

Notice of the annual general meeting 2024 of Napatech A/S

The board of directors hereby gives notice of the annual general meeting ("AGM") of Napatech A/S, company registration (CVR) no. 10109124 (the "Company"), to be held on

Thursday, 25 April 2024, at 10:00 a.m. CEST at

the registered office of Napatech A/S, Tobaksvejen 23A, Soeborg, Denmark.

Agenda:

1. The board of directors' report on the activities of the Company
2. Presentation and adoption of the annual report
3. Distribution of profit or covering of loss according to the adopted annual report
4. Presentation of and advisory vote on the remuneration report
5. Proposals from the board of directors or shareholders
 - A. Increase of the authorisation to the board of directors to issue share options pursuant to article 7.10
 - B. New authorization to issue new shares without pre-emption rights
 - C. New authorization to acquire own shares
 - D. Approval of the Company's revised remuneration policy
6. Election of the board of directors including its chair
7. Approval of the board of directors' remuneration
8. Election of member to the Nomination Committee
9. Election of auditors
10. Any other business

Complete proposals

Item 1 - The board of directors report on the activities of the Company

The board of directors proposes that the general meeting take note of the report on the Company's activities in the past financial year.

Item 2 - Presentation and adoption of the annual report

The board of directors proposes that the general meeting adopts the audited annual report 2023.

The audited annual report has been made available on the website of the Company, www.napatech.com, and at www.newsweb.no under the Ticker: NAPA, as at 21 March 2024.

Item 3 - Distribution of profit or loss according to the adopted annual report

The board of directors proposes that no dividend is paid out for the financial year 2023 and that the result is carried forward in accordance with the annual report.

Item 4 - Presentation of and advisory vote on the remuneration report

The Company has prepared a remuneration report covering the financial year 2023 which has been made available on the Company's website, www.napatech.com. The remuneration report has been prepared in accordance with the applicable rules and regulations and is presented to the general meeting for an advisory vote.

The board of directors proposes that the general meeting approves the Company's remuneration report for 2023 in the advisory vote.

Item 5.A – Increase of the authorisation to the board of directors to issue share options pursuant to article 7.10

Pursuant to the current article 7.10 of the Company's articles of association, the board of directors is authorised to issue share options to the management (excluding to the members of the board of directors) and employees of the Napatech group corresponding to up to 2,000,000 new shares of DKK 0.25 each (up to a nominal amount of DKK 500,000) and perform the herewith connected share capital increase for the fulfilment of the share options.

The board of directors proposes to amend article 7.10 by increasing the number of share options under the authorisation with a nominal amount of DKK 375,000 to a total nominal amount of up to DKK 875,000 corresponding to 3,500,000 new shares.

Furthermore, the board of directors proposes to slightly adjust the terms of share options issued pursuant to article 7.10, so that (i) all issues of share options are subject to a three-year lock-up (instead of only issues to the management), and (ii) all issues must be with a strike price not lower than fair market value (instead of not lower than par value for issues to employees that are not management). The changes will also be reflected in the appendix 15 to the articles of association.

The options shall be awarded to employees and management (excluding members of the board of directors) of companies within the Napatech group to serve as a force in developing Napatech and create additional shareholder value and intends to award and incentivize outstanding performance and attract and retain strong talent in business-critical functions.

Consequently, it is proposed that article 7.10 and 7.10.1 will be updated with the following complete wording:

"7.10 *Authorization to issue share options to employees and management*

The board of directors is authorized until 31 January 2029 to issue share options with the right to subscribe for up to 3,500,000 shares of DKK 0.25 each (nominally DKK 875,000) in the Company.

The options issued shall be subject to the following terms and conditions:

The options shall be awarded to (a) employees, and/or (b) management (excluding members of the board of directors), of the Company and of companies within the Napatech Group.

The share options - and the shares in the Company subscribed for on the basis of the share options - shall be issued/subscribed for without the Company's shareholders having any pre-emption rights.

The options shall confer a right to subscribe for new shares of up to 3,500,000 shares of DKK 0.25 each (nominally DKK 875,000) in the Company belonging to the same share class as the existing shares in the Company.

For share options issued before 25 April 2024, the strike price shall be determined by the board of directors but cannot be less than par value, however, for options granted to members of management, the strike price cannot be less than fair market value as determined by the board of directors on the date of grant. For share options issued on or after 25 April 2024, the strike price shall be determined by the board of directors but cannot be less than fair market value as determined by the board of directors on the date of grant.

Instead of issuing new shares, the board of directors may elect to sell secondary shares to the option holders at the same price. Alternatively, the board of directors has the right to pay out a cash amount equivalent to the difference between the strike price and the trading price at the close of business at the OSE of the Napatech share on the date of exercise, multiplied by the number of shares to be issued.

