

## **Notice of Annual General Meeting 2019 of Napatech A/S.**

**Napatch A/S's Annual General Meeting (AGM) will be held at the registered office of Napatech A/S, Tobaksvejen 23A, Soeborg, Denmark on Wednesday April 25, 2019 at 10:00 CET.**

For participation in the AGM, please obtain access card which can be ordered from DNB Bank ASA, [vote@dnb.no](mailto:vote@dnb.no). Access cards need to be ordered no later than on 22 April 2019.

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 following matters are on the agenda of the meeting:

### **Agenda:**

1. The Board of Directors' report on the activities of the Company.
2. Adoption of the 2018 Annual Report.
3. Proposal for the distribution of the profit or loss recorded in the annual report adopted by the general meeting.
4. Proposal from the Board of Directors to authorize the Board of Directors to issue share options to employees in the Napatech Group for up to a total nominal amount of DKK 519,176.00 shares.
5. Proposal from the Board of Directors to authorize the Board of Directors to acquire the Company's own shares in one or more transactions for up to a total nominal amount of DKK 519,176.00 shares and against a fee that cannot deviate by more than 10% from the trading price at the Oslo Stock Exchange at the time of acquisition.
6. Proposal from the Board of Directors to authorize the Board of Directors to issue new shares for up to a total of nominal DKK 2,076,706.00.
7. Election of member to the Nomination Committee.
8. Election of members of the Board of Directors including the Chairman.
9. Appointment of Auditors.
10. Any other business.

### **Additional information:**

#### **The shares of the Company and the rights to vote for shares.**

Napatech has a share capital of nominal DKK 16,600,388.25. Each share of nominal DKK 0.25 carries one vote at the AGM.

Voting rights can only be exercised by shareholders or their proxy. To exercise voting right on a share, the share must be registered, by the registration date, which is 18 April 2019, by name in Napatech A/S shareholder register, or documented at the latest by 18 April 2019 for registration in the shareholder register.

**Adoption requirements.**

For adoption of proposals, where changes in the Articles of Associations are required, at least 2/3 of the votes cast and the share capital represented at the AGM needs to vote in favour. For adoption of all other proposals on the Agenda, a simple majority of votes is needed.

**Postal vote.**

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

Postal votes must be received by DNB Bank ASA no later than the 22 of April 2019 at 12.00. Once a vote has been received by DNB Bank ASA, it is binding and cannot be revoked.

The shareholders shall return their voting instructions to DNB Bank ASA by e-mail: [vote@dnb.no](mailto: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.

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, company registration number or similar identification shall be noted.

The form to be used for postal vote is attached to the notice and is available on the website of the Company, [www.napatech.com](http://www.napatech.com).

**Proxy and counsel.**

Shareholders have the right to attend the AGM by proxy. 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](http://www.napatech.com).

The proxy can be sent by e-mail to: [vote@dnb.no](mailto: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 the 22 of April 2019 12.00.

Shareholders or proxy holders may attend the AGM with an advisor.

**Questions.**

Shareholders can prior to the AGM ask questions to the agenda or to the documents to be used at the AGM. Such questions must be received by the Board of Directors no later than 18 April 2019. Questions can be sent to Napatech A/S, att.: The Board of Directors, Tobaksvejen 23 A, 2860 Søborg, Denmark.

**Documentation.**

Napatech Annual Report 2018, the notice for the AGM, information on shares, voting rights on the date of the notice, the full text of any proposals and other documents will be available on the website of the Company, [www.napatech.com](http://www.napatech.com) or at [www.newsweb.no](http://www.newsweb.no) under the Ticker: NAPA, from 4 of April 2019.

## **Additional information regarding the individual agenda items:**

### **Re. 1. The Board of Directors report on the activities of the Company**

The Board of Directors proposes that the report is adopted.

### **Re. 2. Adoption of the Annual Report 2018**

The report is available on the website of the Company, [www.napatech.com](http://www.napatech.com) or at [www.newsweb.no](http://www.newsweb.no) under the Ticker: NAPA, from the 4 of April 2019.

The Board of Directors proposes that the annual report is adopted.

### **Re. 3. Distribution of profits or loss recorded in the annual report**

The Board of Directors proposes that no dividend is paid out for the year 2018 and the loss is carried forward.

### **Re. 4. Proposal from the Board of Directors to authorize the Board of Directors to issue share options to employees in the Napatech Group for up to a total nominal amount of DKK 519,176.00.**

As part of its expected Share Option and Incentive Program 2019, the Board of Directors proposes to authorize the Board of Directors until 25 April 2023 to issue share options with the right to subscribe for shares for up to nominally DKK 519,176.00 shares in the Company.

The options shall be awarded to recently employed employees, new employees, and key employees and management 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.

If the proposal is adopted, the following new provision shall be included in the Articles of Association:

#### **"7. Share Options.**

(...)

