Interim Management Statement Q3 2025

Lars Boilesen, CEO
Heine Thorsgaard, CFO

November 5, 2025

Q&A Session

Following the presentation

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UK: +44 20 3936 2999

Other locations: +44 20 3936 2999

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AGENDA

- BUSINESS STATUS
- MARKET UPDATE
- PIPELINE SPOTLIGHT
- FINANCIAL RESULTS

BUSINESS STATUS AND OUTLOOK

BUSINESS STATUS

Financial Results

- 3Q-2025 Revenue — $6.3M USD, +25% year over year, YTD 26%, Q2 vs Q3 2025 +31%
- 3Q-2025 Gross Margins — 70%, as expected
- 3Q Staff cost/external cost — DKK 35M, Q3 2025, vs 43,2M Q3 2024, a decrease of 23%
- 3Q EBITDA — -6,1 MDKK, Q3 2025, vs. -17,6 MDKK, Q3 2024, improved by 11,5 MDKK
- 3Q Net cash flow — Net cash flow 0, -22,5 Q3 2024, improved by 22,5 MDKK YoY

- YTD-Summary — Significant improvement year-over-year in overall operations

Recent Highlights

- Product Leadership — Napatech Ignites the Next Wave of Artificial Intelligence Infrastructure with Data Processing Unit Powered by Altera and Intel, specified by tier-1 server OEM
- Business Growth — Successful progress in new design wins, leading to new revenue sources
New design wins publicly disclosing and launching their products
Base business strengthening, growing, in valuable accounts and use cases
- Design Win Focus — Continued pipeline building in opportunities of transformational scale
New opportunities emerging both organic and via partner ecosystem

