

The background of the cover is a scenic photograph of a mountain range at dusk or dawn. The sky is a mix of soft pinks, oranges, and blues. The mountains are layered, with the foreground showing dark, rocky terrain. Several semi-transparent teal circles of various sizes are scattered across the middle ground, overlapping the mountain ranges. The overall mood is serene and expansive.

# smartoptics

EXPANDING YOUR NETWORK HORIZONS

**Q3  
REPORT  
2023**

# FINANCIAL HIGHLIGHTS

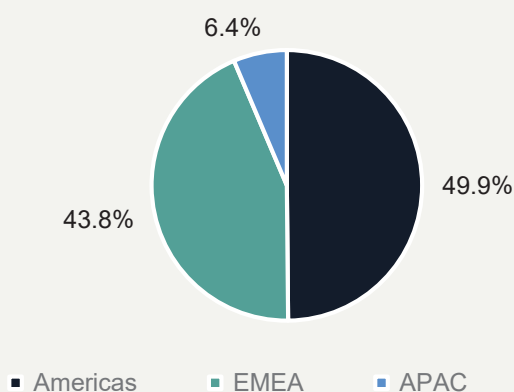
## JULY - SEPTEMBER 2023

- Revenue of USD 13.6 million compared to USD 13.5 million compared to same period 2022, a growth of 1.1%
- Gross Margin of 50.0% compared to 47.4% same period 2022, up 2.5 percentage points
- EBITDA of USD 2.7 million (19.8% EBITDA margin), compared to USD 2.9 million (21.8% EBITDA margin) in 2022
- Operating profit (EBIT) of USD 2.2 million (16.3% operating margin) compared to USD 2.6 million (19.1% operating margin) in 2022
- Operating cash flow of USD 5.5 million compared to USD 1.5 million in 2022

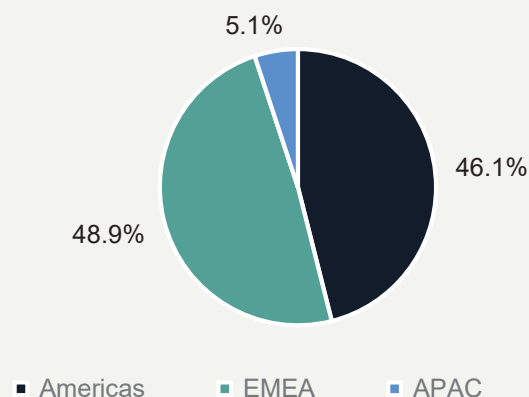
## JANUARY - SEPTEMBER 2023

- Revenue of USD 44.7 million compared to USD 39.9 million compared to same period 2022, a growth of 11.9%
- Gross Margin of 49.9% compared to 46.0% same period 2022, up 3.9 percentage points
- EBITDA of USD 8.5 million (19.0% EBITDA margin), compared to USD 8.1 million (20.2% EBITDA margin) in 2022
- Operating profit (EBIT) of USD 7.1 million (15.9% operating margin) compared to USD 6.9 million (17.4% operating margin) in 2022
- Operating cash flow of USD 9.7 million compared to USD -0.3 million in 2022

GEOGRAPHICAL SPLIT OF REVENUE Q3 2023



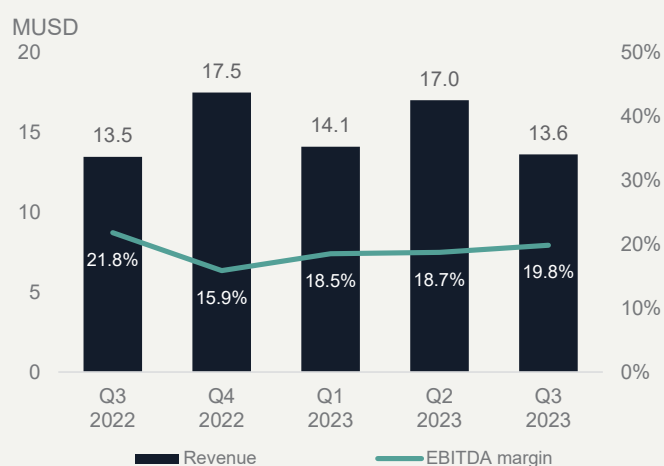
GEOGRAPHICAL SPLIT OF REVENUE JAN - SEP 2023



