This document constitutes a simplified prospectus in accordance with Article 14 of Regulation (EU) 2017/1129 which will be valid until the earlier of completion of the Admission to Trading (as defined below) and the lapse of a period of 12 months (being on 18 December 2020). In case of any significant new factors, material mistakes or material inaccuracies relating to the information contained in this Prospectus that may affect an assessment of the securities and occurs or will be discovered following the approval of this Prospectus but before the admission of the securities to trading, these updates must be disclosed in a prospectus supplement without undue delay. The obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when a prospectus is no longer valid.

Prospectus

dated 18 December 2019

for admission to trading on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*)

of

247,333,086 newly issued registered shares with a nominal value of EUR 0.10 each

of

Fyber N.V.

(a public limited liability company (*naamloze vennootschap*)
incorporated under Dutch law with its registered seat in Amsterdam, the Netherlands)

International Securities Identification Number: NL0012377394

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1. SUMMARY

I. Introduction and Warnings

This summary should be read as an introduction to this securities prospectus (the "**Prospectus**"). The subject of this Prospectus are 247,333,086 shares (the "**New Shares**") of Fyber N.V. (Legal Entity Identifier (*LEI*) 894500D5B6A8E1W0VL50) (the "**Company**" and together with its fully consolidated subsidiaries, the "**Group**" or "**Fyber**", and each such subsidiary a "**Group Company**") with the ISIN NL0013405483, which were created by an exchange of a part of the Company's EUR 149,900,000 outstanding senior unsecured convertible bonds due 2022[1] in lieu of new shares in the Company issued on 6 May 2019 (the "**Bond Conversion**"). Application has been made by the Company and M.M.Warburg & CO (AG & Co.) Kommanditgesellschaft auf Aktien in its capacity as listing agent, Ferdinandstraße 75, 20095 Hamburg, Germany, T.: +49 40 3282 0, F.: +49 40 3618 1000, info@mmwarburg.com, http://www.mmwarburg.com (Legal Entity Identifier (*LEI*) MZI1VDH2BQLFZGLQDO60) ("**Listing Agent**") for the admission to trading on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). The Listing Agent does not assume any responsibility for this Prospectus. Upon admission to trading, the New Shares will carry ISIN NL0012377394 identical to all shares of the Company already admitted to trading.

This Prospectus constitutes a prospectus for the purposes of Article 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"). This Prospectus has been filed with and approved on 18 December 2019 by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the "**AFM**"), being the competent authority under Article 20 of the Prospectus Regulation.

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Any decision to invest in the securities should be based on a consideration of the Prospectus as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating this Prospectus before the legal proceedings are initiated. The Company has assumed responsibility for the content of this summary. They are liable only in the event that the summary, when read together with the other parts of the Prospectus, is misleading, inaccurate or inconsistent, or that, when read together with the other parts of the Prospectus, it does not convey the basic information, which would help investors to invest in the securities. In any case, they are only liable if the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in such securities.

[1] The maturity date for all outstanding bonds was originally July 2020 and was set to July 2022 by extraordinary resolution passed in the bondholders' meeting on 8 October 2019.

II. Key Information on the issuer

1. Who is the issuer of the securities?

Fyber N.V. (LEI 894500D5B6A8E1W0VL50) is a public limited liability company (*naamloze vennootschap*) incorporated under Dutch law and registered with the Trade Register of the Dutch Chamber of Commerce (*Kamer van Koophandel, afdeling Handelsregister*) under number 54747805, having its registered seat in Amsterdam, the Netherlands and its office address at Wallstraße 9-13, 10179 Berlin, Federal Republic of Germany ("**Germany**"). Since 23 March 2015, the Company has a branch office in Berlin, Germany, registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Berlin Charlottenburg under HRB 166541 B. The Company is incorporated under Dutch law. As of the date of this Prospectus, the management board of the Company consists of Ziv Elul, Daniel Sztern and Yaron Zaltsman. Grant Thornton Accountants en Adviseurs B.V. ("**Grant Thornton**") was the external independent auditor of the Company for the financial year ending on 31 December 2018, and KPMG Accountants N.V. ("**KPMG**") has been appointed as the external independent auditor of the Company for the financial year ending on 31 December 2019.

The Company is the Group's holding company, which operates under the brand "Fyber". As a holding company, the Company performs, inter alia, a holding function and is responsible for management, financing, corporate law and financial services. The Group comprises 14 entities and includes the Company and its fully owned subsidiaries. The Company is primarily operating through its subsidiaries Fyber Monetization Ltd. (Israel) and Fyber GmbH (Germany).

Fyber operates in the area of digital advertising and more specifically advertising technology ('ad tech') for applications ('apps') on smart connected devices such as smartphones and tablets. The corporate purpose of the Company is the development and marketing of a technology platform and software solutions for app developers (also referred to as 'publishers') in the field of digital advertising. Fyber specializes in software-based automated ('programmatic') trading of advertisements ('ads') and aims to enable the manufacturers and vendors of apps to monetize their digital contents through the placement of targeted, high-quality advertisements within their apps. The Company connects app developers and their users with advertisers worldwide who bid on the ad space within the apps, with Fyber optimizing in real-time and by way of fully automated data-driven processes that only relevant and lucrative ads are delivered and displayed. As such, Fyber supports app developers in establishing sustainable sources of income while maintaining the crucial balance between yield optimization and user experience.

The Company's offering comprises:

- *ad exchange*: a technology platform that enables the bidding on and buying/selling of ads between a large number of app developers and advertising partners
- *ad mediation platform*: a technology platform offering access to a large number of ad networks, who bundle advertising demand from various sources, to app developers including the possibility to integrate, manage and optimize different ad networks through one single integration platform and interface
- *ad server*: a technology used to place ads in apps, letting publishers sell, manage and deliver their ad inventory to demand sources
- *app bidding* (also referred to as 'in-app header bidding'): a first-price auction protocol enabling a real-time unified auction among all connected demand sources, who are mostly entering the auction with actual prices rather than estimates based on historical values as is often used in traditional mediation
- *data services*: including data analytics tools for app developers which provide a better understanding of their own user base, enabling them to form segments of users following specific criteria, which helps to achieve higher yield from advertisers, who seek to place targeted ads
- *publisher tools*: including online dashboards that allow for app developers to manage their ad monetization, tools such as ad placements and ad instances that enable publishers to fine-tune their monetization strategies.

For transactions placed via the ad exchange ("**Fyber Marketplace**"), the Company retains a share of the ad spend advertisers place via the platform, which is the main source of income and basis of the business model.

The Company's shares are admitted to trading on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). The following table sets forth to the best knowledge of the Company and based on the voting rights notifications, shareholders of the Company, which, as of the date of this Prospectus,

directly or indirectly, have a notifiable interest in the Company's capital and voting rights immediately prior to the admission of the New Shares to trading, together with the shareholdings of the public free float:

Registrant	Direct Shareholder	Residence of Shareholder	Number of voting rights of Registrant		
			Directly	Indirectly	Total
Advert Finance B.V	Advert Finance B.V.	Amsterdam, Netherlands	319,895,552	20,682,477	340,578,029 / 94.12%
Tennor Holding B.V.	Tennor Holding B.V.	Amsterdam, Netherlands	17,609,936[1]	-	17,609,936 / 4.87%
Free float	-	-	-	-	19,321,723[2] / 5.34%
Total					**361,866,419 / 100.00%**

[1] Included in the indirect holdings of Advert Finance B.V.

[2] In addition, the Company holds 1,966,667 treasury shares.

2. What is the key financial information regarding the issuer?

*The financial information summarized below for the financial year 2018 is taken from the Company's consolidated financial statements for the year ended 31 December 2018 ("**IFRS Financial Statements 2018**"). The IFRS Financial Statements 2018 were audited by Grant Thornton. Grant Thornton issued an unqualified audit opinion with respect to the IFRS Financial Statements 2018.*

*The financial information summarized below for the period of the first six months 2019 and the respective period for the first six months 2018 are taken from the unaudited and not reviewed condensed consolidated financial statements as of and for the six months period ended 30 June 2019 ("**H1 Financial Statements 2019**").*

a). Information from the Group Income Statement

Position	For the six months ended 30 June		For the year ended 31 December 2018
	2019	2018	
In TEUR	**(unaudited)**		**(audited)**
Gross revenue	54,104	58,835	128,544
Year-over-year revenue growth (decline)	(8%)	(51%)	(44%)
Net revenue	19,689	21,249	46,086
Net revenue margin	36%	36%	36%
Earnings before interest and tax	(8,632)	(13,398)	(21,584)
Consolidated net income[1]	(38,423)	(19,203)	(35,420)
Basic profit (loss) per share (in EUR)	(0.20)	(0.17)	(0.31)

[1)] Attributable to shareholders of Fyber N.V.

b) Information from the Group Balance Sheet

Position	As of 30 June		As of 31 December
	2019	2018	2018
In TEUR	**(unaudited)**		**(audited)**
Total assets	213,133	207,768	209,667
Total liabilities	170,956	216,843	225,225
Total equity	42,177	(9,075)	(15,558)
Total equity and liabilities	213,133	207,768	209,667

c) Information from the Group Cash Flow Statement

Position	For the six months ended 30 June		For the year ended 31 December 2018
	2019	**2018**	
In TEUR	**(unaudited)**		**(audited)**
Cash flow from operating activities	(8,329)	(10,193)	(16,705)
Cash flow from investing activities	(1,060)	(2,897)	(4,115)
Cash flow from financing activities	3,686	6,268	15,179
Cash and cash equivalents, closing balance	6,600	10,862	12,276

Fyber expects a gross revenue in the financial year 2019 of about EUR 120 million and an adjusted EBITDA around EUR -3 million. The Company is of the opinion that the working capital is sufficient to meet its present requirements within at least the next twelve months from the date of this Prospectus. There have been no significant changes to the Company's and/or the Group's financial position between 30 June 2019 and the date of this Prospectus.

3. What are the key risks that are specific to the issuer?

a) Risks related to the Company's business activities and industry

- *The Company might not fully meet market demand or customer expectations or required quality.* Fyber operates in the area of advertising technology focused on the mobile in-app market. Fyber's software products and services might not fully meet market demand or customer expectations or requirements. In particular, Fyber's products may contain undetected or detected coding errors or defects or could not be mature enough from the customer's perspective. The Company might also not be as fast as expected in terms of: (i) integrating platforms and solutions of former group companies into one comprehensive product portfolio, (ii) harmonizing user interface designs and technologies, (iii) integrating acquired technologies and products, and/or (iv) delivering software packages, services and solutions based on existing platforms and/or updates and upgrades of the former to the market. Any one or more of these events could have an adverse effect on the Company's business, financial position, profit, and cash flows.
- *A change of market trends may render Fyber's business model obsolete*. Underlying technologies and advertising trends may change rapidly resulting in loss of competitive advantages and revenue, in the worst case making Fyber's business model obsolete. Specific risks include changes in the fundamental dynamics of the ad tech market's value chain (squeeze-out of certain providers and services, vertical consolidation, i.e. a shift for support companies from focusing on single parts of the value chain to cover larger parts of the value chain) and market concentration amongst advertisers and publishers causing direct business relationships which partially or fully bypass Fyber's platform. This could substantially harm Fyber's results of operations.
- *Fyber depends on app developers as their main clients on the leading app stores*. Major players in the market such as mobile operators or providers of app ecosystems (e.g. Apple as the provider of the 'App Store' and Google as the provider of 'Google Play') may decide to introduce ad blockers to their systems and/or change their policies to ban certain ad formats or other services offered by supply-side companies like Fyber. Although Fyber keeps close contact with all major providers, including Apple, the Company cannot exclude that this could seriously obstruct the delivery of ads to users of mobile apps and as a result, substantially harm Fyber's results of operations.
- *The Company has a minor market share and is exposed to intense competition*. A large part of the total digital and mobile advertising spend is processed by dominating industry players such as Google, Twitter and Facebook. If the Company fails to (i) develop and publish a technology platform of significant capacity in terms of functionality, product capabilities and features, (ii) significantly grow the network of integrated partners and clients using said platform and (iii) transform the Group into a profitable, sustainable and scalable operation, the competitive position and, as a result, the operating results of the Company might be materially adversely affected.
- *The Company relies on retaining and recruiting qualified personnel*. The Company's commercial success depends to a large extent on its qualified executives, developers and specialists, including business segment heads and employees with extensive coding knowhow or a profound network in the ad tech industry. The Company's inability to recruit and retain a sufficient number of specialists and executives to support its business

could have a material adverse effect on its business activities, net assets, financial position and results of operations.

- *The Company may be forced to pre-finance substantial part of its revenue*. Fyber charges the advertisers for the gross advertising value delivered to publishers (the Company's gross revenue), retains a share of this spend (net revenue) and pays out the larger part to connected app developers as their yield (revenue share to third parties). Advertisers may pay late or not at all, while payables to publishers may remain unaffected which may, if accumulated, result in material adverse effects of the Company's revenues and results of operations.

b) Risks related to the Company's financial situation

- *The Company is exposed to liquidity risks*. Cash and cash equivalents required by Fyber are generated partly through ongoing business activity and partly through external bank financing and shareholder loans. Credit facility agreements or shareholder loans could be called off, cancelled, reduced or not extended, or budgeted revenue growth numbers could not be met. Group Companies entered into (a) a USD 13.5 million revolving credit facility agreement with Bank Leumi le-Israel B.M., (b) a EUR 7.5 million working capital facility with agreement with BillFront GmbH of which EUR 4.58 million are drawn and (c) shareholder loans with an aggregated principal amount of EUR 30 million. If terminated, the Company could be forced to take up replacement financing on the capital markets to unfavorable conditions or, as the case may be, could not find any replacement or bridge financing at all. This would have a severe adverse effect on the Company's financial condition and may cause insolvency.
- *The Company generates losses and depends on external funding*. The Company's accrued significant losses in the periods of 2018 and 2019 year to date caused by (i) a decline in sales, (ii) investments into the long-term product development as opposed to short-term revenue initiatives, and (iii) the launching and marketing of new and improved products and expanding its operations. Although the Company is constantly optimizing its operative and financial structure, it will require additional capital to finance ongoing operations, future growth, investments in new or further development of existing features of its monetization platform and/or potential future merger and acquisition activities to further strengthen Fyber's competitive position. If the Company is not able to timely raise required capital on commercially acceptable terms, or at all, it may be forced to limit or even scale back operations, which may adversely affect its growth, business and market share or may even cause insolvency.
- *The Company depends on its major creditor*. Tennor Holding B.V. ("**Tennor**") is a major creditor of the Company as it provided shareholder loans with an aggregated principal amount of EUR 30 million, with one half maturing in June 2021 and the other half in June 2022. Therefore, Fyber is exposed to Tennor's credit risk and its ability and willingness to fulfil its obligations *vis-à-vis* the Company. If Tennor is not able or willing to fulfil its respective obligations *vis-à-vis* the Company, this would have a severe adverse effect on the Company's financial condition and may cause insolvency.
- *There is a risk of termination of important contracts due to change of control*. Following an exchange of a part of the Company's EUR 149,900,000 outstanding senior unsecured convertible bonds due 2022[2] *in lieu* of new shares in the Company issued on 6 May 2019, Tennor directly and indirectly holds approximately 94% of the voting rights in the Company. It cannot be excluded that such capital measure resulted in a change of control as defined in some of the Company's financing agreements, which could trigger termination rights of the respective lender. Although the major creditors of the Company confirmed to the Company that they have not and will not terminate their respective financing agreement on the basis of a change of control caused by such Bond Conversion, it cannot be entirely excluded that a termination right will be exercised. In case a termination right would be exercised irrespective of such confirmation, the exercise of such a right of termination would oblige the Company to prematurely repay outstanding debt under such agreements, which could have a material adverse effect on the Company's business, financial condition, cash flows, results of operations and prospects.

c) Legal and regulatory risks

- *The Company processes a large amount of personal data*. Fyber collects, stores, processes and uses data in the ordinary course of business to provide its services to customers. If (a) data protection agencies impose orders

[2] The maturity date for all outstanding bonds was originally July 2020 and was set to July 2022 by extraordinary resolution passed in the bondholders' meeting on 8 October 2019.

or fines on the Company, (b) cases of data leakage or the misuse of data occur as a result of human error, technological failure, cyber attacks or other factors outside of the Company's control, or (c) third-party actors acquire unauthorized access to the data processed by a Group Company or the Company itself, this could infringe data protection regulations, result in claims for damages and materially harm the Company's reputation, thus materially adversely affecting its business activities, net assets, financial position and results of operations. Furthermore, the Company may be subject to local data protection laws and regulations, taking effect on the Company's products, services and customer data handling, potentially limiting the effectiveness of serving meaningful ads to users and with that the Company's revenue potential. Changes in data protection regulations in relevant jurisdictions may also lead to restrictions on the Company's business model and require significant investments into products and technology to adhere to new or updated standards.

- *Risk from infringements of intellectual property rights*. The Company operates technologies that make use of intellectual property held by third parties. If the Company is held to have breached the terms of an open source software license, it could be required to discontinue use of certain code, or to make portions of its proprietary code publicly available. As a result, it may be subject to alleged claims of infringing intellectual property rights of others and may be unable to adequately protect own intellectual property rights.

d) Internal control risk

- *Facts and circumstances threatening the Company's going concern assumption may not be identified in a timely manner*. The Company operates in a fast-paced, rapidly evolving industry, with many of the key products still young to the market and being shaped among others by business and client needs as well as regulatory changes and changes in user behavior. A risk management and monitoring system has been set up at the Company. However, it cannot be ruled out that critical risks might only be identified at a point in time when it is no longer possible to cope with them or not to the extent that would have been the case if they had been identified at an earlier stage. This could materially adversely affect Fyber's business, net assets, financial position and results of operations, or even jeopardize the Company's going concern.
- *Any disruptions of the Company's IT systems may adversely affect its performance, operations and reputation*. Fyber heavily relies on information technology systems and networks for its products and sales, software production, services and business processes as well as internal and external communications. The consistent, efficient and secure operation of its IT systems, including computer hardware, software, platforms and networks, is critical to the successful performance of the Group's operations and its reputation.

III. Key Information on the Securities

1. What are the main features of the securities?

This Prospectus relates to the admission to trading of 247,333,086 New Shares on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). Such New Shares of the Company were created by the Bond Conversion on 6 May 2019. Each of the New Shares is issued in the form of a registered share with a nominal value of EUR 0.10 each. The New Shares are governed by Dutch law. Before admission to trading, the New Shares carry ISIN NL0013405483 and upon admission to trading, the New Shares will carry ISIN NL0012377394 identical to all shares of the Company already admitted to trading. Each New Share carries one vote at the Company's shareholders' meeting. The New Shares carry full dividend rights as of their issuance. All Company's ordinary shares with a nominal value of EUR 0.10 each (the "**Shares**"), including the New Shares, are freely transferable in accordance with the legal requirements for ordinary registered shares. There are no restrictions on the transferability of the Shares in the Company's articles of association. In case of insolvency, holders of New Shares have a right to receive *pro rata* payments out of the liquidation proceeds, if any. As such, they are subordinated to any and all creditors (including subordinated creditors). The Company does not intend to pay dividends in the foreseeable future.

2. Where will the securities be traded?

The Shares of the Company existing prior to the Bond Conversion are admitted to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) under ISIN NL0012377394.

Application has been made for the admission to trading of the New Shares on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations

(*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). Until their admission, they will be posted under ISIN NL0013405483.
3. What are the key risks that are specific to the securities?
Risk of conflicts of interests between the Company's major shareholder and other shareholders. Tennor holds directly and indirectly approximately 94% of the voting rights in the Company. It cannot be excluded that the interests of this major Shareholder may conflict with the interests of the other Shareholders or the interests of the Company. Depending on the presence at the general shareholder meeting of the Company, the major Shareholder could block major decisions requiring a three-quarters majority without the consent of other shareholders. Conflicts of interest between the major shareholder and the Company or its other Shareholders may have a material adverse effect on Fyber's business, financial condition and results of operations.
IV. Key Information on the Admission to Trading on a Regulated Market
1. Under which conditions and timetable can I invest in this security?
There is no public offering of New Shares. The New Shares are expected to be admitted to trading on or about 19 December 2019. The total expense of the Company related to the admission to trading of the New Shares are expected to be approximately EUR 400,000. Investors will not be charged expenses by the Company.
2. Who is the offeror and/or the person asking for admission to trading?
Application has been made by the Company and the Listing Agent for the admission to trading on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). The Listing Agent is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Hamburg under HRB 84168 and carries the Legal Entity Identifier (*LEI*) MZI1VDH2BQLFZGLQDO60. It is a requirement under German law and the exchange rules (*Börsenordnung*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) that the application form is signed by an admitted credit institution as listing agent. No representation or warranty, express or implied, is made or given by or on behalf of the Listing Agent or any of its affiliates or any of their respective directors, officers or employees or any other person, as to the accuracy, completeness or fairness of the information or opinions contained in the Prospectus, and nothing contained in the Prospectus, is, or shall be relied upon as, a promise or representation by the Listing Agent or any of its affiliates as to the past or future. The Listing Agent does not accept any responsibility for, or authorize the contents of, the Prospectus or its issue or any other statements made or purported to be made by either itself or on its behalf in connection with the Company or the Admission to Trading. Accordingly, the Listing Agent disclaims all and any liability, whether arising in tort or contract or otherwise in respect of this Prospectus and/or any such statement.
3. Why is this prospectus being produced?
This Prospectus has been produced for the purposes of the admission to trading on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) of the New Shares (see above under *III., 1. What are the main features of the securities?*). There will be no proceeds from the admission to trading of the New Shares and there are no interests, conflicting interests or potential conflicting interests which are material to the listing.

2. RISK FACTORS

*An investment in the shares of Fyber N.V. (the "**Company**" and, together with its consolidated subsidiaries, the "**Group**" or "**Fyber**" and such Group subsidiary a "**Group Company**") is subject to risks. Investors should carefully consider the following material risks when deciding whether to invest in the Company's shares. The market price of the Company's ordinary shares with a nominal value of EUR 0.10 each (the "**Shares**") held by the Company's shareholders ("**Shareholders**") could decline if any of these material risks were to materialize, in which case investors could lose some or all of their investment. The following risks, alone or together with other risks and uncertainties not currently known to the Company, or that the Company currently deems immaterial, could have a material adverse effect on the business, financial condition, cash flows and results of operations of the Company and its subsidiaries. In addition, other risks and aspects that are currently unknown to the Company may be significant. The following risks are material risks specific to the Company. In each category, the risks which are in the opinion of the Company the most material risks, taking into account the negative effects on the Company and the likelihood of their occurrence, are set out first. Investors should consider all information contained in this prospectus (the "**Prospectus**") and, if necessary, consult their advisors.*

I. Risks related to the Company's business activities and industry

1. The Company might not fully meet market demand or customer expectations or required quality

Fyber operates in the area of advertising technology focused on the mobile in-app market. The Company provides a technology platform and software solutions for app developers and publishers in the field of mobile advertising in order to enable them to monetize their content. The Company operates, inter alia, an ad exchange, an ad mediation platform, an ad server, app bidding services, data services and publisher tools. Fyber's product launches and enhancements may result in software products and services which might not fully meet market demand or customer expectations or requirements. The Company might also not be as fast as expected in terms of: (i) integrating platforms and solutions of former group companies into one comprehensive product portfolio, (ii) harmonizing user interface designs and technologies, (iii) integrating acquired technologies and products, and/or (iv) delivering software packages, services and solutions based on existing platforms and/or updates and upgrades of the former to the market. In addition, new products and services including third-party technologies, might not comply with local standards and requirements or could contain undetected or detected coding errors or defects or could not be mature enough from the customer's point of view, despite all the due diligence efforts which Fyber dedicates to product quality. This is of particular importance, as Fyber offers in many cases business-critical solutions for app developers. Any one or more of these events could have an adverse effect on the Company's business, financial position, profit, and cash flows.

The Company classifies the risk as high.

2. A change of market trends may render Fyber's business model obsolete

Fyber operates in the area of advertising technology focused on the mobile in-app market. Underlying technologies and advertising trends may change rapidly resulting in loss of competitive advantages and revenue, in the worst case making Fyber's business model obsolete. Specific risks include changes in the fundamental dynamics of the ad tech market's value chain (squeeze-out of certain providers and services, vertical consolidation, i.e. a shift for support companies from focusing on single parts of the value chain to cover larger parts of it) and market concentration amongst advertisers and publishers causing direct business relationships which partially or fully bypass Fyber's platform. For instance, previous guidance statements on revenue and adjusted EBITDA targets have been revised downwards, in large part caused by the dynamic nature of the market and necessary strategic decisions around product and business focus, which did not prioritize short-term revenue growth initiatives.

The Company classifies the risk as high.

3. Fyber is dependent through app developers as their main clients on the leading app stores

Major players in the market such as mobile operators or providers of app ecosystems (e.g. Apple as the provider of the 'App Store' and Google as the provider of 'Google Play') may decide to introduce ad blockers to their systems and/or change their policies to ban certain ad formats or other services offered by supply-side companies like Fyber. For instance, in 2019, app developers publishing their apps through Apple's App Store have encountered a change in policy by Apple, not allowing the use of a certain ad campaign type within the ad format "**Offer Wall**". Offer Wall is an opt-in ad unit that lists various offers by advertisers, ranging from watching a video, completing a survey or installing another game, that users can complete in order to receive a reward in the respective virtual currency within the app they are using. This last category of ads, encouraging users to download other apps, has been banned by Apple, based on their review

guidelines that state it is unacceptable to create "an interface for displaying third-party apps, extensions, or plug-ins similar to the App Store", apparently in an effort to prevent any manipulation of the app charts based on number of installs or downloads.

Although Fyber keeps close contact with all major providers, including Apple, to be informed early about such changes and proactively understand the motivation of policy changes and react accordingly to avoid or minimize revenue impact, the Company cannot exclude that this could seriously obstruct the delivery of ads to users of mobile apps and as a result, substantially harm Fyber's results of operations, and that similar market changes might occur in the future.

The Company classifies the risk as high.

4. The Company has a minor market share and is exposed to intense competition

A large part of the total digital and mobile advertising spend is processed by dominating industry players such as Google, Twitter and Facebook. While many of these companies lead with their product offering on the advertiser side and are in part partnering with Fyber and even contribute to Fyber's gross revenue, their dominant market positions still pose a risk.

More recent market entries into the mobile ad space include in particular Amazon and AppNexus. Many of Fyber's competitors have greater financial capacity to execute strategic acquisitions, invest in new technology, perform research and development activities, solicit and market their products, offer a broader product portfolio and might compete for customers including with up-front payments. Furthermore, due to the dynamic nature of the mobile advertising market, there is a risk that large market players might diversify their offering along the value chain and become direct competitors to Fyber's publishers-focused offering, which may result in customers reducing their spend on Fyber's product and services or abandoning them entirely.

In the Company's view, the technological and product capabilities of independent market players like Fyber need to be at par with the large competitors and offered to a large network of partners at scale in order for such an independent market player to be a meaningful competitor in the market. The Group considers it therefore important to increase the capacity of its technology platform and to grow significantly in order to develop market reach and scale necessary to compete more effectively with large competitors. Given that the overall market the Company is operating in continues to grow, the Company needs to grow at par or above in order to be able to maintain its current market share and expand it. Scalability of the Group's technology is of increasing importance, as advertisers will tend to migrate to intermediaries with the largest inventory of highest quality and publishers will tend to migrate to intermediaries with the largest, and lucrative ad demand. If the Company fails to (i) develop and publish a technology platform of significant capacity in terms of functionality, product capabilities and features, (ii) significantly grow the network of integrated partners and clients using said platform and (iii) transform the Group into a profitable, sustainable and scalable operation, the competitive position and, as a result, the operating results of the Company might be materially adversely affected.

The need to further grow and scale the Company's business incurs certain capital needs, which adds to the Company's financing needs, as the Group is loss making at the date of this Prospectus, and its liquidity risk (see also "II.1. The Company is exposed to liquidity risk").

The Company classifies the risk as medium.

5. The Company relies on retaining and recruiting qualified personnel

The Company's commercial success depends to a large extent on its qualified executives, developers and specialists, including business segment heads and employees with extensive coding knowhow or a profound network in the ad tech industry. The small candidate market within the ad tech industry as well as long hiring cycles could result in substantial delays in product development, sales activities and revenue growth.

With increasing competition for executives and specialists in the ad tech market, the risk is increasing that qualified executives, developers and specialists can no longer be employed by the Company or a Group Company in sufficient numbers and within a reasonable timeframe, or – if employed – that they may be recruited for employment elsewhere. The Company's inability to recruit and retain a sufficient number of specialists and executives to support its business could have a material adverse effect on its business activities, net assets, financial position and results of operations.

The Company classifies the risk as medium.

6. The Company may be forced to pre-finance substantial part of its revenue

Fyber charges the advertisers for the gross advertising value delivered to publishers and pays the yield it generates through their services out to publishers. Typical payment terms with advertisers are 30 to 60 days after invoice date. In addition, the Group typically experiences slow payment by advertisers as is common in the industry. Typical payment terms with publishers are between 30 and 45 days. As a consequence, Group Companies mostly pay publishers before collecting money from advertisers.

Since Group Companies have contractual relationships with publishers and advertisers independently, the Group is exposed to credit risk. Advertisers may pay late or not at all, while payables to publishers may remain unaffected which may, if accumulated, result in material adverse effects of the Company's revenues and results of operations.

The Company classifies the risk as medium.

7. The Company's international business activities and processes expose it to numerous and often conflicting laws and regulations

The Company operates globally and currently markets its products and services in more than 180 countries and territories in the Americas, Asia Pacific, China, Hong Kong, Macau, and Taiwan (Greater China); Europe, Middle East, and Africa (EMEA); and Middle and Eastern Europe (MEE) regions. As an internationally operating company domiciled in the Netherlands with securities listed in Germany, the Company is subject to European, Dutch, German, U.S., and other governance-related regulatory requirements.

Laws, regulatory requirements and standards in Germany, the United States, and elsewhere continue to be very stringent. The international business activities and processes expose the Company to numerous and often conflicting laws and regulations, policies, standards, or other requirements and sometimes even conflicting regulatory requirements, and to risks that could materially harm the Company's business, financial position, profit, and cash flows.

As the Company expands into new countries and markets or extends its business activities in these markets, including emerging and high-risk markets, these risks could intensify. The application of the respective local laws and regulations to the Company's business is sometimes unclear, subject to change over time, and often conflicting among jurisdictions. Additionally, these laws and government approaches to enforcement are continuing to change and evolve, just as the Company's products and services continually evolve. Compliance with these varying laws and regulations could incur significant costs or require costly changes in products or business practices. Non-compliance could result in the imposition of penalties or cessation of orders due to alleged non-compliant activity. Governmental authorities could use considerable discretion in applying these statutes and any imposition of sanctions against the Company could be material. One or more of these factors could have an adverse effect on the Company's operations globally or in one or more countries or regions, and with that on its business, financial position, profit, and cash flows.

The Company classifies the risk as low.

8. Fyber is subject to various risks for which the Company may not be adequately insured

While the Company considers its insurance coverage adequate and customary in the Company's industry (e.g. property and loss of earnings insurance, business liability insurance, including insurance for product liability, transport insurance and environmental liability insurance), such insurance does not cover all risks associated with the Company's business. Furthermore, if any of the Company's insurance providers becomes insolvent, the Company may not be able to successfully claim payment from such insurance provider. In the future, the Company may not be able to obtain coverage at current levels, or at all, and premiums for the Company's insurance may increase significantly.

A lack of adequate insurance coverage could have a material adverse effect on the Company's business, financial condition, cash flows, results of operations and prospects.

The Company classifies the risk as low.

II. Risks related to the Company's financial situation

1. The Company is exposed to liquidity risks

The Company requires cash and cash equivalents to cover its financial liabilities, current operations and planned expansion of the business to strengthen its competitive position with the ultimate goal of sustainably expanding its market share. These cash and cash equivalents are generated partly through ongoing business activity and partly through external bank financing and shareholder loans. As the Company is not cash-flow positive yet, it is constantly in talks with

financial institutions and investors in order to secure access to financial resources that are in harmony with its planned investments, budgeted income, financial obligations and the ability to achieve its guidance for the full year 2019.

Liquidity risks arise when Fyber is unable to meet its payment obligations in whole or in part, neither through available liquid funds nor using the relevant credit lines. Liquidity risks stemming from the lack of access to cash and cash equivalents can occur when credit facility agreements or shareholder loans are called off, cancelled, reduced or not extended, or budgeted revenue growth numbers cannot be met. The latter category poses at least two specific risks for the Company: (1) underachieving forecasted business growth numbers limits the amount of liquidity available to the Company from current operations and might further increase its financing needs and (2) decreasing revenues might limit the ability to raise further financing and the willingness for existing and new banking partners to work with the Company (either extend existing financing or grant new financing).