#### **7.5 Authorization to issue share options**

*At an ordinary general meeting in the Company held on 25 April 2019 it was decided to authorize the Board of Directors, before 25 April 2023, to issue share options with the right to subscribe for up to nominally DKK 519,176.00 shares in the Company.*

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

*The options shall be awarded to (a) new employees, (b) newly employed, (c) key employees, and/or (d) management, 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 nominally 519,176.00 in the Company belonging to the same share class as the existing shares in the Company.*

*The strike price shall be determined by the board of directors, but cannot be less than par value.*

*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.*

*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 nom. DKK 519,176.00 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.*

*No shareholder shall be obliged to let their shares be redeemed, in whole or in part, by the Company or anyone else.*

*For the fulfilment of the options, the Board of Directors has been authorized to increase the Company's share capital by up to nominally 519,176.00 shares in the Company and to make the consequential amendments of the articles of association.*

If the proposal is adopted, the Board of Directors expect to utilize the authorization to issue share options to employees in the Company and employees of companies within the Napatech Group on the terms and conditions appearing from Share Option and Incentive Program 2019.

The program will be available on the website of the Company, [www.napatech.com](http://www.napatech.com) or at [www.newsweb.no](http://www.newsweb.no) under the Ticker: NAPA, from 4 of April 2019.

**Re. 5. Proposal from the Board of Directors to authorize the Board of Directors to acquire the Company's own shares in one or more transactions for up to a total nominal amount of DKK 519,176.00 shares and against a fee that cannot deviate by more than 10% from the trading price at the Oslo Stock Exchange at the time of acquisition.**

In order to fully utilize the expected Share Option and Incentive Program 2019 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, the Board of Directors proposes to authorize the Board of Directors until 25 April 2023 to acquire the Company's own shares in one or more

transactions for up to a total nominal amount of DKK 519,176.00 shares and against a fee that cannot deviate by more than 10% from the trading price at the Oslo Stock Exchange at the time of acquisition.

**Re.6 Proposal from the Board of Directors to authorize the Board of Directors to issue a share capital increase of up to nominal DKK 2,076,055.00 of the nominal share capital.**

The Board of Directors makes a similar proposal as the previous year for an authorization for a possible targeted capital increase. The authorization will supplant the expired previous authorization in article 5.2 of the Articles of Association of Napatech A/S.

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 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 asks the Annual General Meeting to give the Board a power of attorney to increase the Company's share capital by up to nominal DKK 2,076,055.00 of the Company's share capital), in one or more capital increases to named investors chosen by the Board. Such capital increases shall be executed, as determined by the Board of Directors, at market value, and by either cash contribution or contribution of other assets than cash.

The authorization will be without pre-emption right for the existing shareholders. This is to allow the Board of Directors to make efficient use of the authorization. The fact that 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.

If the proposal is adopted, the following new provision shall be included in the Articles of Association:

**5. Capital Increase**

(...)

**5.2**

*Until 25 April 2020, the Board of Directors is authorized to increase the share capital one or more times without right of pre-emption for the existing shareholders and up to a total nominal amount of DKK 2,076,055.00.*

*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.*

*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 the pre-emptive right in Clause 5.1 and with regard to redemption and transfer-ability, 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.*

*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.*

**Re. 7. Election of members to the Nomination Committee.**

The present Nomination Committee consists of Mr. Emanuel Johnsson (Chairman) and Mr. Ketil Skorstad (Member)

The Nomination Committee members are elected for 2 years at a time and this year the regular Member is up for election. The Chairman Mr. Emanuel Johnsson has given notice that he would like to resign and it is proposed that Mr. Nils A. Foldal is elected as new Chairman and Mr. Ketil Skorstad is re-elected as Member.

**Nils A. Foldal for new election as Chairman:**

Nils Foldal is the CEO of Ludvig Lorentzen AS, a privately held Norwegian investment company that invests in both listed and unlisted securities. Nils was previously Investment Director at Awilhelmsen Capital AS, Managing Director of K-Aktiv Forvaltning AS (today Nordea Investment Management), CEO at DnB Investor AS, Investment Director at Storebrand Asset Management and Pluss Fondene. Nils has extensive board experience and has been represented in several nomination committees of listed companies. Nils has a Master of Science and is a graduate of the Norwegian School of Business Management (NHH).

**Ketil Skorstad Member for re-election as Member:**

Ketil Skorstad is the CEO, sole owner and chairman of Tigerstaden AS, a Norwegian based investment company with investments ranging from start-ups to blue chips. Prior to founding Tigerstaden in 2007, Ketil worked as a portfolio manager at Merkantilbygg and as a stock broker at Fearnley Securities, ABG Sundal Collier, Norse Securities and Delphi Economics. Ketil has worked in the financial markets since 1992.

**Re. 8. Election of members of the Board of Directors including the Chairman.**

In accordance with Article 16.1 of the Articles of Association, the Board of Directors of Napatech consists of 4-8 members elected by the general meeting.

The present Board of Directors consists of Mr. Lars Boilesen (Chairman), Mr. Lars B Thoresen (Member), Bjørn Erik Reinseth (Member), Howard Bubb (Member), and Henry Wasik (Member).

