

# INFORMATION DOCUMENT

smartoptics

## Smartoptics Group AS

*(A private limited liability company incorporated under the laws of Norway)*

### Admission to trading of shares on Euronext Growth Oslo

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This information document (the "**Information Document**") has been prepared by Smartoptics Group AS (the "**Company**", "**Issuer**" or "**Smartoptics**" and, together with its consolidated subsidiaries, the "**Group**") solely for use in connection with the admission to trading of the Company's shares (the "**Admission**") on the Euronext Growth market operated by Oslo Børs ASA ("**Euronext Growth Oslo**").

The Company's shares (the "**Shares**") have been approved for trading on Euronext Growth Oslo, and the Shares will start trading on 3 June 2021 under the ticker symbol "SMOP".

Euronext Growth is a market operated by Euronext. Companies on Euronext Growth, a multilateral trading facility (MTF), are not subject to the same rules as companies on a Regulated Market (a main market). Instead they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on Euronext Growth may therefore be higher than investing in a company on a Regulated Market. Investors should take this into account when making investment decisions.

The present Information Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71.

The present Information Document has been drawn up under the responsibility of the Issuer. It has been reviewed by the Euronext Growth Advisor and has been subject to an appropriate review of its completeness, consistency and comprehensibility by Euronext.

**THIS INFORMATION DOCUMENT SERVES AS AN INFORMATION DOCUMENT ONLY, AS REQUIRED BY THE EURONEXT GROWTH ADMISSION RULES. THIS INFORMATION DOCUMENT DOES NOT CONSTITUTE AN OFFER TO BUY, SUBSCRIBE OR SELL ANY OF THE SECURITIES DESCRIBED HEREIN, AND NO SECURITIES ARE BEING OFFERED OR SOLD PURSUANT HERETO.**

The Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 (the "**U.S. Securities Act**") or with any securities regulatory authority of any state or other jurisdiction in the United States of America. The distribution of this Information Document may be restricted by law in certain jurisdictions. Accordingly, this Information Document may not be distributed or published in any jurisdiction where such distribution of publication would constitute a violation of applicable laws and regulations. Persons in possession of this Information Document are required by the Company and the Euronext Growth Advisor to inform themselves about and to observe any such restrictions.

**Investing in the Company's Shares involves risks. Prospective investors should read the entire document and, in particular, Section 2 "Risk Factors" when considering an investment in the Shares.**

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Euronext Growth Advisor



The date of this Information Document is 3 June 2021

## IMPORTANT NOTICE

This Information Document has been prepared by the Company in connection with the Admission. The purpose of the Information Document is to provide information about the Company and its Shares. This Information Document has been prepared solely in the English language.

For definitions of terms used throughout this Information Document, see Section 10 "Definitions and Glossary". The Company has engaged DNB Markets, a part of DNB Bank ASA, (the "**Manager**") as manager and Euronext Growth Advisor in connection with the Private Placement (as defined below) and the Admission.

This Information Document has been prepared to comply with the admission rules that apply to Euronext Growth Oslo. The Information Document does not constitute a prospectus under the Norwegian Securities Trading Act and related secondary legislation, including Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and has not been reviewed or approved by the Norwegian Financial Supervisory Authority or any other governmental authority.

All inquiries relating to this Information Document should be directed to the Company or the Manager. No other person has been authorized to give any information, or make any representation, on behalf of the Company and/or the Manager in connection with the Admission. If given or made, such other information or representation must not be relied upon as having been authorized by the Company or the Manager.

The information contained herein is as of the date hereof and subject to change, completion or amendment without notice. There may have been changes affecting the Group subsequent to the date of this Information Document. Neither the delivery of this Information Document nor the completion of the Admission at any time after the date hereof will, under any circumstances, create any implication that there has been no change in the Group's affairs since the date hereof or that the information set forth in this Information Document is correct as of any time since its date.

The contents of this Information Document shall not be construed as legal, business or tax advice. Each reader of this Information Document should consult its own legal, business or tax advisor as to legal, business or tax advice. If you are in any doubt about the contents of this Information Document, you should consult your stockbroker, bank manager, lawyer, accountant or other professional adviser.

The distribution of this Information Document in certain jurisdictions may be restricted by law. Persons in possession of this Information Document are required to inform themselves about, and to observe, any such restrictions. No action has been taken or will be taken in any jurisdiction by the Company that would permit the possession or distribution of this Information Document in any country or jurisdiction where specific action for that purpose is required.

The Shares may be subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under applicable securities laws and regulations. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This Information Document shall be governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo District Court (Norwegian: "*Oslo tingrett*") as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Information Document.

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# 1 STATEMENT OF RESPONSIBILITY AND OTHER INFORMATION

## 1.1 Statement of responsibility

This Information Document has been prepared by Smartoptics, with registered business address c/o SmartOptics AS, Ryensvingen 7, 0680 Oslo, Norway, solely in connection with the Admission.

The Board of Directors of Smartoptics is responsible for the Information Document. The members of the Board of Directors of Smartoptics declare that, to the best of their knowledge, the information provided in the Information Document is fair and accurate and that, to the best of their knowledge, the Information Document is not subject to any material omissions, and that all relevant information is included in the Information Document.

3 June 2021

### **The Board of Directors of Smartoptics Group AS**

Thomas Ramm  
*Chair*

Harald Kristofer Berg  
*Board Member*

Karl Thedéen  
*Board Member*

## **1.2 Third-party information**

Throughout this Information Document, the Company has used industry and market data obtained from independent industry publications, market research, internal surveys and other publicly available information. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable but that the accuracy and completeness of such information is not guaranteed. The Company has not independently verified such data. Similarly, whilst the Company believes that its internal surveys are reliable, they have not been verified by independent sources and the Company cannot give any assurance of their accuracy. Thus, the Company does not guarantee or assume any responsibility for the accuracy of the data, estimates, forecasts or other information taken from sources in the public domain.

## **1.3 Cautionary note regarding forward-looking statements**

This Information Document includes forward-looking statements that reflect the Company's current views with respect to future events and financial and operational performance. These forward-looking statements may be identified by the use of forward-looking terminology, such as the terms "anticipates", "assumes", "believes", "can", "could", "estimates", "expects", "forecasts", "intends", "may", "might", "plans", "projects", "should", "will", "would" or, in each case, their negative, or other variations or comparable terminology. These forward-looking statements are not historic facts. Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Group's actual financial position, operating results and liquidity, and the development of the industry in which the Group operates, may differ materially from those made in, or suggested, by the forward-looking statements contained in this Information Document. The Company cannot guarantee that the intentions, beliefs or current expectations upon which its forward-looking statements are based will occur.

## **1.4 Advisors**

DNB Markets, a part of DNB Bank ASA, has been retained as Manager and Euronext Growth Advisor in connection with the Private Placement (as defined below) and the Admission. Advokatfirmaet Schjødt AS has acted as Norwegian legal counsel to the Company.

## **2 RISK FACTORS**

*Investing in the Company involves inherent risks. Prospective investors should carefully consider, among other things, the risk factors set out in this section before making an investment decision in respect of the Shares. The risks and uncertainties described below are not the only ones facing the Group. Additional risks not presently known to the Company or that the Company currently deems immaterial, may also impair the Group's business and adversely affect the price of the Shares. If any of the following risks materialize, individually or together with other circumstances, the Group's business, prospects, financial position and/or operating results could be materially and adversely affected, which in turn could lead to a decline in the value of the Shares and the loss of all or part of an investment in the Shares.*

*A prospective investor should consider carefully the factors set forth below, and elsewhere in the Information Document, and should consult his or her own expert advisors as to the suitability of an investment in the Shares. An investment in the Shares is suitable only for investors who understand the risk factors associated with this type of investment and who can afford a loss of all or part of an investment in the Shares. The information herein is presented as of the date hereof and is subject to change, completion or amendment without notice.*

*The order in which the below risks are presented is not intended to provide an indication of the likelihood of their occurrence nor their severity or significance.*

### **2.1 Risks related to the business of the Group and the industry in which it operates**

#### **2.1.1 The Group may not be able to successfully implement its strategies**

Achieving the Group's objectives involves inherent costs and uncertainties. There is no assurance that the Group will be able to achieve its objectives within its expected time-frame or at all, that the costs related to any of the Group's objectives will be at expected levels or that the benefits of its objectives will be achieved within the expected timeframe or at all. The Group's strategies may also be affected by factors beyond its control, such as volatility in the world economy and in its markets, the capital expenditure and investment by customers and the availability of acquisition opportunities in a market. Any failures, material delays or unexpected costs related to the implementation of the Group's strategies could have a material adverse effect on the Group's business, results of operations, cash flows, financial condition and/or prospects.

#### **2.1.2 Risks related to third parties**

The Group is dependent on partners, suppliers, and other third parties to supply certain products and services in order to successfully conduct its operations. If the supply of such products and services is delayed, not given priority or does not meet the required quality, this could have a material adverse effect on the Group's results, financial condition, cash flows and prospects. Further, there can be no assurance that the Group will be able to enter into or maintain satisfactory agreements with third party providers in the future.

### **2.1.3 The Group is dependent on key personnel**

The Group's success depends on the services of highly qualified personnel and management. Loss of key personnel and management could therefore have a material adverse effect on the Group's business, results of operation, cash flows, financial condition and/or prospects.

Similarly, the Group's future development is dependent on its ability to attract, retain and develop skilled personnel and to develop the level of expertise throughout the Group's organization. Should the Group be unable to attract and retain skilled personnel, this could therefore have a material adverse effect on the Group's business, results of operation, cash flows, financial condition and/or prospects.

### **2.1.4 The Group is dependent on goodwill, reputation and on maintaining good relationships with customers, partners, suppliers and employees**

The Group depends on goodwill, reputation and on maintaining good relationships with customers, partners, suppliers and employees. Negative publicity related to the Group could, regardless of its truthfulness, adversely affect the Group's reputation and goodwill. Negative reputational publicity may arise from a broad variety of causes, including incidents and occurrences outside the Group's control. No assurance can be given that such incidents will not occur in the future, which may cause negative publicity about the operations of the Group, which in turn could have a material adverse effect on the Group. Negative publicity could further jeopardize the Group's relationships with customers and suppliers or diminish the Group's attractiveness as a potential investment opportunity. In addition, negative publicity could cause any customers of the Group to purchase products from the Group's competitors, and thus decrease the demand for the Group's products. Any circumstances that publicly damage the Group's goodwill, injure the Group's reputation or damage the Group's business relationships, may lead to a broader adverse effect in addition to any monetary liability arising directly from the damaging events by way of loss of business, goodwill, customers, partners and employees.

### **2.1.5 Risks related to the recent COVID-19 outbreak**

The recent outbreak of the coronavirus (COVID-19) may have a material adverse effect on the Group. The coronavirus may affect the overall performance of the Group, including the Group's ability to develop its products and services and implement its business plan, and may result in delays, additional costs and liabilities, which in turn could have a material adverse effect on the Group's results, financial condition, cash flows and prospects.

### **2.1.6 Failure in the Group's information technology systems may have an adverse impact on its operations**

The Group, as many other businesses, relies on IT systems and is exposed to the risk of failure or inadequacy in these systems, related processes and/or interfaces. The Group's ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports the business of the Group. Any failure, inadequacy, interruption or security failure of those systems, or the failure to seamlessly maintain, upgrade or introduce new systems, could harm the Group's ability to effectively operate its business and increase its expenses and harm its reputation. These risks may in turn have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

### **2.1.7 The Group is exposed to the risk of cyber crime**

Due to its reliance on digital solutions and interfaces, the Group is exposed to the risk of cyber crime in the form of, for example, Trojan attacks, phishing and denial of service attacks. The nature of cyber crime is continually evolving. The Group relies in part on commercially available systems, software, tools and monitoring to provide security for processing, transmission and storage of confidential information. Despite the security measures in place, the Group's facilities and systems, and those of its third party service providers, may be vulnerable to cyber-attacks, security breaches, acts of vandalism, computer viruses, misplaced or lost data, programming or human errors which exposes the Group to cyber crime and/or other similar events.

### **2.1.8 Insurance risk**

The Group may not be able to maintain adequate insurance in the future at rates the Group's management considers reasonable or be able to obtain insurance against certain risks. Moreover, the Group's insurance coverage is subject to certain significant deductibles and levels of self-insurance, does not cover all types of losses and, in some situations, may not provide full coverage for losses or liabilities resulting from the Group's operations. In addition, the Group may experience increased costs related to insurance. Insurers may not continue to offer the type and level of coverage that the Group currently maintains, and its costs may increase substantially as a result of increased premiums, potentially to the point where coverage is not available on economically manageable terms. Should liability limits be increased via legislative or regulatory action, it is possible that the Group may not be able to insure certain activities to a desirable level. If liability limits are increased and/or the insurance market becomes more restricted, the Group's business, financial condition and results of operations could be materially adversely affected.

### **2.1.9 The Group is exposed to fluctuations in the global economy**

The Group is exposed to fluctuations in the global economy in general, including with regards to the spending of end consumers, which could result in difficulties for the Group in selling its products and services, which could in turn have a material adverse effect on the Group's business, results of operations, cash flows, financial condition and/or prospects.

## **2.2 Risks related to the Shares and the Admission**

### **2.2.1 An active trading market for the Company's Shares may not develop**

The Shares have not previously been tradable on any stock exchange, regulated marketplace, multilateral trading facility or other marketplace. No assurance can be given that an active trading market for the Shares will develop on Euronext Growth Oslo, nor sustain if an active trading market is developed. The market value of the Shares could be substantially affected by the extent to which a secondary market develops for the Shares following completion of the Admission.

### **2.2.2 The Company will incur increased costs as a result of being listed on Euronext Growth Oslo**

As a company with its shares listed on Euronext Growth Oslo, the Company will be required to comply with the reporting and disclosure requirements that apply to companies listed on Euronext Growth Oslo. The Company will incur additional legal, accounting and other expenses in order to ensure compliance

with the aforementioned requirements and other rules and regulations. The Company anticipates that its incremental general and administrative expenses as a company with its shares listed on Euronext Growth Oslo will include, among other things, costs associated with annual reports to shareholders, shareholders' meetings and investor relations. In addition, the Board of Directors of Smartoptics (the "**Board of Directors**" or "**Board**") and its senior executive management team (the "**Management**") may be required to devote significant time and effort to ensure compliance with applicable rules and regulations for companies with shares listed on Euronext Growth Oslo, which may entail that less time and effort can be devoted to other aspects of the business.

