Fyber

Fyber N.V.

H1 2019 Results Statement

Fyber N.V. and its subsidiaries ("Fyber" or "the Company") is a leading advertising technology company, developing a next generation platform for the programmatic trading of ads, in a data-driven environment. Its mission is to fuel the creation of quality content by empowering app developers to monetize their content through advanced technologies, innovative ad formats and data-driven decision-making. Fyber provides an open-access technology platform for both publishers and digital advertisers with a global reach, has offices in Berlin, Tel Aviv, San Francisco, New York, London, Beijing and Seoul and employs more than 270 people. The Company is listed on the Prime Standard of Frankfurt Stock Exchange under the symbol 'FBEN'.

Table of Content

Highlights & Key Figures

Core programmatic business grew by 20% compared to H1 2018

Continued improvement of adjusted EBITDA

Improved equity position following voluntary bond-to-equity exchange & initiated restructuring of remaining convertible bonds

Launched new version of key product – mobile monetization platform Fyber FairBid

Financial Performance

	For the six months ended		For the three months ended		For the year ended
	30 Jun 2019	30 Jun 2018	30 Jun 2019	30 Jun 2018	31 Dec 2018
	in € millions				
Gross revenue	54.1	58.8	26.6	29.5	128.5
Net revenue	19.7	21.2	9.8	11.0	46.1
Net revenue margin	36.4%	36.1%	36.9%	37.4%	35.9%
IT cost*	(4.7)	(5.6)	(2.4)	(2.6)	(11.2)
R&D cost*	(6.0)	(6.3)	(2.6)	(3.0)	(13.5)
S&M cost*	(7.9)	(10.5)	(3.6)	(4.8)	(19.6)
G&A cost*	(2.7)	(4.8)	(1.6)	(2.6)	(9.0)
EBITDA*	(1.6)	(6.0)	(0.4)	(2.0)	(7.2)

*Note: Unaudited, adjusted figures – Adjusted EBITDA is excluding one-off impacts such as impairment of goodwill, acquisition related costs and option plans and is not a measure calculated in accordance with IFRS. For further details on the adjustment please refer to the 'Financial performance' table in the 'Business Performance' chapter below.

Statement from the CEO

Dear Shareholders,

The first half of 2019 brought not only the continuation of growth in Fyber's core programmatic business, but also important updates to the Company's product offering and financial structure. This comes as Fyber is in the last stage of finishing the integration of the four former group companies - a major milestone along the Company's journey of becoming the go-to independent publisher platform for in-app advertising. Although the overall gross revenue declined slightly by 8% year-over-year to €54.1 million, the core business of programmatic trading grew by 20% to €33.1 million - already making up more than 60% of our business and set to become an even stronger contributor based on our investment strategy and targeted business growth initiatives.

The revenue in the non-programmatic business, mostly stemming from the opt-in ad format Offer Wall, was affected by recent changes in Apple's policy, that banned the use of certain ad campaign types within this ad category for apps published on their App Store. Offer Wall is particularly popular among gaming app developers, among others to promote new games and acquire new users. Related ad campaign types encouraging the download of other apps have been banned by Apple.
Fyber is one of the leading Offer Wall providers and saw revenue stemming from this format decline by more than 20% during the first half of the year compared to H1 2018 due to this change. However, our Offer Wall business is diversified across different ad campaign types as well as different app stores unaffected by the ban, such as Google Play on Android devices.
We are working on further strengthening this diversification and are confident to make up more of the declined revenue in the coming months by expanding our product innovation initiatives to optimize revenue from existing operations, growing our publisher base and adding new types of ad campaigns.

Regarding profitability, careful management of costs and resource allocation enabled us to achieve the lowest quarterly cost base in the last three years, improve the ratio of operating cost to net revenue by 20% and the adjusted EBITDA to €-1.6 million (H1 2018: €-6.0 million).
To reflect the extraordinary market influence and the slower than expected ramp-up of new clients we experienced during the first half of the year, we reduce our gross revenue guidance to €130 million to €135 million. As we continue to optimize our operating cost base, we estimate the adjusted EBITDA to be break-even despite lower gross revenue.
We will continue to invest into our best-in-class product offering and comprehensive service suite, led by Fyber FairBid, and drive adoption among existing and new clients to return to year-over-year growth in the near-term.

In August, we launched a new version of our key product Fyber FairBid, transforming it from a mediation platform with app bidding capabilities to a fully-fledged mobile monetization platform for publishers – arguably the most significant launch in our 10-year history. Fyber FairBid combines in-app header bidding, programmatic mediation and traditional mediation, accessible through a single newly designed dashboard and full-blown reporting and analytics tool, giving app developers full control and flexibility over their ad monetization strategy. After the general release of the latest version of this core product, we are now investing all attention into rolling the product out to bigger parts of our client base.

Already before the upgrade, Facebook Audience Network, one of our programmatic demand partners on Fyber FairBid, released first results of our collaboration in the form of a client success story of their partner Melsoft, a mobile game development company best known for their hit games Toy Defense 2 and My Café. They reference 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".
We are very happy about these positive outcomes after the short period of collaboration and are working hard on adding many more proof points and developing the product as well as the network further.

App bidding is an important piece in the complex structure of advanced yield management for app developers. Another one is bringing together the different revenue streams app developers rely on and optimizing them in an integrated way. We took this challenge on and are now working closely with a mobile tools provider focused on managing and optimizing in-app purchases. Combined with Fyber's in-app advertising expertise, this partnership provides a holistic view of the value generated by each user and optimizes the two primary income sources of app developers.

We believe the combination of new products and strategic partnerships strengthens our market position significantly – which is especially important in a dynamic, rapidly evolving market like advertising technology.

Following the improvement of our balance sheet through the voluntary debt-to-equity swap of convertible bonds earlier this year, we convened a bondholder meeting for August with the intention to restructure the remaining part of the facility, including a delay of the principal and all interest payments by two years until July 2022. Fyber also secured additional financing from major shareholder Tennor Holding B.V. to support the working capital needs and fund the expansion strategy.

With these important steps towards Fyber's long-term financial health done, the key focus for the remaining year includes the adoption of the latest version of Fyber FairBid among our existing clients, the expansion of our network of publishers and direct demand sources and the development of our service offering along all of publishers' income sources, including strengthening Offer Wall to balance the policy changes of Apple.

Our sincere thanks go out to all shareholders and partners for their continued support and to our employees for their dedication, hard work and team spirit.

Ziv Elul
Chief Executive Officer
August 2019

Report from the Management Board

Business Model

Fyber is a leading advertising technology company. Entirely focused on one of the most inspiring and dynamic markets, Fyber connects app developers with advertisers worldwide, enabling them to generate business-critical revenue streams from digital advertising.

