

# Financial Presentation

Q4 2025

February 19, 2026



# Q4 2025 with strong business momentum and continued progress in large account strategy

## REVENUE

	2025	Change
Q4	23.2 MUSD	+37.7%
12M	75.3 MUSD	+35.6%

All time high revenues in quarter, accelerating demand through the quarter

Increasing traction with large accounts and AI-related DCI demand

Very strong revenue from the US and traction in Europe. Record quarter for product area Optical devices.

Continuing disciplined investments to deliver profitable growth in a market increasingly shaped by AI-driven capacity expansion

## GROSS MARGIN

	2025	2024
Q4	46.1%	49.0%
12M	47.8%	48.1%

## EBITDA MARGIN

	2025	2024
Q4	15.3%	14.4%
12M	12.9%	10.1%

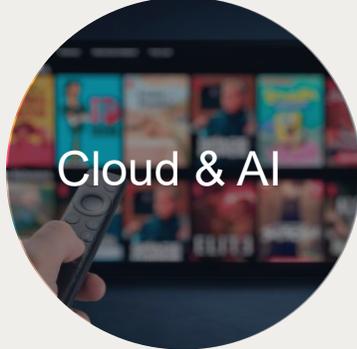
# Customer success driven by an ever-growing demand for bandwidth, cost efficient products and software value



Enterprise  
DCI



Operator  
Networks



Cloud & AI



Networking solutions delivering multiple Terabits/s of capacity



Innovative software managing a cost-efficient product portfolio



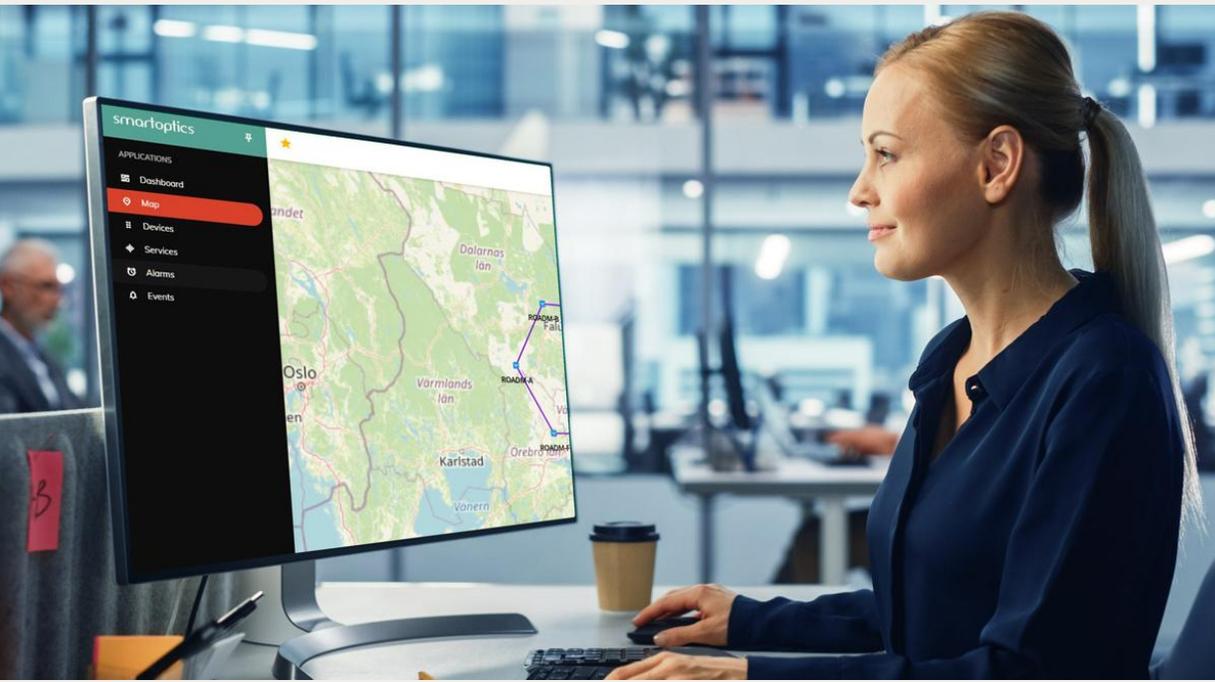
Reoccurring business model and low customer churn



