



smartoptics

**REMUNERATION REPORT
2025**

REMUNERATION REPORT

SMARTOPTICS GROUP ASA FINANCIAL YEAR 2025

1. INTRODUCTION

1.1 REMUNERATION REPORT

This remuneration report describes the remuneration of the Board of Directors (“Board”), the Chief Executive Officer (“CEO”) and the executive management team (“Executive Management”) of Smartoptics Group ASA (“Smartoptics” or the “Group”) for the financial year 2025.

The report has been prepared in accordance with:

- The Norwegian Public Limited Liability Act 1997, § 6-16b,
- The Regulations on Guidelines and Reports on the Remuneration of Executive Personnel, and
- The Company’s Remuneration Policy and Guidelines as adopted by the General Meeting.

Unless otherwise stated, amounts are presented in NOK thousand (NOK 1,000).

The report will be presented to the Annual General Meeting (AGM) for an advisory vote and will be made available on the Company’s website, in line with the transparency requirements in the applicable regulations.

1.2 GENERAL PERFORMANCE

This introduction provides a brief overview of the Smartoptics’ performance and key developments during the reported financial year.

2025 was a transformative year for Smartoptics, characterized by strong growth, improved profitability, and important strategic milestones. The Group reported revenue of USD 75.3 (55.5) million, representing an increase of 35.6% compared to the previous year, and an EBITDA of USD 9.7 (5.6) million, corresponding to an EBITDA margin of 12.9% (10.1%). Profitability improved significantly, supported by continued strong demand across key segments and a scalable operating model.

The positive development was driven by increased customer investments in data center connectivity, cloud infrastructure, and AI-related workloads. The Group also strengthened its position with larger customers and benefited from strong growth particularly in the Americas.

A key milestone during the year was the successful uplisting to the main board of Euronext Oslo Børs, enhancing Smartoptics’ visibility and access to capital markets.

2. OVERVIEW OF THE REMUNERATION POLICY

2.1 POLICY OBJECTIVES

The Company's remuneration policy is designed to support Smartoptics' long-term business strategy and sustainable value creation. It aims to ensure that remuneration is fair, transparent and performance-based, competitive without encouraging excessive risk-taking, and aligned with the interests of shareholders.

2.2 COMPONENTS OF TOTAL REMUNERATION

The total remuneration of the CEO and Executive Management may comprise:

- Fixed salary (base salary)
- Short-term incentive (STI) in the form of an annual cash bonus.
- Long-term incentive (LTI): The Remuneration Policy includes a framework for a long-term incentive program that may comprise equity-based or equity-linked instruments such as share options, warrants, or cash-settled arrangements that mirror the economic outcome of equity-based incentives (including phantom share structures). This framework will apply prospectively following its approval by the General Meeting in 2026. Accordingly, no LTI program was active for the financial year 2025, and no LTI awards were granted, vested or exercised during the year.
- Pension and other benefits
- Termination arrangements, including notice periods and severance where applicable.

2.3 REMUNERATION COMMITTEE

The Board has established a Remuneration Committee responsible for preparing and recommending matters relating to the remuneration of the CEO and Executive Management, including reviewing STI outcomes and any future LTI arrangements.

3. APPLICATION OF THE POLICY IN 2025

3.1 FIXED AND VARIABLE REMUNERATION

This section explains how the remuneration policy was applied in practice during the 2025 financial year.

- **Fixed salary** for the CEO and Executive Management in 2025 was set at a market-competitive level and reviewed by the Board, taking into account responsibilities, performance and external benchmarks.
- The **annual STI** is primarily linked to EBITDA performance and revenue growth versus budget. For the purpose of the variable remuneration (STI), EBITDA refers to EBITDA adjusted for pre-defined non-recurring items. For 2025, no bonus is payable if EBITDA is below 80% of the budgeted target, with linear scaling between 80–100% and capped over-performance above budget.
- No **long-term incentive program ("LTI")** was in operation during 2025, and no LTI awards were granted or vested for the year. The LTI framework described in the Remuneration Policy will apply prospectively once approved by the General Meeting in 2026.