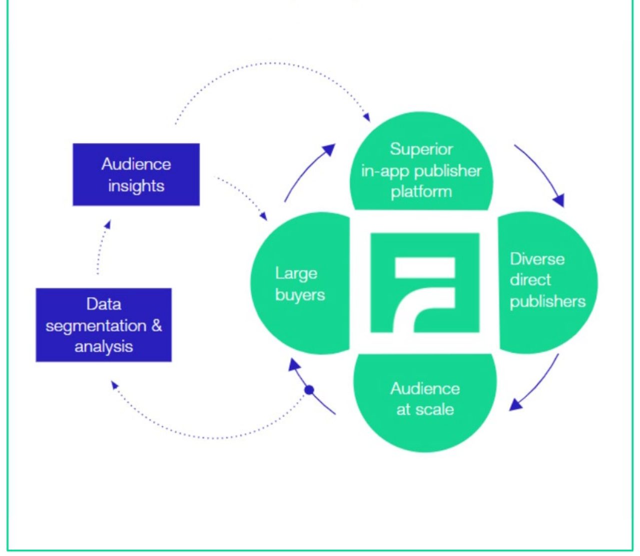
Our vision is to become the primary monetization platform for the in-app environment, providing a powerful platform to publishers that allows them to centrally manage and execute all their monetization strategies across screens, ad formats, industry verticals and geographies.

Fyber's offering includes an ad exchange, ad server, programmatic ad network mediation, app bidding (also referred to as 'in-app header bidding'), data services, and many more publisher tools. Our automated real-time bidding mechanisms ensure the delivery of relevant, high-paying ads, optimizing the yield for publishers with every ad impression. For transactions placed via the Fyber exchange, the Company retains a share of the ad spend advertisers place via the platform.

Fyber's strategy

To work towards the above stated vision, we center our investment and growth strategy around our publisher platform, which offers app developers superior, independent technology and is fully focused on optimizing their yield generation.

The Fyber flywheel

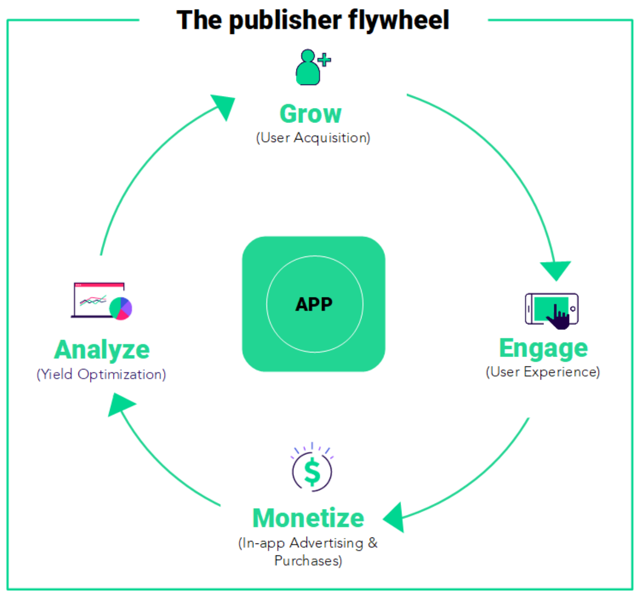


This enables Fyber to directly integrate with major publishers through a software development kit ('SDK') – a close technological integration offering close collaboration and high-quality data insights. Through these direct integrations the Company gains access to a global audience at scale.

The number of publishers, users and the quality of the direct integrations enable Fyber to attract many advertisers and buyers, which in turn is also one of the key selling points to publishers. This positive network effect helps to grow Fyber further, as strengthening each step of the flywheel reinforces all others and creates further momentum for the success of the Company.
Leading data tools enable data-driven decision making, advanced audience segmentation, and the optimization of advertising, as such supporting all aspects of the flywheel.

Fyber's product focus

Our product focus and investment strategy are centered around supporting app developers along the full circle of their value creation, summarized below in the "publisher flywheel". For this purpose, we are constantly optimizing our existing product portfolio, bringing new innovative publisher tools to the market and expanding our offering to cover all aspects of the publishers' business needs.



App developers' circle of value creation

Grow: Paid user acquisition to grow the app upon its 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 delivered, among others, via opt-in, non-intrusive ad formats (such as rewarded video ads)

Monetize: Provide publishers with access to high quality advertising campaigns and flexible tools that power tailored ad monetization strategies, thus maximizing yield

Analyze: Provide publishers with the ability to accurately 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, led by three core pillars:

Fyber FairBid

Fyber's app bidding solution mends key pain points 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 true 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 long-standing expertise of mediation and real-time bidding and brings leading demand to publishers through powerful partnerships with key ad networks such as Facebook Audience Network, AdColony or Tapjoy.
In this sense, Fyber FairBid is not only the evolution of mediation by bringing true app bidding to the market, but it is also the central piece of Fyber's integrated technology offering and geared towards becoming a holistic platform for publishers and their monetization needs.
The release of the new Fyber FairBid in August 2019 expands the platform beyond app bidding to a comprehensive integrated in-app monetization platform. Fyber FairBid brings together programmatic mediation, traditional mediation, app bidding and a big variety of global demand sources integrations in one easy-to-use publisher dashboard. The product also includes ad placements and instances, two key features app developers use to fine-tune when, where and how ads are displayed within their app, as well as Dynamic Reports tools, that allow for in-depth data insights straight from within the dashboard.

Fyber Marketplace

Fyber Marketplace is a programmatic marketplace 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 (demand-side platforms, direct advertisers etc.) that offer campaigns and bid on the apps' ad spaces.
The Fyber Marketplace stands out based on a mix of brand and performance advertising with superior ad quality, as well as our consultative expert support in guiding app developers through the programmatic environment and optimizing performance while maintaining ad quality.

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 rewards, that can be used to make progress in the game that they are playing. Fyber is one of the leading providers of this high-value format, continuously introducing improvements to our Offer Wall Edge product, such as a state-of-the-art user interface redesign, more functionality and enhanced reporting tools.
Offer Wall Edge is particularly suitable to complement app developers' in-app purchase strategies. It can help increase the lifetime value of users within games by driving high engagement and because of the inherent higher price levels per ad that this format achieves.

Our Differentiators

We built our strategy and focused our investments around the fastest-growing areas in ad tech: advanced programmatic trading & in-app header bidding, data-driven audience segmentation and video advertising. By enhancing our offering in these areas through organic and acquisition-driven growth we were able to secure a strong market position based on the following key strengths:

One-stop-shop for publisher

We solve many of app developers' key challenges when it comes to monetization by offering the latest technology, a comprehensive mediation platform, an easy-to-use dashboard, access to relevant demand sources and guaranteed yield optimization that puts publishers' interests first

Advanced data insights

Actionable audience insights to create highly desirable user segments & granular real-time reporting to optimize monetization on-the-fly

Expert guidance

Strategic guidance on yield optimization from Fyber's monetization experts

For investors, the Company's value lies among other factors in our market positioning and the growth prospect stemming from our direct publisher integrations – a clear competitive advantage in our field.

- **Fast-growing market dominated by a few key players:** Focused on in-app advertising, one of the fastest growing advertising segments at a CAGR of above 17% between 2018 and 2022 (Source: Fyber estimate based on eMarketer 2019 data), with Fyber being one of the few international independent companies of scale
- **Defensible competitive position:**
  - Deliberate focus on supporting app developers, as all our technology assets were built specifically for this purpose
  - Less competition than on the advertiser side of the value chain, which is dominated by major providers such as Google and Facebook; Fyber is instead partnering with many of these leading demand companies and captures parts of their advertising budgets, which are processed through the Fyber platform
  - Fyber FairBid is at the forefront of publisher monetization technology with mature, battle-tested capabilities across multiple ad tech disciplines, a combination very few companies in this market possess
  - Significant scale of direct integrations that are done with each individual app making it difficult for new challengers to achieve equivalent market position
  - Extensive demand relationships with over 180 individual demand partners providing global advertising coverage for our publishers
- **Direct publisher integrations:** The direct SDK-based integrations with leading publishers are among our main assets, positioning Fyber as a trusted source of high-quality in-app inventory at scale. This is decisive as quality, viewability and brand safety become key selling points
- **Diversified revenue base:** Catering to all publisher verticals with tailored product solutions including gaming, social media, messaging, utility, productivity, entertainment, and news
- **Commitment to profitability:** Despite the slower top-line development, the Company was able to establish an optimized, largely fixed cost base and expects to reach break-even adjusted EBITDA for the full year 2019

Business Performance

The financial results for the first half of 2019 confirm our strategy of expanding the product focus on advanced programmatic trading. The organic growth in our core programmatic business continued with the gross revenue increasing by 20% to €33.1 million in H1 2019 (H1 2018: €27.6 million), in line with our investment strategy.