### **2.2.3 The price of the Shares may fluctuate significantly**

The trading volume and price of the Shares could fluctuate significantly. Some of the factors that could negatively affect the Share price or result in fluctuations in the price or trading volume of the Shares include, for example, changes in the Group's actual or projected results of operations or those of its competitors, changes in earnings projections or failure to meet investors' and analysts' earnings expectations, investors' evaluations of the success and effects of the Group's strategy, as well as the evaluation of the related risks, changes in general economic conditions or the equities markets generally, changes in the industries in which the Group operates, changes in shareholders and other factors. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate due to factors that have little or nothing to do with the Group, and such fluctuations may materially affect the price of the Shares. Further, major sales of shares by major shareholders could also negatively affect the market price of the Shares.

### **2.2.4 Future issuances of Shares or other securities could dilute the holdings of shareholders and could materially affect the price of the Shares**

The Company may in the future decide to offer and issue new Shares or other securities in order to finance new capital intensive projects, in connection with unanticipated liabilities or expenses or for any other purposes. Depending on the structure of any future offering, certain existing shareholders may not have the ability to purchase additional equity securities. An issuance of additional equity securities or securities with rights to convert into equity could reduce the market price of the Shares and would dilute the economic and voting rights of the existing shareholders if made without granting subscription rights to existing shareholders. Accordingly, the Company's shareholders bear the risk of any future offerings reducing the market price of the Shares and/or diluting their shareholdings in the Company.

### **2.2.5 Norwegian law could limit shareholders' ability to bring an action against the Company**

The rights of holders of the Shares are governed by Norwegian law and by the Company's articles of association (the "**Articles of Association**"). These rights may differ from the rights of shareholders in other jurisdictions. In particular, Norwegian law limits the circumstances under which shareholders of Norwegian companies may bring derivative actions. For example, under Norwegian law, any action brought by the Company in respect of wrongful acts committed against the Company will be prioritised over actions brought by shareholders claiming compensation in respect of such acts. In addition, it could be difficult to prevail in a claim against the Company under, or to enforce liabilities predicated upon, securities laws in other jurisdictions.

## **2.2.6 Investors could be unable to exercise their voting rights for Shares registered in a nominee account**

Beneficial owners of the Shares that are registered in a nominee account (such as through brokers, dealers or other third parties) could be unable to vote for such Shares unless their ownership is re-registered in their names with the VPS prior to any General Meeting. There is no assurance that beneficial owners of the Shares will receive the notice of any General Meeting in time to instruct their nominees to either effect a re-registration of their Shares or otherwise vote for their Shares in the manner desired by such beneficial owners.

## **2.2.7 Pre-emptive rights to subscribe for Shares in additional issuances could be unavailable to U.S. or other shareholders**

Under Norwegian law, unless otherwise resolved at the Company's general meeting of shareholders, existing shareholders have pre-emptive rights to participate on the basis of their existing ownership of Shares in the issuance of any new Shares for cash consideration. Shareholders in the United States, however, could be unable to exercise any such rights to subscribe for new Shares unless a registration statement under the U.S. Securities Act is in effect in respect of such rights and Shares or an exemption from the registration requirements under the U.S. Securities Act is available. Shareholders in other jurisdictions outside Norway could be similarly affected if the rights and the new Shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdiction.

The Company is under no obligation to file a registration statement under the U.S. Securities Act or seek similar approvals under the laws of any other jurisdiction outside Norway in respect of any such rights and Shares. Doing so in the future could be impractical and costly. To the extent that the Company's shareholders are not able to exercise their rights to subscribe for new Shares, their proportional interests in the Company will be diluted.

## **2.2.8 Shareholders outside of Norway are subject to exchange rate risk**

All of the Shares will be priced in Norwegian Kroner (NOK), the lawful currency of Norway and any future payments of dividends on the Shares or other distributions from the Company will be denominated in NOK. Accordingly, any investor outside Norway is subject to adverse movements in NOK against their local currency, as the foreign currency equivalent of any dividends paid on the Shares or price received in connection with any sale of the Shares could be materially impacted upon by adverse currency movements.

## **2.3 Risks related to laws and regulations**

### **2.3.1 Risks related to litigation, disputes and claims**

The Group may in the future be involved from time to time in litigation and disputes. The operating hazards inherent in the Group's business may expose the Group to, amongst other things, litigation, including product liability litigation, personal injury litigation, intellectual property litigation, contractual litigation, tax or securities litigation, as well as other litigation that arises in the ordinary course of business. No assurance can be given that the Group is not exposed to claims, litigation and compliance risks, which could expose the Group to losses and liabilities. Such claims, disputes and proceedings are subject to

uncertainty, and their outcomes are often difficult to predict. Adverse regulatory action or judgment in litigation could result in sanctions of various types for the Group, including, but not limited to, the payment of fines, damages or other amounts, the invalidation of contracts, restrictions or limitations on the Group's operations, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and/or prospects.

### **2.3.2 Changes in tax laws of any jurisdiction in which the Group operates, and/or any failure to comply with applicable tax legislation may have a material adverse effect for the Group**

The Group is and will be subject to prevailing tax legislation, treaties and regulations in the jurisdictions in which it operates, and the interpretation and enforcement thereof. The Group's income tax expenses are based upon its interpretation of the tax laws in effect at the time that the expense is incurred. If applicable laws, treaties or regulations change, or if the Group's interpretation of the tax laws is at variance with the interpretation of the same tax laws by tax authorities, this could have a material adverse effect on the Group's business, results of operations or financial condition. If any tax authority successfully challenges the Group's operational structure, pricing policies or if taxing authorities do not agree with the Group's assessment of the effects of applicable laws, treaties and regulations, or the Group loses a material tax dispute in any country, or any tax challenge of the Group's tax payments is successful, the Group's effective tax rate on its earnings could increase substantially and the Group's business, earnings and cash flows from operations and financial condition could be materially and adversely affected.

### **2.3.3 Risks associated with changes to accounting rules or regulations**

Changes to existing accounting rules or regulations may impact the Group's future profit and loss or cause the perception that the Group is more highly leveraged. New accounting rules or regulations and varying interpretations of existing accounting rules or regulations may be adopted in the future and could adversely affect the Group's financial position and results of operations.

### **2.3.4 Risk relating to data protection and privacy regulations**

The Group's processing of personal data is subject to complex and evolving laws and regulations regarding data protection and privacy ("Data Protection Laws"), including but not limited to the General Data Protection Regulation (EU) 2016/679 ("GDPR") in the EU/EEA incorporated in Norwegian law through the Personal Data Act. Although the Group has adopted measures to ensure compliance with Data Protection Laws, such measures may not always be adequate. The Group may incur civil or criminal liability in case of infringement of Data Protection Laws and failure to comply with Data Protection Laws may affect the Group's reputation and brands negatively, which may affect the Group's business, results of operations, cash flows, financial condition and prospects.

### **2.3.5 Risks related to intellectual property**

The Group relies upon intellectual property and trade secrets rights (IPR) and laws to protect important proprietary rights. If these rights are not sufficiently protected, the Group's ability to compete and generate revenue may be negatively affected. Any failure to protect intellectual property rights or otherwise information or trade secrets used in connection with technology owned by the Group or any invalidation, circumvention, or challenges to intellectual property rights used or owned by the Group could cause significant costs and have a material adverse effect on the Group's competitive position. For

example, infringement claims from third parties related to intellectual property rights could hinder or delay the Group's operations, and the Group's expenses for obtaining legal advice may in such cases be substantial. If the Group's products infringe other validly and enforceable patents, then it may not be able to sell applicable products or could be forced to pay substantial royalties or redesign a product to avoid infringement. A successful claim of infringement against the Group, or the Group's failure or inability to develop non-infringing technology or license the infringed technology, could materially adversely affect its business and results of operations, and/or prospects.

## **2.4 Financial risks**

### **2.4.1 Adequate funding may not be available in the future**

To the extent the Group does not generate sufficient cash from operations, the Group may need to raise additional funds through public or private debt or equity financing to execute the Group's strategy and to fund capital expenditures. Adequate sources of capital funding might not be available when needed or may only be available on unfavourable terms. If funding is insufficient at any time in the future, the Group may be unable to, inter alia, fund acquisitions, take advantage of business opportunities or respond to competitive pressures, any of which could adversely impact the Group's financial condition and results of operations.

### **2.4.2 Future debt arrangements could limit the Group's liquidity and flexibility**

Any future debt arrangements could limit the Group's liquidity and flexibility in obtaining additional financing and/or in pursuing other business opportunities. Further, the Group's future ability to obtain bank financing or to access the capital markets for any future debt or equity offerings may be limited by the Group's financial condition at the time of such financing or offering, as well as by adverse market conditions related to, for example, general economic conditions and contingencies and uncertainties that are beyond the Group's control. Failure by the Group to obtain funds for future capital expenditures could impact the Group's results, financial condition, cash flows and prospects.

### **2.4.3 Risks related to contractual default by counterparties**

The ability of each counterparty to perform its obligations under a contract with the Group will depend on a number of factors that are beyond the Group's control including, for example, factors such as:

- general economic conditions;
- the condition of the industry to which the counterparty is exposed; and
- the overall financial condition of the counterparty.

Should a counterparty fail to honor its obligations under its agreements with the Group, this could impair the Group's liquidity and cause significant losses, which in turn could have a material adverse effect on the Group's business, results of operations, cash flows, financial condition and/or prospects.

### **2.4.4 Certain risks related to loan agreements**

Current and future loan agreements entered into by the Group may contain change of control clauses. Any breach of such clauses may, for example, lead to termination of the Group's loans and to claims of early

repayment of outstanding amounts being directed towards the Group, which in turn could negatively impact the Group's liquidity and financial condition.

### 3 PRESENTATION OF THE COMPANY

#### 3.1 Information about the Company

The legal and commercial name of the Company is Smartoptics Group AS. The Company is a private limited liability company organized and existing under the laws of Norway pursuant to the Norwegian Private Limited Liability Companies Act of 13 June 1997 no. 44 (the "**Norwegian Private Companies Act**"). The Company's registration number in the Norwegian Register of Business Enterprises is 858 905 192 and its LEI code is 64881GA3781E710UU959.

The Company was incorporated in Norway on 31 August 1990. The Company's registered address is c/o SmartOptics AS, Ryensvingen 7, 0680 Oslo, Norway. The Group's website can be found at [www.smartoptics.com](http://www.smartoptics.com).

#### 3.2 Business overview

##### 3.2.1 Introduction

Smartoptics provides open optical networking solutions and devices for the new era of open networking. The Company's products allow corporate data centers, governments, hosting solution providers and ISPs to build simple, straight-forward and cost-effective solutions to fulfill their ongoing and future network capacity needs. Smartoptics' award-winning approach has helped companies from every industry sector stay ahead of expanding network demands and the Company has thousands of installations all around the world. Smartoptics has offices in Sweden, UK, Germany, the US and it is headquartered in Oslo, Norway. The Group had approximately 65 full-time employees ("FTEs") and 13 full-time consultants as of December 2020.

##### 3.2.2 Timeline

Year	Event
2000	<ul style="list-style-type: none"><li>• Transmode, a spin-off from Ericsson targeting optical networks, was founded.</li><li>• Lumentis, a spin-off from Ericsson targeting optical networks, was founded.</li></ul>
2005	<ul style="list-style-type: none"><li>• The merger between Lumentis and Transmode (Transmode retained for the new company).</li></ul>
2006	<ul style="list-style-type: none"><li>• Smartoptics business founded by Dirk Lutz (Transmode, Ericsson) and Terje Halland.</li></ul>
2010	<ul style="list-style-type: none"><li>• Smartoptics business was acquired by the Company.</li><li>• Smartoptics develops the first system product M-Series targeting distance extension in fibre channel networks. Product phase out begun in 2018 and EOL reached in 2020.</li></ul>
2011	<ul style="list-style-type: none"><li>• The Company was acquired by Finisar Corporation, a world leading supplier of optical components, in Q1.</li></ul>

