

Financial Presentation

Q3 2025

October 29, 2025



Q3 2025 with strong business momentum and major achievement in large account strategy in Q3

REVENUE

	2025	Change
Q3	19.0 MUSD	+46.2%
9M	52.0 MUSD	+34.7%

All time high revenues in quarter, with strong gross margin, continued strong underlying demand in market

Progress in large account strategy and revenue generated from AI infrastructure. Orders from some of the most reputable Neo-scalers and large accounts in EMEA and US.

Continued strong revenues from the US. High growth in **all** business areas

Strong EBITDA, including cost from uplisting of USD 735k. Excluding these non-recurring costs, the EBITDA would have been 16.5% in the quarter (13.2% 9M)

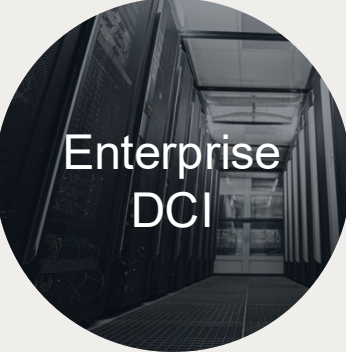
GROSS MARGIN

	2025	2024
Q3	49.5%	47.4%
9M	48.6%	47.8%

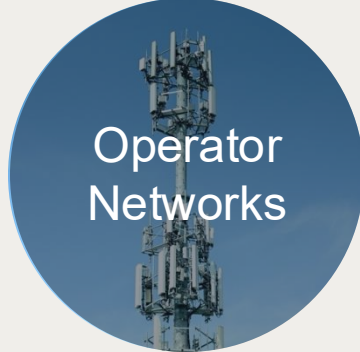
EBITDA MARGIN

	2025	2024
Q3	12.6%	8.3%
9M	11.8%	8.1%

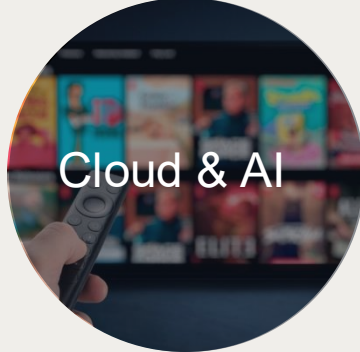
Customer success driven by an ever-growing demand for bandwidth, cost efficient products and software value



Enterprise
DCI



Operator
Networks



Cloud & AI



Networking solutions delivering multiple Terabits/s of capacity



Innovative software managing a cost-efficient product portfolio



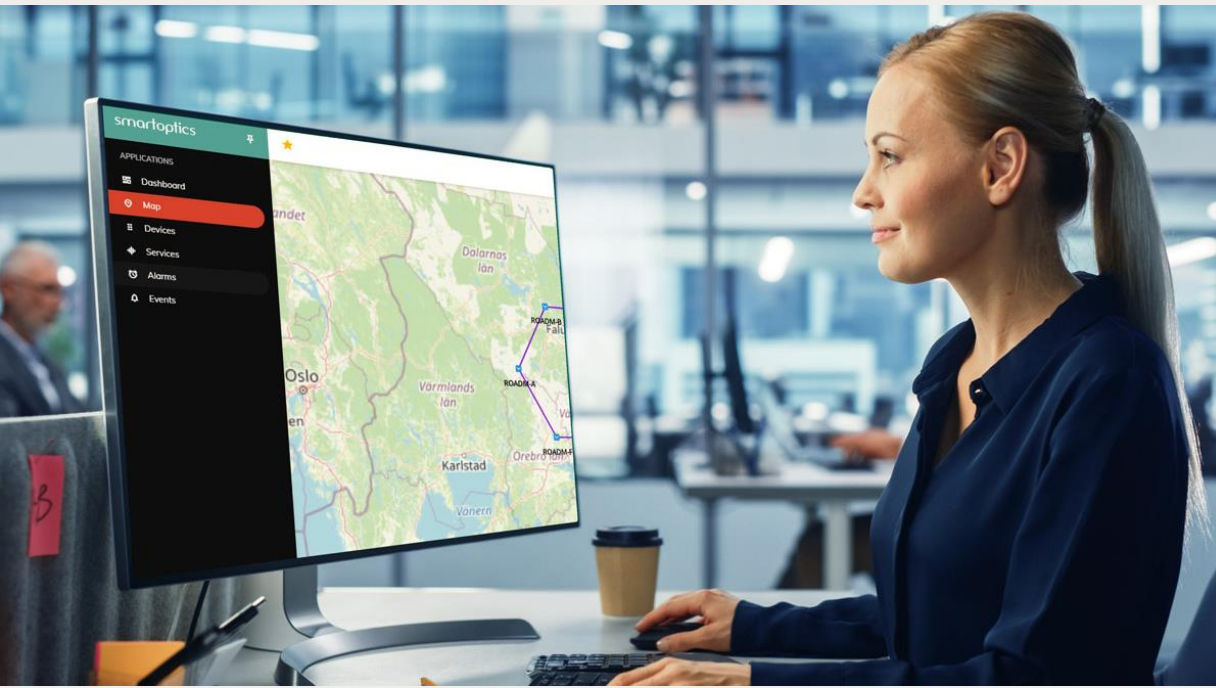
Reoccurring business model and low customer churn