The year-over-year ('YoY') decline in total **gross revenue** of 8% relates to the negative external effects of Apple's ban on app install campaigns within the Offer Wall ad format – a key contributor to our non-programmatic business. Fyber is one of the leading Offer Wall providers, which is an 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 within the app they are using. This last category of ads, encouraging users to download other apps, has been banned by Apple in the course of H1 2019, based on their guidelines not to allow 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 charts. While the other app stores such as Google Play on Android devices are not affected by a similar ban and Offer Wall revenue there remains stable and profitable, this causes a significant decline in the overall revenue stemming from this ad format.

Additionally, the Company started 2019 from a lower revenue base, as 2018 still included revenues from business with aggregators on the publisher side and charging screen ads. Please refer to our latest Annual Report for details on these so-called 'one-off effects' and their distribution.

Gross revenue composition

	H1 2019	H1 2018	Change YoY	FY 2018	FY 2017	Change YoY
			In € millions, rounded			
Programmatic	**33.1**	**27.6**	**20%**	**65**	**59**	**10%**
Non-programmatic	**20.1**	27.1	-26%	57	86	-34%
One-off effects	**0.9**	4.1	-78%	7	85	-92%
Reported gross revenue	**54.1**	**58.8**	**-8%**	**129**	**230**	**-44%**

P&L Highlights

	For the six months ended		For the three months ended		For the year ended
	30 Jun 2019	30 Jun 2018	30 Jun 2019	30 Jun 2018	31 Dec 2018
			in € millions		
Gross revenue	**54.1**	**58.8**	**26.6**	**29.5**	**128.5**
Net revenue	**19.7**	**21.2**	**9.8**	**11.0**	**46.1**
Net revenue margin	36.4%	36.1%	36.9%	37.4%	35.9%
Other cost of revenue	(9.8)	(12.1)	(4.9)	(6.1)	(23.1)
Gross profit	**9.9**	**9.1**	**4.9**	**4.9**	**23.0**
Research & development	(6.6)	(6.4)	(3.2)	(3.0)	(14.0)
Sales & marketing	(8.3)	(10.7)	(4.0)	(5.0)	(20.2)
General & administrative	(3.6)	(5.4)	(1.9)	(2.8)	(10.4)
Depreciation, amortization and impairment	6.0	7.0	3.1	3.7	12.8
Stock option plan & others	1.0	0.4	0.9	0.2	1.6
EBITDA*	**(1.6)**	**(6.0)**	**(0.3)**	**(2.0)**	**(7.2)**

*Note: Adjusted to eliminate one-off impacts such as acquisition-related costs and option plans.

We define adjusted EBITDA as our consolidated earnings before financial income (expense), income taxes, depreciation and amortization, adjusted to eliminate one-off impacts such as acquisition-related costs, deferred price consideration and option plans. Adjusted EBITDA is not a measure calculated in accordance with IFRS. We have included adjusted EBITDA in this form because it is a key metric used by our Management Board and Supervisory Board to evaluate operating performance, generate future operating plans and make strategic decisions regarding the allocation of capital. In particular, we believe that the adjusted EBITDA can act as a useful metric for period-over-period comparisons of our core business. Accordingly, we believe that this metric provides useful information to investors and others in understanding and evaluating our operational results in the same manner our management does.

The **net revenue** margin remained stable at 36.4% compared to 36.1% in H1 2018, in line with our yearly planning.

Other cost of revenue includes IT cost and amortization of technology and customer relationships acquired through business combinations and amounted to €9.8 million compared to €12.1 million last year. IT cost, which includes mainly server cost, accumulated to 8.7% of gross revenue, compared to 9.5% last year.

As reported, we finalized the organizational integration of former group companies during 2018, realizing synergies and lowering operating expenses in the process.
Sales & marketing cost accumulated to €8.3 million, a reduction of 22% compared to last year, and **general & administrative** cost amounted to €3.6 million, a reduction of 33% compared to last year. Nevertheless, we are maintaining our effort in providing best-in-class solutions to our clients and therefore keeping the high level of investment into **research & development,** with cost amounting to €6.6 million for the first six months of 2019.

The reductions contributed to limiting the loss in **adjusted EBITDA** for H1 2019 to €1.6 million compared to €6.0 million for the same period last year. As we completed the organizational integration of former group companies and do not expect additional major reductions going forward, the forecasted break-even in adjusted EBITDA for 2019 depends on our ability to achieve revenue growth.

Cash flow and going concern considerations

in € millions	1 Jan - 30 Jun 2019	1 Jan - 31 Dec 2018
Net cash flow from operating activities	(8.3)	(16.7)
Net cash flow from investing activities	(1.1)	(4.1)
Net cash flow from financing activities	3.7	15.2
Net change in cash and cash equivalents	**(5.7)**	**(5.6)**
Net foreign exchange difference	-	0.3
Opening balance cash and cash equivalents	12.3	17.6
Closing balance cash and cash equivalents and cash deposits	**6.6**	**12.3**

The one-off effects that impacted the revenue development outside of Fyber's core business during 2018 resulted in high negative operating results, which were financed mainly by debt facilities provided by Tennor Holding B.V. (formerly Sapinda Holding B.V., "Tennor").

Regarding 2019, we expect the growth trajectory of the core programmatic business to continue at the same rate or above during the second half of the year. In order to avoid any working capital shortfalls and support the business growth, the €10 million expansion of the last loan agreement entered into with Tennor in H1 2019 was exercised in August 2019, bringing the total facility to €15 million and the total outstanding amount with Tennor to €30 million.

The estimated expected future cash flows from operating activities are largely based on management's expectations and estimates. These are uncertain as they are influenced by subjective elements such as forecasted results and margins from operating activities.

H1 2019 Results Statement

Financial and asset position

in € millions	30 Jun 2019	31 Dec 2018
Intangible assets	153.4	155.6
Other assets	19.5	2.3
Cash and cash deposits	6.6	12.3
Trade and other receivables	29.0	31.2
Other financial assets	4.6	8.3
Total assets	**213.1**	**209.7**
Interest bearing loans	110.3	173.0
Trade and other payables	34.3	38.4
Employee benefits liabilities	6.0	8.3
Other liabilities	19.8	4.6
Deferred tax liabilities	0.6	1.0
Total liabilities	**171.0**	**225.3**
Total equity	**42.2**	**(15.6)**

The increase in other assets and other liabilities is due to the first implementation of IFRS 16.

Following the recent partial conversion of €74.2 million worth of outstanding Convertible Bonds (the "Bonds", €150 million original principal, 07/2020, ISIN XS1223161651), the Company is mainly financed through the remaining outstanding amount of Bonds of €75.7 million as well as shareholder loans from Tennor in the aggregate amount of €30 million.

