

Press Release

Smartoptics Group AS (SMOP) – Q1 2023: Continued strong growth and increased margins

Oslo, May 11, 2023 - Smartoptics Group AS (OSE: SMOP) today reported revenues of USD 14.1 million in the first quarter of 2023, up 18.8 percent from the corresponding period in 2022 (USD 11.8 million), and an EBITDA margin of 18.5 percent, up from 15.2 percent in the first quarter 2022. EBIT margin was 15.5 percent compared to 11.8 percent same period last year.

“It is great to conclude that the strong development from 2022 continues in 2023, as expected. The market remains strong, driven by the ever-growing demand for higher bandwidth and network capacity,” said Magnus Grenfeldt, CEO of Smartoptics.

Providing optical networking solutions based on open standards, Smartoptics operates in a very attractive part of the market.

“During the first quarter, we have been very active and demonstrated good traction in the market. We have positive discussions with larger potential customers particularly in the US. The interest is mainly in our open line system offering and low-cost 100G and 400G solutions, and we are progressing a number of larger opportunities that may result in revenue over the coming years,” said Magnus Grenfeldt.

Smartoptics continues to enhance its organization and further develop its product portfolio. The company has a solid pipeline of new product launches lined up in the second half of 2023 and the first half of 2024.

At the same time, the Board of Smartoptics has decided to propose an inaugural dividend of NOK 0.50 per share for 2022. This is based on a solid financial position, with a steady underlying business with good cash flow.

“All in all, we are well positioned for continued strong performance, and we have no reason to adjust our goals of growing our revenue up to around USD 100 million by 2025/2026, combined with an EBITDA margin of 17-20 percent,” said Magnus Grenfeldt.

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Investors, analysts, and media are welcome to join a presentation today at 10:00 CEST at Hotel Continental in Oslo.

The presentation will be held by CEO Magnus Grenfeldt and CFO Mikael Haag and will also be available via a live webcast. Webcast viewers may submit written questions during and after the presentation.

Date: Today May 11, 2023

Time: 10:00 CEST

Venue: Hotel Continental, Stortingsgaten 24/26, Oslo

Language: English

Webcast link: https://channel.royalcast.com/landingpage/hegnarmedia/20230511_13/

The report and presentation will be made available at www.smartoptics.com and www.newsweb.no. A recorded version of the presentation will be available after the live stream is concluded.

For further information, please contact:

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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.smaroptics.com/>

This information is considered to be inside information pursuant to the EU Market Abuse Regulation (MAR) and is subject to the disclosure requirements pursuant to MAR article 17 and Section 5-12 the Norwegian Securities Trading Act. This stock exchange announcement was published by Per Burman, Chief Marketing Officer of Smartoptics on the time and date provided.