Global sales force, +200 business partners



USD 16bn market opportunity

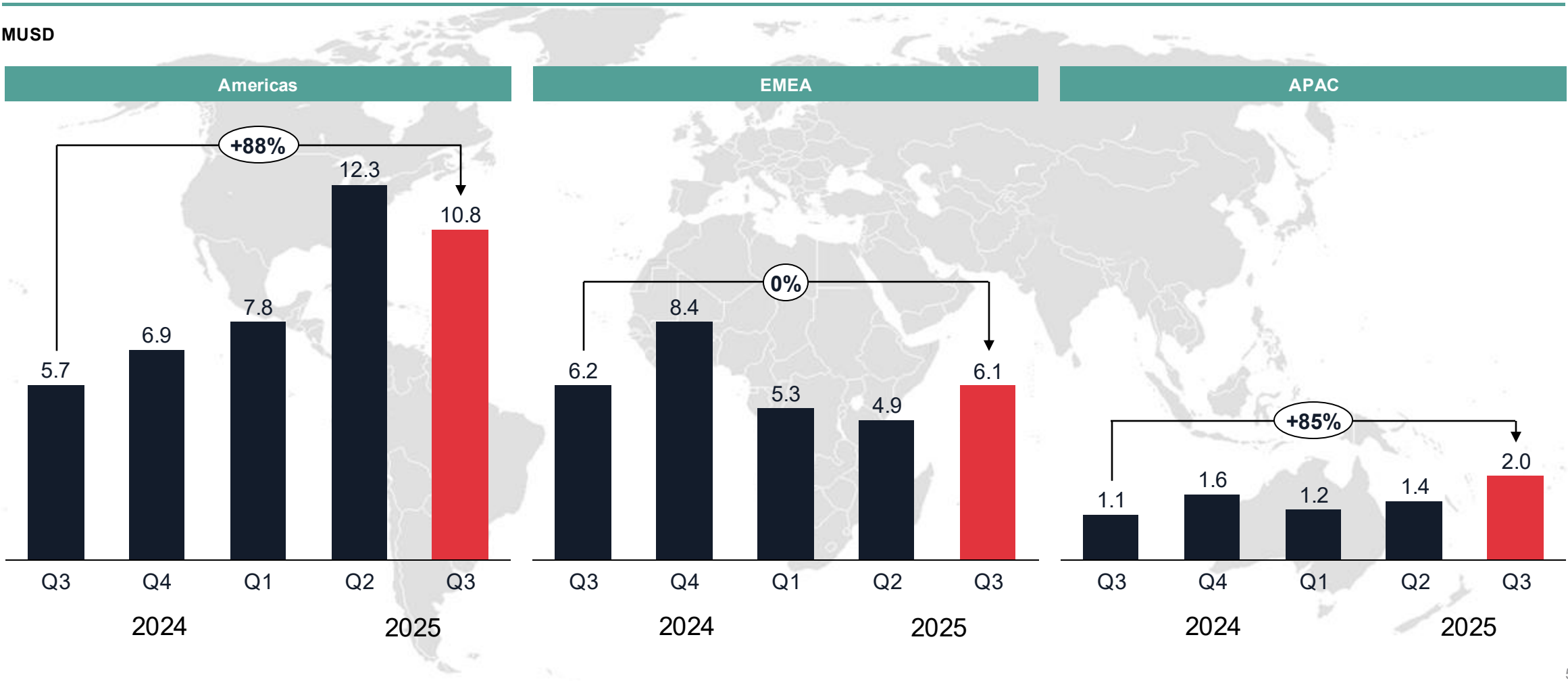


The slide features four large, dark red circles as decorative elements. One circle is in the upper center, one is on the left side, and two are overlapping in the bottom right corner.