In the course of said conversion, Advert Finance B.V., a subsidiary of Tennor, published that it gained control of Fyber N.V. and initiated a mandatory takeover offer bid to all shareholders of Fyber N.V. For details, please refer to the 'Subsequent Events' and 'Equity Information' sections below.

The Company is aware of the refinancing risk of its debt facilities and the substantial impact on the Company's ability to proceed under a going concern assumption, therefore, after the end of the reporting period, the Company convened a bondholder meeting for 27 August 2019, suggesting a restructuring of the remaining portion of Bonds to bondholders. More details can be found in the 'Subsequent Events' section below and on the Company's website.

Subsequent Events

Bondholder meeting
After the end of the reporting period, the Company convened a bondholder meeting for 27 August 2019, inter alia suggesting the below changes to the terms and conditions of the Company's outstanding Bonds:

- amending the Bonds' conversion price from €3.0 to €0.3 (subject to subsequent approval by the extraordinary meeting of shareholders to be held in Q4 2019)
- amending the Bonds' final redemption date from 27 July 2020 to 27 July 2022
- delaying all interest payments until this new redemption date

The results of the bondholder meeting are published on the Company's website.

Takeover bid by Advert Finance B.V. completed
On 10 May 2019, Amsterdam-based Advert Finance B.V., a subsidiary of Tennor Holding B.V., published that it gained control of Fyber N.V. following their participation in the recent voluntary debt-to-equity swap. Advert Finance B.V. initiated a mandatory takeover bid to all shareholders of Fyber, which was concluded in July 2019, bringing the holdings of Advert Finance B.V. in the Company to 88.4% and the total share of voting rights stemming from direct and indirect holdings to 94.1%.

Supervisory Board composition update
Arjun Metre was approved as a permanent member of the Supervisory Board by the annual general meeting of shareholders held on 12 June 2019.

Furthermore, Franklin Rios, a top executive of the ad tech industry, joined the Company's Supervisory Board in July 2019 as an interim member. Franklin currently serves as Chief Commercial Officer and Global Head of Corporate Development for MediaMath, a leading media and data management technology provider for advertisers worldwide. His appointment shall be approved by an extraordinary meeting of shareholders to be convened later this year.

H1 2019 Results Statement

Equity Information

The Company's shares are traded on the Prime Standard of the Frankfurt Stock Exchange under the symbol 'FBEN' and the ISIN code NL0012377394. As of 30 June 2019, the issued capital of Fyber N.V. amounted to €36,186,641.90, divided into 361,866,419 shares with a nominal value of €0.10 each, thereof 114,533,333 are common registered shares, the 247,333,086 newly issued shares are not registered yet (pending approval of the admission prospectus). The issued capital consisted entirely of fully paid-up ordinary shares. The authorized capital amounted to €120.0m.

Key share data

Issuer	Fyber N.V.
Ticker symbol	FBEN
ISIN	NL0012377394 and NL0013405483 (interim)
Market	Frankfurt Stock Exchange, Prime Standard
Currency	Euro
Number of shares	361,866,419
52 weeks high / -low*	0.37 / 0.08

*Note: as of 14 August 2019

Shareholders owning 3% or more of the issued capital of a listed company (a substantial shareholding or short position) must report this to the Netherlands Authority for Financial Markets ("AFM") as soon as this threshold is reached or exceeded.
Subsequently, notifications to the AFM must be done by the shareholder as soon as a substantial shareholding or short position reaches, exceeds or falls below set thresholds. The thresholds are 3%, 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95% of the Company's issued share capital.
As of the date of this report, the following shareholders were owning 3% or more of the Company's voting rights:

Major shareholders

	% Voting rights
Advert Finance B.V.	88.4%
Tennor Holding B.V.	4.9%

Forecast Report

Updated guidance for the full-year 2019

Fyber FairBid

Our product goals for 2019 remain centered around making Fyber FairBid the independent primary platform of choice for app publishers and solidifying Fyber as a 'must-have' source of app inventory for leading marketers.

The recent product launch of the new Fyber FairBid, expanding it from an app bidding trading mechanism 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.

Recent positive client success stories as well as the market feedback we have received directly back this investment strategy and we are confident that Fyber FairBid's success will be a key driver of growth for the Company going forward. Due to the product release during the second half of the year and the fact that the roll out is still ongoing, we do not expect substantial impact on the gross revenue in 2019.

Programmatic trading

Fyber's core programmatic business with existing clients is well on track. During the first half of the year 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, we forecast stable year-over-year growth rates for the core programmatic business for the second half of 2019.

Non-programmatic trading

As described above, 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 a recent change in Apple's App Store policies. The development of Offer Wall on other app stores, unaffected by the ban, remains stable and profitable. While it is too early to predict the Offer Wall results for the rest of 2019, initial numbers for August suggest that the revenue development stabilized.

We expect the combined impact of these external and internal effects on Fyber's revenues to be between €25 million and €40 million for the full year 2019 and therefore reduce our gross revenue guidance by around 20% to €130 million to €135 million. As we continue to optimize our operating cost base, we estimate that our adjusted EBITDA for the year will be break-even despite lower gross revenues.

	FY 2019 updated forecast	FY 2019 previous forecast	FY 2018 reported
	in € millions, rounded		
Total gross revenue	130-135	155-175	129
Total net revenue	44-46	52-56	46
Total adjusted EBITDA	0+	0 to +5	(7)

Responsibility Statement

With reference to the statement within the meaning of article 5:25d (2c) of the Financial Supervision Act, the Management Board hereby declares that, to the best of their knowledge:

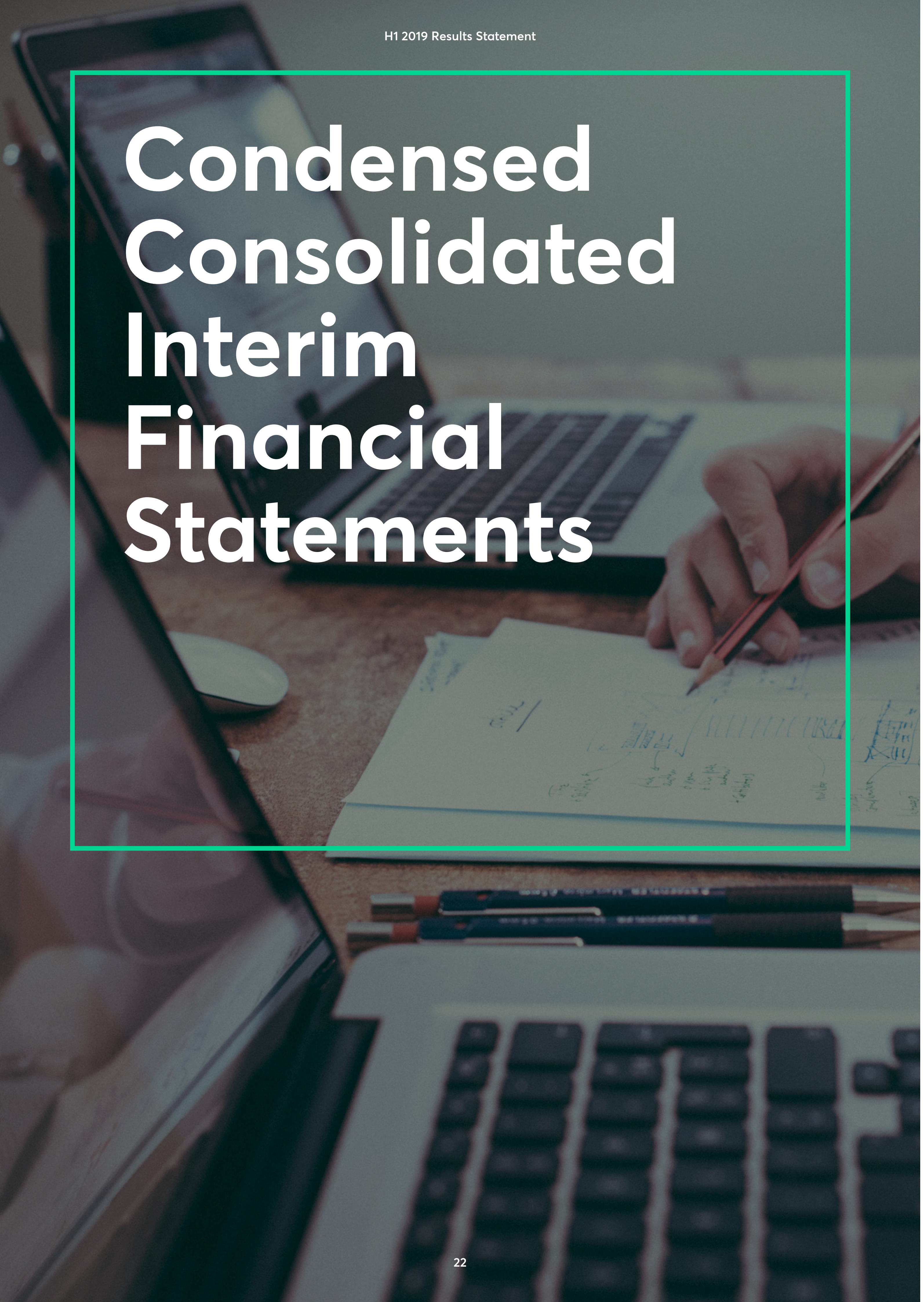
- the interim financial statements prepared in accordance with IAS 34, "Interim Financial Reporting", give a true and fair view of the assets, liabilities, financial position, profit or loss of the company and the undertakings included in the consolidation taken as a whole; and
- the interim Management Board report gives a fair review of the information required pursuant to section 5:25d(8)/(9) of the Financial Supervision Act.

Berlin, 28 August 2019

The Management Board
Ziv Elul, CEO
Daniel Sztern, Deputy CEO & COO
Yaron Zaltsman, CFO

Notes regarding the unaudited interim report

All the information in this quarterly financial report is unaudited. This means the information has been subject neither to any audit nor to any review by an independent auditor.



Condensed Consolidated Interim Financial Statements

Consolidated Income Statement

	6 months ended 30 June		3 months ended 30 June	
	2019	2018	2019	2018
	Unaudited			
	in € thousands			
Revenue	**54,104**	**58,835**	**26,624**	**29,542**
Revenue share to third parties	(34,415)	(37,586)	(16,794)	(18,498)
Net revenue	**19,689**	**21,249**	**9,830**	**11,044**
Other cost of revenue	(9,812)	(12,137)	(4,891)	(6,075)
Gross profit	**9,877**	**9,112**	**4,939**	**4,969**
Research and development	(6,611)	(6,474)	(3,193)	(3,097)
Sales and marketing	(8,344)	(10,677)	(4,022)	(4,958)
General and administrative	(3,554)	(5,359)	(1,949)	(2,807)
Earnings before interest and tax (EBIT)	**(8,632)**	**(13,398)**	**(4,225)**	**(5,893)**
Net finance costs	(30,003)	(6,527)	(25,912)	(3,741)
Profit (loss) before tax	**(38,635)**	**(19,925)**	**(30,137)**	**(9,634)**
Income tax gain (expense)	212	722	486	655
Profit (loss) for the year after tax	**(38,423)**	**(19,203)**	**(29,651)**	**(8,979)**
Profit (loss) attributable to				
Shareholders of Fyber N.V.	(38,423)	(19,203)	(29,651)	(8,979)
Non-controlling interest	-	-	-	-
Earnings per share				
Basic profit (loss) per share (€)	(0.20)	(0.17)	(0.11)	(0.08)
Diluted profit (loss) per share (€)	(0.20)	(0.16)	(0.11)	(0.08)

Consolidated Statement of other Comprehensive Income

	6 months ended 30 June		3 months ended 30 June	
	2019	2018	2019	2018
	Unaudited			
	in € thousands			
Profit (loss) for the year after tax	**(38,423)**	**(19,203)**	**(29,651)**	**(8,979)**
To be reclassified to profit and loss in subsequent periods				
Exchange differences on currency translation	454	(3,521)	(1,985)	(1,042)
Income tax effect	-	-	-	-
Other comprehensive income (loss) for the year, net of tax	454	(3,521)	(1,985)	(1,042)
Total comprehensive income (loss) for the year	**(37,969)**	**(22,724)**	**(31,636)**	**(10,021)**
Profit (loss) attributable to				
Shareholders of Fyber N.V.	(37,969)	(22,274)	(31,636)	(10,021)
Non-controlling interest	-	-	-	-

Consolidated Statement of Financial Position

	30 June 2019	31 December 2018
	Unaudited	Audited
	in € thousands	
Non-current assets		
Intangibale assets		
Goodwill	133,746	133,321
Other intangible assets	19,659	22,318
Property and equipment	18,352	1,172
Non-current financial assets	935	765
Total non-current assets	**172,692**	**157,576**
Current assets		
Inventories	99	103
Trade and other receivables	29,029	32,207
Other current financial assets	3,664	6,475
Other current assets	1,049	1,030
Cash and cash equivalents	6,600	12,276
Total current assets	**40,441**	**52,091**
Total assets	**213,133**	**209,667**

Consolidated Statement of Financial Position

	30 June 2019	31 December 2018
	Unaudited	Audited
	in € thousands	
Equity (Deficit)		
Issued capital	36,187	11,453
Share premium	254,892	184,812
Treasury shares	(4,745)	(4,745)
Other capital reserves	26,279	25,313
Legal reserve	8,234	7,272
Accumulated deficit	(276,877)	(237,416)
Foreign currency translation reserve	(1,793)	(2,247)
Equity attributable to shareholders of the Company	42,177	(15,558)
Non-controlling interests	-	-
Total equity (deficit)	**42,177**	**(15,558)**
Non-current liabilities		
Long-term employee benefits liabilities	234	217
Long-term borrowings	95,490	154,146
Deferred tax liabilities	629	964
Other non-current liabilities	19,436	3,709
Total non-current liabilities	**115,789**	**159,036**
Current liabilities		
Trade and other payables	34,337	38,418
Short-term employee benefits liabilities	5,745	8,039
Short-term borrowings	14,766	18,824
Income tax payables	319	908
Total current liabilities	**55,167**	**66,189**
Total liabilities	**170,956**	**225,225**
Total equity (deficit) and liabilities	**213,133**	**209,667**