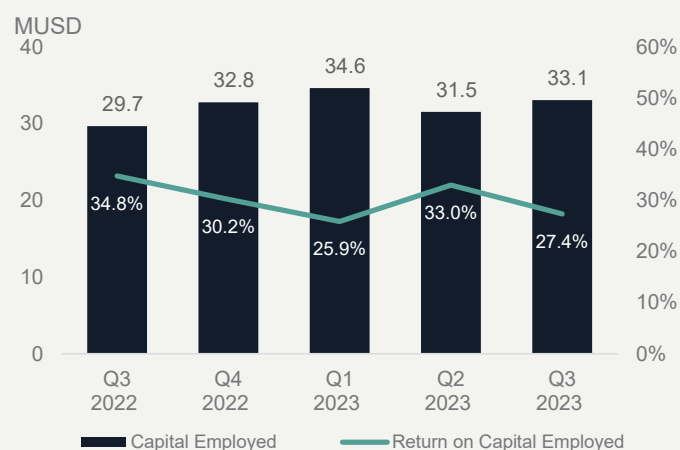
# FINANCIAL HIGHLIGHTS CONT.

Amounts in USD 1,000	Q3 2023	Q3 2022	Change	9M 2023	9M 2022	Change
	Jul - Sep	Jul - Sep		Jan - Sep	Jan - Sep	
Revenue	13 602	13 451	1.1%	44 669	39 906	11.9%
Gross profit	6 797	6 381	6.5%	22 287	18 360	21.4%
Gross margin	50.0%	47.4%	2.5 p.p	49.9%	46.0%	3.9 p.p
EBITDA	2 696	2 929	-8.0%	8 475	8 074	5.0%
EBITDA margin	19.8%	21.8%	-2.0 p.p	19.0%	20.2%	-1.3 p.p
Operating profit	2 211	2 569	-13.9%	7 119	6 941	2.6%
Operating margin	16.3%	19.1%	-2.8 p.p	15.9%	17.4%	-1.5 p.p
Profit & loss for the year	1 168	2 493	-53.2%	6 019	5 662	6.3%
Basic earnings per share NOK	0.147	0.270	-45.4%	0.711	0.586	21.2%
Diluted earnings per share NOK	0.146	0.270	-46.0%	0.703	0.586	19.9%
Basic earnings per share USD	0.012	0.026	-53.2%	0.063	0.059	6.3%
Diluted earnings per share USD	0.012	0.026	-53.6%	0.062	0.059	5.2%
Operating cash flow	5 502	1 537		9 729	-283	
Return on Capital Employed	27.4%	34.8%	-7.4 p.p	28.8 %	32.9 %	-4.1 p.p
FTEs	108	85	23	105	81	24

## EBITDA MARGIN AND REVENUE LAST 5 QUARTERS



## RETURN ON CAPITAL EMPLOYED



# CEO COMMENTS TO THE Q3 REPORT

Dear shareholders,

When summarizing the third quarter of 2023, I am happy to report continued good underlying growth for our core business. When excluding 5G related activities our revenue grew by 13 percent. The performance was particularly strong for our largely recurring revenue business within Software & Services, which grew by 48 percent. The Enterprises and Service providers segment is the prime driver for the positive development. As previously discussed in our reporting, the temporary global slowdown in 5G negatively affects our reported revenue growth, as we shipped large orders to one major 5G related client in 2022. However, we continue to show very healthy margins and solid cash flow. The revenue for the third quarter of 2023 was 13.6 MUSD, with an EBITDA margin of 19.8% and a cash flow of 5.5 million, adding to a solid balance sheet.

The longer-term opportunity for Smartoptics remains strong. The more new technology develops, leading to time spent online, sharing videos, streaming sports, and watching TV series, the more we work from home, and the more devices connected to the internet, the bigger Smartoptics' opportunity grows. New drivers, such as AI, drive future demand for data in and between data centers. Enterprises and network operators have no choice: They need to increase their fiberoptic network capacity continuously.

And in the current macroeconomic climate, the industry is searching for cost-efficient and flexible solutions. That's where we have our biggest competitive advantage. We are a rapidly growing challenger in a market in need of challengers. As we continue to strengthen and broaden our product offering, we become increasingly attractive to even more customers globally. We continue to have concrete and positive dialogues with larger accounts, seeking to move from proprietary solutions to open and flexible solutions when they expand and modernize their existing network deployments and as these technologies penetrate deeper into the edge of the networks.