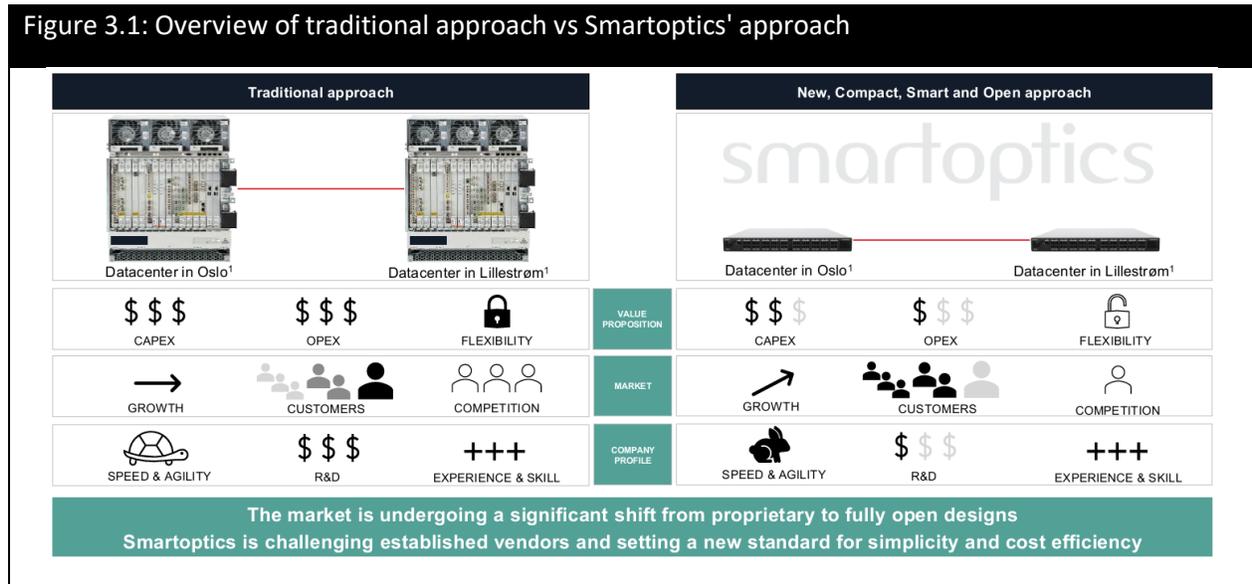
	<ul style="list-style-type: none"> <li>• Finisar Corporation integrates Company subsidiaries and focus on the Tunable Laser business (formerly Syntune AB), which still is a strategic asset of Finisar. All other subsidiaries of the Company were divested.</li> <li>• Transmode was listed on Nasdaq Stockholm for ~\$200m.</li> </ul>
2012	<ul style="list-style-type: none"> <li>• Smartoptics enters into agreement with PacketLight networks to resell PacketLight products to Enterprise customers mainly in the Nordics.</li> </ul>
2013	<ul style="list-style-type: none"> <li>• Smartoptics AS is the only remaining holding of the Company. The Company is acquired by Smarter Holding AS from Finisar Corporation.</li> </ul>
2015	<ul style="list-style-type: none"> <li>• Transmode is acquired by Infinera for ~\$350m.</li> </ul>
2016	<ul style="list-style-type: none"> <li>• Development of the DCP platform starts. A new era of in-house developed solutions begins. Collaboration with Packetlight networks terminated.</li> <li>• Magnus Grenfeldt is recruited from Infinera (Transmode). A new business plan is established and focus is put on broadening the scope for the DCP platform. New growth-oriented management put in place and investment in R&amp;D accelerates.</li> </ul>
2017	<ul style="list-style-type: none"> <li>• Release of DCP-101 which is the first product on the DCP platform.</li> </ul>
2018	<ul style="list-style-type: none"> <li>• Release of DCP-M which is a low cost 100G/400G solution targeting a broader application scope.</li> </ul>
2021	<ul style="list-style-type: none"> <li>• Release of DCP-R which is a ROADM solution, DCP-F Flexible line system and So-Smart Network orchestration SW platform.</li> </ul>

### 3.2.3 Principal activities

Fiber optic cables can be seen as roads that carry information from office to office, site to site, country to country. Using a fiber optic cable as a single lane road is however wasteful. The Company's solutions allow the "road" to be used as a multi-lane highway capable of transporting up to 80 simultaneous traffic channels together at once. "Lanes" are added through Wavelength Division Multiplexing (or "WDM") networking. To do this, the data streams are converted into different light channels, each with a unique wavelength. The physical properties of light dictates that the channels cannot interfere with each other. This illustrates how the Company's products contribute to expand the capacity in existing infrastructure without having to build costly new infrastructure.

Smartoptics delivers optical transport solutions based on above mentioned technologies and optical devices to a large number of customers on a global basis. Optical transport is the state-of-the-art solution for rapid data transmission. The Company's solutions are used in metro and regional network applications that increasingly rely on data center services and specifications. The Company's products are mainly based on in-house developed hardware and software and are enhanced through associated services. Smartoptics leverages modern software design principles and has an open networking approach, allowing customers to break unwanted vendor lock-in, remain flexible and minimize costs. These are the key benefits of

Smartoptics' approach compared to the traditional approach of other network solution providers as illustrated in figure 3.1.

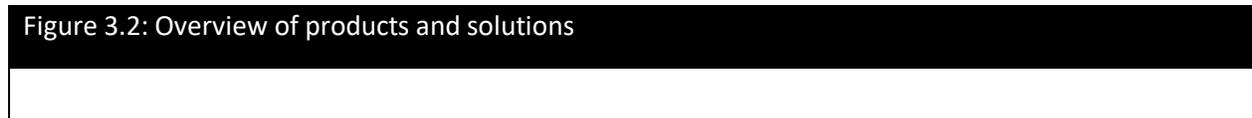


The Company's products are easy to buy, easy to install and easy to maintain. They allow operators, enterprises, governments, corporate data centers, SAN<sup>1</sup> and IP<sup>2</sup> architects to build simple, powerful and cost-effective solutions through "plug and play" products. The solutions can be tailored to each customer's needs and are easily expanded to accommodate for today's and tomorrow's needs.

Smartoptics has established partnerships with leading technology and network solution providers and uphold numerous certifications and approvals from major switching and storage solution providers such as Brocade, Cisco, HPE and Dell EMC. The Company has a global reach through an in-house sales force and more than 100 business partners including distributors, OEMs<sup>3</sup> and VARs<sup>4</sup>.

### 3.2.3.1 Products and solutions

The Company's main product categories are optical devices and optical solutions. Although, the business models for these two differ, the product categories have, to a large extent, the same sales channels, customers and deliveries often also include both categories jointly. In addition, Smartoptics provides support services. As seen in figure 3.2 below, the solution segment has gradually increased its share of total sales and this trend is expected to continue going forward.



<sup>1</sup> SAN = Storage Area Network

<sup>2</sup> IP = Internet Protocol

<sup>3</sup> OEM = Original Equipment Manufacturer

<sup>4</sup> VAR = Value Added Reseller

Product area	Open Optical Networking Solutions	Software and Services	Optical Devices												
Description															
Share of revenue	<table border="1"> <thead> <tr> <th>2018</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>42.7%</td> <td>51.7%</td> </tr> </tbody> </table>	2018	2020	42.7%	51.7%	<table border="1"> <thead> <tr> <th>2018</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>4.1%</td> <td>5.4%</td> </tr> </tbody> </table>	2018	2020	4.1%	5.4%	<table border="1"> <thead> <tr> <th>2018</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>53.2%</td> <td>42.9%</td> </tr> </tbody> </table>	2018	2020	53.2%	42.9%
2018	2020														
42.7%	51.7%														
2018	2020														
4.1%	5.4%														
2018	2020														
53.2%	42.9%														
Smartoptics IPR	<ul style="list-style-type: none"> <li>Several product families</li> <li>One common Software platform</li> <li>30MUSD invested in product area</li> </ul>	<ul style="list-style-type: none"> <li>Software support, technical assistance and hardware support</li> <li>Network orchestration software suite in 2021</li> </ul>	<ul style="list-style-type: none"> <li>SmartCloud – cloud-based SW and production environment for private labeling</li> <li>Majority sold under private brands</li> <li>250,000 high-end devices in 2020</li> </ul>												
CAGR 2018-2020	38.4%	43.6%	12.9%												
Opportunity	Larger customers and larger projects	Long contracts and higher margins	Run-rate business, upselling and channel												
Underlying product margin	50%	100%	40%												

## Optical devices

The Company's product offering in this area consists of passive optical multiplexers, transceivers (optical interfaces for routers, switches and base-stations for example) and various accessories.

Optical multiplexers are passive products that work like a conventional prism, to allow multiple colors of light (wavelengths) to be transmitted over a single fiber or fiber pair. These products come in many different designs that allow different capacity and network topology.

Optical transceivers are complete pluggable optical interfaces for any host system, ranging from simple fiber to the home termination points to high end routers, switches and base stations. Smartoptics offers a complete portfolio that can be used in a wide range of host systems. Smartoptics offers optical transceivers capable of transmitting and receiving from 100 Mbit/s to 400 Gbit/s. In 2019, Smartoptics delivered approximately 230,000 units, with unit prices varying between USD 20 and USD 5,000 and gross margins between 25 and 50%. The revenue from this segment is recurring by nature and typical customer orders range between USD 1,000 and USD 500,000.

## Optical solutions

Optical solutions comprises software and hardware systems which enable transport of data over optical fibers in networks and between data centers. Smartoptics' product offering is designed to target the metro and regional market. Target customers may be enterprises, Internet content providers or communication service providers. Enterprise business is typically project-based, and typical order range between USD 50-100k for small projects and USD 500k-1.5m for larger projects. The typical gross margin in these projects are between 45 – 60%. Communication service providers use the same products for roll-out in larger networks, and the projects in this segment tend to span over longer time frames. This market segment is relatively new to the Company and is a focus area for continued growth. Larger customers in this segment have typically spent 2-3 MUSD over two to three years with Smartoptics. The typical gross margin in the CSP segment is between 40-50%.

All products related to optical transport network solutions belong to the Dynamic Connectivity Platform ("DCP"). DCP has one common software that runs on all products (configured differently depending on application). The software supports a high level of automation and removes the traditionally complicated tasks in connection with commissioning of high-speed optical networks.

There are several families of products within the platform used for different purposes, either stand-alone or in combination with each other to form a solution. Currently, the following families exist:

- DCP-2: Chassis for housing other Layer 1 transport products, currently DCP-101, DCP-108, and DCP-1610
- DCP-M: Open line systems for point-to-point applications in networks

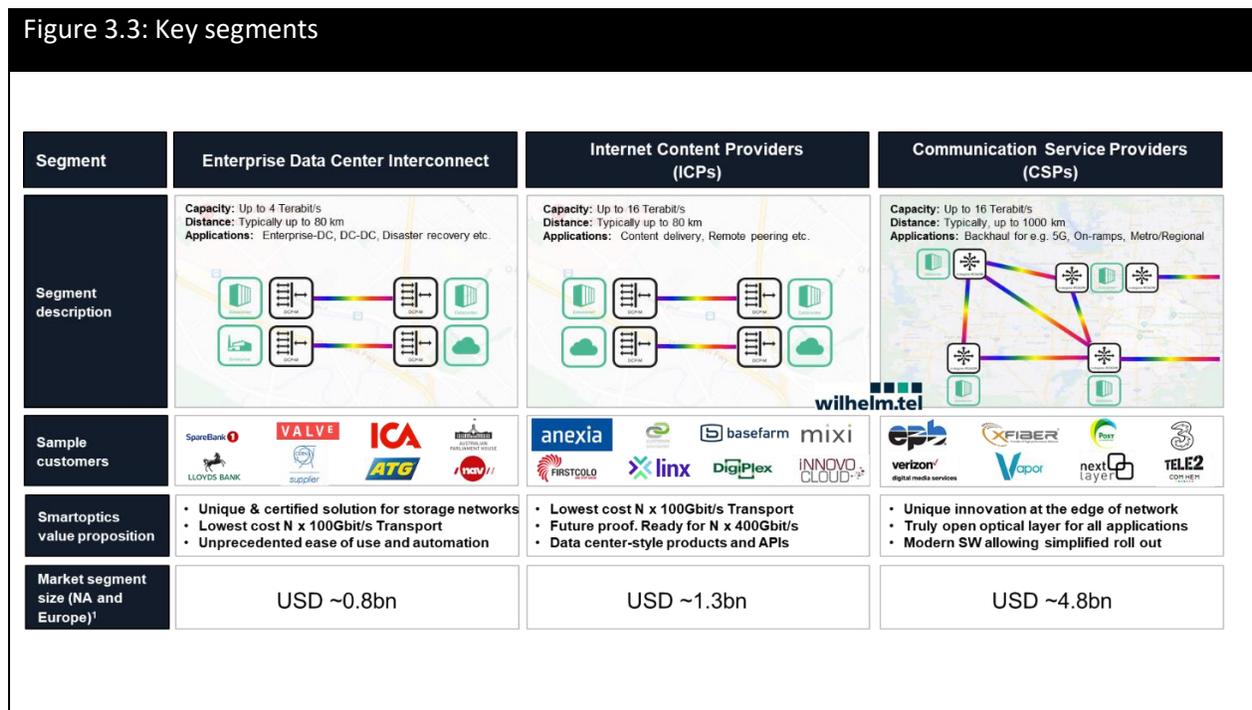
Within the next year, Smartoptics releases the following families:

- DCP-F: A family of flexible line system components housed by the DCP-2
- DCP-R: A family of line systems for multi-point to multi-point applications (ROADM)
- DCP-404: Layer one muxponder for 400Gbit/s transport
- So-Smart: A new software product used for network orchestration of networks built with DCP (and potentially third party equipment)

Several other products are under consideration for 2022 and onwards.

### 3.2.3.2 Applications and Customers

Smartoptics' products and solutions are, as mentioned, used by a wide variety of customers in different segments. Key customer segments include Internet Content Providers, Enterprise Data Center Interconnect and Communication Service Providers and examples of application areas in the various segments are shown in figure 3.3 below.



Enterprises, Government entities and Internet content providers use Smartoptics' products to boost the bandwidth transported over (typically) leased optical fibers. Using the technology offered by Smartoptics they may transport up to 16 Tbit/s over one fiber pair, and mix and match Ethernet traffic with e.g. storage specific protocols like FiberChannel. The unprecedented software automation offered by the DCP platform allows the customers to use this advanced technology with very limited in-house competence in how networks are installed, commissioned and operated.

Communication service providers use Smartoptics product to build e.g. cost efficient dedicated networks for their needs to connect major points of presence in metropolitan areas and to build backhaul networks for e.g. 5G and broadband roll outs. In 2021, Smartoptics is releasing several new products in the DCP-F and DCP-R family, which broadens the scope of the CSP offering dramatically.

### **3.2.3.3 Targeted R&D efforts**

A fundamental part of Smartoptics' business is innovation as the Company develops both in-house hardware and software. The Company has a substantial development pipeline for the next years and the Company plans to launch new line systems, muxponders, and a software suite referred to as SoSmart, among other. The key ongoing initiatives can be summarized as follows:

1. ROADM<sup>5</sup> technology, allowing the Company to build next-gen open line systems for multipoint-to-multipoint networks
2. Flexible open line system products allowing low-cost DWDM transport
3. 400G muxponders allowing efficient transport of Nx100G in networks
4. Open line systems for point-to-point applications optimized for 400G and above
5. SoSmart application software suite for network orchestration and management, to be delivered as a service or in a classic server architecture

### **SoSmart Software suite**

The SoSmart Software suite enables larger-scale network roll-out for any network built with DCP and is expected to result in increased recurring subscription revenues for Smartoptics. This state-of-the-art software architecture will drive revenue from additional solution sales, software licenses, support of in-house developed software, and support, in addition to service for OS software.

