Netcapital *Inc.*

Netcapital Inc. Statement from CEO

Boston, MA, August 12, 2026-- Netcapital Inc. (NASDAQ: NCPL). As previously disclosed, Netcapital Inc. received a Wells Notice from the staff of the U.S. Securities and Exchange Commission relating to an investigation involving the Company and certain current and former directors, officers, and other individuals.

I joined Netcapital after the Company received the Wells Notice, with a mandate to provide guidance on potential regulatory and other challenges it faced, assist in protecting shareholder interests to the best of my ability, and position Netcapital for its best possible future given the historic challenges that happened before I became employed.

The SEC has now filed a civil complaint against certain individuals and the Company. The allegations in the complaint have not been adjudicated. We recognize the seriousness of this development and the concerns it may create for our shareholders.

Over the next seven to ten days, I will be working with our Board of Directors and legal advisors to carefully review the complaint, assess its implications for the Company, and determine appropriate actions to protect Netcapital and its shareholders. Following that review, we intend to provide shareholders with an update regarding the steps we are taking to address these matters, and other matters in an effort to strengthen the Company.

Throughout this process, Netcapital remains focused on serving its customers and operating its business. Our employees continue to deliver a high-quality experience to our customers, and I have confidence in our team’s commitment to building a different company.

The filing of the complaint does not change our responsibility to operate the business, evaluate strategic opportunities, pursue appropriate transactions, and make decisions we believe are in the best interests of the Company and its shareholders.

The individuals named in the complaint may choose to address the allegations against them separately. The Company will speak for itself.

Because this matter is now subject to pending litigation, we do not intend to litigate the SEC's allegations in public. We will make disclosures required by applicable law and provide appropriate updates concerning material actions taken by the Company.

Current management intends to address these issues deliberately and professionally, with the advice of our legal and other professional advisors and with the interests of the Company and its shareholders at the forefront.

We expect to provide shareholders with a further update following our initial review.

About Netcapital Inc.

Netcapital Inc. is a fintech company with a scalable technology platform that allows private companies to raise capital online and provides private equity investment opportunities to investors. The Company's consulting group, Netcapital Advisors, provides marketing and strategic advice and takes equity positions in select companies. The Company's funding portal, Netcapital Funding Portal, Inc., is registered with the U.S. Securities and Exchange Commission and is a member of the Financial Industry Regulatory Authority. The Company's broker-dealer, Netcapital Securities Inc., is also registered with the SEC and is a member of FINRA.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements regarding the Company's ability and intention to regain compliance with Nasdaq's minimum bid-price requirement; the potential use, timing, approval, implementation, and effectiveness of a reverse stock split; the anticipated timing of the filing of the Company's Annual Report on Form 10-K; the Company's ability to satisfy Nasdaq continued listing standards; the potential outcome of any Nasdaq process or hearing; and the Company's ability to address operational, regulatory, reporting, and listing-related matters.

These forward-looking statements are based on the Company's current expectations, estimates, assumptions, and projections and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. These risks and uncertainties include, among others, the Company's ability to maintain a closing bid price of at least $1.00 per share for the period required by Nasdaq; market conditions and volatility in the trading price of the Company's common stock; the Company's ability to obtain any required corporate or stockholder approvals; the timing and effectiveness of any reverse stock split; the Company's ability to complete required financial reporting and audit procedures; the timing and outcome of Nasdaq determinations; the Company's ability to meet other Nasdaq continued listing requirements; its ability to raise capital; and general economic, market, regulatory, and business conditions.

Investors are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company undertakes no obligation to update or revise any forward-looking statements except as required by applicable law.

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