3.2 PERFORMANCE AND STI OUTCOMES FOR 2025

Based on the Remuneration Committee's assessment of performance against approved financial targets for 2025, the STI outcomes for the CEO and Executive Management have been determined in accordance with the policy mechanism. The results are presented in the remuneration table, where the STI outcome for each executive is shown under the 2025 bonus column.

4. REMUNERATION OF THE BOARD OF DIRECTORS

Under the policy, remuneration of the Board:

- Is determined annually by the AGM,
- Reflects responsibilities, expertise, time commitment and the complexity of the Group's business, and
- Is not linked to Group's performance, EBITDA or share price, and does not include share-based incentives.

The Board fee is resolved by the AGM and the remuneration is disclosed in the table below:

Directors' fee (TNOK)	2025	2024
Chair of the Board	660	660
Other Board Members	330	330

No deviations from the policy for Board remuneration occurred in 2025.

4.1 YEAR-ON-YEAR DEVELOPMENT

The detailed Board fee table per Board member is disclosed in the table below:

Directors' fee (TNOK)		2025	In %	2024	In %	2023	In%	2022	In %	2021
Chair of the Board	Thomas Ramm	660	4 %	635	6 %	600	0 %	600	-	-
Board Member	Karl Thedeen	330	4 %	318	6 %	300	0 %	300	71 %	175
Board Member	Sara Heiner Asplund	330	4 %	318	6 %	300	0 %	300	-	-
Board Member	Einar Caspersen	330	4 %	318	6 %	300	0 %	300	-	-
Total		1 650	4 %	1 588	6 %	1 500	0 %	1 500	757 %	175

5. CEO AND EXECUTIVE MANAGEMENT REMUNERATION

5.1 EXECUTIVES COVERED

The following executives (current and former) in the policy scope:

- Magnus Grenfeldt, CEO
- Stefan Karlsson, CFO (from February 2024)
- Kent Lidström, CTO
- Per Burman, CMO
- Björn Andersson, SVP BA Devices (from November 2024)
- Ronald Hübsch, VP Supply Chain (from November 2024)

- Andreas Persson, Director of R&D (from April 2025)
- Carina Osmund, COO (from December 2021 to November 2024)

For 2025, remuneration is reported for those who held an executive role during the year. For former executives, only costs accrued up to their departure (and relating to service in 2024 or earlier periods where applicable) are included.

5.2 CEO AND EXECUTIVE MANAGEMENT REMUNERATION

The CEO and Executive Management's remuneration for 2025 compared to 2024 is as follows (NOK thousand):

CEO & Management compensation (TNOK)	Year	Fixed remuneration			Variable remuneration		Total remuneration	Proportion of the fixed remuneration
		Wages	Pension	Other benefits	Bonus (STI)	Discretionary bonus		
Magnus Grenfeldt, CEO	2025	3 547	603	-	529	742	5 420	77 %
	2024	3 408	567	44	-	-	4 020	100 %
Stefan Karlsson, CFO*	2025	1 722	447	-	536	-	2 704	80 %
	2024	1 511	432	-	-	-	1 943	100 %
Kent Lidström, CTO	2025	1 563	486	82	634	-	2 764	77 %
	2024	1 514	456	79	-	-	2 048	100 %
Per Burman, CMO	2025	1 169	539	-	438	-	2 145	80 %
	2024	1 315	522	-	-	-	1 837	100 %
Björn Andersson, SVP BA Devices*	2025	1 652	398	391**	496	-	2 936	83 %
	2024	250	56	-	-	-	305	100 %
Ronald Hübsch, VP of Supply chain*	2025	1 589	-	-	477	-	2 066	77 %
	2024	269	-	-	-	-	269	100 %
Andreas Persson, Director of R&D*	2025	877	13	-	-	-	890	100 %
	2024	-	-	-	-	-	-	-
Carina Osmund, COO*	2025	-	-	-	-	-	-	-
	2024	1 380	415	-	-	-	1 794	100 %

* Executives with partial-year service in 2025/2024 (new or departing) show remuneration only for the portion of the year in which they were in role.