In 2017, Fyber Monetization Ltd. as borrower entered into a USD 15 million revolving credit facility agreement with Bank Leumi le-Israel B.M. ("**Bank Leumi**") as lender. This facility is used to finance the Company's operations and liquidity requirements. In 2019, this facility was reduced to a maximum aggregate principal amount of USD 13.5 million, which was entirely drawn as of the date of this Prospectus. In May 2017, Fyber GmbH entered into a EUR 7.5 million working capital facility agreement with BillFront GmbH ("**BillFront**") of which EUR 4.58 million were drawn as of the date of this Prospectus. In addition, the Company entered into shareholder loan agreements with Tennor Holding B.V. ("**Tennor**", formerly named Sapinda Holding B.V.) with an aggregated principal amount of EUR 30 million, consisting of four individual loans with a nominal amount of (i) EUR 8 million, (ii) EUR 4 million, (iii) EUR 3 million and (iv) EUR 15 million, with (i), (ii) and (iii) maturing in June 2021 following an extension agreement entered into in September 2019 and (iv) maturing in June 2022. Should the Company not be able to repay the outstanding facilities at maturity or further prolong or replace them, this would have a severe adverse effect on the Company's financial condition and may cause insolvency.

Additional liquidity risk arises from the fact that under these agreements, payments to the respective borrower can be declined or the agreement can be terminated (in which case the Company could be required to repay the entire outstanding amount borrowed under the respective agreement) if covenants are not met or upon occurrence of certain events of default or change of control, each as defined in the respective agreement and after a grace period, if applicable. For instance, the shareholder loan agreements with Tennor contain a covenant of a Group gross revenue of EUR 130 million for the last four continuous quarters as published by the Company in its last financial statements starting with the consolidated financial statements following the full year 2018. Further covenants under the shareholder loan agreements are no asset disposal and prior consent on change of control.

Vis-à-vis Bank Leumi, Fyber Monetization Ltd. as borrower covenants that its gross revenue as well as operating profit/loss, which are set out in its business plan for 2018 and 2019, may not negatively deviate more than 20 percent per fiscal quarter and not more than 15 percent in two consecutive quarters from its actual revenues and operating profit/loss determined by the annual report or interim report, respectively. In addition, Fyber Monetization Ltd. undertakes *vis-à-vis* Bank Leumi that it maintains at all times in a certain account an amount of unrestricted cash and cash equivalents of no less than 20 percent of any credit provided by Bank Leumi to the borrower. Furthermore, the borrower's ratio of debt to EBITDA shall not exceed 2.5 based on annual audited financial reports. Any deviation outside these thresholds shall grant Bank Leumi the right to declare all or any portion of the borrower's debt towards Bank Leumi, immediately due and repayable.

Although the Company monitors its financial condition and results of operation or any other fact pattern or aspect relevant to a covenant continuously with the aim to ensure that the covenants are being met, it cannot be excluded that a significant deterioration of the net assets, financial position and results of operations of the Company discovered during the monitoring of the financial covenants can lead to a default, or any other breach of covenant occurs which entitles the creditors to terminate the respective agreement. In such case, the Company could be forced to take up replacement financing on the capital markets to unfavorable conditions or, as the case may be, may not find any replacement or bridge financing at all. This would have a severe adverse effect on the Company's financial condition and may cause insolvency.

The Company classifies the risk as high.

2. The Company generates losses and depends on external funding

The Company generates losses and may never achieve profitability. The generated loss after tax amounted to EUR 35.4 million and EUR 38.4 million for the full year 2018 and the first six months of 2019 respectively. The accumulated deficit as of 31 December 2018, including the income and loss of the Group Companies included in the consolidated

financial statements plus actuarial gains that will not be reclassified as profit or loss in subsequent periods, amounted to EUR 237.4 million, the accumulated deficit as of 30 June 2019 amounted to EUR 276.9 million.

The Company's accrued significant losses in the periods of 2018 and 2019 year to date caused by (i) a decline in sales resulting from (a) a mix of negative external market effects and (b) internal strategic decisions of restructuring parts of the business, (ii) investments into the long-term product development as opposed to short-term revenue initiatives, including the integration of technical assets of Group Companies into one consolidated product offering, and (iii) the launching and marketing of new and improved products and expanding its operations, especially in relation to merging operations of Group Companies and their technological assets into one aligned platform serving all customer groups. Furthermore, the Company still significantly invests in sales and marketing as well as product and technology development in order to lay a foundation for future growth and profitability with expenses made before earning adequate revenue. Although the Company is constantly optimizing its operative and financial structure, it will require additional capital to finance ongoing operations, future growth, investments in new or further development of existing features of its ad monetization platform and/or potential future merger and acquisition activities to further strengthen Fyber's competitive position.

Furthermore, Fyber's gross revenues fluctuate materially on a monthly basis and are subject to a natural seasonality of the advertising market, e.g. the fourth quarter of each financial year makes up approx. 30% of the full year gross revenues. This makes it difficult for Fyber to predict gross revenue development in case of one-off effects on revenues (e.g. comprehensive product updates with uncertain customer reaction). Such uncertainty may cause situations where Fyber identifies the need for additional financing due to revenue decreases only on short notice. In each of these cases, if the Company is not able to timely raise the required capital on economically acceptable terms, or at all, it may be forced to limit or even scale back operations, which may adversely affect its growth, business and market share or may even cause insolvency.

In addition, the Company may fail to accurately project and anticipate the Company's capital requirements. If the Company chooses to raise capital through hybrid instruments, these instruments may have to be accounted at fair value, which is based on a valuation of the Company. Changes in the fair value may have a significant impact on the Company's comprehensive income. If the Company chooses to raise capital by issuing new shares, its ability to place such shares at attractive prices, or at all, depends on the condition of equity capital markets in general and the share price of the Company in particular, and such share price may be subject to considerable fluctuations.

If the Company chooses to raise capital through debt financing, such financing may require posting collateral in favor of the relevant lenders or impose other restrictions on the Company's business and financial position (e.g., in the form of covenants). Such restrictions may adversely affect the Group's operations and ability to grow its business as contemplated. A breach of the relevant covenants or other contractual obligations contained in the Company's external financing agreements may trigger immediate repayment obligations or may lead the relevant lenders to seize collateral posted by the Company, all of which may adversely affect the Company's business. In addition, if the Company raises capital through debt financing on unfavorable terms, this could adversely affect the Company's operational flexibility and profitability.

Inability to obtain capital on commercially acceptable terms, or at all, could have a material adverse effect on the Company's business, financial condition, cash flows, results of operations and prospects.

The Company classifies the risk as high.

3. The Company's depends on its major creditor

Tennor is a major creditor of the Company. Therefore, Fyber is exposed to Tennor's credit risk and its ability and willingness to fulfil its obligations *vis-à-vis* the Company. In particular, the Company entered into shareholder loan agreements with Tennor with an aggregated principal amount of EUR 30 million, consisting of four individual loans with a nominal amount of (i) EUR 8 million, (ii) EUR 4 million, (iii) EUR 3 million and (iv) EUR 15 million, with (i), (ii) and (iii) maturing in June 2021 and (iv) maturing in June 2022. If Tennor is not able or willing to fulfil its respective obligations *vis-à-vis* the Company, this would have a severe adverse effect on the Company's financial condition and may cause insolvency.

The Company classifies the risk as medium.

4. The Company is exposed to interest rate and exchange rate fluctuations

The Company is affected by interest rate changes, primarily concerning financial liabilities. If interest rates rise, the Group would be forced to pay higher amounts of interest in the future in some cases. Further, the fair value of financial instruments as well as the present value of future cash flows might be adversely affected. Similarly, the Company is subject to fluctuations in foreign exchange rates between the Euro, the Company's reporting currency, and other currencies in particular the U.S. dollar, as the majority of the Company's revenue is generated in U.S. dollars while a significant share of operating expenses is incurred in Euro and the revenue share to publishers is paid out in local currencies. Such fluctuations in the EUR/USD exchange rate can impact the earnings position and lead to both foreign exchange gains or losses. For instance, the Company assessed the impact of exchange rate fluctuations of +/-5 per cent. for the financial year 2018 as set out in the table below, demonstrating the sensitivity to a reasonably possible change in the exchange rate of USD, assuming all other influencing parameters were constant:

Base rate (USD/EUR) as of 31 December 2018	Change in rate	Maximum level	Effect on Company's Loss before Tax	Effect on Company's Equity
	(relative)	(absolute)	(in TEUR)	
1.14	+5.00 %	1.20	139	(4,296)
	-5.00 %	1.08	(154)	4,748

The timing and extent of currency fluctuations may be difficult to predict. Furthermore, the Company may be adversely affected at a time when the same currency movements benefit some of the Company's competitors. Currently no exchange rate fluctuations hedging, or option strategy is in place.

The Company classifies the risk as medium.

5. There is a risk of termination of important contracts due to change of control

The Company's major shareholder, Advert Finance B.V. ("**Advert**"), has a stake of approximately 88% of the voting rights through direct holdings. Together with other related parties and entities controlled by Tennor they hold in aggregate approximately 94 % of the voting rights in the Company. The distribution of such shareholdings results from an exchange of a part of the Company's EUR 149,900,000 outstanding senior unsecured convertible bonds due 2022[3] (the "**Convertible Bonds**") in lieu of new shares in the Company issued on 6 May 2019 (the "**Bond Conversion**"). It cannot be excluded that such capital measure resulted in a change of control[4] as defined in some of the Company's financing agreements. Such a change of control can trigger termination rights of the respective lender, if the execution of such rights is not suspended or waived. All relevant financing partners of the Company (Bank Leumi[5], BillFront[6] and Tennor[7]), have confirmed to the Company that they have not and will not terminate their respective financing agreement(s) on the basis of a change of control caused by the Bond Conversion. In case a termination right based on a change of control would be exercised irrespective of such confirmation, the exercise of such a right of termination would oblige the Company to prematurely repay outstanding debt under such agreements, which could have a material adverse effect on the Company's business, financial condition, cash flows, results of operations and prospects.

[3] The maturity date for all outstanding bonds was originally July 2020 and was set to July 2022 by extraordinary resolution passed in the bondholders' meeting on 8 October 2019.

[4] A change in the scope of influence, in particular on the adoption of resolutions at the Company's General Shareholders' Meeting, through changes in the voting rights of individual Shareholders.

[5] In the facility of Bank Leumi, control is defined by reference to the Israeli Securities Law 5728 – 1968 (There, control is defined as "the ability to direct the activity of a body corporate, exclusive of that ability derived only from holding the position of Director or some other post in the body corporate, and the presumption is that a person has control in a body corporate if he has half or more of a certain means of control in the body corporate").

[6] The agreement with BillFront defines control as "the right or actual power to exert a controlling influence as set out in section 17 of the German Stock Corporation Act (*Aktiengesetz*)".

[7] In the agreement with Tennor, a Change of Control means (i) the consolidation, merger or reorganization of the Company with or into one or more other corporations, or a or other disposition of all or substantially all of the Company's or its subsidiary's issued and outstanding share capital, to any other entity or person, other than a wholly-owned subsidiary of the Company, excluding in each case a transaction in which shareholders of the Company prior to the transaction will maintain voting control of the resulting entity after the transaction, and a transaction constituting an equity financing raised by the Company.

Based on the obtained confirmations, the Company classifies the risk as low.

6. The Company has pledged a significant part of its assets

The Company has pledged significant assets as collateral for financing and operating contracts, namely the Company's shares in all its operating subsidiaries, material parts of their intellectual property, as well as major parts of their existing and future trade receivables. For instance, the USD 13.5 million revolving credit facility agreement with Bank Leumi as lender is secured by substantially all of the assets of Fyber Monetization Ltd. and by the Company's shares in the borrower as well as the assets of Heyzap Inc ("**Heyzap**"). Additionally, the EUR 7.5 million working capital facility agreement with BillFront is secured by (i) an assignment agreement relating to all current and future intercompany receivables between Fyber GmbH, Fyber Media GmbH, Fyber, Inc., Heyzap and Fyber RTB GmbH (ii) an account pledge agreement of Fyber RTB GmbH as pledgor relating to certain bank accounts into which debtors pay the relevant invoices, (iii) a U.S. security agreement entered into by Fyber RTB GmbH as grantor by which the grantor assigns all current and future U.S. accounts receivables and U.S. deposit accounts into which collections on the accounts receivable are remitted or deposited and all proceeds and products thereof (iv) a pledge over the current and future shares and ancillary rights in Fyber Media GmbH (v) a pledge agreement granting security over the borrower's shares and associated rights in Fyber, Inc. and (vi) an amended and restated deed of assignment relating to certain UK law governed receivables of the borrower and Fyber GmbH, Fyber Media GmbH and Fyber RTB GmbH.

There is a risk that additional financing measures or the extension of existing financing agreements will not be possible due to a lack of available collateral. This could have a negative impact on the net assets, financial position and results of operations of the Group and the Company.

In addition, there is the risk that Fyber has repeatedly used assets as collateral and thereby violates contractual clauses which grant contractual partners and in particular lenders a right of termination, mainly in relation to using trade receivables as collateral, which are selected and attributed to financing partners manually and might be accidently attributed due to human or technical error. Should such a right of termination be exercised, a repayment obligation triggered as a result could have adverse effects on the Company's business, financial condition, cash flows, results of operations and prospects.

The Company classifies the risk as low.

7. Assets of the Company may become subject to impairment

As of the date of this Prospectus, Fyber held considerable financial and non-financial assets, copyrights and other intellectual property. The Group's goodwill, intangible assets and certain financial assets are subject to annual impairment tests, or whenever there are reasons to suspect an impairment of assets. Where no fair value is available, the measurement approach is calculated based on the Company's estimates and assumptions. These are based on the most current information available.

The actual value development often lies outside of the Company's sphere of influence as it operates in a rapidly evolving, highly competitive technology market, in which competitive advantages are often dominated by the technological perks of companies and their product suites. While the Company invests considerable amounts into developing its technology further, updating existing products or releasing new products that meet new or changed market demands, it cannot be ruled out, that competitors present newer technologies to the market that might obstruct the Company's business, lower revenue potential with existing partners, or lead to discontinuation of business with certain partners and/or a future impairment of assets, if the Company is unable to react in an appropriate and timely manner to these changes. Changes in the regulatory environment, also outside of the Company's direct line of influence, may pose similar threats. Moreover, the financing available for implementing business plans can deviate from the assumptions made, leading to a future impairment of the Company's assets and the need to adjust the carrying amounts. This can have a material adverse effect on the Company's business, financial condition, cash flows, results of operations and prospects.

The Company classifies the risk as low.

III. Legal and regulatory risks

1. The Company processes a large amount of personal data

Fyber collects, stores, processes and uses data in the ordinary course of business to provide its services to customers. As a technology provider linking publishers and advertisers, Fyber facilitates the serving of more or less targeted ads, depending on the client's preferences and the app users' consent. During the integration phase of Fyber's technology with a publisher's app, the publisher may specify the type of personal data that will be shared with Fyber via automated

processes, including e.g. internet protocol (IP) addresses, advertising IDs and location data. Offering data-based services to its publishers, enabling them to better understand their user base, extracting value from clustering users and with that achieving higher yield from advertising is a key service offered by Fyber. The correct use of data, ensuring its integrity and security as well as adhering to all data protection laws and regulations applicable to the Company are imperative to the Company's business operations and reputation. It may not be possible to prevent cases of data leakage or the misuse of data as a result of human error, technological failure or other factors outside of the Company's control. The Company may also be subject to consumer data leakage from cyberattacks on its data systems or criminal activities by its employees or service providers.

In addition, unauthorized access of the data processed by a Group Company or the Company itself by third-party actors may infringe data protection regulations, resulting in claims for damages and harm to the Company's reputation, thus materially adversely affecting its business activities, net assets, financial position and results of operations.

Furthermore, the Company may be subject to local data protection laws and regulations, taking effect on the Company's products, services and customer data handling, potentially limiting the effectiveness of serving meaningful ads to users and with that the Company's revenue potential.

Specifically, the Company is subject to the EU's General Data Protection Regulation (EU 2016/679) ("**GDPR**"), which took effect in May 2018 and regulates data protection for users within the European Economic Area (EEA). This is applicable to Fyber, as the data it processes may include potentially identifiable information which may relate to users in the EEA. As a data processor, Fyber does not require a separate GDPR consent from end users to collect and process apps' end-users' personal information for the purpose of serving targeted and lucrative ads. Fyber relies on publishers to obtain consent from their users for ad targeting.

On 1 January 2020, the California Consumer Privacy Act of 2018 ("**CCPA**") will enter into effect, regulating privacy and data protection for residents of California. The act is applicable to Fyber as its global customer base may include app developers who market to and work with Californian residents, including serving advertising to them.

Fyber invested great efforts to ensure that its services comply with both standards, implementing changes to its procedures, documentation, policies, and contractual framework with its customers and partners. The Company also monitors potential similar developments in other jurisdictions it is active in, and does not rule out further investment needs to ensure that business activities and product features adhere to various data usage regulations. Data protection agencies have the right to audit the Company and impose orders and fines if they find that the Company has not complied with applicable laws or has not adequately protected customer data. Any limitations imposed by stricter interpretation of the existing requirements or by future modifications of the data protection laws could have a significant impact on the Company's business operations and the Company's ability to market products and services to existing or potential customers. Furthermore, users declining their consent for targeted advertising based on personal data might generate less yield for publishers and lead to a potential decrease in revenues for the Company. Similarly, publishers failing to obtain consent from users or failing to pass the gathered consent information on to Fyber might lead to a decline in gross revenue for the Issuer.

The Company classifies the risk as medium.

2. Risk from infringements of intellectual property rights

The Company operates technologies that make use of intellectual property held by third parties. In particular, the Group's products rely on third-party open source software components. The use of open software may bear the risk that certain licenses could be construed in a way that could impose unanticipated conditions or restrictions to the Group. If the Group is held to have breached the terms of an open source software license, it could be required to discontinue use of certain code, or to make portions of its proprietary code publicly available. As a result, it may be subject to alleged claims of infringing intellectual property rights of others and may be unable to adequately protect own intellectual property rights.

Generally, there is an increasing dependence of the software production industry on technology or content protected by intellectual property rights, which increases the possibility that the Company or a Group Company will be exposed to litigation or other proceedings to defend against alleged infringements of, or disputes in relation to, the intellectual property rights of others. In particular, under German copyright law, software developers are entitled both to appropriate remuneration and to additional remuneration if the proceeds from the exploitation of a software are deemed extraordinarily high in relation to the original remuneration. The respective Group Company could be exposed to claims for additional payments by the respective developer.

Furthermore, the Company or a Group Company may be forced to acquire additional and costly licenses in the future or to pay additional royalties for technologies or content employed. The contractual obligations set up in order to protect the Group include indemnification claims against subcontractors. However, these may be out of business or otherwise fail to fulfil their indemnification obligations when called. Furthermore, holders of intellectual property claiming infringement may demand significant compensation for damages and require the Company or any Group Company to cease the use of protected technology or content which in turn may cause Fyber to shut down software components or postpone product releases.

Fyber holds a set of licenses, copyrights, contractual obligations in place to protect the intellectual property and know-how which Group Companies use to provide products and services. In the event that the steps taken, and the protection provided by law do not adequately safeguard intellectual property and know-how, the Company could suffer losses in revenues and profits due to competitive products and services unlawfully offered based on the Group's intellectual property or know-how. Litigation or other proceedings may be necessary for the Group to enforce and protect intellectual property rights. Any such intellectual property litigation or proceeding could be costly. An unfavorable court decision in any litigation or proceeding might lead to the loss of the Company's intellectual property, which could result in significant liabilities and/or disrupt the Group's business operations.

The realization of such risk from infringements of intellectual property rights could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company classifies the risk as low.

IV. Internal control risk

1. Facts and circumstances threatening the Company's going concern assumption may not be identified in a timely manner or at all

A risk management and monitoring system has been set up at the Company aiming to identify as early as possible any developments that might jeopardize the going concern of the Company. For instance, the Company specifically monitors the risks arising from the facts and circumstances which are set out in the independent auditor's report 2018 in relation to the Company's going concern, i.e. that the Company "depends on a future positive result and increasing revenues, the willingness of the bondholders to convert bonds into equity and the willingness of an important shareholder and the banks to continue its financing. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern".

However, even adequate and functioning systems cannot guarantee absolute safety for the identification and control of risks. The monitoring of business activities for the early identification of risks threatening the continued existence of the Company is currently performed to a large extent by the management board of the Company and in part by employees of the Company. Even if the Company attempts to identify risks that could jeopardize its going concern at an early stage using a central management information system, it cannot be ruled out that critical risks might only be identified at a point in time when it is no longer possible to cope with them or not to the extent that would have been the case if they had been identified at an earlier stage.

There is also the exposure that the development of the Company's risk management structures will not keep up with the development of Fyber, in particular with a further internationalization of marketing and sales, and that risks will be identified too late or not at all. An important challenge is the further development of appropriate internal organizational, risk monitoring and risk management structures that enable the Company to identify undesirable developments and risks at an early stage. The extension of the risk monitoring system to new business areas or parts of Group Companies and the adaptation to changed market conditions must be carried out regularly and involves costs and time. Should deficiencies or gaps in the existing risk monitoring and management system become visible or should Fyber fail to create appropriate structures and systems in a timely manner in connection with the planned further growth, this could cause that risks, trends and undesirable developments will not be recognized in time. This is of particular importance as the Company operates in a fast-paced, rapidly evolving industry, with many of the key products still young to the market and being shaped among others by business and client needs as well as regulatory changes and changes in user behavior. The occurrence of one or more of the aforementioned risks could have a material adverse effect on Fyber's business, net assets, financial position and results of operations, or even jeopardize the Company's going concern.

The Company classifies the risk as medium.

2. Fyber may not be able to successfully manage current or potential future growth

In the past, Fyber has reported fast organic and anorganic (i.e. acquisition-driven) growth and while the overall gross revenue declined over recent quarters, the Company continues to deliver growth in its core business. Future growth will continue to pose various challenges to the Group, such as finding and/or retaining suitable personnel, implementing an enhanced control framework to support operations and establishing sufficiently robust compliance procedures. The work force management may prove insufficient for the Company's existing business and growth plans and the Company's existing teams may not be adequately staffed to handle an increase in the workload. Continued growth requires the Company and the Group Companies to expand and improve operational, IT, financial, accounting, compliance and management controls, and enhance reporting systems and procedures, which may not always be possible or prove lengthy or costly, particularly in combination with external factors such as taxation considerations, local legislation, limited resources and geographic location. In addition, the Company may incur losses or fail to identify or enter new markets or industry segments successfully which may impair the ability to reach a leading market position. Any failure to successfully expand the Company's operations, facilities and staff may have an adverse effect on the Company's brand, business, results of operations or growth of the Company's key performance indicators. A decrease of profitability may lead to a loss of key accounts and significant business partners may decide to terminate their relationships with the Company if their expectations are not satisfied. Fyber may not be able to find replacements in due course or at all.

The materialization of the risk of not successfully managing current or potential future growth could have a material adverse effect on the Company's assets, financial condition, cash flows and results of operations.

The Company classifies the risk as medium.

3. Any disruptions of the Company's IT systems may adversely affect its performance, operations and reputation

Fyber heavily relies on information technology systems and networks for its products and sales, software production, services and business processes as well as internal and external communications. The consistent, efficient and secure operation of its IT systems, including computer hardware, software, platforms and networks, is critical to the successful performance of the Group's operations and its reputation.

Despite IT maintenance and security measures, Fyber's internal IT systems and networks are exposed to the risk of malfunctions and interruptions from a variety of sources, including due to equipment damage, deficient data-base design, power outages, computer viruses and other malware and a range of other hardware, software and network problems. Fyber's IT personnel may not be able to resolve such issues in a timely manner or at all. Some potential causes that can lead to a malfunction or interruption of Fyber's IT systems or networks are difficult to detect and may only be detected once the risk has already materialized. A significant or large-scale malfunction or interruption, whether malicious or otherwise, of one or more of the Group's IT systems or networks could adversely affect the Company's ability to keep its operations running efficiently and might lead to incurring compensation fees payable to publishers for revenue losses because of platform downtime. Moreover, an extended outage at a telecommunications network utilized by the Group's IT systems or networks or a similar event outside Fyber's control could lead to an extended unanticipated interruption of Fyber's IT systems or networks, which could have an adverse effect on its business. Furthermore, any data leaks resulting from information technology security breaches may result in the disclosure or misuse of proprietary or confidential information, including customer and employee data, which may subject the Group to fines, claims for damages, and reputational damage.

The materialization of the risk of disruptions of the Company's IT could have a material adverse effect on the Company's assets, financial condition, cash flows and results of operations.

The Company classifies the risk as medium.

4. The Company is exposed to cybersecurity risks

As Fyber continues to grow organically and through acquisitions, deliver software solutions via the cloud, host or manage elements of its customers' businesses in the cloud, process large amounts of data and offer mobile solutions to users, Fyber faces a progressively more complex security environment. The complexity of this security environment is amplified due to the increasingly malicious global cybersecurity threat landscape in which the Company operates, including third-party data, products, and services that the Company incorporates into its products, and the continually evolving and increasingly sophisticated techniques employed by threat actors targeting IT products and businesses.

Subsequently, the Company is exposed to cybersecurity attacks of varying degrees on a regular basis. As a result, the Company is subject to risks and associated consequences in the following areas, *among others*, undetected security

defects and vulnerabilities, exposure of Fyber's business operations and service delivery due to virtual attack, disruption, damage, and/or unauthorized access, theft, destruction, industrial and/or economic espionage, serious and organized crime, abuse of data, social engineering, misuse or trespassers in the Company's facilities, disruptions to back-up, disaster recovery, and business continuity management processes.

Further, although the Company invests into the end-to-end encryption of hardware used by employees to fend off cybersecurity attacks, it cannot be excluded that a breach of security measures occurs due to, for example but not limited to, employee error or wrongdoing, system vulnerabilities, malfunctions, or attempts of third parties to fraudulently induce employees, users, partners, or customers to gain access to the Company's systems, data, or customers' data.

This could result in recovery costs as well as significant contractual and legal claims by customers, partners, authorities, and third-party service providers which could expose the Company to significant expense and liability or result in the issuance of orders or consent decrees that could require Fyber to modify the Company's business practices. Further, significant costs to attempt to detect, prevent, and mitigate any attacks may occur, including but not limited to the costs of third-party legal and security experts and consultants, insurance costs, additional personnel and technologies, organizational changes, and incentives to customers and partners to retain their business. Customers may lose confidence in the security and reliability of the Company's products and services, which may result in significant damage to Fyber's brand, reputation, competitive position, stock price, and long-term shareholder value. Any one or more of these events could have a material adverse effect on the Company's business, financial position, profit, and cash flows.

The Company classifies the risk as low.

V. Risks related to the nature of the securities

1. The Company does not expect to pay any dividends in the foreseeable future

Since its incorporation, the Company has not paid any dividends to its shareholders and currently does not expect to be in a position to, nor does it intend to, pay dividends in the foreseeable future. The Company's ability to pay dividends depends upon, among other things, the Company's results of operations, financing and investment requirements, as well as the availability of distributable profit. Certain reserves must be established by law and have to be deducted when calculating the distributable profit. However, the Company's generated loss after tax amounted to EUR 35.4 million and EUR 38.4 million for the full year 2018 and the first six months of 2019 respectively. In addition, the USD 13.5 million revolving credit facility agreement with Bank Leumi as lender contains and other debt financing arrangements, which may be entered into in the future may contain, covenants that impose restrictions on the Company's business and on the Company's ability to pay dividends under certain circumstances. Any of these factors, individually or in combination, could restrict the Company's ability to pay dividends which would, in turn, depress the market price of the Shares and constitute a material loss of a selling shareholder.

The Company classifies the risk as high.

2. Risk of conflicts of interests between the Company's major Shareholder and other Shareholders

The major Shareholder, Advert, a fully owned subsidiary of Tennor, directly holds approximately 88.40% of the voting rights in the Company. Together with Tennor they hold in aggregate approximately 94% of the voting rights in the Company. It cannot be excluded that the interests of this major Shareholder may conflict with the interests of other Shareholders or the interests of the Company. Depending on the presence at the general shareholder meeting of the Company, the major Shareholder could block major decisions requiring a three-quarters majority without the consent of other shareholders, including amendments to the articles of association of the Company ("**Articles of Association**"), corporate actions and mergers (e.g. capital increases excluding the subscription rights of existing shareholders, capital reductions, the creation of contingent capital or certain conversion measures such as mergers and divisions), liquidation or a squeeze-out of other shareholders. Conflicts of interest between the major shareholder and the Company or its other Shareholders may have a material adverse effect on Fyber's business, financial condition and results of operations, which would, in turn, materially adversely affect the market price of the Shares and constitute a material loss of a selling shareholder.

The Company classifies the risk as medium.

3. The Company's share price may be volatile

The market price of the Company's Shares has been very volatile in the past. For instance, the market price of the Shares moved in the period from 1 January 2019 to the date of this Prospectus in the range from EUR 0.10 (low) to EUR 0.33 (high), in many instances on a day-to-day development not obviously related to the Company's public statements or

performance. It cannot be ruled out that the market price of the Company's Shares will be subject to major fluctuations in the future, which are not necessarily related to the Company's business performance. If a shareholder experiences pressure to sell Shares it may be forced to sell at a lower price compared to the price at which it acquired such Shares in which case it may result in a material loss for such shareholder.

The Company classifies the risk as medium.

4. Future offerings of debt or equity securities by the Company could adversely affect the market price of Shares, and future corporate actions could substantially dilute the interests of the Company's existing shareholders

The Company may require additional capital in the future to finance its business operations and growth. The Company may seek to raise capital through offerings of debt securities (potentially including convertible debt securities) or additional equity securities. An issuance of additional equity securities or securities containing a right to convert into equity, such as convertible instruments and options, could potentially reduce the market price of the Company's Shares and would dilute the economic and voting rights of the Company's existing shareholders if made without granting subscription rights to the Company's existing Shareholders. Because the timing and nature of any future issuance would depend on market conditions at the time of such issuance and further developments of the capital requirements of the Group, the Company cannot predict or estimate the amount, timing or nature of future offerings. In addition, the acquisition of other companies or investments in companies in exchange for newly issued shares of the Company, as well as the exercise of stock options by the Company's employees in the context of the existing and possible future stock option programs or the issuance of the Company's Shares to employees in the context of possible future employee stock participation programs, could lead to a dilution of the economic and voting rights of the Company's existing Shareholders. Certain current Shareholders may be protected by anti-dilution protection mechanisms, such as down round protections, entitling them to subscribe for a number of additional Shares in the Company in connection with certain capital measures. The Shareholders thus bear the risk that such future offerings could reduce the market price of the Company's Shares and/or dilute their holdings of the Shares in which case a selling shareholder may incur material losses.

The Company classifies the risk as low.

3. GENERAL INFORMATION

I. Responsibility Statement

Fyber N.V. (Legal Entity Identifier (*LEI*) 894500D5B6A8E1W0VL50) is a public limited liability company (*naamloze vennootschap*) incorporated under Dutch law and registered with the Trade Register of the Dutch Chamber of Commerce (*Kamer van Koophandel, afdeling Handelsregister*) under number 54747805, having its registered seat in Amsterdam, the Netherlands and its office address at Wallstraße 9-13, 10179 Berlin, Federal Republic of Germany ("**Germany**"). Since 23 March 2015, the Company has a branch office in Berlin, Germany, registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Berlin Charlottenburg under HRB 166541 B. As of the date of this Prospectus, the management board of Fyber N.V. (the "**Management Board**") consists of Ziv Elul, Daniel Sztern and Yaron Zaltsman and the Company's supervisory board ("**Supervisory Board**") consists of Yair Safrai, Arjun Metre, Karim Sehnaoui, Tarek Malak and Franklin Rios. This Prospectus is made available by the Company. The Company has assumed responsibility for the content of all parts of this Prospectus. The Company declares that, to the best of its knowledge, the information contained in the Prospectus is in accordance with the facts and that the Prospectus makes no omission likely to affect its import.

If any claims are asserted before a court of law based on the information contained in this Prospectus, the investor appearing as plaintiff may have to bear the costs of translating this Prospectus prior to the commencement of the court proceedings pursuant to the national legislation of the member states of the European Economic Area ("**EEA**").

In case of any significant new event or significant error or inaccuracy relating to the information contained in this Prospectus that may affect an assessment of the securities and occurs or comes to light following the approval of this Prospectus but before the admission of the securities to trading, these updates must be disclosed in a prospectus supplement without undue delay. Notwithstanding the relevant requirements in Article 23 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC ("**Prospectus Regulation**"), the Company is not required to keep the Prospectus updated on an ongoing basis.