MARKET UPDATE

Limitless AI powered by networks that think

OPPORTUNITY: APPLICATIONS THAT BENEFIT FROM NAPATECH NICS

CLOUD AND ARTIFICIAL INTELLIGENCE

AI Infrastructure
AI Coprocessing
AI Storage Acceleration
Network Offload

BUSINESS CRITICAL APPLICATIONS

Cybersecurity
Fintech Financial Services
Regulatory Compliance
Network Forensics

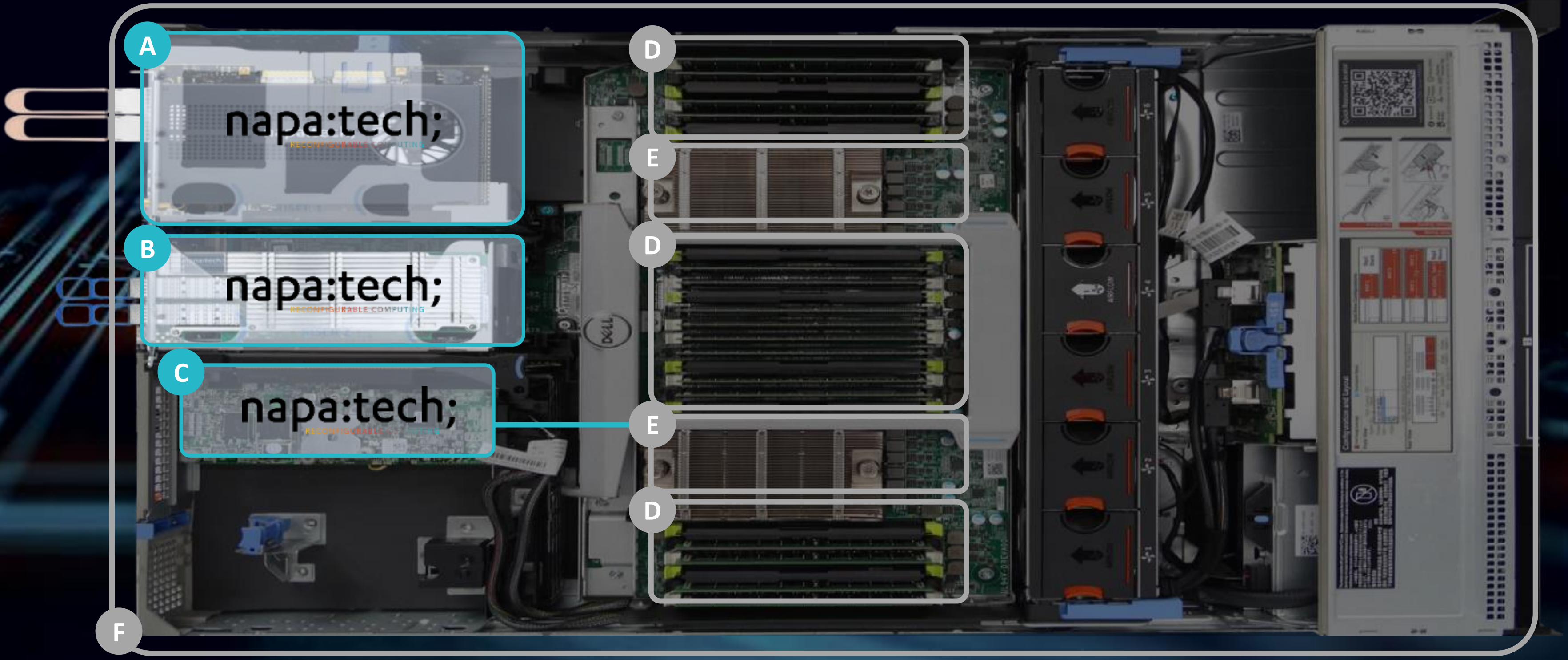
NETWORK INFRASTRUCTURE

Application and Network Monitoring
5G Mobile Infrastructure
Capture and Replay
Deep Packet Inspection

PRODUCT: Napatech Network Interface Cards and CPU Co-Processors

Think™ Link™

- **A** Infrastructure Processing Unit
- **B** SmartNIC
- **C** GPU/ASIC, FPGA for AI
- **D** Memory
- **E** Central Processing Unit
- **F** Server



✓ **Napatech's Advanced NICs play a crucial role in modern datacenter designs …**

✓ **… providing access to CPU and GPU resources that deliver AI, security and other services**