The SoSmart Software suite is cost-efficient for both the Company and its customers. The Company develops the graphical user interface and Smartoptics' unique features and subsequently packages the product for customers. Additionally, this software architecture enables attractive pricing for customers as a result of maximizing the open-source integration.

### **3.2.4 Sales channels and partnerships**

#### **3.2.4.1 Sales channels**

The Company has several sales channels with a mix of specialized resellers, larger box movers, and distributors mostly focused on locations in North America, Europe, and Australia and New Zealand. The

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<sup>5</sup> Reconfigurable Optical Add-Drop Multiplexer

majority of enterprise sales and device sales are handled through a global network of sales partners, but it is expected that the proportion of direct sales will grow as the Company is growing in the network operator segment.

#### **3.2.4.2 Partnerships**

Smartoptics' extensive set of strategic partnerships with top tier companies contribute to provide an enhanced customer experience and reach. It is worth to note that the Company's optical solutions and devices are approved by leading switch and storage providers and supported by global resellers and distributors.

#### **Storage area network (SAN) switching suppliers**

Brocade is the dominant brand in the Fiber Channel Switch market. Smartoptics has had a very strong partnership with Brocade for more than 10 years. In 2020, the partnership grew even stronger with the introduction of additional security protocols between the switches and Smartoptics' 32G Optics. This new technology secures Smartoptics' position as the only approved supplier of 32G DWDM for Brocade Gen 7 switches. Smartoptics is Brocade's technology partner of choice and the only vendor whose end-to-end SAN extension solutions are Layer-1 tested.

The partnership with Cisco is another important SAN switch partnership. Cisco has uniquely approved all Smartoptics transceivers to be embedded directly in Cisco Fibre Channel switchers.

#### **Storage solution providers**

Storage solution providers certify and resell Smartoptics' products. The Company partners with leading IT players that approve Smartoptics as a third-party provider to complement their offering.

DellEMC qualified Smartoptics in 2019 as a Selected Partner. NetAPP has also collaborated with Smartoptics since 2010.

#### **Data center switching suppliers**

Smartoptics collaborates with several large market suppliers that do interoperability testing of Smartoptics' solutions and feature them into their offering. Partners include DellEMC, Aritsa, HPE, and Inphi, among other.

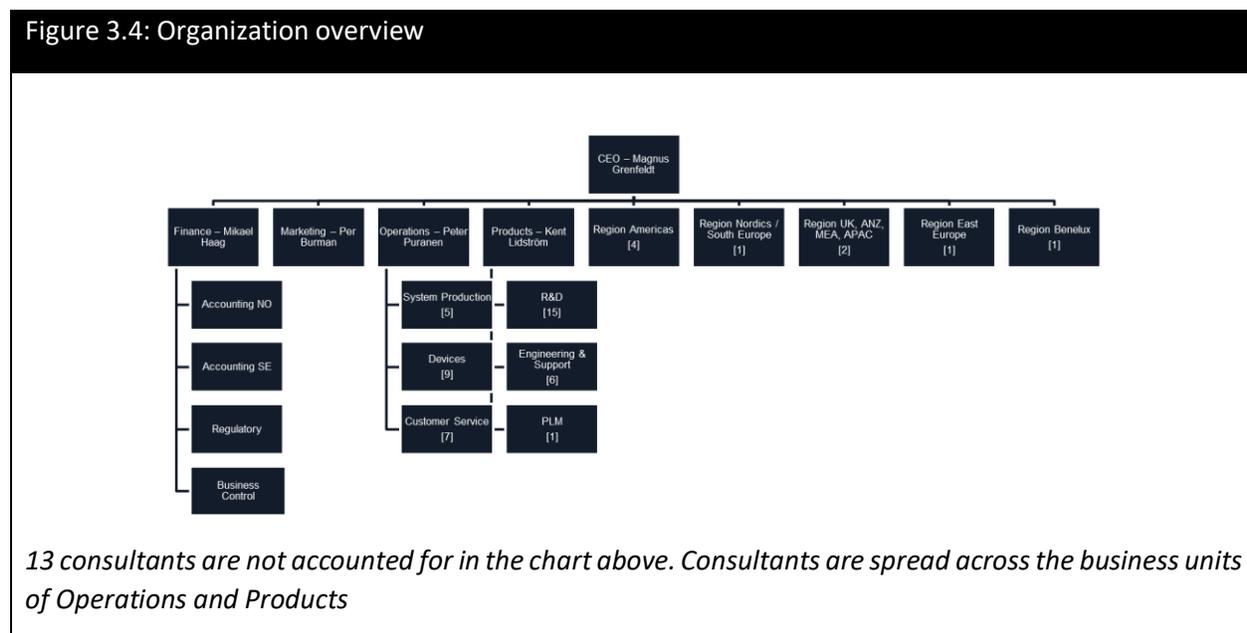
In 2018, Smartoptics was selected by CIENA to supply an OEM version of the DCP line system. The relationship has been very important for Smartoptics to build procedures and a manufacturing setup to cope with future growth expectations.

#### **Sales partners**

Smartoptics has a global team of more than 100 carefully selected partners and distributors offering local design, support, and distribution of Smartoptics' solutions. These include ATEA, Arrow, Xantaro, Enlogic, Nuvias, Tech Data, Conscia and several others.

### 3.2.5 Organization

The Company's management consists of Magnus Grenfeldt (CEO), Mikael Haag (CFO), Per Burman (CMO), Peter Puranen (Director of Operations), and Kent Lidström (CTO). As seen in figure 3.4 below, Smartoptics divides its organization into five departments: Finance, Marketing, Operations, Products, and Sales.



### 3.3 Group structure

Smartoptics Group AS is the parent company of the Group. The following table sets out information about the Company and its directly and indirectly owned subsidiaries:

Company	Tiered subsidiary	Country of incorporation	Holding
Smartoptics Group AS	Holding company	Norway	-
Smartoptics AS	First-tier	Norway	100%
Smartoptics Sverige AB	Second-tier	Sweden	100%
Smartoptics U.S. Corp.	Second-tier	United States of America	100%

### 3.4 Significant contracts

The Group has no significant contracts with committed undertakings or similar. The majority of the business is conducted using either partner agreements (general rights to purchase products, terms and conditions and similar) or the standard terms of sale offered by the Group.

## 4 REASONS FOR THE ADMISSION

The Company believes that the Admission will provide required funds to enable:

- **Revenue growth increases working capital and therefore additional cash will ensure continued growth of the company**
  - Business characterized by strong seasonality and long lead times on high tech components
  - Target of Cash to Revenue ratio of 20%
- **Further investments in operations**
  - Investments in production facility
  - Investments in support service organisation
- **Strengthen marketing and sales organisation**
  - Serve more customers and in more geographies
  - Support anticipated shift towards more direct business
- **Continue investments in R&D and development of new products**
  - Investments in development of new products and platforms
  - Investments in R&D lab equipment and capacity
- **Provide transparency required by customers**

## 5 ORGANIZATION, BOARD OF DIRECTORS AND MANAGEMENT

### 5.1 Introduction

The Company's highest decision making authority is the general meeting of shareholders (the "**General Meeting**"). All shareholders in the Company are entitled to attend or be presented by proxy and vote at General Meetings of the Company and to table draft resolutions for items to be included on the agenda for a General Meeting.

The overall management of the Company is vested in the Company's Board of Directors and in the Management. In accordance with Norwegian law, the Board of Directors is responsible for, among other things, supervising the general and day-to-day management of the Company's business ensuring proper organization, preparing plans and budgets for its activities, ensuring that the Company's activities, accounts and assets management are subject to adequate controls and undertaking investigations necessary to perform its duties.

The Management is responsible for the day-to-day management of the Company's operations in accordance with Norwegian law and instructions set out by the Board of Directors.

### 5.2 Board of directors

Please find details regarding the members of the Company's Board of Directors, as at the date of this Information Document, in the table below:

Name	Position	Served since	Term expires	No. of Shares held after the Private Placement
Thomas Ramm	Chair	2013	AGM 2023	0 <sup>6</sup>
Harald Kristofer Berg	Board member	2013	AGM 2023	0 <sup>7</sup>
Karl Thedéen	Board member	2021	AGM 2023	463,078
Einar Caspersen	Deputy board member	2013	AGM 2023	0 <sup>8</sup>

The Company's registered address c/o SmartOptics AS, Ryensvingen 7, 0680 Oslo, Norway, serves as business address for the members of the Board of Directors in relation to their positions in the Company.

<sup>6</sup> Thomas Ramm owns 47.17% of the shares in Smarter Holding AS, which in turn owns approx. 70% of the Company (after the Private Placement), through Coretech AS.

<sup>7</sup> Harald Kristofer Berg owns 26.53% of the shares in Smarter Holding AS, which in turn owns approx. 70% of the Company (after the Private Placement), through K-Spar Industrier AS.

<sup>8</sup> Einar Caspersen owns 23.53% of the shares in Smarter Holding AS, which in turn owns approx. 70% of the Company (after the Private Placement), through Kløvningen AS.

The following sets out a brief introduction to each of the members of the Company's Board of Directors:

**Thomas Ramm** – *Chair*

Thomas Ramm is the Chair of the Board of Directors and co-founder of Smartoptics Group AS. His experience with Smartoptics Group AS, and other companies, gives him a depth of insight into everything from operational processes to commercial and technical knowhow. Ramm is the owner of Coretech AS and Notion Holding AS, and serves as Chair of the board of directors of Etain AS, Apini AS and Electronic coast. He holds a Bachelor of Information Technology from EDB Høgskolen in Oslo, Norway.

**Harald Kristofer Berg** – *Board member*

Harald Kristofer Berg works as an independent investor and board representative. He has more than 20 years of international investment banking advisory experience from Credit Suisse, Daiwa Europe and Berg Goller & Company. Berg serves as Chair of the board of directors of K-Spar Industrier AS and Villa Biermann AS, as Chair of the board of directors and Managing Director of Fountain Ventures AS and is a member of the Strategic Advisory Board of Commaxx Group. He holds an MBA in Finance from Université de Fribourg in Switzerland.

**Karl Thedéen** – *Board member*

Karl Thedéen is CEO of Outpost24, and also serves as board member of Semcon AB. He holds an MSc. in Systems Engineering from the Royal Institute of Technology, and brings extensive experience from the telecommunications industry where he has been the CEO of Transmode AB and held senior management positions in Ericsson.

**Einar Caspersen** – *Deputy board member*

Einar Caspersen is a lawyer and partner at the Norwegian law firm Schjødt, where he specialises in corporate, M&A/private equity and real estate transactions. He is continuously ranked as a leading Norwegian practitioner within the aforementioned fields. Caspersen is cand. jur. from the University of Oslo, and is admitted to the Supreme Court of Norway.

### 5.3 Management

Please find details regarding the Company's Management, as at the date of this Information Document, in the table below.

Name	Position	Served since	No. of Shares held after the Private Placement
Magnus Grenfeldt	CEO	2016	1,852,541
Mikael Haag	CFO	2018	248,060
Kent Lidström	CTO	2018	280,075

Peter Puranen	Director of Operations	2017	90,447
Per Burman	CMO	2017	280,075

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The Company's registered address c/o SmartOptics AS, Ryensvingen 7, 0680 Oslo, Norway, serves as business address for the members of the Management in relation to their positions.

The following sets out a brief introduction to each of the members of the Management:

**Magnus Grenfeldt – Chief Executive Officer**

Magnus Grenfeldt is the Chief Executive Officer of Smartoptics Group AS. He has over 25 years of experience from the optical networking industry and has held several management, sales and business development positions at Transmode, Infinera, ADVA Optical Networking, Sycamore Networks and Ericsson. Grenfeldt holds an MSc. in Materials Physics from Uppsala University.

**Mikael Haag – Chief Financial Officer**

Mikael Haag is the Chief Financial Officer of Smartoptics Group AS. He has 20 years of experience from the telecom industry, investment banking and management consulting. Prior to joining Smartoptics he has held senior finance positions at Tele2 and Ericsson, worked with investment banking advisory at Danske Bank, as well as with consulting and advisory within strategy, operations and finance at Arthur D Little. Haag holds an MSc. in Business Administration from Stockholm School of Economics and an MSc. in Industrial Engineering and Software Design from the Royal Institute of Technology.

**Kent Lidström – Chief Technology Officer**

Kent Lidström is the Chief Technology Officer of Smartoptics Group AS. Lidström is an expert in developing fibre optical solutions and designing optical networks, and has 22 years of experience from the telecom industry. His previous experience includes holding various positions at Transmode and Infinera, including a 4-year assignment in the USA where he worked as the director of sales engineering. Prior to this Lidström held several positions at Ericsson. He holds a BSc. in Engineering from the Royal Institute of Technology.

**Peter Puranen – Director of Operations**

Peter Puranen is the Director of Operations of Smartoptics Group AS. He has more than 30 years of experience from the fiber optics industry and has previously held several management positions within sales, operations, strategic sourcing and product management at Skylane Optics, Laser 2000, Packetfront, Transmode and Ericsson. Puranen holds an MSc. in Electrical Engineering from the Royal Institute of Technology.

**Per Burman – Chief Marketing Officer**

Per Burman is the Chief Marketing Officer of Smartoptics Group AS. Burman joined the Company in 2017, and has more than 15 years of experience from the optical networking industry. In the past, Burman has held several sales and management positions at Tilgin, Transmode and Infinera. He holds an MSc. in Engineering from the Royal Institute of Technology.