Q3'25 deep dive

Very strong growth in Americas and APAC. All time high revenues in APAC

Revenue per region and quarter – Last 5 quarters



High growth in the US market driven by three customer categories developed by Smartoptics over several years

Regional Operators

- Typically covering one or more states
- Operating large fiber networks (often 30.000+ route km)
- Offering wide range of services, generally B2B
 - Cloud Connect
 - DCI
 - Wireless backhaul
 - Ethernet services
 - Internet access
 - Wavelengths and/or dark fiber

Neo-Clouds / Neo-Scalers

- New class of cloud providers specialized on AI workloads
- High performance GPU accelerated infrastructure for
 - Machine learning
 - Deep Learning
 - Generative AI
 - Other compute heavy applications
- Massive GPU fleets

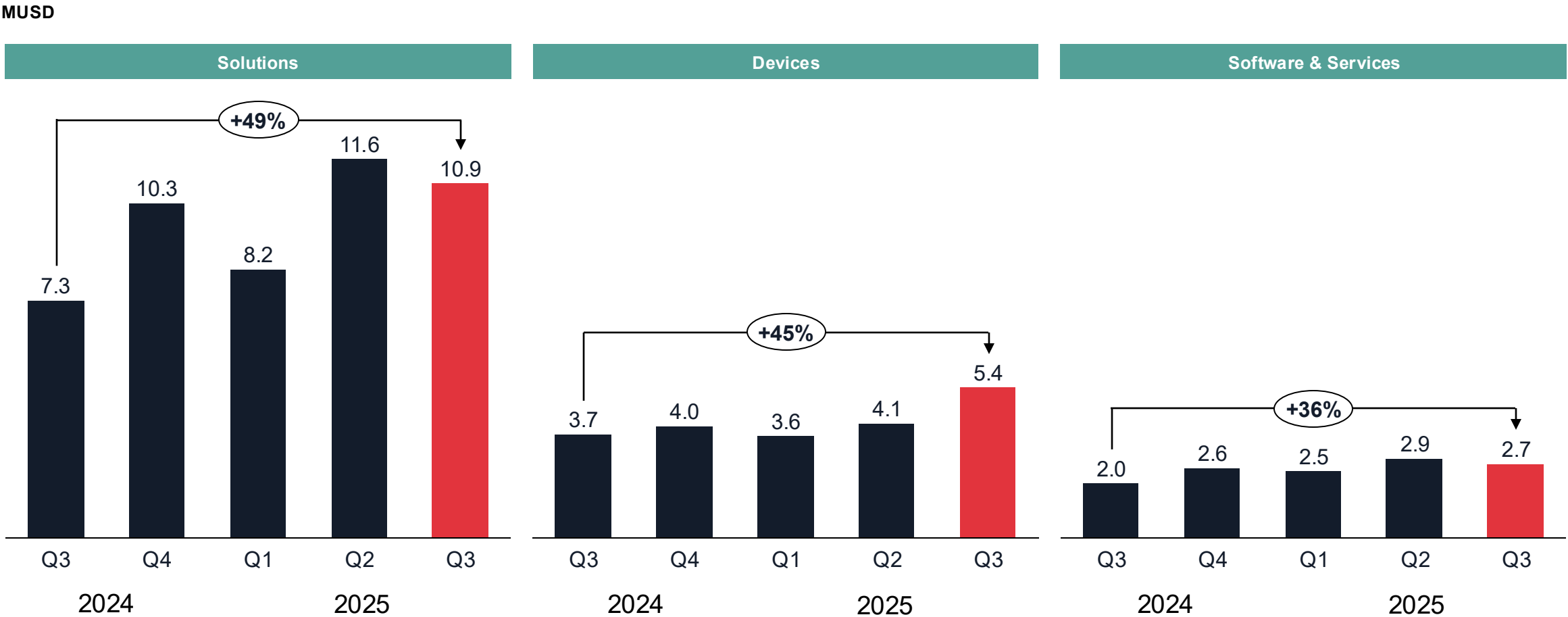
Rural operators

- Rural incumbent and/or competitive Telecom and internet service providers
 - 1000+
 - Government funding: **USF** (long term operational support) funding or BEAD (one time capex)
- Typically offering
 - Broadband FTTx
 - Mobile coverage and backhaul
 - **Middle-mile and interconnect**
 - Critical services (911 etc.)