**Refers to sales commission.

Certain members of Executive Management may elect to convert a portion of their fixed salary into pension contributions. Consequently, the proportion of pensions relative to fixed remuneration may vary between individuals.

The annual bonus (STI) is primarily linked to EBITDA performance and revenue growth compared to the annual budget targets approved by the Board. The performance criteria are based on EBITDA as defined in section 3.1. No bonus is paid if EBITDA performance is below 80% of the budgeted target. Between 80–100% of target, bonus levels increase proportionally, with on-target payout at 100% EBITDA.

In addition to the STI described above, the Board resolved to grant a discretionary bonus of NOK 742 thousand to the CEO. The bonus was awarded in recognition of exceptional individual performance and contributions during 2025. The bonus is not part of the ordinary STI framework and has therefore been determined separately by the Board.

The bonus for 2025 was based on the evaluation of performance criteria as presented below. The STI outcome reflects performance against approved financial targets, i.e. EBITDA and revenue growth compared to budget.

CEO & Executive management	Criteria	Weight	Results	Outcome (TNOK)
Magnus Grenfeldt, CEO	EBITDA vs budget	20 %	On target	529
	EBITDA vs budget	80 %	Above target	0
Stefan Karlsson, CFO	EBITDA vs budget	50 %	On target	357
	EBITDA vs budget	25 %	Above target	0
	Revenue vs budget	25 %	Above target	179
Kent Lidström, CTO	EBITDA vs budget	50 %	On target	422
	EBITDA vs budget	25 %	Above target	0
	Revenue vs budget	25 %	Above target	211
Per Burman, CMO	EBITDA vs budget	50 %	On target	292
	EBITDA vs budget	25 %	Above target	0
	Revenue vs budget	25 %	Above target	146
Björn Andersson, SVP BA Devices	EBITDA vs budget	50 %	On target	330
	EBITDA vs budget	25 %	Above target	0
	Revenue vs budget	25 %	Above target	165
Ronald Hübsch, VP of Supply chain	EBITDA vs budget	50 %	On target	318
	EBITDA vs budget	25 %	Above target	0
	Revenue vs budget	25 %	Above target	159

5.3 TOTAL EXECUTIVE REMUNERATION AND YEAR-ON-YEAR DEVELOPMENT

The increase from 2024 to 2025 primarily reflects:

- New appointments to Executive Management during 2025, and
- Annual adjustments to fixed salaries and pension contributions.
- No STI bonuses were paid 2024.

Total remuneration in TNOK (wages, pension, bonus and other benefits) for the group of executives above during the year 2021-2025 is:

CEO & Management compensation	(TNOK)	2025	Change in %	2024	Change in %	2023	Change in %	2022	Change in %	2021
Magnus Grenfeldt, CEO		5 420	35 %	4 020	26 %	3 180	-18 %	3 887	0 %	3 888
Stefan Karlsson, CFO*	From Feb 2024	2 704	-	1 943	-	-	-	-	-	-
Kent Lidström, CTO		2 764	35 %	2 048	-1 %	2 060	-4 %	2 148	10 %	1 952
Per Burman, CMO		2 145	17 %	1 837	6 %	1 727	-5 %	1 825	4 %	1 754
Björn Andersson, SVP BA Devices*	From Nov 2024	2 936	-	305	-	-	-	-	-	-
Ronald Hübsch, VP of Supply chain*	From Nov 2024	2 066	-	269	-	-	-	-	-	-
Andreas Persson, Director of R&D*	From Apr 2025	890	-	-	-	-	-	-	-	-
Carina Osmund, COO*	From Dec 2021- Nov 2024	-	-	1 794	1 %	1 775	-6 %	1 878	-	55
Mikael Haag, CFO*	Until Nov 2023	-	-	-	-	2 065	-3 %	2 126	-2 %	2 163
Peter Puranen, COO*	Until Dec 2021	-	-	-	-	-	-	-	-	1 454

* Percentage change is not presented where remuneration relates to a partial year of employment.

Some members of management receive their base salary in currencies other than NOK. Consequently, the reported percentage changes include the effect of foreign exchange movements.