Except in cases of payment of the difference of the strike price and the trading price, the exercise price (strike price) must be transferred in full and in cash funds.

If an option or any portion thereof (i) expires or otherwise terminates without all of the shares covered by such option having been issued or (ii) is settled in cash (i.e., the option holder receives cash rather than shares), the shares covered by the option reverts to the pool of 3,500,000 shares and again become available for issuance, meaning that such expiration, termination, or settlement will not reduce (or otherwise offset) the number of shares that may be available for issuance under the authorization. If any shares issued pursuant to an option are forfeited back to or repurchased by the Company because of the failure to meet a contingency or condition required to vest such shares in the option holder, then the shares that are forfeited or repurchased will revert to and again become available for issuance under this authorization.

The shares subscribed for on the basis of the options shall be negotiable instruments. The shares shall be registered in the name of the holder and shall be recorded in the Company's register of shareholders.

Any options granted to members of management pursuant to this authorization shall be granted with a three year lock-up as of the date of grant, meaning that neither the options nor the shares subscribed by exercising the options may, during the three year-period from the date of grant, be transferred or assigned to any third-party, provided, however, that the board of directors may allow for such transfer or assignment, in full or in part, in connection with (a) the delisting of Napatech A/S's shares, (b) a sale or other transfer of shares in Napatech A/S in one transaction or series of related transaction representing more than fifty percent (50%) of the issued and outstanding shares of Napatech A/S, (c) a merger or similar wherein Napatech A/S is the discontinuing company, (d) a merger or similar wherein Napatech A/S is the continuing company but the shares outstanding immediately prior to the event are converted or exchanged to other property whether it is in the form of securities, cash funds, or other, (e) a demerger or similar of Napatech A/S, (f) a solvent liquidation or similar of Napatech A/S, or (g) the death of the relevant management member. For all share options issued on or after 25 April 2024, a three year lock-up must be included on the abovementioned terms, i.e., also upon any issue of share options pursuant to article 7.10 to employees.

No shareholder shall be under any special obligation to let their shares be redeemed, in whole or in part, by the Company or anyone else.

7.10.1 *For the fulfilment of the options, the board of directors has been authorized to increase the Company's share capital by up to 3,500,000 shares of DKK 0.25 each (nominally DKK 875,000) in the Company and to make the consequential amendments of the articles of association.*

In accordance with the authorization above, the board of directors has on 23 February 2024 decided to implement Napatech Share Option Program 2024 (appendix 15) and updated in connection with the general meeting's decision on 25 April 2024 to increase the pool of share options up to a total of 3,500,000 shares of DKK 0.25 each (nominally DKK 875,000).

The company's board of directors have on 23 February 2024 used the authorization to issue 2,000,000 warrants with the right to subscribe shares in the company and decided on the associated capital increase. The board's decisions in this respect are included in the articles of association as a part of appendix 15."

Item 5.B – New authorization to issue new shares without pre-emption rights

Pursuant to the current article 5.2 of the Company's articles of association, the board of directors is authorized to increase the share capital without pre-emption rights for the existing shareholders with up to a nominal amount of DKK 2,077,380. The authorization lapses on 25 April 2024.

The board of directors proposes that a new one-year authorization is granted to increase the share capital without pre-emption rights for the existing shareholders up to a nominal amount of DKK 2,257,080 subject to the same terms as the current authorization.

The board of directors will use this authorization (a) if additional investments are needed in the future, (b) if a situation should occur in which it would be beneficial to execute the share capital increases with one or more strategic partners, or (c) to complete a merger or acquisition using shares or cash. Additionally, a situation could arise in which it would be beneficial to strengthen the Company's equity. To enable the Company to act quickly, the board of directors asks the general meeting to authorize the board of directors to perform such directed issues to named investors. Such capital increases will be performed as determined by the board of directors, at

market value and by either cash contribution or contribution of other assets than cash. The fact that such capital increase will be done at market value helps ensure that existing shareholders will not suffer economic loss in connection with the use of the authorization.

Consequently, it is proposed that article 5.2 and 5.2.1 – 5.2.3 will be updated with the following complete wording:

- "5.2. *Until 25 April 2025, the Board of Directors is authorized to increase the share capital one or more times without the right of pre-emption for the existing shareholders and up to a total nominal amount of DKK 2,257,080.*
- 5.2.1 *The increase in share capital shall as determined by the Board of Directors be at market value and by either cash contribution or contribution of other assets than cash. Contribution cannot be made in part.*
- 5.2.2 *In connection with an increase in share capital, the following shall also apply: (i) the shares shall be registered in the name of the holder and shall be entered in the company's register of shareholders, (ii) the shares are negotiable instruments, (iii) the articles of association's provisions on shares, including with regard to transferability, shall apply for the new shares, and thereby no new class of shares is created, and (iv) the new shares will have rights to dividend and other rights from the date of registration of the capital increase.*
- 5.2.3 *The Board of Directors is authorized to determine additional terms in connection with the capital increase and perform the amendments to the articles of association necessary to carry out the capital increase."*

Item 5.C – Authorisation to acquire own shares

The board of directors proposes to authorize the board of directors until 25 April 2027 to acquire the Company's own shares in one or more transactions for a total nominal value of up to 10% of the share capital of the Company in accordance with section 198 of the Danish Companies Act. The fee for each share cannot deviate by more than 10% from the trading price at the Oslo Stock Exchange at the time of acquisition. The minimum amount and maximum amount paid per share of nominally DKK 0.25 shall be DKK 0 and DKK 200, respectively.

