



NETSOL TECHNOLOGIES LIMITED
NOTICE OF EXTRA-ORDINARY GENERAL MEETING

Notice is hereby given that an Extra-Ordinary General (“EOGM”) Meeting of **NETSOL Technologies Limited** (the “Company”) will be held on **Wednesday, June 03, 2026 at 11:00 AM** at the registered office of the Company situated at NetSol Technologies Limited, NetSol IT Village (Software Technology Park) Lahore Ring Road, Ghazi Road Interchange, Lahore Cantt., (and through video-link, as requested) to transact the following business:

SPECIAL BUSINESS

1. To consider and, if deemed fit, to pass with or without modification(s), addition(s) or deletion(s), the following special resolution(s) pursuant to Section 83A of the Companies Act, 2017 read with the Companies (Further Issue of Shares) Regulations, 2020, for the establishment of an Employee Stock Option Scheme (“ESOS”) (attached) for the eligible employees of the Company, comprising up to 5,000,000 share options as recommended by the Board of Directors of the Company:.

RESOLVED THAT:

“Pursuant to Section 83A of the Companies Act, 2017 read with the Companies (Further Issue of Shares) Regulations, 2020, the draft Employee Stock Option Scheme (“ESOS”) of NETSOL Technologies Limited, as placed before the meeting, be and is hereby approved, whereby eligible employees of the Company shall be entitled to subscribe for up to 5,000,000 ordinary shares of the Company under the terms of the Scheme.”

FURTHER RESOLVED THAT:

“The options granted under the Scheme shall vest in two (2) equal tranches over a period of two (2) years from the Date of Grant, in the manner set out in the Scheme, and the grant price shall be determined on the basis of the closing market price of the Company’s shares quoted on the Pakistan Stock Exchange on the trading day immediately preceding the Date of Grant, discounted by fifty percent (50%), subject to applicable laws and the terms of the Scheme.”

FURTHER RESOLVED THAT:

Pursuant to the Companies (Further Issue of Shares) Regulations, 2020, the options under the approved Employee Stock Option Scheme may also be granted to eligible employees of the subsidiary companies of NETSOL Technologies Limited, in accordance with the terms and conditions of the Scheme and applicable laws.

FURTHER RESOLVED THAT:

Pursuant to the Companies (Further Issue of Shares) Regulations, 2020, the grant of options equal to or exceeding one percent (1%) of the issued and paid-up share capital of the Company, at the time of grant of options within a period of one (1) year, to any employee, be and is hereby approved.

FURTHER RESOLVED THAT:

“Chief Executive Officer and the Company Secretary (hereinafter the “Authorized Persons”) be and are hereby jointly or severally authorized and empowered to take all such necessary, ancillary, and incidental steps and to do or cause to be done all such acts, deeds, and things that may be required for the purpose of giving effect to aforesaid resolution(s) and to do all acts, matter, deeds and things which are necessarily incidental and /or consequential to the principal or any ancillary matters thereto.”

2. To consider and, if deemed fit, pass, with or without modification(s), addition(s) or deletion(s), the following resolutions, as special resolutions for the sale of 2,690,251 treasury shares held by the Company to eligible employees of the Company in accordance with the Listed Companies (Buy-Back of Shares) Regulations, 2019 and Company’s Stock Option Scheme as recommended by the Board of Directors of the Company:



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RESOLVED THAT:

"Pursuant to Regulation 13(6)(b) of the Listed Companies (Buy-Back of Shares) Regulations, 2019, the sale of 2,690,251 (Two million six hundred ninety thousand two hundred fifty-one) ordinary shares currently held as Treasury Shares, be and is hereby approved for allotment to eligible employees of the Company in accordance with the terms of the Company's Stock Option Scheme.

FURTHER RESOLVED THAT:

"Chief Executive Officer and the Company Secretary (hereinafter the "Authorized Persons") be and are hereby jointly or severally authorized and empowered to take all such necessary, ancillary, and incidental steps and to do or cause to be done all such acts, deeds, and things that may be required for the purpose of giving effect to aforesaid resolution(s) and to do all acts, matter, deeds and things which are necessarily incidental and /or consequential to the principal or any ancillary matters thereto."

Statement of material facts under Section 134(3) of the Companies Act, 2017 relating to the Special Business is annexed to the Notice of EOGM.

GENERAL RESOLUTIONS:

The below general resolution will be applicable for all agenda items of special business.

FURTHER RESOLVED THAT:

"All acts, deeds, and actions taken by the Authorized Persons pursuant to these special resolutions of the shareholders for and on behalf of and in the name of the Company shall be binding acts, deeds and things done by the Company."

FURTHER RESOLVED THAT:

"The aforesaid resolution(s) shall be subject to any amendment(s), modification(s), addition(s), or deletion(s) that may be suggested, directed, and advised by the regulator(s), which shall, if deemed to be prudent or necessary by the Authorized Persons, be deemed to be as part of these special resolution(s) without the need of passing a fresh special resolution(s)."

By Order of the Board

Lahore
May 13, 2026

SEHRISH
(Company Secretary)

NOTES:

CLOSURE OF SHARE TRANSFER BOOKS

- 1) The share transfer books of the Company will remain closed from May 26, 2026 to June 03, 2026 (both days inclusive). Transfer received in order at the office of our Share Registrar, M/s Vision Consulting Ltd., 5-C, LDA Flats, 2nd Floor, Lawrence Road, Lahore. Tel No. +92(42)36283096, +92(42)36283097, Fax No. +92(42)36312550 by the close of business (5:00 PM) on May 25, 2026 will be considered in time for the purpose to attend, speak and vote at the EOGM.