II. Subject Matter of this Prospectus

This Prospectus relates to the admission to trading of 247,333,086 new shares of the Company ("**New Shares**") on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). Such New Shares were created by the Bond Conversion, i.e. an exchange of a part of the Company's EUR 149,900,000 outstanding senior unsecured Convertible Bonds due 2022[8] *in lieu* of new shares in the Company issued on 6 May 2019. Each of the New Shares is issued in the form of a registered share with a nominal value of EUR 0.10 each. The New Shares are governed by Dutch law.

III. Competent Supervisory Authority

This Prospectus has been filed with and approved by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) (the "**AFM**"), as the competent authority under Article 20 of the Prospectus Regulation. Based on Article 20 of the Prospectus Regulation, the Netherlands is the home member state of the Company and the AFM is solely authorized to approve this Prospectus. The Company will be authorized to carry out the Admission once the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungaufsicht, "**BaFin**"), which is the competent authority in Germany, has been notified about the approval of the Prospectus in accordance with Article 20 of the Prospectus Regulation. The AFM only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval shall not be considered as an endorsement of the Company and/or the quality of the New Shares. Investors should make their own assessment as to the suitability of investing in the New Shares.

The Prospectus has been drawn up as a simplified prospectus in accordance with Article 14 of the Prospectus Regulation.

IV. Forward-looking Statements

This Prospectus contains forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts or events or to facts or events as of the date of this Prospectus. This applies, in particular, to statements

[8] The maturity date for all outstanding bonds was originally July 2020 and was set to July 2022 by extraordinary resolution passed in the bondholders' meeting on 8 October 2019.

in this Prospectus containing information on the Company's or Group's future earnings capacity, plans and expectations regarding the Company's business growth and profitability, and the general economic conditions to which the Company is exposed. Statements made using the words "aims", "contemplates", "anticipates", "intends", "plans", "predicts", "projects", "forecasts", "targets", "endeavors" or "expects" may be an indication of forward-looking statements.

The forward-looking statements in this Prospectus are subject to uncertain future events and are based on estimates and assessments made to the best of the Company's present knowledge. These forward-looking statements are based on assumptions, uncertainties and other factors, the occurrence or non-occurrence of which could cause the Company's actual results, including the financial condition and profitability of the Group, to differ materially from or fail to meet the expectations expressed or implied in the forward-looking statements. These expressions can be found in several sections in this Prospectus, particularly in the sections entitled "*Risk Factors*", "*Business Description*" and "*Recent Developments and Outlook*", and wherever information is contained in this Prospectus regarding the Company's intentions, beliefs, or current expectations relating to its future financial condition and results of operations, plans, liquidity, business outlook, growth, strategy and profitability, as well as the economic and regulatory environment to which the Company is subject.

In light of these uncertainties and assumptions, it is also possible that the future events mentioned in this Prospectus will not occur. In addition, the forward-looking estimates and forecasts reproduced in this Prospectus from third-party reports could prove to be inaccurate (for more information on the third-party sources used in this Prospectus, see "*Sources of Market Data*"). Accordingly, neither the Company nor its Management Board can assume responsibility for the future accuracy of the opinions expressed in this Prospectus or as to the actual occurrence of any predicted developments. In addition, it is emphasized that neither the Company assumes any obligation beyond the legal requirements to update any such forward looking statements or to adjust them to future events or developments.

V. Documents Available for Inspection

For the period during which this Prospectus is valid, the following documents will be available for inspection during regular business hours at the Company's offices at Wallstraße 9-13, 10179, Germany (tel. +49 30-6098555-55, *ir@fyber.com*):

- the Articles of Association;
- the Company's audited consolidated financial statements prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union ("**IFRS**") as of and for the years ended 31 December 2018 (the "**IFRS Financial Statements 2018**"); and
- the Company's unaudited and unreviewed condensed consolidated financial statements prepared in accordance with IFRS as of and for the six months period ended 30 June 2019 (the "**H1 Financial Statements 2019**")

The above documents are also available on the Company's website (*https://investors.fyber.com*). The Company's future consolidated and unconsolidated financial statements will be available on its website.

VI. Sources of Market Data

To the extent not otherwise indicated, the information contained in this Prospectus on the market environment, market developments, market trends, growth rates and competition in the markets in which Fyber operates are based on the Company's assessments.

The following third-party sources were used in the preparation of this Prospectus and for the Company's assessment mentioned above:

- App Annie, "State of Mobile 2019", January 2019, https://www.appannie.com/en/go/state-of-mobile-2019/ and https://www.appannie.com/en/about/press/releases/app-annie-releases-annual-state-of-mobile-2019-report/ ("**App Annie 2019**");
- App Annie, "In-App Advertising Spend to Triple, Reach USD 201 Billion by 2021", August 2017, https://www.appannie.com/en/insights/market-data/app-advertising-spend-2021/, ("**App Annie 2017**");
- eMarketer, "Mobile Ad Spending to Surpass All Traditional Media Combined by 2020", October 2018, https://www.emarketer.com/content/mobile-ad-spending-to-surpass-all-traditional-media-combined-by-2020, ("**eMarketer 2018**"); and

- Forrester, "The move towards in-app advertising", January 2019, https://pubmatic.com/reports/in-app-environments-advertising-forrester/, ("**Forrester 2019**").

It should be noted in particular that reference has been made in this Prospectus to information concerning markets and market trends, which was obtained from the above-mentioned sources. The Company has accurately reproduced such information and, as far as it is aware and able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Nevertheless, prospective investors are advised to consider this data with caution. For example, market studies that contain outlooks or information regarding the future are often based on information or assumptions that may be inaccurate or inappropriate, and their methodology is inherently predictive and speculative.

Irrespective of the assumption of responsibility for the content of this Prospectus by the Company (see "*I. Responsibility Statement*"), the Company has not independently verified the figures, market data or other information on which third parties have based their studies. Accordingly, the Company makes no representation or warranty as to the accuracy of any such information from third-party studies included in this Prospectus. Prospective investors should note that the Company's own estimates and statements of opinion and belief are not always based on studies of third parties.

VII. Presentation of Currency and Financial Information

The IFRS Financial Statements were prepared in accordance with IFRS. The financial information contained in this Prospectus for the financial year 2018 is taken from the audited financial statements of the Company as of and for the financial year ended 31 December 2018 and the Company's accounting records. The financial information contained in this Prospectus for the period from 1 January to 30 June of the financial years 2018 and 2019 is taken from the Company's unaudited and not reviewed condensed consolidated financial statements prepared in accordance with IFRS as of and for the period ended 30 June 2019. Any financial data referred to as "unaudited" in this Prospectus has not been taken from audited financial statements. Any financial data referred to as "audited" in this Prospectus was taken from the IFRS Financial Statements 2018. The amounts in this Prospectus in "**euro**", "**EUR**" or "**€**" refer to the legal currency of the Netherlands.

VIII. Information for Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Shares have been subject to a product approval process, which has determined that the New Shares are: (i) compatible with an end target market of investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the New Shares may decline and investors could lose all or part of their investment; the New Shares offer no guaranteed income and no capital protection; and an investment in the New Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the capital increase.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect to the New Shares and determining appropriate distribution channels.

IX. Alternative Performance Measures

1. Adjusted EBITDA

The Company defines adjusted EBITDA as the sum of operating result and depreciation and amortization, adjusted for share-based compensation expenses. Adjusted EBITDA is not a measure required by, or calculated in accordance with, IFRS. As such, the non-standardized non-IFRS indicator may not be comparable to similarly titled information published by other companies, may not be suitable for an analysis of the Company's business and operations, and should not be considered as a substitute for an analysis of the operating results prepared in accordance with IFRS.

The Company includes this measure in its financial reports as it is a key metric used by the Management Board and the Supervisory Board to evaluate operating performance, generate future operating plans and make strategic decisions regarding the allocation of capital. In particular, the performance indicator can act as a useful metric for period-over-period comparisons of Fyber's core business. Accordingly, the Company believes this metric to provide useful information to investors and other stakeholders in understanding and evaluating the operational results in the same manner as management does.

For the past periods, the adjusted EBITDA was calculated and reported as summarized below:

Position	For the six months ended 30 June		For the year ended 31 December 2018
	2019	**2018**	
In TEUR, unaudited			
Operating result (EBIT)	(8,632)	(13,398)	(21,584)
Depreciation and amortization	6,082	6,978	12,751
EBITDA	(2,550)	(6,420)	(8,833)
Share-based compensation expenses	966	426	1,613
Adjusted EBITDA	**(1,584)**	**(5,994)**	**(7,220)**

Following the adoption of IFRS 16 as at 1 January 2019, the Company realized a positive effect on EBITDA from the application of the new lease accounting standard of EUR 1,210 thousand for the six months period ended 30 June 2019.

4. GENERAL INFORMATION ABOUT THE COMPANY AND THE GROUP

I. Formation, Registration, Location and Duration

The Company's legal name is "Fyber N.V." and it operates under the commercial name "Fyber". It was incorporated in 2012 as a public limited liability company (*naamloze vennootschap*) under Dutch law and registered with the Trade Register of the Dutch Chamber of Commerce (*Kamer van Koophandel, afdeling Handelsregister*) under number 54747805, having its registered seat in Amsterdam, the Netherlands and its office address at Wallstraße 9-13, 10179 Berlin, Germany. Since 23 March 2015, the Company has a branch office in Berlin, Germany, registered in the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Berlin Charlottenburg under HRB 166541 B. The Company is incorporated under Dutch law. The Legal Entity Identifier (*LEI*) of the Company is 894500D5B6A8E1W0VL50.

The Shares of the Company which were existing and listed prior to the Bond Conversion are admitted to trading on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

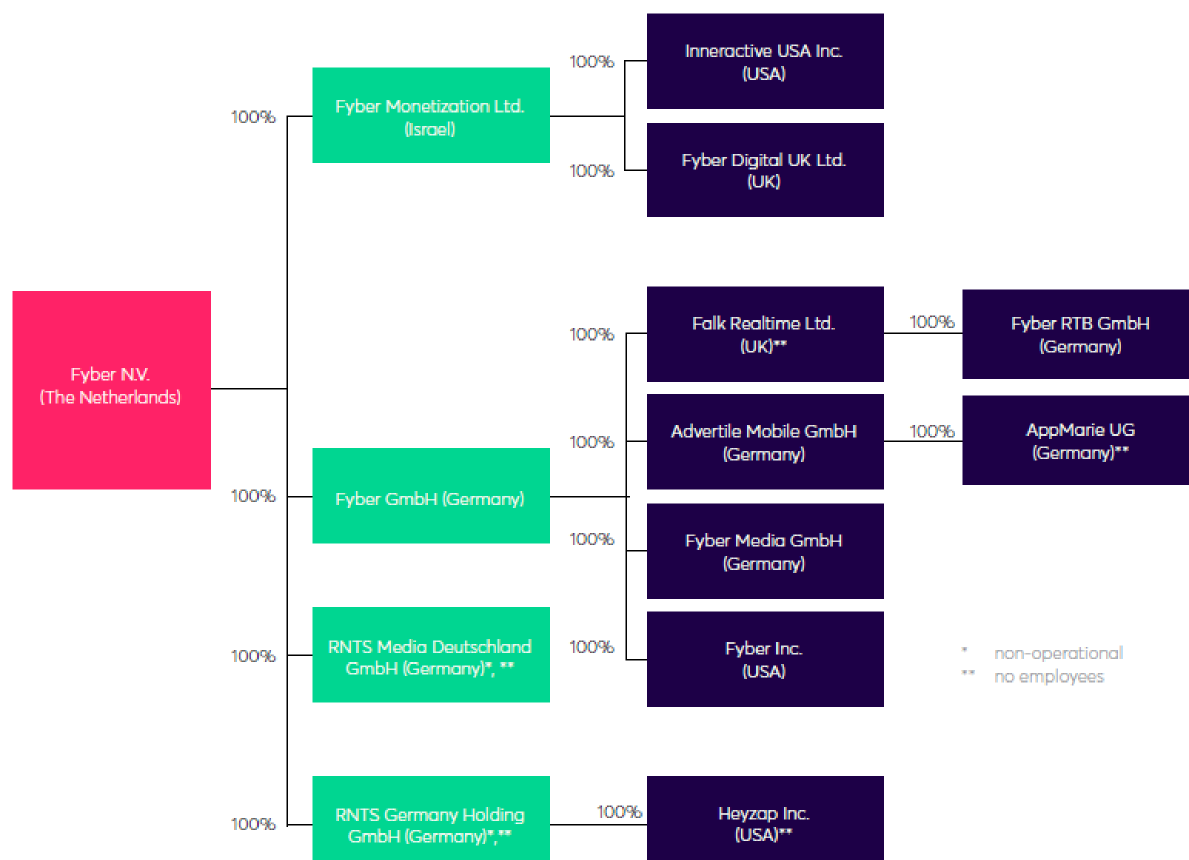
The Company is available at its Berlin branch office under tel. +49 30-6098555-55 (ir@fyber.com). The Company's website is available under www.fyber.com. For the avoidance of doubt, the information contained on the Company's website is not incorporated by reference into this Prospectus.

Fyber has offices in Berlin, Tel Aviv, San Francisco, New York, London, Beijing and Seoul.

II. Structure of the Group

The Company is the Group's holding company, which operates under the brand "Fyber". As a holding company, the Company performs, *inter alia*, a holding function and is responsible for management, financing, corporate law and financial services. The Group comprises 14 entities and includes the Company and the Group Companies. The Company is primarily operating through its subsidiaries Fyber Monetization Ltd. (Israel) and Fyber GmbH (Germany).

The following chart provides an overview of the shareholdings of the Company as at the date of this Prospectus:



Fyber Media GmbH entered into a profit transfer agreement with Fyber GmbH dated 1 November 2012, as amended from time to time, and Fyber RTB GmbH entered into a profit transfer agreement with Fyber GmbH dated 28 February 2019. The Company did not enter into any profit transfer agreement with any of its subsidiaries.

III. Financial Year

The financial year of the Company is the calendar year.

IV. Statutory Auditor

KPMG Accountants N.V., Laan van Langerhuize 1, 1186 DS Amstelveen, the Netherlands ("**KPMG**") has been appointed as the external auditor of the Company for the financial year ending on 31 December 2019. KPMG is registered with the Trade Register of the Dutch Chamber of Commerce (*Kamer van Koophandel, afdeling Handelsregister*) under number 33263683.

Grant Thornton Accountants en Adviseurs B.V. ("**Grant Thornton**"), De Passage 150, 1101 AX Amsterdam, the Netherlands has audited the IFRS Financial Statements 2018 and 2017. Grant Thornton Accountants en Adviseurs B.V. is registered with the Trade Register of the Dutch Chamber of Commerce (*Kamer van Koophandel, afdeling Handelsregister*) under number 28105565.

The auditors who sign on behalf of KPMG and Grant Thornton are members of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

Grant Thornton provided an unqualified audit opinion on the IFRS Financial Statements 2018. Without modifying the audit opinion, Grant Thornton notes that there is a key uncertainty which represents an existential risk by the following statement:

"*Material uncertainty related to going concern*

We draw attention to the going concern paragraph in the notes on page 93 and 94 of the financial statements which indicates that the company depends on a future positive result and increasing revenues, the willingness of the bondholders to convert bonds into equity and the willingness of an important shareholder and the banks to continue its financing. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

The going concern paragraph referred to above in the notes on page 93 and 94 of the IFRS Financial Statements 2018 contains the following statement:

"*2.2. Going concern considerations*

As a result of losses in prior years including a significant impact of an impairment of goodwill recognized in 2017, the Group's equity totaled €13,224 thousand as of 31 December 2017.

As the Group continued in 2018, to operate with losses, the Group showed a total equity deficit of € 15,558 thousand as of the reporting date. The operating losses resulted primarily from strategic, long term decisions: Fyber's clean marketplace initiative including the move away from aggregated supply and the restructuring of Fyber's global sales organization in the context of the integration of acquired companies. Furthermore, the results were affected by the change in the 'Google Play Store' terms, which banned the use of charging screens ads from 1 January 2018 onwards.

The recent financial performance for the full year 2018 negatively impacted the ability to serve the interest payments of the EUR 150 million 3.00 percent Convertible Bonds facility, which were due biannually in January and July with €2.25 million each until the maturity date in July 2020, without hurting the business and the necessary investments into technology at the same time. On 20 December 2018 the Company therefore together with bondholders agreed on a delay in interest payments until July 2020. Please refer to note 4 for further details.

On 31 December 2018, the Group showed €12,276 thousand in cash and cash equivalents. For 2019, management expects operating cash flow for the full year to be break even and already obtained funding of up to €3,000 thousand from Sapinda Holding B.V. This funding added to the €12,000 thousand of the existing credit facility from the same source. Please refer to notes 28.2 and 43.1 for further details.

Despite the losses in the past, the management board, together with the supervisory board, has faith in the strategic decisions taken and the plans to make the company profitable and cash generating in the future. Although, there is a material uncertainty with respect to going concern. The board used the going concern assumption in preparing the financial statements because it assesses the prepared plans as reasonable and realistic. The financial statements and the

auditor's report, as enclosed later in this report, cover a period of 12 months after the date of the auditor's report and within that period no significant repayment obligation towards financial institutions, shareholders or bondholders exists.

As per June and July 2020 respectively, a significant repayment obligation applies with respect to the € 15,000 thousand facility of Sapinda Holding B.V. and the remaining bondholders. At this moment the company is not able to repay these debts. The management is currently exploring options how to respond to that situation which occurs in July 2020."

5. BUSINESS DESCRIPTION

I. Introduction

Fyber operates in the area of advertising technology focused on the mobile in-app market. The Company provides a technology platform and software solutions for developers of apps in the field of digital advertising on mobile devices such as smartphones and tablets in order to enable them to monetize their content. In particular, Fyber specializes in software-based (automated) trading of advertisements and aims to enable the manufacturers and vendors of apps to monetize their digital contents through targeted, high-quality advertisements. The Company connects app developers and their users with advertisers worldwide who can bid on the ad space within the apps, with Fyber ensuring in real-time and by way of fully automated data-driven processes that only relevant and lucrative advertisements are delivered and displayed.

The Company's offering comprises:

- *ad exchange*: a technology platform that enables the bidding on and buying/selling of ads between a large number of app developers and advertising partners
- *ad mediation platform*: a technology platform offering access to a large number of ad networks, who bundle advertising demand from various sources, to app developers including the possibility to integrate, manage and optimize different ad networks through one single integration platform and interface
- *ad server*: a technology used to place ads in apps, letting publishers sell, manage and deliver their ad inventory to demand sources
- *app bidding* (also referred to as 'in-app header bidding'): a first-price auction protocol enabling a real-time unified auction among all connected demand sources, who are mostly entering the auction with actual prices rather than estimates based on historical values as is often used in traditional mediation
- *data services*: including data analytics tools for app developers which provide a better understanding of their own user base, enabling them to form segments of users following specific criteria, which helps to achieve higher yield from advertisers, who seek to place targeted ads
- *publisher tools*: including online dashboards that allow for app developers to manage their ad monetization, tools such as ad placements and ad instances that enable publishers to fine-tune their monetization strategies.

For transactions placed via the ad exchange ("**Fyber Marketplace**"), the Company retains a share of the ad spend advertisers place via the platform, which is the main source of income and basis of the business model.

Fyber's vision is to become the primary monetization platform for the in-app environment, providing a powerful platform to publishers that allows them to centrally manage and execute all their monetization strategies across screens, ad formats, industry verticals and geographies.

II. Market Environment

Mobile has become a go-to medium for many over the last years and a fast-growing industry worldwide in terms of the time users spend with the various mobile media, as well as the investments, consumer spend, and advertising spend that is funneled into the mobile environment. In 2018, it is estimated that more than 4 billion mobile smart devices (tablets, phones) were in use, with many emerging markets being mobile first, i.e. consumers using mobile as their primary internet access point. (Source: App Annie 2019)

Analytics and market research company App Annie estimates, that 2018 saw more than 194 billion app downloads (up 35% from 2016), more than USD 101 billion spent on the various app stores by consumers (up 75% from 2016), and that users engage more than 3 hours every day with apps on their mobile connected devices. While emerging markets, led by China which accounted for nearly 50% of all app downloads in 2018, fuel much of the growth, also maturing markets such as the U.S. report stable numbers of new downloads as well as growth in key usage parameters such as session length and time spent. (Source: App Annie 2019)

Within the mobile space, gaming showed the strongest growth in 2018, accounting for more than 70% of the user spend in the app stores (purchase price of games, subscriptions, in-app purchases) and outpacing traditional gaming markets such as consoles or PCs.

Similar to the direct consumer spend, also advertising spend within apps is a fast-growing market, with advertisers naturally following their target audiences, and fueling much of the digital advertising growth. In 2018, mobile was estimated to account for more than 60% of the global digital ad spend, representing USD 155 billion. In the US, mobile

even surpassed TV ad spend and is expected to grow further in 2019, with 60% more apps adding in-app advertising to their monetization mix. (Source: App Annie 2019)

This is corroborated by estimates of U.S. market research firm eMarketer, who report that in the U.S. alone mobile surpassed the volume of ad spend on traditional TV in 2018 with USD 76 billion. Ad spend levels on mobile devices are expected to outgrow all traditional media (TV, radio, print, out-of-home, directories) combined by 2020 and reach USD 141 billion by 2020 – double the amount of TV advertising. (Source: eMarketer 2018).

App developers basically rely on three different approaches to monetize their content: offer their apps for download against an up-front payment (paid app), offer basic functionality for free and add premium services against payment at a later time ('freemium' app, i.e. a free app including in-app purchases) or use advertising within free-to-download or freemium apps. In-app advertising is a dominating source of income with an estimated value of more than USD 200 billion by 2021. (Source: App Annie 2017).

Recent other market trends include the rise of programmatic trading, led by app bidding. Evolving technology and the implementation of measures to ensure transparency, viewability, brand safety and overall advertising quality contribute to the continued growth of programmatic advertising. Marketers turn to programmatic buying to access a large number of publishers paired with granular audience data, enabling superior campaign targeting and execution of more sophisticated marketing strategies. For publishers on the other hand, programmatic trading and especially the parallel bidding of programmatic and non-programmatic demand sources in real time can mean a significant increase in monetization yield.

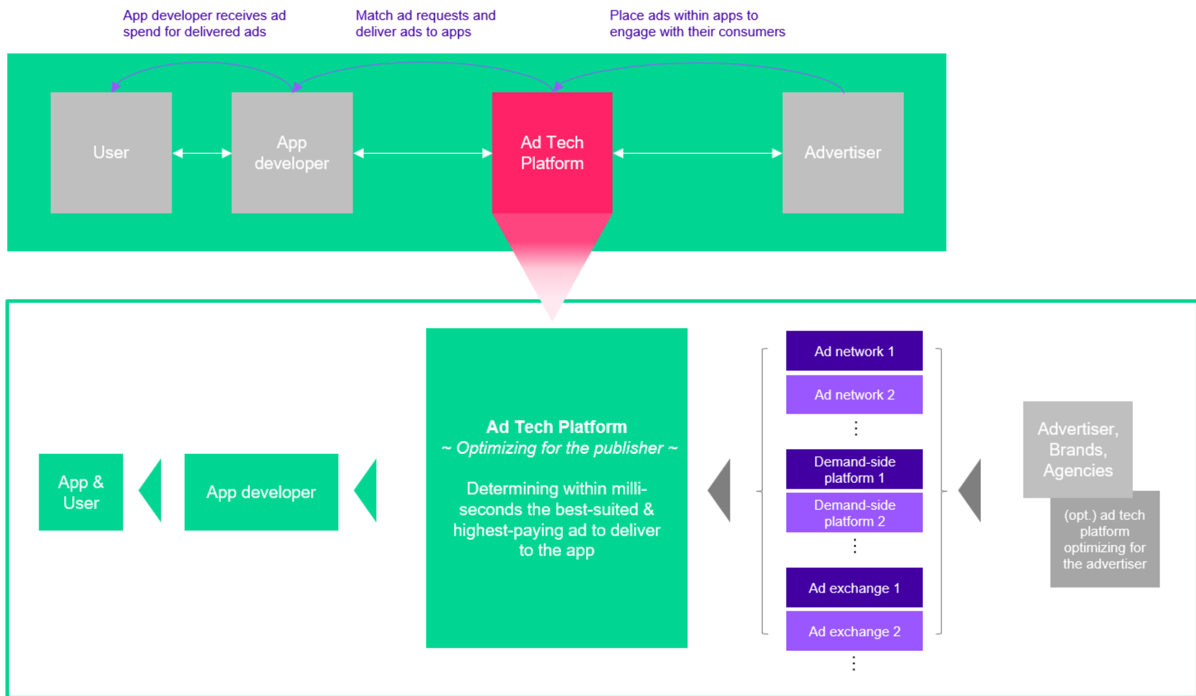
Introduced to the browser environment in 2015, header bidding was until recently not available for apps due to technological constraints. Current mediation solutions, which are the equivalent of the ad server for web publishers, are based on a so-called 'waterfall' model to determine which demand source is selected to fill an ad spot for any given auction and deliver an ad creative to an app or website. Demand partners are ranked depending on their historical performance, and as such they enter into the race for the ad spot with estimated prices as opposed to the actual prices they are willing to pay for the specific ad impression. The mediation platform then offers each ad impression in a sequential order, i.e. the demand partner ranked in second place is only able to see the ad request, if the demand partner ranked first did not fill the request. This can create missed revenue opportunities for publishers as the highest bidder does not necessarily win the auction for a specific ad spot as well as missed marketing opportunities for advertisers, in case they are unable to fill the desired ad spot. With app bidding on the other hand each ad impression is being offered to all types of buyers in a parallel, real-time auction and awards the impression to the highest bidder, overcoming the waterfall and giving all buyers a fair chance to win the impression, eliminating latency and missed revenue opportunities for publishers and missed ad opportunities for advertisers.

Market research firm Forrester concludes that enhanced targeting capabilities and increased customer engagement of the in-app environment drive advertisers to increase their budgets on in-app spaces. In-app video and programmatic buying mechanisms are especially important growth factors. (Source: Forrester 2019)

III. Business Model and Focus

Publishers and app developers are dependent in significant parts on digital advertising to monetize their content and generate stable income. The growing market offers vast monetization potential to them, yet it poses several challenges in accessing this potential. The Company aims to address these challenges and enable app developers to set up reliable and sustainable income sources through the development and marketing of a technology platform in the field of in-app advertising. Fyber specializes in automated, software-based trading of ads and aims to enable the manufacturers and vendors of apps to monetize their digital contents through the placement of targeted, high-quality advertisements within their apps. The Company connects app developers and their users with advertisers worldwide who can bid on the ad space within the apps, with Fyber ensuring in real-time and by way of fully automated data-driven processes that only relevant and lucrative ads are delivered and displayed. For transactions placed via the Fyber exchange, the Company retains a share of the ad spend advertisers place via the platform and pays out the majority of the generated yield to its connected app developers. As such, the Company's revenue potential is directly linked to the successful monetization of its partners' digital contents, aligning Fyber's and the app developers' goals.

The business model of Fyber can be visualized as follows:



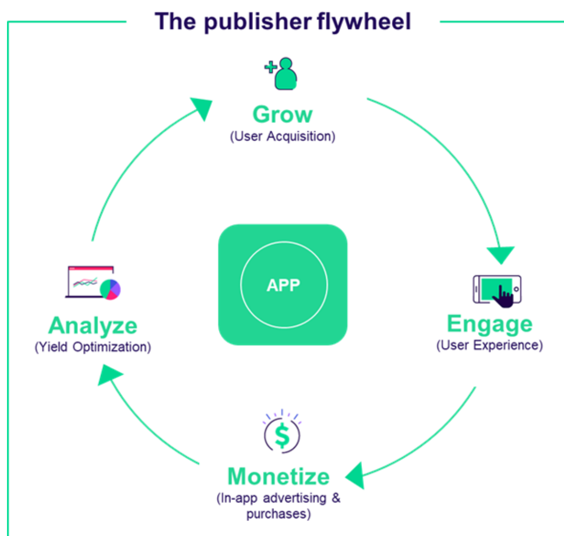
The Company focuses on gaming app developers but offers different non-rewarded and rewarded ad formats and publisher tools to its global client base. Based on the customers' location, the gross revenue generated during H1 2019 was split as follows: 49% United States, 38% Europe, Middle East and Africa, 11% Asia-Pacific and 1% rest of the world, in line with the reporting of recent quarters. The Group has no significant exposure to any major concentrations of customers on the publishers and advertiser side. A possible dependence on single clients can however not be ruled out and the revenue spread is therefore monitored on an ongoing basis, as the Company usually does not operate on frame contracts with predefined contract sums – as is customary in the industry not to do so – and the exposure to clients might change dynamically in line with the dynamic automated nature of the Company's business model.

IV. Principal Activities

Fyber's offering includes an ad exchange, ad server, programmatic ad network mediation, app bidding, data services and additional publisher tools. Fyber's automated real-time bidding mechanisms ensure the delivery of relevant, high-paying ads, optimizing the yield for publishers. For transactions placed via the Fyber Marketplace, Fyber retains a share of the ad spend advertisers place via the platform.

1. Material Products

The Company's product focus and investment strategy are centered around supporting app developers along the circle of their value creation, summarized below in the "publisher flywheel".



- Grow: Paid user acquisition to grow the app upon launch and continuously introduce new users to the app
- Engage: Improve retention and reduce churn of users by providing a balanced user experience that compliments the app's content and combines brand and performance advertising
- Monetize: Provide publishers with access to high-quality advertising campaigns and tools that enable tailored ad monetization strategies and maximize yield
- Analyze: Provide publishers with the ability to measure ad revenue at the user level, analyze the return on investment for each cohort of acquired users, and optimize both their monetization and user acquisition strategies

Fyber's product suite covers many aspects of the flywheel. Depending on the publisher's requirements, all or selected products are accessible through online dashboards provided by Fyber, enabling ad monetization management and optimization on-the-fly. The three main pillars of the product suite are:

Fyber FairBid

Fyber's app bidding solution addresses deficiencies of current mediation solutions by enabling all types of buyers to compete simultaneously over each ad impression in real-time. This maximizes the competition among demand sources, leads to yield optimization for app developers and minimizes missed revenue and advertising opportunities for both the supply and the demand side. The product combines the Company's expertise of mediation and real-time bidding and brings additional demand to publishers through powerful partnerships with ad networks such as Facebook Audience Network, AdColony or Tapjoy.

The release of the new Fyber FairBid in August 2019 expanded the platform from a mediation platform with app bidding capabilities to a comprehensive in-app monetization platform for publishers. Fyber FairBid brings together programmatic mediation, traditional mediation, app bidding and a variety of global demand sources integrations in one publisher dashboard. The product also includes ad placements and instances – features used by app developers to fine-tune their monetization strategies with advertising – and dynamic data reporting tools.

Fyber Marketplace

Fyber Marketplace is a programmatic marketplace (ad exchange) for the in-app environment, specialized on display ad formats with a growing source for video demand. The Fyber Marketplace brings together thousands of app developers and their global audiences with more than 180 local and global advertising partners that offer ad campaigns and bid on the app's ad spaces (predefined spaces and instances within apps, where ads can be displayed at certain points of time during a session of a user engaging with the app).

Offer Wall Edge

Offer Wall is an opt-in, value-exchange ad format, primarily used within gaming apps. The Offer Wall provides users with a list of offers from various advertisers, ranging from watching a video or completing a survey to trying out another game. Each offer is assigned a specific value in the virtual currency used in the app, and users can choose to complete these offers and collect virtual currency rewards, that can be used to make progress in the game that they are using.

Among others, through the Fyber dashboards, app developers can manage their ad monetization setup for each of their apps, analyze their data with 'Dynamic Reports' tools, engage with advertising partners, offer their ad inventory in a real-time unified auction to all demand sources at the same time, and fine-tune their settings with features like ad placements and instances.

The flow of information can be described as follows: (1) a user reaches a point in an app where it is predefined that an ad can be shown, (2) the app/the publisher passes this 'ad request' to Fyber, (3) Fyber's platform processes the ad request, calling upon connected demand sources (such as other demand-side platforms, ad agency or direct advertisers) as per the publisher's pre-defined monetization rules and determining automatically and often in real time through a proprietary predictive algorithm, which suitable highest-paying ad to serve. Fyber handles the technical execution as well as the related payment processes. The flow of money is that advertisers pay for the generated ad impressions after an ad was served to users, whereas Fyber pays this ad spend out to publishers after retaining a share of the ad spend to pay for its services.