Performance and other indicators	2025	Change in %	2024	Change in %	2023	Change in %	2022	Change in %	2021
Revenue (TUSD)	75 269	36 %	55 508	-5 %	58 504	2 %	57 366	25 %	45 902
EBITDA (TUSD)	9 720	74 %	5 582	-48 %	10 801	0 %	10 832	74 %	6 230
Average base salary per FTE in the Group (excl. EMT)	71	1 %	70	5 %	67	-11 %	75	13 %	66

The majority of employees receive their base salary in currencies other than USD. Consequently, the reported percentage changes include the effect of foreign exchange movements.

6. PENSION SCHEMES AND OTHER BENEFITS

In accordance with the policy, Executive Management participates in defined contribution pension schemes aligned with the Company's pension policy and local market practice. For executives based in Sweden, the pension arrangements mirror the ITP1 framework for occupational pensions. Executives in other jurisdictions are covered by pension and insurance solutions aligned with local legislation and market conditions.

Other benefits include typical fringe benefits such as car leases and similar items. These are reported in the "Other benefits" column and are small relative to total remuneration.

7. TERMINATION ARRANGEMENTS

Termination terms follow the Remuneration Policy:

- The CEO has a notice period of 6 months and, if terminated by the Company without cause, may be entitled to up to 12 months' base salary as severance.
- Other executives typically have 3–6 months' mutual notice, with salary and benefits payable only during the notice period.
- No severance is paid in cases of resignation, retirement or termination for misconduct.
- Variable remuneration may be forfeited and/or clawed back if it is based on incorrect information or if an executive has breached their duties.

No extraordinary severance payments exceeding the standard policy terms were made in 2025.

8. LONG-TERM INCENTIVE FRAMEWORK AND 2025 OUTCOMES

The Remuneration Policy establishes a framework for a long-term incentive program that may include equity-based or equity-linked instruments such as share options, warrants, or cash-settled arrangements that mirror the economic outcome of equity-based incentives (including phantom share structures).

No LTI program was active during the 2025 financial year, and no LTI awards were granted, vested or exercised by Executive Management.

9. COMPLIANCE WITH THE REMUNERATION POLICY AND DEVIATIONS

The Board and the Remuneration Committee have assessed the remuneration awarded and accrued for 2025 against the Remuneration Policy and Guidelines and have concluded that:

- Remuneration has been set and paid in accordance with the remuneration guidelines that will be presented for approval during the Annual General Meeting on 7 May 2026.

- The structure of remuneration (fixed salary, STI opportunity, pension, and benefits) is consistent with the principles of long-term value creation, risk moderation and alignment with shareholder interests.
- No clawbacks have been paid during 2025.
- No material deviations from the policy were made in 2025. A discretionary bonus was granted to the CEO, as described in section 5.2, and is considered to be within the Board's authority to determine variable remuneration in exceptional circumstances.

The Board retains the right, in exceptional circumstances and when necessary to safeguard the long-term interests or financial viability of the Company, to deviate temporarily from the guidelines. Any such deviation would be reported in this section in future years.

10. STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors considers that the remuneration awarded to the Board, CEO and Executive Management for the financial year 2025 has been:

- Prepared in accordance with the Remuneration Policy and Guidelines that will be presented for approval by the Annual General Meeting on 7 May 2026;
- Appropriate in view of the Company's strategy, financial position and performance in 2025; and
- In line with relevant laws, regulations and good corporate governance practice in Norway and within the Euronext Oslo framework.

The Board of Directors approved the Remuneration Report 2025 for Smartoptics Group ASA at the board meeting on 9 April 2026.

9 April 2026
Oslo, Norway



Thomas Ramm
Chairman of the Board



Sara Heiner Asplund
Board member



Karl Thedéen
Board member



Magnus Grenfeldt
Chief Executive Officer



To the General Meeting of Smartoptics Group ASA

Independent auditor's assurance report on report on salary and other remuneration to directors

Opinion

We have performed an assurance engagement to obtain reasonable assurance that Smartoptics Group ASA report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2025 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

Our Independence and Quality Management

We are independent of the company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We apply the International Standard on Quality Management (ISQM) 1 «Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements», and accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 – «Assurance engagements other than audits or reviews of historical financial information».