The proposal is made in order to fully utilize the Company's various share option and incentive programs including the possibility to offer the board of directors, executive management and employees the opportunity to purchase shares on specified terms and conditions from the Company's pool of own shares at a 30% discount from the market price, and to provide the board of directors with the possibility to otherwise acquire the Company's own shares when deemed in the interest of the Company.

As part of the proposal, the current authorization to acquire own shares pursuant to article 4.6 of the Company's articles of association will be removed.

Consequently, it is proposed that article 4.6 will be updated with the following complete wording:

- "4.6 *Until 25 April 2027, the Board of Directors is authorized to acquire the Company's own shares in one or more transactions for a total nominal value of up to 10% of the share capital of the Company against a fee that cannot deviate by more than 10% from the trading price at the Oslo Stock Exchange at the time of acquisition. The minimum amount and the maximum amount paid per share of nominally DKK 0.25 shall be DKK 0 and DKK 200, respectively."*

Item 5.D – Approval of the Company's revised remuneration policy

As there are changes to the remuneration policy that may be considered material, the board of directors proposes that the general meeting approves the Company's revised remuneration policy.

The material changes to the remuneration policy are the addition of the following clauses:

- "3.11 Members of the Board of Directors may choose to purchase shares from the Company's pool of own shares at a 30% discount from the market price ("Discounted Shares") as an alternative to having their (full) board remuneration paid out in cash funds. It is up to the individual board member whether they want their remuneration to be paid out fully or partly in Discounted Shares.*
- 3.11.1 The remuneration received by a board member in such event shall correspond to the "Discounted Amount" from the purchased Discounted Shares. The Discounted Amount is the difference between the market price and the purchase amount for the Discounted Shares (at the time of the respective board member acquisition). If a board member purchases 100 Discounted Shares from the Company's pool of own shares with a market price of NOK 2,000 (NOK 20 per one share) at a discounted price of NOK 1,400 (NOK 14 per one share), the Discounted Amount is NOK 600, and such board member will have received NOK 600 as part of the board members' fixed remuneration.*
- 3.11.2 The market price shall be the trading price at the Oslo Stock Exchange at the time of acquisition by the respective board member.*
- 3.11.3 Any Discounted Shares shall be subject to a lock-up period of three years from the date of the specific board members' acquisition of the respective Discounted Shares.*
- 3.11.4 Any purchase of Discounted Shares is at all times subject to the Company's pool of own shares. The Company will, at its sole discretion, acquire own shares for the purpose of this remuneration alternative and other incentive programs. For the avoidance of doubt, a board member cannot require that the Company acquires additional own shares.*
- [...]*
- 4.10 As a supplement to the members of the Executive Management's remuneration, members of the Executive Management may choose to purchase shares from the Company's pool of own shares at a 30% discount from the market price ("Discounted Shares"). It is up to the individual manager to decide whether they want purchase Discounted Shares.*
- 4.10.1 A member of the Executive Management is eligible to purchase Discounted Shares up to a maximum "Discounted Amount" corresponding to 30% of his or hers fixed cash remuneration. The term "Discounted Amount" is defined under clause 3.11.1.*
- 4.10.2 Any Discounted Shares shall be subject to a lock-up period of three years from the date of the specific member of the Executive Management's acquisition of the respective Discounted Shares.*

4.10.3 *Any purchase of Discounted Shares is at all times subject to the Company's pool of own shares. The Company will, at its sole discretion, acquire own shares for the purpose of this remuneration alternative and other incentive programs. For the avoidance of doubt, a member of the Executive Management cannot require that the Company acquires additional own shares."*

The revised remuneration policy is attached as appendix A and is available on the Company's website, www.napatech.com.

Item 6 – Election of the board of directors including its chair

Pursuant to articles 16.1 and 16.4 of the Company's articles of association, the board of directors consists of 4-8 members elected by the general meeting for a period of one year. Re-election is possible.

The current board of directors consists of Johan Christian Jebsen (chair), Anna Beth Topolosky, Howard Gregory Bubb, Thomas Embla Bonnerud and Danny Lobo.

