

Financial Presentation

Q1 2026

May 7, 2026



Strong momentum and progress in large account strategy in a market growing significantly faster than previously expected

REVENUE		
	2026	Change
Q1	22.9 MUSD	+59.6%

GROSS MARGIN		
	2026	2025
Q1	48.2%	47.3%

EBITDA MARGIN		
	2026	2025
Q1	11.7%	8.4%

Increased market projections for coming 5+ years from all industry analysts.

Signal AI projects a growth from 16.5 bn in 2025 to 24.7 bn in 2030

Broad traction including large accounts and AI-related Data Center Interconnect demand.

All time high revenues in Americas, strong growth in Europe. Strong growth in all business areas

EBITDA was impacted by non-recurring costs of USD 472k related to the relocation of production.

EBITDA growing more than the revenue, showing the leverage in the Business

Powering the ever growing demand for bandwidth with open optical solutions and innovative software

WHO WE SERVE



Cloud & AI

Connectivity backbone for Data Centers and AI infrastructure



Network Operators

Scalable optical transport for network operators, Internet service providers and wholesale providers connecting cities and regions



Enterprise

High-capacity data center Interconnect for business critical applications.

OUR PRODUCTS

Optical Networking Built for Scale and Efficiency

- **Open networking**
Disaggregated network solutions, removing vendor lock-in
- **High-capacity, scalable transport**
Enables dramatically increase bandwidth (25.6T+) over existing fiber infrastructure
- **Operational simplicity**
Software driven automation reduce complexity, deployment time, and need for specialized expertise.
- **Cost-efficient architecture**
Optimized for low total cost of ownership by design