**5.4 Other information**

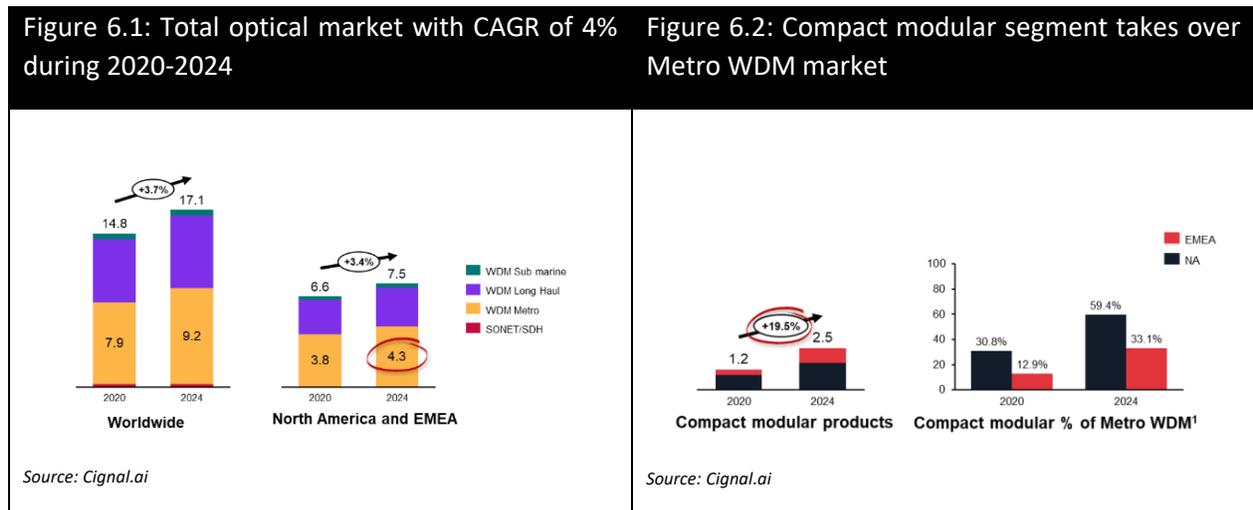
No member of the Board of Directors or Management has, during the last five years preceding the date of this Information Document:

- (i) been involved in any bankruptcy, liquidation or similar procedure; or
- (ii) received any fraud related convictions, nor are there any such ongoing procedures.

## 6 PRINCIPAL MARKETS

### 6.1 Overview

The total optical market generated USD 14.8bn in revenue in 2020 and Cignal AI forecasts a continued CAGR of ~4%<sup>9</sup> until 2024, as seen in figure 6.1 below. The Company's core market – Metro WDM is expected to grow from USD 3.8 bn to USD 4.3 bn in North America and EMEA combined.



A large portion of Smartoptics' products and solutions belong to the "Compact Modular" segment. Compact modular devices are enablers of open- and disaggregated-networking and the term was introduced by Cignal AI in 2014 when Infinera launched its compact modular platform "Cloud Xpress". The product segment serves as a proxy for these two industry trends. The Compact Modular segment comprises hardware and equipment specifically designed for open- and disaggregated-hardware applications. This segment has an expected CAGR of ~20% until 2024 and is therefore growing at a significantly stronger pace than the rest of the market.

The share of Metro products that can be characterized as Compact Modular is expected to grow from ~30% to ~60% from 2020 until 2024 in North America and from ~13% to ~33% in EMEA. A significant shift is consequently expected in the market, from "legacy-type" products to Compact Modular and Smartoptics is well positioned to benefit from this shift.

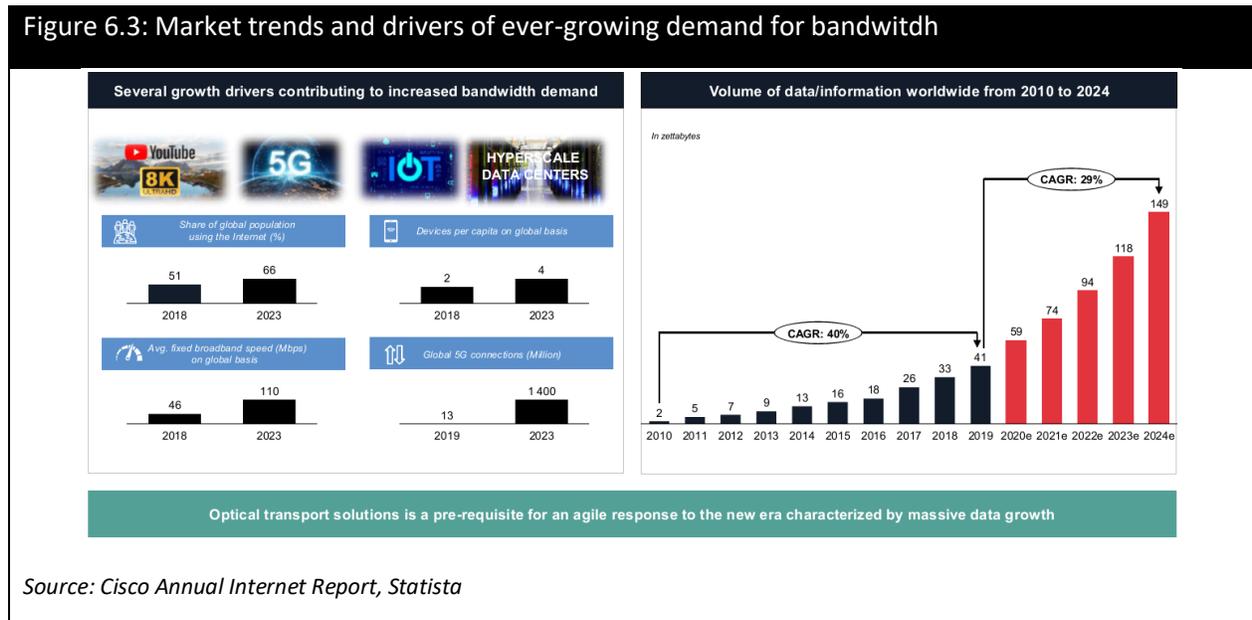
### 6.2 Market trends

Several prominent megatrends drive data growth and demand for bandwidth within the industry, ultimately increasing demand for fiber optic technology. These trends include the advancement of cloud computing, high-definition video streaming, the roll-out of 5G, and the surge in network-connected

<sup>9</sup> Cignal AI Transport Customer Markets Report 4Q19

devices spurred by IoT. Customers respond to this growth by adding transmission capacity to existing optical networks or deploying new systems.

Figure 6.3: Market trends and drivers of ever-growing demand for bandwidth



Smartoptics expects that customers managing and/or deploying optical networks will continue the current trend of migrating from the traditional closed networking model, with vertical integration of the entire network and one vendor providing all network components, to open optical networks. The concept of open optical networks gives multiple vendors access to the networking systems and thus reduces the vendor lock-in while providing greater flexibility and price leverage. Furthermore, opening the ecosystem allows for faster innovation cycles as operators easily can adopt new software and hardware. The emerging disaggregation trend supports the open networking shift. Disaggregation separates functions to specialized equipment, leading to lower Capex, improved network economics and enables supply chain flexibility and best-of-breed deployment.

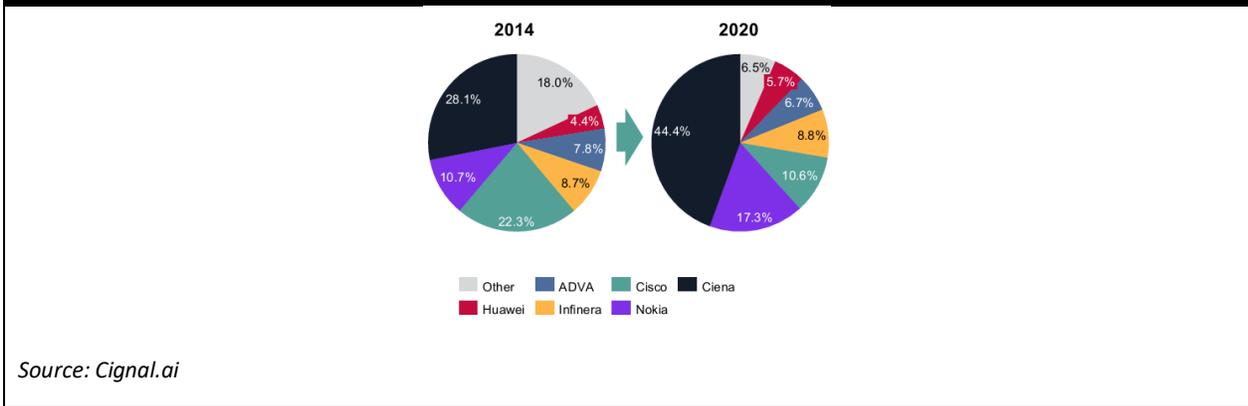
### 6.3 Addressable market

In the near term, Smartoptics expects to expand its addressable market by more than 8x from the estimated addressable market in 2017. Since 2017, Smartoptics has focused on gaining market share in the enterprise segment. In 2018, it added Tier 2 Cloud, Colo & Internet Exchanges to its addressable market. Moreover, in the period 2019 to 2020, the focus has been to enter the network operator segment. To further grow the addressable market and relevance, Smartoptics will continue to invest in its product offering. By 2022 the addressable market (predominantly EMEA and North America metro WDM) is expected to be USD ~4 bn.

### 6.4 Competitive landscape

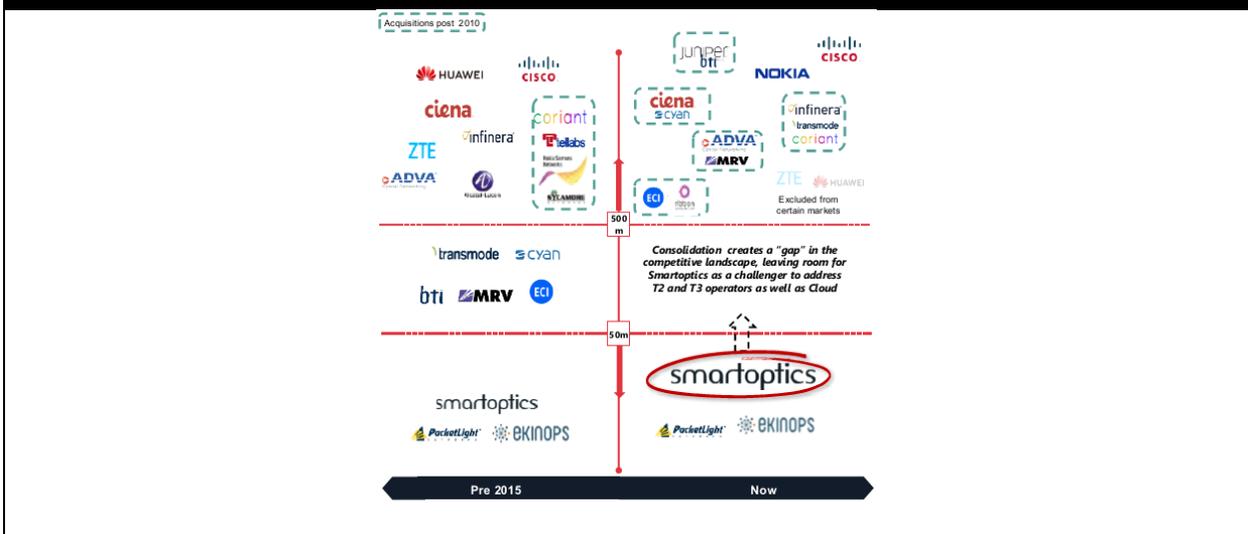
Ciena and Nokia are the largest players within Smartoptics' core market segments with 44% and 17% market share in 2020, as seen in figure 6.4 below.

Figure 6.4: Smartoptics' core market



The industry has undergone significant consolidation since 2015, as seen in figure 6.5. The larger players have acquired mid-sized companies, and as a result, there are few competitors with USD 50-500m in revenues left. Ciena's acquisition of Cyan and Infinera's acquisitions of Coriant and Transmode are examples of key consolidation events which have left a gap in the market. The larger vendors mainly focus on Tier 1 customers which creates an opportunity for Smartoptics, as a challenger, to address Tier 2 and Tier 3 operators.

Figure 6.5: Industry consolidation trend



## 7 FINANCIAL INFORMATION

### 7.1 Financial statements

The Group's audited consolidated financial statements as of and for the years ended 31 December 2020 and 2019 (the "**Financial Statements**"), attached hereto as Appendix 3 and Appendix 4 respectively, and the Group's unaudited consolidated interim financial statements for Q1 2021, attached hereto as Appendix 2, have been prepared in accordance with Norwegian Generally Accepted Accounting Principles ("**NGAAP**"). For further information on accounting policies and principles, please refer to the notes in the Group's audited consolidated financial statements for the year ended 31 December 2020. The Group's financial statements are presented in NOK. For the purpose of this Information Document, the selected financial information set out in section 7.2 below has also been converted from NOK to USD, and is being presented in USD for illustrative purposes.