Fyber has contractual relationships with demand partners as well as with publishers. Fyber charges demand partners for the gross advertising revenue, resulting from the number of advertisements times the relevant price as per the cost model. Typical payment terms with demand partners are 30 to 60 days after invoice. Fyber generally pays publishers before it collects money from advertisers resulting in positive working capital. Typical payment terms with publishers are between 30-45 days.

In order to enable app developers and digital publishers to monetize their digital content with in-app advertising, Fyber provides a technology layer between app developers and advertisers and their technology providers, connecting the two sides of the value chain and supporting app developers in overcoming the many challenges around sustainable, profitable in-app advertising. In particular, the mobile app ecosystem is very fragmented, both on the side of the publishers, with millions of apps and billions of app users, and on the side of the many advertisers, agencies and their tech providers such

as demand-side platforms or trading desks. Manual integration with single advertisers, ad networks or demand-side platforms is not feasible for publishers. The process is prone to error, takes up engineering resources to implement and maintain and delivers suboptimal monetization results. In answering these challenges, Fyber offers publisher-focused monetization solutions that provide access to a variety of demand sources through one integration, enabling monitoring, analytics and yield optimization through a single point of access. Specific tools and campaign types support discoverability and the building of a steady user base.

V. Significant Changes impacting Fyber's operations

Since December 2018, there have been developments in Fyber's regulatory and market environment which affected Fyber's revenues and results of operations and/or principal activities.

a) Fyber's 'Keeping it Clean' initiative

Already in 2017, the Company launched its marketplace quality initiative "Keeping it Clean", taking the strategic decision to move away from aggregated supply (i.e. Fyber is not integrated directly with the publishers but with a so-called aggregator – a company bundling access to a number of publishers) and focus primarily on direct publisher integrations. Aggregators add another layer to the value chain of digital advertising, which can create inefficiencies, intransparency, increased chances of fraudulent activities and lower return-on-investment for buyers, often not adding data-driven or technology-based value added for publishers. The rise of app bidding, the adoption of third-party anti-fraud tools and industry-wide initiatives led by major market players and the industry association for the digital advertising ecosystem, Interactive Advertising Bureau ('IAB') such as Ads.txt[9] are in the opinion of the Company markers for the industry-wide trend advocating more transparency, safety and viewability, which also includes a call for direct integrations between supply-side tech providers and publishers, which has been intensifying since the end of 2017.

Digital buyers were putting more value on direct traffic and losing tolerance for aggregated non-direct inventory. Decreasing the dependence on aggregated supply was therefore a key building block for Fyber's long-term value proposition. As advertisers and their intermediaries further decrease the number of supply partners they work with, Fyber's 'Keeping it Clean' initiative set the foundation for Fyber to be one of the few selected suppliers. While the initiative reduced Fyber's gross revenue by more than EUR 50 million in 2018 compared to 2017, it was important to ensure that the marketplace adheres to the highest standard of quality and transparency and was viewed by management as an investment into the long-term value of the platforms.

Recent industry developments, driven among others by the IAB, including ''sellers.json' and 'supply chain object' (Source e.g.: https://iabtechlab.com/sellers-json/ or https://iabtechlab.com/blog/final-version-of-app-ads-txt-ready-for-adoption-to-fight-inventory-fraud-in-mobile-apps-and-ott/) underline the importance of direct integrations with supply partners further, putting pressure on aggregators and strengthening the market position of 'clean' technology providers like Fyber.

b) Changed Android policies in relation to charging screen ad formats

Google banned the use of so-called charging screen ads (i.e. ads delivered to the lock screen of smart devices while they are connected to a power source) on 1 January 2018 from apps published under their 'Google Play Store' terms. Previously this was a popular ad format especially in the APAC region and a significant contributor to Fyber's business in China. The policy change contributed to about EUR 27 million of gross revenue decline for Fyber in 2018 compared to 2017.

The remaining portion of EUR 23 million decline in gross revenue comparing the full year 2018 and 2017 can be largely attributed to Fyber's efforts of integrating the former group companies and focusing on internal efforts such as aligning the global organization and especially the sales teams as well as investing into their trainings to be able to sell the new unified product suite as opposed to the stand-alone products of the former group companies.

c) Changed Apple App Store policies in relation to the rewarded ad format Offer Wall

Apple for the first time commenced to enforce certain terms for apps published on the Apple App Store using the Offer Wall ad format in the course of the first six months period 2019. The Offer Wall is a well-established rewarded opt-in ad format (i.e. users actively choose to engage with advertising through the Offer Wall) and provides users with a list of offers from various advertisers, ranging from watching a video or completing a survey to trying out another game and is primarily implemented in gaming apps. Upon completion, users receive virtual currency rewards that can be used to

[9] As per the IAB's definition: "As part of a broader effort to eliminate the ability to profit from counterfeit inventory in the open digital advertising ecosystem, ads.txt provides a mechanism to enable content owners to declare who is authorized to sell their inventory".

make progress in the game they are using. This last category of ads, encouraging users to download other apps, has been banned by Apple based on their guidelines that are not allowing for "an interface for displaying third-party apps, extensions, or plug-ins similar to the App Store", apparently in an effort to prevent any manipulation of the app ranking based on download numbers.

While the Company's gross revenue with this ad format is diversified across different ad campaign types within Offer Wall in apps published on the Apple App Store as well as across different operating systems that are unaffected by the policy change, the ban caused a significant decline in the overall revenue stemming from this ad format by more than 20% during the first six months period 2019 compared to the first six months period 2018.

The Company is mitigating the risk of further influence on its revenue trajectory by further strengthening this diversification, inter alia, by expanding product innovation initiatives to optimize revenue from existing operations, growing the publisher base and adding new types of ad campaigns unaffected from the ban.

d) Data protection laws and regulations

In the course of the EU's data protection reform, the GDPR became effective in May 2018, aiming to strengthen and unify data protection for users within the EEA. Fyber is affected by GDPR whenever the Company processes personal data on behalf of publishers to provide their EEA users with targeted and relevant advertising. Fyber implemented changes to its procedures, documentation, policies, and contractual framework with its customers and partners, which it deems necessary to become GDPR-compliant before the enforcement of the regulations.

However, Fyber's software may collect data parameters transmitted from a user's device based on the app permissions which the user agreed to when downloading the app from an app store. Under the new regulations, Fyber is considered a data processor, handling user data for the sole purpose of serving targeted and relevant ads for and on behalf of publishers and relying on publishers to obtain consent from their users for ad targeting. In case users decline their consent for targeted advertising, only contextual ads will be shown to that user. Contextual ads are ads that are served based on the content of the page, app or site the user is viewing, and not based on personal data of the user.

Ads that are targeted not based on personal data might generate less yield for publishers and lead to a potential decrease in revenues for the Company. Similarly, publishers failing to obtain consent from users or failing to pass the gathered consent information on to Fyber might lead to a decline in gross revenue for the Issuer. To date, the impact on Fyber's revenue has been minor, in part based on the geographically balanced revenue base as well as the early adoption of the Company's systems and processes to comply with GDPR from its inception while offering viable alternatives to Fyber's partners.

Other similar regulations relevant to Fyber include the CCPA, passed in September 2018 and taking effect in January 2020, applicable to residents of California. The Company has initiated the necessary steps to ensure all interactions with publishers and advertisers affected adhere to the new policy, including closing data protection addendums with partners regulating the use of consumer data. Fyber monitors market developments in light of data protection regulations that might lead to similar changes in other regions the Company is active in.

e) Other

Other than these specific developments, the Company noticed a steady shift of ad budgets, including brand advertising, towards the mobile in-app environment and a growing receptiveness and adoption of programmatic advertising solutions by app developers. This is positive for the Company on the one hand, as the overall market continues to grow, but also results in challenges such as increased competition, difficulties of communicating a differentiated offering to the market and a growing margin pressure.

VI. Material Contracts

1. Production, Marketing and Sales

a) Facebook Audience Network

Fyber entered into a partnership agreement with Facebook Audience Network, one of the biggest ad networks globally, in June 2018 as one of the programmatic demand partners on Fyber FairBid. Fyber FairBid enables buyers like Facebook Audience Network to bid in real time on mobile app impressions, while still maintaining the direct relationship with the app developer. Demand partners can access more in-app inventory and have the ability to outbid other buyers in real-time, which is a shift away from the predicted pricing model used by most mediation platforms.

In August 2019, Facebook Audience Network published initial results in the form of a client case study with their partner Melsoft, referencing Fyber FairBid and a 30% increase in average revenue per daily active user in Melsoft's app when using Facebook Audience Network as a demand partner and Fyber FairBid as the bidding infrastructure, compared to the traditional "waterfall setup". (Source: https://www.facebook.com/audiencenetwork/success-stories/melsoft)

b) Amazon Web Services AWS – Server Hosting & Cloud Services

The AWS Private Pricing Addendum between the Company and Amazon Web Services, Inc. was entered into on 29 September 2018. The Addendum term started on 1 October 2018 and ends on 31 December 2019, if not terminated earlier. The annual commitment of the Company is USD 10,000,000. Services provided by Amazon are mainly cloud services, used by Fyber to process their core business processes.

c) Office rental agreement Berlin

Fyber GmbH has a rental agreement in relation to the office space in Berlin with a term of 10 years until 31 December 2028. Currently, more than 80 of the Group's employees work there across various departments, including engineering, sales, finance, human resources and other shared services.

2. Financing Agreements

As of the date of this Prospectus, the Group has the following material financing agreements in place:

Agreement	Amount outstanding	Maturity	Interest expense[1]
USD 13.5 million revolving credit facility	USD 13.5 million	Dec. 2020	USD 599,411
EUR 7.5 million revolving credit facility	EUR 4.58 million	Dec. 2019[2]	EUR 228,339
EUR 30.0 million shareholder loans (4)	EUR 30.0 million	June 2021/ June 2022[3]	EUR 579,726
EUR 149.9 million convertible bonds	EUR 74.2 million	July 2022[4]	EUR 2,148,300

[1] For the six-month period ended 30 June 2019.

[2] With automatic extension by one year (i.e. December 2020).

[3] The maturity dates for the first three shareholder loans were aligned and moved to June 2021 by agreement with Tennor entered into in September 2019. The maturity date for the EUR 15 million shareholder loan is June 2022.

[4] The maturity date of the Convertible Bonds was originally July 2020 and was set to July 2022 by extraordinary resolution in the bondholders' meeting on 8 October 2019.

a) Bank Leumi

i) Facility

On 6 December 2018, Fyber Monetization Ltd. as borrower entered into an USD 15 million revolving credit facility agreement (as amended from time to time, the "**Leumi RCF**") with Bank Leumi as lender.

Pursuant to the terms and conditions of the Leumi RCF, the lender made available revolving credit facilities up to an amount of USD 13.5 million. The amount available is borrowing based, i.e. at no time the aggregate outstanding amount under the Leumi RCF shall exceed the amount of a defined borrowing base formula. The Company uses the Leumi RCF for general corporate purposes and operating requirements. The availability period of the Leumi RCF is one year and may be extended from time to time at the sole discretion of Bank Leumi.

In November 2019, the borrower entered into an agreement with the lender to extend the Leumi RCF until end of December 2020 and to reduce the maximum amount of the Leumi RCF from USD 15 million to USD 10 million by June 2020, following a gradual reduction until 30 June 2020. As of the date of this Prospectus, the first step of reduction was already completed and the maximum aggregate principal amount of the Leumi RCF has been reduced to USD 13.5 million. Fyber contemplates to offset the reduced financing amount from the Leumi RCF in full (USD 5 million) by expanding the drawdown amount of the BillFront RCF (as defined below), which will be possible as the reduction of the Leumi RCF frees up collateral that will be attributed to the BillFront RCF (as defined below).

As of the date of this Prospectus, the Leumi RCF was entirely drawn.

ii) Each loan

Each loan drawn under the Leumi RCF has a term of one month (but not beyond the term of the Leumi RCF) and bears interest at an annual rate equal to one-month LIBOR plus a margin of 5.8% per annum, including a LIBOR floor.

iii) Collateral

All obligations of the borrower under the Leumi RCF and related finance documents are unconditionally guaranteed by the Company and Heyzap, subject to enforcement limitations due to applicable corporate capital maintenance rules. In addition, all present and future claims of the borrower under the Leumi RCF and related finance documents are in particular secured by substantially all of the assets of the borrower under the Leumi RCF and by the Company's shares in the borrower as well as the assets of Heyzap.

iv) Covenants

The Leumi RCF contains customary financial covenants that, among others and subject to certain exceptions, may restrict the borrower.

Under such covenants, the borrower's gross revenue as well as operating profit/loss, which are set out in the borrower's business plan for 2018 and 2019, may not negatively deviate more than 20 percent per fiscal quarter and not more than 15 percent in two consecutive quarters from its actual revenues and operating profit/loss as determined in the annual report or interim report, respectively. Any deviation outside these thresholds shall be considered a material breach of the borrower's undertakings and Bank Leumi shall have the right to declare all or any portion of the borrower's debts towards Bank Leumi, immediately due and repayable.

In addition, the borrower shall maintain at all times in a certain account an amount of unrestricted cash and cash equivalents of no less than 20 percent of any credit provided by Bank Leumi to the borrower under the Leumi RCF.

Furthermore, the borrower's ratio of debt to EBITDA shall not exceed 2.5 based on annual audited financial reports.

As of the date of this Prospectus, no breach of these covenants has occurred.

v) Other

The Leumi RCF contains customary undertakings of the borrower and customary events of default. On 6 May 2019, Advert, a subsidiary of Tennor, became a controlling shareholder (43.66%) of Fyber N.V. as a result of the New Shares being issued in conversion for Convertible Bonds of Fyber N.V. As this might constitute a change of control with regard to Fyber N.V. with effects on the Leumi RCF, Bank Leumi confirmed to Fyber that it has not and will not terminate the Leumi RCF because of such an event.

The Leumi RCF is subject to the laws of Israel.

b) BillFront

i) Facility

In May 2017, as amended in November 2018, Fyber GmbH as borrower entered into a EUR 7.5 million revolving credit facility agreement (as amended from time to time, the "**BillFront RCF**") with solarisBank AG as lender and BillFront as arranger and agent of the lender.

Pursuant to the terms and conditions of the BillFront RCF, the lender made available revolving credit facilities up to an amount of EUR 7.5 million. The amount available is based on the value of collateral the borrower pledged, assigned or transferred as security to the agent. The Company uses the BillFront RCF for general corporate purposes, i.e. to finance its business operations. The availability period of the BillFront RCF is one year and extends by another year if not cancelled or terminated by one party. The borrower may terminate the BillFront RCF at any time with 30 days prior written notice and the lender and the agent may terminate at any time with 60 days prior written notice.

In addition, the BillFront RCF shall be mandatorily prepaid upon a change of control (i.e. if a person or group of person gains controlling interest within the meaning of section 17 of the German Stock Corporation Act (*Aktiengesetz*)). On 6 May 2019, Advert, a subsidiary of Tennor, became a controlling shareholder (43.66%) of Fyber N.V. as a result of the New Shares being issued in conversion for Convertible Bonds of Fyber N.V. As this might constitute a change of control with regard to Fyber N.V. with effects on the BillFront RCF, BillFront confirmed to the Company that it has not and will not terminate the BillFront RCF because of such an event.

As of the date of this Prospectus, EUR 4.58 million of the credit line made available by the BillFront RCF were drawn. Fyber contemplates to offset the reduced financing amount from the Leumi RCF in full (USD 5 million) by expanding the drawdown amount of the BillFront RCF, which will be possible as the reduction of the Leumi RCF frees up collateral that will be attributed to the BillFront RCF.

ii) Collateral

All present and future claims of the borrower under the BillFront RCF and related finance documents are secured by (i) an assignment agreement relating to all current and future intercompany receivables between Fyber GmbH, Fyber Media GmbH, Fyber, Inc., Heyzap and Fyber RTB GmbH, (ii) an account pledge agreement of Fyber RTB GmbH as pledgor relating to certain bank accounts into which debtors pay the relevant invoices, (iii) a U.S. security agreement entered into by Fyber RTB GmbH as grantor by which the grantor assigns all current and future U.S. accounts receivables and U.S. deposit accounts into which collections on the accounts receivable are remitted or deposited and all proceeds and products thereof, (iv) a pledge over the current and future shares and ancillary rights in Fyber Media GmbH, (v) a pledge agreement granting security over the borrower's shares and associated rights in Fyber, Inc. and (vi) an amended and restated deed of assignment relating to certain UK law governed receivables of the borrower and Fyber GmbH, Fyber Media GmbH and Fyber RTB GmbH.

iii) Events of Default

The BillFront RCF contains certain customary events of default, the occurrence of which would allow the lender (or the agent acting on behalf of the lender) to direct the agent to cancel the commitments, declare that all or part of the loans together with accrued interest and all other amounts accrued or outstanding under the BillFront RCF or related finance documents be immediately due and payable or declare that all or part of the loans be payable on demand.

These events of default, subject to certain agreed grace periods, thresholds, materiality qualifiers and other exceptions, include without limitation, (i) failure to make payment of amounts due and payable in connection with the BillFront RCF or related finance documents, (ii) failure to comply with other material obligations under the BillFront RCF (e.g. customary representations and warranties or certain information covenants), (iii) cross default and cross acceleration with respect to other financial indebtedness of the Company, the lender or any other security provider under the BillFront RCF, subject to a threshold of EUR 1 million, (iv) the borrower's financial condition materially deteriorates or such deterioration threatens to occur; (v) the borrower or any security provider under the BillFront RCF stops or suspends payment of any of its debts, (vi) certain insolvency events or proceedings in relation to the borrower or any security provider under the BillFront RCF, (vii) certain creditors' processes, including expropriations, attachments or sequestration of assets of the borrower or a security provider under the BillFront RCF or similar events subject to a threshold of EUR 150,000 and a grace period of 20 calendar days, (viii) cessation of business of the borrower or any security provider under the BillFront RCF, (ix) any event occurs which, in the reasonable opinion of the lender, is or is likely to materially and adversely affect the borrower's or any security provider's ability to perform all or any of its obligations under the BillFront RCF, or (x) at any time the aggregate amount of the face value of all receivables assigned under the under the BillFront RCF is less than 110 percent of the aggregate outstanding amount under the BillFront RCF, subject to a grace period of 3 business days.

c) Tennor Shareholder Loan Agreements

i) Overview

The Company entered into shareholder loan agreements (each a "**Shareholder Loan**") with Tennor (formerly named Sapinda Holding B.V., the "**Holder**") with an aggregated principal amount of EUR 30 million, consisting of four individual loans with a nominal amount of (i) EUR 8 million, (ii) EUR 4 million, (iii) EUR 3 million and (iv) EUR 15 million, with (i), (ii) and (iii) maturing in June 2021 and (iv) maturing in June 2022. Each of the loans bears interest at 8 percent per annum. The agreements are governed by Dutch law.

The Shareholder Loans contain a covenant of prior consent to a change of control. On 6 May 2019, Advert, a subsidiary of Tennor, became a controlling shareholder (43.66%) of Fyber N.V. as a result of the New Shares being issued in conversion for Convertible Bonds of Fyber N.V. This does not constitute a change of control with regard to Fyber N.V. with effects on the Shareholder Loans as the change of control was caused by the Holder.

ii) EUR 8 million Shareholder Loan

On 23 January 2018, the Company entered into a promissory note with Tennor with the principal amount of EUR 8 million, which has been entirely drawn down as of the date of this Prospectus. The maturity date was originally set to 31 December 2019, which was extended to 30 June 2020 in April 2019 and further extended to 30 June 2021 by way of written agreement entered into with Tennor in September 2019. The Shareholder Loan shall be used (i) to pay ongoing interest payments and (ii) as a working capital facility.

The obligations of the Company under the agreements are guaranteed by a second ranking floating charge on shares of Inneractive Ltd., a subsidiary of the Company.

The Company may prepay the principal amount prior to the maturity date in whole or in part at its discretion by giving the Holder at least thirty (30) days prior written notice.

Events of acceleration are in particular interest payment default on the Shareholder Loan, appointment of custodian or liquidator, breach of certain covenants (in case of financial covenants with a cure period of 6 months), insolvency and cross default in relation to the Leumi RCF. Events of acceleration have been waived, most recently on 28 May 2019.

Financial covenants have been agreed on 6 December 2018 to be a Group gross revenue of EUR 130 million for the last four continuous quarters as published by the Company in its last financial statements starting with the consolidated financial statements for the full year 2018 i.e. the first check of this covenant will be performed with the release of the Annual Report 2019 on the four quarters of 2019. Further covenants are no asset disposal and prior consent on change of control. Change of control refers to the consolidation, reorganization or merger of the Company. As of the date of this Prospectus, no breach of these covenants has occurred.

iii) EUR 4 million Shareholder Loan

On 9 August 2018, the Company entered into a promissory note with Tennor with the principal amount of EUR 4 million, which has been entirely drawn down as of the date of this Prospectus. The maturity date was originally set to 31 December 2019, which was extended to 30 June 2020 in April 2019 and further extended to 30 June 2021 by way of a written agreement entered into with Tennor in September 2019. The aggregated principal amount and accrued interest are due and payable on the maturity date.

The Company may prepay the principal amount prior to the maturity date in whole or in part at its discretion by giving the Holder at least thirty (30) days prior written notice.

Events of acceleration are in particular interest payment default on the Shareholder Loan, appointment of custodian or liquidator, breach of certain covenants (in case of financial covenants with a cure period of 6 months), insolvency and cross default in relation to the Leumi RCF or cross acceleration of the EUR 8 million Shareholder Loan. Events of acceleration have been waived, most recently on 28 May 2019.

Financial covenants have been agreed on 6 December 2018 to be a Group gross revenue of EUR 130 million for the last four continuous quarters as published by the Company in its last financial statements starting with the consolidated financial statements for the full year 2018 i.e. the first check of this covenant will be performed with the release of the Annual Report 2019 on the four quarters of 2019. Further covenants are no asset disposal and prior consent on change of control. Change of control refers to the consolidation, reorganization or merger of the Company. As of the date of this Prospectus, no breach of these covenants has occurred.

iv) EUR 3 million Shareholder Loan

On 6 December 2018, the Company entered into a promissory note with Tennor with the principal amount of EUR 6 million, which included a conditional reduction of the principal amount of such promissory note to EUR 3 million, if the bondholders resolve to delay coupon payments under the Convertible Bonds until 2020. As such condition has been met and no repayments have been effected under this promissory note as of the date of this Prospectus, the aggregate outstanding principal amount is EUR 3 million. The maturity date was originally set to 30 June 2020, which was extended to 30 June 2021 by way of written agreement entered into with Tennor in September 2019.

The Company may prepay the principal amount prior to the maturity date in whole or in part at its discretion by giving the Holder at least thirty (30) days prior written notice.

This promissory note included a conversion obligation by which Tennor contributed EUR 70 million of Convertible Bonds into a voluntary conversion offer made to all bondholders (see under "*d) Convertible Bonds*" below), which have been exchanged into equity at an exchange price of EUR 0.30 per share.

Events of acceleration are in particular interest payment default on the Shareholder Loan, appointment of custodian or liquidator, breach of certain covenants (in case of financial covenants with a cure period of 6 months), insolvency and cross default in relation to the Leumi RCF or cross acceleration of the EUR 8 million Shareholder Loan or EUR 4 million Shareholder Loan, as the case may be. Events of acceleration have been waived, most recently on 28 May 2019.

Financial covenants are a Group gross revenue of EUR 130 million for the last four continuous quarters as published by the Company in its last financial statements starting with the consolidated financial statements for the full year 2018, i.e.

the first check of this covenant will be performed with the release of the Annual Report 2019 on the four quarters of 2019. Further covenants are no asset disposal and prior consent on change of control. Change of control refers to the consolidation, reorganization or merger of the Company. As of the date of this Prospectus, no breach of these covenants has occurred.

v) EUR 15 million Shareholder Loan

On 28 May 2019, the Company entered into a promissory note with Tennor with the principal amount of EUR 15 million, which has been entirely drawn down in two tranches, EUR 5 million in May 2019 and EUR 10 million in August 2019 respectively. The maturity date is 30 June 2022. This Shareholder Loan shall be used (i) as a working capital facility and (ii) for general corporate purposes.

The Company may prepay the principal amount prior to the maturity date in whole or in part at its discretion by giving the Holder at least thirty (30) days prior written notice.

Events of acceleration are in particular interest payment default on the Shareholder Loan, appointment of custodian or liquidator, breach of certain covenants (in case of financial covenants with a cure period of 6 months), insolvency and cross default in relation to the Leumi RCF or cross acceleration of the EUR 8 million Shareholder Loan or EUR 4 million Shareholder Loan or EUR 3 million Shareholder Loan, as the case may be. Events of acceleration have been waived, most recently on 29 May 2019.

Financial covenants are a Group gross revenue of EUR 130 million for the last four continuous quarters as published by the Company in its last financial statements starting with the consolidated financial statements for the full year 2018, i.e. the first check of this covenant will be performed with the release of the Annual Report 2019 on the four quarters of 2019. Further covenants are no asset disposal and prior consent on change of control. Change of control refers to the consolidation, reorganization or merger of the Company. As of the date of this Prospectus, no breach of these covenants has occurred.

d) Convertible Bonds

i) Overview

On 27 June 2015, the Company issued its EUR 150,000,000 senior unsecured Convertible Bonds due 27 July 2020 (ISIN XS1223161651 / WKN A1Z3XC) with a denomination of EUR 100,000 each. The conversion price of the Convertible Bonds was initially EUR 4.20 per Share, subject to customary anti-dilution adjustments. The minimum conversion price at which the Convertible Bonds can be converted into new Shares was set to EUR 3.00 by resolution of the Shareholder's Meeting on 26 September 2017. Of the 1,500 Convertible Bonds, one Convertible Bond with a principal amount of EUR 100,000 was converted into 33,333 new Shares in 2017. In a bondholders' meeting on 19 December 2018, the holders of the Convertible Bonds (the "**Bondholders**") passed a resolution with the necessary majority that no payments from the existing interest payment obligations will be made to the Bondholders retroactively from 27 July 2018 until their maturity. In return, the fixed interest rate was raised from 3% p.a. to 3.5% p.a. Pursuant to the Bond Conversion, a total of 742 Convertible Bonds with an aggregated principal amount of EUR 74.2 million were exchanged in lieu on New Shares in the Company issued on 6 May 2019. As a result, 757 Convertible Bonds with an aggregated principal amount of EUR 75.7 million are currently outstanding. Furthermore, in a Bondholders' meeting dated 8 October 2019, the remaining Bondholders passed a resolution with the required majority to (i) amend the conversion price of the Convertible Bonds from EUR 3.00 per share to EUR 0.30 per share and (ii) to move the maturity date from 27 July 2020 to 27 July 2022.

ii) Interest

The Convertible Bonds bear an interest rate of 3.5% per annum of the principal amount thereof, subject to a step-up in case a listing condition is not met.

iii) Early redemption (Company Call)

The Company may redeem all or some of the Convertible Bonds at any time on or after 27 July 2018 if on each of not less than twenty qualifying dealing days in any period of thirty consecutive qualifying dealing days ending not more than seven days prior to the date on which the notice for optional redemption is given, the product of (a) the volume weighted average price of a conversion security on the relevant stock exchange on each such qualifying dealing day and (b) the number of conversion securities determined by dividing EUR 100,000 by the conversion price in effect (or deemed to be in effect) on each such qualifying dealing day exceeds 130% of the principal amount of the Convertible Bonds.

iv) Conversion right

The Convertible Bonds may, at the option of a holder of a Convertible Bond, be converted into Shares from the issue date until the close of business on the day falling 10 calendar days prior to their maturity date (27 July 2022). 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.

Shares issued or transferred and delivered upon conversion of the Convertible Bonds will be credited as fully paid and will in all respects rank pari passu with the fully paid Shares in issue on the relevant registration date of the respective Shares (except for any right excluded by mandatory provisions of applicable law).

v) Undertakings and events of defaults

The Company undertakes, among other things, that its business only relates to the matters described in the purpose clause of its articles of association. The Company also covenants that it will during the lifetime of the Convertible Bonds post on its website (i) its annual reports within 150 days after the end of its fiscal year, (ii) its consolidated interim financial statements prepared in accordance with IFRS within 90 days after the end of each second fiscal quarter and (iii) within 90 days after the end of each fiscal quarter, a trading update. The terms and conditions of the Convertible Bonds contain certain customary events of default pursuant to which a holder of a Convertible Bond may give notice to the Company that the Convertible Bond is immediately due and payable.

vi) Amendments of terms and conditions

The terms and conditions of the Convertible Bonds ("**T&Cs**") may be amended by an extraordinary resolution of the Bondholders on a duly convened meeting by a majority consisting of not less than 75 percent. of the votes cast. At least 50 percent. of the principal amount of the Convertible Bonds for the time being outstanding must be represented at such meeting to have a quorum. Except that the modification of certain T&Cs requires a quorum of not less than 75 percent., or at any adjourned meeting not less than one-third of the principal amount of the Convertible Bonds for the time being outstanding. An extraordinary resolution passed at any meeting of the Bondholders will be binding on all Bondholders, whether or not they are present at the meeting.

VII. Investments

Fyber defines investments as the continuous development and improvement of the existing technology platforms and service stack as well as the development and implementation of new products and services. The Company's technology and development expenses consist primarily of personnel costs, including stock-based compensation and bonuses, professional services associated with the ongoing development and maintenance of the Company's solution and, to a lesser extent, facilities-related costs, depreciation of equipment and amortization of acquired software licenses. Technology and development costs are expensed as incurred, except for costs that are associated with the development of internally used software that qualifies for capitalization.

Key investments of 2018 included:

- Development of the Company's app bidding mechanism "Fyber FairBid", empowering a unified auction among all advertising partners integrated with Fyber FairBid.
- Continued development of the Company's programmatic mediation solution, enabling ad networks connected to Fyber's mediation platform to switch from a waterfall setup, in which their performance is evaluated based on historical data, to an integration with the abovementioned unified auction. This way, they can offer a dynamic pricing in real time for each ad request without impacting the direct integration between the ad network and the publisher.
- Implementation of the redesigned ad format Offer Wall called "Offer Wall Edge", offering a new design and optimized user experience for this product.
- Development of features to ensure product compliance with the 'General Data Protection Regulation' of the EU, which went into effect on 25 May 2018.

Key investments of 2019 included:

- Development of an upgraded version of Fyber FairBid, which added new and innovative capabilities to the platform, expanding it from a mediation platform with app bidding capabilities to a comprehensive mobile monetization platform for publishers.
- Continuous enhancement and optimization of the platform's ability to support the needs of programmatic demand partners, enabling both performance and brand advertising campaigns to run effectively and perform

well on Fyber's platform, thus encouraging demand partners to allocate more advertising budgets towards Fyber.

- Further optimization of Offer Wall Edge.

VIII. Legal and Arbitration Proceedings

1. Tetra House claim against Fyber

In May 2019, Guy Dubois, a former member of the Company's Supervisory Board, and Tetra-House Pte. Ltd., for which Mr Dubois acts as chairman, who together hold less than 1% of the Company's share capital following the recent capital increase, filed a request to the Enterprise Chamber Amsterdam (i) to order an investigation into the policies and course of events mainly in relation to the Company's recent voluntary debt-to-equity swap and (ii) to temporarily appoint an independent supervisory director with a decisive vote. Fyber is of the opinion that its policies and its application of such policies was and is correct and will defend itself against the request for an investigation and a court-appointed supervisory director. The court hearing was held on 11 July 2019. At the time of this Prospectus, the ruling is outstanding.

2. Legal dispute with Heyzap founders

Fyber acquired US-based mobile mediation provider Heyzap in 2016 in a cash-deal including performance-based earn-out payments of up to USD 25 million payable in the 3 years following the acquisition. Based on under-achieved or not-fulfilled earn-out criteria, the Company stated in its Annual Report 2016, that it calculated less than 10% of this amount to be justified, which was contested by the sellers of Heyzap. The 2016 financial accounts provided for a final settlement at USD 5 million. Throughout the year 2017, the Group recognized a loss of EUR 2,678,000 from the revaluation of the Heyzap earn-out due to ongoing negotiations between Fyber and the sellers of Heyzap. As of 31 December 2018, EUR 3.03 million were reported in 'trade and other payables' for the Heyzap earn-out due within 1 year. By means of the mechanisms included in the purchase agreement for dispute situations, the Company assesses the risk of paying additional funds to Heyzap as low.

Other than the above stated cases, the Group is not facing pending or threatened material legal or arbitrational proceedings.

IX. Insurance Coverage

For the limitation of risks, the Company and other Group companies have concluded customary insurance policies.

The Group entered into a directors' and officers' liability insurance for all members of its Management Board and Supervisory Board and certain other persons within the Group ("**D&O**" insurance), as well as a public offering of securities insurance ("**POSI**" insurance) to cover for financial damages worldwide.