Considerations regarding the composition of the Board of Directors are ongoing. It has not been possible to conclude the process in time for the convening of the annual general meeting. However, the Board of Directors will announce its recommendation regarding the recommended candidates and the future composition of the Board of Directors prior to the annual general meeting.

Item 7 – Approval of the board of directors' remuneration

The board of directors proposes the following remuneration for the current financial year:

- The chair of the board of directors receives NOK 500,000.
- Members of the board of directors receives NOK 350,000.

In addition, each sub-committee member receives an additional remuneration of NOK 28,500 per sub-committee membership (e.g. for each audit committee, remuneration committee etc.).

The purpose of the remuneration structure for the board of directors is to be able to attract and retain board members with the desired competencies. In determining the levels, board fees in comparable companies are also considered.

Further, the nomination committee proposes that the fixed remuneration for the board of directors may in part or in full be settled by the Company by granting members of the board of directors shares in the company at a 30% discount to the market price. The proposed changes are reflected in the Company's revised remuneration policy as described under item 5.D.

Item 8 - Election of member to the Nomination Committee

The Nomination Committee was established by the general assembly in 2015 as proposed by the Board of Directors. The Nomination Committee members are elected for a term of two years, and the present members were elected at the Annual General Meeting on 27 April 2023. The present Nomination Committee consists of Mr. Nils Foldal (Chairman) and Mr. Håvard Nilsson (Member). It is proposed that Ole Peter Lorentzen is elected as an additional member of the Nomination Committee for a term of two years bringing the total number of members of the Nomination Committee to three.

Ole Peter Lorenzen:

Ole Peter Lorentzen has extensive experience from investing in technology companies and international business. His has previously served as a board member in Opera Software ASA,

Energy Recovering Inc, Agasti ASA and Eiendomsspar AS. He has also served as a member of several nomination committees in public listed companies.

Lorentzen is the beneficial owner and controlling shareholder of Ludvig Lorentzen AS, and Ex-tellus AS, and together these companies hold about 8,2 million shares in Napatech AS. Lorentzen has a bachelor's degree in business from the University of Lund in Sweden.

Item 9 - Election of auditors

The board of directors proposes that EY Godkendt Revisionspartnerselskab, CVR-no. (*CVR-number*) 30700228, is re-elected as auditors in accordance with the recommendation from the audit committee.

The audit committee's proposal is made in accordance with a public tendering process performed in the autumn of 2023 and in accordance with article 16(2)-(5) of Regulation no. 537/2014 on specific requirements regarding statutory audit of public-interest entities.

The audit committee has not been influenced by third parties nor subjected to any contract with a third party restricting the general meeting's choice to certain auditors or audit firms.

Item 10 – Any other business

Additional information

For participation to the annual general meeting, shareholders are required to obtain an access card. Access cards can be ordered from DNB Bank ASA, vote@dnb.no. Access cards need to be ordered no later than on **Friday, 19 April 2024 at 11.59 p.m. CEST.**

Access cards will be sent by ordinary mail by DNB Bank ASA. Napatech is not accountable for delays in connection with this service. We recommend that access cards are ordered with sufficient time for ordinary mail service.

The shares of the Company and the right to vote for shares

As of the day of this notice, the Company has a nominal share capital of DKK 22,570,800. Each share of DKK 0.25 carries one vote at the general meeting.

The shareholders rights to attend and vote at the general meetings is determined on the basis of the shares held by the shareholder on the date one week before the holding of the general meeting (the "Record Date"). The shareholdings of each shareholder on the Record Date is determined based on the number of shares held by the shareholder as registered in the register of shareholders and on any notice of ownership received by the Company for the purpose of registration in the register of shareholders, but not yet registered. The Record Date is **Thursday, 18 April 2024.**

Majority requirements

The proposal under items 2, 3, 4, 6, 7, 8 and 5.C may be adopted by simple majority, however noting that remuneration report under item 4 is purely an advisory vote.

The proposal under items 5.A – 5.C may be adopted by at least two-thirds of the votings rights and share capital represented at the general meeting voting in favour.

Postal vote

Shareholders who are qualified to participate in the AGM may vote by postal vote prior to the AGM.

The shareholders shall return their voting instructions to DNB Bank ASA by e-mail: vote@dnb.no or by ordinary mail to P.O. Box address: DNB Bank ASA, Registrars Department, P.O. Box 1600 Sentrum, 0021 Oslo, Norway, or by hand to DNB Bank ASA, Dronning Eufemias gate 30, 0191 Oslo, Norway. Postal votes must be received by DNB Bank ASA no later than on **Friday, 19 April 2024 at 11.59 p.m. CEST.**

Once a postal vote has been received by DNB Bank ASA, it is binding and cannot be revoked. To ensure proper identification, the shareholder shall put his/her name in capital letters and sign by the shareholder. If the shareholder is a legal entity, the company registration number or similar identification shall be noted.