2006

Founded, HQ Oslo

35.6%

Revenue growth 2025

USD 16bn

Market growing to 24.7bn in 2030

200+

Partners globally

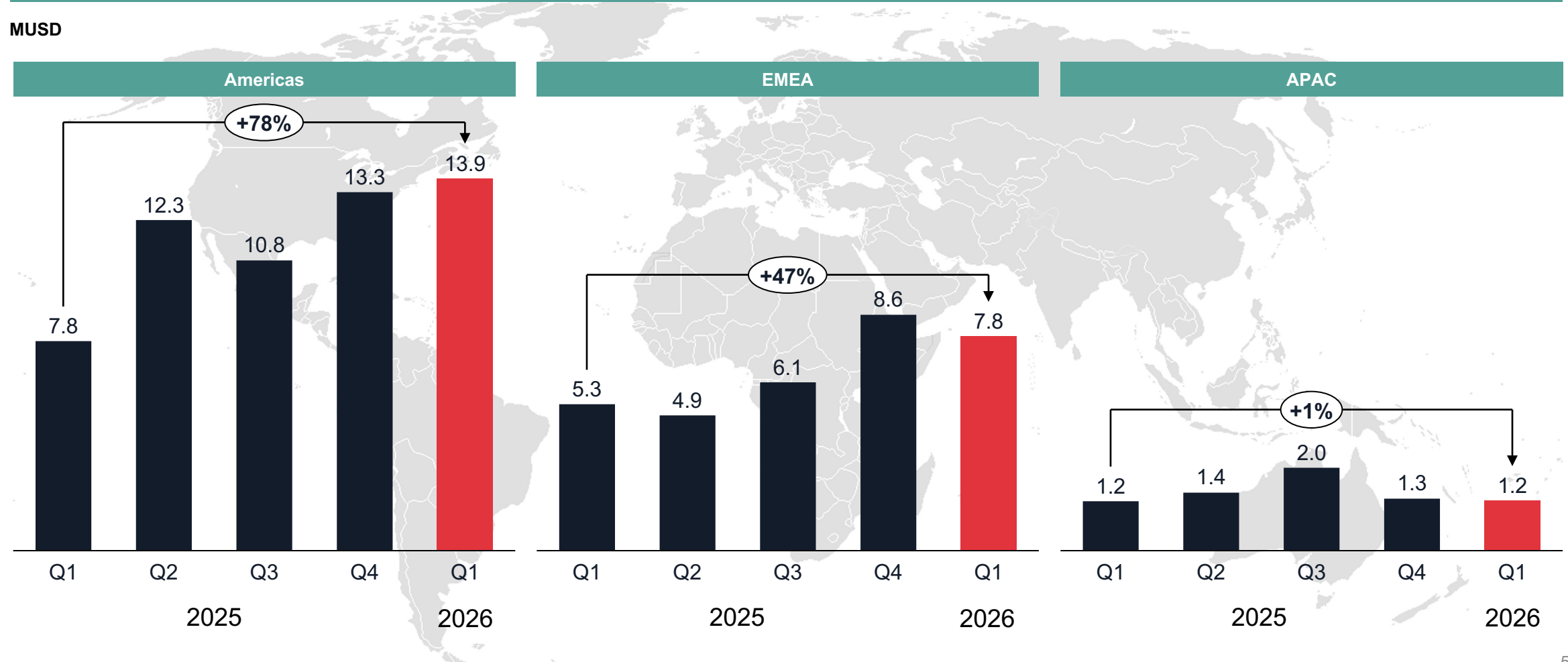
+50%

Revenue from long-term customers

Q1'26 deep dive

All time high Q1 revenue in Americas and EMEA. APAC still project dependant

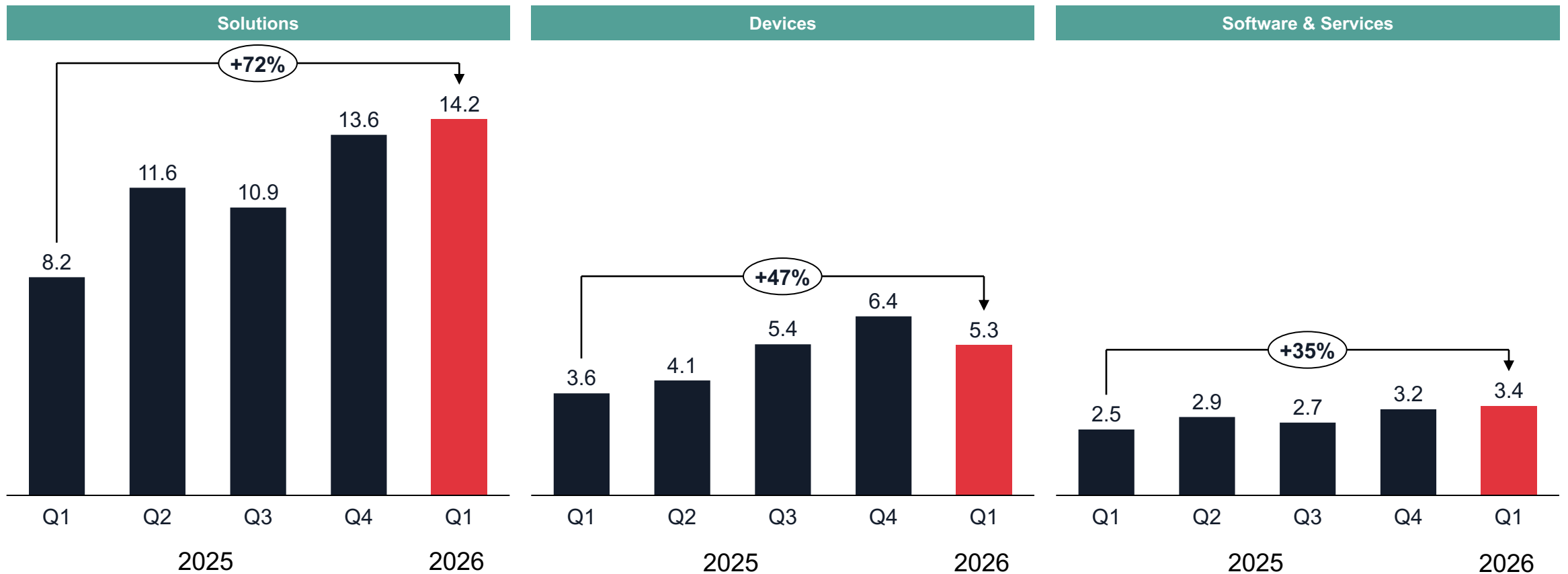
Revenue per region and quarter – Last 5 quarters