Consolidated Statement of Cash Flows

	6 months ended 30 June	
	2019	2018
	Unaudited	
	in € thousands	
Loss for the year before tax	**(38,635)**	**(19,925)**
Depreciation, amortization and impairment	4,285	6,979
Financial expenses, net	30,003	6,252
Other non-cash effects	966	425
Changes in provisions, employee benefit obligations	(2,277)	(2,465)
Changes in working capital	(410)	1,596
Cash generated from operations	**(6,068)**	**(7,138)**
Interest received	-	-
Interest paid	(1,548)	(3,061)
Income tax received (paid), net	(713)	6
Net cash flow from operating activities	**(8,329)**	**(10,193)**
Purchases of property and equipment	(548)	(690)
Purchases, capitalization of intangible assets	(342)	(2,102)
Change in investments and financial assets, net	(170)	(105)
Net cash flow from investing activities	**(1,060)**	**(2,897)**
Proceeds from long-term borrowings	8,000	8,000
Proceeds (repayment) from short-term borrowings	(4,314)	(1,732)
Net cash flow from financing activities	**3,686**	**6,268**
Net changes in cash	**(5,703)**	**(6,822)**
Cash at beginning of period	**12,276**	**17,595**
Net foreign exchange difference	27	89
Net changes in cash	(5,703)	(6,822)
Cash and cash equivalents at end of period	**6,600**	**10,862**

H1 2019 Results Statement

Consolidated Statement of Change in Equity (Deficit)

in € thousands	Unaudited							
	Ordinary shares	Share premium	Treasury shares	Other capital reserves	Legal reserve	Accumulated deficit	Foreign currency translation reserve	Total equity (deficit)
31 Dec 2018	**11,453**	**184,812**	**(4,745)**	**25,313**	**7,272**	**(237,416)**	**(2,247)**	**(15,558)**
Effect of adopting new accounting standards, net of tax	-	-	-	-	-	(76)	-	(76)
01 Jan 2019	**11,453**	**184,812**	**(4,745)**	**25,313**	**7,272**	**(237,492)**	**(2,247)**	**(15,634)**
Loss for the year after tax	-	-	-	-	962	(39,385)	-	(38,423)
Other comprehensive income (loss) for the period, net of tax	-	-	-	-	-	-	454	454
Total comprehensive income (loss) for the year	**-**	**-**	**-**	**-**	**962**	**(39,385)**	**(1,793)**	**(37,969)**
Share-based payments	-	-	-	966	-	-	-	966
Issue of shares upon conversion of convertible bonds	24,734	70,676	-	-	-	-	-	95,410
Transaction costs with respect to bond conversion	-	(596)	-	-	-	-	-	(596)
Transactions with owners	**24,734**	**70,080**	**-**	**966**	**-**	**-**	**-**	**95,780**
30 June 2019	36,187	254,892	(4,745)	26,279	8,234	(276,877)	(1,793)	42,177

H1 2019 Results Statement

Consolidated Statement of Change in Equity (Deficit)

in € thousands	Audited							
	Ordinary shares	Share premium	Treasury shares	Other capital reserves	Legal reserve	Accumulated deficit	Foreign currency translation reserve	Total equity (deficit)
01 Jan 2018	**11,453**	**184,812**	**(4,745)**	**23,711**	**6,225**	**(200,070)**	**(8,162)**	**13,224**
Loss for the year after tax	-	-	-	-	630	(19,833)	-	(19,203)
Other comprehensive income (loss) for the period, net of tax	-	-	-	-	-	-	(3,521)	(3,521)
Total comprehensive income (loss) for the year	**-**	**-**	**-**	**-**	**630**	**(19,833)**	**(3,521)**	**(22,724)**
Share-based payments	-	-	-	425	-	-	-	425
Issue of shares upon conversion of convertible bonds	-	-	-	-	-	-	-	-
Transaction costs with respect to bond conversion	-	-	-	-	-	-	-	-
Transactions with owners	**-**	**-**	**-**	**425**	**-**	**-**	**-**	**425**
30 June 2018	11,453	184,812	(4,745)	24,136	6,855	(219,903)	(11,683)	(9,075)

Notes to the Condensed Consolidated Interim Financial Statements

H1 2019 Results Statement

1. FYBER N.V.

Fyber N.V. (hereinafter referred to as “Company” or together with its subsidiaries as “Fyber” or “Group”) is a global provider for advertising technology.

The Company is incorporated in Amsterdam, The Netherlands and is registered with the Dutch Chamber of Commerce under the number 54747805. The Company’s head-office is located at Wallstraße 9-13, 10179 Berlin, Germany. The Company’s shares are traded on the Prime Standard of the Frankfurt Stock Exchange under the symbol ‘FBEN’.

Fyber empowers app developers and digital publishers to monetize their content through advanced technologies, innovative ad formats and data-driven decision making. Fyber provides an open-access platform for both publisher’s and digital advertisers with a global reach.

Fyber has offices in Berlin, Tel Aviv, San Francisco, New York, London, Beijing and Seoul and employs more than 270 people.

2. ACCOUNTING POLICIES

2.1. Basis of preparation

The interim condensed consolidated financial statements for the Six-month period ended 30 June 2019 have been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union.

The interim condensed consolidated financial statements do not include all the information and disclosures required by International Financial Reporting Standards (IFRS) in the annual financial statements and should be read in conjunction with the Group’s consolidated financial statements for the year ended 31 December 2018. All the information in this interim financial report is unaudited. This means the information has been subject neither to any audit nor to any review by an independent auditor. The accounting policies applied are consistent with the policies applied in the consolidated financial statements for the year ended 31 December 2018 except for the change in accounting policies described in 2.3.

2.2. Going concern consideration

As a result of losses in prior years including a significant impact of an impairment of goodwill recognized in 2017, the Group’s equity was amounting to a deficit of €15,558 thousand as of 31 December 2018. Following a voluntary early conversion of € 74,200 thousand of convertible bonds into newly issued shares (see note 3 for further details) and a loss of €38,423 thousand in the first six months of 2019, including financing cost of € 23,374 thousand from the conversion, the equity of the company is amounting to €42,177 thousand as of 30 June 2019.

At the same date, the Group showed €6,600 thousand in cash and cash equivalents including a €8,000 thousand funding from Tennor Holding B.V. (formerly Sapinda Holding B.V.) obtained between January and May 2019. A further amount of €10,000 thousand has been received in August 2019 (see note 8.4 for further details).

As described in the Group’s consolidated financial statements for the year ended 31 December 2018, management has faith in the strategic decisions taken and the plans to make the Group profitable and cash generating in the future. Although, there is a material uncertainty with respect to going concern. As per June and July 2020 respectively, a significant repayment obligation applies to a €15,000 thousand shareholder loan from Tennor Holding B.V. which holds indirectly 94.1% in the Company and €75,700 thousand of remaining convertible bonds. At this moment, the Group is not able to repay these debts. The management is currently exploring options of how to respond to that situation which occurs in June and July 2020. Before this background, the company convened a bondholder meeting for 27 August 2019 (see note 8.1 for further details).

2.3. Changes in accounting policies and disclosures

2.3.1. Leases IFRS 16

The Group has adopted IFRS 16 Leases from 1 January 2019. IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Group as a lessee, has recognized right-of use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments.

The Group has applied IFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in accumulated deficit at 1 January 2019. Accordingly, the comparative information presented for

2018 has not been restated but remains as previously reported under IAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below.