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- 2) Members are requested to timely notify any change in their addresses, (if any) to the Company's Share Registrar at the following address:

Share Registrar

M/s Vision Consulting Ltd.,
5-C, LDA Flats, 2nd Floor, Lawrence Road, Lahore.
Tel No. +92(42)36283096, +92(42)36283097,
Fax No. +92(42)36312550

PROCEDURE FOR E-VOTING

- a) In accordance with the Companies (Postal Ballot) Regulation, 2018, ("Postal Regulations"), the right to vote through electronic voting facility and voting by post shall be provided to members of every listed company for, inter alia, all businesses classified as special business under the Companies Act in the manner and subject to the conditions contained in the Postal Regulations.
- b) Details of E-Voting facility will be shared through e-mail with members who have valid cell numbers/e-mail addresses (Registered e-mail ID) available in the Register of Members of the Company by the end of business day on May 25, 2026. Members who intend to exercise their right of vote through E-Voting shall provide their valid cell numbers and email addresses no later than May 25, 2026.
- c) Identity of the members intending to cast vote through E-Voting shall be authenticated through electronic signature or authentication for login
- d) Members shall cast votes for the agenda items from May 31, 2026 till June 02, 2026 before 5:00 p.m. Voting shall close on June 02, 2026 at 5:00 p.m. A vote once cast by a member is not permitted to be changed.

PROCEDURE FOR VOTING THROUGH POSTAL BALLOT

- a) Members may alternatively opt for voting through Postal Ballot. For convenience of members, a Ballot Paper is annexed with the notice of the meeting and the same will be available for downloading on the Company's website (www.netsolpk.com).
- b) Members are required to ensure that a duly filled and signed Ballot Paper along with a copy of his/her CNIC should reach the Chairman of the Meeting through post at the Company's Corporate Office at NetSol IT Village (Software Technology Park) Lahore Ring Road, Ghazi Road Interchange, Lahore Cantt. or email evoting@netsolpk.com one day before the Meeting, that is, on June 02, 2026 before 6:00 p.m. A Postal Ballot received thereafter shall not be considered. The signature on the Ballot Paper shall duly match with signature on the CNIC.

APPOINTMENT OF PROXY

- a) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on his/her behalf, provided such proxy is also a member.
- b) An instrument of proxy and the Power of Attorney or other authority (if any) under which it is signed, or a certified copy of such Power of Attorney, to be valid, must be deposited with the Company's Share Registrar, M/s Vision Consulting Ltd. not later than (48) forty-eight hours before the time of holding the Meeting.



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CDC ACCOUNT HOLDERS

CDC account holders are in addition required to follow the guidelines of Circular No.1 dated January 26, 2000 issued by the SECP for attending the Meeting:

A) For Attending the Meeting:

- a) **In case of individuals:** the CDC account holder or sub-account holder shall authenticate his/her identity by showing his/her original CNIC or original passport at the time of attending the meeting. Members are also required to bring their Participants' I.D. Number and Account Numbers in CDS.
- b) **In case of corporate entity:** the board of directors' resolution/power of attorney with specimen signature of the nominee and a certified copy of his/her CNIC shall be produced (unless it has been provided earlier) at the time of the meeting.
- c) A Proxy Form, both in English and Urdu language, is being separately sent to members along with the Notice of the Meeting.
- d) Notice of Meeting as well as Proxy Form in English and Urdu languages have been placed on the Company's website www.netsolpk.com in addition to its dispatch to the shareholders.

B) For Appointing Proxies:

- i) In case of individuals, the account holder or sub-account holder shall submit the proxy form as per the above requirements.
- ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
- iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- iv) The proxy shall produce his/her original CNIC or original passport at the time of the meeting.
- v) In case of corporate entity, the board of directors' resolution/power of attorney with specimen signature shall be required to be submitted (unless it has been provided earlier) along with proxy form to the company.

ONLINE PARTICIPATION IN EOGM

Pursuant to the requirement of Securities and Exchange Commission of Pakistan (SECP), Shareholders may wish to participate virtually in the EOGM. For this purpose, the shareholders are requested to visit company's website for registration.

In case of any queries, please feel free to email at: corporate@netsolpk.com.

Please note that registration for the meeting shall close at 06:00 pm on June 02, 2026 after which participants / shareholders shall be unable to register for the meeting. All participants / shareholders who would have registered within the prescribed timeline shall receive a meeting link and shall be able to access the meeting therefore, the Company emphasizes on timely registrations.



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PROHIBITION ON DISTRIBUTION OF GIFTS AND SHAREHOLDER CONDUCT:

In compliance with Section 185 of the Companies Act, 2017 and S.R.O 452(I)/2025 dated March 17, 2025 issued by SECP, shareholders are hereby informed that no gifts, in any form, shall be distributed at or in connection with the general meeting. Shareholders are also advised to observe decorum and meeting etiquette as prescribed in SECP's Guidelines for Professional Conduct in General Meeting.

STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 RELATING TO THE SPECIAL BUSINESS

AGENDA ITEM # 1

NETSOL Technologies Limited (the "Company") recognises that its employees are amongst its most important assets, and that aligning the long-term interests of employees with those of the Company and its shareholders is essential for sustainable value creation. To this end, and pursuant to the powers conferred upon it under Section 83A of the Companies Act, 2017 (the "Act") read with the Companies (Further Issue of Shares) Regulations, 2020 (the "Regulations"), the Company has formulated this Employee Stock Option Scheme (the "Scheme") for the benefit of its eligible employees, including those of its subsidiaries (attached).