The activity level in general is high despite a temporary slow-down in the market for 5G roll-out. For example, vast amounts are invested in partly government-funded broadband roll-out projects in the US and other geographies. We expect this to be one of the important growth vehicles



Magnus Grenfeldt, CEO Smartoptics Group AS

for Smartoptics over several years to come. We also see the enterprise segment being very healthy in several geographies as remote and cloud-based work accelerates.

Software and services are increasingly important to our customer offering and business model. Our new SoSmart management software suite is essential for our customers, particularly for larger network installations, and has been very well received by customers. The development of this software suite continues and will be an essential enabling tool for future major project wins. To capture the growth, we continue to invest in our product organization, resulting in a broader product offering in the Solutions business area, allowing us to target more network applications. Several new initiatives have been launched aiming at products to be released in the second half of 2023 and the first half of 2024. In addition, we will also increase our focus in the business area Devices that lead to new and existing possibilities and opens up for further dialog related to Solutions, Software and Services.

So, with strong underlying megatrends, a stronger product portfolio than ever, and a well-tuned and expanded sales and marketing setup, we are well-positioned for continued strong performance and for reaching our goals of growing revenue up to around USD 100 million by 2025/2026, combined with profitability and EBITDA margin of 17-20% and EBIT margin of 13-16%.

For further information, please contact:

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# FINANCIAL REVIEW

## Q3 2023

### REVENUE

Revenue grew by 1.1% in Q3 2023 to USD 13.6 million compared to USD 13.5 million in Q3 2022.

### GROSS PROFIT

Direct cost of sales (COGS) was USD 6.8 million in Q3 2023, resulting in a Gross Profit of USD 6.8 million. Gross Margin was 50.0%, compared to 47.4% same period 2022.

The Gross Margin improvement was an effect of business mix, price management initiatives, customer mix and procurement savings.

### OPERATING EXPENSES

Employee benefit expenses was USD 3.2 million in Q3 2023, compared to USD 2.7 million in Q3 2022. Employee benefit expenses is increasing primarily due to continued increase of R&D resources.

### EBITDA AND OPERATING PROFIT

EBITDA in Q3 2023 was USD 2.7 million (EBITDA Margin of 19.8%) compared to USD 2.9 million (21.8%) in Q3 2022.

Operating profit was USD 2.2 million, or 16.3%, compared to USD 2.6 million (19.1%) same period 2022.

### NET FINANCIALS ITEMS

Interest payments and foreign exchange gains/-losses are the main components of Net Financials Items.

The group has a natural hedge in having both Revenue and COGS to a very large extent in USD.

### CASH FLOW

The Operating Cash Flow was USD 5.5 million for Q3 2023 compared to USD 1.5 million same period 2022.

### REVENUE SPLIT

Solutions revenue accounted for 57%, Devices for 31% and Software & Services for 11%.

### OUTLOOK

Long term ambition to reach USD 100 million in 2025/26 timeframe is maintained.

### DIVIDEND POLICY

Goal is to propose a yearly dividend of 25 - 50% of Smartoptics' profit for the previous financial year.

When proposing dividend for a financial year, the Board of Directors will consider Smartoptics' financial position, one-off item impacts, growth trajectory, investment plans, financial targets, and flexibility.

# FINANCIAL STATEMENTS

## CONSOLIDATED PROFIT AND LOSS STATEMENT Q3

Consolidated statement of profit or loss	Q3 2023	Q3 2022	9M 2023	9M 2022	FY 2022
Amounts in USD 1.000	Jul - Sep	Jul - Sep	Jan - Sep	Jan - Sep	Jan - Dec
Revenue from contracts with customers	13 602	13 451	44 671	39 906	57 366
Other operating income	-1	-0	-2	-0	-1
<b>Total revenue and other operating income</b>	<b>13 602</b>	<b>13 451</b>	<b>44 669</b>	<b>39 906</b>	<b>57 366</b>
Direct cost of sales	-6 805	-7 070	-22 381	-21 545	-32 014
Employee benefit expenses	-3 188	-2 679	-10 578	-8 311	-11 958
Other operating expenses	-913	-773	-3 234	-1 976	-2 552
<b>Total operating expenses</b>	<b>-10 906</b>	<b>-10 522</b>	<b>-36 193</b>	<b>-31 832</b>	<b>-46 524</b>
Depreciation	-418	-282	-1 154	-885	-1 218
Amortization of intangible assets	-67	-78	-202	-248	-324
<b>Total depreciation and amortization</b>	<b>-484</b>	<b>-360</b>	<b>-1 356</b>	<b>-1 133</b>	<b>-1 542</b>
<b>Operating profit/(loss)</b>	<b>2 211</b>	<b>2 569</b>	<b>7 119</b>	<b>6 941</b>	<b>9 300</b>
Financial income	5	1	7	1	40
Financial expenses	-66	-36	-162	-177	-229
Net foreign exchange gains (losses)	-652	455	754	480	-253
<b>Net financial items</b>	<b>-714</b>	<b>420</b>	<b>598</b>	<b>304</b>	<b>-442</b>
<b>Profit/(loss) before income tax</b>	<b>1 497</b>	<b>2 989</b>	<b>7 717</b>	<b>7 245</b>	<b>8 858</b>
Estimated income tax	-329	-496	-1 698	-1 583	-2 069
<b>Profit/(loss) for the period</b>	<b>1 168</b>	<b>2 493</b>	<b>6 019</b>	<b>5 662</b>	<b>6 789</b>