### 7.2 Financial figures

#### 7.2.1 Income statement

The table below sets out selected data from the Group's consolidated income statements for the financial years ended 31 December 2020 and 2019. The numbers are expressed in NOK.

kNOK	2020	2019
	Full Year	Full Year
Invoiced revenue	336 023	234 683
Deferred revenue	-8 648	-4 618
<b>TOTAL Recognized Revenue</b>	<b>327 375</b>	<b>230 065</b>
COGS	202 862	129 188
<b>Gross Profit</b>	<b>124 513</b>	<b>100 877</b>
Gross Margin %	38,0%	43,8%
Operating Expenses	103 804	88 704
<b>EBITDA</b>	<b>20 709</b>	<b>12 173</b>
EBITDA Margin %	6,3%	5,3%
Depreciation and Amortization	5 736	4 980
<b>EBIT</b>	<b>14 973</b>	<b>7 193</b>
EBIT Margin %	4,6%	3,1%
Net Financial Items	-1 410	-1 578
<b>Earnings before tax</b>	<b>13 563</b>	<b>5 614</b>
EBT Margin	4,1%	2,4%

The table below sets out selected data from the Group's consolidated income statements for the financial years ended 31 December 2020 and 2019, expressed in USD. The NOK/USD exchange rates applied are listed at the bottom of the table.

kUSD	2020	2019
	Full Year	Full Year
Invoiced revenue	35 692	26 657
Deferred revenue	-919	-525
<b>TOTAL Recognized Revenue</b>	<b>34 773</b>	<b>26 133</b>
COGS	21 548	14 674
<b>Gross Profit</b>	<b>13 226</b>	<b>11 458</b>
Gross Margin %	38,0%	43,8%
Operating Expenses	11 026	10 076
<b>EBITDA</b>	<b>2 200</b>	<b>1 383</b>
EBITDA Margin %	6,3%	5,3%
Depreciation and Amortization	609	566
<b>EBIT</b>	<b>1 590</b>	<b>817</b>
EBIT Margin %	4,6%	3,1%
Net Financial Items	-150	-179
<b>Earnings before tax</b>	<b>1 441</b>	<b>638</b>
EBT Margin	4,1%	2,4%
Exchange rates	9,4146	8,8037

The table below includes unaudited figures for the three month period ended 31 March 2021. The numbers are expressed in NOK and USD. The USD figures have been converted from NOK to USD by using the NOK/USD exchange rates listed at the bottom of the table.

kUSD	kUSD		kNOK	
	2021	2020	2021	2020
	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar
Invoiced revenue	10 267	6 617	87 415	62 784
Deferred revenue	-254	-26	-2 159	-248
<b>TOTAL Recognized Revenue</b>	<b>10 014</b>	<b>6 591</b>	<b>85 256</b>	<b>62 536</b>
COGS	5 608	3 947	47 745	37 449
<b>Gross Profit</b>	<b>4 406</b>	<b>2 644</b>	<b>37 512</b>	<b>25 087</b>
Gross Margin %	44,0%	40,1%	44,0%	40,1%
Operating Expenses	3 024	2 772	25 745	26 307
<b>EBITDA</b>	<b>1 382</b>	<b>-129</b>	<b>11 766</b>	<b>-1 219</b>
EBITDA Margin %	13,8%	-1,9%	13,8%	-1,9%
Depreciation and Amortization	208	145	1 775	1 375
<b>EBIT</b>	<b>1 174</b>	<b>-273</b>	<b>9 992</b>	<b>-2 594</b>
EBIT Margin %	11,7%	-4,1%	11,7%	-4,1%
Net Financial Items	-149	776	-1 272	7 364
<b>Earnings before tax</b>	<b>1 024</b>	<b>503</b>	<b>8 720</b>	<b>4 770</b>
EBT Margin	10,2%	7,6%	10,2%	7,6%
Exchange rates	8,5140	9,4887		

## 7.2.2 Balance sheet

The table below sets out selected data from the Group's consolidated statements of financial position as of 31 December 2020 and 2019. The numbers are expressed in NOK.

kNOK	2020	2019
	Full Year	Full Year
<b>Non-Current Assets</b>	<b>50 543</b>	<b>49 262</b>
Capitalized Development Cost	8 228	9 008
Deferred Tax Asset	35 079	34 869
Property Plant and Equipment	6 665	4 861
Financial Assets	571	524
Other Non-Current Assets	0	0
<b>Current Assets</b>	<b>174 268</b>	<b>115 955</b>
Inventory	69 517	40 868
Accounts Receivables	52 369	41 823
Receivables to related companies	3 877	3 707
Cash and Cash Equivalents	39 688	18 427
Other Current Asset	8 816	11 131
<b>TOTAL Assets</b>	<b>224 811</b>	<b>165 218</b>
<b>TOTAL Equity</b>	<b>101 423</b>	<b>87 536</b>
<b>Non-Current Liabilities</b>	<b>30 355</b>	<b>16 366</b>
Liabilities to Financial Institutions	19 167	10 000
Deferred Revenue	11 188	6 366
Other Non-Current Liabilities	0	0
<b>Current Liabilities</b>	<b>93 034</b>	<b>61 316</b>
Liabilities to Financial Institutions	27 818	20 049
Deferred Revenue	8 360	4 978
Accounts Payable	34 480	20 090
Public Duties	7 277	1 841
Other Current Liabilities	13 502	12 999
Tax Payable	1 598	1 359
Current liabilities to related companies	0	0
<b>TOTAL Liability</b>	<b>123 388</b>	<b>77 682</b>
<b>TOTAL Liability and Equity</b>	<b>224 811</b>	<b>165 218</b>

The table below sets out selected data from the Group's consolidated statements of financial position as of 31 December 2020 and 2019, expressed in USD. The NOK/USD exchange rates applied are listed at the bottom of the table.

kUSD	2020	2019
	Full Year	Full Year
<b>Non-Current Assets</b>	<b>5 889</b>	<b>5 611</b>
Capitalized Development Cost	959	1 026
Deferred Tax Asset	4 087	3 971
Property Plant and Equipment	777	554
Financial Assets	67	60
Other Non-Current Assets	0	0
<b>Current Assets</b>	<b>20 304</b>	<b>13 206</b>
Inventory	8 100	4 654
Accounts Receivables	6 102	4 763
Receivables to related companies	452	422
Cash and Cash Equivalents	4 624	2 099
Other Current Asset	1 027	1 268
<b>TOTAL Assets</b>	<b>26 193</b>	<b>18 817</b>
<b>TOTAL Equity</b>	<b>11 817</b>	<b>9 970</b>
<b>Non-Current Liabilities</b>	<b>3 537</b>	<b>1 864</b>
Liabilities to Financial Institutions	2 233	1 139
Deferred Revenue	1 304	725
Other Non-Current Liabilities	0	0
<b>Current Liabilities</b>	<b>10 840</b>	<b>6 983</b>
Liabilities to Financial Institutions	3 241	2 283
Deferred Revenue	974	567
Accounts Payable	4 017	2 288
Public Duties	848	210
Other Current Liabilities	1 573	1 480
Tax Payable	186	155
Current liabilities to related companies	0	0
<b>TOTAL Liability</b>	<b>14 376</b>	<b>8 847</b>
<b>TOTAL Liability and Equity</b>	<b>26 193</b>	<b>18 817</b>
<b>Exchange rates</b>	<b>8,5828</b>	<b>8,7803</b>

The table below includes unaudited figures for the three month period ended 31 March 2021. The numbers are expressed in NOK and USD. The USD figures have been converted from NOK to USD by using the NOK/USD exchange rates listed at the bottom of the table.

	kUSD		kNOK	
	2021	2020	2021	2020
	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar
<b>Non-Current Assets</b>	<b>6 773</b>	<b>5 414</b>	<b>57 665</b>	<b>57 394</b>
Capitalized Development Cost	974	898	8 294	9 520
Deferred Tax Asset	4 173	3 384	35 525	35 870
Property Plant and Equipment	806	493	6 859	5 223
Financial Assets	821	640	6 987	6 780
Other Non-Current Assets	0	0	0	0
<b>Current Assets</b>	<b>16 395</b>	<b>10 744</b>	<b>139 584</b>	<b>113 894</b>
Inventory	6 642	4 235	56 548	44 892
Accounts Receivables	5 637	4 216	47 993	44 690
Prepaid Expenses	1 745	379	14 859	4 018
Cash and Cash Equivalents	2 395	1 786	20 392	18 934
Other Current Asset	-24	128	-207	1 359
<b>TOTAL Asset</b>	<b>23 168</b>	<b>16 158</b>	<b>197 250</b>	<b>171 287</b>
<b>TOTAL Equity</b>	<b>11 457</b>	<b>8 893</b>	<b>97 541</b>	<b>94 271</b>
<b>Non-Current Liabilities</b>	<b>3 628</b>	<b>1 555</b>	<b>30 887</b>	<b>16 481</b>
Liabilities to Financial Institution:	2 202	943	18 750	10 000
Deferred Revenue	1 426	611	12 137	6 481
Other Non-Current Liabilities	0	0	0	0
<b>Current Liabilities</b>	<b>8 084</b>	<b>5 711</b>	<b>68 822</b>	<b>60 535</b>
Liabilities to Financial Institution:	2 710	1 390	23 075	14 738
Deferred Revenue	1 119	532	9 528	5 639
Accounts Payable	2 657	2 547	22 623	26 995
Public Duties	471	251	4 007	2 658
Other Current Liabilities	1 126	991	9 588	10 505
<b>TOTAL Liability</b>	<b>11 712</b>	<b>7 265</b>	<b>99 709</b>	<b>77 017</b>
<b>TOTAL Liability and Equity</b>	<b>23 168</b>	<b>16 158</b>	<b>197 250</b>	<b>171 287</b>
Exchange rates	8,5137	10,6006		

### 7.2.3 Cash flow statement

The table below sets out selected data from the Group's consolidated cash flow statements for the financial years ended 31 December 2020 and 2019. The numbers are expressed in NOK.

kNOK	2020	2019
	Full Year	Full Year
Earnings before tax	13 563	5 614
Taxes paid	-239	653
Gain/loss fixed assets	0	-43
Depreciation	5 736	4 980
Changes in Accounts Receivables	-10 546	-8 061
Changes in Accounts Payable	14 390	6 821
Changes in Inventory	-28 650	-18 621
Changes in Deferred Revenue	8 204	5 682
Other Working Capital Changes	8 302	-2 921
<b>Cash Flow from Operating Activities</b>	<b>10 759</b>	<b>-5 896</b>
Purchase of PPE	-4 301	-2 776
Investments in intangible assets	-2 243	-1 419
Other items related to investing activities	0	2 512
<b>Cash Flow from Investing Activities</b>	<b>-6 545</b>	<b>-1 684</b>
New debt acquired	10 000	10 000
Down payment of long-term debt	-833	0
Down payment of short-term debt	0	-4 831
Repayment of issued loans	111	1 758
Changes in credit facility	7 769	66
Capital increase	0	1 500
<b>Cash Flow from Financing Activities</b>	<b>17 047</b>	<b>8 494</b>
Dividend	0	0
Translation differences	0	0
<b>Net Cash Flow</b>	<b>21 261</b>	<b>914</b>
Cash at the Beginning of Period	18 427	17 513
Cash at the End of Period	39 688	18 427

The table below sets out selected data from the Group's consolidated cash flow statements for the financial years ended 31 December 2020 and 2019, expressed in USD. The USD figures have been converted from NOK to USD.

kUSD	2020	2019
<b>Cash at the Beginning of Period</b>	Full Year	Full Year
Earnings before tax	1 441	638
Taxes paid	-28	74
Gain/loss fixed assets	0	-5
Depreciation of PPE	609	566
Changes in Accounts Receivables	-1 229	-918
Changes in Accounts Payable	1 677	777
Changes in Inventory	-3 338	-2 121
Changes in Deferred Revenue	956	647
Other Working Capital Changes	967	-333
<b>Cash Flow from Operating Activities</b>	<b>1 055</b>	<b>-675</b>
Purchase of PPE	-457	-315
Investments in intangible assets	-238	-161
Other items related to investing activities	0	286
<b>Cash Flow from Investing Activities</b>	<b>-695</b>	<b>-190</b>
New debt aquired	1 165	1 139
Down payment of long-term debt	-97	0
Down payment of short-term debt	0	-550
Repayment of issued loans	13	200
Changes in credit facility	905	8
Capital increase	0	171
<b>Cash Flow from Financing Activities</b>	<b>1 986</b>	<b>967</b>
Dividend		
Translation differences	180	1
<b>Net Cash Flow</b>	<b>2 526</b>	<b>104</b>
<b>Cash at the Beginning of Period</b>	<b>2 098</b>	<b>1 995</b>
<b>Cash at the End of Period</b>	<b>4 624</b>	<b>2 098</b>
Exchange rates for balance sheet items	8,5828	8,7803
Exchange rates for income statement items	9,4146	8,8037

The table below includes unaudited figures for the three month period ended 31 March 2021. The numbers are expressed in NOK and in USD. The USD figures have been converted from NOK to USD.

	kUSD		kNOK	
	2021	2020	2021	2020
	Jan-Mar	Jan-Mar	Jan-Mar	Jan-Mar
<b>Cash at the Beginning of Period</b>	<b>3 625</b>	<b>2 094</b>	<b>31 134</b>	<b>18 431</b>
EBITDA	1 382	-129	11 768	-1 132
Changes in Accounts Receivables	475	538	4 468	-2 849
Changes in Accounts Payable	-1 353	264	-11 795	6 907
Changes in Inventory	1 461	609	12 997	-2 252
Changes in Deferred Revenue	267	-146	2 118	770
Other Working Capital Changes	-1 622	-303	-13 917	-1 345
<b>Cash Flow from Operating Activities</b>	<b>610</b>	<b>834</b>	<b>5 639</b>	<b>100</b>
Changes in Non-Current Assets	-279	376	-2 197	-435
Other Changes	0	0	39	0
<b>Cash Flow from Investing Activities</b>	<b>-279</b>	<b>376</b>	<b>-2 158</b>	<b>-435</b>
Changes in short term financing	547	-887	4 509	-5 311
Changes in long term financing	-31	-193	-417	0
Interest paid	-19	-47	-160	-438
<b>Cash Flow from Financing Activities</b>	<b>498</b>	<b>-1 127</b>	<b>3 932</b>	<b>-5 749</b>
Dividend	-1 527	0	-13 000	0
Translation Differences	-536	-391	-5 156	6 588
<b>Net Cash Flow</b>	<b>-1 234</b>	<b>-308</b>	<b>-10 743</b>	<b>503</b>
<b>Cash at the End of Period</b>	<b>2 391</b>	<b>1 786</b>	<b>20 391</b>	<b>18 934</b>

#### 7.2.4 Financial trend

During the past two years (2019 and 2020) the financial development of the company has been 24.0% average annual growth in Recognized Revenue, from 22.6 MUSD in 2018 to 34.8 MUSD in 2020. EBITDA was 0.25 MUSD in 2018 and improved to 2.20 MUSD in 2020.

### **7.3 Working capital**

As of the date of this Information Document, the Company is of the opinion that the working capital available to the Company is sufficient for its present requirements.

### **7.4 Related party transactions**

During the financial year ended 31 December 2020 the Company purchased consultancy services from Coretech AS for NOK 1,470 thousand. During the financial year ended 31 December 2019 the Company purchased such services from Coretech AS for NOK 1,654 thousand. Coretech AS owns 47.17% of Smarter Holding AS, which in turn is a majority shareholder of the Company.