Global sales force, +200 business partners

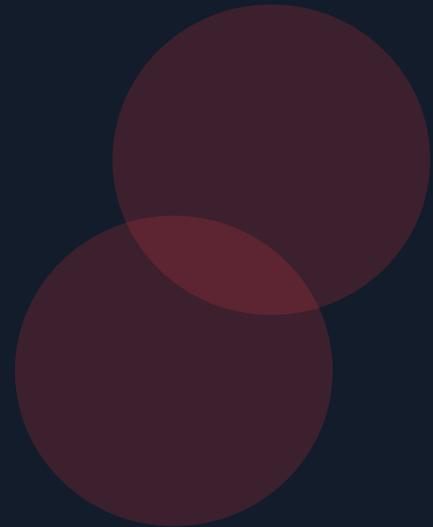


USD 16bn market opportunity



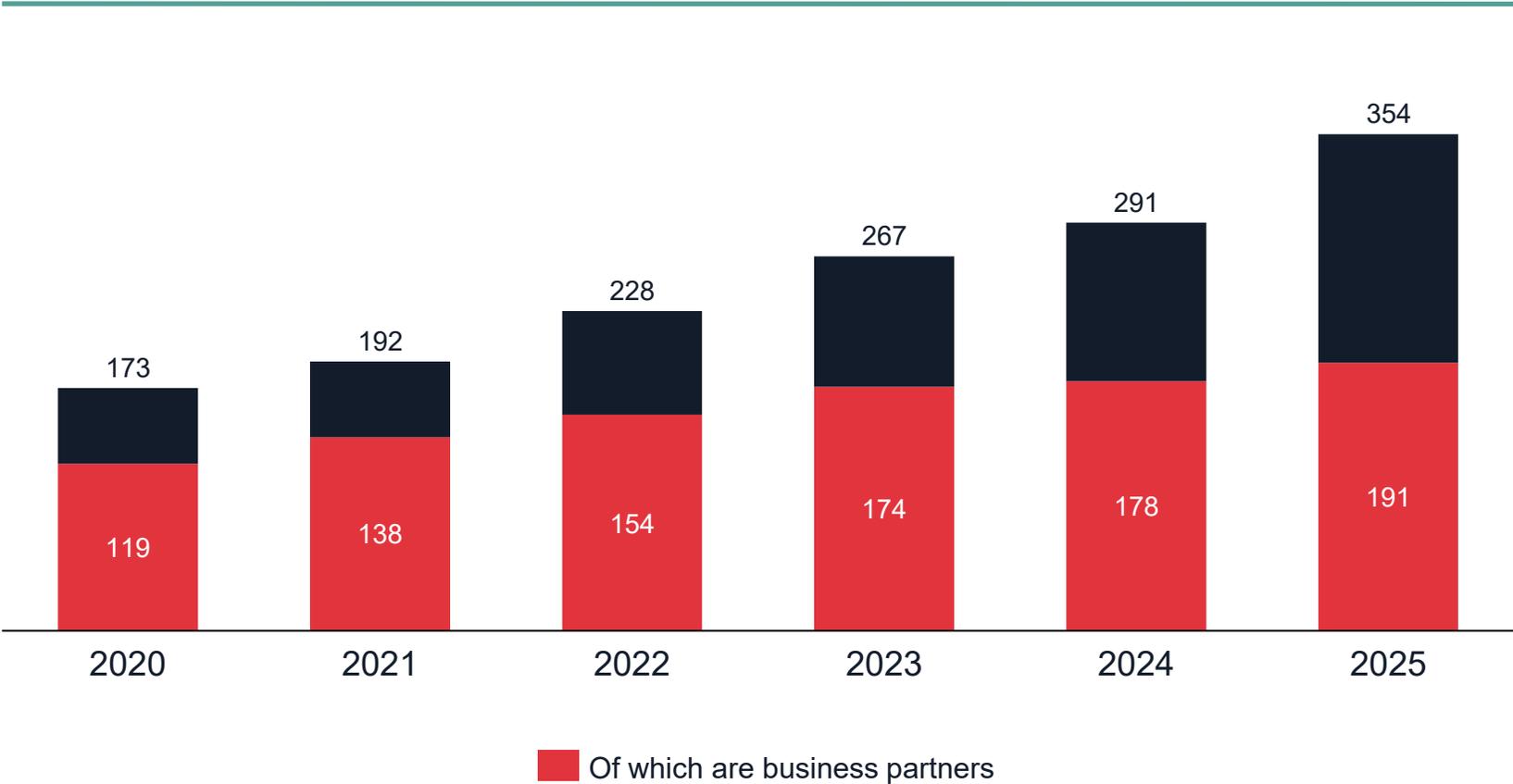


**Q4'25 deep dive**



# Continuously growing indirect and direct customer base

## Active customers