2.3.1.1. Definition of a lease

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under IFRIC 4. The Group now assess whether a contract is or contains a lease based on the new definition of a lease. Under IFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

On transition to IFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied IFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not re-assessed.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Group has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

As lessee of property and IT-equipment, the Group previously classified leases as operating for finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under IFRS 16, the Group recognizes right-of-use assets and lease liabilities only for offices with a remaining term upon the transition or any later commencement date of more than 12 months. Leases of shared offices can all be terminated within 12 months. Lease payments of such short-term leases as well as for low-value assets (i.e. IT-equipment) are recognized as an expense on a straight-line basis over the term of the lease.

The Group presents right-of-use assets in property and equipment, the same line item as it would present underlying assets of the same nature that it owns. The carrying amounts of right-of-use assets are as below:

	2019	
in € thousands	30 Jun	1 Jan
Property and equipment	16,668	**4,515**

The Group presents lease liabilities in ‘other non-current liabilities’ as well as ‘trade and other receivables’ in the statement of financial position.

2.3.1.2. Recognition of a lease

The Group recognizes a right-of-use asset and a lease liability at the commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses and adjusted for certain remeasurements of the lease liability. When a right-of-use asset meets the definition of investment property, it is presented in investment property and subsequently measured at fair value.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Groups incremental borrowing rate. Generally the Groups uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain or be exercised or a termination option is reasonably certain to be exercised.

Management as applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Group is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right-of-use assets recognized.

2.3.1.3. Transition

Previously, the Group classified all office leases as operating leases under IAS 17. The term of those lease varies from leases with a three-month termination period up to a fixed period of 10 years. Some leases include an option to renew the lease for an additional three to five years after the end of the non-cancellable period. Some leases provide for additional rent payments that are based on changes in local price indices.

At transition, for leases classified as operating leases under IAS 17, lease liabilities were measured at the present value of the remaining leasing payments, discounted at the Group's incremental borrowing rate as at 1 January 2019. Right-of-use assets

are measured at their carrying amount as if IFRS 16 had been applied since the commencement date, discounted using the lessee's incremental borrowing rate at the date of initial application.

The Group used the following practical expedients when applying IFRS 16 to leases previously classified as operating leases under IAS 17.

- Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term remaining after 1 January 2019.
- Used hindsight when determining the lease term of the contract contains options to. extend or terminate the lease

On transition to IFRS 16, the Group recognized right-of-use assets and lease liabilities, recognizing the difference in accumulated deficit. The impact on transition is summarized below.

in € thousands	1 Jan 2019
Right-of-use asset presented in property and equipment	4,515
Lease liabilities presented in other non-current liabilities	3,771
Lease liabilities presented in trade and other liabilities	820
Accumulated deficit	(76)

When measuring lease liabilities for leases that were classified as operating leases, the Group discounted lease payments using its incremental borrowing rate at 1 January 2019. The weighted average rate applied is 4.5% p.a.

2.3.1.4. Effect for the period

As a result of initially applying IFRS 16, in relation to the leases that were previously classified as operating leases, the Group recognized €4,074 thousand of right of used assets and €4,339 thousand of lease liabilities as at 30 June 2019. In February 2019, the Group started a 10 years office lease in Berlin resulting in a right-of-use asset of €12,593 thousand and a lease liability of €12,897 as at 30 June 2019.

Also in relation to those leases under IFRS 16, the Group has recognized depreciation and interest cost, instead of operating lease expense. During the six months ended 30 June 2019 the Group recognized €1,085 thousand depreciation charges and €228 thousand of interest costs from these leases.

2.4. Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at fair value at acquisition date and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs incurred are expensed and included in other operating expenses. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost, as the fair value of the consideration being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest over the fair value of the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the income statement.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

2.5. Recognition of income and expenses

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Group and the revenue can be reliably measured, regardless of when payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties. The service revenue from delivering advertising services is recognized when the service is rendered. This usually occurs when the ad impression was generated which is the ad is fetched from its source and served on the user's device. Depending on the requirements of the specific campaign, further requirements might need to be fulfilled such as the device user has clicked on the ad, downloaded specific content, provided personal data etc.

Other income is recognized when the future inflow of economic benefits from the transaction can be measured reliably and was received by the Company during the reporting period.

Operating expenses are recognized either when the corresponding goods were received or services were rendered.

Interest income and expense is recorded using the effective interest method with exception of borrowing costs capitalized according to IAS 23. In 2019 there were no qualifying assets, so that all interest expenses were recorded in profit and loss. Income and expenses are not offset unless gains and losses arise from a Group of similar transactions unless they are material.

2.6. Impairment of intangible assets and property and equipment

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available.

If no such transactions can be identified, an appropriate valuation model is used. Goodwill and intangible assets with an indefinite useful life are not amortized but will be tested for impairment annually and when circumstances indicate that they may be impaired. A previously recognized impairment loss for assets excluding goodwill will be reversed when the recoverable amount exceeds the carrying amount of the asset again. The reversal is limited to the amount which would have resulted if previous impairment losses had not been recognized. A recognized impairment loss in goodwill will not be reversed. The Group tests annually if goodwill has suffered any impairment in accordance with the accounting policies.

2.7. Accounting estimates and assumptions

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the presentation of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements as well as the reported amounts and presentation of income and expenses during the period. Management based its assumptions and estimates on past experience and on other factors including the prevailing economic environment available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Actual amounts may differ from these estimates under different assumptions and conditions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Information regarding the carrying amounts determined with the use of estimates can be found in the comments on the specific line items.

3. CONVERSION OF CONVERTIBLE BONDS

On 6 May 2019, the company issued 247,333,086 new shares in exchange for 742 convertible bonds with a nominal value of €74,200 thousand. The actual conversion price of €0.30 was based on valuation work provided by M.M. Warburg & CO. This price was lower than the conversion price according to the convertible bond terms of €3.00. The additional shares that were issued in order to reflect a conversion price of €0.30 instead of €3.00 were valued at the share price at issuing date and recorded in finance expenses.

in € thousands	6 May 2019
Issued capital	24,734
Share premium before transaction costs	70,676
Increase of equity resulting from bond conversion	**95,410**
Carrying value of 742 converted bonds	(72,036)
Finance expenses resulting from conversion	23,374

4. STOCK OPTIONS

In May 2019, Advert Finance B.V., a subsidiary of Tennor Holding B.V. (formerly Sapinda Holding B.V.) gained control of Fyber N.V. which triggered an immediate vesting of all at that time outstanding options. For the six months ended 30 June 2019 the Company recorded expenses of €966 thousand (2018: €425 thousand).

5. LOAN FROM SHAREHOLDERS

Between January and May 2019, the Company received €8,000 thousand from Tennor Holding B.V. (formerly Sapinda Holding B.V.). In August 2019, the Company received another €10,000 thousand. These loans adding up to an overall credit facility provided by Tennor Holding B.V. amounting to €30,000 thousand. All loans bear interest of 8% p.a. and €15,000 thousand are due in June 2020 and July 2022 respectively.

6. OPERATING SEGMENTS

The Group's operating activities are divided into segments which are defined by management as components of the Group that has discrete financial information available and whose results are regularly reviewed by management for purposes of performance assessment and resource allocation.

As described extensively in the previous in financial communication including the Group's consolidated financial statements for the year ended 31 December 2018, the Group maintains one operating segment – Fyber FairBid.