Napatech Programmable NICs

ACCELERATED PROCESSING

Offload and accelerate burdensome CPU AI, network, security, storage processing

PROGRAMMABLE NETWORKING

Hardware performance at the speed of Software innovation

SUSTAINABLE COST

Rearchitect servers to remove ROI constraints from space, power and cooling

MARKET VALIDATION: EARLY ADOPTERS PROVE TECHNOLOGY, VALUE, BENEFITS AND SCALE

napa:tech; SMARTNIC+DPU SOLUTIONS

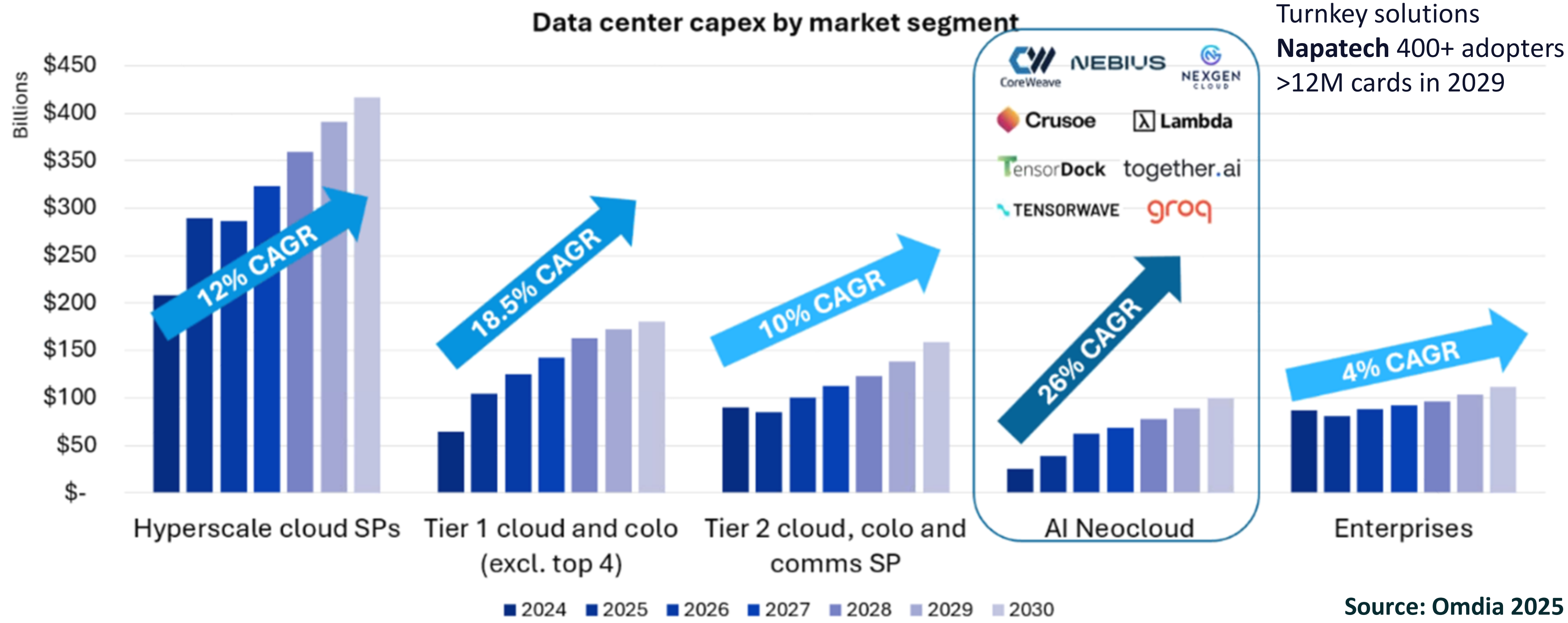
Hyperscale Cloud Operators

DEPLOYED NOW
8 global companies
Initially niche, bespoke
Component self-built DIY
Not for sale
Intel-Altera dominance
>12M cards in 2024

intel. altera An Intel Company

Data center capex is on track to hit $1 trillion by 2030

EMERGING NOW:
5000+ mass market
Early cases emerging
Merchant-built
Turnkey solutions
Napatech 400+ adopters
>12M cards in 2029



Source: Omdia 2025

BUSINESS MODEL: INNOVATE GO-TO-MARKET LOWERS OPEX AND INCREASES SCALABILITY

Increased Volumes

Scalability with Intel's proven architecture and design in large-volume applications and use cases

Go-to-market

Access to Intel-Altera's global reach and collaboration with sales, marketing and business development into high volume prospects