Further the Company purchased consultancy services from Smarter Holding AS for NOK 550 thousand during the financial year ended 31 December 2020. During the financial year ended 31 December 2019, the Company purchased such services from Smarter Holding AS for NOK 995 thousand.

### **7.5 Other information**

#### **7.5.1 Annual general meeting following the Admission**

The first annual general meeting in the Company following the Admission is expected to be held by the end of June 2022.

#### **7.5.2 Financial calendar**

The Company's financial calendar for 2021 is set out below:

<b>Financial report</b>	<b>Scheduled release date</b>
Q2 2021 report	10 August 2021
Q3 2021 report	12 November 2021
Q4 2021 report	11 February 2022

## 8 SHARES AND SHARE CAPITAL

*This section includes a summary of certain information relating to the Company's shares and certain shareholder matters, including summaries of certain provisions of applicable law in effect as of the date of this Information Document. The mentioned summaries do not purport to be complete and are qualified in their entirety by the Company's Articles of Association and Norwegian law.*

### 8.1 Shares and share capital

As of the date of this Information Document, the Company's share capital amounts to NOK 1,925,731.86 divided on 96,286,593 Shares, each with a par value of NOK 0.02. The table below summarizes the development in the Company's share capital for the period covered by the Financial Statements and up to the date of the Information Document:

Date of registration	Type of change	New share capital (NOK)
19 February 2020	Share capital increase	1,803,683.08
1 June 2021	Combined share capital decrease and increase, collapse of share classes	1,925,731.86

The Shares have been created under the laws of Norway and are registered in book-entry form in the Norwegian Central Securities Depository (the "VPS") with ISIN NO 001 1012502. All Shares are validly issued and fully paid. The Company has only one class of Shares. Each Share carries one vote and all Shares carry equal rights in all respects, including rights to dividends. All Shares are freely transferable, meaning that a transfer of Shares is not subject to the consent of the Board of Directors or rights of first refusal.

On 1 June 2021 the Oslo Børs listing committee resolved to admit all of the Company's Shares for listing on Euronext Growth Oslo. The Shares will start trading on Euronext Growth Oslo on 3 June 2021, under the ticker code "SMOP".

### 8.2 The Private Placement

#### 8.2.1 Details of the Private Placement

On 31 May 2021, the Company announced that it had completed a private placement (the "**Private Placement**") consisting of 9,600,000 new Shares issued to investors, combined with the sale of 12,000,000 existing Shares by certain existing shareholders, at an offer price of NOK 10.38 per Share (the "**Offer Price**").

In connection with the Private Placement, the Manager has over-allotted a total of 2,400,000 shares in the Company to applicants, equaling approximately 11.11% of the total number of new and existing shares allocated. Smarter Holding AS has granted the Manager, acting as stabilisation manager, an option to acquire at the Offer Price a number of shares equal to the number of over-allotted shares to cover short positions resulting from such over-allotment. Such option must be exercised by the Manager no later than the 30th day following commencement of trading on Euronext Growth Oslo. The Manager may, but will

be under no obligation to, effect stabilisation activities in a period of 30 days from the first day of trading on Euronext Growth Oslo. Any stabilisation activities will be carried out in accordance with Commission Delegated Regulation (EU) 2016/1052, as implemented into Norwegian law by Section 3-1 of the Norwegian Securities Trading Regulation.

The application period for the Private Placement took place from 09:00 (CEST) on 26 May 2021 to 16:30 (CEST) on 28 May 2021 and notifications of allocation were issued on 31 May 2021.

The Private Placement resulted in an immediate dilution of approximately 9.97 % for shareholders of the Company who did not participate in the Private Placement.

### 8.2.2 Shareholdings

The share capital increase pertaining to the Private Placement was registered in the Norwegian Register of Business Enterprises on 1 June 2021. On 1 June 2021, the 20 largest shareholders of the Company were as set out in Section 8.3 ("Major shareholders").

### 8.2.3 Use of proceeds

The net proceeds from the Private Placement will be utilised to pursue organic growth initiatives, in addition to general corporate purposes.

### 8.2.4 Lock-up

In connection with the Private Placement, customary lock-up agreements have been entered into with the Company, members of the Company's Management and Board and Smarter Holding AS, which, subject to certain exceptions, restrict their ability to, without the prior written consent of the Manager, issue, sell or dispose of shares in the Company, as applicable. The Company has a lock-up of 12 months, Smarter Holding AS has a lock up of 6 months and the members of Management and Board have a lock-up of 12 months.

## 8.3 Major shareholders

As of 1 June 2021, the Company had a total of 43 shareholders and the 20 largest shareholders were as set out below. The below table does not reflect the 9,600,000 new Shares issued in the Private Placement or the sell-down of existing shares in the Private Placement.

#	Shareholder	No. of Shares	Percentage
1	Smarter Holding AS <sup>10</sup>	78,789,326	90.89
2	Magnus Grenfeldt	2,232,541	2.58
3	Karl Andreas Thedéen	463,078	0.53
4	Sven East	310,075	0.36
5	Mikael Haag	310,075	0.36

<sup>10</sup> Smarter Holding AS is i.a. owned by (i) Chair of the Board Thomas Ramm (owns 47.17% through Coretech AS); (ii) board member Harald Kristofer Berg (owns 26.53% through K-Spar Industrier AS); and (iii) deputy board member Einar Caspersen (owns 23.53% through Kløvningen AS). Smarter Holding AS is expected to be dissolved shortly after the listing on Euronext Growth Oslo, but its current shareholders are expected to continue to hold shares in the Company.

#	Shareholder	No. of Shares	Percentage
6	Fredrik Larsson	310,075	0.36
7	Per Burman	310,075	0.36
8	Kevin Robinson	310,075	0.36
9	Kent Lidström	310,075	0.36
10	Paul Joseph	310,075	0.36
11	Björn Rougén	310,075	0.36
12	Tony Lindh	172,264	0.20
13	Muataz Arabi	172,264	0.20
14	Johan Mårtensson	172,264	0.20
15	Martin Öhrling	172,264	0.20
16	Matthias Kayser	172,264	0.20
17	Carl Sigurjonsson	172,264	0.20
18	Henrik Löfgren	172,264	0.20
19	Truls Schøyen	133,835	0.15
20	Peter Puranen	129,210	0.15
<b>TOP 20</b>		<b>85,434,438</b>	<b>98.56</b>
<b>OTHER</b>		<b>1,252,155</b>	<b>1.44</b>
<b>TOTAL</b>		<b>86,686,593</b>	<b>100%</b>

## **8.4 The Company's Articles of Association and Certain aspects of Norwegian corporate law**

### **8.4.1 Articles of Association**

Below is a summary of certain of the provisions of the Company's Articles of Association, which are attached as Appendix 1 to this Information Document.

#### **8.4.1.1 Company name**

Pursuant to section 1 of the Articles of Association, the Company's name is Smartoptics Group AS.

#### **8.4.1.2 Objective**

Pursuant to section 2 of the Articles of Association, the objective of the Company is production, trade and consultancy and activities related thereto, and participation in other businesses through ownership or otherwise.

#### **8.4.1.3 Share capital and par value**

Pursuant to section 4 of the Articles of Association, the Company's share capital is NOK 1,925,731.86 divided on 96,286,593 Shares, each with a par value of NOK 0.02.

#### **8.4.1.4 The Board of Directors**

Pursuant to section 6 of the Articles of Association, the Company's Board shall consist of 2 to 5 Board Members.

#### **8.4.1.5 Restrictions on transfer of Shares**

Pursuant to section 5 of the Articles of Association, the Shares are freely transferable. The transfer of Shares is not subject to the consent of the Board of Directors or rights of first refusal.

#### **8.4.1.6 Signatory right**

Pursuant to section 6 of the Articles of Association, two board members jointly sign on behalf of the Company. The Board may grant power of procuration.

#### **8.4.1.7 General meetings**

Pursuant to section 7 of the Articles of Association, the Company's general meeting shall consider and decide on the following matters:

- Approval of the annual accounts, including use of annual profit or coverage of loss.
- Approval of the consolidated annual accounts and other matters that shall be dealt with by the general meeting under the law or pursuant to the Articles of Association.

When documents pertaining to matters which shall be handled at the general meeting have been made available for shareholders on the Company's website, the statutory requirement that the documents shall be distributed to shareholders does not apply. This is also applicable to documents which according to

statutory law shall be included in or attached to the notice of the general meeting. A shareholder may nonetheless demand to be sent such documents. The Company's communication with shareholders can always take place electronically.

## **8.4.2 Certain aspects of Norwegian corporate law**

### **8.4.2.1 General meetings**

Through the general meeting, shareholders exercise supreme authority in a Norwegian company. In accordance with Norwegian law, the annual general meeting of shareholders is required to be held each year on or prior to 30 June. Norwegian law requires that a written notice of annual general meetings setting forth the time of, the venue for and the agenda of the meeting is sent to all shareholders with a known address no later than seven days before the annual general meeting of a Norwegian private limited liability company shall be held, unless the articles of association stipulate a longer deadline, which is not currently the case for the Company.

A shareholder may vote at the general meeting either in person or by proxy (the proxy holder is appointed at their own discretion). All of the Company's shareholders who are registered in the shareholders' register kept and maintained with VPS as of the date of the general meeting, or who otherwise have reported and documented ownership of shares in the Company, are entitled to participate at general meetings, without any requirement of pre-registration.

Apart from the annual general meeting, extraordinary general meetings of shareholders may be held if the Board of Directors considers it necessary. An extraordinary general meeting of shareholders shall also be convened if, in order to discuss a specified matter, the auditor or shareholders representing at least 10% of the share capital demands such in writing. The requirements for notice and admission to the annual general meeting also apply to extraordinary general meetings.

### **8.4.2.2 Voting rights**

Each Share carries one vote. In general, decisions shareholders are entitled to make under Norwegian law or the articles of association may be made by a simple majority of the votes cast. In the case of elections or appointments (e.g. to the board of directors), the person(s) who receive(s) the greatest number of votes cast is elected. However, as required under Norwegian law, certain decisions, including resolutions to waive preferential rights to subscribe for shares in connection with any share issue in the Company, to approve a merger or demerger of the Company, to amend the articles of association, to authorize an increase or reduction of the share capital, to authorize an issuance of convertible loans or warrants by the Company or to authorize the Board of Directors to purchase Shares and hold them as treasury shares or to dissolve the Company, must receive the approval of at least two-thirds of the aggregate number of votes cast as well as at least two-thirds of the share capital represented at the general meeting in question. Moreover, Norwegian law requires that certain decisions, i.e. decisions that have the effect of substantially altering the rights and preferences of any shares or class of shares, receive the approval by the holders of such shares or class of shares as well as the majority required for amending the articles of association.

Decisions that (i) would reduce the rights of some or all of the Company's shareholders in respect of dividend payments or other rights to assets or (ii) restrict the transferability of the Shares, require that at least 90% of the share capital represented at the general meeting in question vote in favour of the resolution, as well as the majority required for amending the articles of association.

In general, only a shareholder registered in VPS is entitled to vote for such Shares. Beneficial owners of the Shares that are registered in the name of a nominee are generally not entitled to vote under Norwegian law, nor is any person who is designated in the VPS register as the holder of such Shares as nominees.

#### **8.4.2.3 Additional issuances and preferential rights**

If the Company issues any new Shares, including bonus share issues, the Company's Articles of Association must be amended, which requires the same vote as other amendments to the articles of association. In addition, under Norwegian law, the Company's shareholders have a preferential right to subscribe for new Shares issued by the Company. The preferential rights may be deviated from by a resolution in the general meeting passed with the same vote required to amend the articles of association. A deviation of the shareholders' preferential rights in respect of bonus issues requires the approval of all outstanding Shares.

The general meeting may, by the same vote as is required for amending the articles of association, authorize the board of directors to issue new Shares, and to deviate from the preferential rights of shareholders in connection with such issuances. Such authorisation may be effective for a maximum of two years, and the nominal value of the Shares to be issued may not exceed 50% of the registered par share capital when the authorisation is registered with the Norwegian Register of Business Enterprises.

Under Norwegian law, the Company may increase its share capital by a bonus share issue, subject to approval by the Company's shareholders, by transfer from the Company's distributable equity or from the Company's share premium reserve and thus the share capital increase does not require any payment of a subscription price by the shareholders. Any bonus issues may be affected either by issuing new shares to the Company's existing shareholders or by increasing the nominal value of the Company's outstanding Shares.

Issuance of new Shares to shareholders who are citizens or residents of the United States and other jurisdictions upon the exercise of preferential rights may require the Company to file a registration statement or prospectus in the United States under United States securities laws or in such other jurisdictions under the laws of such jurisdictions. Should the Company in such a situation decide not to file a registration statement or prospectus, the Company's U.S. shareholders and shareholders in such other jurisdictions may not be able to exercise their preferential rights. To the extent that shareholders are not able to exercise their rights to subscribe for new shares, the value of their subscription rights will be lost and such shareholders' proportional ownership interests in the Company will be reduced.

#### **8.4.2.4 Minority rights**

Norwegian law sets forth a number of protections for minority shareholders of the Company, including, but not limited to, those described in this paragraph and the description of general meetings as set out above. Any of the Company's shareholders may petition Norwegian courts to have a decision of the board

of directors or the Company's shareholders made at the general meeting declared invalid on the grounds that it unreasonably favours certain shareholders or third parties to the detriment of other shareholders or the Company itself. The Company's shareholders may also petition the courts to dissolve the Company as a result of such decisions to the extent particularly strong reasons are considered by the court to make necessary dissolution of the Company.

Minority shareholders holding 10% or more of the Company's share capital have a right to demand in writing that the Board of Directors convenes an extraordinary general meeting to discuss or resolve specific matters. In addition, any of the Company's shareholders may in writing demand that the Company place an item on the agenda for any general meeting as long as the Company is notified in time for such item to be included in the notice of the meeting. If the notice has been issued when such a written demand is presented, a renewed notice must be issued if the deadline for issuing notice of the general meeting has not expired.