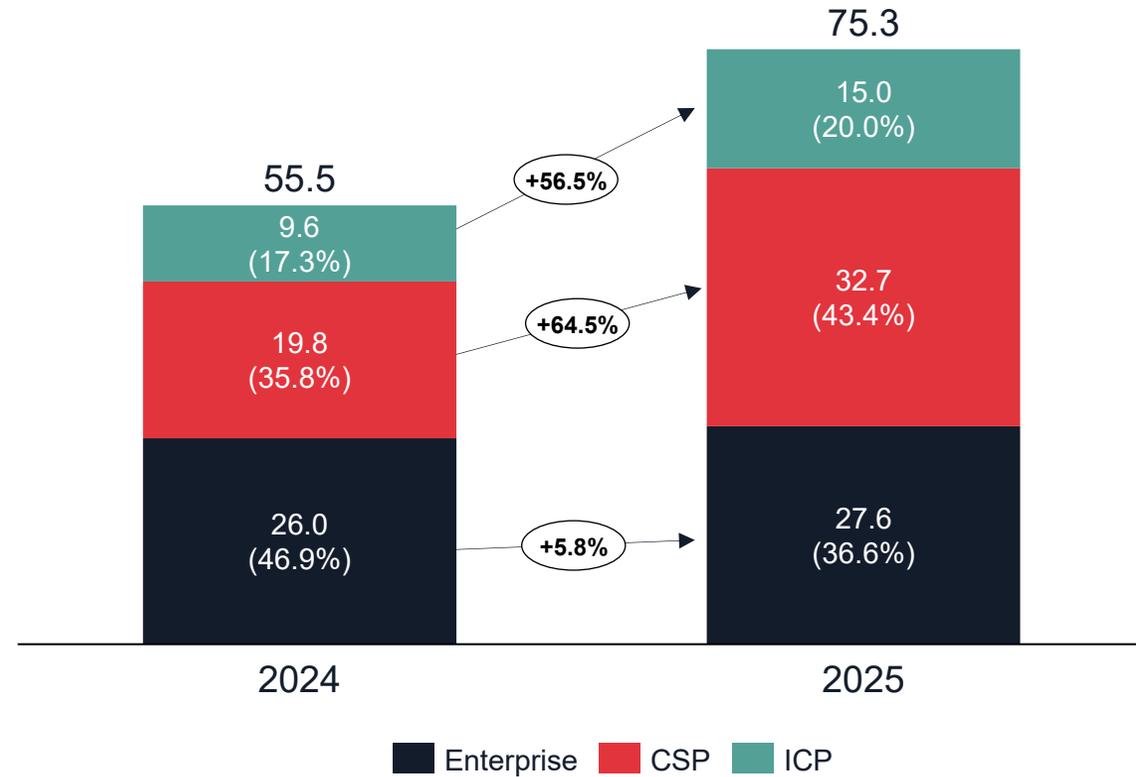
## Comments

- Growing and compounding customer base
- 15% new-customer revenue contribution in 2025
- Strong retention: >50% revenue from long-term customers
- Expanding partner network supporting scalable growth

