:50 pm CET.

A copy of these minutes will be sent to the Management Board in order to enable the Management Board to keep record of the resolutions adopted.

These minutes are adopted on 21 May 2019 by the Chairperson and the Secretary of the meeting and signed by the Chairperson as evidence thereof.

(signature page to follow)

Chairperson:

Yaron Zaltsman