Strong growth in all business areas, with Solutions, Software & Services leading the way

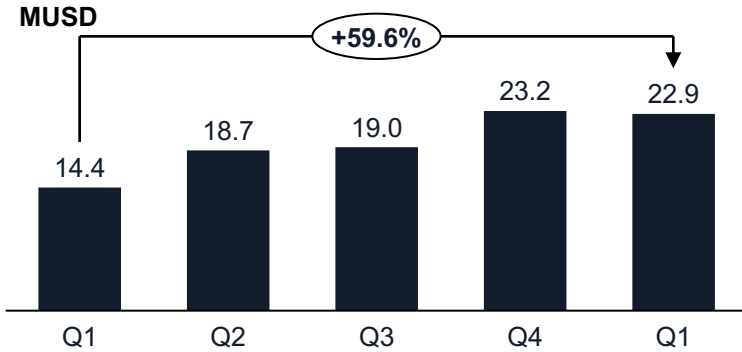
Revenue per business area and quarter – Last 5 quarters

MUSD

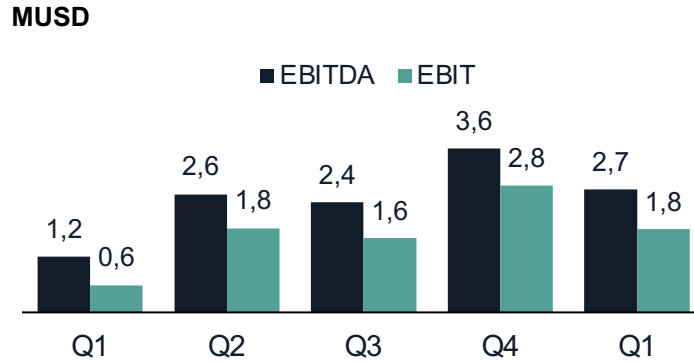


Summary of Q1 financial performance

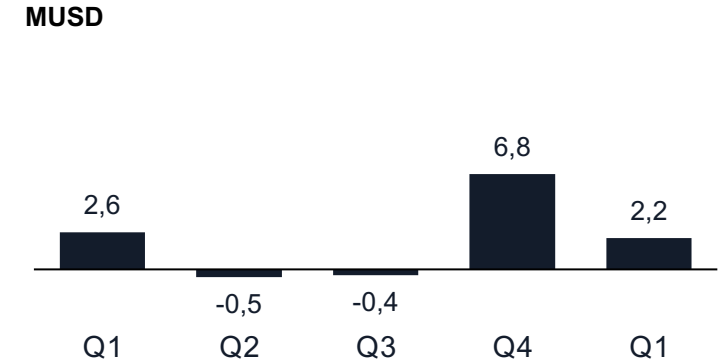
Revenue



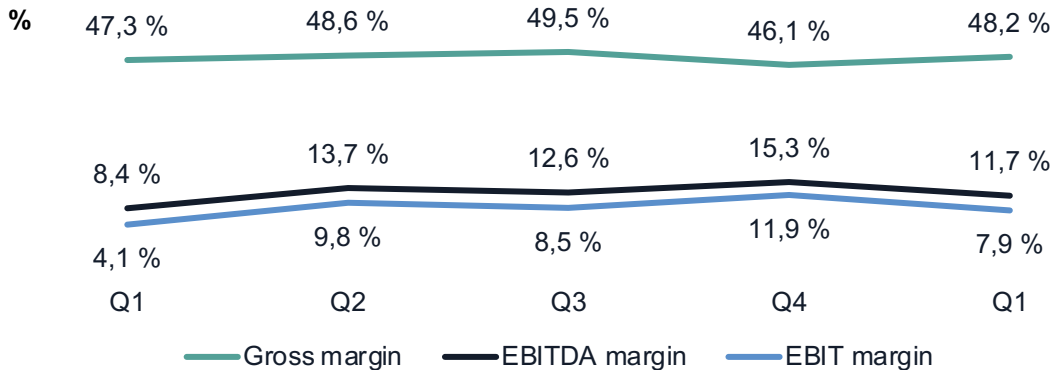