	Types of products and services
Fyber FairBid	Open access platform for advertisers and publishers for the trading of digital ads of all the relevant formats, including programmatic trading and mediation services, as well as advanced publisher tools.

in € thousands	Six months ended 30 June			
	2019		2018	
	Gross revenue	EBITDA	Gross revenue	EBITDA
Fyber FairBid	**54,104**	**(2,549)**	**58,835**	**(6,419)**

7. GEOGRAPHIC INFORMATION

Breakdown of gross revenue according to customers' location:

in € thousands	Six months ended 30 June	
	2019	2018
	Gross revenue	
United states	26,441	29,467
Europe, Middle East and Africa	20,741	23,060
Asia-Pacific	6,131	4,868
Rest of the world	791	1,440
Total	**54,104**	**58,835**

8. SUBSEQUENT EVENTS

8.1. Bondholder meeting

After the end of the reporting period, the Company convened a bondholder meeting for 27 August 2019, inter alia suggesting the below changes to the terms and conditions of the Company's outstanding Bonds: amending the Bonds' conversion price from €3.00 to €0.30 (subject to subsequent approval by the extraordinary meeting of shareholders to be held in Q4 2019) amending the Bonds' final redemption date from 27 July 2020 to 27 July 2022 delaying all interest payments until this new redemption date The results of the bondholder meeting are published on the Company's website.

8.2. Takeover bid by Advert Finance B.V. completed

On 10 May 2019, Amsterdam-based Advert Finance B.V., a subsidiary of Tennor Holding B.V., published that it gained control of Fyber N.V. following their participation in the recent voluntary debt-to-equity swap. Advert Finance B.V. initiated a mandatory takeover bid to all shareholders of Fyber, which was concluded in July 2019, bringing the holdings of Advert Finance B.V. in the Company to 88.4% and the total share of voting rights stemming from direct and indirect holdings to 94.1%.

8.3. Supervisory Board composition update

Arjun Metre was approved as a permanent member of the Supervisory Board by the annual general meeting of shareholders held on 12 June 2019.

Furthermore, Franklin Rios, a top executive of the ad tech industry, joined the Company's Supervisory Board in July 2019 as an interim member. Franklin currently serves as Chief Commercial Officer and Global Head of Corporate Development for MediaMath, a leading media and data management technology provider for advertisers worldwide. His appointment shall be approved by an extraordinary meeting of shareholders to be convened later this year.

8.4. Extensions of shareholder loan facility with Tennor Holding B.V.

On 20 August, the Company received an extension of the loan facility amounting to €10,000 thousand agreed upon in May 2019 with Tennor Holding B.V. for strengthening its working capital.

Financial Calendar

Q3 2019 Interim Statement

20 November 2019

Editorial

Fyber N.V. (Naamloze Vennootschap) is a public company with limited liability, incorporated under the laws of the Netherlands
Corporate Seat: Amsterdam
Office Address: Wallstraße 9-13, 10179 Berlin, Germany
Kamer van Koophandel, KvK number 54747805

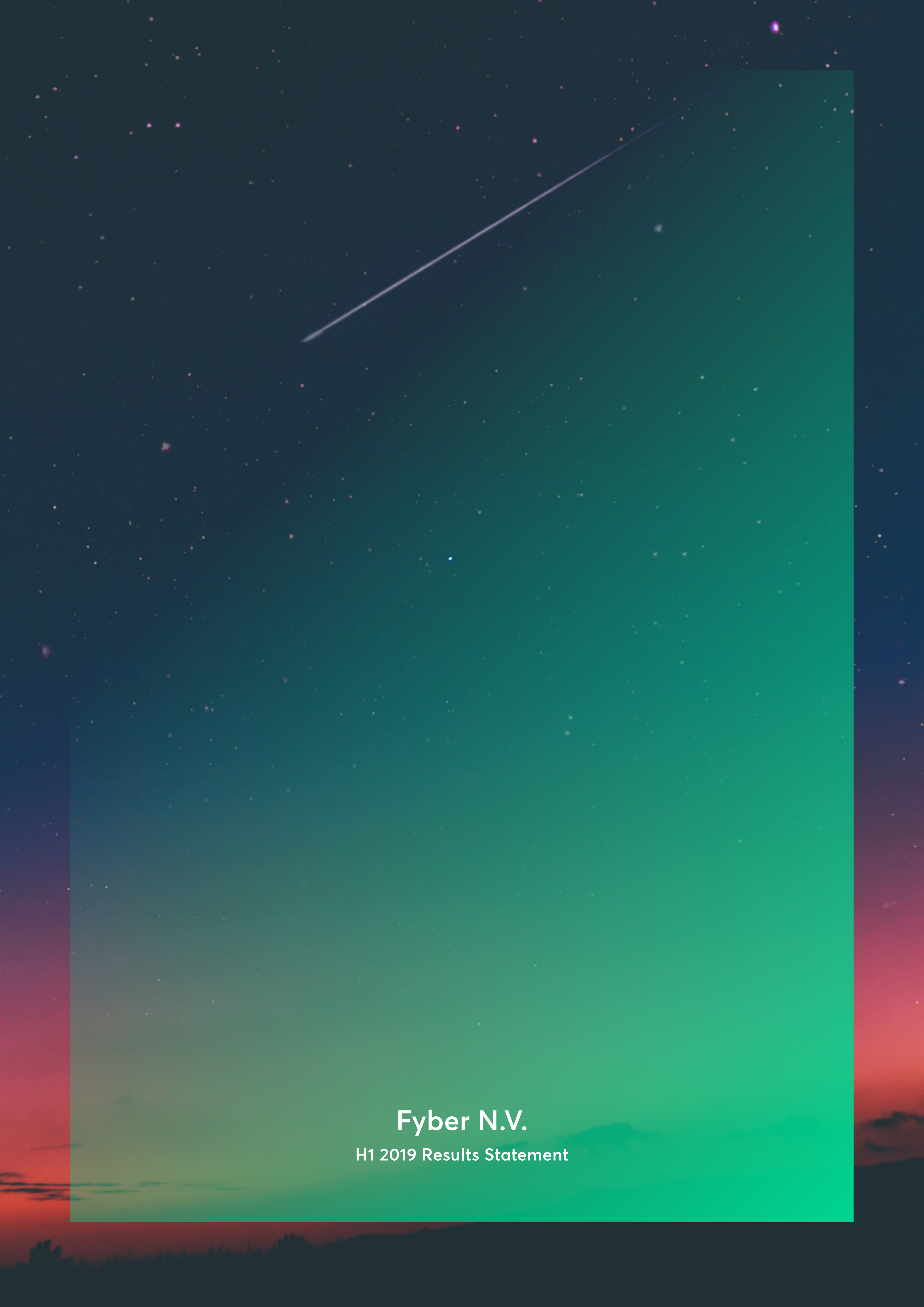
Fyber N.V., Zweigniederlassung Deutschland
Corporate Seat: Berlin, Germany
Amtsgericht Charlottenburg HRB 166541B

Management Board
Ziv Elul (CEO), Dani Sztern (Deputy CEO & COO),
Yaron Zaltsman (CFO)

Chairman of the Supervisory Board
Yair Safrai

VAT ID No.	DE283688947
ISIN Code	NL0012377394 and NL0013405483 (interim)
LEI No.	894500D5B6A8E1W0VL50

Website	https://investors.fyber.com/
Email	ir@fyber.com
Tel.	+49 30 609 855 555



Fyber N.V.

H1 2019 Results Statement