

## Smartoptics Group AS (SMOP) – Q1 2022 financial results

(Oslo, 4 May 2022) Smartoptics Group AS (Smartoptics, OSE:SMOP) today reported revenues of USD 11.8 million in the first quarter of 2022, up 18.3% from the corresponding period in 2021 (10.0), and an EBITDA of USD 1.8 million (1.5). The company reiterates the long-term revenue ambition of USD 100 million by 2025/2026 and an EBITDA margin of 17-20%.

"2022 started with yet another quarter with continued revenue growth and solid profitability, driven by the continued strong trends with increased global data traffic, streaming, 5G rollouts, cloud computing and internet of things leading to an ever-growing need for operators to increase their network capacity. The period was characterized by continued high activity, and we continued to win business with our high runner products and we are seeing the demand for our newer products increasing at a high pace. I have never been more certain that we have a winning strategy," says Magnus Grenfeldt, Chief Executive Officer of Smartoptics.

Smartoptics reported revenues in the first quarter of 2022 of USD 11.8 million, compared to USD 10.0 million in the first quarter of 2021. The gross margin for the first quarter was 42.9% (44.0%). The EBITDA\* was USD 1.8 million (1.5), equal to an EBITDA margin of 15.2% (15.1%) and the EBIT ended at USD 1.4 (1.2) million, corresponding to an EBIT margin of 11.8% (11.8%).

"The global shortage of semiconductors, which we highlighted in several quarterly reports throughout 2021, is affecting our day-to-day operations, mainly through increased lead times both in-bound and out-bound. At the same time, we have managed the situation successfully, and expect that we will need to navigate this challenging environment through 2022 and potentially first part of 2023. Customers continue to be patient and supportive, as this situation is affecting everyone," Grenfeldt adds.

Smartoptics focuses on solving network challenges and increasing the customers efficiency. The customer base includes thousands of enterprises, governments, cloud providers, Internet exchanges as well as cable and telecom operators, worldwide.

"Given the high level of business activity and strong underlying demand in the market driven by increased data traffic and need for higher capacity, we have no reason to adjust our long-term goals of growing our revenue up to around USD 100 million by 2025/2026, combined with increased profitability with EBITDA margin of 17-20% and EBIT margin of 13-16%," Grenfeldt concludes.

### QUARTERLY PRESENTATION:

Smartoptics will host a presentation of the results by CEO Magnus Grenfeldt and CFO Mikael Haag today, 4 May at 08:00 CET at Hotel Continental, Stortingsgaten 24/26, Oslo. The presentation will be held in English.

The presentation will also be streamed live at:

[https://channel.royalcast.com/landingpage/hegnarmedia/20220504\\_2/](https://channel.royalcast.com/landingpage/hegnarmedia/20220504_2/)

The Board of Directors report and the presentation is enclosed. A recorded version of the presentation will be available after the live stream is concluded.

\*EBITDA and other alternative performance measures (APMs) are defined in the 2021 annual report. The company has adopted IFRS as accounting standard. The most noticable effect is 2%-point increase in EBITDA margin due to handling of lease agreements (IFRS 16). The financial ambitions have adjusted accordingly

**For further information, please contact:**

Magnus Grenfeldt  
CEO Smartoptics  
+46 73-366 88 77  
E-mail: [magnus.grenfeldt@smartoptics.com](mailto:magnus.grenfeldt@smartoptics.com)

Mikael Haag  
CFO Smartoptics  
Phone: +46 704 264 872  
E-mail: [mikael.haag@smartoptics.com](mailto:mikael.haag@smartoptics.com)

**About Smartoptics**

*Smartoptics provides innovative optical networking solutions and devices for the new era of open networking. Our customer base includes thousands of enterprises, governments, cloud providers, Internet exchanges as well as cable and telecom operators. We have an open networking approach in everything we do which allows our customers to break unwanted vendor lock-in, remain flexible and minimize costs. Our solutions are used in metro and regional network applications that increasingly rely on data center services and specifications. Smartoptics is a Scandinavian company founded in 2006. We partner with leading technology and network solution providers such as Brocade, Cisco and Dell and have a global reach through more than 100 business partners.*

*For additional information about Smartoptics, please visit <https://www.smartoptics.com>*