# Strong growth in ICP and CSP segment driven by investments in datacenters and AI

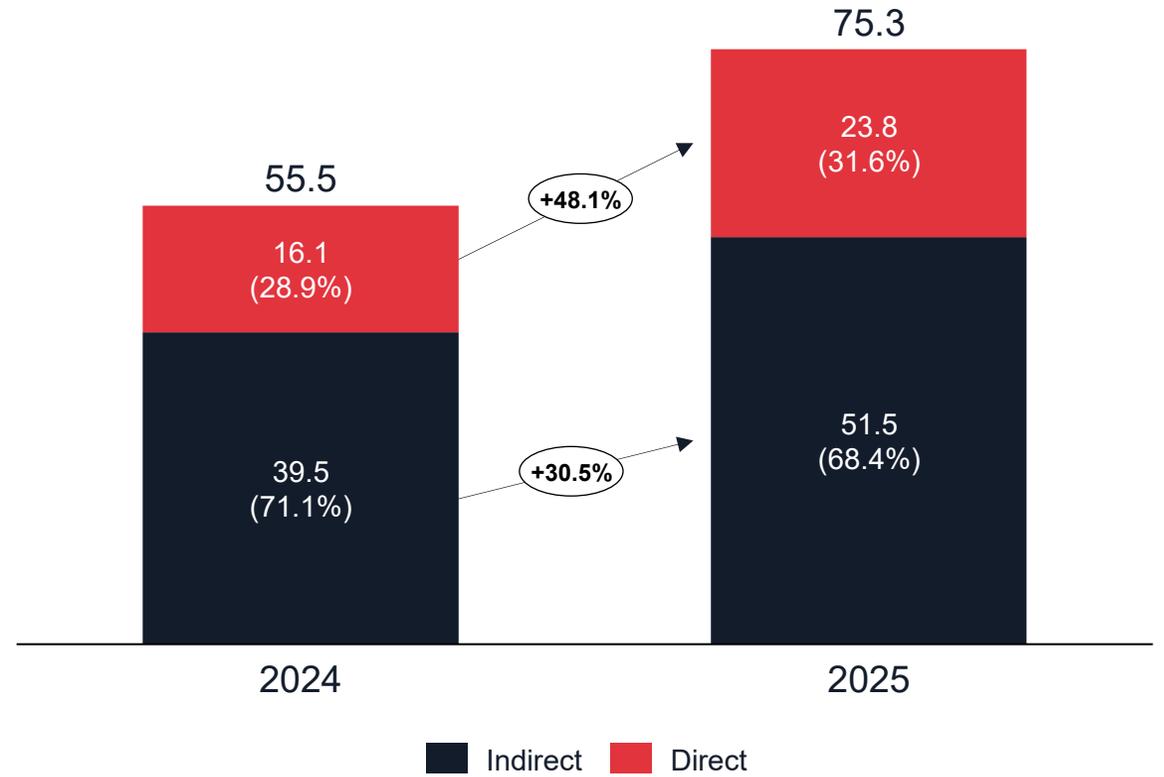
Customer type

MUSD



Customer channel

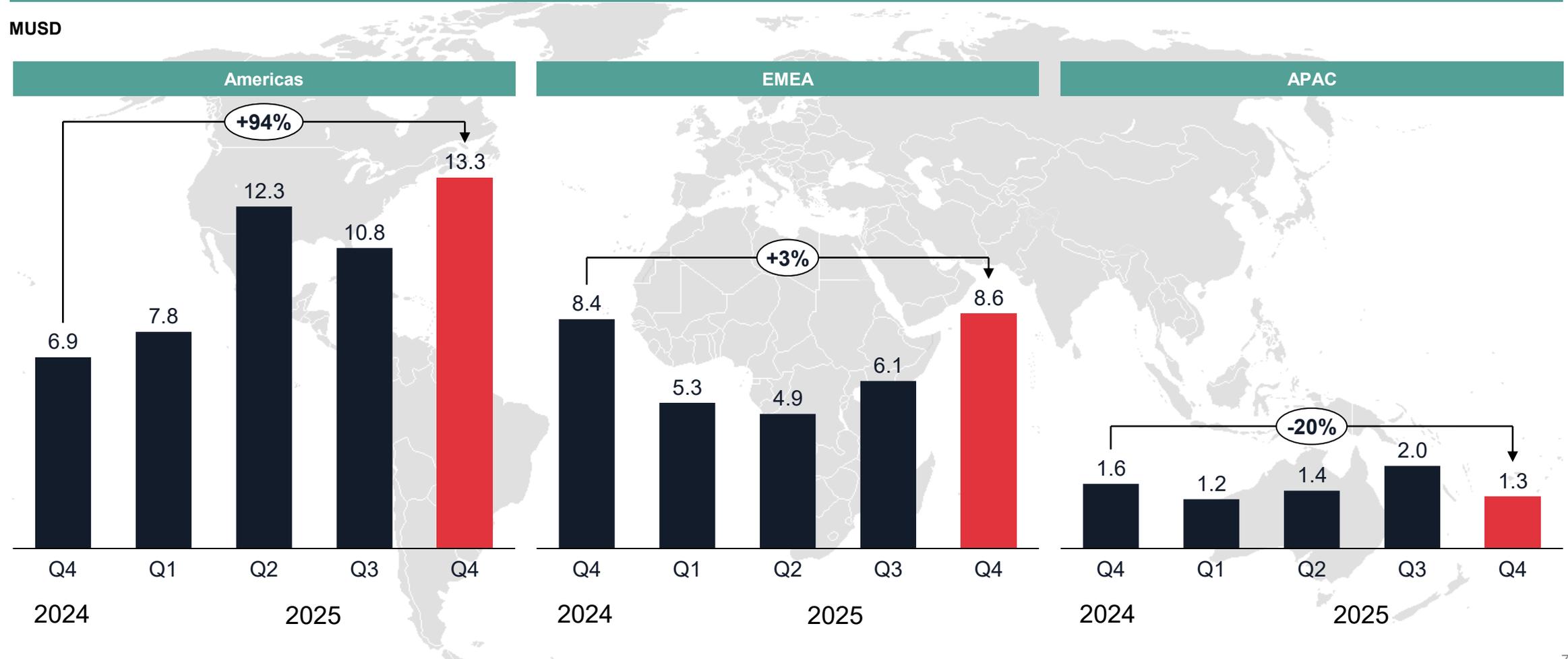
MUSD



Note: Split estimated by categorizing all customers

# Very strong growth in Americas. Strong Q over Q growth in EMEA is a sign of an improving market in Europe. APAC still project dependant