Earnings per share in USD					
Basic earnings per share	0.012	0.026	0.063	0.059	0.071
Diluted earnings per share	0.012	0.026	0.062	0.059	0.070
Weighted average number of shares					
Basic	96 286 593	96 286 593	96 286 594	96 286 593	96 286 593
Diluted	97 293 383	96 286 593	97 323 051	96 286 593	96 322 038

Consolidated statement of comprehensive income					
Profit/(loss) for the year	1 168	2 493	6 019	5 662	6 789
Other comprehensive income:					
<i>Items that might be subsequently reclassified to profit or loss:</i>					
Exchange differences on translation of foreign operations	37	-70	-115	-34	60
<i>Item that are not reclassified to profit or loss:</i>					
Exchange differences on translation to another presentation currency	481	-1 631	-1 618	-3 472	-2 395
<b>Total comprehensive income for the year</b>	<b>1 686</b>	<b>792</b>	<b>4 287</b>	<b>2 156</b>	<b>4 454</b>

# CONSOLIDATED STATEMENT FINANCIAL POSITION

Consolidated statement of financial position	30/09/2023	31/12/2022	30/09/2022
Amounts in USD 1.000			
Notes			
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets	975	941	834
Property, plant and equipment	2 667	1 787	1 352
Right-of-use assets	1 973	2 380	1 442
Other non-current assets	94	-	-
Deferred tax assets	1 232	1 326	2 643
<b>Total non-current assets</b>	<b>6 847</b>	<b>6 433</b>	<b>6 271</b>
<b>Current assets</b>			
Inventories	12 958	15 423	11 851
Trade receivable	15 585	15 915	10 741
Receivable to related party	0	0	0
Other current assets	1 006	943	1 298
Cash and cash equivalents	7 829	5 660	6 116
<b>Total current assets</b>	<b>37 378</b>	<b>37 941</b>	<b>30 006</b>
<b>Total assets</b>	<b>44 225</b>	<b>44 374</b>	<b>36 277</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	181	195	177
Share premium	11 879	12 801	11 622
Other paid in capital	141	152	138
Foreign currency translation reserves	73	188	99
Retained earnings	15 227	14 269	13 307
<b>Total equity</b>	<b>27 501</b>	<b>27 606</b>	<b>25 343</b>
<b>Non-current liabilities</b>			
Lease liabilities (non-current portion)	1 107	1 759	1 013
Contract liabilities (non-current portion)	3 099	2 297	1 847
Other non-current liabilities	1 361	1 120	1 497
<b>Total non-current liabilities</b>	<b>5 567</b>	<b>5 176</b>	<b>4 357</b>
<b>Current liabilities</b>			
Lease liabilities (current portion)	679	674	470
Trade payable	3 339	5 831	3 149
Contract liabilities (current portion)	2 649	1 818	1 486
Current tax liabilities	2 541	868	461
Other current liabilities	1 949	2 401	1 010
<b>Total current liabilities</b>	<b>11 157</b>	<b>11 592</b>	<b>6 577</b>
<b>Total liabilities</b>	<b>16 723</b>	<b>16 769</b>	<b>10 934</b>
<b>Total equity and liabilities</b>	<b>44 225</b>	<b>44 374</b>	<b>36 277</b>



# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

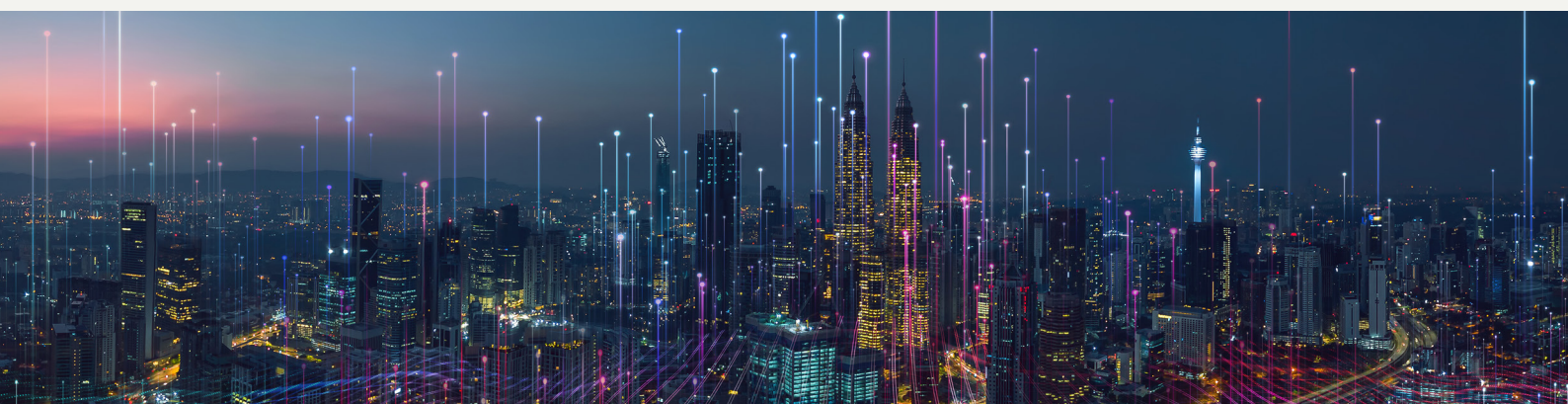
Consolidated statement of changes in equity	Share capital	Share premium	Other paid in capital	Translation difference reserves	Retained earnings	Total equity
Amounts in USD 1.000						
<b>Balance at 1 January 2022</b>	<b>218</b>	<b>14 307</b>	<b>170</b>	<b>133</b>	<b>8 359</b>	<b>23 187</b>
Profit/(loss) for the period					5 662	5 662
Exchange differences on translation of foreign operation				-34		-34
Exchange differences on translation to another presentation currency	-41	-2 685	-32		-714	-3 472
<b>Total comprehensive income/(loss) for the period</b>	<b>-41</b>	<b>-2 685</b>	<b>-32</b>	<b>-34</b>	<b>4 948</b>	<b>2 156</b>
<b>Balance at 30 September 2022</b>	<b>177</b>	<b>11 622</b>	<b>138</b>	<b>99</b>	<b>13 307</b>	<b>25 343</b>
Profit/(loss) for the period					1 126	1 126
Exchange differences on translation of foreign operation				89		89
Exchange differences on translation to another presentation currency	18	1 179	14		-164	1 047
<b>Total comprehensive income/(loss) for the period</b>	<b>18</b>	<b>1 179</b>	<b>14</b>	<b>89</b>	<b>962</b>	<b>2 263</b>
<b>Balance at 31 December 2022</b>	<b>195</b>	<b>12 801</b>	<b>152</b>	<b>188</b>	<b>14 269</b>	<b>27 606</b>
Profit/(loss) for the period					6 019	6 019
Exchange differences on translation of foreign operation				-115		-115
Exchange differences on translation to another presentation currency	-14	-922	-11		-671	-1 618
<b>Total comprehensive income/(loss) for the period</b>	<b>-14</b>	<b>-922</b>	<b>-11</b>	<b>-115</b>	<b>5 349</b>	<b>4 287</b>
Dividend					-4 391	-4 391
<b>Balance at 30 September 2023</b>	<b>181</b>	<b>11 879</b>	<b>141</b>	<b>73</b>	<b>15 227</b>	<b>27 501</b>

\*The currency translation differences arising from the translation to the presentation currency is not included as a translation differences reserves, but presented as part of the different categories of the equity. These translation differences cannot be recycled through profit and loss.