The D&O insurance offers liability cover for company managers to protect them from claims which may arise from the decisions and actions taken within the scope of their regular duties. The maximum limit of liability is EUR 35,000,000 per occurrence, and a maximum of EUR 35,000,000 in each insurance year. The insurance does not provide any cover in the event of intentional misconduct, and insurance coverage may be revoked (retroactively) and payments be required to be reimbursed to the insurance if such intentional misconduct is determined. Currently, the annual insurance rate amounts to EUR 140,000 plus insurance tax.

In addition, the Company entered into two POSI insurances: (i) for the listing upgrade to the Frankfurt Stock Exchange providing cover up to EUR 50 million during the insurance period July 2015 until July 2027 due to breaches of obligations in connection with the issue of securities, especially resulting from incorrect and/or incomplete information in the securities prospectus for an one-off premium of EUR 110,700 plus insurance tax and (ii) for the issuance of the EUR 150 million senior unsecured convertible bonds (i.e. the Convertible Bonds) providing coverage for liability risk arising from the terms and conditions of the Convertible Bonds up to a limit of liability of EUR 50 million during the insurance period June 2015 until June 2027 for a one-off premium of EUR 67,000 plus insurance tax.

The Group's specialty professional indemnity insurance provides worldwide coverage against claims arising in connection with services provided by its employees on the Group's behalf resulting from the Group's business activities. The limit of liability of EUR 5 million for financial losses and EUR 10 million for personal and property damage with an annual insurance rate of currently EUR 96,000 plus insurance tax.

In the opinion of the Company, the insurance policies concluded and their respective terms and conditions (sums insured, premiums, limitations of liability and liability exclusions, etc.) are customary and tailored to the Company's industry and ensure adequate and appropriate protection, considering the costs and potential risks. The insurance protection is

regularly reviewed and adjusted, if necessary. It can, however, not be excluded that the Company will incur losses or that claims will be brought against the Company which go beyond the nature and scope of the existing insurance protection.

6. SHAREHOLDER INFORMATION

I. Current Shareholders

The Company's Shares are admitted to trading on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). The following table sets forth to the best knowledge of the Company based on the voting rights notifications published with the Dutch Authority for the Financial Markets (*AFM*), shareholders of the Company ("**Shareholders**"), which, as of the date of this Prospectus, directly or indirectly, have a notifiable interest in the Company's capital and voting rights immediately prior to the admission of the New Shares, together with the shareholdings of the public free float.

Registrant	Direct Shareholder	Residence of Shareholder	Number of voting rights of Registrant		
			Directly	Indirectly	Total
Advert Finance B.V	Advert Finance B.V.	Amsterdam, Netherlands	319,895,552	20,682,477	340,578,029 / 94.12%
Tennor Holding B.V.	Tennor Holding B.V.	Amsterdam, Netherlands	17,609,936[1]	-	17,609,936 / 4.87%
Free float	-	-	-	-	19,321,723[2] / 5.34 %
Total					**361,866,419 / 100.00 %**

[1] Included in the indirect holdings of Advert Finance B.V.

[2] In addition, the Company holds 1,966,667 treasury shares. For further information see the notes to the consolidated financial statements 2018, page 117, as incorporated by reference into this Prospectus.

The voting rights of these principal Shareholders do not differ from the voting rights of the other Shareholders.

II. Controlling Interest

The majority shareholder of the Company, Advert Finance B.V., a fully owned subsidiary of Tennor, currently directly controls approximately 88.40% of the voting rights in the Company. Tennor holds additional 4.87%, approximately. The Company assumes that Tennor and its fully owned subsidiary are acting in concert, thereby controlling approximately 94% of the Company's voting rights. Tennor is therefore considered to hold a controlling interest in the Company.

7. CAPITALIZATION AND INDEBTEDNESS; STATEMENT ON WORKING CAPITAL

The following tables present the capitalization, net financial debt and contingent liabilities of the Group as of 30 September 2019, each derived from the Company's audited consolidated financial statements for the financial year ended 31 December 2018 and the Company's management reporting and accounting records. Investors should read these tables in conjunction with "Selected Financial Information" and the information incorporated by reference into this Prospectus.

I. Capitalization

The table below presents the capitalization of the Group as of 30 September 2019.

In TEUR	As of 30 September 2019
	(unaudited)
Total Current debt	**133,209**
of which guaranteed	-
of which secured[1]	16,239
of which unguaranteed / unsecured	116,970
Total Non-Current Debt	**51,974**
of which guaranteed	-
of which secured	-
of which unguaranteed / unsecured	51,974
Shareholders' equity:	**38,078**
Share capital	286,140
Legal reserves	8,509
Other reserves	(256,571)
Total	**223,261**

[1] Bank Leumi TEUR 13,739, BillFront TEUR 2,500

II. Indebtedness

The table below presents the net financial debt of the Group as of 30 September 2019

In TEUR	As of 30 September 2019
	(unaudited)
A. Cash	7,902
B. Cash equivalent	-
C. Trading securities	-
D. Liquidity (A) + (B) + (C)*	**7,902**
E. Current Financial Receivables	**35,724**
F. Current Bank debt	16,239
G. Current portion of non-current debt	75,838
H. Other current financial debt	41,132
I. Current Financial Debt (F) + (G) + (H)	**133,209**
J. Net Current Financial Indebtedness (I) – (E) – (D)	**89,583**
K. Non-current Bank loans	-
L. Bonds Issued	-
M. Other non-current loans	51,974

N. Non-current Financial Indebtedness (K) + (L) + (M)	**51,974**
O. Net Financial Indebtedness (J) + (N)	**141,557**

* Corresponds to the statement of financial position item "cash and cash equivalents".

In the Bondholders' meeting on 8 October 2019, the maturity date of all outstanding Convertible Bonds was moved from July 2020 to July 2022. As of the date of the Prospectus, indebtedness amounting to TEUR 75,838 as 30 September 2019 would therefore need to be included in Non-current Financial Indebtedness rather than Net Current Financial Indebtedness as set out above. Other than that, there have been no material changes in the capitalization and indebtedness position of the Company between 30 September 2019 and the date of this Prospectus.

III. Indirect and contingent liabilities

As of 30 September 2019, there were no contingent liabilities and no indirect liabilities of the Group.

IV. Statement of Working Capital

The Company is of the opinion that the working capital is sufficient to meet its present requirements within at least the next twelve months from the date of this Prospectus.

8. SELECTED FINANCIAL INFORMATION

The financial information summarized below for the financial year 2018 is taken from the Company's consolidated financial statements for the year ended 31 December 2018 (i.e. IFRS Financial Statements 2018). The IFRS Financial Statements 2018 were audited by Grant Thornton. Grant Thornton issued an unqualified audit opinion with respect to the IFRS Financial Statements 2018.

The financial information summarized below for the period first half-year 2019 and the respective period for the first half-year 2018 are taken from the unaudited H1 Financial Statements 2019.

Where financial data in the following tables is labelled "audited", it means that it has been taken from the applicable audited consolidated financial statements mentioned above.

The following selected financial information should be read together with the "Presentation of Currency and Financial Information" and the information incorporated by reference into this Prospectus. The Company's historical results are not necessarily indicative of the results that should be expected in the future.

I. Information from the Group Income Statement

Position	For the six months ended 30 June		For the year ended 31 December 2018
	2019	2018	
In TEUR	**(unaudited)**		**(audited)**
Gross revenue	**54,104**	**58,835**	**128,544**
Revenue share to third parties	(34,415)	(37,586)	(82,458)
Net revenue	19,689	21,249	46,086
Other cost of revenue	(9,812)	(12,137)	(23,114)
Gross Profit	**9,877**	**9,112**	**22,972**
Research and development	(6,611)	(6,474)	(13,962)
Sales and marketing	(8,344)	(10,677)	(20,196)
General and administrative	(3,554)	(5,359)	(10,398)
Earnings before interest and tax (EBIT)	**(8,632)**	**(13,398)**	**(21,584)**
Net finance costs	(30,003)	(6,527)	(14,066)
Profit (loss) before tax	**(38,635)**	**(19,925)**	**(35,650)**
Income tax gain (expense)	212	722	230
Profit (loss) for the year after tax	(38,423)	(19,203)	(35,420)
Non-controlling interest in profit (loss)	-	-	-
Profit (loss) attributable to shareholders	(38,423)	(19,203)	(35,420)
Weighted average number of shares outstanding (no.)[1]	187,723,129	112,566,666	112,566,666
Potential number of diluted shares outstanding (no.)[2]	0	5,213,778	16,205
Total weighted average number of shares outstanding (no.)	187,723,129	117,780,444	112,582,871
Earnings per share			
Basic earnings per share (€ per share)	(0.20)	(0.17)	(0.31)
Diluted earnings per share (€ per share)	(0.20)	(0.16)	(0.31)

1) Basic weighted average number of shares outstanding calculated by taking into account treasury shares and changes of ordinary shares due to conversion of Convertible Bonds in the six months period ended 30 June 2019.

2) Potential number of diluted shares outstanding stemming from the potential issuance of new shares, issuable upon the exercise of the remaining Convertible Bonds as well as from the exercise of options under the Stock Option Plan. As of 31 December 2018 13.7 million options were outstanding, at a weighted average strike price of EUR 1.95.

II. Information from the Group Statement of Financial Position

Position	As of 30 June 2019	As of 30 June 2018	As of 31 Dec. 2018
In TEUR	**(unaudited)**	**(unaudited)**	**(audited)**
Assets			
Goodwill	133,746	124,152	133,321
Other intangible assets	19,659	25,661	22,318
Property and equipment	18,352	1,325	1,172
Non-current financial assets	935	1,215	765
Deferred tax assets	-	459	-
Total non-current assets	**172,692**	**152,812**	**157,576**
Inventories	99	108	103
Trade and other receivables	29,029	32,257	32,207
Other current financial assets	3,664	10,577	6,475
Other current assets	1,049	1,152	1,030
Cash and cash equivalents	6,600	10,862	12,276
Total current assets	**40,441**	**54,956**	**52,091**
Total assets	**213,133**	**207,768**	**209,667**
Liabilities and Equity			
Issued capital	**36,187**	**11,453**	**11,453**
Share premium	254,892	184,812	184,812
Treasury shares	(4,745)	(4,745)	(4,745)
Other capital reserves	26,279	24,136	25,313
Legal reserve	8,234	6,855	7,272
Accumulated deficit	(276,877)	(219,903)	(237,416)
Foreign currency translation reserve	(1,793)	(11,683)	(2,247)
Equity attributable to shareholders	42,177	(9,075)	(15,558)
Non-controlling interests	-	-	-
Total equity (deficit)	**42,177**	**(9,075)**	**(15,558)**
Long-term employee benefits liabilities	234	346	217
Long-term borrowings	95,490	144,110	154,146
Deferred tax liabilities	629	1,495	964
Other non-current liabilities	19,436	5,308	3,709
Total non-current liabilities	**115,789**	**151,259**	**159,036**
Trade and other payables	34,337	40,457	38,418
Short-term employee benefits liabilities	5,745	11,081	8,039
Short-term borrowings	14,766	13,496	18,824
Income tax payables	319	550	908
Total current liabilities	**55,167**	**65,584**	**66,189**
Total liabilities	170,956	216,843	225,225
Total equity and liabilities	**213,133**	**207,768**	**209,667**

III. Information from the Group Cash Flow Statement

Position	For the six months ended 30 June		For the year ended 31 December 2018
	2019	2018	
In TEUR	(unaudited)		(audited)
Profit (loss) for the year before tax	**(38,635)**	**(19,925)**	**(35,650)**
Depreciation, amortization and impairment	4,285	6,979	12,540
Net finance costs before currency effect	30,003	6,252	13,684
Other non-cash effects	966	425	1,602
Changes in provisions, employee benefit obligation	(2,277)	(2,465)	(5,636)
Changes in working capital	(410)	1,596	3,183
Cash generated from operations	(6,068)	(7,138)	(10,277)
Interest paid	(1,548)	(3,061)	(6,228)
Income tax received (paid), net	(713)	6	(200)
Net cash flow from operating activities	**(8,329)**	**(10,193)**	**(16,705)**
Purchases of property and equipment	(548)	(690)	(682)
Purchases, capitalization of intangible assets	(342)	(2,102)	(3,778)
Change in investments and financial assets, net	(170)	(105)	345
Net cash flow from investing activities	**(1,060)**	**(2,897)**	**(4,115)**
Proceeds from long-term borrowings	8,000	8,000	12,000
Proceeds (repayment) from short-term borrowings	(4,314)	(1,732)	3,179
Net cash flow from financing activities	**3,686**	**6,268**	**15,179**
Net changes in cash	**(5,703)**	**(6,822)**	**(5,641)**
Net foreign exchange difference	27	89	322
Cash and cash equivalents at the beginning of period	12,276	17,595	17,595
Cash and cash equivalents at end of period	**6,600**	**10,862**	**12,276**

IV. No Significant changes to the financial position

There have been no significant changes to the Company's and/or the Group's financial position between 30 June 2019 and the date of this Prospectus.

9. RELATED PARTY TRANSACTIONS

I. General Information

Pursuant to International Accounting Standard 24 (*IAS 24*), entities and persons are considered to be related to a company if the entity or a close relative of the person:

- controls the company or is involved in its joint management, exercises significant influence over this company or holds a key position in the management of the company or a parent entity;
- and the company is a member of the same group of companies;
- is associated with the company within the meaning of IAS 28 or a joint venture in which the company is a partner within the meaning of IAS 31;
- to the same extent as the company is a joint venture of the same third parties;
- is a company that is controlled by a related party, is significantly influenced by it or is subject to a joint management, in which a related party of that company is involved or in which such a person holds a key position in the management; or
- is a pension fund established for the benefit of the employees of the company or for the benefit of an entity related to that company for payments after termination of the employment relationship.

Material transactions and legal relationships which existed between the Company and the abovementioned related persons and entities in the current financial year 2019 up to and including the date of this Prospectus, are set out below.

II. Transactions and Relationships with Corporate Bodies of the Company

The members of the Management Board (the "**Managing Directors**") and the members of the Supervisory Board ("**Supervisory Directors**") and their family members are considered related parties.

There have been no reportable transactions with related parties in the financial year 2019 up to and including the date of this Prospectus.

The Managing Directors and the Supervisory Directors do not have a conflict of interest or a potential conflict of interest between their obligations *vis-à-vis* the Company and their private interests or other obligations.

The Company did not grant loans to the Managing Directors. No Managing Director received benefits or corresponding commitments from a third-party in the past financial year with regard to his activity as a Managing Director.

III. Transactions and Relationships with Subsidiaries of the Company

The Company as the Group's holding company has various contractual relationships with its subsidiaries.

1. Profit and Loss Transfer Agreements

Fyber Media GmbH entered into a profit transfer agreement with Fyber GmbH dated 1 November 2012 and Fyber RTB GmbH entered into a profit transfer agreement with Fyber GmbH dated 28 February 2019. The Company did not enter into any profit transfer agreement with any of its subsidiaries.

a) Fyber Media GmbH and Fyber GmbH

On 1 November 2012, Fyber Media GmbH and Fyber GmbH have entered into a profit and loss transfer agreement, as amended from time to time, according to which Fyber Media GmbH is obliged to transfer all profits (subject to the formation and dissolution of reserves) to Fyber GmbH. Fyber GmbH is obliged to compensate Fyber Media GmbH for any annual losses, if and to the extent it cannot be covered by revenue reserves. The profit and loss transfer agreement is extended by one year, if it is not terminated earlier than six months before its annual expiration date on 31 December of each year. The profit and loss transfer agreement has not been terminated.

b) Fyber RTB GmbH and Fyber GmbH

On 28 February 2019, Fyber RTB GmbH and Fyber GmbH have entered into a profit and loss transfer agreement, as amended from time to time, according to which Fyber RTB GmbH is obliged to transfer all profits (subject to the formation and dissolution of reserves) to Fyber GmbH. Fyber GmbH is obliged to compensate Fyber RTB GmbH for any annual losses, if and to the extent it cannot be covered by revenue reserves. The profit and loss transfer agreement is extended by one year, if it is not terminated earlier than six months before its annual expiration date on 31 December of each year. The profit and loss transfer agreement has not been terminated.

2. Advisory Services

The Company provides its services and advice to Group Companies in the areas of management, strategic planning and business development, legal, compliance, controlling, tax, accounting and treasury. Advisory costs incurred by other subsidiaries are covered entirely by such subsidiary.

10. GOVERNING BODIES OF THE COMPANY

*The governing bodies of the Company are the Management Board, the Supervisory Board and the general meeting of Shareholders ("**General Shareholders' Meeting**"). The responsibilities of these bodies are primarily governed by Dutch law, the Articles of Association of the Company and the by-laws for the Management Board and the Supervisory Board, each in its current version (respectively, "**By-Laws**").*

I. General Information

The Company maintains a two-tier board structure consisting of a management board (*raad van bestuur*) and a supervisory board (*raad van commissarissen*). The Management Board is responsible for the day-to-day management, which includes, among other things, formulating the Company's strategy and policies and setting and achieving the Company's objectives. The Supervisory Board supervises the conduct and policies of the Management Board and the general course of affairs of the Company and its business. The Supervisory Board also provides advice to the Management Board.

1. Management Board

a) Powers and function

The Management Board is responsible for the management of the Group's operations, subject to the supervision by the Supervisory Board. The Management Board's responsibilities include, among other things, defining and attaining the Company's objectives, determining the Company's strategy and risk management policy, and day-to-day management of the Company's operations. The Management Board may perform all acts necessary or useful for achieving the Company's objectives, with the exception of those acts that are prohibited by law or by the Articles of Association.

Pursuant to the Management Board By-Laws Managing Directors will divide their tasks among themselves in mutual consultation. The division of tasks is subject to the approval of the Supervisory Board. In performing their duties, the Managing Directors are required to be guided by the best interests of the Company and the business connected thereto.

The Management Board shall timely provide the Supervisory Board with all information necessary for the exercise of the duties of the Supervisory Board. The Management Board must submit certain decisions to the Supervisory Board or the General Shareholders' Meeting for (prior) approval, as more fully described below.

Subject to certain statutory exceptions, the Management Board as a whole is authorized to represent the Company. Every Managing Director is also authorized to represent the Company alone.

b) Management Board By-Laws

In accordance with the Articles of Association, the Management Board has adopted by-laws governing the Management Board's principles and best practices. The Management Board By-Laws describe, amongst other items, the duties, tasks, composition, procedures and decision-making of the Management Board.

c) Composition, appointment and removal

The Articles of Association provide that the Supervisory Board determines the exact number of Managing Directors after consultation with the Management Board.

The General Shareholders' Meeting appoints Managing Directors upon a nomination by the Supervisory Board in accordance with the Articles of Association. The Supervisory Board shall make one or more nominations to the General Shareholders' Meeting in case a Managing Director is to be appointed. The nomination must be included in the notice of the General Shareholders' Meeting at which the appointment will be considered. If no nomination has been made, this must be stated in the notice. In the event that the Supervisory Board has made a nomination, the resolution of the General Shareholders' Meeting to appoint such nominee shall be adopted by an absolute majority of the votes cast. A resolution of the General Shareholders' Meeting to appoint a Managing Director other than in accordance with a nomination of the Supervisory Board, but in accordance with the agenda for such General Shareholders' Meeting, shall require a majority of two thirds of the votes cast representing more than half of the Company's issued share capital. However, the General Shareholders' Meeting may at its discretion appoint a Managing Director other than upon the nomination of the Supervisory Board, provided that a proposal to appoint such other person has been put on the agenda of the relevant General Shareholders' Meeting.

The General Shareholders' Meeting may at any time, at the proposal of the Supervisory Board, suspend or remove a Managing Director with a resolution adopted by an absolute majority of votes cast. Should the General Shareholders'

Meeting wish to suspend or remove a Managing Director other than in accordance with a proposal of the Supervisory Board, such suspension or dismissal needs to be adopted by two thirds of the votes cast, representing more than half of the Company's issued capital. Any suspension may be extended one or more times but may not last longer than six months in aggregate. If, at the end of that period, no decision has been taken on termination of the suspension or on removal, the suspension ends. The Supervisory Board may at all times suspend but not dismiss a Managing Director. The General Shareholders' Meeting may dissolve such suspension by the Supervisory Board at all times.

d) Decision-making

The Management Board shall in principle meet as often as deemed desirable or required for a proper functioning of the Management Board by any one or more Managing Directors. If no unanimity can be reached and no larger majority is stipulated by Dutch law or pursuant to the Articles of Association or the Management Board By-Laws, the Management Board may adopt resolutions with an absolute majority of the votes validly cast at the meeting. If there is a tie of votes the chairman of the Management Board shall have a casting vote, provided that the Management Board consists of at least three members. The Management Board may also adopt resolutions in writing, provided the proposal concerned is submitted to all Managing Directors then in office, none of them objects to this form of adoption and the majority of the members vote in favor of the proposed resolution.

Resolutions of the Management Board entailing a significant change in the identity or nature of the Company or its business are subject to the approval of the General Shareholders' Meeting, including in any event:

- transferring the business or practically the entire business to a third-party;
- concluding or ending any long-term cooperation by the Company or a subsidiary with any other legal person or company or as a fully liable general partner of a limited partnership or a general partnership, provided that such cooperation or the ending thereof is of material significance to the Company; and
- acquiring or disposing of a participating interest in the capital of a company with a value of at least one-third of the sum of the assets according to the balance sheet including the explanatory notes or, if the Company prepares a consolidated balance sheet, according to the consolidated balance sheet including the explanatory notes according to the last adopted annual accounts of the Company, by the Company or a subsidiary.

In addition, certain resolutions of the Management Board reflected in the Articles of Association, the Management Board By-Laws and/or the Supervisory Board By-Laws require the (prior) approval of the Supervisory Board.

In each of the above-mentioned situations, the lack of approval (whether from the General Shareholders' Meeting or from the Supervisory Board) does not affect the authority of the Management Board or the individual Managing Directors to represent the Company.

e) Conflict of interest

A Managing Director of the Company may not participate in the decision-making on resolutions (including deliberations in respect of these) if he or she has a direct or indirect personal conflict of interest. If a Managing Director does not comply with the provisions on conflicts of interest, the resolution concerned is subject to nullification (*vernietigbaar*) and the Managing Director may be liable towards the Company.

A Managing Director who thinks that he or she has or might have a conflict of interest in respect of a proposed resolution of the Management Board, shall notify the chairman of the Management Board and his or her co-members of the Management Board thereof as soon as possible. The Supervisory Board shall, upon receipt of the aforementioned notification and outside the presence of the Managing Director concerned, decide whether this Managing Director has a conflict of interest. In case it is decided that the respective Managing Director has a conflict of interest, he or she may not participate in the consultation and decision-making of the Management Board regarding that particular resolution. If as a consequence none of the Managing Directors may participate in the consultation and decision-making on such resolution, the Supervisory Board shall be authorized to adopt the resolution.

All transactions in which there are conflicts of interest with Managing Directors shall be agreed on terms that are customary for arm's-length transactions in the branch of business in which the Company operates. Decisions to enter into transactions in which there are conflicts of interest with Managing Directors that are of material significance to the Company and/or to the relevant Managing Directors require the approval of the Supervisory Board.

f) Potential conflict of interest and other information

There are no potential conflicts of interest between the private interests or other duties of each of the Managing Directors on the one hand and the interests of the Company on the other hand. In accordance with best practice principle 2.7.4 of the Dutch Corporate Governance Code, the Company will report on any conflict of interest in its annual report. There is no family relationship between any Managing Director and any Supervisory Director.

During the last five years, none of the Managing Directors: (i) has been convicted of fraudulent offenses, (ii) has served as a director or officer of any entity subject to bankruptcy proceedings, receivership or liquidation, or (iii) has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any issuer.

2. Supervisory Board

a) Powers and function

The Supervisory Board supervises the conduct and policies of the Management Board and the general course of affairs of the Company and its business. The Supervisory Board also provides advice to the Management Board. In performing their duties, the Supervisory Directors are required to be guided by the interests of the Company which includes the interests of the business connected with it.

b) Supervisory Board By-Laws

In accordance with the Articles of Association, the Supervisory Board has adopted the Supervisory Board By-Laws governing the Supervisory Board's principles and best practices. The Supervisory Board By-Laws describe the duties, tasks, composition, procedures and decision-making of the Supervisory Board.

c) Composition, appointment and removal

The Articles of Association provide that the Supervisory Board must consist of three or more individuals. The Supervisory Board By-Laws stipulate that there is a target number of six Supervisory Directors. The exact number of Supervisory Directors is to be determined by the Supervisory Board, in consultation with the CEO of the Company. Only individuals may be appointed as Supervisory Director.

Supervisory Directors are appointed by the General Shareholders' Meeting upon a nomination of the Supervisory Board in accordance with the Articles of Association. The Supervisory Board shall make one or more nominations in case a Supervisory Director is to be appointed.

The nomination must be included in the notice of the General Shareholders' Meeting at which the appointment will be considered. If no nomination has been made, this must be stated in the notice. In the event that the Supervisory Board has made a nomination, the resolution of the General Shareholders' Meeting to appoint such nominee shall be adopted by an absolute majority of the votes cast. A resolution of the General Shareholders' Meeting to appoint a Supervisory Director other than in accordance with a nomination of the Supervisory Board, but in accordance with the agenda for such General Shareholders' Meeting, shall require an absolute majority of the votes cast representing more than one-third of the Company's issued share capital. If a proposal to appoint a person not nominated by the Supervisory Board is supported by an absolute majority of the votes cast, but this majority does not represent at least one-third of the Company's issued capital, a new meeting can be convened in which the resolution can be adopted by an absolute majority of the votes cast, irrespective of the part of the Company's issued capital represented. The Supervisory Board shall appoint one of its members as chairman and may appoint one of its members as vice-chairman.

Any nomination by the Supervisory Board must be drawn up with due observance of the profile (*profielschets*) for the size and the composition of the Supervisory Board adopted by the Supervisory Board. The profile sets out the scope and composition of the Supervisory Board, taking into account the nature of the business, its activities, and the desired expertise and the background of the Supervisory Directors.

The General Shareholders' Meeting may at any time, at the proposal of the Supervisory Board, suspend or remove a Supervisory Director with a resolution adopted by an absolute majority of votes cast. Should the General Shareholders' Meeting wish to suspend or remove a Supervisory Director other than in accordance with a proposal of the Supervisory Board, such suspension or dismissal needs to be adopted by two thirds of the votes cast, representing more than half of the Company's issued capital. Any suspension may be extended one or more times but may not last longer than three

months in aggregate. If, at the end of that period, no decision has been taken on termination of the suspension or on removal, the suspension ends.

d) Decision-making

The Supervisory Board shall meet as often as deemed necessary for the proper functioning of the Supervisory Board, with a minimum of four meetings per year. The Supervisory Board shall meet earlier than scheduled if this is deemed necessary by the chairman, by two other Supervisory Directors, or by the Management Board. At a meeting, the Supervisory Board may only pass valid resolutions if at least half of the Supervisory Directors are present or represented. The Supervisory Board may also adopt resolutions in writing, provided the proposal concerned is submitted to all Supervisory Directors then in office and none of them objects to this form of adoption. If no unanimity can be reached and no larger majority is stipulated by Dutch law or pursuant to the Articles of Association or the Supervisory Board By-Laws, the Supervisory Board may adopt resolutions with an absolute majority of the votes cast. If there is a tie of votes, the chairman of the Supervisory Board shall have a casting vote if more than two Supervisory Directors are present or represented.

e) Conflict of interest

Similar to the rules that apply to the Managing Directors described above, a Supervisory Director of the Company may not participate in the decision-making on resolutions (including deliberations in respect of these) if he or she has a direct or indirect personal conflict of interest. This also applies to the Company. A Supervisory Director who thinks that he or she has or might have a conflict of interest in respect of a proposed resolution of the Supervisory Board, shall notify the chairman of the Supervisory Board. The chairman of the Supervisory Board will inform the vice-chairman of the Supervisory Board of any conflict of interest or potential conflict of interest that he or she has or might have as soon as possible. The Supervisory Board shall decide, outside the presence of the Supervisory Director concerned, whether a conflict of interest exists. If all Supervisory Directors have a conflict of interest in respect of a proposed resolution of the Supervisory Board, then the Supervisory Board shall decide on the relevant resolution on the basis of section 2:140 paragraph 5, last sentence, of the Dutch Civil Code, meaning that the resolution will be decided on by the General Shareholders' Meeting.

All transactions in which there are conflicts of interest with Supervisory Directors shall be agreed on terms that are customary for arm's-length transactions in the branch of business in which Fyber operates. Decisions to enter into transactions in which there are conflicts of interest with Supervisory Directors that are of material significance to the Company and/or to the relevant Supervisory Directors require the approval of the Supervisory Board.

f) Potential conflict of interest and other information

There are no potential conflicts of interest between the private interests or other duties of each of the Supervisory Directors on the one hand and the interests of the Company on the other hand. In accordance with best practice principle 2.7.4 of the Dutch Corporate Governance Code, the Company will report on conflicts of interest in its annual report. There is no family relationship between any Supervisory Director and any Managing Director.

During the last five years, none of the Supervisory Directors: (i) has been convicted of fraudulent offenses; (ii) has served as a director or officer of any entity subject to bankruptcy proceedings, receivership or liquidation; or (iii) has been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any issuer.

3. Statements of the Management Board and Supervisory Board

In the last five years, no current member of the Management Board or the Supervisory Board has been convicted of criminal acts of fraud. Likewise, no public accusations and/or sanctions have been imposed by statutory or regulatory authorities on the Managing Directors or the Supervisory Directors.

No current member of the Management Board or the Supervisory Board has been involved in insolvency, receivership or liquidation proceedings in their capacity as a member of an administrative, management or supervisory body or as a member of management during the last five years.

No current member of the Management Board or the Supervisory Board has ever been ordered by a court to be disqualified from being a member of an administrative, management or supervisory body or from acting in the management or from managing the business of an issuer.

There are no family relationships amongst the Managing Directors and/or the Supervisory Directors as of the date of this Prospectus.

The Managing Directors and Supervisory Directors can be contacted under the following address: Fyber N.V., Wallstraße 9-13, 10179 Berlin, Germany.

II. Management Board

As of the date of this Prospectus, the Management Board consists of three members. The names of the Managing Directors, their age, the year of their first appointment and the areas for which they are responsible are listed in the following overview.

Name	Age	Appointed since	Responsibility
Ziv Elul	43	15 June 2016	Chief executive officer (CEO)
Daniel Sztern........................	54	25 July 2017	Deputy CEO and chief operating officer (COO)
Yaron Zaltsman....................	45	25 July 2017	Chief financial officer (CFO)

The following description provides summaries of the *curricula vitae* of the current Managing Directors and indicates their principal activities outside the Group to the extent those activities are significant with respect to the Group.

1. Ziv Elul

Ziv Elul has been a board member of the Company since 15 June 2016. His term of appointment expires in 2020. He is chief executive officer (CEO) of the Company.

Ziv Elul co-founded Inneractive Ltd., one of the Company's subsidiaries, in 2007 and served as its CEO, expanding it globally, and achieving profitability. In 2016, Fyber N.V acquired Inneractive and Ziv Elul was appointed as the next CEO of Fyber N.V. one year after. Since stepping into his role in July 2017, he has been leading the integration of Fyber, Heyzap, and Inneractive into one consolidated entity under the rebranded Group Fyber.

Period	Responsibility
Since June 2016..	Management Board of Fyber N.V.[1]
May 2007 – July 2016	CEO/Co-Founder Inneractive Ltd., Israel

[1] CEO of Fyber N.V since July 2017.

2. Daniel Sztern

Daniel Sztern has been a board member of the Company since 25 July 2017. His term of appointment expires in 2020. He is Deputy CEO and chief operating officer (COO) of the Company.

Daniel Sztern served as Inneractive's COO & CFO since March 2014, before taking the role of Deputy CEO for Fyber N.V. in July 2017. He brings over 20 years of diverse experience at large and small public and private companies in the software industry, as both COO and CFO in Israel and the U.S. He heads Fyber's corporate strategic projects team, the integration process of the acquired assets, overseeing the global operations and driving growth and optimization through processes across departments and offices.

Period	Responsibility
Since July 2017	Deputy CEO & COO and member of the Management Board of Fyber N.V.
Feb. 2014 - July 2017	COO and CFO of Inneractive Ltd., Israel

3. Yaron Zaltsman

Yaron Zaltsman has been a board member of the Company since 25 July 2017. His term of appointment expires in 2020. He is the chief financial officer (CFO) of the Company.

Yaron Zaltsman leads Fyber's global finance organization. He brings extensive knowledge and experience working within public companies worldwide, specifically on the Frankfurt Stock Exchange. In his last role, he led the successful 2015 IPO of ADO Properties S.A. on the Frankfurt Stock Exchange.