EBITDA & EBIT



Operating cash flow



Gross margin and EBITDA margin

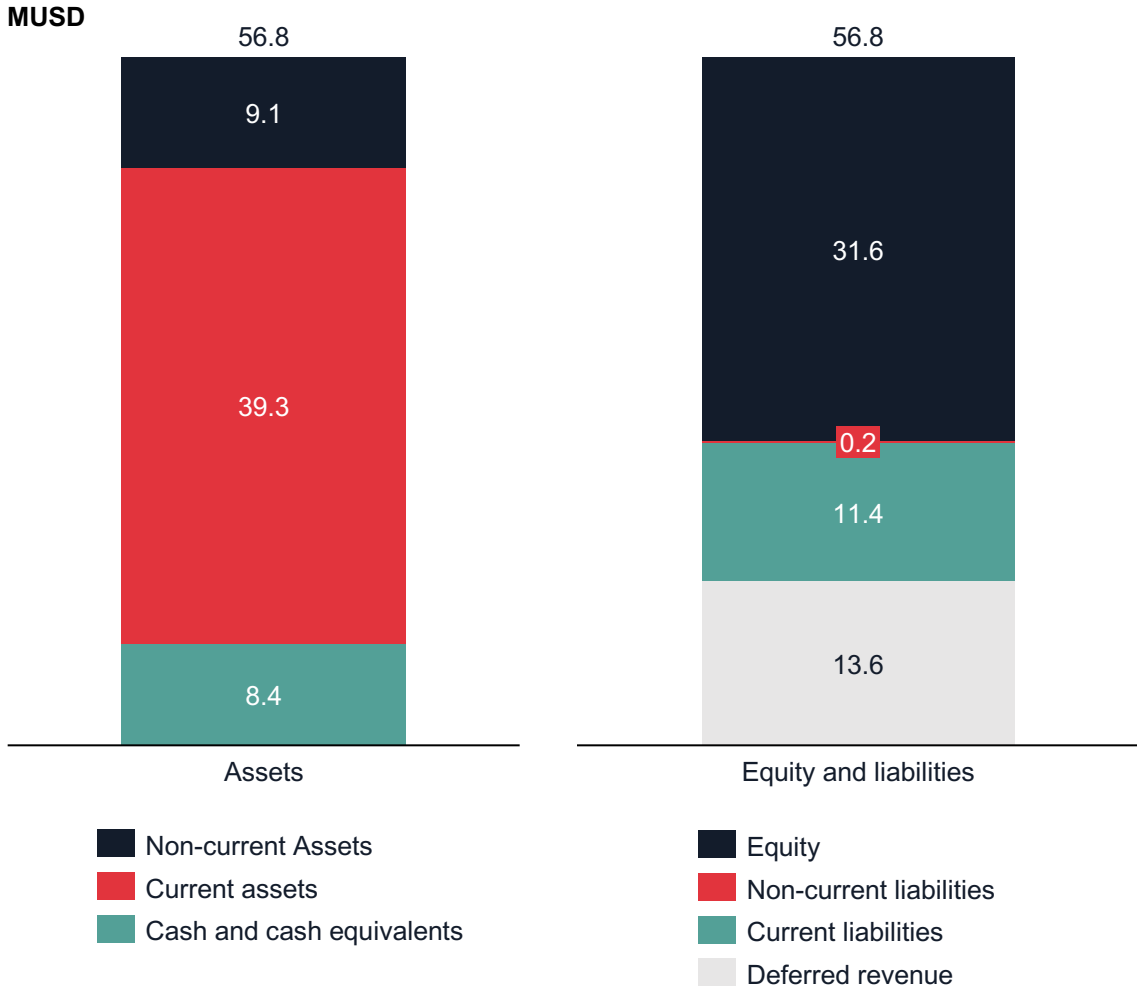


Comments

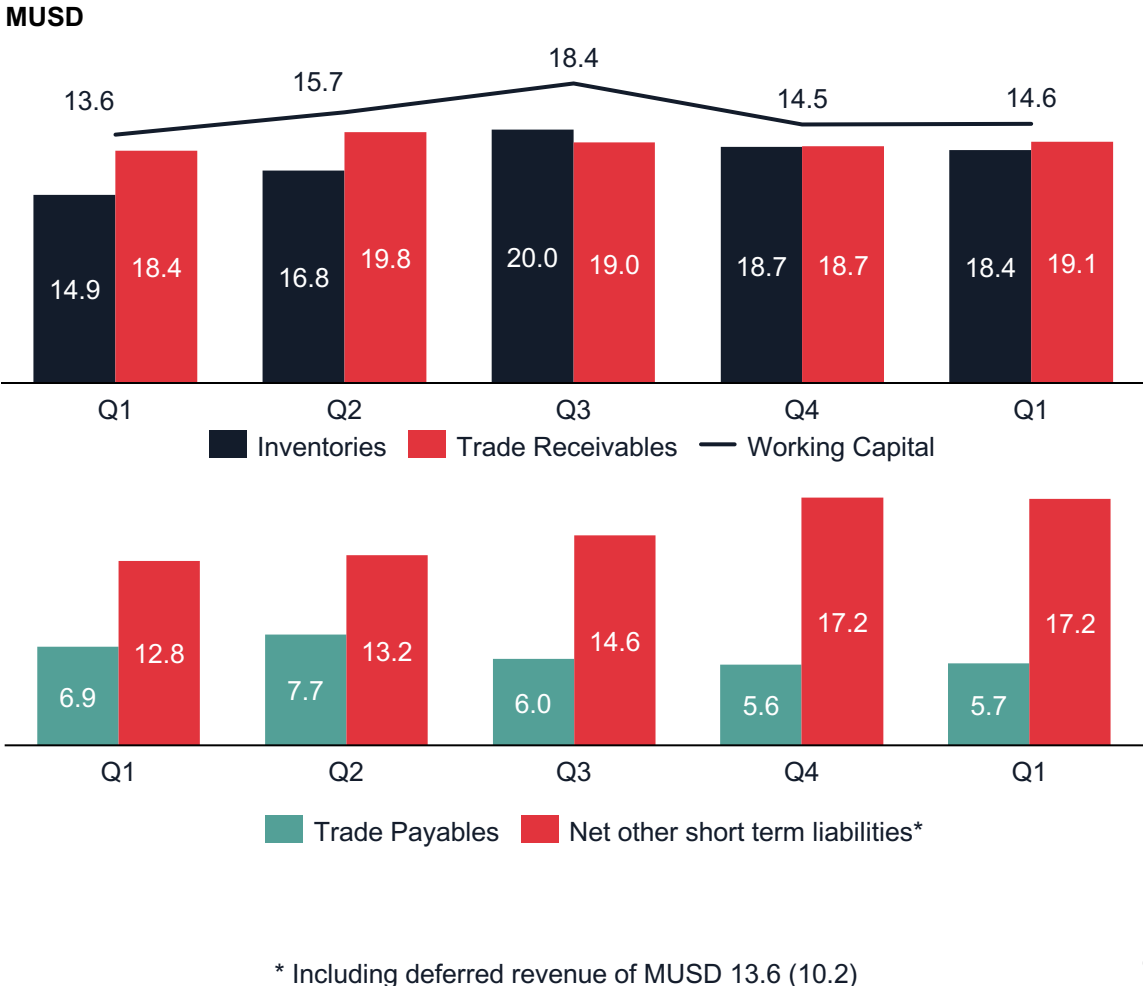
- EBITDA and EBIT were impacted by non-recurring costs corresponding to 2.0 p.p, related to the consolidation of production
- Excluding these non-recurring costs, EBITDA and EBIT margin would have been 13.7% and 9.9% respectively

Strong financial position

Balance sheet Mar 31, 2026



Working capital development past 5 quarters



Board has proposed a dividend of NOK 0.60 per share

Board considerations

- Emphasizing stable to increasing dividend
- Anticipating positive financial development
- Solid financial position
- Strong cash flow
- Pending AGM approval