The form to be used for a postal vote is attached to the notice and is available on the website of the Company, www.napatech.com.

Proxy and counsel

Shareholders have the right to attend the AGM by proxy.

The proxy shall be sent by e-mail to vote@dnb.no or by ordinary mail to P.O. Box address: DNB Bank ASA, Registrars Department, P.O. Box 1600 Sentrum, 0021 Oslo, Norway or by hand to DNB Bank ASA, Dronning Eufemias gate 30, 0191 Oslo, Norway. The Proxy must be received by DNB Bank ASA no later than on **Friday, 19 April 2024 at 11.59 p.m. CEST.**

Shareholders or proxy holders may attend the AGM with an advisor. Any proxy or advisor participating at the AGM must also order access card to the AGM.

The proxy form will be sent to the shareholder by DNB Bank ASA and is available on the website of the Company, www.napatech.com.

Questions

Shareholders may prior to the AGM ask questions to the agenda or to the documents to be presented at the AGM. Such questions must be received by the Company no later than on **Thursday, 18 April 2024, 11.59 p.m. (CEST).**

Questions may be sent to Napatech A/S, att.: the board of directors, Tobaksvejen 23 A, 2860 Søborg, Denmark.

Documentation

The following information is available for the shareholders to view and print on the Company's website at www.napatech.com up until and including the day of the general meeting:

- (i) this notice
- (ii) the total number of shares and voting rights in the company as at the date of this notice (included in this notice)
- (iii) the agenda and complete proposal (included in this notice)
- (iv) the documents to be presented at the general meeting, including the annual report 2023, remuneration report 2023, revised remuneration policy and draft new articles of association
- (v) proxy and postal voting forms.

For more information, please contact:

Heine Thorsgaard, CFO
E-mail: htg@napatech.com

APPENDIX A

REMUNERATION POLICY OF NAPATECH AS

1 INTRODUCTION

1.1 The following sets out the remuneration policy of Napatech A/S for members of the Board of Directors and the Executive Management and incorporates guidelines for incentive-pay under section 139 and 139a of the Danish Companies Act. The Executive Management includes all executives registered with the Danish Business Authority.

1.2 The overall objectives of Napatech A/S' remuneration policy are:

- To attract, motivate and retain qualified members of the Board of Directors and Executive Management,
- To ensure the correlation between management interests and the interests of the company and shareholders, and
- To help promote long-term value creation in the company and thus support the company's business strategy and sustainability.

1.3 The remuneration policy aims at reflecting the overall interests of the shareholders and the Company. The remuneration is designed to align the interests of the management with those of the shareholders as well as to promote and support Napatech's short- and long-term vision. It is the intent that the remuneration is in line with comparable companies, whilst also taking into consideration required competencies and efforts.

1.4 The principles for remuneration evolve over time to align with Napatech's strategy, market practice, and shareholders' views to ensure that a consistent and competitive structure is achieved. The remuneration principles set out herein are reviewed regularly to ensure continued competitiveness.

2 DECISION-MAKING PROCESS

2.1 The company's remuneration committee is tasked with assisting the Board of Directors in preparing and revising the remuneration policy. The remuneration policy must be reviewed by the remuneration committee at least once a year.

2.2 If the remuneration committee finds a need to revise the remuneration policy, the remuneration committee prepares a recommendation for consideration and approval by the board of directors. If the Board of Directors approves the recommendation, the revised remuneration policy is submitted to the shareholders for consideration and approval at the company's forthcoming general meeting.

- 2.3 The Remuneration Committee may consult the Executive Management when reviewing the remuneration policy, but the Executive Management has no decision-making power in relation to the remuneration policy.
- 2.4 As the remuneration of the Board of Directors is based on a fixed fee-approach (allowing for both a fixed amount in cash funds and/or a fixed amount of share options with a fixed exercise price), which is approved by the general meeting, there is no or limited risk of conflicts of interest in connection with the board's work on the remuneration policy.
- 2.5 The Board of Directors may, in special cases where it is necessary to protect the company's long-term interests, derogate from the upper limit for the payment of cash bonus to a member of the Executive Board. This may be, for example, in connection with the hiring of new members of the Executive Board or in special circumstances. In order to depart from the remuneration policy on this point, a recommendation from the remuneration committee must be available and the board must approve the recommendation. The Board of Directors' decision to deviate is in accordance with the Companies Act.
- 2.6 The Board of Directors may, in special cases where deemed necessary to safeguard the company's long-term interests, change the relative portion of pension payments. In such cases, for example, it will be possible to offer a new member of the Executive Board a pension scheme where the company pays up to 20% of the member's fixed basic salary. In order to depart from the remuneration policy on this point, a recommendation from the remuneration committee must be available and the board must approve the recommendation. The pension scheme will be able to run until the next general meeting, where the general meeting has the opportunity to decide whether the scheme should be made permanent.
- 3 REMUNERATION OF THE BOARD OF DIRECTORS AND COMMITTEES
- 3.1 The purpose of the remuneration structure for the Board is to be able to attract and retain board members with the desired competencies. In determining the levels, board fees in comparable companies are also considered.
- 3.2 Members of the Board of Directors receive a fixed annual base fee. The fee level is assessed each year taking into account market levels of listed companies comparable in size and complexity.
- 3.3 The board members receive a yearly fee of 350,000 NOK.
- 3.4 The Chairman receives a yearly fee of 500,000 NOK.
- 3.5 In addition, each sub-committee member receives an additional remuneration of a yearly fee (28,500 NOK per sub-committee membership) paid monthly (e.g. per audit committee, remuneration committee, etc.).
- 3.6 All members of the Board of Directors receive reimbursement of reasonable expenses such as travel and accommodation in relation to board meetings as well as relevant education.