Significant future revenue potential across all three categories

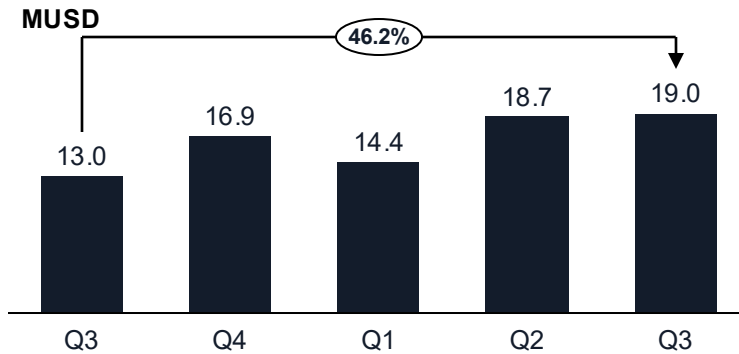
Strong growth in all Business areas, material contribution from new products. Optical Devices strategy gaining momentum

Revenue per business area and quarter – Last 5 quarters

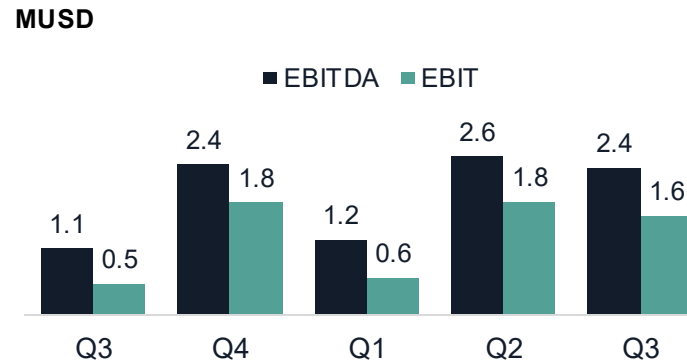


Summary of Q3 financial performance

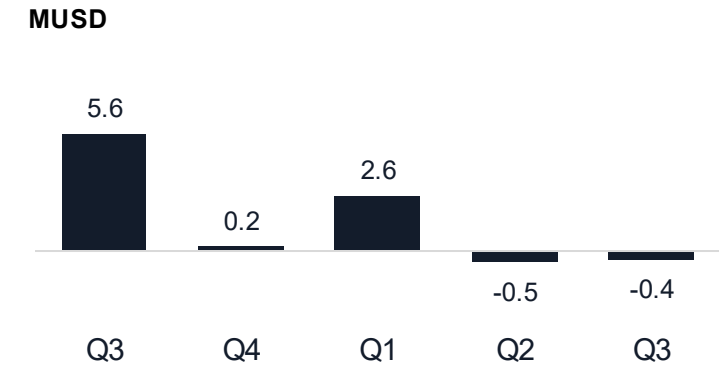
Revenue



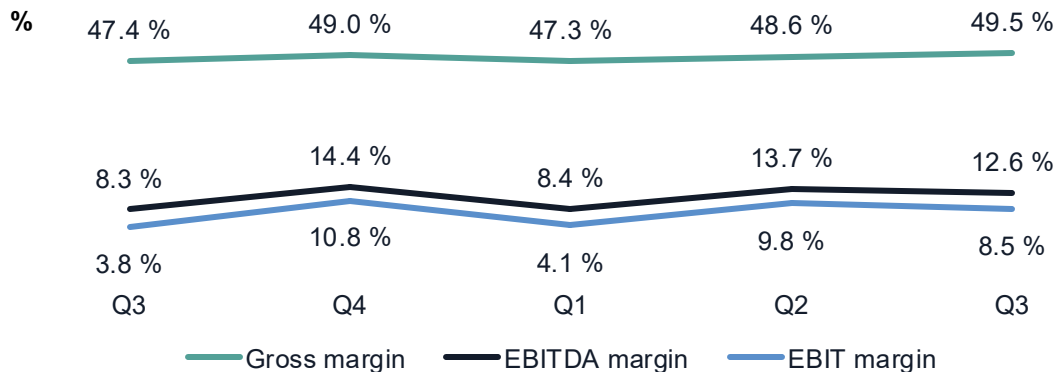
EBITDA & EBIT



Operating cash flow



Gross margin and EBITDA margin

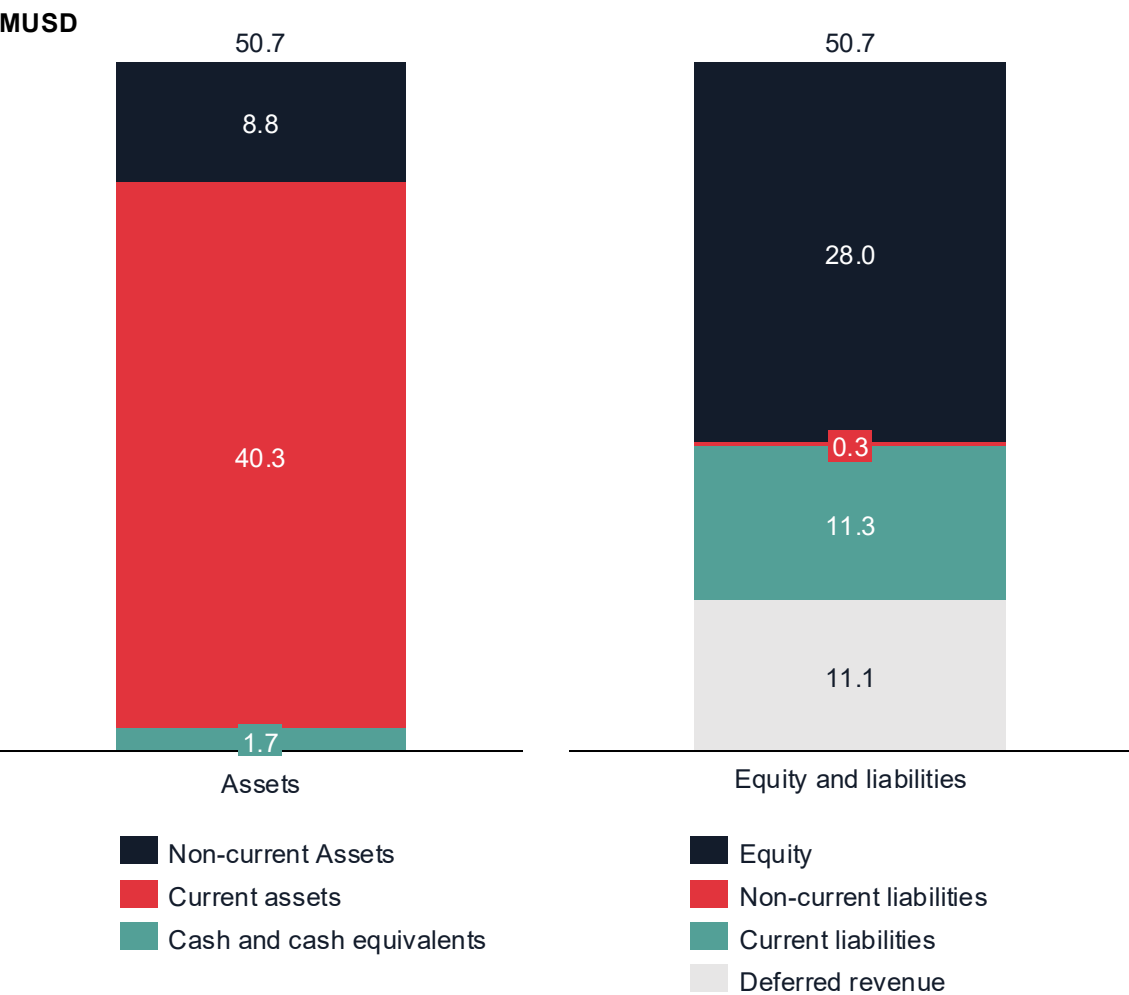


Comments

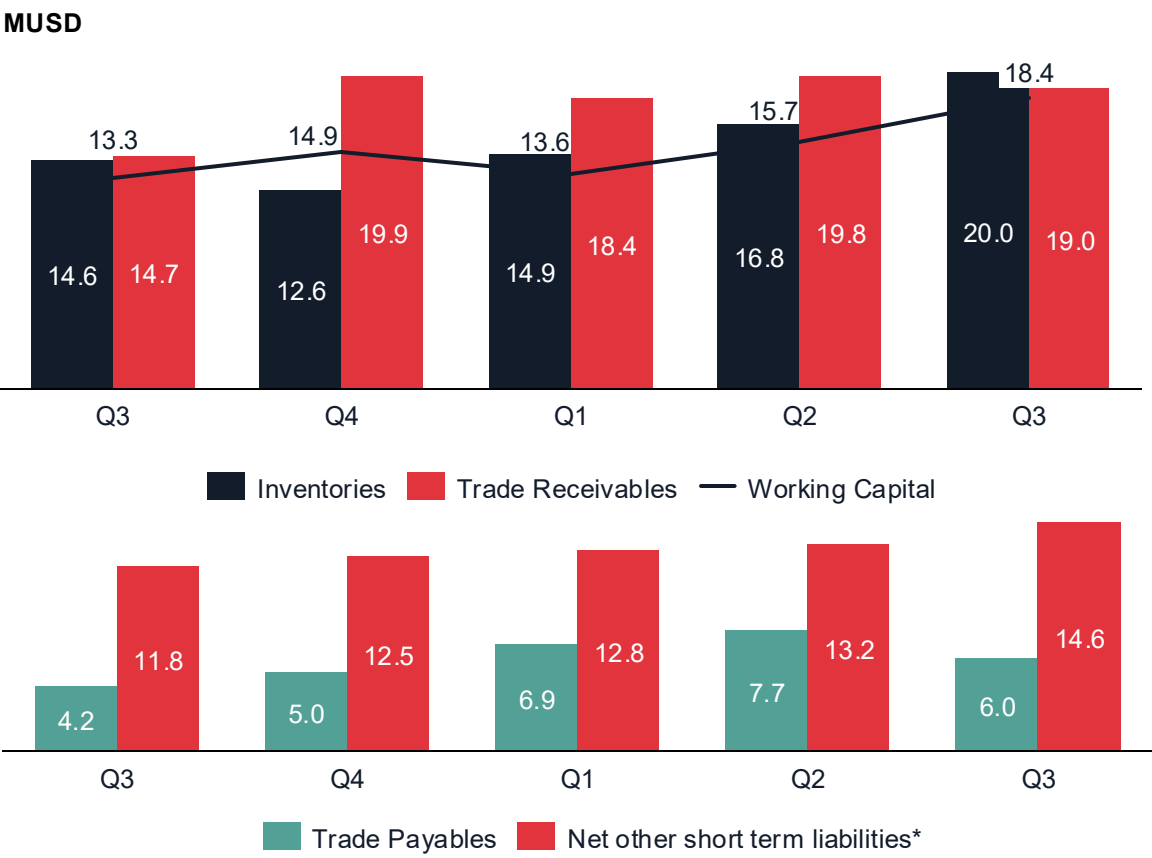
- Strong EBITDA, including cost from uplisting of USD 735k. Excluding these non-recurring costs, the EBITDA would have been 16.5% in the quarter (13.2% 9M)

Strong financial position

Balance sheet Sep 30, 2025



Working capital development past 5 quarters



* Including deferred revenue of MUSD 11.1 (7.5)

2026-2030: Roadmap to deliver profitable growth in next-gen optical networking market*

STRENGTHEN AND EXPAND THE CORE

Continued focus on home markets

- Targeting network- and data center operators, government & defense and enterprise
- Data center interconnect, metro and regional networks

New and scalable go to market models

- Accelerate growth in business area Devices
- Localized operations

ADD NEW GROWTH DRIVERS

Committing to the majors

- Continue to expand capabilities with purpose to address the largest accounts such as major operators and hyperscalers

Expand efforts in emerging markets

- Asia
- Africa
- South America

Leverage software automation and AI

- Strengthen application software offering to support more automation
- Increase efficiency and expand profitability by leveraging Agentic AI tools and a data-driven approach

Explore M&A

- Explore M&A as a vehicle for accelerated growth

GAIN MARKET SHARE AND GENERATE NEW REVENUE STREAMS

Grow market share 2x – 3x in relevant markets
Targeting 13-16% EBIT margin driven by scalability and efficiency



* CAGR in period of approximately 6% taking into account Metro WDM and IP-over-DWDM globally excluding China, according to Cigal.AI