Dividend policy

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

2026-2030: Roadmap to deliver profitable growth in a market increasingly shaped by AI-driven capacity expansion

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
- South America
- Africa

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

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



Profit and Loss Statement

Profit and Loss Statement Q1 2026

Amounts in USD 1 000	2026 Q1	2025 Q1
Total revenue and other operating income	22 913	14 355
Direct cost of sales	-11 879	-7 569
Employee benefit expenses	-6 676	-4 517
Other operating expenses	-1 682	-1 062
Total operating expenses	-20 238	-13 149
Depreciation	-663	-500
Amortization of intangible assets	-203	-117
Total depreciation and amortization	-866	-617
Operating profit/(loss)	1 810	591
Financial income	-11	82
Financial expenses	-13	-45
Net foreign exchange gains (losses)	-1 297	-504
Net Finance Items	-1 321	-467
Profit/(loss) before income tax	489	124
Income tax	-254	-59
Profit/(loss) for the year	234	64
Shares outstanding (Basic)	98 045 518	98 045 518
Shares outstanding (Diluted)	98 045 518	98 045 518
Earnings per share (Basic) USD	0.002	0.001
Earnings per share (Diluted) USD	0.002	0.001
Earnings per share (Basic) NOK	0.022	0.011
Earnings per share (Diluted) NOK	0.022	0.011

Balance Sheet

Balance Sheet Mar 31, 2026

Amounts in USD 1 000	2026 Q1	2025 Q1
Capitalized development cost	2 371	1 835
Other Intangible assets	625	606
Property, plant and equipment	3 724	3 498
Right of use assets	431	1 164
Deferred tax assets	1 960	1 505
Total Non Current Assets	9 110	8 608
Inventories	18 397	14 875
Trade receivable	19 071	18 373
Other current assets	1 795	1 195
Cash and cash equivalents	8 398	9 889
Total Current Assets	47 661	44 332
TOTAL ASSETS	56 771	52 940

Amounts in USD 1 000	2026 Q1	2025 Q1
Share capital	201	186
Share premium	15 275	14 116
Other paid in capital	-	-
Foreign currency translation reserves	-	66
Retained earnings	16 236	16 103
Total Equity	31 646	30 654
Lease liabilities (noncurrent portion)	201	392
Contract liabilities (noncurrent deferred revenue)	6 668	4 562
Other noncurrent liabilities	-	161
Total noncurrent liabilities	6 869	5 115
Lease liabilities (current portion)	258	837
Trade payable	5 708	6 862
Contract liabilities (deferred revenue)	6 885	5 596
Tax payable	1 202	230
Current Public duties payable	798	615
Other current liabilities	3 406	3 029
Total current liabilities	18 256	17 171
Total Liabilities	25 125	22 286
TOTAL EQUITY AND LIABILITIES	56 771	52 940

Cash Flow Statement

Cash Flow Statement Q1 2026

Amounts in USD 1 000	2026 Q1	2025 Q1	2026 YTD	2025 YTD
Cash flows from operating activities				
Profit/(loss) before income tax	489	124	489	124
Adjustments for				
Taxes paid	-818	-730	-818	-730
Depreciation and amortization	866	617	866	617
Net interest expense	24	-37	24	-37
Change in inventory	272	-2 267	272	-2 267
Change in trade receivable	-353	1 491	-353	1 491
Change in contract liabilities (deferred revenue)	779	1 189	779	1 189
Change in trade payable	78	1 816	78	1 816
Change in other current assets and other liabilities	907	351	907	351
Interest received	-11	82	-11	82
Net cash inflow from operating activities	2 233	2 636	2 233	2 636
Net cash (outflow) from investing activities	-968	-1 009	-968	-1 009
Net cash inflow from financing activities	-495	-391	-495	-391
Net increase/(decrease) in cash and cash equivalents	771	1 235	771	1 235
Cash and cash equivalents at the beginning of period	7 337	7 972	7 337	7 972
Effects of exchange rate changes on cash and cash equivalents	290	680	290	680
Cash and cash equivalents at the end of period	8 399	9 888	8 399	9 888

Thank you