The principal objectives of the Scheme are to attract, retain, motivate and reward eligible employees by offering them an opportunity to participate in the share capital of the Company, to foster a sense of ownership, to incentivize superior performance, and to align employee interests with the long-term growth and profitability of the Company.

The Scheme has been approved by the Board of Directors of the Company and recommended shareholders for their approval

AGENDA ITEM # 2

The Company currently holds 2,690,251 ordinary shares as "Treasury Shares." In accordance with Regulation 13(5) of the Companies (Buy-Back of Shares) Regulations, 2019, the Company is restricted from issue of further capital while Treasury Shares are held. However, under Regulation 13(6)(b) of the same regulations, the Company is permitted to sell these Treasury Shares to its employees under Employee Stock Option Scheme (ESOS).

To facilitate the issuance of shares to employees, the Board of Directors, in its meeting held on April 30, 2026, approved and resolved to recommend the allotment of 2,690,251 ((Two million six hundred ninety thousand two hundred fifty-one)) ordinary treasury shares to eligible employees under the Company's Share Option Scheme. Further, the Company will also ensure compliance with Regulation 7(9) of the Companies (Further Issue of Shares) Regulations, 2020.

NETSOL TECHNOLOGIES LIMITED
EMPLOYEE SHARE OPTION SCHEME - 2026

Formulated under Section 83A of the Companies Act, 2017 read with the Companies (Further Issue of Shares) Regulations, 2020

This Scheme is formulated pursuant to and in accordance with the provisions of the Articles of Association of the Company authorizing issuance of shares under an Employee Share Option Scheme.

PREAMBLE

NETSOL Technologies Limited (the “Company”) recognises that its employees are amongst its most important assets, and that aligning the long-term interests of employees with those of the Company and its shareholders is essential for sustainable value creation. To this end, and pursuant to the powers conferred upon it under Section 83A of the Companies Act, 2017 (the “Act”) read with the Companies (Further Issue of Shares) Regulations, 2020 (the “Regulations”), the Company has formulated this Employee Share Option Scheme (the “Scheme”) for the benefit of its eligible employees, including those of its subsidiaries.

The principal objectives of the Scheme are to attract, retain, motivate and reward eligible employees by offering them an opportunity to participate in the share capital of the Company, to foster a sense of ownership, to incentivise superior performance, and to align employee interests with the long-term growth and profitability of the Company.

The Scheme has been approved by the Board of Directors of the Company and shall be subject to the approval of the shareholders of the Company by way of a special resolution passed in a general meeting.

1. DEFINITIONS AND INTERPRETATION

In this Scheme, unless the context otherwise requires, the following expressions shall have the meanings ascribed to them hereunder:

- 1.1 **“Act”** means the Companies Act, 2017 and includes all rules, regulations, notifications, circulars and directions issued thereunder, as amended from time to time.
- 1.2 **“Board”** means the Board of Directors of the Company for the time being.
- 1.3 **“Business Day”** means a day (other than a Saturday, Sunday or public holiday) on which scheduled banks are open for ordinary banking business in Pakistan.
- 1.4 **“Company”** means NETSOL Technologies Limited, a public limited company incorporated under the laws of Pakistan and listed on the Pakistan Stock Exchange Limited.
- 1.5 **“Compensation Committee”** means the committee constituted by the Board pursuant to Clause 7 of this Scheme to administer and implement the Scheme.
- 1.6 **“CEO”** means the Chief Executive Officer of the Company for the time being.
- 1.7 **“Date of Grant”** means, in relation to any Option, the date on which such Option is granted to an Eligible Employee by the Compensation Committee under this Scheme.

- 1.8 **“Eligible Employee”** means a permanent employee of the Company or any of its Subsidiaries, including the executive directors and the Chief Executive Officer of the Company, who satisfies the eligibility criteria set out in Clause 4 of this Scheme.
- 1.9 **“Exercise”** means, in relation to an Option, the exercise of such Option by the Option Holder in accordance with the terms of this Scheme, and the words “Exercised” and “Exercise Period” shall be construed accordingly.
- 1.10 **“Exercise Period”** means a period of 9 (nine) years commencing 1(one) year after the date of grant of options
- 1.11 **“Face Value”** means the nominal or par value of an ordinary share of the Company, which as at the date of approval of this Scheme is Rupees Ten (Rs.10/-) per share.
- 1.12 **“Grant Letter”** means the letter or written instrument issued by the Company to an Eligible Employee setting out the number of Options granted, the Grant Price, the Vesting schedule, the Exercise Period and such other terms and conditions as may be applicable to such grant.
- 1.13 **“Grant Price”** means the price payable by an Option Holder for the Exercise of an Option, determined in accordance with Clause 5 of this Scheme.
- 1.14 **“Income Tax Ordinance”** means the Income Tax Ordinance, 2001 and includes the Income Tax Rules, 2002 and all other rules, regulations, notifications, circulars and statutory orders issued thereunder, as amended from time to time.
- 1.15 **“Inside Information”** shall have the meaning ascribed to that expression under the Securities Act, 2015 and shall include information of a precise nature relating, directly or indirectly, to the Company or to its securities, which has not been made public and which, if made public, would be likely to have a significant effect on the price of those securities.
- 1.16 **“Key Performance Indicators or KPIs”** means the performance measures, targets and benchmarks established by the Company from time to time for the evaluation of employee performance.
- 1.17 **“Option”** means a right (but not an obligation) granted to an Eligible Employee under this Scheme to subscribe for one ordinary share of the Company at the Grant Price upon Vesting and within the Exercise Period, subject to the terms and conditions of this Scheme.
- 1.18 **“Option Holder”** means an Eligible Employee to whom Options have been granted under this Scheme and which Options have not lapsed, expired or been cancelled.
- 1.19 **“PSX”** means the Pakistan Stock Exchange Limited.
- 1.20 **“Regulations”** means the Companies (Further Issue of Shares) Regulations, 2020 issued by the SECP, as amended from time to time.