napa:tech;
SMARTNIC+IPU SOLUTIONS
+
altera™
An Intel Company

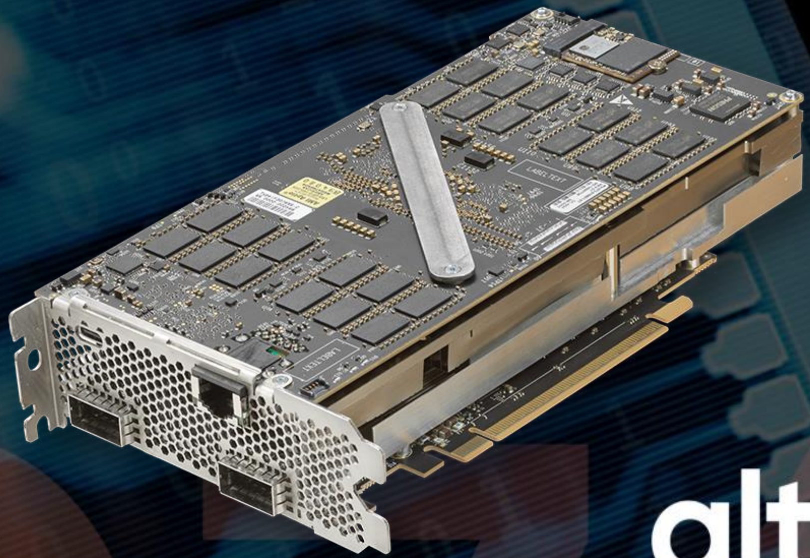
Engineering collaboration

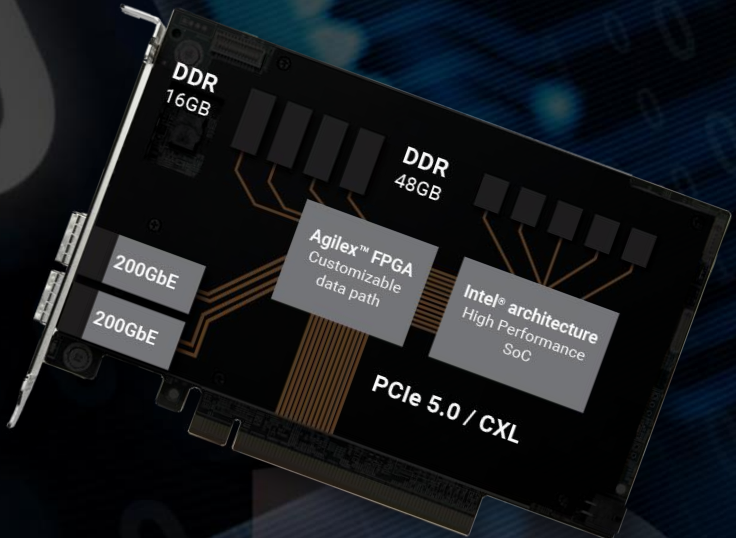
Tailoring and specified hardware and software solutions with Intel for highest growth segments

Access to latest technology

First mover advantage with access to Intel and Altera's latest CPU and FPGA technology

INTRODUCING A NEW 400G DPU FOR DATA CENTERS





altera™
An Intel Company

intel®

A joint solution with Altera®, Intel®, and Napatech that enable an innovative approach to power the modern data center for public cloud, private cloud, edge, and enterprise data centers built for the AI era.

PIPELINE SPOTLIGHTS

BUSINESS UPDATE: Design Win Pipeline and Base Business

New Design Win Pipeline

- Nearly 200 opportunities, >60% in new business and markets
- Nearly $400M in value, >80% in new business and markets
- Includes SmartNIC and DPU Programmable NICs
- New business volumes: 1k, 5k, 10k, 25k+
- Current design wins contribute 60k-80k units in peak production
- Anchored by innovative software packages
- Spanning customer types, applications and use cases
- Altera regularly adding new opportunities
- Napatech inbound leads noticeably up, web, organic, referral

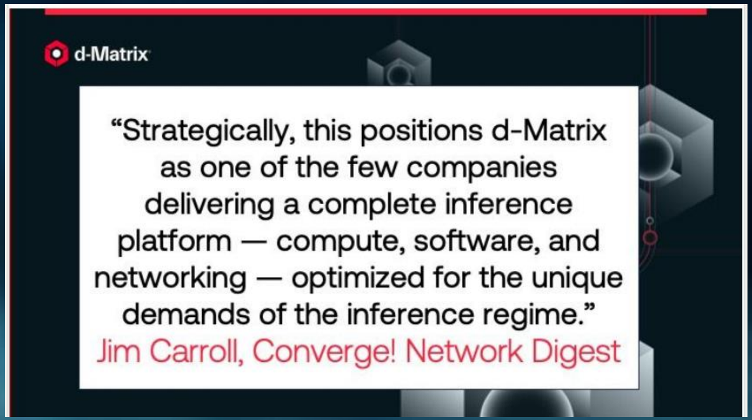
Base Business Strengthening

- Over 400 base customers
- Design wins and sales increasing
- Higher ASP (HW+SW), at lower relative volumes
- FinTech and financial services market continue to shine
- Existing customer business returning to normal
- Attractive pipeline with 2H25 line of site

