

Press Release

## **Smartoptics Group AS (SMOP) – Q4 2022: Strong growth and high margins**

Oslo, 17 February 2022 - Smartoptics Group AS (OSE: SMOP) today reported revenues of USD 18.1 million in the fourth quarter of 2022, up 45.2 percent from the corresponding period in 2021 (USD 12.5 million), and an EBITDA margin of 19.5 percent, up from 14.7 percent in the fourth quarter 2021. EBIT margin was 17.3 percent compared to 11.4 percent same period last year.

“The fourth quarter was record breaking for Smartoptics both with regards to revenue and profitability. We see a continued strong demand in the US and European markets across all customer types, in particular communication service providers (CSP) which grow faster than the enterprise and internet content provider customers. This governs for continued growth, as the CSP market is by far the largest addressable market for Smartoptics, driven by an ever-growing demand for bandwidth and consequent network upgrades that result in a continuous need to modernize and expand networks,” said CEO of Smartoptics Magnus Grenfeldt.

Smartoptics maintains its ambition of USD 100 million of revenue by 2025/26, with EBITDA margin target of 17-20 percent.

“We are perfectly positioned for continued growth in an attractive part of the market. Our open 400G solutions have been very well received in the market, and we see that demand is increasing from large and established players. More than 30 percent of the revenue in the second half of 2022 came from products released in the same period. Our new products come hot out of the gate and are in demand from day one, which is key for continued growth in the years to come,” said Magnus Grenfeldt.

Smartoptics sources components for its network solutions on the global market and has successfully managed the component shortage and supply chain issues during the recent two years.

“The supply situation has continued to improve, and we have secured all critical semi-conductor components required in the near term. During 2023 we expect to return to a more normal operational situation with less requirement on high inventory and thereby improved ability to generate cash,” said Magnus Grenfeldt.

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Investors, analysts and media are welcome to join a presentation today at 10:00 CET 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 17th of February 2023

Time: 10:00 CET

Venue: Hotel Continental, Stortingsgaten 24/26, Oslo

Language: English

Webcast link: [https://channel.royalcast.com/landingpage/hegnarmedia/20230217\\_6/](https://channel.royalcast.com/landingpage/hegnarmedia/20230217_6/)

The report and presentation will be made available at [www.smartoptics.com](http://www.smartoptics.com) and [www.newsweb.no](http://www.newsweb.no). A recorded version of the presentation will be available after the live stream is concluded.