- 1.21 **“Scheme”** means this Employee Share Option Scheme of NETSOL Technologies Limited, as may be amended from time to time in accordance with its terms.
- 1.22 **“SECP”** means the Securities and Exchange Commission of Pakistan.
- 1.23 **“Securities Act”** means the Securities Act, 2015 and includes all rules, regulations, notifications, directives, circulars and guidelines issued thereunder by the SECP and the PSX, as amended from time to time, including the Listed Companies (Code of Corporate Governance) Regulations, 2019.
- 1.24 **“Shares”** means the fully paid-up ordinary shares of the Company having a Face Value of Rupees Ten (Rs.10/-) each, to be issued and allotted upon the Exercise of Options under this Scheme.
- 1.25 **“Subsidiary”** means a company which is a subsidiary of the Company within the meaning ascribed to that term under Section 2(68) of the Act.
- 1.26 **“Vesting”** means the process by which an Eligible Employee becomes entitled to Exercise the Options granted to him or her under this Scheme, and the words “Vest” and “Vested” shall be construed accordingly.
- 1.27 **“Vesting Date”** means, in respect of any tranche of Options, the date on which such tranche of Options Vests in the Option Holder in accordance with Clause 6 of this Scheme.

Interpretation

- 1.28 In this Scheme, unless the context otherwise requires:
- (a) words denoting the singular shall include the plural and vice versa;
 - (b) words denoting any one gender shall include all genders;
 - (c) references to any statute, regulation or statutory provision shall be construed as references to such statute, regulation or statutory provision as may be amended, re-enacted or replaced from time to time;
 - (d) headings are inserted for convenience only and shall not affect the construction or interpretation of this Scheme; and
 - (e) references to a Clause are to a clause of this Scheme.

2. TITLE, COMMENCEMENT AND DURATION

- 2.1 This Scheme shall be called the “NETSOL Technologies Limited Employee Share Option Scheme”.
- 2.2 The Scheme shall come into force on the date on which it is approved by the shareholders of the Company by way of a special resolution and all requisite regulatory approvals,

including those, if any, required from the SECP and the PSX, have been obtained (the “Effective Date”).

- 2.3** The Scheme shall remain in force for a period of ten (10) years from the Effective Date, unless terminated earlier by the Board in accordance with the terms of this Scheme. The expiry or termination of the Scheme shall not affect Options already granted, which shall continue to be governed by the terms of the Scheme until they are Exercised, lapse or are otherwise extinguished.

3. NUMBER OF OPTIONS AND SHARES UNDER THE SCHEME

- 3.1** The total number of Options that may be granted under the Scheme shall not exceed 5,000,000 (five million) Options, each Option entitling the Option Holder to subscribe for one (1) ordinary Share of the Company upon Vesting and Exercise, subject to adjustments contemplated under Clause 10.
- 3.2** Accordingly, the maximum number of Shares that may be issued under the Scheme upon the Exercise of Options shall be 5,000,000 (five million) ordinary Shares of Face Value of Rupees Ten (Rs.10/-) each.
- 3.3** Notwithstanding anything contained in this Scheme, the entitlement pool under the Scheme shall at all times remain within the limits prescribed under Regulation 7(9) of the Companies (Further Issue of Shares) Regulations, 2020, including: (a) not exceeding ten per cent (10%) of the enhanced paid-up capital of the Company in any one year; and (b) not exceeding twenty-five per cent (25%) of the enhanced paid-up capital of the Company at any point in time.
- 3.4** Options that lapse, expire, are forfeited or are cancelled without being Exercised shall be available for re-grant under the Scheme, provided that the aggregate number of Options outstanding at any time, together with the Options Exercised, shall not exceed the limit specified in Clause 3.1.
- 3.5** The grant of Options and the issue of Shares pursuant to the Exercise of Options shall at all times remain within the limits prescribed by the Act and the Regulations.

4. ELIGIBILITY

- 4.1** All permanent employees of the Company and its Subsidiaries, including the executive directors and the Chief Executive Officer of the Company, who meet the eligibility criteria specified in Clause 4.2, shall be eligible to be considered for the grant of Options under this Scheme.
- 4.2** In identifying Eligible Employees and recommending or approving the grant of Options, the Compensation Committee, on the recommendation of the CEO, shall take into account the following eligibility criteria:

- (a) competitive pay levels of the employee, having regard to the prevailing remuneration benchmarks within the industry and the Company;
- (b) the level of responsibility carried by the employee in his or her position, including the criticality of the role to the achievement of the Company's strategic objectives;
- (c) the achievement by the employee of the Key Performance Indicators set for him or her by the Company; and
- (d) the number of years of service rendered by the employee to the Company or any of its Subsidiaries.

4.3 Notwithstanding Clauses 4.1 and 4.2, no Option shall be granted to any person who is, or who is connected with, an independent director of the Company, or to any other person who is not eligible to participate in an employee stock option scheme under the Act or the Regulations.

4.4 The grant of Options under this Scheme shall be at the absolute discretion of the Compensation Committee, and no employee shall have any claim or right to be granted Options merely by reason of his or her satisfying the eligibility criteria set out herein.

5. GRANT PRICE

5.1 The Grant Price shall be the price payable by an Option Holder for the Exercise of an Option, and shall be determined by the Compensation Committee in respect of each grant on the following basis:

- (a) the closing price of the Share of the Company on the PSX on the trading day immediately preceding the Date of Grant, discounted by fifty per cent (50%); provided that
- (b) the Grant Price so determined shall in no case be lower than the Face Value of the Share of the Company, being Rupees Ten (Rs.10/-) per share.