Period	Responsibility
Since July 2017	CFO and member of the Management Board of Fyber N.V.
June 2015 – Aug. 2016..............	CFO of ADO Properties S.A., Luxemburg
Aug. 2006 – June 2015..............	CFO of ADO Group Ltd., Israel

4. Other Activities

The following overview contains a list of all entities and companies, at which the Managing Directors were members of the administrative, management or supervisory bodies or were partners during the last five years

Name	Other Activities
Ziv Elul........................	None
Daniel Sztern	NextCom Ltd. (External Director Since 2002)
Yaron Zaltsman	ADO Properties S.A and Ado Group Ltd (at each CFO 2006-2016) Jerusalem Economy Ltd (Director 2017-2019) Chozen Properties Ltd (Director 2017-2019)

5. Shareholdings

As of the date of this Prospectus, the direct or indirect shareholdings in the Company of each Managing Director are as follows:

Name	Shares held	Options on Shares
Ziv Elul	549,924	9.300.000
Daniel Sztern	25,300	5,100,000
Yaron Zaltsman	71,535	4,950,000

III. Supervisory Board

Pursuant to section 19.2 of the Articles of Association, the Supervisory Board comprises at least three members. The names of the Supervisory Directors, their age, the year of their first appointment and further activities are listed in the following overview.

Name	Appointed		Further Activities
	Since	Until	
Yair Safrai..........................	21 Feb. 2019	2023	Polymertal Ltd. (Executive chairman[2] since July 2018)
			Impact First Investments (Chairman[2] since July 2012)
			The Time Innovations (Board member[1] since Sept. 2010)
			Quick Loris Ltd. (Perpetix) (Director[1] since Dec. 2019)
			Exent Technologies Ltd. (Chairman[2] since March 2009)
			GivingWay Ltd. (Director[1] since July 2017)
			UCY Technologies Ltd. (Chairman[2], Nov. 2008 - Feb. 2018)
			Quanalyz Ltd. (Chairman[2], March 2013 - Dec. 2018)
			Flash Networks Ltd. (Director[1], Aug. 1997 - March 2017)
			VNT Software Ltd. (Director[1] since Jan. 2010)
			BeeEye Ltd. (Chairman[2])
Karim Sehnaoui	29 May 2018	2022	Track Group Inc. (Director[1] since 2018)
			ADS Securities LLC (Chief Investment Officer[1] since 2018)
			ETS Limited (Director[1] since 2018)
			ADS Financial Solutions PJSC (Director[1] since 2018)
			The Reference Group SARL (General Manager since 2018)
			Sapinda Holding B.V. (CEO in 2017)
			Elham Management and Investment Group SARL (Managing Director[1] since 2011)

Arjun Metre	12 June 2019	2023	ScoreStream, Inc. (Board member[2], Sept 2017 to Dec. 2019)
			VenueNext, Inc. (Board observer, Feb 2018 to Dec. 2018)
			OneTeam Collective (Board member[2], Oct. 2017 - May 2019)
			Wild Bunch AG (Board member[2] since Aug. 2019)
			Ananta Group Inc. (Board member[1] since Jan. 2019)
Franklin Rios.......................	12 Dec. 2019	2023	MediaMath Inc. (Chief Commercial Officer[1] since Jan. 2018)
Tarek Malak........................	12 Dec. 2019	2023	Tennor International Services B.V. Berlin branch (Portfolio manager since Sep. 2011)
			Hertha BSC GmbH & Co.KGaA. (Board member[2] since 2019)
			Ichor Coal N.V. (Chairman of the board[2] since 2019)
			Wild Bunch AG (Chairman of the board[2] since 2017)

[1] Management Board
[2] Supervisory Board

The following description provides summaries of the *curricula vitae* of the current Supervisory Directors and indicates their principal activities outside the Group to the extent those activities are significant with respect to the Group.

1. Yair Safrai

Yair Safrai brings his long-term experience of the Israel high-tech and venture capital industries to the Groups. He has held various board positions in several high-tech companies and investment funds, inter alia as chairman of Inneractive Ltd., prior to its acquisition by Fyber. In the mid-1990's, Yair Safrai co-founded Concord Ventures, served as VP of the Nitzanim Venture Fund, and held key consulting, marketing, and business development positions at IGS Inc. and P.O.C. He holds a B.Sc. in Economics and Management from Tel Aviv University, an MA in International Studies from the Lauder Institute at the University of Pennsylvania, and an MBA from Wharton Business School.

2. Karim Sehnaoui

Karim Sehnaoui is currently the general manager of The Reference Group S.à r.l., a financial advisory firm based in Geneva. Karim Sehnaoui is an investment professional with over 17 years' experience in private equity, venture capital, corporate finance and project management. He has held several C-level positions in investment management firms and others, including CEO and CIO positions. Karim Sehnaoui has helped launch and/or is an advisor to several tech start-ups. Since January 2018, he is a board member of Track Group, a security tech company based in the United States.

3. Arjun Metre

Arjun Metre is a veteran of Intel Corporation, where he has served in various roles over the past 14 years – most recently, as investment director leading the media, entertainment and sports technology vertical at Intel Capital. He supported the formation of the OneTeam Collective, and served on the executive board. Arjun Metre also served as chief of staff at Intel Capital, where his responsibilities included transaction management, strategic investments, exits and annual investment allocations. Prior to Intel Capital, Arjun Metre led Media & Entertainment Partnerships at Intel Corporation, responsible for business development, strategic planning and key relationships across the media & entertainment segment. He has extensive startup experience with various media & tech companies and holds a B.S. in Management Science from the University of California at San Diego.

4. Franklin Rios

Franklin Rios has more than 20 years of management, technology, business development, sales and marketing experience in the digital, e-commerce, telecom and media industries. Prior to joining MediaMath, Franklin Rios was the executive vice president in charge of Digital at Entravision Communications, Corp., a multimedia public company. Franklin Rios was the president of the Enterprise Solutions Group at Infogroup, a USD 500 million data company, and vice president of Interactive at Vertis Communications, a USD 1.5 billion direct marketing services company. Both Infogroup and Vertis were private equity turnaround assignments. In addition, he ran his own full-service Hispanic advertising agency, Rios Group. He also served as director of sales and sales manager at CSG Systems and Columbine JDS (Harris Broadcasting Systems).

5. Tarek Malak

Mr Tarek Malak studied economics at the University of St. Gallen, Switzerland, and started his career at the investment bank Rothschild in Frankfurt am Main and later in London. As a member of Rothschild's M&A team, he advised companies primarily in the area of telecom, media and technology, real estate, retail and consumer goods. Later he moved to the restructuring team at Rothschild, where he advised companies in real estate, travel and leisure industry, as well as trade and consumer goods. Since 2011, Tarek Malak has been with the Tennor Group, first with Sapinda Deutschland GmbH and later with Sapinda International Services B.V. in Berlin and London. Tarek Malak is a member of the supervisory board of Wild Bunch AG (chairman since 2017), Ichor Coal N.V. (chairman since 2019) and Hertha BSC GmbH & Co.KG a.A.

6. Shareholdings

As of the date of this Prospectus, no Supervisory Director holds any Shares.

11. SHARE CAPITAL, DIVIDEND POLICY AND SHARES

The following text contains a summary of certain information about the share capital of the Company divided into shares as well as certain provisions of the Articles of Association of the Company and Dutch law. The overview does not claim to be complete with regard to the presentation of the relevant German law and refers exclusively to the legal situation prevailing in Germany as of the date of this Prospectus.

I. Share capital

As of the date of this Prospectus, the registered share capital (*geplaatst kapitaal*) of the Company registered with the Trade Register of the Dutch Chamber of Commerce (*Kamer van Koophandel, afdeling Handelsregister*) amounts to EUR 36,186,641.90 and is divided into 361,866,419 registered shares with a nominal value of EUR 0.10 each. A conversion from bearer shares to registered shares took place on 14 August 2017 by amendment of the Articles of Association. The share capital has been fully paid up. The Shares were created pursuant to Dutch law.

The Company holds a total of 1,966,667 treasury shares.

II. Type, Class and Amount of New Shares

This Prospectus relates to the admission to trading of 247,333,086 New Shares on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). Such New Shares were created by the Bond Conversion. Each of the New Shares is issued in the form of a registered share with a nominal value of EUR 0.10 each. The New Shares are governed by Dutch law. Each New Share carries one vote at the General Shareholders' Meeting. The New Shares carry full dividend rights as of issuance.

The existing listed Shares are admitted for trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) under ISIN NL0012377394. Application has been made for the admission to trading of the New Shares on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). Until their admission, they will be posted under ISIN NL0013405483.

III. Certification and Transferability of New Shares

Pursuant to the Articles of Association, the Management Board decides, in agreement with the Supervisory Board, on the form and contents of share certificates. The Shareholders' claim, to the issuance of individual share certificates will be excluded unless such issuance is required in accordance with the regulations valid at a stock exchange at which the Shares are admitted. The Shares are freely transferable.

The Shares are represented by global share certificates. The global share certificates are deposited at Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Germany.

IV. Information on rights attached to the New Shares

The Shareholders have property and administrative rights. The property rights include, in particular, the right to participate in profits and liquidation proceeds, as well as in subscription rights in the event of a capital increase. Administrative rights include the right to speak at the General Shareholders' Meeting, to ask questions, to propose motions and to exercise the voting right. Shareholders can enforce these rights in particular through actions seeking disclosure, actions for avoidance and actions for annulment.

1. Right to participate in profits and dividends

The New Shares carry full dividend rights as of their issuance.

a) General Rules for Appropriation of Profit and Dividend Payments

The Company may only make distributions to Shareholders insofar as the Company's equity exceeds the sum of the paid-up and called-up part (*gestorte en opgevraagde deel*) of its issued share capital plus the reserves that must be maintained pursuant to Dutch law or the Articles of Association. Any final distribution of profits may only be effected after the adoption by the General Shareholders' Meeting own (i.e. non-consolidated) annual accounts of the preceding year from which it appears that said distributions are legally permitted. The profits are at the disposal of the General Shareholders' Meeting.

Subject to Dutch law and the Articles of Association, the Management Board with the approval of the Supervisory Board, may resolve to distribute an interim dividend to the extent the Company's equity exceeds the amount of the paid-up part of the issued share capital plus the reserves that are required to be maintained pursuant to law and the Articles of Association. For this purpose, the Management Board must prepare an interim statement of assets and liabilities. The Company must deposit the interim statement of assets and liabilities at the office of the Dutch Chamber of Commerce within eight (8) days after the date on which the resolution to make the distribution is published.

Dividends payments are generally subject to withholding tax in Germany. However, it should be noted that dividends paid by the Company to a Shareholder who is, or who is deemed to be, resident in the Netherlands for purposes of Dutch taxation, may also be subject to withholding tax in the Netherlands. See also sections "*14. Taxation - I. Germany and 14. Taxation - II. The Netherlands*".

b) Dividend policy and Dividends per Share

The Company currently intends to retain all available funds and any future earnings to support operations and to finance the growth and development of its business and currently does not intend to pay dividends in the foreseeable future. Any future determination to pay dividends will be made in accordance with applicable laws, and will depend upon, among other factors, its results of operations, financial condition, contractual restrictions and capital requirements. The future ability of the Company to pay dividends may be limited by the terms of any existing and future debt or preferred securities.

No distributions of profits or reserves were made to the Shareholders in the year ended 31 December 2018 (up to the date of this Prospectus).

2. Voting rights

Pursuant to section 39 of the Articles of Association, each of the Shares (including New Shares) confers one vote in the General Shareholders' Meeting.

3. Subscription rights

Upon the issuance of new shares, each Shareholder will have pre-emptive rights (i.e. *subscription rights*) in proportion to the aggregate nominal value of its shares. A Shareholder will not have a pre-emptive right in respect of shares issued against a non-cash contribution. Nor will the Shareholder have a pre-emptive right in respect of shares issued to employees of the Company or of a Group Company. Prior to each individual issuance, the pre-emptive rights may be restricted or excluded by a resolution of the General Shareholders' Meeting. However, with respect to an issue of shares pursuant to a resolution of another body of the Company, the pre-emptive rights can be restricted or excluded pursuant to a resolution of such other body if and insofar as it is designated competent to do so by the General Shareholders' Meeting.

A resolution of the General Shareholders' Meeting to restrict or exclude the pre-emptive rights or to designate another body of the Company as competent to do so can only be adopted at the proposal of the Management Board which has been approved by the Supervisory Board. If a proposal is made to the General Shareholders' Meeting to restrict or exclude the pre-emptive rights, the reason for such proposal and the choice of the intended issue price must be set forth in the proposal in writing.

A resolution of the General Shareholders' Meeting to restrict or exclude the pre-emptive rights or to designate another body of the Company as competent to do so requires a majority of not less than two-thirds of the votes cast, if less than one-half of the Company's issued capital is represented at the meeting.

When rights are granted to subscribe for shares, the Shareholders will have pre-emptive rights in respect thereof in accordance with the Articles of Association. Shareholders will have no pre-emptive rights in respect of shares issued to a person exercising a right to subscribe for shares previously granted.

4. Right to participate in the liquidation proceeds

In the event of liquidation of the Company, any assets remaining after repayment of the liabilities will be shared among the Shareholders *pro rata* to their shareholdings in the Company. The Company has not issued preference shares or otherwise granted liquidation preferences. Therefore, Shareholders are subordinated to any and all creditors (including subordinated creditors).

5. Redemption Provisions

There are no redemption provisions.

6. Conversion Provisions

As of the date of this Prospectus, there are no conversion provisions.

7. Takeover Rules

a) Obligations of Shareholders to Make a Public Offer

Pursuant to the Dutch Financial Supervision Act (*Wet op het Financieel Toezicht*) ("**DFSA**"), and in accordance with European Directive 2004/25/EC (the "**Takeover Directive**"), any shareholder who directly or indirectly obtains control of a Dutch listed company, is required to make a public offer for all issued and outstanding shares in that Company's share capital at a fair price. Such control is deemed present if a (legal) person is able to exercise, alone or acting in concert, at least 30% of the voting rights in the general meeting of such listed company (subject to a grandfathering exemption for major shareholders who, acting alone or in concert, already had control at the time of that company's initial public offering). An exemption exists as well if such (legal) person, alone or acting in concert, reduces its holding below 30% within 30 days of the acquisition of control provided that: (i) the reduction of such (legal) person's holding was not effected by a transfer of shares or depositary receipts to an exempted party, and (ii) during this period such (legal) person, alone or acting in concert, did not exercise its voting rights. Furthermore, an additional exemption exists if such (legal) person has predominant control at the moment when the shares or depositary receipts for shares issued with the company's concurrence are admitted for the first time to trading on a regulated market.

In addition, it is prohibited to launch a public offer for shares of a listed company, such as the Shares, unless an offer document has been approved by the BaFin. A public offer may only be launched by way of publication of an approved offer document unless a company makes an offer for its shares. The public offer rules are intended to ensure that in the event of a public offer, among others, sufficient information will be made available to the holders of the shares, the holders of the shares will be treated equally, that there will be no abuse of inside information (Inside Information) and that there will be a proper and timely offer period.

However, as the Shares are not and will not be admitted to trading on a regulated market in the Netherlands, but instead on the regulated market of the Frankfurt Stock Exchange, the Dutch public takeover rules contained in the DFSA and the related Decree on Public Offers (*Besluit Openbare Biedingen Wft*) will only apply in relation to certain matters, including those with respect to obtaining control, the obligation to make a tender offer, information that must be provided to the Shareholders and employees as well as in relation to certain corporate law matters, including the convening of a shareholders meeting in the event of a public offer, the threshold for filing mandatory tender offers and initiating squeeze-out proceedings.

The German Takeover Act (*Wertpapiererwerbs- und Übernahmegsetz, WpÜG*) applies to the matters relating to the consideration offered, the bid procedure, the contents of the offer document and the procedure of the bid. The German Regulation on the Applicability of the Takeover Code (*WpÜG-Anwendbarkeitsverordnung*) specifies the applicable provisions in more detail.

b) Squeeze-out Procedures

Pursuant to Section 2:92a of the Dutch Civil Code, a shareholder who for his or her own account holds at least 95% of a Dutch public company's issued share capital may initiate proceedings against such company's minority shareholders jointly for the transfer of their shares to him or her. The proceedings are held before the enterprise chamber of the court of appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*) (the "**Enterprise Chamber**") and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*). The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. Once the order to transfer becomes final before the Enterprise Chamber, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him or her. Unless the addresses of all of them are known to him or her, he or she is required to publish the same in a daily newspaper with nationwide circulation.

The offeror under a public offer is also entitled to start squeeze-out proceedings if, following the public offer, the offeror holds at least 95% of the outstanding share capital and represents at least 95% of the total voting rights. The claim of a takeover squeeze-out needs to be filed with the Enterprise Chamber, within three months following the expiry of the

acceptance period of the offer. The Enterprise Chamber may grant the claim for squeeze-out in relation to all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value to be paid for the shares of the minority shareholders. In principle, the offer price is considered reasonable if the offer was a mandatory offer or if at least 90% of the shares to which the offer related were received by way of voluntary offer.

The Dutch takeover provisions of the DFSA also entitle those minority shareholders that have not previously tendered their shares under an offer to transfer their shares to the offeror, provided that the offeror has acquired at least 95% of the outstanding share capital and represents at least 95% of the total voting rights. In regard to price, the same procedure as for takeover squeeze-out proceedings initiated by an offeror applies. The claim also needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer.

V. Change in the Share Capital

1. Authorized Capital

Under Dutch law, a company's articles of association must state the maximum number of shares that can be issued under the authorized capital before an amendment to the articles of association is required. According to section 4 of the Articles of Association, the authorized capital (*maatschappelijk kapitaal*) of the Company currently amounts to a total of EUR 120,000,000.00 and is divided into 1,200,000,000 shares with a nominal value of EUR 0.10 each.

a) Requirements to the authorized capital under the Articles of Association

Pursuant to section 6.1 of the Articles of Association, the General Shareholders' Meeting may resolve to issue new shares. Pursuant to section 6.2 of the Articles of Association, the General Shareholders' Meeting may also authorize another body to issue new shares. Such authorization can in each case be granted for a maximum period of five years and in each case be extended for a maximum period of five years. The authorization shall determine the total number of shares or the total nominal amount to which shares can be issued. In the event the Management Board has been authorized to resolve on the issue of new shares, the issue requires the approval of the Supervisory Board in accordance with section 6.4 of the Articles of Association. Pursuant to section 6.6 of the Articles of Association, the authorized body that resolves on the issue of shares or the granting of subscription rights for shares shall determine the issue price and the other issue conditions in the resolution on the issue. It may also stipulate that the new shares be issued and paid up in whole or in part at the costs of the Company's reserves. This also applies to shares issued to participants in the Company's stock option programs, provided that these shares are issued under the terms of such programs and these stock option programs were approved by the General Shareholders' Meeting or Supervisory Directors, to the extent that these shares are granted as part of the remuneration.

Pursuant to section 7.1 of the Articles of Association, existing Shareholders have a subscription right in proportion to the total nominal value of their current participation in the Company for shares issued against cash contributions. Existing Shareholders, on the other hand, have no subscription rights to shares issued against contributions in kind. Nor do existing Shareholders have a subscription right to shares issued to employees of the Company or a Group Company. Notwithstanding the foregoing, in accordance with section 7.2 of the Articles of Association, the General Shareholders' Meeting may restrict or exclude the subscription rights by resolution prior to each issue. In the case of an issue by resolution of a body of the Company authorized to issue shares, the subscription rights may be restricted or excluded by resolution of this body if and to the extent that it has been authorized to do so by the General Shareholders' Meeting. Pursuant to section 7.5 of the Articles of Association, a resolution of the General Shareholders' Meeting to restrict or exclude the subscription right or to authorize another body of the Company to do so requires a majority of at least two thirds of the votes cast if less than half of the Company's share capital is represented at the General Shareholders' Meeting.

b) Authorization of the Management Board to issue 499,666,667 new shares within a capital increase against contribution of Convertible Bonds

Pursuant to the resolution passed by the extraordinary General Shareholders' Meeting of the Company on 21 February 2019, for a period of one year, commencing on 21 February 2019, the Management Board was authorized, with the approval of the Supervisory Board, to issue such number of shares as required for the Bond Conversion, as defined in the agenda of this extraordinary Shareholders' Meeting, at a rate of EUR 0.30, and the number of shares limited to 499 million, and to exclude pre-emptive rights of existing Shareholders. The Management Board was therefore authorized to issue up to 499,666,667 new shares (corresponding to the total nominal amount of the Convertible Bonds of EUR 149,900,000 divided by the conversion price of EUR 0.30).

The Management Board made with the approval of the Supervisory Board on 6 May 2019 use of such authorization by issuing a total of 247,333,086 new registered ordinary shares with a proportionate amount of the share capital of EUR 0.10 against contribution of Convertible Bonds with a total nominal value of EUR 74.2 million.

As of the date of this Prospectus, the Management Board has made use of this authorization in effectuating the Bond Conversion.

c) Authorization of the Management Board to issue 50,000,000 new Shares within a capital increase against contribution of the Loan Liabilities in the amount of EUR 15.0 million.

Pursuant to the resolution passed by the extraordinary General Shareholders' Meeting on 21 February 2019, for a period of one year, commencing on 21 February 2019, the Management Board is authorized, with the approval of the Supervisory Board, within a capital increase against contribution of loan liabilities in the amount of EUR 15.0 million to issue a total of 50,000,000 new shares (corresponding to the total nominal amount of the loan liabilities of EUR 15,000,000.00 divided by the conversion price of EUR 0.30) and to exclude subscription rights of existing Shareholders.

As of the date of this Prospectus, the Management Board has not made use of this authorization.

d) Authorization of the Management Board to issue new shares or to grant subscription rights for shares up to 15 % of the subscribed capital of the Company.

Pursuant to the resolution passed by the ordinary General Shareholders' Meeting on 12 June 2019, the Management Board is further authorized, for a period of five (5) years, commencing on 12 June 2019 and ending on 12 June 2024, with approval of the Supervisory Board to issue new shares in the amount of up to 15% of the share capital issued on 12 June 2019 (on 12 June 2019, this amounted to EUR 36,186,641.90 divided into 361,866,419 registered shares with a par value of EUR 0.10 per Share) and to restrict or exclude the subscription rights of existing Shareholders.

As of the date of this Prospectus, the Management Board has not made use of this authorization.

e) Authorization of the Management Board to grant subscription rights to shares in return for the conversion of Convertible Bonds

Pursuant to the resolution passed by the ordinary General Shareholders' Meeting on 26 September 2017, the Management Board is authorized, for a period of five (5) years, with approval of the Supervisory Board to grant subscription rights for new shares in consideration for the conversion of Convertible Bonds. The authorization provides that the period of the authorization, as resolved by the extraordinary General Shareholders' Meeting on 1 April 2015, shall be maintained and shall accordingly begin on 1 April 2015 and end on 1 April 2020.

Pursuant to such authorization, the Management Board is authorized to grant subscription rights for a subscription price of EUR 3.00 per new Share. As the current conversion price is EUR 0.30, the Company will not use such authorization until it matures. In 2017, one Convertible Bond with a nominal value of EUR 100,000 was converted into 33,333 new shares. The exercised conversion right from such Convertible Bond was serviced from treasury shares of the Company.

f) Authorization of the Management Board to issue up to 252,333,333 new shares within a capital increase against contribution of the Bonds and exclude pre-emptive rights

Pursuant to the resolution passed by the extraordinary General Shareholders' Meeting of the Company on 12 December 2019, valid until maturity date of the Convertible Bonds hence 27 July 2022 and commencing on 12 December 2019, the Management Board was authorized, with the approval of the Supervisory Board, to issue such number of Shares as required for a future conversion of the Convertible Bonds into Shares, at a rate of EUR 0.30, and to exclude pre-emptive rights of existing Shareholders with respect to this issuance. The Management Board was therefore authorized to issue up to 252,333,333 new Shares (corresponding to the 757 remaining Convertible Bonds at an exchange ratio of 333,333 shares per Convertible Bond). As of the date of this Prospectus the Management Board has not made use of this authorization.

2. Stock Options

Pursuant to the resolution passed by the ordinary General Shareholders' Meeting on 12 June 2019, the Supervisory Board is authorized to grant subscription rights (i.e. options) for new shares to the Managing Directors within a stock option program ("**Stock Option Plan**").

The authorization previously granted to the Supervisory Board by resolution of the extraordinary General Shareholders' Meeting on 29 May 2018, was revoked.

The resolution provides that the contribution of all or part of the new shares issued by the Company under the Stock Option Plan may be made by the Management Board with the approval of the Supervisory Board from the Company's free reserves.

In accordance with article 5.2 of the Stock Option Plan, the authority of the Supervisory Board to resolve to issue shares or to grant rights to subscribe for shares to members of the Management Board shall be limited to 7%, and the authority of the Management Board to resolve to issue Shares or to grant rights to subscribe for Shares to participants (not being members of the Management Board) shall be limited to 8% of the issued share capital. Together the total number of shares to be issued and/or rights to subscribe for shares to be granted shall be limited to a maximum of 15% of the issued share capital.

The remuneration policy for the Management Board adopted by the ordinary General Shareholders' Meeting on 20 June 2014 provides for the implementation of a stock option program as a long-term variable remuneration component (long-term incentive). The Supervisory Board approved the Stock Option Plan on 10 March 2015. The Stock Option Plan grants participants the right to purchase shares.

The current version of the Stock Option Plan, as it is available as an attachment to the extraordinary General Shareholders' Meeting dated 11 April 2017 on the Company's website under https://investors.fyber.com/shares#shareholder-meetings. The Stock Option Plan provides for a sell-to-cover mechanism, whereby a portion of the shares allotted may be sold on the market on behalf of the participant in the Stock Option Plan in order to cover the participant's personal taxes incurred in connection with the share allotment.

By 31 December 2018, a total of 13.7 million subscription rights to the Company's shares had been issued to Managing Directors and employees and that the weighted average exercise price as of 31 December 2018 amounted to EUR 1.95.

As of the date of this Prospectus, the Company deems it not entirely unlikely that the option right will be exercised only for approx. 500,000 stock options (the "**Stock Options**"). An exercise of the entire Stock Options would currently result in less than 150,000 shares, which would be serviced to employees from the 1,966,667 own shares held by the Company.

3. Share buyback and treasury shares

Pursuant to the resolution passed by the ordinary General Shareholders' Meeting on 26 September 2017, the Management Board was authorized, in accordance with section 2:98c of the Dutch Civil Code and section 9 of the Articles of Association, for a period of 18 months from 26 September 2017, to acquire the maximum number of treasury shares permitted under Dutch law with approval of the Supervisory Board.

The Management Board was authorized to acquire treasury shares for the following purposes:

- for repurchasing shares, which may take place in connection with the acquisition of the shares in Fyber GmbH by the Company,
- to provide flexibility to the Management Board to cover the Company's obligations in connection with the stock-based remuneration under the Stock Option Program and any other obligations the Company may have; and
- to enable the Company to repurchase shares in the best interest of the Company and/or its Shareholders for the purpose of mergers and acquisitions or otherwise.

In addition, the Company was allowed to acquire its treasury shares against contribution of shares in Fyber GmbH as contributions in kind to the Company or against payment of a purchase price in cash. Shares that could be acquired for a cash purchase price could be acquired via a stock exchange or by other means at a price per share of at least EUR 0.10 and no higher than the higher of the following values: (i) EUR 3.75, (ii) the average share price plus 10% or (iii) if purchases are made on the basis of a program entered into with a single counterparty or through a financial intermediary, the average of the volume-weighted average share price during the life of the program.

The authorization expired on 26 March 2019. The Company did not make use of this authorization. It holds a total of 1,966,667 treasury shares (see also Section "*11. Share capital, dividend policy and shares*").

12. ADMISSION TO TRADING

I. Admission to Trading

Application has been made by the Company and M.M.Warburg & CO (AG & Co.) Kommanditgesellschaft auf Aktien in its capacity as listing agent ("**Listing Agent**") for the admission to trading of 247,333,086 New Shares of the Company on the regulated market (*regulierter Markt*) with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) ("**Admission to Trading**"). The Listing Agent is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Hamburg under HRB 84168 and carries the Legal Entity Identifier (*LEI*) MZI1VDH2BQLFZGLQDO60. It is a requirement under German law and the exchange rules (*Börsenordnung*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) that the application form is signed by an admitted credit institution as listing agent. No representation or warranty, express or implied, is made or given by or on behalf of the Listing Agent or any of its affiliates or any of their respective directors, officers or employees or any other person, as to the accuracy, completeness or fairness of the information or opinions contained in the Prospectus, and nothing contained in the Prospectus, is, or shall be relied upon as, a promise or representation by the Listing Agent or any of its affiliates as to the past or future. The Listing Agent does not accept any responsibility for, or authorize the contents of, the Prospectus or its issue or any other statements made or purported to be made by either itself or on its behalf in connection with the Company or the Admission to Trading. Accordingly, the Listing Agent disclaims all and any liability, whether arising in tort or contract or otherwise in respect of this Prospectus and/or any such statement.

Before Admission to Trading, the New Shares carry ISIN NL0013405483 and upon Admission to Trading, the New Shares will carry ISIN NL0012377394, identical to all shares of the Company already admitted to trading. The New Shares are expected to be admitted to trading on or about 19 December 2019. Trading of the New Shares on the Frankfurt Stock Exchange is expected to commence on or about 20 December 2019.

II. Reasons of the Admission to Trading

The Company intends to list the New Shares on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange with simultaneous admission to the subsegment of the regulated market with additional post-admission obligations (*Prime Standard*), to provide for equal admission to trading of all Shares of the Company and thereby achieve better access to the capital markets and enhance liquidity in favor of its shareholders of the New Shares.

III. Costs of the Admission to Trading

The total expense of the Company related to the admission to trading of the New Shares are expected to be approximately EUR 400,000. Investors will not be charged expenses by the Company.

IV. Designated Sponsors

Pareto Securities AS has been mandated as designated sponsor of the Company's shares traded on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). Pursuant to the designated sponsor agreement between the designated sponsor and the Company, the designated sponsors will at its sole discretion, among other things, place limited buy and sell orders for the Company's shares in the electronic trading system of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) during regular trading hours. This is intended to achieve greater liquidity in the market for the Company's shares.

V. Interests material to the Listing

There are no interests, conflicting interests or potential conflicting interests which are material to the listing.

13. RECENT DEVELOPMENTS AND OUTLOOK

I. Recent Developments

1. Mandatory take-over bid on Fyber shares by Advert Finance B.V. completed

On 10 May 2019, Advert, a subsidiary of Tennor, announced it gained control of the Company following their participation in the recent voluntary debt-to-equity swap. With approximately 158 million shares, they were holding 44% of the 362 million outstanding shares following the capital increase. Subsequently, Advert initiated a mandatory takeover bid to all shareholders at an offer price of EUR 0.31 per Share and with a period for acceptance of such takeover offer from 24 June 2019 to 22 July 2019. After the acceptance period expired, the takeover offer was accepted for 33,834,403 Shares. After completion of the takeover offer, the direct holdings of Advert in Fyber are approximately 88%. Together with Tennor's direct holdings, the total holdings attributable to Tennor amount to approximately 94%.

2. Extension agreement regarding shareholder loans signed

On 27 September 2019, the Company entered into an extension agreement with Tennor, extending the maturity dates of the existing Shareholder Loan with the principal amount of EUR 8 million entered into in January 2018, the existing Shareholder Loan with the principal amount of EUR 4 million entered into in August 2018, as well as the existing Shareholder Loan with the principal amount of EUR 3 million entered into in December 2018, all to 30 June 2021.

3. Bondholders' meeting completed

The Bondholders' meeting on 8 October 2019 passed an extraordinary resolution to modify the terms and conditions of the Convertible Bonds by (i) amending the conversion price from EUR 3.00 to EUR 0.30, subject to subsequent approval by the Extraordinary General Shareholders' Meeting to issue the corresponding amount of new Shares to be able to fulfill this new Conversion Price and (ii) amending the final redemption date from 27 July 2020 to 27 July 2022.

4. Extraordinary General Shareholders' Meeting completed

The extraordinary General Shareholders' Meeting on 12 December 2019 approved the authorization of the Management Board to (i) issue up to 252,333,333 Shares, representing 69.7% of the currently outstanding share capital, to accomodate for the future conversion of the Bonds into Shares, at a rate of EUR 0.30 per Share and (ii) exclude the pre-emptive rights of existing shareholders with respect to this issuance. Furthermore Mr. Franklin Rios and Mr. Tarek Malak have been appointed as members of the Supervisory Board for a term until the close of the ordinary General Shareholders' Meeting 2023.