# CONSOLIDATED CASH FLOW STATEMENT

Consolidated cash flow statement	Q3 2023	Q3 2022	9M 2023	9M 2022
Amounts in USD 1.000	Jul - Sep	Jul - Sep	Jan - Sep	Jan - Sep
<b>Cash flows from operating activities</b>				
Profit/(loss) before income tax	1 497	2 989	7 717	7 245
<i>Adjustments for:</i>				
Taxes paid	-67	-	-240	-
Depreciation and amortization	484	360	1 356	1 133
Interest	38	19	262	120
Change in inventory	1 165	1 369	2 466	244
Change in trade receivable	2 364	-655	330	-2 928
Change in contract liabilities (deferred revenue)	309	-68	1 633	381
Change in trade payable	-1 001	-1 444	-2 492	-3 067
Change in other current assets and other liabilities	707	-1 033	-1 308	-3 412
Interest received	5	1	7	1
<b>Net cash inflow from operating activities</b>	<b>5 502</b>	<b>1 537</b>	<b>9 729</b>	<b>-283</b>
<b>Cash flows from investing activities</b>				
Payment for property, plant and equipment	-242	-282	-1 585	-609
<b>Net cash (outflow) from investing activities</b>	<b>-242</b>	<b>-282</b>	<b>-1 585</b>	<b>-609</b>
<b>Cash flows from financing activities</b>				
Proceeds from new borrowings	393	-	393	-
Repayment of borrowing	-156	-38	-322	-128
Paid interest on borrowing	-45	-20	-94	-121
Repayments of lease liabilities	-197	-169	-601	-549
Dividend paid out	-	-	-4 391	-
<b>Net cash inflow from financing activities</b>	<b>-6</b>	<b>-227</b>	<b>-5 015</b>	<b>-797</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>5 254</b>	<b>1 027</b>	<b>3 129</b>	<b>-1 689</b>
Cash and cash equivalents beginning of period	2 918	5 749	5 660	9 380
Effects of exchange rate changes on cash and cash equivalents	-344	-659	-961	-1 573
<b>Cash and cash equivalents end of period</b>	<b>7 829</b>	<b>6 117</b>	<b>7 829</b>	<b>6 117</b>



# SHARE INFORMATION

TABLE OF THE 20 LARGEST SHAREHOLDERS AS 30TH OF SEPTEMBER 2023

#	Shareholders	Holding	Stake
1	Coretech AS	31 783 599	33.01 %
2	Kløvingen AS	15 850 429	16.46 %
3	K-spar Industrier AS	13 426 422	13.94 %
4	Danske Invest Norge Vekst	3 551 164	3.69 %
5	Janus Henderson Investors	2 680 000	2.78 %
6	Nordnet Bank AB	2 188 856	2.27 %
7	Avanza Bank AB	2 187 145	2.27 %
8	Rasmussengruppen AS	2 150 000	2.23 %
9	Swedbank Robur Ny Teknik	2 136 792	2.22 %
10	Ålandsbanken Fonder	2 121 631	2.20 %
11	Handelsbanken Microcap Norden	2 000 000	2.08 %
12	Magnus Grenfeldt	1 857 489	1.93 %
13	Millennium AS	1 429 600	1.48 %
14	Toluma Norden AS	1 000 000	1.04 %
15	Varner AS	963 391	1.00 %
15	AS Clipper	963 391	1.00 %
17	Schroders	690 000	0.72 %
18	Nore Invest AS	537 598	0.56 %
19	Protean Funds Scandinavia	529 512	0.55 %
20	Karl Thedéen	493 078	0.51 %
	Others	7 746 496	8.05 %
	<b>Total number of shares</b>	<b>96 286 593</b>	<b>100.00 %</b>

# NOTES

## GENERAL

These interim condensed consolidated financial statements for the period ended 30 September 2023, have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for 2022, prepared in accordance with International Financial Reporting Standards (IFRS).

## EXCHANGE RATES

The interim financial statements are all translated from NOK to USD. For the Profit and Loss statement the monthly average exchange rate published by Norges Bank is used. For the Balance sheet, the monthly ending exchange rate is used.

Balance Sheet	2023	2022
Sep 30	10.6225	10.8574

Profit and loss statement	2023	2022
Jul	10.2644	10.0042
Aug	10.4629	9.7068
Sep	10.7197	10.2735

## NOTE 1 - DEFERRED REVENUE

Service revenues are invoiced in advance and covers a contract period of typically 24-48 months. The service revenue is recognized during the contract period. "Current Deferred Revenue" will be recognized within the next 12 months.

