

Termination of liquidity provider agreement (inside information), recruitment of a CFO (inside information) and approval of long-term incentive program

The Board of Directors for Wirtek A/S has today decided the following:

Termination of liquidity provider agreement (inside information)

Wirtek entered into a liquidity provider agreement with Lago Kapital Oy in January 2020 to reduce the spread between buy and sell share prices and support an increase in the traded volume of Wirtek's shares as well as to attract more shareholders ([see company announcement no. 113](#)). The agreement guarantees a maximum spread of 4% for at least 85% of the continuous trading period.

This liquidity provider agreement has proven to be very successful during 2020, increasing the average daily trade in Wirtek shares from TDKK 21 during 2019 to TDKK 174 during 2020, an increase of almost 730%. So far in 2021, the average daily trade in Wirtek shares has been TDKK 578, a further increase from 2020 of more than 230%. Furthermore, the average spread between buy and sell prices has been significantly reduced from 3,2% in March 2020 down to 1,3% in July 2021. In addition, Wirtek has increased the number of qualified shareholders (owning more than EUR 500 in Wirtek shares) from around 200 qualified shareholders beginning of 2020 to now approx. 1,200 qualified shareholders in August 2021. By mid-year 2021 the pricing of the Wirtek shares no longer seems to be significantly affected by the liquidity provider arrangement.

Based on the increase in average daily trading volume and an average spread continuing to be consistently below 2% every month of 2021, the Board of Directors has today decided to terminate the liquidity provider agreement with effect by end of September 2021 and re-allocate the saved budget to other investor-related activities.

Process initiated for recruitment of a CFO (inside information)

As Wirtek is focused on reaching the accelerated growth targets of the **Accelerate25** strategy launched in January this year ([see company announcement no. 01/2021](#)), the Board of Director has decided to further strengthen the organisation by initiating a search process for a skilled CFO to be part of Wirtek's C-level management team. The Board of Directors expects this position to be filled either late 2021 or early 2022. A company announcement with more details will be issued at that time.

Approval of Long-Term Incentive Program

The Board of Directors has approved a warrants-based Long-Term Incentive Program (LTIP) to commit the Board and upper management towards the 2025 strategic goals initially announced when the **Accelerate25** strategy was introduced. The authorisation to issue the needed warrants for the LTIP was given to the Board of Directors at the ordinary general meeting on 7 April 2021 ([see company announcement no. 05/2021](#)).

The Board of Directors, C-level executives and Directors is eligible for participation in the LTIP. As part of the commitment towards the strategic goals, participants in the LTIP will forego any increases in board fees, salaries and bonuses during a 3-year period (2021 - 2023) to decrease overhead cost and thereby increase profitability.

The planned LTIP program is structured to incentivise both towards short-term goals (size of actual warrants vested will be based on reaching revenue and EBITDA goals for each of the years 2021 - 2023) as well as long-term strategy fulfilment (actual value of vested warrants at the time of exercise). The structure and schedule of the LTIP is as follows:

	2021	2022	2023	2024	2025	2026
Granted Warrants	Max. 900,000					
Vested Warrants		Max. 300,000	Max. 300,000	Max. 300,000		
Exercised Warrants				Max. 300,000	Max. 300,000	Max. 300,000

The strike price for warrants granted during this LTIP was established at DKK 18.3 as the weighted average price of Wirtek shares traded during the week (five trading days) prior to the January 2021- publication of the Accelerate25 strategy. Each exercised warrant can be converted to one Wirtek share. Vested warrants can be exercised only after 2 years and must be fully exercised no later than 7 years after vesting.

All existing Board members and members of C-level management as well as all directors have elected to participate in the LTIP. In addition, a future hired CFO will be eligible to participate in the LTIP as a C-level executive.

The articles of association will be updated following this decision.

Further information

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About Wirtek

Wirtek is a Danish IT outsourcing company. Since 2001, we have been teaming up with companies to help them create great software solutions and electronic equipment products.

Several clients have been with us for more than 10 years, so we can confidently say that in outsourcing, the quality of the relationship matters just as much as the quality of the delivered software. Our clients get state-of-the-art technical solutions and a committed team that works with them as if it were their own.

Wirtek has offices in Denmark (HQ + sales) and four development and test centres in Romania, and we are 180+ colleagues. Wirtek was listed at Nasdaq First North Growth Market Denmark in 2006.

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