5.2 If the application of the discount referred to in Clause 5.1(a) results in a price lower than the Face Value, the Grant Price shall be deemed to be equal to the Face Value of Rupees Ten (Rs.10/-) per Share.

5.3 The Grant Price applicable to each grant shall be specified in the Grant Letter issued to the Eligible Employee and shall remain fixed for the duration of the Option, subject only to adjustments under Clause 10.

6. VESTING AND EXERCISE OF OPTIONS

Lock-in Period

- 6.1** The Options granted under this Scheme shall not be Exercisable for a period of one (1) year from the Date of Grant (the “Lock-in Period”).

Vesting Schedule

- 6.2** Subject to Clause 6.1 and the continued employment of the Option Holder with the Company or any of its Subsidiaries (save as otherwise provided in Clause 8), the Options granted to an Option Holder shall Vest in two (2) equal tranches over a period of two (2) years from the Date of Grant in the following manner:
- (a) fifty per cent (50%) of the total Options granted shall Vest and become Exercisable upon the expiry of twelve (12) months from the Date of Grant; and
 - (b) the remaining fifty per cent (50%) of the total Options granted shall Vest and become Exercisable upon the expiry of twenty-four (24) months from the Date of Grant.
- 6.3** Upon Vesting, the Vested Options shall be Exercisable by the Option Holder during the Exercise Period applicable to such Options, as specified in the Grant Letter.

Method of Exercise

- 6.4** An Option Holder may Exercise his or her Vested Options, in whole or in part, by delivering to the Company a written notice of Exercise in such form as may be prescribed by the Compensation Committee, accompanied by payment in full of the aggregate Grant Price for the Options being Exercised, by way of cheque, pay order, demand draft, online transfer or such other mode as may be acceptable to the Company.
- 6.5** Upon the valid Exercise of an Option and receipt of the Grant Price by the Company, the Company shall, subject to compliance with all applicable laws and the Regulations, allot and issue to the Option Holder the corresponding number of Shares, which shall rank pari passu in all respects with the existing ordinary Shares of the Company.
- 6.6** All Shares issued pursuant to the Exercise of Options shall be issued in book-entry form in accordance with applicable laws, CDC requirements and PSX regulations.
- 6.7** Options not Exercised within the Exercise Period shall lapse automatically without any further act or notice, and the Option Holder shall have no claim against the Company in respect of such lapsed Options.

7. ADMINISTRATION OF THE SCHEME

- 7.1** The Scheme shall be administered by the Compensation Committee constituted by the Board for this purpose.

his7.2 The Compensation Committee shall comprise three (3) members, namely two (2) independent directors of the Company and one (1) non-executive director of the Company. The Chairperson of the Compensation Committee shall be an independent director.

7.3 The Compensation Committee shall be responsible, on the recommendation of the CEO, for the allocation, grant and administration of Options under the Scheme. Without prejudice to the generality of the foregoing, the Compensation Committee shall have the power to:

- (a) identify Eligible Employees in accordance with the eligibility criteria set out in Clause 4 and recommend or approve the grant of Options to such Eligible Employees;
- (b) determine, in respect of each grant, the number of Options to be granted, the Grant Price (in accordance with Clause 5), the Vesting schedule (in accordance with Clause 6), the Exercise Period and such other terms and conditions as it may consider appropriate, consistent with this Scheme;
- (c) issue Grant Letters and prescribe the form of any notices, declarations or other documents to be used in connection with the Scheme;
- (d) frame, vary, modify and rescind rules, regulations, guidelines and procedures for the administration of the Scheme;
- (e) decide all questions of fact, interpretation and application that may arise in relation to the Scheme; and
- (f) exercise such other powers and perform such other functions as may be delegated to it by the Board, subject to applicable law.

7.4 The CEO shall make recommendations to the Compensation Committee in respect of the Eligible Employees to whom Options should be granted and the number of Options to be granted to each such Eligible Employee. The Compensation Committee shall consider such recommendations and may approve, reject or modify the same in its discretion.

7.5 All decisions, determinations and interpretations of the Compensation Committee in respect of the Scheme shall be final and binding on the Company, the Eligible Employees, the Option Holders and all other persons claiming under them, save in the case of manifest error.

8. LAPSE OF OPTIONS

Resignation or Termination

8.1 Notwithstanding anything to the contrary contained in Clause 6, in the event that an Option Holder cease to be in employment of the Company or any of its Subsidiaries for any reason

(including termination of employment for misconduct) other than Retirement or death, all options not vested as on that day shall expire. Provided, the employee shall, subject to the terms and conditions of the scheme, may be entitled to retain all the vested options.

8.2 The Option Holder shall be entitled to Exercise such Vested Options within thirty (30) days from the date of resignation or termination. Any Options not Exercised within the said period of thirty (30) days shall automatically lapse and the Option Holder shall have no further rights in respect thereof.

Others

8.3 In the case of cessation of employment by reason of Retirement or permanent Incapacitation, all Options held by him shall become 100% vested in his name and will remain capable of exercise within twelve months from the date of such Retirement or incapacitation.

8.4 In the case of cessation of employment by reason of death, all his Option shall automatically become 100% vested and remain capable of exercise by his/her legal heirs within twelve months from the date of the Option Holder's death.

8.5 Upon the expiry of the Exercise Period, all the unexercised options shall lapse.

8.6 Options lapsed in any of the circumstances specified in this clause, may be granted by the Compensation Committee to other Eligible Employees.