II. Outlook

*Forecasts are directed towards the future and are naturally subject to considerable uncertainty. The Company's forecast for the financial year 2019 (the "**forecast**") is based on current assumptions, expectations and plans made by the Company's management as set out below regarding future uncertain events, developments and actions and the information currently available. These assumptions, expectations and projections are based on factors that can be influenced (albeit to a limited extent) and not influenced by the Company. Although the Company believes that these assumptions have been made to the best of its management's knowledge as of the date of this Prospectus, the forecast and the forward-looking assumptions contained therein are subject to risks and uncertainties that could cause actual events and results to differ materially from the forecast or the assumptions underlying it and that the assumptions subsequently prove to be incorrect or unfounded.*

Should one or more of the assumptions prove to be incorrect or unfounded, the Company's actual results could differ materially from those projected. Potential investors should therefore not be unreasonably guided in their investment decisions by the forecast. Nevertheless, to the best knowledge of the Company's management, the forecast is accurate as of the date of this Prospectus.

1. Statement by the Company on the forecast for the 2019 financial year

Fyber expects a gross revenue in the financial year 2019 of about EUR 120 million and an adjusted EBITDA around EUR -3 million. The previous guidance of a gross revenue between EUR 130 to EUR 135 million and an adjusted EBITDA above break-even was updated in November 2019 as a result of a decline in the Issuer's revenue from its non-programmatic business. Particularly gross revenue stemming from the Offer Wall ad format decreased due to the recent change in Apple's policy banning certain ad campaign types within this ad format for apps published through their app store. Furthermore, the Company experienced delays in the ramp-up of business with new clients for the core programmatic business during the third quarter of 2019.

2. Factors and assumptions influencing the forecast

Both indicators included in the guidance are prepared on the basis of comparable historical financial information and are consistent with the Company's accounting policies. Further, the forecast is influenced by a number of factors and is based on certain assumptions that are set out below.

a) Non-influenceable factors

The forecast for the current financial year 2019 is subject to factors which the Company cannot influence. These factors and the Company's related assumptions are set forth below.

i) Unforeseen events such as force majeure

In preparing its forecast, the Company has assumed that no material unforeseen events will occur that could cause significant or prolonged disruption to the business of the Group in the current financial year 2019, including force majeure (e.g. fire, flood, hurricane, storm, earthquake or terrorist attack), strikes, extraordinary macroeconomic events or war.

ii) Economic development of digital advertising

When preparing the forecast for the current 2019 financial year, the Company assumed that:

- there will be no negative economic development affecting its global advertising technology business
- the overall digital advertising industry will maintain its year-over-year growth as forecasted by commonly recognized market research institutes such as eMarketer
- the Company can maintain its market position.

iii) Demand for independent publisher-focused advertising technology and related margin development

The development of the achievable revenues and net revenue margins from in-app advertising and the related fees and revenues shares a technology company such as the Company generates, and the demand for the software products offered by the Group are subject to changes over which the Company has no control. When preparing the forecast, the Company assumed that the current price level for its products as well as the demand will remain stable or grow in the current 2019 financial year.

iv) Legislative and other regulatory measures

When preparing the forecast, the Company assumed that there would be no or only insignificant changes to the existing legal framework in the current 2019 financial year and that there would be no material impact from the privacy laws and regulations introduced during the course of the year in Europe. Future impacts from regulations similar to GDPR in Europe, e.g. CCPA in the US, cannot be ruled out and will be taken into account in preparing forecasts for 2020 and following years.

v) Income tax expense

The Company has no influence on the actual income tax charges. The Company assumes that income tax rates will remain unchanged and that no further changes in the tax environment or tax law will occur in fiscal year 2019.

b) Influenceable factors

In addition, the forecast for the current financial year 2019 is subject to factors that can be and will be influenced by the Company. These factors and the Company's related assumptions regarding likelihood of achievement and possible limitations are set forth below.

i) Market adoption rate of Fyber's new core product 'Fyber FairBid'

The product launch of the new Fyber FairBid in August 2019, expanding it from an app bidding infrastructure to a comprehensive monetization platform for publishers was a key investment into the Company's product offering, value proposition towards clients and future growth prospects. When preparing the forecast, the Company took into account that the product release happened only during the second half of the year and that the roll out was still ongoing at the time of the guidance update. Therefore, no substantial impact on the gross revenue stemming from Fyber FairBid was anticipated for 2019. The successful market adoption of the product and continuous development to maintain the technological edge are key assumptions for the ability of the Company's long-term value creation.

ii) Stable development of Fyber's programmatic core business

Fyber's core programmatic business with existing clients was in line with expectations for the first half of 2019. At the same time, the Company did, however, experience delays in the ramp-up with new clients, which might show effects on the short-term revenue development, but is not expected to influence mid-term growth. Combining the two effects, stable year-over-year growth rates for the core programmatic business for the second half of 2019 are expected. When preparing the forecast, the Company assumed a stable development of business with existing clients and no further slow-down of initial business development with new clients. While the Company invests a significant share of its sales & marketing cost on maintaining the current client base and rolling the new product suite out to bigger parts of the client networks as well as onboarding new clients on the publisher and advertiser side, the actual development is dependent on many external factors, that are in part outside of the Company's influence.

iii) Stabilization of revenues from 'Offer Wall' following latest market changes

The Company experienced a decline in revenue from the Offer Wall ad format, the biggest part of Fyber's non-programmatic business, in relation to the change in Apple's App Store policies banning app install ad campaigns from this format during the first half of 2019. The development of Offer Wall on other app stores, unaffected by this ban, remained stable and profitable. In providing this forecast, the Company took into account the declining revenues of H1 2019 but assumes no further drops as the development since August suggested that the Offer Wall revenue has been stabilized. While the Company holds a steady market position within the Offer Wall, as the number of providers with global scale is very limited, the actual revenue that can be generated from the format might be subject to further market and policy changes in the future, that are in part outside of the Company's influence.

iv) Planned investments

According to the current plan for the 2019 financial year, the only considerable cash flow-related investments included in present cash flow calculations are further investments in the self-developed technology i.e. Fyber FairBid, as well as the fit-out of the Company's offices in Berlin, New York and London. No further major investments are expected in the 2019 financial year.

v) Cost of sales

When preparing the forecast, the Company assumed that the budgeted cost of sales and the net revenue margin of its business would not increase or decrease respectively above plan caused by unforeseen circumstances or events. These indicators can be influenced by the Company only to a limited extent.

vi) Financial costs

For the 2019 financial year, the Company expects financing costs to be higher than in the previous year, primarily caused by the financial restructuring and the associated new capital measures as well as lease payments to be recognized as interest on the lease liability arising from the purchase of the right-of-use of the property according to the new lease accounting standard IFRS 16. For the forecast, the Company assumes that the interest rate risk remains low, but also that the liquidity risk classified as high will remain applicable to the Company. However, the Company assumes that sufficient liquid funds will be available.

vii) Overhead costs

When preparing the forecast, the Company assumed that the expected growth would not lead to a correlating increase in personnel expenses in the current 2019 financial year.

Likewise, the Company does not anticipate any corresponding increase in other operating expenses or administrative expenses.

3. Other notes

The forecast does not take into account extraordinary results and results from non-recurring activities and extraordinary tax charges.

14. TAXATION

*The tax legislation of the investor's tax residence and of the Company's tax residence may have an impact on the income received from the Shares. The Company's place of effective management is Germany and it is considered tax resident in Germany for purposes of the Convention between the Kingdom of The Netherlands and the Federal Republic of Germany for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income, concluded in Berlin on 12 April 2012 (as amended from time to time; the "**NL-Germany Tax Treaty**") and the Convention between the State of Israel and the Federal Republic of Germany for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and on capital, concluded in Berlin on 21 August 2014 (as amended from time to time). This section "14. Taxation" is based on such position.*

I. Germany

The following section outlines certain key German tax principles that may be relevant with respect to the acquisition, holding or transfer of shares. It is important to note that the legal situation may change, possibly with retroactive effect. This summary is not and does not purport to be a comprehensive or exhaustive description of all German tax considerations that may be relevant to shareholders. In particular, this summary does not cover tax considerations that may be relevant to a shareholder that is a tax resident of a jurisdiction other than Germany. This presentation is based upon domestic German tax laws in effect as of the date of this Prospectus and the provisions of double taxation treaties currently in force between Germany and other countries.

This section does not replace the need for individual shareholders to seek personal tax advice. It is therefore recommended that shareholders consult their own tax advisors regarding the tax implications of acquiring, holding or transferring shares and what procedures are necessary to secure the repayment of German withholding tax (Kapitalertragsteuer), if possible. Only qualified tax advisors are in a position to adequately consider the particular tax situation of individual shareholders.

1. Taxation of the Company

The Company's taxable income, whether distributed or retained, is generally subject to German corporate income tax at a uniform rate of 15% plus solidarity surcharge of 5.5% thereon, resulting in a total tax rate of 15.825%.

Dividends and certain other shares in profits, which the Company receives from domestic and foreign corporations, are generally not subject to corporate income tax; however, 5% of this type of income are deemed to be a non-deductible business expense and are thus taxable. Different rules apply to free-floating dividends i.e., dividends earned on direct shareholdings in a distributing corporation equal to less than 10% of its share capital at the start of the respective calendar year ("**Portfolio Dividends**"). Portfolio Dividends are fully taxed at the corporate income tax rate (plus solidarity surcharge thereon). The acquisition of a shareholding of at least 10% is deemed to have occurred at the beginning of the calendar year. Capital gains of the Company from the sale of shares in another domestic or foreign corporation are also generally effectively 95% tax exempt, regardless of the percentage of shares held. Losses incurred from the sale of such shares are not deductible for tax purposes. In certain situations, the 95% tax exemptions for dividends and capital gains might not be achievable if the shares concerned were acquired before 1 January 2017 with the aim of achieving short-term proprietary trading profits.

Participations in the share capital of other corporations, which the Company holds through partnerships, including co-entrepreneurships (Mitunternehmerschaften), are attributable to the Company only on a pro rata basis at the ratio of the interest share of the Company in the assets of relevant partnership.

In addition, the Company is subject to trade tax with respect to its taxable trade profits from its permanent establishments in Germany. The trade tax rate depends on the local municipalities in which the Company maintains its permanent establishments (e.g. the trade tax rate in Berlin currently amounts to 14.35%).

For trade tax purposes, dividends received from domestic and foreign corporations and capital gains from the sale of shares in other corporations are treated in principle in the same manner as for corporate income tax purposes. However, dividends and certain other shares in profits received from domestic and foreign corporations are effectively 95% exempt from trade tax only if, among other things, the company that is receiving the dividends has held or holds a stake of at least 15% in the share capital of the company making the distribution at the beginning or in the case of foreign corporations since the beginning of the assessment period. In the case of distributing companies domiciled in another member state of the European Union, a stake of 10% at the beginning of the assessment period is sufficient; in an ongoing legislative process, it is currently being considered to raise the minimum participation threshold to 15% in these cases

as well. Additional limitations apply with respect to shares in profits received from foreign non-EU corporations; in an ongoing legislative process, it is currently being considered to abolish these additional limitations.

The provisions of the interest barrier (Zinsschranke) restrict the extent to which interest expenses are tax deductible. Under these rules, net interest expense (the interest expense minus the interest income in a fiscal year) is generally only deductible up to 30% of the taxable EBITDA (taxable earnings particularly adjusted for interest costs, interest income, and certain depreciation and amortization), although there are certain exceptions to this rule. The interest barrier rules do not apply in a given year (i) if the annual net interest expense is less than EUR 3 million, (ii) if the respective entity is not or only partially part of a consolidated group, or (iii) if the respective entity is part of a consolidated group but its equity ratio is not more than 2%-points below the equity ratio of the consolidated group. For the eligibility of exemption (ii), the entity must prove that it did not pay more than 10% of the net interest expense to shareholders with a (direct or indirect) shareholding in the entity of more than 25% or to an associated person. For the eligibility of exemption (iii), the entity must prove that the entity itself and any other company of the consolidated group did not pay more than 10% of the net interest expense to shareholders with a (direct or indirect) shareholding in a group company of more than 25% or to an associated person. Interest expense that is not deductible in a given year may be carried forward to subsequent fiscal years of the Company (interest carryforward) and will increase the interest expense in those subsequent years. Under certain conditions, non-offsettable EBITDA can also be carried forward to subsequent years (EBITDA carryforward). For the purpose of trade tax, however, the deductibility of interest expenses is further restricted to the extent that the sum of certain trade taxable add back items exceeds EUR 100,000, since in such cases 25% of the interest expenses, to the extent they were deducted for corporate income tax purposes, are added back for purposes of the trade tax base; consequently, in these cases the deductibility is limited to 75% of the interest expenses.

The provisions of the license barrier (Lizenzschranke) restrict the extent to which license fees or royalties are tax deductible. Under these rules, the deduction of license fees or royalties is (partially) limited if (i) these payments are made to a foreign related party and (ii) these payments are subject to an effective taxation of less than 25% under a "preferential tax regime" for intellectual property rights in the jurisdiction of the related party. The term "related party" refers to situations in which (i) a person holds a direct or indirect share of at least 25% of another person, (ii) a person can exercise a dominating influence over another person, or (iii) a third person owns a direct or indirect participation of at least 25% in both relevant parties. If these conditions are fulfilled, the deduction is limited in proportion of (i) the difference between the effective foreign tax rate and the regular tax charge of 25% to (ii) the regular tax charge of 25%. For example, if the foreign tax rate amounts to 12.5%, 50% of the license expenses will be tax deductible in Germany. The license barrier does not apply if the low taxation of license fees and royalties of less than 25% in the jurisdiction of the recipient is resulting from a preferential regime, which requires that the recipient has developed the respective intellectual property in line with the so-called OECD nexus approach.

Losses of the Company can be carried forward in subsequent years and used to fully offset taxable income for corporate income tax and trade tax purposes only up to an amount of EUR 1 million. If the taxable income for the year or taxable profit subject to trade taxation exceeds this threshold, only up to 60% of the amount exceeding the threshold may be offset by tax loss carryforwards. The remaining 40% are subject to tax (minimum taxation). The rules also provide for a tax loss carryback of an amount up to EUR 1 million to the previous year with regards to corporate income tax. Unused tax loss carryforwards can generally continue to be carried forward without time limitation.

If more than 50% of the subscribed capital or voting rights of the Company are transferred to an acquirer (including parties related to the acquirer) within five years directly or indirectly or a comparable acquisition occurs, all unused current losses and tax loss carryforwards as well as interest carryforwards are forfeited (detrimental change in ownership). A group of acquirers with aligned interests is also considered to be an acquirer for these purposes. In addition, any current year losses incurred prior to the acquisition will not be deductible. This does not apply to share transfers if (i) the purchaser directly or indirectly holds a participation of 100% in the transferring entity, (ii) the seller indirectly or directly holds a participation of 100% in the receiving entity, or (iii) the same natural or legal person or commercial partnership directly or indirectly holds a participation of 100% in the transferring and the receiving entity. Furthermore, tax loss carryforwards, unused current losses and interest carryforwards taxable in Germany will not forfeit to the extent that they are covered by built in gains taxable in Germany at the time of such acquisition. There is also no detrimental change in ownership if the shares are acquired with the aim of preventing or eliminating insolvency or over-indebtedness and at the same time maintaining the essential business structures. In addition, any share transfer that would otherwise be subject to the rules above does not result in forfeiture of tax loss carryforwards resulting from current business operations (Geschäftsbetrieb) of the Company, if the current business operations of the Company remained the same (i) from the time of its establishment; or (ii) during the last three business years prior to the share transfer and such business

operations are maintained after the transfer. The determination of whether the business operations have been maintained is assessed on the basis of qualitative factors, such as the produced goods and services, target markets, client and supplier bases, etc. However, the tax loss carryforwards will be forfeited in any circumstance if, after the share transfer, the business operations of the Company became dormant or are amended, the Company becomes a partner in an operating partnership (Mitunternehmerschaft), the Company becomes a fiscal unity parent, or assets are transferred from the Company and recognized at a value lower than the fair market value. This requirement is monitored until the retained tax loss carryforwards have been fully utilized.

2. Taxation of Shareholders

Shareholders are taxed in particular in connection with the holding of shares (taxation of dividend income), upon the sale of shares (taxation of capital gains) and the gratuitous transfer of shares (inheritance and gift tax).

a) Taxation of Dividend Income

In the future, the Company may pay dividends out of a tax recognized contribution account (*steuerliches Einlagenkonto*). To the extent that the Company pays dividends from the tax-recognized contribution account (*steuerliches Einlagenkonto*), the dividends are not subject to withholding tax, personal income tax (including the solidarity surcharge and church tax, if any) or corporate income tax, as the case may be. However, dividends paid out of a tax-recognized contribution account lower the acquisition costs of the shares, which may result in a higher amount of taxable capital gain upon the shareholder's sale of the shares. Special rules apply to the extent that dividends from the tax-recognized contribution account exceed the then lowered acquisition costs of the shares (the details are outlined below).

i) Withholding Tax

Dividends distributed by the Company that are not paid out of the tax-recognized contribution account (*steuerliches Einlagenkonto*) are subject to a deduction at source (withholding tax) at a 25% rate plus a solidarity surcharge of 5.5% on the amount of withholding tax (amounting in total to a rate of 26.375%) and church tax (*Kirchensteuer*), if applicable. The basis for determining the dividend withholding tax is the dividend approved for distribution by the Shareholders' Meeting.

In general, dividend withholding tax is withheld regardless of whether and, if so, to what extent the shareholder must report the dividend for tax purposes and regardless of whether the shareholder is a resident of Germany or of a foreign country.

As the Company's shares are admitted to be held in collective safe custody (*Sammelverwahrung*) with a central securities depository (*Wertpapiersammelbank*) pursuant to Section 5 of the German Act on Securities Accounts (*Depotgesetz*) and are entrusted to such central securities depository for collective safe custody in Germany, the Company is not responsible for withholding the withholding tax; rather, it is, for the account of the shareholders, the responsibility of one of the following entities in Germany authorized to collect withholding tax to do so and to remit it to the relevant tax authority: (i) a domestic bank or financial service institute, a domestic securities trading company or a domestic securities trading bank (including the domestic branches of foreign banks or financial service institutes) that holds the shares in custody or that manages them and that pays out or credits the shareholders' investment income or that pays the investment income to a foreign entity, or (ii) the central securities depository holding the collective deposit shares in custody if it pays the investment income to a foreign entity and (iii) the Company itself if and to the extent shares held in collective safe custody (*girosammelverwahrt*) by the central securities depository (*Wertpapiersammelbank*) are treated as stock being held separately (so-called "*abgesetzte Bestände*").

The Company assumes responsibility for the withholding of taxes on distributions at source, in accordance with statutory provisions. This means that the Company is released from liability for the violation of its legal obligation to withhold and transfer the taxes at source if it provides evidence that it has not breached its duties intentionally or grossly negligently.

Where dividends are distributed to a corporation resident in another member state of the EU within the meaning of Article 2 of the EC Directive 2011/96/EU of 30 November 2011, as amended (the "**Parent- Subsidiary Directive**"), the withholding of the dividend withholding tax may not be required, upon application, provided that additional requirements are met (withholding tax exemption). This also applies to dividends distributed to a permanent establishment located in another EU Member State of such a parent company or of a parent company that is tax resident in Germany if the interest in the dividend-paying subsidiary is part of the respective permanent establishment's business assets. An important prerequisite for the exemption from withholding at source under the Parent-Subsidiary Directive is that the shareholder has directly held at least 10% of the Company's registered share capital continuously for one year and that the German

Federal Central Office of Taxation (Bundeszentralamt für Steuern, with its registered office in Bonn-Beuel, An der Küppe 1, 53225 Bonn, Germany) has certified by an exemption certificate (Freistellungsbescheinigung) to the creditor of the dividends, based upon an application filed by such creditor on the officially prescribed form, that the prerequisites for exemption have been met. Such exemption certificate is generally issued for a maximum period of 3 years, and it comes into force at the earliest on the date on which the request for a tax exemption is received by the Federal Central Tax Office.

The dividend withholding tax rate for dividends paid to other shareholders without a tax residence in Germany will be reduced in accordance with the applicable double taxation treaty, if any, between Germany and the shareholder's country of residence, provided that the shares are neither held as part of the business assets of a permanent establishment or a fixed base in Germany nor as part of the business assets for which a permanent representative in Germany has been appointed. The reduction in the dividend withholding tax is generally obtained by applying to the Federal Central Office of Taxation (*Bundeszentralamt für Steuern*, with its registered office in Bonn-Beuel, An der Küppe 1, 53225 Bonn, Germany) for a refund of the difference between the dividend withholding tax withheld, including the solidarity surcharge, and the amount of withholding tax actually owed under the applicable double taxation treaty, which is usually 5-15%. A full exemption from German dividend withholding tax may also be possible under certain applicable double taxation treaty, if the shareholder has directly held at least 10% of the Company's registered share capital and if further prerequisites are met. Corporate shareholders can also file an application with the Federal Central Office of Taxation (*Bundeszentralamt für Steuern*, with its registered office in Bonn-Beuel, An der Küppe 1, 53225 Bonn, Germany) on the officially prescribed form for the issuance of an exemption certificate (*Freistellungsbescheinigung*), which documents that the prerequisites for the application of the reduced withholding tax rates under the applicable double taxation treaty have been met. Such exemption certificate is issued for a maximum period of 3 years, and it comes into force at the earliest on the date on which the request for a tax exemption is received by the Federal Central Tax Office. All dividends paid to the relevant corporate shareholder and covered by the exemption certificate are only subject to the reduced withholding tax rates stipulated in the exemption certificate; a refund procedure is not required in such cases. Forms for the refund and exemption procedure may be obtained from the Federal Central Office of Taxation (*Bundeszentralamt für Steuern*, http://www.bzst.bund.de), as well as German embassies and consulates.

Corporations that are not tax residents in Germany will receive upon application a refund of two fifths of the dividend withholding tax that was withheld and remitted to the tax authorities subject to certain requirements. This applies regardless of any further reduction or exemption provided under the Parent-Subsidiary Directive or a double taxation treaty.

Foreign corporations will generally have to meet certain stringent substance criteria defined by statute in order to receive an exemption from or (partial) refund of German dividend withholding tax.

Pursuant to a special rule on the restriction of withholding tax credit, the above mentioned relief in accordance with the applicable double taxation treaty as well as the credit of withholding tax described in the section "*Taxation of Dividends of Shareholders with a Tax Residence in Germany*" below for shares held as private and as business assets is subject to the following three cumulative prerequisites: (i) the shareholder must qualify as beneficial owner of the shares in the Company for a minimum holding period of 45 consecutive days occurring within a period of 45 days prior and 45 days after the due date of the dividends, (ii) the shareholder has to bear at least 70% of the change in value risk related to the shares in the Company during the minimum holding period without being directly or indirectly hedged, and (iii) the shareholder must not be required to fully or largely compensate directly or indirectly the dividends to third parties. Should one of the three prerequisites not be fulfilled, the following applies:

- As regards the taxation of dividends of shareholders with a tax residence in Germany, three fifths of the withholding tax imposed on dividends must not be credited against the shareholder's (corporate) income tax liability, but may, upon application, be deducted from the shareholder's tax base for the relevant assessment period. A shareholder that has received gross dividends without any deduction of withholding tax due to a tax exemption without qualifying for a full tax credit has to notify the competent local tax office accordingly and has to make a payment in the amount of the withholding tax deduction which was omitted. The special rule on the restriction of withholding tax credit does not apply to a shareholder whose overall dividend earnings within an assessment period do not exceed EUR 20,000 or that has been the beneficial owner of the shares in the Company for at least one uninterrupted year upon receipt of the dividends.

- As regards the taxation of dividends of shareholders without a tax residence in Germany who applied for a full or partial refund of the withholding tax pursuant to a double taxation treaty, no refund is available. This

restriction does not apply to a shareholder (i) that holds directly at least 10% of the shares in the Company and that is subject to (corporate) income tax in the country of its tax residence without any exemptions, (ii) or that has been the beneficial owner of the shares in the Company for at least one uninterrupted year upon receipt of the dividends, or (iii) if the applicable tax rate pursuant to the applicable double taxation treaty is at least 15%.

ii) Tax Residence in Germany

The dividend income of shareholders with a tax residence in Germany is taxed based on the following considerations:

(1) Individuals who hold the Shares as Private Assets

For individuals who are tax resident in Germany (generally, individuals whose domicile or usual residence is located in Germany) and who hold shares as private assets, the withholding tax of 25% plus solidarity surcharge of 5.5% thereon, resulting in a total tax rate of 26.375% (plus church tax, if any) will generally serve as a final tax. In other words, once deducted, the shareholder's income tax liability on the dividends will be settled, and he or she will no longer have to declare them on his or her annual tax return (the "**Flat Tax**"). Pursuant to reports from March 2019, the German Ministry of Finance is currently examining whether the Flat Tax should (also) be abolished for dividend income, which may result in the taxation of dividends at the individual's personal income tax rate.

The purpose of the Flat Tax is to provide for separate and final taxation of capital investment income earned; in other words, taxation that is irrespective of the individual's personal income tax rate. Shareholders may apply to have their capital investment income assessed in accordance with the general rules and with an individual's personal income tax rate if this would result in a lower tax burden. In this case, the base for taxation would be the gross dividend income less the savers' allowance of EUR 801 (EUR 1,602 for jointly filing individuals). Any tax and solidarity surcharge already withheld would be credited against the income tax and solidarity surcharge so determined and any overpayment refunded. Income-related expenses cannot be deducted from capital gains in either case. The only deduction that may be made is the savers' allowance of EUR 801 (EUR 1,602 for jointly filing individuals) on all private capital income. Furthermore, dividend income can only be offset by losses from capital income, except for losses generated by the disposal of shares.

If the individual owns (i) at least 1% of the shares in the Company and is able to exercise, by virtue of professional activity (*berufliche Tätigkeit*) for the Company, a significant entrepreneurial influence on the business activity of the Company or (ii) at least 25% of the shares, the tax authorities may approve upon application that the dividends are taxed under the partial-income method (see below "*ii) Individuals who hold the Shares as Business Assets*").

Entities required to collect withholding taxes on capital investment income are required to likewise withhold the church tax on payments to shareholders who are subject to church tax, unless the shareholder objects in writing to the Federal Central Office of Taxation (*Bundeszentralamt für Steuern*) against the sharing of his or her private information regarding his or her affiliation with a religious denomination (*Sperrvermerk*). If church tax is withheld and remitted to the tax authority as part of the withholding tax deduction, then the church tax on dividends is also deemed to be discharged when it is deducted. The withheld church tax cannot be deducted in the tax assessment as a special expense; however, 26.375% of the church tax withheld on the dividends is deducted from the withholding tax (including the solidarity surcharge) withheld. If no church taxes are withheld along with the withholding of the withholding tax, the shareholder who owes church tax is required to report his or her dividends in his or her income tax return. The church tax on dividends will then be imposed during the assessment.

As an exemption, dividend payments that are funded from the Company's tax-recognized contribution account (*steuerliches Einlagekonto*) and are paid to shareholders who are tax resident in Germany whose shares are held as private assets, do–contrary to the above–not form part of the shareholder's taxable income. If the dividend payment funded from the Company's tax-recognized contribution account (*steuerliches Einlagekonto*) exceeds the shareholder's acquisition costs, negative acquisition costs will arise which can result in a higher capital gain in case of the shares' disposal (cf. below). This will not apply if (i) the shareholder or, in the event of a gratuitous transfer, its legal predecessor, or, if the shares have been gratuitously transferred several times in succession, one of its legal predecessors at any point during the five years preceding the (deemed, as the case may be,) disposal directly or indirectly held at least 1% of the share capital of the Company (a "**Qualified Participation**") and (ii) the dividend payment funded from the Company's tax-recognized contribution account (steuerliches Einlagekonto) exceeds the acquisition costs of the shares. In such a case of a Qualified Participation, a dividend payment funded from the Company's tax-recognized contribution account (*steuerliches Einlagekonto*) is deemed a sale of the shares and is taxable as a capital gain if and to the extent the dividend payment funded from the Company's tax-recognized contribution account (*steuerliches Einlagekonto*) exceeds the

acquisition costs of the shares. In this case the taxation corresponds with the description in the section "*Taxation of Capital Gains*" made with regard to shareholders maintaining a Qualified Participation.

(2) Individuals who hold the Shares as Business Assets

The Flat Tax does not apply to dividends from shares held as business assets of a sole proprietor (individual) who is tax resident in Germany. Instead, 40% of any dividend is generally tax exempt whereas the remaining 60% are subject to tax at the shareholder's personal income tax rate plus solidarity surcharge of 5.5% thereon (so called partial income method). Only 60% of the expenses commercially related to the dividends are tax deductible. The partial income method will also apply when individuals hold the shares indirectly through a partnership (with the exception of individual investors who hold their shares through partnerships that neither are commercial partnerships nor deemed to be commercial partnerships). However, the partial-income method does not apply with respect to church tax (if applicable). If the shares are held as business assets of a domestic commercial permanent establishment, the full amount of the dividend income (after deducting business expenses that are commercially related to the dividends) is also subject to trade tax.

However, net dividends (after deducting directly related expenses) paid to a taxpayer who held at least 15% of the registered share capital of a domestic corporation (*inländische Kapitalgesellschaft*) at the beginning of the relevant tax assessment period, are generally exempt from trade tax. It is disputed whether corporations such as the Company, which have their legal seat abroad and effective place of management in Germany, can be considered as domestic corporations in the aforementioned meaning. A lower German fiscal court recently confirmed this view and confirmed the application of the trade tax exemption. However, an appeal against this decision is currently pending before the highest German federal fiscal court (*Bundesfinanzhof*, file reference: I R 43/18). Until a decision on the appeal has been made, the application of the trade tax exemption remains subject to corresponding uncertainties.

Nevertheless, trade tax is generally credited–fully or in part–as a lump sum against the shareholder's personal income tax liability.

Dividend payments that are funded from the Company's tax-recognized contribution account (*steuerliches Einlagekonto*) and are paid to shareholders who are tax resident in Germany whose shares are held as business assets are generally fully tax-exempt in the hands of such shareholder. To the extent the dividend payments funded from the Company's tax-recognized contribution account (*steuerliches Einlagekonto*) exceed the acquisition costs of the shares, a taxable capital gain should occur. The taxation of such gain corresponds with the description in the section "*Taxation of Capital Gains*" made with regard to shareholders whose shares are held as business assets.

(3) Corporations

Dividends received by corporations tax residents in Germany are generally exempt from corporate income tax and solidarity surcharge; however 5% of the dividends are treated as a non-deductible business expenses and, as such, are subject to corporate income tax (plus solidarity surcharge thereon) with a total tax rate of 15.825%.

Portfolio Dividends are fully taxed at the corporate income tax rate (plus solidarity surcharge thereon). The acquisition of a shareholding of at least 10% during a calendar year is deemed to have occurred at the beginning of the respective calendar year. Participations, which a shareholder holds through a commercial partnership, are attributable to the shareholder only on a pro rata basis at the ratio of the interest share of the shareholder in the assets of the relevant partnership.

Business expenses actually incurred and having a direct business relationship to the dividends may be fully deducted.

The amount of any dividends (after deducting business expenses related to the dividends) is generally fully subject to trade tax.

However, dividends paid to a corporation that held at least 15% of the registered share capital of a domestic corporation (*inländische Kapitalgesellschaft*) at the beginning of the relevant tax assessment period, are generally entitled to an intercorporate privilege for trade tax purposes. In such a case, the aforementioned exemption of 95% of the dividend income applies analogously for trade tax purposes. However, it is disputed whether corporations such as the Company, which have their legal seat abroad and effective place of management in Germany, can be considered as domestic corporations in the aforementioned meaning. A lower German fiscal court recently confirmed such an interpretation and confirmed the application of the intercorporate privilege for trade tax purposes. However, an appeal against this decision is currently pending before the highest German federal fiscal court (*Bundesfinanzhof*, file reference: I R 43/18). Until a

decision on the appeal has been made, the application of the intercorporate privilege for trade tax purposes remains subject to corresponding uncertainties.

Special rules apply to dividends received by corporations active in the financial and insurance sectors, as well as pension funds (see below, "*3. Special Treatment of Corporations in the Financial and Insurance Sectors and Pension Funds*").

(4) Partnerships

If the shareholder is a partnership, the personal income tax or corporate income tax, as the case may be, and the solidarity surcharge are levied at the level of each partner rather than at the level of the partnership. The taxation of each partner depends upon whether the partner is a corporation or an individual. If the partner is a corporation, then the dividend is generally 95% tax exempt; however, dividends from an indirect shareholding representing less than 10% of the share capital for the relevant partner are fully subject to taxation (see above, "*iii) Corporations*"). If the partner is an individual and the shares are held as business assets of the partnership, only 60% of the dividend income is subject to income tax; in this case the partial-income method does not apply as regards church tax (if applicable).

