

NAPATECH A/S: NAPATECH ANNOUNCES AGREEMENT TO SELL PANDION NETWORK RECORDER PRODUCT LINE TO COUNTERFLOW AI

COPENHAGEN, Denmark, November 2, 2018 – Napatech™ (OSLO: NAPA.OL), the leading provider of reconfigurable computing platforms, has announced that cybersecurity innovator CounterFlow AI, which uses streaming machine learning technology to deliver the next generation of network forensics capabilities, will acquire its Pandion™ network traffic recording product line.

The Pandion network recording solution guarantees line-rate packet capture from 1 to 100 gigabits per second, with lossless write to disk. It can scale to retain petabytes of data and support a range of storage options, with advanced indexing and search features. The solution provides an intuitive user interface and offers easy integration via RESTful APIs.

Napatech launched Pandion in 2016 and has established a strong foothold in cybersecurity and network operations at a number of Fortune 100 companies. The Pandion product line is powered by Napatech's FPGA-based SmartNIC software and hardware, enabling the network recorder's application software to scale to stunning performance metrics in low-cost, open and standard server platforms.

"This is a natural next step in our long relationship with the CounterFlow AI team," said Ray Smets, CEO of Napatech. "We know they can take the Pandion technology in exciting new directions, and we look forward to continuing to work with them as a customer for our SmartNIC products as they scale their cybersecurity business."

Napatech's Pandion customer base gains the support of an experienced company, dedicated to delivering leading solutions for tier-one enterprise, government and cloud service provider networks. The agreement defines a transfer of ownership rights with payment through an earn-out installment, and a partnership where CounterFlow AI and Napatech have mutual interest in building the Pandion business further.

Pandion will become part of CounterFlow AI's network forensics platform, which incorporates an advanced machine learning (ML) engine for streaming analytics and visualization. The combined platform will enable SOC analysts to perform retrospective analysis for incident response, and real-time streaming analysis for threat hunting. In addition, the machine learning engine will enable a new mode of data collection called intelligent packet capture, which uses machine learning techniques to decide which network sessions to record and how long to retain them. The results are a more effective use of storage, reduced system costs and greatly improved response times.

"By integrating the Pandion technology with our streaming machine learning engine, CounterFlow AI is poised to deliver the next generation of network forensic solutions," said Randy Caldejon, CounterFlow AI's CEO.

"Acquiring Pandion accelerates our time to market and enables us to keep engineering resources focused on developing breakthrough innovations in streaming analytics based on artificial intelligence (AI)."

ABOUT COUNTERFLOW AI

CounterFlow AI, Inc. is a Virginia-based company which delivers next-generation network forensic solutions for security operations centers (SOC). Its flagship platform redefines the art of threat hunting and incident response by integrating real-time, streaming, machine-learning analytics and visualization with full packet capture at speeds of up to 100 Gbps. For more information, visit www.counterflow.ai

ABOUT NAPATECH

Napatech helps companies to reimagine their business by bringing hyperscale computing benefits to IT organizations of every size. We enhance open and standard virtualized servers to boost innovation and release valuable computing resources that improve services and increase revenue. Our Reconfigurable Computing Platform™ is based on a broad set of FPGA software for leading IT compute, network and security applications that are supported on a wide array of FPGA hardware designs.

Additional information is available at www.napatech.com

NO FORWARD-LOOKING STATEMENTS

This press release may contain forward-looking statements which are only predictions and may differ materially from actual future events or results due to a variety of factors, including but not limited to, business conditions, trends in the industry and markets, global economic and geopolitical conditions, macro-economic factors, and other risks and uncertainties set forth in Napatech's reports. The matter discussed in this release is based on current expectations and may be subject to change. Napatech will not necessarily update this information.

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