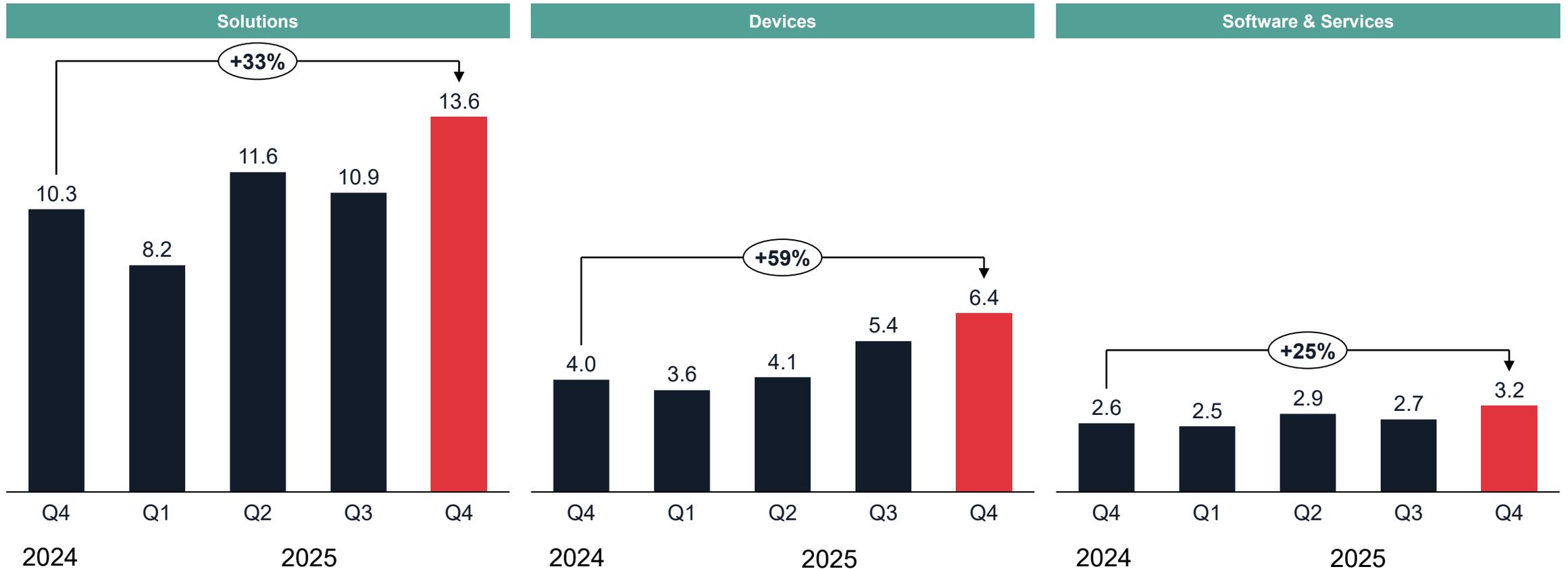
Revenue per region and quarter – Last 5 quarters



# Strong growth in all Product areas. Optical Devices strategy gaining momentum

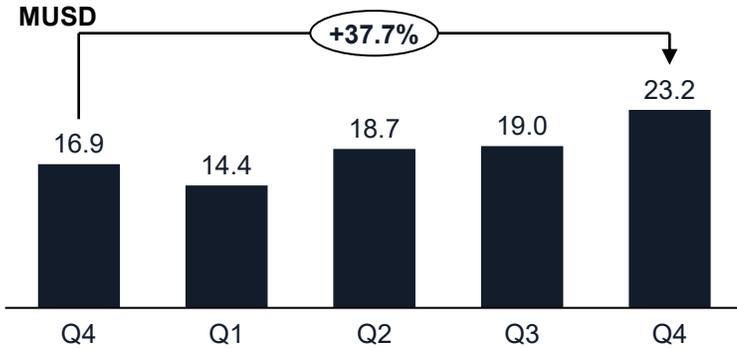
Revenue per business area and quarter – Last 5 quarters