It is proposed by the Nomination Committee that Mr. Lars Boilesen (Chairman), Mr. Bjørn Erik Reinseth (Member), Mr. Howard Bubb (Member) and Mr. Henry Wasik (Member) are re-elected for the Board of Directors and Mr. Christian Jebsen is elected as new Member for the Board of Directors.

Information on Chairman and each of the proposed members of the Board of Directors:

Lars Boilesen for re-election as Chairman:

Mr. Lars Boilesen (b. 1967) has extensive experience in the software and tech industry and has held executive positions in various corporations prior to joining Opera as Chief Executive Officer in 2010. He was Executive Vice President of Sales & Distribution at Opera Software ASA from 2000 to 2005, and served on the Board of Directors of Opera Software ASA from 2007 to 2009. Prior engagements include CEO for the Nordic and Baltic Region at Alcatel-Lucent, head of the Northern Europe and Asia Pacific markets for Tandberg Data and Sales and Marketing Manager for Eastern Europe in the LEGO Group. Mr. Boilesen holds a Bachelor's Degree in Business Economics from Aarhus Business School, and postgraduate diploma from Kolding Business School. Mr. Boilesen is a Danish citizen and resides in Norway. He is independent of the company's executive personnel and material business contacts as well as of the company's main shareholders.

Bjørn Erik Reinseth for re-election as Member:

Mr. Reinseth is currently the CEO of the investment company Foinco. From 2005 to 2013 Mr. Reinseth served as Partner in Ferd Capital/Ferd Venture successfully doing venture and buy-out investments. He has also founded and operated his own management consultancy. Mr. Reinseth has experience from listed and public companies as CEO of Sense Communications International ASA (OSE), a mobile telecom operator, and as CMO/EVP Products & Strategy of NetCom ASA (OSE), the number two mobile operator in Norway. Mr. Reinseth also served as Managing Director of the Norwegian broadband communication company Bredbåndsfabrikken AS and has a broad experience in the telecom/ICT industry. He has also worked as a Research Fellow at the European Laboratory for Particle Physics (CERN) in Geneva. Mr. Reinseth holds a B.Sc. Hons in Engineering from the University of Surrey, UK, and additional management courses from BI Norwegian School of Management and Stanford University Graduate School of Business. Mr. Reinseth is a Norwegian citizen and resides in Norway.

Howard Bubb for re-election as Member:

Howard Bubb has served as a public company CEO, corporate executive, venture backed entrepreneur, professional mentor and management consultant. Bubb has been consulting since 2009, repositioning struggling businesses, defining new market categories, and launching new business units to achieve high growth and dominant market segment share. A strong leader of people, he blends strategy and execution skills with a keen ability to engage talent. He is a professional mentor with Merryck and Company, which focuses on bringing an operation perspective to leadership development for the Fortune 200. On a global scale, Howard Bubb transformed the communications business at Intel from a mix of acquisitions into an integrated and cohesive \$1.7B business unit. The division grew to become number one in its markets and went on to become one of the highest growth businesses at Intel for several years. After beginning his career and first leadership roles at United Technologies, Howard led numerous other organizations as CEO, Chairman or VP/GM. He grew Lexar, Memorex Telex, Ambric and Netronome Systems to either acquisition or stand-alone capability. As CEO of Dialogic Corporation (DLGC) he led them through their IPO and years of rapid growth. Bubb earned a Bachelor of Science degree, with honours, from California Institute of Technology in 1976. He is a US citizen and resides in California, US.

## Henry Wasik for re-election as Member

Mr. Henry Wasik has significant experience from data centre and cloud computing industries, serving as an advisor to companies, such as Avni, Metavine, and Kaloom. Wasik was CEO of Joyent from 2012 to 2014, and CEO of Force10 Networks (now DELL) from 2004 to 2012. He has also served on the Board of Directors of nearForm and Norse Corporation. Mr. Wasik holds an MBA from Georgia Tech, and a Bachelor's degree in Electrical and Electronic Engineering from the University of Bridgeport. Mr. Wasik is an American citizen and resides in San Francisco.

## Christian Jebsen for new-election as Member:

Christian Jebsen was born in 1967 and is as Danish citizen. He holds a B.S. degree in economics and B.A. from Copenhagen Business School. Mr Jebsen is a partner at Verdane Capital. Prior to Verdane, Jebsen has had a number of executive management positions in listed and unlisted companies including CEO of Kebony AS, CEO of Vmetro ASA, CFO/COO of Opera Software ASA and CEO of Stavdal ASA. Jebsen's professional background also includes seven years of investment banking experience with Nomura International in London and Enskilda Securities (SEB) in Stockholm and Oslo.

## **Re. 9. Appointment of Auditors.**

The Board of Directors proposes that Ernst & Young P/S, CVR.nr: 30700228 is re-elected as Auditors.

## **Re. 10. Any other business**

It will be possible to ask questions to the Board of Directors on any issue relating to the Company pursuant to the Danish Corporate Act article 102.

For more information, please contact:

Henrik Brill Jensen, COO  
E-mail: [hbj@napatech.com](mailto:hbj@napatech.com)

Heine Thorsgaard, CFO  
E-mail: [htg@napatech.com](mailto:htg@napatech.com)