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 9 April 2026

PricewaterhouseCoopers AS

Øystein Blåka Sandvik
State Authorised Public Accountant
(electronically signed)

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Øystein Blåka Sandvik

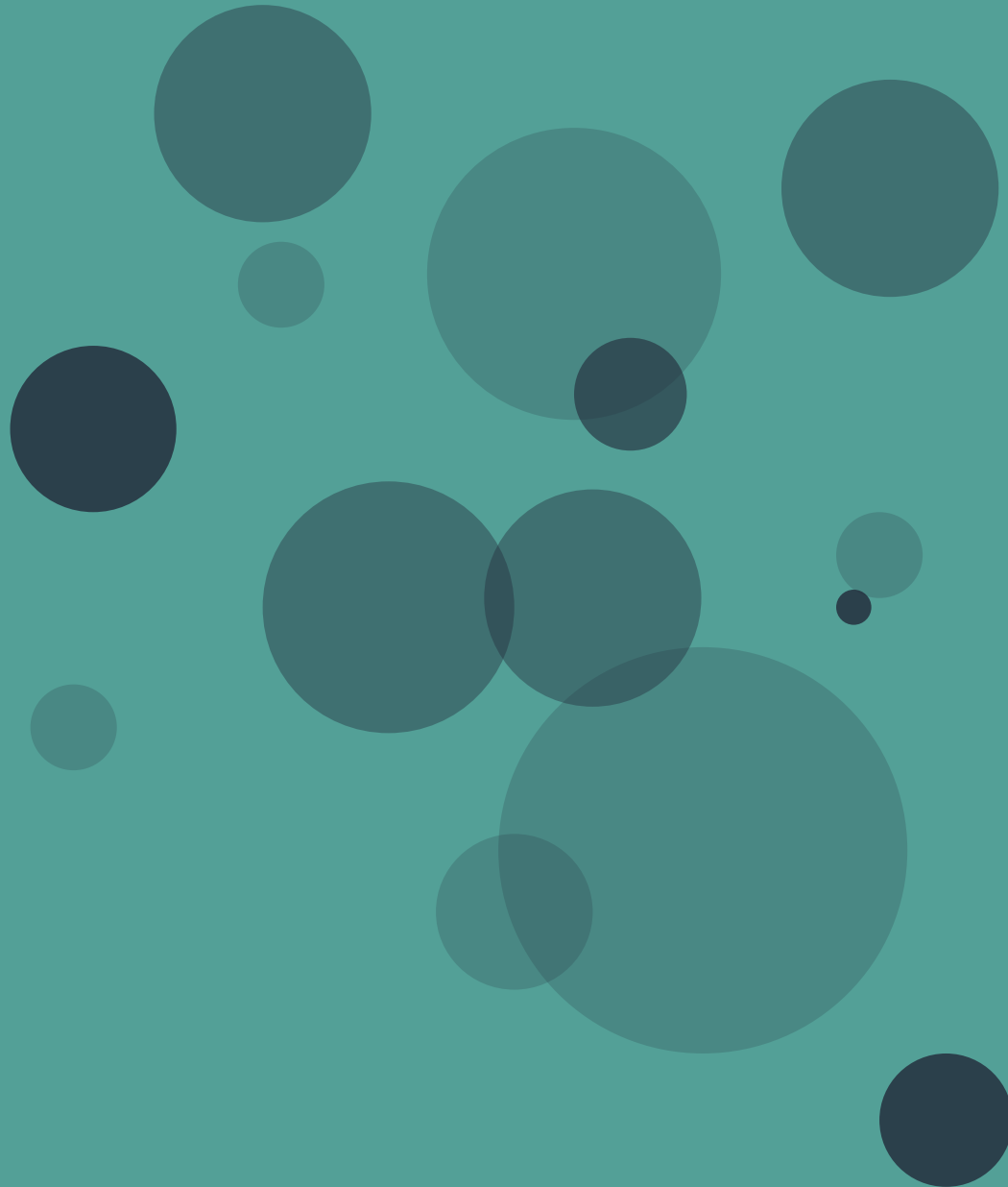
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