

Napatech Signs Breakthrough Contract with Tier-1 Global Semiconductor Supplier

COPENHAGEN, Denmark – Dec. 22, 2022 – Napatech™ (OSLO: NAPA.OL), the leading provider of programmable Smart Network Interface Cards (SmartNICs) and Infrastructure Processing Units (IPU) used in cloud, enterprise and telecom datacenter networks today announced it has entered into a material and multi-faceted agreement with a tier-1 global semiconductor leader to develop new hardware and software solutions.

The contract executed on December 21, 2022, meets the threshold of material insider information and is thus subject to disclosure per the Oslo Stock Exchange regulations. The initial terms of the multi-year agreement total \$5M USD in revenue during the first year, with \$4M USD invoiced in December 2022.

The contract, and its associated terms, represents a significant milestone by Napatech in executing upon its strategic plan. It provides both validation of the product and technology vision that the company has set, and an infusion of capital to continue to expand its investments to fulfill its goals.

This transformational business agreement includes commercial and operational terms that provide additional value to Napatech. The details will be disclosed in the first quarter of 2023, subject to agreement by this partner, and will include product, technology, business and commercial terms.

“The initial scope of the agreement defines the development of new hardware and software solutions that align with the highest growth areas of the market,” said Ray Smets, chief executive officer at Napatech. “This allows us to access a new set of customers whose applications and services are fueling demand, unlocking Napatech’s strategic value for customers and shareholders.”

About Napatech

Napatech is the leading supplier of programmable SmartNIC solutions used in cloud, enterprise, and telecom datacenters worldwide. Through commercial-grade software suites integrated with robust, high-performance hardware, Napatech accelerates network and security workloads to deliver best-in-class system-level performance while maximizing the availability of server compute resources for running applications and services. 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. For details, visit us at: www.napatech.com.

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