Profit and Loss Statement

Profit and Loss Statement Q3 2025

Amounts in USD 1 000	2025 Q3	2024 Q3	2025 YTD	2024 YTD
Total revenue and other operating income	19 000	12 994	52 027	38 634
Direct cost of sales	-9 586	-6 835	-26 748	-20 180
Employee benefit expenses	-4 823	-3 772	-14 503	-11 911
Other operating expenses	-2 202	-1 314	-4 615	-3 397
Total operating expenses	-16 611	-11 921	-45 865	-35 488
Depreciation	-619	-495	-1 728	-1 437
Amortization of intangible assets	-160	-80	-403	-240
Total depreciation and amortization	-778	-575	-2 132	-1 677
Operating profit/(loss)	1 610	498	4 030	1 468
Financial income	29	1	163	3
Financial expenses	48	-72	-173	-242
Net foreign exchange gains (losses)	73	311	-1 510	1 185
Net Finance Items	150	240	-1 520	946
Profit/(loss) before income tax	1 761	738	2 509	2 414
Income tax	-386	-201	-631	-636
Profit/(loss) for the year	1 374	537	1 879	1 778
Shares outstanding (Basic)	98 045 519	98 045 518	98 045 518	97 142 790
Shares outstanding (Diluted)	98 045 519	98 045 518	98 045 518	97 706 585
Earnings per share (Basic) USD	0.014	0.005	0.019	0.018
Earnings per share (Diluted) USD	0.014	0.005	0.019	0.018
Earnings per share (Basic) NOK	0.139	0.058	0.188	0.190
Earnings per share (Diluted) NOK	0.139	0.058	0.188	0.190

Balance Sheet

Balance Sheet Sep 30, 2025

Amounts in USD 1 000	2025 Q3	2024 Q3
Capitalized development cost	2 100	1 492
Other Intangible assets	691	115
Property, plant and equipment	3 627	3 534
Right of use assets	809	1 500
Deferred tax assets	1 590	1 032
Total Non Current Assets	8 818	7 673
Inventories	20 025	14 559
Trade receivable	19 025	14 740
Other current assets	1 218	1 316
Cash and cash equivalents	1 660	8 963
Total Current Assets	41 928	39 579
TOTAL ASSETS	50 746	47 253

Amounts in USD 1 000	2025 Q3	2024 Q3
Share capital	196	187
Share premium	14 914	14 182
Other paid in capital	-	-
Foreign currency translation reserves	156	253
Retained earnings	12 755	13 324
Total Equity	28 023	27 945
Lease liabilities (noncurrent portion)	295	784
Contract liabilities (noncurrent deferred revenue)	5 360	4 251
Other noncurrent liabilities	-	436
Total noncurrent liabilities	5 655	5 471
Lease liabilities (current portion)	567	789
Trade payable	6 011	4 167
Contract liabilities (deferred revenue)	5 770	3 242
Tax payable	627	1 127
Current Public duties payable	950	1 762
Other current liabilities	3 144	2 751
Total current liabilities	17 068	13 838
Total Liabilities	22 723	19 309
TOTAL EQUITY AND LIABILITIES	50 746	47 254

Cash Flow Statement

Cash Flow Statement Q3 2025

Amounts in USD 1 000	2025 Q3	2024 Q3	2025 YTD	2024 YTD
Cash flows from operating activities				
Profit/(loss) before income tax	1 761	738	2 509	2 414
Adjustments for				
Taxes paid	-162	0	-1 140	0
Depreciation and amortization	778	575	2 132	1 677
Net interest expense	30	0	10	0
Change in inventory	-3 248	68	-7 411	-361
Change in trade receivable	798	2 500	839	2 213
Change in contract liabilities (deferred revenue)	448	686	2 160	930
Change in trade payable	-1 697	1 127	963	-316
Change in other current assets and other liabilities	838	-89	1 492	-382
Interest received	29	0	163	0
Net cash inflow from operating activities	-425	5 605	1 719	6 174
Net cash (outflow) from investing activities	-707	-1 476	-2 228	-2 761
Net cash inflow from financing activities	-336	-395	-6 838	-3 525
Net increase/(decrease) in cash and cash equivalents	-1 467	3 734	-7 347	-112
Cash and cash equivalents at the beginning of period	3 064	5 089	7 972	9 321
Effects of exchange rate changes on cash and cash equivalents	62	140	1 033	-248
Cash and cash equivalents at the end of period	1 659	8 963	1 659	8 963

Thank you