Additionally, if the shares are held as business assets of a domestic permanent establishment of a commercial or deemed to be commercial partnership, the full amount of the dividend income is generally also subject to trade tax at the level of the partnership. In the case of partners who are individuals, the trade tax that the partnership pays on his or her proportion of the partnership's income is generally credited as a lump sum– fully or in part–against the individual's personal income tax liability. If the partnership held at least 15% of the Company's registered share capital at the beginning of the relevant tax assessment period, the dividends (after the deduction of business expenses commercially related thereto) should generally not be subject to trade tax. However, in this case, trade tax should be levied on 5% of the dividends to the extent they are attributable to the profit share of such corporate partners to whom at least 10% of the shares in the Company are attributable on a look- through basis, since such portion of the dividends should be deemed to be non-deductible business expenses. The remaining portion of the dividend income attributable to other than such specific corporate partners (which includes individual partners and should, according to a literal reading of the law, also include corporate partners to whom, on a look-through basis, only Portfolio Participations are attributable) should not be subject to trade tax.

iii) Tax Residence outside of Germany

The dividends paid to shareholders (individuals, corporations or partnerships) with a tax residence outside of Germany are taxed in Germany, provided that the shares are held as part of the business assets of a permanent establishment or a fixed base in Germany or as part of the business assets for which a permanent representative in Germany has been appointed. The withholding tax (including solidarity surcharge) withheld and remitted to the German tax authorities is credited against the respective shareholder's personal income tax or corporate income tax liability, and any overpayment will be refunded. The same applies to the solidarity surcharge. These shareholders are essentially subject to the same rules applicable to tax resident shareholders, as discussed above.

In all other cases, the withholding of the dividend withholding tax discharges any tax liability of the shareholder in Germany. A refund or exemption is granted only as discussed in the section on dividend withholding tax above (see above "*a) Withholding Tax*").

Dividend payments that are funded from the Company's tax-recognized contribution account (*steuerliches Einlagekonto*) are generally not taxable in Germany.

b) Taxation of Capital Gains

Capital gains arising from the disposal of shares held by shareholders are taxed based on the following considerations.

i) Tax Residence in Germany

(1) Individuals who hold the Shares as Private Assets

Gains on the sale of shares that are held as private assets by shareholders with a tax residence in Germany are generally taxable regardless of the length of time held. The tax rate is (generally) a uniform 25% plus the 5.5% solidarity surcharge thereon (resulting in an aggregate tax rate of 26.375%) as well as any church tax, if applicable.

The taxable capital gains are the difference between (a) the proceeds from the disposal of shares after deducting the direct sales costs and (b) the acquisition cost of the shares. Under certain conditions, prior payments from the tax-recognized contribution account (*steuerliches Einlagekonto*) may lead to reduced acquisition costs of the shares held as

private assets and, as a consequence, increase the taxable sales gain. Losses on the sale of shares can only be used to offset gains made on the sale of shares during the same year or in subsequent years.

If the shares are held in custody or administered by a domestic bank or financial service institute, a domestic securities trading company or a domestic securities trading bank (including the domestic branches of foreign banks and financial service institutes), or if such entity or branch sells the shares and pays out or credits the capital gains (each a "**Domestic Paying Agent**"), said Domestic Paying Agent withholds a withholding tax of 25% plus 5.5% solidarity surcharge thereon and any church tax (if applicable) and remits this to the tax authority; in such a case, the tax on the capital gain will generally be discharged. If the shares were only held in custody or administered by the respective Domestic Paying Agent continuously after acquisition, the amount of tax withheld is generally based on the difference between the proceeds from the sale, after deducting expenses directly related to the sale, and the amount paid to acquire the shares. However, the withholding tax rate of 25% plus the 5.5% solidarity surcharge thereon and any church tax (if applicable), will be applied to 30% of the gross sales proceeds if the shares were not administered by the same custodian bank since acquisition and the original cost of the shares cannot be verified or such verification is not admissible. In this case, the shareholder is entitled to, and in case the actual gain is higher than 30% of the gross proceeds must, verify the original costs of the shares in his or her annual tax return.

Entities required to collect withholding taxes on capital investment income are required to likewise withhold the church tax for shareholders who pay church taxes, unless the shareholder objects in writing to the Federal Central Office of Taxation (*Bundeszentralamt für Steuern*) against the sharing of his or her private information regarding his or her affiliation with a denomination (*Sperrvermerk*). If church tax is withheld and remitted to the tax authority as part of the withholding tax deduction, then the church tax on capital gain is also deemed to be discharged when it is deducted. The withheld church tax cannot be deducted in the tax assessment as a special expense; however, 26.375% of the church tax withheld on the capital gain is deducted from the withholding tax (including the solidarity surcharge) withheld.

A shareholder may request that all his or her items of capital investment income, along with his or her other taxable income, be subject to the progressive income tax rate instead of the uniform tax rate for private capital investment income if this lowers his or her tax burden. The base for taxation would be the gross income less the savers' allowance of EUR 801 (EUR 1,602 for jointly filing individuals). The prohibition on deducting income-related costs and the restrictions on offsetting losses also apply to tax assessments based on the progressive income tax rate. Any tax already withheld would be credited against the income tax so determined and any overpayment refunded.

One exception to this rule is that a shareholder's capital gains are subject to the partial-income method and not the Flat Tax. Consequently, 60% of the proceeds from the sale of shares are subject to the individual income tax rate plus solidarity surcharge thereon and church tax, if applicable, if the shareholder, or his or her legal predecessor in case of acquisition without consideration, has directly or indirectly held shares equal to at least 1% of the Company's share capital at any time during the previous five years. 60% of the expenses commercially related to the proceeds of the sale of shares are tax-deductible.

In the case of a Qualified Participation, withholding tax (including the solidarity surcharge) is also withheld by the Domestic Paying Agent. The tax withheld, however, is not treated as a final tax. Hence, the shareholder is obliged to declare the gains from the sale in his or her income tax return. The withholding tax (including solidarity surcharge) withheld and remitted to the German tax authorities is credited against the respective shareholder's personal income tax liability in the tax assessment, and any overpayment will be refunded.

(2) Shares held as Business Assets

The Flat Tax does not apply to proceeds from the sale of shares held as business assets by shareholders tax resident in Germany. If the shares form part of a shareholder's business assets, taxation of the capital gains realized will then depend upon whether the shareholder is a corporation, sole proprietor (individual) or partnership. Dividend payments that are funded from the Company's tax-recognized contribution account (*steuerliches Einlagekonto*) reduce the original acquisition costs. In case of a sale of shares, a higher taxable capital gain can arise herefrom. If the dividend payments exceed the shares' book value for tax purposes, a taxable capital gain can arise.

- **Corporations**: In general, capital gains earned on the sale of shares by corporations domiciled in Germany are exempt from corporate income tax (including the solidarity surcharge thereon) and trade tax, irrespective of the stake represented by the shares and the length of time the shares are held; however, 5% of the capital gains are treated as a non-deductible business expense and, as such, are subject to corporate income tax (plus the solidarity surcharge thereon) and to trade tax.

- **Sole proprietors (individuals):** If the shares were acquired after 31 December 2008 and form part of the business assets of a sole proprietor (individual) who is tax resident in Germany, 60% of the capital gains on their sale are subject to the individual's personal tax rate plus the solidarity surcharge thereon (partial income method). Correspondingly, only 60% of losses from such sales and 60% of expenses commercially related to such sales are deductible. For church tax, if applicable, the partial income method does not apply. If the shares are held as business assets of a commercial permanent establishment located in Germany, 60% of the capital gains are also subject to trade tax. The trade tax is fully or partially credited as a lump sum against the shareholder's personal income tax liability.
- **Commercial Partnerships**: If the shareholder is a partnership, personal income tax or corporate income tax, as the case may be, is assessed at the level of each partner rather than at the level of the partnership. The taxation of each partner depends upon whether the respective partner is a corporation or an individual. If the partner is a corporation, the tax principles applying to capital gains, which are outlined in subsection "Corporations", apply. If the partner is an individual, the tax principles applying to capital gains that are outlined in subsection "*Sole proprietors (individuals)*" apply. Upon application and provided that additional prerequisites are met, an individual who is a partner can obtain a reduction of his or her personal income tax rate for profits not withdrawn from the partnership. In addition, capital gains from the sale of shares attributable to a permanent establishment maintained in Germany by a commercial partnership or deemed to be commercial partnership are subject to trade tax at the level of the partnership. As a general rule, only 60% of the gains in this case are subject to trade tax to the extent the partners in the partnership are individuals, while 5% are subject to trade tax to the extent the partners are corporations and shares are sold. Under the principles discussed above, losses on sales and other reductions in profit related to the shares sold are generally not deductible or only partially deductible, if the partner is a corporation. If the partner is an individual, the trade tax the partnership pays on his or her share of the partnership's income is generally credited as a lump sum–fully or in part–against his or her personal income tax liability, depending on the tax rate imposed by the local municipality and certain individual tax-relevant circumstances of the taxpayer.

Special rules apply to capital gains realized by companies active in the financial and insurance sectors, as well as pension funds (see below, "*3. Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds*").

If a Domestic Paying Agent is involved, the proceeds from the sale of shares held as business assets are generally subject to the same withholding tax rate as those of shareholders whose shares are held as private assets (see *"Individuals who hold the Shares as Private Assets"*). However, the Domestic Paying Agent may refrain from withholding the withholding tax if (i) the shareholder is a corporation, association or estate with its tax residence in Germany, or (ii) the shares form part of the shareholder's domestic business assets, and the shareholder informs the Domestic Paying Agent of this on the officially prescribed form and meets certain additional prerequisites. If the Domestic Paying Agent nevertheless withholds taxes, the withholding tax withheld and remitted (including the solidarity surcharge and church tax, if applicable) will be credited against the shareholder's income tax or corporate income tax liability (including the solidarity surcharge and church tax, if applicable) and any excess amount will be refunded.

ii) Tax Residence outside of Germany

Capital gains realized by a shareholder with no tax residence in Germany are subject to German income tax only if the selling shareholder holds a Qualified Participation or if the shares form part of the business assets of a permanent establishment in Germany or of business assets for which a permanent representative is appointed.

Most double taxation treaties provide for an exemption from German taxes and assign the right of taxation to the shareholder's country of tax residence in the former case.

c) Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds

Dividends paid to and capital gains realized by certain companies in the financial and insurance sector are, as an exception to the aforementioned rules, fully taxable.

This applies to dividends from as well as gains from the disposal of shares in the trading portfolio within the meaning of Section 340e (3) HGB of credit institutions and financial services institutions, and shares that are, upon acquisition of the shares, allocable to the current assets of a financial enterprise within the meaning of the German Banking Act (*Kreditwesengesetz*) that is directly or indirectly held by a credit institution or financial services institution to more than 50%. The same applies to shares held as investments by life insurers, health insurers and pension funds. If the stake held at the beginning of the relevant assessment period is 15% or higher, subject to certain conditions, the dividends can be fully exempted from trade tax.

d) Inheritance and Gift Tax

The transfer of shares to another person by inheritance or gift is generally subject to German inheritance or gift tax only if:

- the decedent, donor, heir, beneficiary or other transferee maintained his or her domicile or habitual abode in Germany, or had its place of management or registered office in Germany at the time of the transfer, or is a German citizen who has spent no more than five consecutive years (this term is extended to ten years for German expatriates with U.S. residence) prior to the transfer outside Germany without maintaining a residence in Germany (special rules apply to certain former German citizens who neither maintain their domicile nor have their habitual abode in Germany);
- the shares were held by the decedent or donor as part of business assets for which a permanent establishment was maintained in Germany or for which a permanent representative in Germany had been appointed; or
- the decedent or donor, either individually or collectively with related parties, held, directly or indirectly, at least 10% of the Company's registered share capital at the time of the inheritance or gift.

The fair value represents the tax assessment base. In general, that is the stock exchange price. Dependent on the degree of relationship between decedent or donor and recipient, different tax-free allowances and tax rates apply.

The few German double taxation treaties relating to inheritance tax and gift tax currently in force usually provide that the German inheritance tax or gift tax can only be levied in the cases of subsection 1 above, and also with certain restrictions in case of subsection 2 above. Special provisions apply to certain German nationals living outside of Germany and former German nationals.

3. The Proposed Financial Transactions Tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the shares (including secondary market transactions) in certain circumstances. The issuance and subscription of shares should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the shares where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders are advised to seek their own professional advice in relation to the FTT.

4. Other Taxes

No German transfer tax, value-added tax, stamp duty or similar taxes are assessed on the purchase, sale or other transfer of shares. Provided that certain requirements are met, an entrepreneur may, however, opt for the payment of value-added tax on transactions that are otherwise tax-exempt. Net wealth tax is currently not imposed in Germany.

II. The Netherlands

The information set out below is a general summary of certain material Dutch tax consequences in connection with the acquisition, ownership and transfer of the Shares. This summary is not a comprehensive or complete description of all the Dutch tax considerations that may be relevant for a particular Shareholder and it does not address the tax consequences that may arise in any jurisdiction other than the Netherlands in connection with the acquisition, ownership and transfer of the Shares. For Dutch tax purposes, a Shareholder may include an individual who or an entity that does not have the legal title to the Shares, but to whom nevertheless the Shares, or the income thereof, are attributed based either on such individual or entity holding a beneficial interest in the Shares or based on specific statutory provisions.

This summary is based on the tax laws of the Netherlands as in effect on the date of this Prospectus, including regulations, rulings and decisions of the Netherlands' taxing and other authorities available in printed form on or before this date and now in effect, and as applied and interpreted by Dutch courts, without prejudice to any developments or amendments introduced at a later date and implemented with or without retroactive effect.

Any reference in this summary to the Netherlands and to Netherlands or Dutch tax law are to the European part of the Kingdom of the Netherlands and its law, respectively, only.

As this summary is intended as general information only, (prospective) Shareholders should consult their own tax advisors as to the Dutch or other tax consequences of the acquisition, ownership and transfer of Shares, including, in particular, the application to their particular situations of the tax considerations discussed below. Shareholders may be subject to a special tax treatment under any applicable law and this summary is not intended to be applicable in respect of all categories of Shareholders.

This summary is not intended for any Shareholder:

- *who is an individual and for whom the income or capital gains derived from the Shares are attributable to employment activities, the income from which is taxable in the Netherlands;*
- *who has, or that has, a Substantial Interest or a deemed Substantial Interest in the Company (as defined and explained below);*
- *that is an entity that is resident or deemed to be resident in the Netherlands and that is, in whole or in part, not subject to or exempt from Dutch corporate income tax (such as qualifying pension funds);*
- *that is an entity for which the income and/or capital gains derived from the Shares are exempt under the participation exemption (deelnemingsvrijstelling) or are subject to the participation credit (deelnemingsverrekening) as set out in the Netherlands Corporate Income Tax Act 1969 (Wet op de vennootschapsbelasting 1969, "**CITA**");*
- *that is an exempt investment institution (vrijgestelde beleggingsinstelling) or a fiscal investment institution (fiscale beleggingsinstelling) as meant in Articles 6a and 28 of the CITA, respectively;*
- *who or that does not have the legal title to the Shares, but to whom nevertheless the Shares are attributed based either on such individual or entity holding a beneficial interest in the Shares or based on specific statutory provisions; or*
- *who is, or that is, is not considered the beneficial owner (uiteindelijk gerechtigde) of the Shares and/or the income and/or capital gains derived from the Shares.*

*Generally a Shareholder will have a substantial interest (aanmerkelijk belang, "**Substantial Interest**") in the Company if he or she holds, alone or, in case the Shareholder is an individual, together with his or her partner (statutorily defined term in Dutch tax law), whether directly or indirectly, the ownership of, or certain other rights over, shares representing 5% or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the Company, or rights to acquire shares, whether or not already issued, that represent at any time 5% or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the Company, or the ownership of certain profit participating certificates that relate to 5% or more of the annual profit or to 5% or more of the Company's liquidation proceeds.*

A Shareholder will also have a Substantial Interest in the Company if one of certain relatives of that Shareholder or of his or her partner has a Substantial Interest in the Company. If a Shareholder does not have a Substantial Interest, a deemed Substantial Interest will be present if (part of) a Substantial Interest has been disposed of, or is deemed to have been disposed of, without recognizing a taxable gain.

1. The Company's Tax Residency

Pursuant to Article 2, 4th paragraph, of the CITA as well as Article 1, 3rd paragraph, of the Dutch Dividend Tax Act 1965 (*Wet op de dividendbelasting 1965*, "**DWTA**"), a company which is incorporated under Dutch law is generally deemed to be resident in the Netherlands for corporate income tax and dividend withholding tax purposes, respectively. However, for purposes of the application of the NL-Germany Tax Treaty, the Company believes that its effective place of management is located in Berlin, Germany. Consequently, the Company should be considered tax resident in Germany and not in the Netherlands for purposes of the application of the NL-Germany Tax Treaty. This summary is based on such position.

2. Dividend Withholding Tax

As the Company is considered tax resident in Germany for purposes of the NL-Germany Tax Treaty, Article 10, fifth paragraph, of the NL-Germany Tax Treaty generally precludes the Netherlands from imposing Dutch dividend withholding tax on any dividends paid by the Company on the Shares, even though the Company is still deemed to be tax resident in the Netherlands under Article 1, 3rd paragraph, of the DWTA. Based on the ruling by the Dutch Supreme Court of 2 September 1992, BNB 1992/379, it is generally considered that a prohibition on extraterritorial taxation as the one set forth in Article 10, fifth paragraph, of the NL-Germany Tax Treaty also applies to Shareholders who are resident in a third country and the Company will act accordingly.

However, it should be noted that dividends paid by the Company to a Shareholder who is, or who is deemed to be, resident in the Netherlands for purposes of Dutch taxation, may still be taxed in the Netherlands. Consequently, such Shareholder is generally subject to a withholding tax of 15% imposed by the Netherlands on dividends paid by the Company on the Shares. Generally, the dividend withholding tax will not be borne by the Company, but will be withheld by the Company from the gross dividends paid on the Shares. In addition, dividends paid by the Company to Dutch Shareholders may also be subject to German withholding tax. See "*14. Taxation - I. Germany*" in this Prospectus for a discussion of the German tax considerations in respect of distributions of dividends by the Company.

The term 'dividends' for dividend withholding tax purposes includes, but is not limited to:

- distributions in cash or in kind, deemed and constructive distributions, regardless of their name and form, and repayments of paid-in capital not recognized for Dutch dividend withholding tax purposes;
- liquidation proceeds, proceeds of redemption of shares or, generally, consideration for the repurchase of shares by the Company in excess of the average paid-in capital recognized for Dutch dividend withholding tax purposes;
- the nominal value of Shares issued to a Shareholder or an increase in the nominal value of Shares, as the case may be, to the extent that it does not appear that a contribution to the capital recognized for Dutch dividend withholding tax purposes was made or will be made; and
- partial repayment of paid-in capital, recognized for Dutch dividend withholding tax purposes, if and to the extent that there are net profits (*zuivere winst*), within the meaning of the DWTA, unless the general meeting of shareholders has resolved in advance to make such a repayment and provided that the nominal value of the shares concerned has been reduced by a corresponding amount by way of an amendment of the Company's Articles of Association.

The term "net profits" includes anticipated profits that have yet to be realized.

A Shareholder who is, or who is deemed to be, resident in the Netherlands for purposes of Dutch taxation can generally credit the dividend withholding tax against his or her Dutch income tax or Dutch corporate income tax liability and is generally entitled to a refund of dividend withholding taxes exceeding his or her aggregate Dutch income tax or Dutch corporate income tax liability, provided certain conditions are met, unless such Shareholder is not considered to be the beneficial owner of the dividends.

Pursuant to Dutch domestic law, a Shareholder who is the recipient of dividends (the "**Recipient**") will in any case not be considered the beneficial owner of these dividends for Dutch dividend withholding tax purposes if:

- as a consequence of a combination of transactions, a person or legal entity other than the Recipient wholly or partly, directly or indirectly, benefits from the dividends;
- such other person or legal entity would:
  - as opposed to the Recipient, not be entitled to an exemption from dividend withholding tax; or
  - in comparison to the Recipient, to a lesser extent be entitled to a credit, reduction or refund of dividend withholding tax; and
- such other person or legal entity has, directly or indirectly, retained or acquired a similar interest in the Shares.

3. Taxes on Income and Capital Gains

a) Dutch Resident Individuals

A Shareholder who is an individual and who is resident or deemed to be resident in the Netherlands for purposes of Dutch taxation (a "**Dutch Resident Individual**"), will generally be subject to Dutch income tax with respect to income and capital gains derived or deemed to be derived from the Shares at the progressive rates up to 51.75% (maximum rate for 2019) if:

(i) the Shareholder derives profits from an enterprise or deemed enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder), to which enterprise the Shares are attributable or deemed to be attributable; or

(ii) the Shareholder derives income or capital gains from the Shares, as the case may be, that are taxable as benefits from 'miscellaneous activities' (*resultaat uit overige werkzaamheden*, as defined in the Netherlands Income Tax Act 2001), which include the performance of activities with respect to the Shares, that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*) and also include benefits resulting from a lucrative interest (*lucratief belang*).

If neither condition (i) nor condition (ii) mentioned above applies, a Dutch Resident Individual will generally be subject to Dutch income tax on a deemed return, regardless of the actual income or capital gains derived from the Shares. This deemed return is calculated by applying the applicable deemed return percentage(s) to the individual's yield basis (*rendementsgrondslag*), insofar as this exceeds a certain threshold (*heffingsvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets (including, as the case may be, the Shares) held by the Dutch Resident Individual less the fair market value of certain qualifying liabilities, both determined on 1 January of the relevant year. The deemed return percentages to be applied to the yield basis increases progressively from 1.94% to 5.60% (rates for 2019), depending on such individual's yield basis. The deemed return percentages will be adjusted annually. The deemed return will be taxed at a rate of 30% (rate for 2019). By letter of 6 September 2019, the Dutch Under-Minister for Finance informed the Dutch Lower House on certain proposed changes to this regime which are to become effective as per 1 January 2022. The legislative proposal is announced for the summer of 2020.

b) Dutch Resident Entities

A Shareholder that is an entity and that is resident or deemed to be resident in the Netherlands for purposes of Dutch taxation (a "**Dutch Resident Entity**"), will generally be subject to Dutch corporate income tax with respect to income and capital gains derived or deemed to be derived from the Shares. The Dutch corporate income tax rate is 19% for the first EUR 200,000 of taxable profits and 25% for the taxable amount exceeding EUR 200,000 (rates for 2019).

c) Non-Dutch Residents

A Shareholder who is not, nor deemed to be, a Dutch Resident Individual or a Dutch Resident Entity (a "**Non-Dutch Resident**"), is generally not subject to Dutch income tax or Dutch corporate income tax with respect to income and capital gains derived from the Shares, provided that:

- such Non-Dutch Resident does not derive profits from an enterprise or deemed enterprise, whether as an entrepreneur or pursuant to a co-entitlement to the net worth of such enterprise (other than as an entrepreneur or a shareholder) which enterprise is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Shares are attributable or deemed attributable;
- in case of a Non-Dutch Resident who is an individual, such individual does not derive income or capital gains from the Shares, as the case may be, that are taxable as benefits from 'miscellaneous activities performed in the Netherlands', which include the performance of activities in respect of the Shares, that exceed regular, active portfolio management and also includes benefits resulting from a lucrative interest;
- in case of a Non-Dutch Resident who is an individual, such individual is not entitled to a share in the profits of an enterprise effectively managed in the Netherlands, other than by way of the holding of securities or through an employment relationship, to which enterprise the Shares or payments in respect of the Shares are attributable; and
- in case of a Non-Dutch Resident that is an entity, such entity is neither entitled to a share in the profits of an enterprise nor co-entitled to the net worth of an enterprise effectively managed in the Netherlands, other than

by way of the holding of securities, to which enterprise the Shares or payments in respect of the Shares are attributable.

4. Gift and other Taxes

a) Gift and Inheritance Taxes

i) Dutch Residents

Generally, gift taxes (*schenkbelasting*) and inheritance taxes (*erfbelasting*) may arise in the Netherlands with respect to a transfer of the Shares by way of a gift by, or on the death of, a Shareholder who is resident or deemed to be resident in the Netherlands for the purpose of the Netherlands Gift and Inheritance Tax Act 1956 at the time of the gift or his/her death.

ii) Non-Dutch Residents

No Dutch gift or inheritance taxes will be levied on the transfer of Shares by way of gift by, or on the death of, a Shareholder who is neither resident nor deemed to be resident in the Netherlands for the purpose of the relevant provisions, unless:

- the transfer is construed as an inheritance or bequest, or as a gift made by or on behalf of a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions;
- such Shareholder dies while being resident or deemed resident in the Netherlands within 180 days after the date of a gift of the Shares; or
- the gift is made under a condition precedent and such Shareholder is or is deemed to be resident in the Netherlands at the time the condition is fulfilled.

For purposes of the Netherlands Gift and Inheritance Tax Act 1956, an individual who is of the Dutch nationality will be deemed to be resident in the Netherlands if he or she has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his or her death. For purposes of Dutch gift tax, an individual will, irrespective of his or her nationality, be deemed to be resident in the Netherlands if he or she has been resident in the Netherlands at any time during the twelve months preceding the date of the gift. The same twelve-month rule may apply to entities that have transferred their seat of residence out of the Netherlands. Applicable tax treaties concluded by the Netherlands may override such deemed residency.

b) Value Added Tax

No Dutch value added tax (*omzetbelasting*) is payable by a Shareholder in respect of the acquisition of the Shares (other than value added tax due on fees payable in respect of additional services not exempt from Dutch value added tax).

c) Other Taxes and Duties

No Dutch registration tax, capital tax, customs duty, stamp duty or any other similar tax or duty, other than court fees, will be payable in the Netherlands by a Shareholder in respect of or in connection with the acquisition, ownership or transfer of the Shares.

15. REGULATORY DISCLOSURE

*This section contains a summary of the information disclosed under Regulation (EU) No 596/2014 (Market Abuse Regulation, "**MAR**") over the last 12 months which is relevant as at the date of this Prospectus.*

I. Restructuring of Convertible Bonds

1. Exchange offer

By disclosure of inside information (*ad hoc announcement*) pursuant to Art. 17 MAR on 25 April 2019, the Management Board disclosed the results of the voluntary exchange offer regarding the EUR 149,900,000 outstanding Convertible Bonds. The offer was made to Bondholders to tender any or all of such Convertible Bonds in exchange for up to 499,666,667 newly to be issued Shares in the capital of the Company. The offer period started at 9 a.m. CET on 14 March 2019 and closed at 6 p.m. CEST on 24 April 2019.

During the offer period, 742 Convertible Bonds were tendered. Bondholders were offered to tender any or all of their Convertible Bonds for exchange by the Company at an exchange price of EUR 0.30 (the "**Exchange Price**") per Share, resulting in 333,333 Shares per Convertible Bond. Therefore, the 742 Bonds which are tendered represent 247,333,086 Shares, which are subject to the Prospectus.

2. Further restructuring

By disclosure of inside information (*ad hoc announcement*) pursuant to Art. 17 MAR on 19 June 2019, the Management Board disclosed that it decided to restructure EUR 75.7 million outstanding Convertible Bonds. In order to delay the repayment of the Convertible Bonds and correspondingly secure the necessary cash-flow for the Company, it was intended to extend the relevant Convertible Bonds' maturity and improve the conditions for early conversion by reducing the conversion price to EUR 0.30, an amount equal to the exchange price used in a recently concluded voluntary exchange offer.

II. Guidance updates

1. August 2019

By disclosure of inside information (*ad hoc announcement*) pursuant to Art. 17 MAR on 22 August 2019, the Management Board informed about a change to its revenue and adjusted EBITDA guidance for 2019. The change comes mainly as a result of the decline in revenue stemming from the Offer Wall ad format, the biggest contributor to Fyber's non-programmatic business. The decrease results from a recent change in Apple's App Store policies banning app install ad campaigns within the Offer Wall format for apps published through their store. The ban went into effect in the course of the first half of 2019. Furthermore, although the core programmatic business with existing clients is in line with yearly expectations, the Company experienced delays in the ramp up of business with new clients during the first half of the year.

As a result of both the external and internal factors, the Company was updating the previously communicated revenue guidance from EUR 155 to EUR 175 million to a range of EUR 130 to EUR 135 million for the full year 2019. Despite the change in revenue outlook, the Company expected to achieve an adjusted EBITDA above break-even (previously: break-even to EUR 5 million) largely based on the Company's careful management of cost and resource allocation and realized cost saving initiatives.

2. November 2019

By disclosure of inside information (*ad hoc announcement*) pursuant to Art. 17 MAR on 21 November 2019, the Management Board informed about a further change to its revenue and adjusted EBITDA guidance for 2019, stating that the previously stated reasons took further effect on the Company's business, which could not be offset with adequate growth from other areas of business.

The Company's revenue from its non-programmatic business, particularly gross revenue stemming from the Offer Wall ad format, decreased due to the recent change in Apple's policy banning certain ad campaign types within this ad format for apps published through their app store. Furthermore, the Company experienced delays in the ramp-up of business with new clients for the core programmatic business during the third quarter of 2019.

As a result, the Company updated the previously communicated revenue guidance from EUR 130 to EUR 135 million to about EUR 120 million for the full year 2019, as well as the guidance for adjusted EBITDA from above break-even to around EUR -3 million.

III. Fyber receives petition to Enterprise Chamber

By disclosure of inside information (*ad hoc announcement*) pursuant to Art. 17 MAR on 8 May 2019, the Management Board disclosed that it has received a copy of a petition filed by its shareholders Tetra-House Pte. Ltd. and Guy Dubois at the Enterprise Chamber (the "**Enterprise Chamber**") in Amsterdam, the Netherlands, requesting the Enterprise Chamber (i) to order an investigation into the policies and course of events at Fyber mainly in relation to the Company's recent voluntary debt-to-equity exchange and (ii) to temporarily appoint an independent supervisory director with a decisive vote.

The hearing at the Enterprise Chamber took place on 11 July 2019 in Amsterdam. At the date of this Prospectus, the ruling is outstanding.

IV. No further relevant disclosure

Save for the matters described above, the Company has not made any further publications in accordance with the MAR in the last 12 months which are relevant at the date of this Prospectus.

16. INFORMATION INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated by reference in, and to form part of, this Prospectus to the extent set forth in the table below:

(1) The audited consolidated English language financial statements of the Group as of and for the fiscal year ended 31 December 2018 included in the "Annual Report 2018", available on the Company's website under the hyperlink https://investors.fyber.com/assets/media/fyber-nv-annual-report-2018-compressed-secured.pdf and consisting of:

- Consolidated income statement (page 83)
- Consolidated statement of comprehensive income (page 84)
- Consolidated statement of financial position (pages 86 to 87)
- Consolidated statement of cash flows (page 88)
- Consolidated statement of change in equity (pages 90 to 91)
- Notes to the consolidated financial statements (pages 92 to 137)
- Independent auditor's opinion[1] (pages 164 to 171)

(2) The unaudited and unreviewed English language condensed consolidated financial statements of the Group as of and for the six months period ended 30 June 2019, contained in the "H1 2019 Results Statement", available on the Company's website under the hyperlink https://investors.fyber.com/assets/media/fyber-nv-h1-2019-interim-financial-statement-secured.pdf and consisting of:

- Consolidated income statement (page 23)
- Consolidated statement of comprehensive income (page 24)
- Consolidated statement of financial position (pages 26 to 27)
- Consolidated statement of cash flows (page 28)
- Consolidated statement of changes in equity (pages 30 to 31)
- Notes to the interim condensed financial statements (pages 32 to 39)

[1] The audit opinion / audit opinion of the independent auditor refers to the respective consolidated financial statements and the group management report of the Group as a whole and not solely to the consolidated financial statements incorporated by reference.

Page numbers refer to the pages in the pdf document available per hyperlink. Any information not incorporated by reference into this Prospectus (by way of explicit reference in the cross reference list above) but contained in one of the pdf documents mentioned above is either not relevant for the investor or covered in another part of this Prospectus.

The source documents from which the information mentioned above has been incorporated by reference into this Prospectus will be published on the website of the Frankfurt Stock Exchange (*www.boerse-frankfurt.de*) and may be inspected and are available free of charge at the Berlin office of the Company as long as any New Shares are listed on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and the rules (*Börsenordnung*) of such stock exchange so require.

Aside from the information incorporated by reference as set out above, information on websites referred to in this Prospectus does not form part of the Prospectus and has not been scrutinized or approved by the competent authority.

17. NAMES AND ADDRESSES

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