- 3.7 Individual board members may take on specific ad hoc tasks outside their normal duties for and at the instruction of the Board of Directors. In each such case, the Board of Directors shall determine a fixed fee (e.g. per diem) and/or fixed amount of warrants (with a fixed exercise price) (cf. section 3.8 below) for the work carried out related to those tasks.
- 3.8 Members of the Board of Directors may participate in a share-based remuneration program as an alternative to having their (full) board fees paid out in cash funds. Such share-based program will be in the form of warrants with a fixed exercise (strike) price. Each warrant gives the warrant holder a right to subscribe for one share in the Company. Except in respect of ad hoc tasks (cf. section 3.6 above), the number of warrants shall be based on the fixed fees that the member would otherwise be entitled to and the difference between the average closing trading price for the trading week two weeks before notice for the annual general meeting is published and a strike price of these warrants of 0.25 DKK. Except as otherwise authorized by the general meeting and decided by the Board, warrants granted in a given year vest at the earlier of (a) 30 April the following year or (b) the next ordinary general meeting. Except as otherwise authorized by the general meeting and decided by the Board, warrants may be exercised upon their vesting and within two (2) years thereafter. Vesting is contingent upon the member's continued service on the Board of Directors. Any warrants vested prior to cessation of the member's continued service on the Board of Directors shall be exercised within three (3) months thereof. If cessation is due to or caused by a material breach of the member's duties owed to the Napatech A/S as a member of the Board then (A) all vested warrants shall immediately and automatically lapse without compensation and (B) Napatech A/S shall, for a reasonable period following the cessation, be entitled to repurchase all the member's shares obtained through exercise of the warrants at their strike price.
- 3.9 The share-based program is intended to reinforce the alignment of interest between shareholders and the Board of Directors as well as being a necessary part of their compensation to ensure that Napatech A/S is competitive in the international market and to be able to attract and retain highly-qualified members of the Board of Directors on a continuous basis. The typical proportion of share-based remuneration as a relative share of the Board of Directors' compensation is between 0 % - 100%.
- 3.10 The value of warrants at the time of grant may not exceed 400% of the fixed annual base fee at the time of grant. The value shall be calculated using Black-Scholes.
- 3.11 Members of the Board of Directors may choose to purchase shares from the Company's pool of own shares at a 30% discount from the market price ("Discounted Shares") as an alternative to having their (full) board remuneration paid out in cash funds. It is up to the individual board member whether they want their remuneration to be paid out fully or partly in Discounted Shares.
- 3.11.1 The remuneration received by a board member in such event shall correspond to the "Discounted Amount" from the purchased Discounted Shares. The Discounted Amount is the difference between the market price and the purchase amount for the Discounted Shares (at the time of the respective board member acquisition). If a board member purchases 100 Discounted Shares from the Company's pool of own shares with a market price of NOK 2,000 (NOK 20 per one share) at a discounted price of NOK 1,400 (NOK 14 per one share), the

Discounted Amount is NOK 600, and such board member will have received NOK 600 as part of the board members' fixed remuneration.

- 3.11.2 The market price shall be the trading price at the Oslo Stock Exchange at the time of acquisition by the respective board member.
- 3.11.3 Any Discounted Shares shall be subject to a lock-up period of three years from the date of the specific board members' acquisition of the respective Discounted Shares.
- 3.11.4 Any purchase of Discounted Shares is at all times subject to the Company's pool of own shares. The Company will, at its sole discretion, acquire own shares for the purpose of this remuneration alternative and other incentive programs. For the avoidance of doubt, a board member cannot require that the Company acquires additional own shares.
- 3.12 The Board of Directors' remuneration for the most recent fiscal year is approved at the Annual General Meeting in connection with the Annual Report, and the amount of the Board's basic fees and additional fees for the current financial year is set for approval at the Annual General Meeting.
- 3.13 The elected members of the Board of Directors are elected by the General Meeting for a period of one year, typically at the Annual General Meeting. Apart from the inherent incentives in any share-based programs that the Board of Directors may participate in, there are no retention or severance schemes for the company's board members