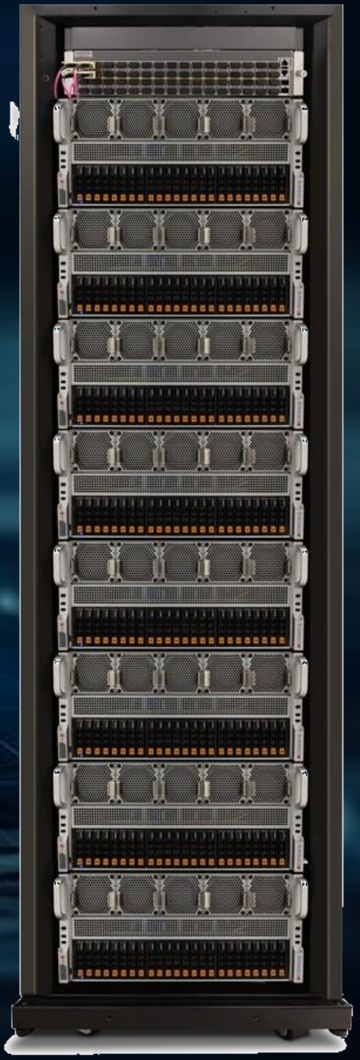
The improving base business, plus constantly expanding pipeline of opportunities and early success in new design wins provides great optimism towards realizing our growth ambitions

CASE STUDY: ARTIFICIAL INTELLIGENCE INFRASTRUCTURE FOR INFERENCING

- AI inferencing vendor win, d-Matrix
- AI infrastructure back-end network
- High-volume production
- Hardware win reuse of tier-1 server OEM design
- Commitments: units, NRE fee
- 5-year supply agreement
- Development on schedule, mileposts met
- Analysts expand projections of non-GPU co-processors for AI inferencing
- Customer product launch/disclosure complete

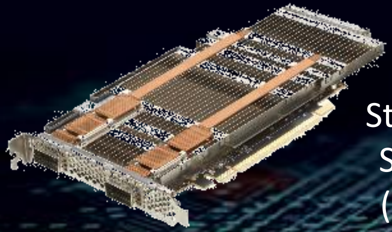



At the heart of d-Matrix SquadRack are server nodes packed with d-Matrix Corsair AI accelerators and d-Matrix JetStream IO accelerators that enable extremely fast, sustainable AI.

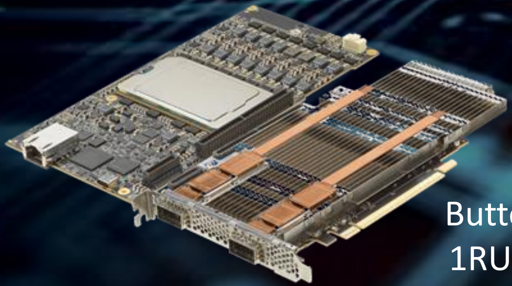


CASE STUDY: TIER-1 SERVER OEM

HARDWARE



Standalone
SmartNIC
(N3070X)



Butterfly
1RU IPU
(F3070X)

Stacked
2RU IPU
(F3070X)

SOFTWARE

NETWORKING
STORAGE
SECURITY
INFRASTRUCTURE
MANAGEMENT
AND MORE….

USE CASES

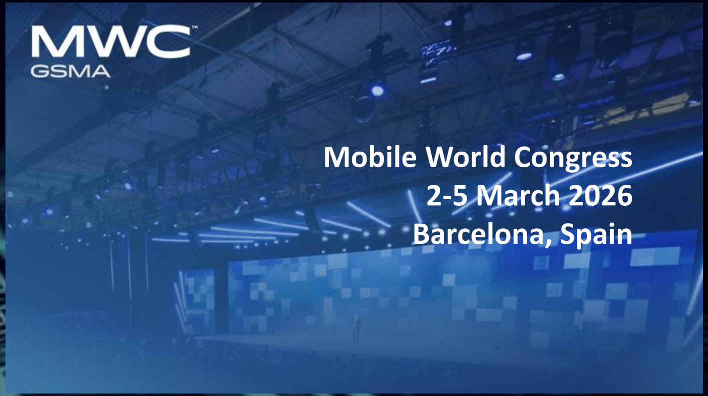
AI STORAGE CONNECTIVITY
CLOUD STORAGE
AI CONTENT AND DATA REDUCTION
CLOUD TENNANT SERVICES
5G MOBILE INFRASTRUCTURE
PARALLEL FILE SYSTEM

- On time delivery of all hardware, exceeding customer expectations
- Transitioning to software requirements per use case, stunning metrics

Land-and-expand from initial engagement to 6+ unique opportunities


SuriCon
19-21 November 2025
Montreal, Canada


Needham
Investor Conference
13-16 January 2026
New York, USA


MWC
GSMA
Mobile World Congress
2-5 March 2026
Barcelona, Spain


HOME > 2026 USA
RSAC 2026 Conference
San Francisco
Moscone Center | March 23 - 26, 2026
POWER OF COMMUNITY.