9. RIGHTS AND RESTRICTIONS ATTACHING TO OPTIONS

9.1 Options granted under this Scheme shall be personal to the Option Holder and shall not be transferable, assignable, pledged, charged, mortgaged or otherwise alienated by the Option Holder, save by operation of law in the case of death of the Option Holder.

9.2 An Option Holder shall not, by reason only of the holding of Options, have any rights of a shareholder of the Company, including any right to receive dividends, vote at general meetings, or participate in any rights issue or bonus issue. Such rights shall accrue only upon the issue and allotment of Shares to the Option Holder pursuant to the Exercise of Options.

9.3 Shares issued upon the Exercise of Options shall rank pari passu in all respects with the then-existing ordinary Shares of the Company, save that they shall not be entitled to any dividend or other distribution declared by reference to a record date falling prior to the date of allotment of such Shares.

- 9.4 Shares issued pursuant to exercise of Options shall not be subject to any post-allotment lock-in unless otherwise determined by the Compensation Committee and communicated in the Grant Letter.

10. ADJUSTMENTS ON CORPORATE ACTIONS

- 10.1 In the event of any rights issue, bonus issue, subdivision, consolidation or other corporate action, the number of Options and the Exercise Price shall remain unchanged unless adjustment is made by the approval of shareholders, subject to the conditions given in Clause 3.3 above, and/or the Grant Price as it considers fair and reasonable, so as to preserve the value of the Options held by Option Holders, subject to compliance with the Act, the Regulations and any other applicable law.

11. TAXATION AND WITHHOLDING OF TAX

Tax Treatment under the Income Tax Ordinance, 2001

- 11.1 The Scheme has been formulated having regard to the provisions of the Income Tax Ordinance, 2001 (the “Income Tax Ordinance”), and in particular Section 14 thereof, which governs the tax treatment of employee share schemes. The Company, the Eligible Employees and the Option Holders shall be bound by the provisions of the Income Tax Ordinance and the rules made thereunder, as may be in force from time to time.
- 11.2 In accordance with sub-section (1) of Section 14 of the Income Tax Ordinance, the value of an Option granted to an Eligible Employee under this Scheme shall not, at the time of grant, be chargeable to tax under the head “Salary” in the hands of the Option Holder.
- 11.3 In accordance with sub-section (2) of Section 14 of the Income Tax Ordinance, where, pursuant to the Exercise of Options under the Scheme, Shares are issued to an Option Holder, the amount chargeable to tax under the head “Salary” in the hands of the Option Holder for the tax year in which the Shares are issued shall include the fair market value of the Shares determined at the date of issue, as reduced by any consideration given by the Option Holder for the Shares (including the Grant Price paid upon Exercise) and any amount paid by the Option Holder as consideration for the grant of the Option.
- 11.4 In accordance with sub-section (3) of Section 14 of the Income Tax Ordinance, where the Option Holder has a right or restriction on the disposal of the Shares acquired under the Scheme, the amount referred to in Clause 11.3 shall be chargeable to tax in the tax year in which the Option Holder has a free right to transfer the Shares, or in which the restriction on transfer ceases.
- 11.5 Without prejudice to the generality of Clauses 11.3 and 11.4, where an Option Holder subsequently disposes of the Shares acquired under this Scheme, any gain arising on such disposal shall be chargeable to tax in the manner and at the rates specified under

the relevant provisions of the Income Tax Ordinance, including, where applicable, Section 37A thereof relating to capital gain on the disposal of securities.

Withholding of Tax

- 11.6** The Company shall, at the time of issue of Shares pursuant to the Exercise of Options, compute the amount chargeable to tax under the head “Salary” in the hands of the Option Holder in accordance with Section 14 of the Income Tax Ordinance, and shall deduct income tax at source from the salary of the Option Holder in accordance with Section 149 of the Income Tax Ordinance and any other applicable withholding provisions, at the average rate of tax computed in the manner prescribed thereunder.
- 11.7** The Company shall deposit the tax so deducted into the Government treasury within the prescribed time and shall furnish such statements, returns and certificates to the Federal Board of Revenue and to the Option Holder as may be required under the Income Tax Ordinance and the Income Tax Rules, 2002.
- 11.8** Where the salary payable to the Option Holder by the Company in the relevant tax year is insufficient to enable the Company to deduct the entire amount of tax required to be withheld in respect of the Exercise of Options, the Option Holder shall, as a condition precedent to the issue of Shares, pay to the Company the amount of any shortfall, failing which the Company shall be entitled to:
- (a) withhold the issue of Shares until the amount of the shortfall is paid by the Option Holder; or
 - (b) make such other arrangements (including the sale of a sufficient number of Shares to be issued upon Exercise) as may be necessary to recover the amount of tax required to be withheld, in each case in accordance with applicable law.

Indemnity for Tax

- 11.9** All tax consequences arising for an Option Holder under or in connection with this Scheme, including any income tax, capital gains tax, withholding tax, stamp duty, levy, surcharge or any other impost, shall be borne solely by such Option Holder. Each Option Holder shall, by accepting the grant of an Option, be deemed to have indemnified and to keep indemnified the Company and its Subsidiaries against any liability for tax (including any interest or penalty thereon) arising in respect of the grant, Vesting or Exercise of his or her Options or the disposal of any Shares acquired thereunder.
- 11.10** The Company does not provide, and shall not be deemed to have provided, any tax advice to any Eligible Employee or Option Holder in relation to the Scheme. Each Eligible Employee and Option Holder is advised to consult his or her own tax advisor in relation to the tax implications of participation in the Scheme.