Deferred Revenue	Sep 30, 2023	Sep 30, 2022
Amounts in USD 1,000		
Contract Liabilities (Current)	3 099	1 847
Contract Liabilities (Non-current)	2 649	1 486
<b>Total Contract Liabilities</b>	<b>5 748</b>	<b>3 334</b>

## NOTE 2 – RESEARCH AND DEVELOPMENT

Parts of the development cost is capitalized and depreciated over 5 years. The principle is to capitalize no more than 30% of direct salary costs in selected development projects. Capitalization for the period Jul - Sep was USD 238 thousand.

## NOTE 3 – FINANCIAL ITEMS

Currency effects come from the cash position, which is made of NOK, SEK and USD, Trade Receivables and Trade Payable which is predominantly in USD.

## NOTE 4 – DEFERRED TAX ASSETS

Deferred tax assets consist of historical net operating losses and amount to USD 1.2 million. The estimated tax for the period (January to Sep) is USD 1.7 million.

## NOTE 5 – LIABILITIES TO FINANCIAL INSTITUTIONS

There are two loans from Innovasjon Norge of combined USD 1.1 million. The loans are repaid on a quarterly basis and will be fully repaid by 2026 Q3. The group also has a credit facility with Nordea of NOK 50 million (USD 4.7 million) and a non-current loan of USD 0.4 million scheduled to be fully repaid by 2026 Q2. As of September 30th 2023, NOK 0 of the credit line from Nordea was utilized.

## NOTE 6 – OTHER WORKING CAPITAL CHANGES

Other Working Capital Changes relates to pre-payments of certain components and inventory, pay-out of sales commission for the second quarter of 2023.

## NOTE 7 – PROPERTY, PLANT AND EQUIPMENT SPLIT

Property, plant and equipment	Sep 30, 2023	Sep 30, 2022	Change
Amounts in USD 1,000			
R&D equipment	928	490	438
Production equipment	234	125	109
Office & warehouse furniture and fixtures	732	217	515
Demo pool equipment	773	521	253
<b>Total</b>	<b>2 667</b>	<b>1 352</b>	<b>1 315</b>

## NOTE 8 – DEPRECIATION AND AMORTIZATION SPLIT

Fixed assets are depreciated over a period of 3 to 5 years. There is no goodwill in the group.

Depreciation and amortization	Q3 2023	Q3 2022
Amounts in USD 1,000		
Property, plant and equipment	232	126
Product development	67	78
Right of use assets / leasing	185	156
<b>Total</b>	<b>484</b>	<b>360</b>

# ALTERNATE PERFORMANCE MEASURES (APM'S)

## GROSS PROFIT

Total revenue and other operating income deducted Direct cost of sales

Amounts in USD 1,000	Q3 2023	Q3 2022	9M 2023	9M 2022
Total revenue and other operating income	13 602	13 451	44 669	39 906
Direct cost of sales	6 805	7 070	22 381	21 545
<b>Gross Profit</b>	<b>6 797</b>	<b>6 381</b>	<b>22 287</b>	<b>18 360</b>

## GROSS MARGIN

Gross profit divided by total revenue

Amounts in USD 1,000	Q3 2023	Q3 2022	9M 2023	9M 2022
Total revenue and other operating income	13 602	13 451	44 669	39 906
Gross Profit	6 797	6 381	22 287	18 360
<b>Gross Margin</b>	<b>50.0 %</b>	<b>47.4 %</b>	<b>49.9 %</b>	<b>46.0 %</b>

## EBITDA

Earnings before interest, tax, depreciation and amortization

Amounts in USD 1,000	Q3 2023	Q3 2022	9M 2023	9M 2022
Operating Profit	2 211	2 569	7 119	6 941
Depreciation and Amortization	484	360	1 356	1 133
<b>EBITDA</b>	<b>2 696</b>	<b>2 929</b>	<b>8 475</b>	<b>8 074</b>