MUSD

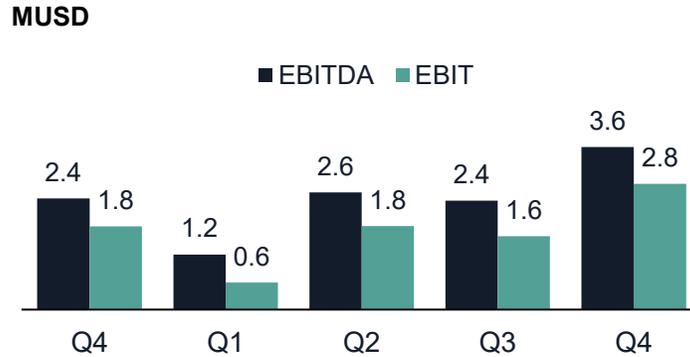


# Summary of Q4 financial performance

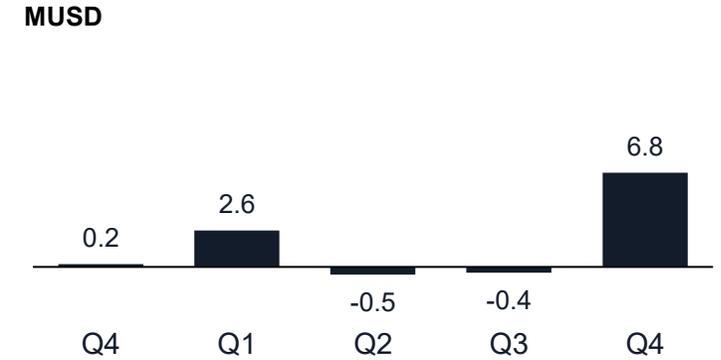
## Revenue



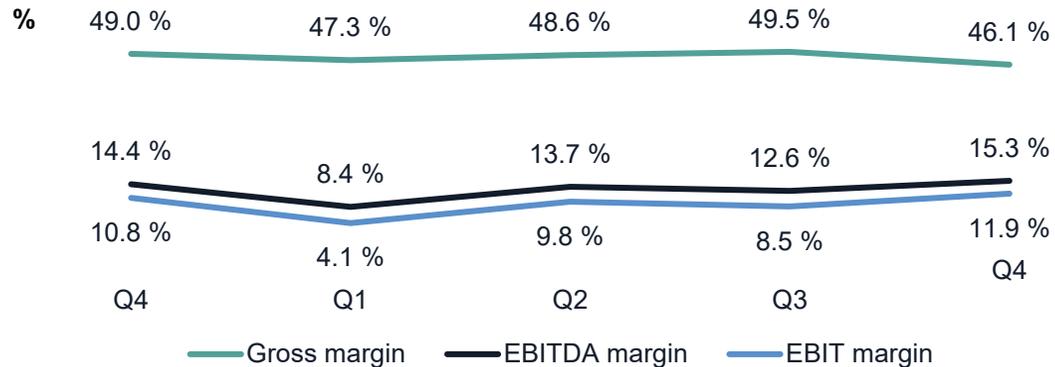
## EBITDA & EBIT



## Operating cash flow



## Gross margin and EBITDA margin

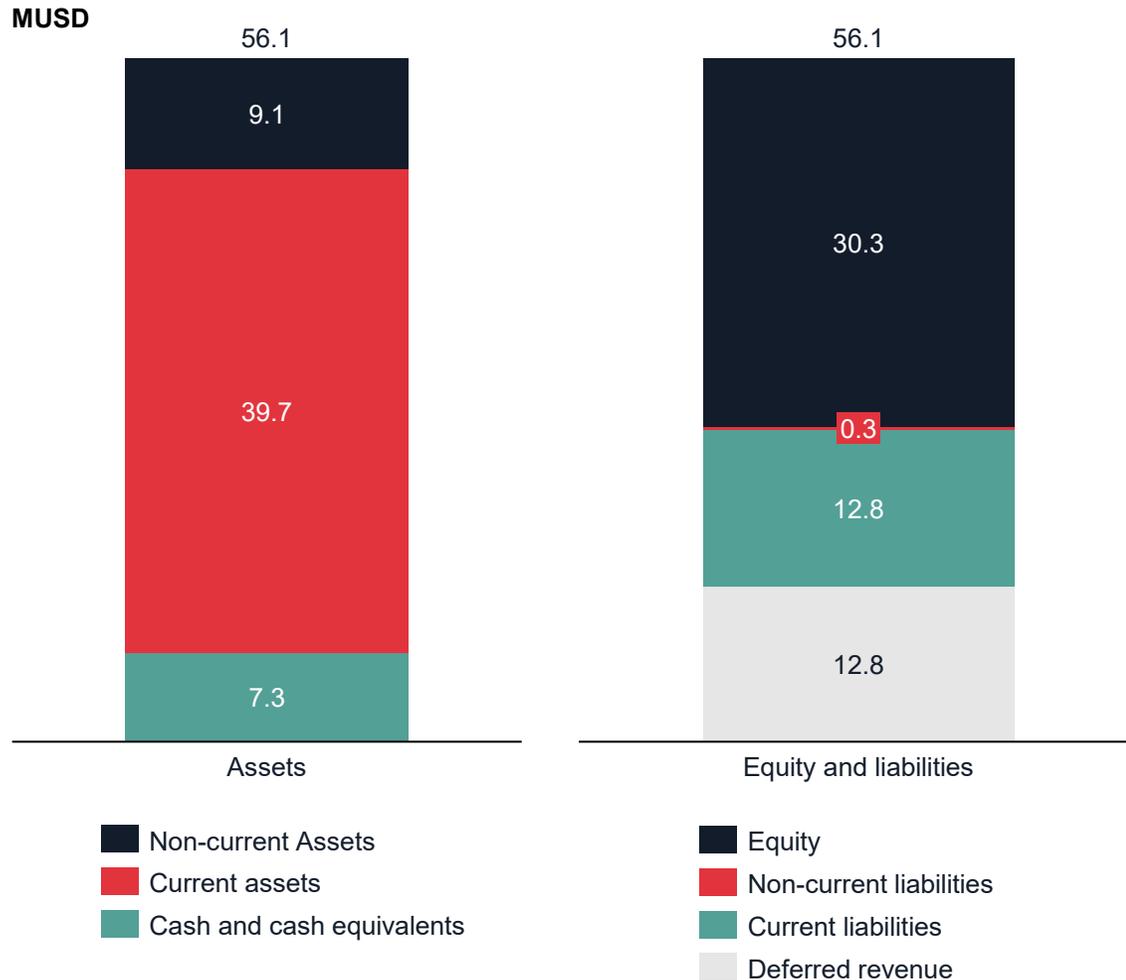


## Comments

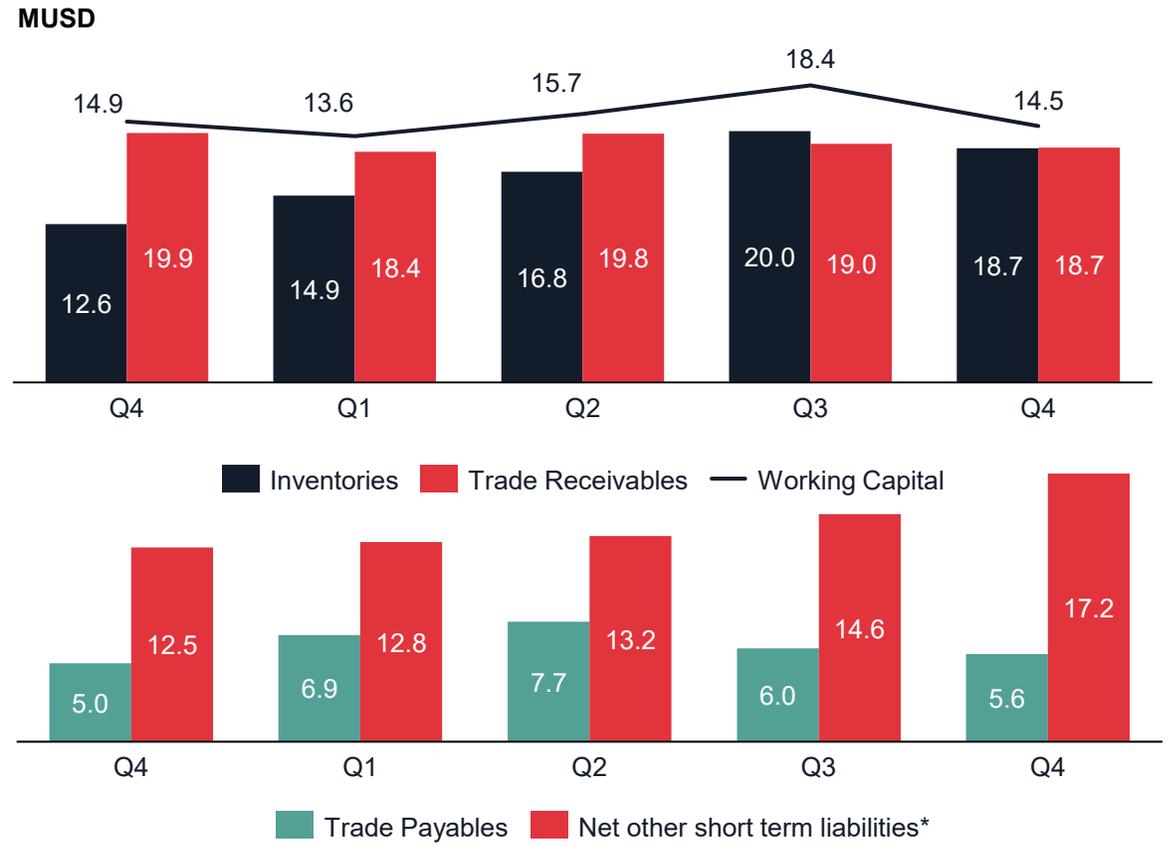
- Including non-recurring cost from uplisting of USD 735k in Q3, the full year EBITDA would have been 13.9%.
- Gross margin 47.8% full year 2025 compared to 48.1% 2024
- Strong Q4 operating cash flow of USD 6.8m (USD 0.2m), driven by inventory reduction and even invoicing within the quarter.

# Strong financial position

Balance sheet Dec 31, 2025



Working capital development past 5 quarters



\* Including deferred revenue of MUSD 12.8 (9.0)

# Board intends to propose dividend of NOK 0.60 per share

## Board considerations

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- 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 Q4 2025