24-26 March 2026
Dubai, UAE
TeleStrategies
ISSWorld Middle East & Africa
Intelligence Support Systems for Electronic Surveillance,
Social Media/DarkNet Monitoring and Cyber Threat Detection


2-4 June 2026
Prague, Czech Republic
TeleStrategies
ISS World Europe
Intelligence Support Systems for Electronic Surveillance,
Social Media/DarkNet Monitoring and Cyber Threat Detection

FINANCIAL RESULTS

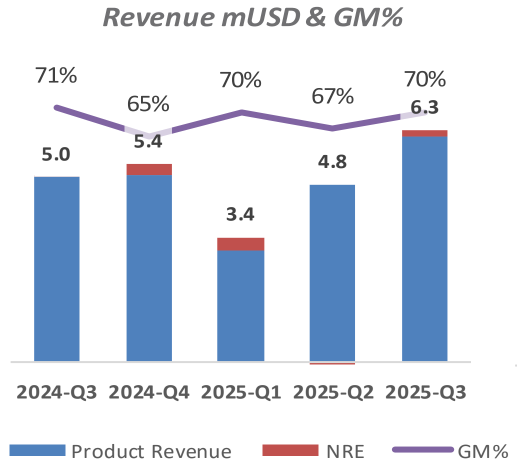
Consolidated Income Statement Q3 & YTD

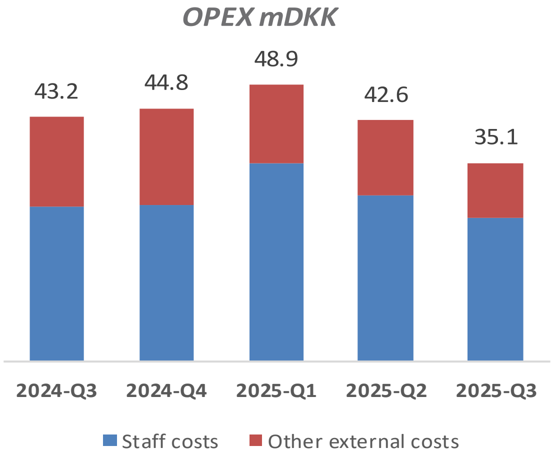
DKK'000	Q3 2025	Q3 2024	YTD Sep.. 2025	YTD Sep.. 2024	Q3 Δ	YTD Sep.. Δ
Revenue	40,133	34,012	95,553	78,730	*18%*	*21%*
Cost of goods sold	(11,841)	(9,763)	(29,364)	(23,980)		
Gross profit	28,292	24,249	66,189	54,750	*17%*	*21%*
GM%	*70.5%*	*71.3%*	*69.3%*	*69.5%*		
Staff costs	(25,495)	(27,366)	(89,997)	(83,705)	*-7%*	*8%*
Other external costs	(9,649)	(15,826)	(36,660)	(43,388)	*-39%*	*-16%*
EBITDAC	(6,852)	(18,943)	(60,468)	(72,343)		
Transferred to capitalized development costs	755	1,363	5,681	3,079	*-45%*	*85%*
EBITDA	(6,097)	(17,580)	(54,787)	(69,264)		
Depreciation, amortization and impairment	(5,018)	(6,921)	(17,345)	(22,564)	*-27%*	*-23%*
Operating result (EBIT)	(11,115)	(24,501)	(72,132)	(91,828)		
Finance income	439	(75)	648	1,131		
Finance costs	(545)	(995)	(4,786)	(2,864)		
Result before tax	(11,221)	(25,571)	(76,270)	(93,561)		
Income tax	1	10	(93)	755		
Result for the period	(11,220)	(25,561)	(76,363)	(92,806)		

EBITDAC: Earnings before depreciation, amortization and impairment, and staff cost transferred to development projects

Key Developments

- Revenue in Q3 in USD up 25% compared to Q3'24 (up 18% in DKK) and up 31% compared to Q2'25. Revenue in YTD in USD up 26% compared to '24.
- GM in Q3 70.5% up 3.6 basis points compared to Q2'25.