12. PROHIBITION ON INSIDER TRADING

12.1 Each Eligible Employee and Option Holder shall, at all times in connection with this Scheme and any transaction in the Shares of the Company, comply strictly with:

- (a) the prohibitions on insider trading, dealing in securities while in possession of inside information, tipping and procuring contained in Sections 127, 128 and 129 of the Securities Act, 2015 (the “Securities Act”);
- (b) the penalty provisions contained in Section 159 of the Securities Act and any other applicable provisions of the Securities Act dealing with market abuse;
- (c) the Listed Companies (Code of Corporate Governance) Regulations, 2019 and any other regulations, guidelines, directives or circulars issued by the SECP and the PSX from time to time in relation to insider trading, the disclosure of beneficial ownership and dealings by directors, executives and connected persons in the securities of listed companies; and
- (d) the Company’s internal code of conduct for the prevention of insider trading and any policies adopted by the Board for regulating dealings by employees in the securities of the Company, as may be in force from time to time.

12.2 Without prejudice to the generality of Clause 12.1, no Eligible Employee, Option Holder or any person connected with him or her (including members of his or her family or any company, trust or other entity controlled by him or her) shall:

- (a) deal, directly or indirectly, in the securities of the Company while in possession of any “inside information” within the meaning ascribed to that expression under the Securities Act, that is to say, information of a precise nature relating, directly or indirectly, to the Company or to its securities, which has not been made public and which, if made public, would be likely to have a significant effect on the price of those securities;

Material Non Public Information includes but not limited to the following matters;

- i) Financial Results (quarterly, half-yearly & annual) of the company
- ii) Intended declaration of dividends (both interim & final)
- iii) Issue of shares by way of rights, bonus etc.
- iv) Any major expansion plans or execution of new projects
- v) Amalgamation, mergers and takeovers
- vi) Disposal of the whole or substantially the whole of the undertaking
- vii) Any changes in policies, plans or operations of the company
- viii) Such other information as may affect the earnings of the company

- (b) communicate, counsel or procure such inside information to or for the benefit of any other person, otherwise than in the proper performance of his or her duties to the Company; or
 - (c) Exercise any Option or otherwise transact in the Shares of the Company during any “closed period” notified by the Company in accordance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 and the regulations of the PSX, including (without limitation) the period commencing from the date of the close of accounting period (whether quarterly, half-yearly or annual) and ending on the date on which the financial results for such period are published.
- 12.3** Each Option Holder shall, prior to the Exercise of any Options, certify in writing to the Company that he or she is not in possession of any inside information relating to the Company and that the Exercise of the Options does not constitute a violation of the Securities Act, the Listed Companies (Code of Corporate Governance) Regulations, 2019 or any other applicable law or internal policy of the Company.
- 12.4** Each Option Holder who is a director, executive officer, executive or other person required to disclose his or her dealings in the securities of the Company under Section 132 of the Securities Act, the Companies Act or the Listed Companies (Code of Corporate Governance) Regulations, 2019, shall make all such disclosures within the time and in the manner prescribed thereunder, in respect of his or her holding of Options and any Shares acquired pursuant to the Exercise of Options.
- 12.5** Any contravention of this Clause 12 by an Option Holder shall, without prejudice to any liability of such Option Holder under the Securities Act or any other applicable law, entitle the Compensation Committee, at its discretion, to:
- (a) cancel any Options held by such Option Holder, whether Vested or unvested;
 - (b) recover from such Option Holder any benefit derived by him or her in breach of this Clause 12; and
 - (c) report the contravention to the SECP, the PSX and any other competent authority as required by law.

13. AMENDMENT, VARIATION AND TERMINATION OF THE SCHEME

- 13.1** The Board may at any time, on the recommendation of the Compensation Committee, amend, vary, modify, suspend or terminate the Scheme, in whole or in part, provided that no such amendment, variation, modification, suspension or termination shall:
- (a) operate to the prejudice of the rights of any Option Holder in respect of Options already granted, without the prior written consent of such Option Holder; or

(b) be made in contravention of the Act, the Regulations or any other applicable law, and shall be subject to such approvals from the shareholders of the Company, the SECP, the PSX and other regulatory authorities as may be required.

13.2 The termination of the Scheme shall not affect Options already granted under the Scheme prior to such termination, which shall continue to be governed by the terms of the Scheme until they are Exercised, lapse or are otherwise extinguished.

14. DISPUTES AND GOVERNING LAW

14.1 Any dispute, difference or claim arising out of or in connection with the Scheme shall, in the first instance, be referred to the Compensation Committee, whose decision shall, save in the case of manifest error, be final and binding on the parties.

14.2 This Scheme shall be governed by and construed in accordance with the laws of the Islamic Republic of Pakistan, and the courts at Lahore shall have exclusive jurisdiction in respect of any matter arising out of or in connection with the Scheme.

15. GENERAL

15.1 Nothing in this Scheme shall confer on any employee any right to continued employment with the Company or any of its Subsidiaries, or affect the right of the Company or any of its Subsidiaries to terminate the employment of any employee in accordance with applicable law and the terms of his or her employment.

15.2 The participation of any Eligible Employee in the Scheme shall not form part of his or her contract of employment, and no benefit accruing under the Scheme shall be taken into account for the purposes of computing any pension, gratuity, bonus, severance or other benefit payable to such employee, save as may be required by applicable law.

15.3 If any provision of this Scheme is held to be invalid, illegal or unenforceable for any reason by a court of competent jurisdiction or any regulatory authority, such provision shall be severed from the Scheme and the remaining provisions shall continue in full force and effect.