4 REMUNERATION OF THE EXECUTIVE MANAGEMENT

- 4.1 The remuneration package for members of the Executive Management consists of a fixed annual base salary and variable elements consisting of short and long-term incentives. The Board of Directors believes that a combination of fixed and performance-based pay is the best way to attract, retain and motivate the Executive Management. In addition to cash-based remuneration, Executive Management is aligned with shareholders through participation in share-based option programs. In addition, members of Executive Management may receive a pension contribution and other benefits. In defining the remuneration policy regard is taken to the employment terms provided to Napatech A/S's employees, including that the ratio between remuneration provided to the Executive Management respectively other employees does not significantly deviate from similar exchange-listed companies in the Nordics.
- 4.2 The purpose of the fixed basic salary, pension contributions, and other benefits is primarily to provide the individual Executive Board member with a predictable minimum remuneration to be able to attract and retain Executive Management members with the desired competencies. This remuneration structure is deemed to be resilient in supporting successful leadership whilst ensuring alignment to shareholder expectations.
- 4.3 The fixed basic salary for each executive member is determined each year based on negotiation. The fixed base salary is expected to amount to between 30 and 80% of the total remuneration, depending on the achievement of the performance criteria, which determine the size of the variable salary.

- 4.4 An employer-paid pension contribution can be provided, which for the Executive Management can amount to up to 10% of the total remuneration.
- 4.5 Executive Management members have the option of free car and other benefits by agreement. Other goods may amount to up to 10% of the total remuneration. The Executive Management is also offered usual staff benefits such as health insurance, newspaper subscription, free telephone, and Internet subscription.
- 4.6 Members of the Executive Management (and also all or parts of the employees) may be eligible to cash bonus schemes as determined by the Board of Directors; these may consist of an annual bonus which the individual member can receive if specific performance targets for the Company for the relevant year are met. Payments under the short-term cash-based bonus scheme may not exceed a maximum of 119% of the Executive Management member's fixed base salary. The cash-based bonus scheme consists of annual allocations of cash bonuses calculated based on the fulfillment of predetermined performance criteria.
- 4.7 The purpose of the cash-based bonus is to ensure the Executive Management's focus on the core - primarily short-term - performance criteria in the company's strategy and similarly reward satisfactory results in relation to these performance criteria.
- 4.8 For the total cash bonus, clawback options are used, so that paid bonuses may be recovered if it is subsequently found that the salary has been paid or earned on the basis of information that is incorrect or does not comply with the guidelines, prepared by the Board of Directors, or if it is determined that the end-of-year-total bonus is less than the year-to-date payments. Claw-back in relation to the cash bonus is possible up to 12 months after the actual payment of the cash-based incentive.
- 4.9 Members of the Executive Management (and also all or parts of the employees) may be eligible to participate in share-based incentive programs as determined by the Board of Directors. The vesting period of the warrants and SARs granted will be set at the discretion of the board of directors but will become exercisable over a minimum of four (4) years. Valuation of yearly grants for Members of the Executive Management in accordance with the Black-Scholes method may not exceed a maximum of 100% of the Executive Management member's fixed base salary.
- 4.10 As a supplement to the members of the Executive Management's remuneration, members of the Executive Management may choose to purchase shares from the Company's pool of own shares at a 30% discount from the market price ("Discounted Shares"). It is up to the individual manager to decide whether they want purchase Discounted Shares.
- 4.10.1 A member of the Executive Management is eligible to purchase Discounted Shares up to a maximum "Discounted Amount" corresponding to 30% of his or hers fixed cash remuneration. The term "Discounted Amount" is defined under clause 3.11.1.
- 4.10.2 Any Discounted Shares shall be subject to a lock-up period of three years from the date of the specific member of the Executive Management's acquisition of the respective Discounted Shares.

- 4.10.3 Any purchase of Discounted Shares is at all times subject to the Company's pool of own shares. The Company will, at its sole discretion, acquire own shares for the purpose of this remuneration alternative and other incentive programs. For the avoidance of doubt, a member of the Executive Management cannot require that the Company acquires additional own shares.
- 4.11 Information on the total remuneration granted to Executive Management, in the aggregate, and on an individual basis, including information on key elements of any retention and retirement schemes, is disclosed in the annual report, along with a statement on compliance with this Remuneration Policy.
- 4.12 The Executive Management will typically be employed without a time limit but with the right to a mutual termination unless a temporary arrangement is involved. Executive members have a notice of termination of up to 12 months on the part of the company, while the members of the management's notice to the company are from 1 to 3 months. In special cases, members of the Executive Management can be entitled to severance pay of up to 12 months of remuneration, including all components of the remuneration.