- Q3 EBITDA negative DKK 6.1m – up DKK 11.5m compared to Q3'24.

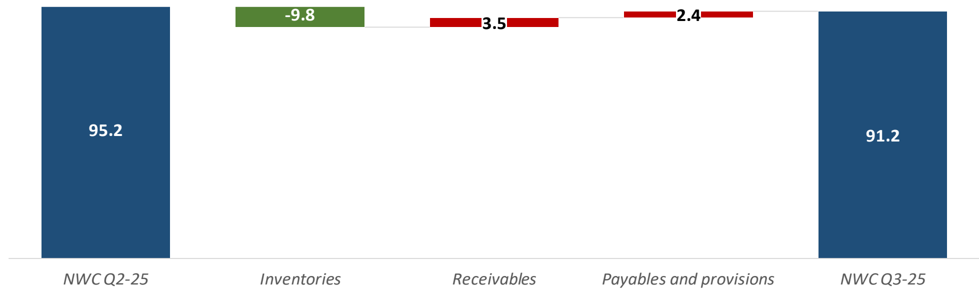
Consolidated Cash Flow Statement Q3 & YTD

DKK'000	Q3 2025	Q3 2024	YTD Sep.. 2025	YTD Sep.. 2024
Earnings before tax (EBT)	**(11,221)**	**(25,571)**	**(76,270)**	**(93,561)**
Adjustments to reconcile profit before tax to net cash flows	6,799	11,155	27,973	32,168
Working capital adjustments	3,815	(8,193)	4,521	(7,283)
Cash flows from operating activities	**(607)**	**(22,609)**	**(43,776)**	**(68,676)**
Interest and tax	605	84	(543)	(1,225)
Net cash flows from operating activities	**(2)**	**(22,525)**	**(44,319)**	**(69,901)**
Net cash used in investing activities	**(1,718)**	**(3,525)**	**(8,000)**	**(7,216)**
Free cash flow	**(1,720)**	**(26,050)**	**(52,319)**	**(77,117)**
Net cash flows used in financing activities	**(13,853)**	**25,977**	**107,744**	**137,704**
Net change in cash and cash equivalents	**(15,573)**	**(73)**	**55,425**	**60,587**
Net foreign exchange difference	(183)	(271)	(2,111)	(92)
Cash and cash equivalents at the beginning of the period	133,411	103,206	64,341	42,367
Cash and cash equivalents at the end of the period	**117,655**	**102,862**	**117,655**	**102,862**

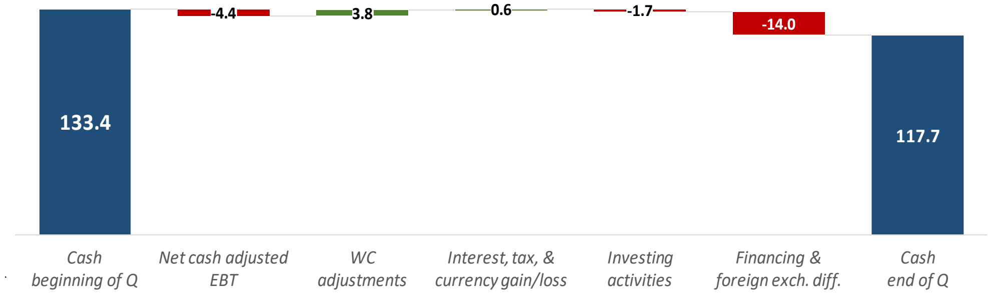
	2025	2024
Net working capital	91,245	72,408

Key Developments

- Net Cash flow from operating activities in Q3 negative DKK 2t – compared to negative DKK 22.5m in Q3'24
- Net working capital end of Q3 DKK 91.2m