Amounts in USD 1 000	2025 Q4	2024 Q4	2025 YTD	2024 YTD
<b>Total revenue and other operating income</b>	<b>23 242</b>	<b>16 874</b>	<b>75 269</b>	<b>55 508</b>
Direct cost of sales	-12 533	-8 603	-39 281	-28 783
Employee benefit expenses	-5 656	-4 246	-20 159	-16 157
Other operating expenses	-1 495	-1 588	-6 109	-4 985
<b>Total operating expenses</b>	<b>-19 683</b>	<b>-14 437</b>	<b>-65 549</b>	<b>-49 925</b>
Depreciation	-644	-538	-2 372	-1 976
Amortization of intangible assets	-160	-77	-563	-318
<b>Total depreciation and amortization</b>	<b>-803</b>	<b>-616</b>	<b>-2 935</b>	<b>-2 293</b>
<b>Operating profit/(loss)</b>	<b>2 756</b>	<b>1 821</b>	<b>6 785</b>	<b>3 289</b>
Financial income	21	312	184	315
Financial expenses	-64	-67	-237	-310
Net foreign exchange gains (losses)	771	900	-739	2 084
<b>Net Finance Items</b>	<b>728</b>	<b>1 144</b>	<b>-792</b>	<b>2 090</b>
<b>Profit/(loss) before income tax</b>	<b>3 484</b>	<b>2 965</b>	<b>5 993</b>	<b>5 379</b>
Income tax	-678	-701	-1 309	-1 337
<b>Profit/(loss) for the year</b>	<b>2 806</b>	<b>2 264</b>	<b>4 684</b>	<b>4 043</b>
Shares outstanding (Basic)	98 045 518	98 045 518	98 045 518	97 599 464
Shares outstanding (Diluted)	98 045 518	98 045 518	98 045 518	97 876 052
Earnings per share (Basic) USD	0.029	0.023	0.048	0.041
Earnings per share (Diluted) USD	0.029	0.023	0.048	0.041
Earnings per share (Basic) NOK	0.289	0.260	0.477	0.450
Earnings per share (Diluted) NOK	0.289	0.260	0.477	0.450

# Balance Sheet

## Balance Sheet Dec 31, 2025

Amounts in USD 1 000	31. Dec	31. Dec
Capitalized development cost	2 203	1 575
Other Intangible assets	649	339
Property, plant and equipment	3 720	3 006
Right of use assets	621	1 205
Deferred tax assets	1 883	955
<b>Total Non Current Assets</b>	<b>9 076</b>	<b>7 080</b>
Inventories	18 668	12 615
Trade receivable	18 718	19 864
Other current assets	2 315	1 374
Cash and cash equivalents	7 337	7 972
<b>Total Current Assets</b>	<b>47 039</b>	<b>41 826</b>
<b>TOTAL ASSETS</b>	<b>56 114</b>	<b>48 906</b>

Amounts in USD 1 000	31. Dec	31. Dec
Share capital	195	173
Share premium	14 779	13 121
Other paid in capital	-	-
Foreign currency translation reserves	-	156
Retained earnings	15 446	14 867
<b>Total Equity</b>	<b>30 264</b>	<b>28 455</b>
Lease liabilities (noncurrent portion)	251	277
Contract liabilities (noncurrent deferred revenue)	5 614	4 939
Other noncurrent liabilities	-	539
<b>Total noncurrent liabilities</b>	<b>5 865</b>	<b>5 755</b>
Lease liabilities (current portion)	411	730
Trade payable	5 630	5 048
Contract liabilities (deferred revenue)	7 160	4 030
Tax payable	1 661	1 118
Current Public duties payable	1 006	1 057
Other current liabilities	4 116	2 714
<b>Total current liabilities</b>	<b>19 985</b>	<b>14 697</b>
<b>Total Liabilities</b>	<b>25 850</b>	<b>20 452</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>56 114</b>	<b>48 907</b>

# Cash Flow Statement

## Cash Flow Statement Q4 2025

Amounts in USD 1 000	2025 Q4	2024 Q4	2025 YTD	2024 YTD
<b>Cash flows from operating activities</b>				
Profit/(loss) before income tax	3 484	2 965	5 993	5 379
Adjustments for				
Taxes paid	-164	-1 214	-1 303	-1 214
Depreciation and amortization	803	616	2 935	2 293
Net interest expense	43	-9	53	-9
Change in inventory	1 357	1 944	-6 054	1 584
Change in trade receivable	307	-5 124	1 146	-2 911
Change in contract liabilities (deferred revenue)	1 645	1 476	3 805	2 407
Change in trade payable	-381	881	582	565
Change in other current assets and other liabilities	-303	-1 638	1 189	-2 021
Interest received	21	315	184	315
<b>Net cash inflow from operating activities</b>	<b>6 811</b>	<b>211</b>	<b>8 530</b>	<b>6 386</b>
<b>Net cash (outflow) from investing activities</b>	<b>-686</b>	<b>-7</b>	<b>-2 914</b>	<b>-2 768</b>
<b>Net cash inflow from financing activities</b>	<b>-449</b>	<b>-360</b>	<b>-7 287</b>	<b>-3 886</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>5 676</b>	<b>-156</b>	<b>-1 672</b>	<b>-268</b>
Cash and cash equivalents at the beginning of period	1 660	8 963	7 972	9 321
Effects of exchange rate changes on cash and cash equivalents	1	-835	1 036	-1 082
<b>Cash and cash equivalents at the end of period</b>	<b>7 337</b>	<b>7 972</b>	<b>7 337</b>	<b>7 972</b>

**Thank you**