5 OVERVIEW OF REMUNERATION OF THE EXECUTIVE MANAGEMENT

The remuneration of the company's CEO can consist of the following remuneration components: Fixed basic salary, pension contributions, other benefits, short-term cash-based bonus scheme, and long-term share-based remuneration. The individual components may comprise up to the following proportions of the fixed basic salary:

Remuneration component:	Maximum
Fixed basic salary	100 %
Pension contribution	10 %
Other benefits	10 %
Cash-based bonus scheme	119 %
Share-based remuneration	100 %

The remuneration of the company's CFO can consist of the following remuneration components: Fixed basic salary, pension contributions, other benefits, short-term cash-based bonus scheme, and long-term share-based remuneration. The individual components may comprise up to the following proportions of the fixed basic salary:

Remuneration component:	Maximum
Fixed basic salary	100 %
Pension contribution	10 %
Other benefits	10 %
Cash-based bonus scheme	75 %
Share-based remuneration	50 %

The value of share-based remuneration awarded is calculated in the above by the method used for recognition in the annual report.

Appendix A1
to Remuneration Policy
(Approved: 22 February 2024)

2024 SPECIAL REMUNERATION PACKAGE FOR THE CHIEF EXECUTIVE OFFICER

The remuneration package for the chief executive officer (Mr. Lars R. Boilesen) (herein: **CEO**) may, in view of the agreed initial annually fixed salary of DKK 2 million and instead of providing for a cash bonus scheme of up to 119% of the fixed base salary pursuant to Clause 4.6 of the Remuneration Policy and a severance pay of up to 12 months of remuneration (including all components of the remuneration) pursuant to Clause 4.11 of the Remuneration Policy, provide for the following:

- i. A one-time 2024 grant of share options vesting and becoming exercisable in equal annual instalments over four years and being exercisable for up to 2,000,000 shares of DKK 0.25, each at a per share strike price of DKK 13.06, during the five years following each vesting; *provided, however*, (a) that the vesting and exercise period may be accelerated in case of a change of control in Napatech A/S so that the share options can and/or must be exercised in connection with completion of the change of control, (b) vesting is dependent on the CEO being employed in his position at such time, and (c) the terms as provided by the 22 February Extraordinary General Meeting in Napatech A/S are abided.

Such share options amounting to maximum 450% in share-based remuneration, instead of the 100% provided in Clause 4.9 and 5 of the Remuneration Policy.

- ii. Other goods (e.g. compensation for travel/living expenses) amounting to maximum 20%, instead of the 10% provided in Clause 4.5 and 5 of the Remuneration Policy.
- iii. A deviation Clause 3.8 of the Remuneration Policy's provision for the accelerated exercise period with respect to vested share options and similar earned while serving as a member of the board of directs,¹ meaning that such vested share options must be exercised within their usual exercise period.
- iv. Termination by the CEO must be with six months' notice and by the Napatech A/S with eighteen months' notice, instead of the 1-3 months' and 12 months' notice, respectively, provided in Clause 4.11 of the Remuneration Policy.

At the time of employment, the Black-Scholes value of the proposed warrants for the first year of employment was calculated to be around 240% of the fixed basic salary and 150% for the second year of employment, while the cash-based bonus scheme at the same time is 0%. This is to be compared with a combined value of 229% compared to the fixed basic salary for the cash-based bonus scheme and the share-based remuneration component in the existing remuneration policy. As the Black-Scholes value of the warrants is subject to change due to the development of the Napatech share price up until the date of the Extraordinary General Meeting, and taking the historic volatility of the Napatech share into account, the maximum of the share-based remuneration component in this appendix proposed to be 450% for the following year.

¹ Quote of the relevant text in Clause 3.8 of the Remuneration Policy: "(...) *Any warrants vested prior to cessation of the member's continued service on the Board of Directors shall be exercised within three (3) months thereof. (...)*"

The Board of Directors believe that this combination will best serve to retain and motivate the CEO as well as to align the CEO with shareholders and take into account both Napatech A/S's short-term but especially also long-term development, goals and success.

The provisions in the Remuneration Policy (as may be amended from time to time) shall otherwise apply.

OVERVIEW OF REMUNERATION COMPONENTS

The remuneration of the company's CEO can, pursuant to this Appendix A1 to the Remuneration Policy, consist of the following remuneration components: Fixed basic salary, pension contributions, other benefits, short-term cash-based bonus scheme, and long-term share-based remuneration. The individual components may comprise up to the following proportions of the fixed basic salary:

Remuneration component:	Maximum
Fixed basic salary	100 %
Pension contribution	10 %
Other benefits	20 %
Cash-based bonus scheme	0 %
Share-based remuneration	450 %