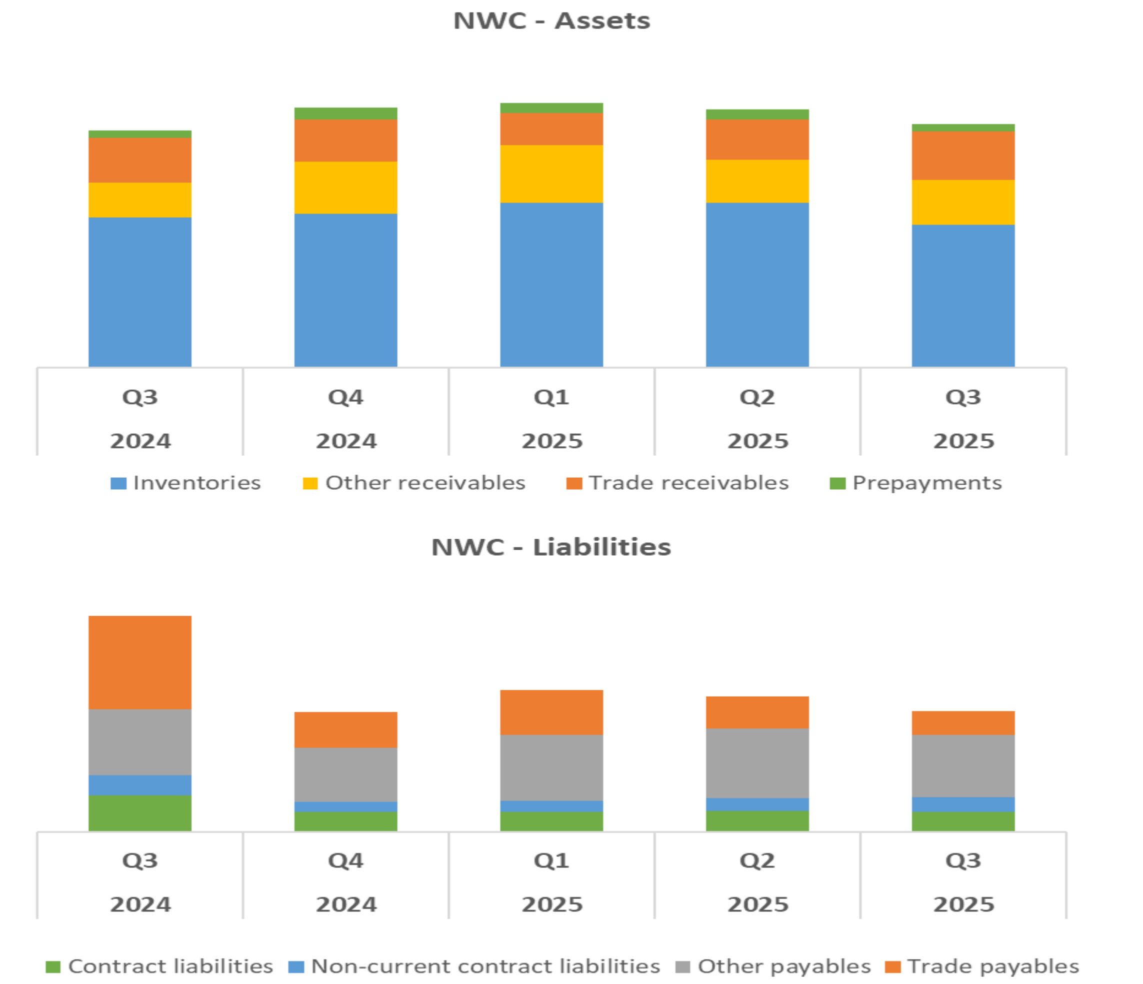


- Free cash flow in Q3 negative DKK 1.7m – up DKK 24.2m compared to Q3'24.
- Cash and cash equivalents of DKK 117.7m end of Q3 25.



NWC Improvement Initiatives

- During 2025, we have planned and implemented several improvement initiatives aimed at reducing our Net Working Capital in the second half of 2025 and through 2026.
- The key initiatives to improve the Napatech NWC focus on:
  - Reducing inventory levels and optimizing the planning of future product production
  - Negotiating better payment terms with key suppliers & current customers
  - Optimizing payment terms and sourcing model for new high-volume agreements
- In the coming years, we anticipate that most of our new business will stem from large-volume orders rather than production for stock. This shift will lead to an even more optimized logistics setup with a significantly lower need for working capital.



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