## EBITDA MARGIN

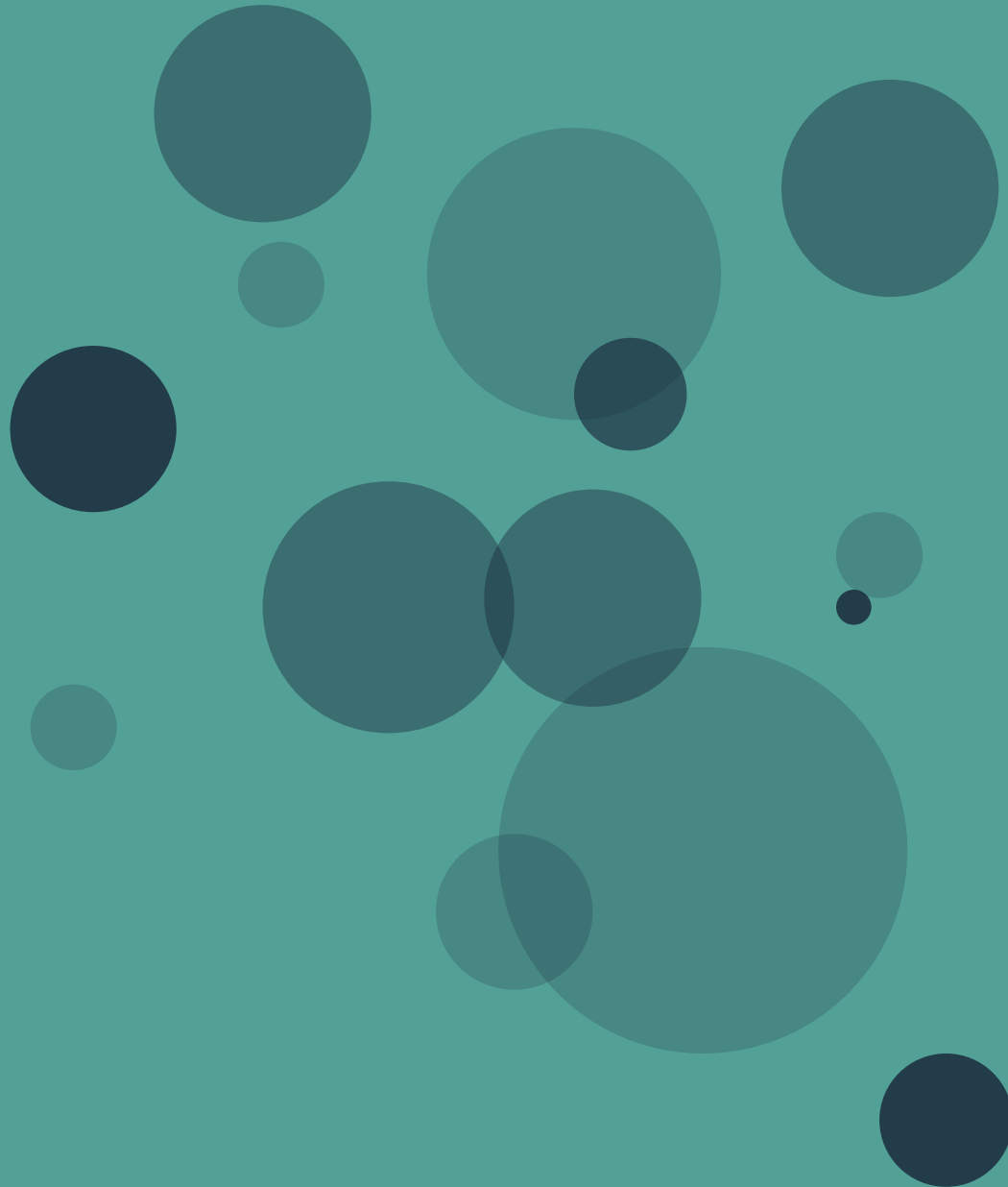
EBITDA divided by total revenue

Amounts in USD 1,000	Q3 2023	Q3 2022	9M 2023	9M 2022
EBITDA	2 696	2 929	8 475	8 074
Total Revenue	13 602	13 451	44 669	39 906
<b>EBITDA Margin</b>	<b>19.8 %</b>	<b>21.8 %</b>	<b>19.0 %</b>	<b>20.2 %</b>

## RETURN ON CAPITAL EMPLOYED

Annualized EBIT for actual period divided by average capital employed at beginning and end of period. Capital Employed equals total assets deducted current liabilities.

Amounts in USD 1,000	Q3 2023	Q3 2022	9M 2023	9M 2022
Operating Profit (EBIT)	2 211	2 569	7 119	6 941
Annualized EBIT	8 846	10 277	9 492	9 255
Average Capital Employed*				
Capital employed at beginning of period	31 534	29 400	32 782	26 485
Capital employed at end of period	33 068	29 700	33 068	29 700
Average capital employed	32 301	29 550	32 925	28 093
<b>Return on capital employed</b>	<b>27.4 %</b>	<b>34.8 %</b>	<b>28.8 %</b>	<b>32.9 %</b>



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