

Press Release

Smartoptics Group AS (SMOP) - Smartoptics goes public after raising NOK 100 million to drive further growth

Oslo, 3 June 2021 - As an innovative provider of optical networking solutions for enterprises and telcos, Smartoptics has grown 27 percent yearly since 2017. Today, the company goes public on Euronext Growth in Oslo, following a successful private placement raising gross NOK 100 million in new equity, enabling a continuation of the company's strong organic growth.

"The IPO is a milestone in Smartoptics' history. We have over the last year experienced tremendous traction in the market, as we have developed technology and services that are perceived as more innovative and flexible than those of our competitors. As a listed company, we now have added fuel to power our ambitions of reaching USD 100 million in revenue and 15-20 percent EBITDA margin by 2025-2026," said CEO Magnus Grenfeldt.

In 2020, Smartoptics had a revenue of USD 34.8 million and an EBITDA margin of 6 percent. The start of 2021 has been strong, with first quarter revenues growing 52 percent to reach USD 10 million and an EBITDA margin of 13.8 percent.

The market for data traffic is growing rapidly, notably driven by video streaming, IoT, cloud computing and 5G. Forecasts indicate 29 percent annual growth in global data traffic between 2019-2024.

"We have positioned ourselves perfectly in this market. We have become a preferred vendor for many small and medium-sized operators and enterprises. Our technology, size and business culture make it possible for us to maneuver faster than the giants of the industry, and most of the other medium-sized players have been acquired. Hence, we face limited competition in our segment," said Grenfeldt.

The Smartoptics shares were sold at NOK 10.38 per share in the private placement, equivalent to a post-money capitalization of approximately NOK 1 billion. The transaction included a secondary share sale of NOK 150 million. Among the investors are Danske Invest, Ålandsbanken and Varner Invest.

DNB Markets, a part of DNB Bank ASA, is acting as Sole Global Coordinator and Bookrunner in connection with the Private Placement. Advokatfirmaet Schjødt AS is acting as legal advisor to the Company. Corporate Communications AS is the company's investor relations and communications advisor.

Webcast presentation:

Smartoptics Group AS has the pleasure of inviting investors, analysts and media to a live webcast presentation of the company, on its first day of trading on Euronext Growth (Oslo) on 3 June 2021.

Time: Thursday 3 June 2021 at 13:00 CET

Presenters: CEO Magnus Grenfeldt and CFO Mikael Haag

URL: <https://bit.ly/3uBaCrm>

Questions can be submitted before and during the presentation on: info@xtrainvestor.com

The presentation material for the webcast is attached to this release.

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. The Company's customer base includes thousands of enterprises, governments, cloud providers, Internet exchanges as well as cable and telecom operators. Smartoptics has an open networking approach in everything it does, which allows our customers to break unwanted vendor lock-in, remain flexible and minimize costs. The solutions are used in metro and regional network applications that increasingly rely on data center services and specifications.

For more information, please visit <https://www.smartoptics.com>