15.4 Any notice, communication or document required to be given to an Option Holder under this Scheme shall be deemed to have been duly given if delivered personally, sent by registered post or transmitted by electronic mail to the address of the Option Holder last notified to the Company.

APPROVED AND ADOPTED by the Board of Directors of NETSOL Technologies Limited on the date set forth above and by the shareholders of the Company in extraordinary general meeting held on June 03, 2026.

Chief Executive Officer
NETSOL Technologies Limited

Company Secretary
NETSOL Technologies Limited



NETSOL TECHNOLOGIES LIMITED
NOTICE OF EXTRA-ORDINARY GENERAL MEETING

Ballot Paper for voting through post to be held on
June 03, 2026 at 11:00 A.M

NETSOL TECHNOLOGIES LIMITED

NetSol IT Village (Software Technology Park) Lahore Ring Road, Ghazi Road Interchange, Lahore Cantt.

UAN: 111-44-88-00 www.netsolpk.com

This Postal Ballot is also available for download from the website of the Company [http:// www.netsolpk.com](http://www.netsolpk.com)

Designated email address of the Chairman at which the duly filled in ballot paper may be sent evoting@netsolpk.com

Name of shareholder/joint shareholders	
Registered Address	
Number of shares held and Folio / CDS number	
CNIC Number (copy to be attached)	
Additional Information and enclosures (In case of representative of body corporate, corporation and Federal Government.)	

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (✓) mark in the appropriate box below:

Sr. No.	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
1.	<p>RESOLUTION FOR AGENDA # 1</p> <p>RESOLVED THAT:</p> <p><i>“Pursuant to Section 83A of the Companies Act, 2017 read with the Companies (Further Issue of Shares) Regulations, 2020, the draft Employee Stock Option Scheme (“ESOS”) of NETSOL Technologies Limited, as placed before the meeting, be and is hereby approved, whereby eligible employees of the Company shall be entitled to subscribe for up to 5,000,000 ordinary shares of the Company under the terms of the Scheme.”</i></p> <p>FURTHER RESOLVED THAT:</p> <p><i>“The options granted under the Scheme shall vest in two (2) equal tranches over a period of two (2) years from the Date of Grant, in the manner set out in the Scheme, and the grant price shall be determined on the basis of the closing market price of the Company’s shares</i></p>			



NETSOL TECHNOLOGIES LIMITED
NOTICE OF EXTRA-ORDINARY GENERAL MEETING

	<p><i>quoted on the Pakistan Stock Exchange on the trading day immediately preceding the Date of Grant, discounted by fifty percent (50%), subject to applicable laws and the terms of the Scheme.”</i></p> <p>FURTHER RESOLVED THAT:</p> <p><i>Pursuant to the Companies (Further Issue of Shares) Regulations, 2020, the options under the approved Employee Stock Option Scheme may also be granted to eligible employees of the subsidiary companies of NETSOL Technologies Limited, in accordance with the terms and conditions of the Scheme and applicable laws.</i></p> <p>FURTHER RESOLVED THAT:</p> <p><i>Pursuant to the Companies (Further Issue of Shares) Regulations, 2020, the grant of options equal to or exceeding one percent (1%) of the issued and paid-up share capital of the Company, at the time of grant of options within a period of one (1) year, to any employee, be and is hereby approved.</i></p> <p>FURTHER RESOLVED THAT:</p> <p><i>“Chief Executive Officer and the Company Secretary (hereinafter the “Authorized Persons”) be and are hereby jointly or severally authorized and empowered to take all such necessary, ancillary, and incidental steps and to do or cause to be done all such acts, deeds, and things that may be required for the purpose of giving effect to aforesaid resolution(s) and to do all acts, matter, deeds and things which are necessarily incidental and /or consequential to the principal or any ancillary matters thereto.”</i></p>			
2.	<p>RESOLUTION FOR AGENDA # 2</p> <p>RESOLVED THAT:</p> <p><i>“Pursuant to Regulation 13(6)(b) of the Listed Companies (Buy-Back of Shares) Regulations, 2019, , the sale of 2,690,251 (Two million six hundred ninety thousand two hundred fifty-</i></p>			



NETSOL TECHNOLOGIES LIMITED
NOTICE OF EXTRA-ORDINARY GENERAL MEETING

<p><i>one) ordinary shares currently held as Treasury Shares, be and is hereby approved for allotment to eligible employees of the Company in accordance with the terms of the Company's Stock Option Scheme.</i></p> <p>FURTHER RESOLVED THAT:</p> <p><i>"Chief Executive Officer and the Company Secretary (hereinafter the "Authorized Persons") be and are hereby jointly or severally authorized and empowered to take all such necessary, ancillary, and incidental steps and to do or cause to be done all such acts, deeds, and things that may be required for the purpose of giving effect to aforesaid resolution(s) and to do all acts, matter, deeds and things which are necessarily incidental and /or consequential to the principal or any ancillary matters thereto."</i></p>			
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Signature of shareholder(s)
Place: _____
Date: _____

NOTES/PROCEDURE FOR SUBMISSION OF BALLOT PAPER:

1. Dully filled postal ballot should be sent to Chairman, NetSol IT Village (Software Technology Park) Lahore Ring Road, Ghazi Road Interchange, Lahore Cantt. Or Email evoting@netsolpk.com
2. Copy of CNIC/Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Postal ballot forms should reach chairman of the meeting on or before **June 02, 2026 during working hours**. Any postal ballot received after this date, will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC/Passport (in case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.
6. Ballot Paper has also been placed at the website of the Company [http:// www.netsolpk.com](http://www.netsolpk.com). Members may download the ballot paper from the website or use original/photocopy published in newspapers.