#### ***8.4.2.5 Rights of redemption and repurchase of shares***

The share capital of the Company may be reduced by reducing the nominal value of the Shares or by cancelling Shares. Such a decision requires the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at a general meeting. Redemption of individual Shares requires the consent of the holders of the Shares to be redeemed.

The Company may purchase its own Shares provided that the Board of Directors has been granted an authorisation to do so by a general meeting with the approval of at least two-thirds of the aggregate number of votes cast and at least two-thirds of the share capital represented at the meeting. The aggregate nominal value of treasury shares so acquired, and held by the Company must not lead to the share capital with deduction of the aggregate nominal of the holding of own shares is less than the minimum allowed share capital of NOK 30,000, and treasury shares may only be acquired if the Company's distributable equity, according to the latest adopted balance sheet, exceeds the consideration to be paid for the shares. The authorisation by the general meeting of the Company's shareholders cannot be granted for a period exceeding two years.

#### ***8.4.2.6 Shareholder vote on certain reorganizations***

A decision of the Company's shareholders to merge with another company or to demerge requires a resolution by the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of the share capital represented at the general meeting. A merger plan, or demerger plan signed by the Board of Directors along with certain other required documentation, would have to be sent to all the Company's shareholders, or if the articles of association stipulate that, made available to the shareholders on the Company's website, at least one month prior to the general meeting to pass upon the matter.

#### ***8.4.2.7 Distribution of assets on liquidation***

Under Norwegian law, the Company may be wound-up by a resolution of the Company's shareholders at the general meeting passed by at least two-thirds of the aggregate votes cast and at least two-thirds of

the share capital represented at the meeting. In the event of liquidation, the Shares rank equally in the event of a return on capital.

## **8.5 Takeover bids and forced transfers of shares**

The Company is not subject to the takeover regulations set out in the Norwegian Securities Trading Act, or otherwise.

The Shares are, however, subject to the provisions on compulsory transfer of shares as set out in the Norwegian Private Companies Act. If a private limited liability company alone, or through subsidiaries, owns 9/10 or more of the shares in the subsidiary, and may exercise a corresponding part of the votes that may be cast in the general meeting, the board of directors of the parent company may resolve that the parent company shall take over the remaining shares in the company. Each of the other shareholders in the subsidiary have the right to require the parent company to take over the shares. The parent company shall give the shareholders a redemption offer pursuant to the provisions of the Norwegian Private Companies Act. The redemption amount will in the absence of agreement or acceptance of the offer be fixed by a discretionary valuation.

## **8.6 Authorisations to increase the share capital**

In the Extraordinary General Meeting held on 30 May 2021, the Board of Directors was granted authorisation to increase the share capital of the Company by up to an aggregate nominal value of NOK 192,573.18 through the issuance of new Shares. The shareholders' preferential rights pursuant to section 10-4 of the Norwegian Private Companies Act may be set aside. The authorisation covers both share capital increases against cash and against non-cash contributions. The authorisation is valid until the Company's annual general meeting in 2022, but expires at the latest on 30 June 2022.

## **8.7 Financial instruments**

Neither the Company nor any of the Company's subsidiaries has issued any options, warrants, convertible loans or other instruments that would entitle a holder of any such instrument to subscribe for any shares in the Company or its subsidiaries.

## **8.8 Incentive schemes**

The Company intends to implement an incentive scheme under which share options are to be granted and sold to employees and members of Management. The share option program is expected to be based on the following principles:

- The number of options, with corresponding Shares, that can be issued under the incentive scheme will be limited to around 3% of the Company's share capital from time to time.
- Options can be exercised after a period of three years.
- Further conditions will be determined by the Board of Directors.

## 9 NORWEGIAN TAXATION

*The following is a brief summary of certain Norwegian tax considerations relevant to the acquisition, ownership and disposition of Shares by holders that are residents of Norway for purposes of Norwegian taxation ("**resident or Norwegian shareholders**") and holders that are not residents of Norway for such purposes ("**non-resident or foreign shareholders**").*

*The summary is based on applicable Norwegian laws, rules and regulations as at the date of this Information Document. Such laws, rules and regulations may be subject to changes after this date, possibly on a retroactive basis for the same tax year. The summary is of a general nature and does not purport to be a comprehensive description of all tax considerations that may be relevant and does not address taxation in any other jurisdiction than Norway.*

*The summary does not concern tax issues for the Company and the summary only focuses on the shareholder categories explicitly mentioned below. Special rules may apply to shareholders who are considered transparent entities for tax purposes, for shareholders holding shares through a Norwegian permanent establishment and for shareholders that have ceased or cease to be resident in Norway for tax purposes.*

*Each shareholder, and specifically non-resident shareholders, should consult with and rely upon their own tax advisers to determine their particular tax consequences.*

### 9.1 Taxation of dividends

#### 9.1.1 Resident corporate shareholders

Dividends distributed from the Company to Norwegian corporate shareholders (i.e. limited liability companies and certain similar entities) are generally exempt from tax pursuant to the participation exemption method (Norwegian: "*Fritaksmetoden*"). However, 3% of such dividends are taxable as general income at a current rate of 22%, implying that dividends distributed from the Company to resident corporate shareholders are effectively taxed at a rate of 0.66%.

#### 9.1.2 Resident personal shareholders

Dividends distributed from the Company to Norwegian personal shareholders are taxed as ordinary income at a current rate of 22% to the extent the dividends exceed a statutory tax-exempt allowance (Norwegian: "*Skjermingsfradrag*"). The tax basis is upward adjusted with a factor of 1.44 before taxation, implying that dividends exceeding the tax free allowance are effectively taxed at a rate of 31.68%.

The tax-exempt allowance is calculated and applied on a share-by-share basis. The allowance for each share equals the cost price of the share multiplied by a risk-free interest rate determined based on the interest rate on Norwegian treasury bills with three months maturity plus 0.5 percentage point, and adjusted downwards with the tax rate. The allowance one year is allocated to the shareholder owning the share on 31 December. Norwegian personal shareholders who transfer Shares during an income year will thus not be entitled to deduct any calculated allowance related to the transaction year. The Directorate of Taxes announces the risk free-interest rate in January the year after the income year.

Any part of the calculated allowance one year exceeding distributed dividend on a Share (excess allowance) can be carried forward and set off against future dividends (or capital gains) on the same Share (but may not be set off against taxable dividends / capital gains on other Shares). Furthermore, for the purpose of calculating the allowance the following years, any excess allowance is added to the cost price of the share and thereby included in the basis for the calculation of allowance the following years.

### **9.1.3 Non-resident shareholders**

Dividends distributed from the Company to non-resident shareholders are in general subject to Norwegian withholding tax at a rate of currently 25%, unless otherwise provided for in an applicable tax treaty or the recipient is corporate shareholder tax resident within the European Economic Area (the "EEA") (ref. Section 9.1.4 below for more information on the EEA exemption). Norway has entered into tax treaties with approximate 80 countries. In most tax treaties the withholding tax rate is reduced to 15% or lower.

Shareholders, who have been subject to a higher withholding tax than applicable, may apply to the Central Office for Foreign Tax Affairs for a refund of the excess withholding tax.

If foreign shareholders are engaged in business activities in Norway, and their Shares are effectively connected with such business activities, dividends distributed on their Shares will generally be subject to the same taxation as that of Norwegian shareholders.

Foreign shareholders should consult their own advisers regarding the availability of treaty benefits in respect of dividend payments, including the possibility of effectively claiming refund of withholding tax.

### **9.1.4 Shareholders tax resident within the EEA**

Dividends distributed from the Company to personal shareholders tax-resident within the EEA are upon request entitled to a deductible allowance. The shareholder shall pay the lesser amount of (i) withholding tax according to the rate in the applicable tax treaty or (ii) withholding tax at 25% after deduction of the tax-free allowance. Any excess allowance may be carried forward.

Dividends distributed from the Company to corporate shareholders tax resident within the EEA are exempt from Norwegian withholding tax, provided the shareholder is the beneficial owner of the Shares and genuinely established and performs genuine economic business activities within the EEA.

## **9.2 Taxation upon realization of shares**

### **9.2.1 Resident corporate shareholders**

For Norwegian corporate shareholders capital gains upon realization of Shares are generally exempt from tax. Losses are not deductible.

### **9.2.2 Resident personal Shareholders**

For Norwegian personal shareholders capital gains upon realization of Shares are taxable as general income in the year of realization, and have a corresponding right to deduct losses that arise upon such realization. The tax liability applies irrespective of time of ownership and the number of Shares realized.

The tax rate for general income is currently 22%. The tax basis is adjusted upward with a factor of 1.44 before taxation/deduction, implying an effective taxation at a rate of 31.68%.

The taxable gain or loss is calculated per Share as the difference between the consideration received and the cost price of the Share, including any costs incurred upon acquisition or realization of the Share. Any unused allowance on a Share (see above) may be set off against capital gains on the same Share, but will not lead to or increase a deductible loss. I.e. any unused allowance exceeding the capital gain upon realization of the Share will be annulled. Any unused allowance on one Share may not be set off against gains on other Shares.

If a shareholder disposes of Shares acquired at different times, the Shares that were first acquired will be deemed as first disposed (the FIFO-principle) when calculating a taxable gain or loss.

Special exit tax rules apply for resident personal shareholders that cease to be tax resident in Norway.

### **9.2.3 Non-resident shareholders**

Gains from realization of Shares by non-resident shareholders will not be subject to taxation in Norway unless (i) the Shares are effectively connected with business activities carried out or managed in Norway, or (ii) the Shares are held by an individual who has been a resident of Norway for tax purposes with unsettled/postponed exit tax.

## **9.3 Net wealth tax**

Norwegian corporate shareholders are not subject to net wealth tax.

Norwegian personal shareholders are generally subject to net wealth taxation at a current rate of 0.85% on net wealth exceeding NOK 1,500,000. The general rule is that the Shares will be included in the net wealth with 55% of their proportionate share of the Company's calculated wealth tax value as of 1 January in the income year.

Non-resident shareholders are generally not subject to Norwegian net wealth tax, unless the Shares are held in connection with business activities carried out or managed from Norway.

## **9.4 Stamp duty / transfer tax**

Norway does not impose any stamp duty or transfer tax on the transfer or issuance of Shares.

Norway does not impose any inheritance tax. However, the heir continues the giver's tax positions, including the input values, based on principles of continuity.

## **9.5 The Company's responsibility for the withholding of taxes**

The Company is responsible for and shall deduct, report and pay any applicable withholding tax to the Norwegian tax authorities.

## 10 DEFINITIONS AND GLOSSARY

In the Information Document, the following defined terms have the following meanings:

<b>Admission</b>	The admission to trading of the Company's Shares on Euronext Growth Oslo
<b>AGM</b>	The Company's annual general meeting of shareholders
<b>Articles of Association</b>	The articles of association of the Company
<b>Board or Board of Directors</b>	The board of directors of the Company
<b>Company, Issuer or Smartoptics</b>	Smartoptics Group AS
<b>EEA</b>	The European Economic Area
<b>EU</b>	The European Union
<b>Euronext Growth Advisor</b>	DNB Markets, a part of DNB Bank ASA
<b>Euronext Growth Oslo</b>	The Euronext Growth Market operated by Oslo Børs ASA
<b>Financial Statements</b>	The Group's audited consolidated financial statements as of and for the years ending 31 December 2020 and 2019
<b>Forward-looking statements</b>	All statements other than historic facts or present facts, typically indicated by words such as "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," and similar
<b>General Meeting</b>	The Company's general meeting of shareholders
<b>Group</b>	The Company together with its consolidated subsidiaries
<b>Information Document</b>	This Information Document dated 3 June 2021
<b>ISIN</b>	International Securities Identification Number
<b>Management</b>	The Company's senior executive management team
<b>Manager</b>	DNB Markets, a part of DNB Bank ASA
<b>"SMOP"</b>	The Company's ticker code on Euronext Growth Oslo
<b>NGAAP</b>	Norwegian Generally Accepted Accounting Principles
<b>NOK</b>	Norwegian Kroner, the lawful currency of Norway
<b>Non-resident or foreign shareholders</b>	Shareholders who are not resident in Norway for tax purposes
<b>Norwegian Private Companies Act</b>	Norwegian Private Limited Liability Companies Act of 13 June 1997 no. 44
<b>Private Placement</b>	The Private Placement announced by the Company on 31 May 2021
<b>Resident or Norwegian shareholders</b>	Shareholders who are resident in Norway for tax purposes
<b>Securities Trading Act</b>	Securities Trading Act of 29 June 2007 no. 75 (Norwegian: "Verdipapirhandelloven")
<b>Shares</b>	The Company's shares
<b>U.S. Securities Act</b>	The U.S. Securities Act of 1933
<b>VPS</b>	The Norwegian Central Securities Depository (Norwegian: "Verdipapirsentralen")

## **APPENDIX 1: ARTICLES OF ASSOCIATION**

*(Unofficial office translation)*

## **SMARTOPTICS GROUP AS**

### **Articles of Association**

#### **§ 1 Name**

The company's name is Smartoptics Group AS.

#### **§ 2 Objective**

The objective of the Company is production, trade and consultancy and activities related thereto, and participation in other businesses through ownership or otherwise.

#### **§ 3 Registered office**

The company's registered office is in Oslo.

#### **§ 4 Share capital**

The company's share capital is NOK 1,925,731.86 divided on 96,286,593 shares, each with a par value of NOK 0.02.

The shares in the company shall be registered in Euronext VPS, operated by Verdipapirsentralen ASA.

#### **§ 5 Transfer of shares**

The shares in the company are freely transferable. The transfer of shares is not subject to the consent of the Board of Directors or rights of first refusal by shareholders.

#### **§ 6 Board of Directors**

The company's Board of Directors consists of between two and five board members. Two board members jointly sign on behalf of the company. The Board of Directors may grant power of procuration.

#### **§ 7 General meeting**

The company's general meeting shall decide on the following matters:

- (i) Approval of the annual accounts, including use of annual profit or coverage of loss.
- (ii) Approval of the consolidated annual accounts and other matters that shall be dealt with by the general meeting under the law or pursuant to the Articles of Association.

When documents pertaining to matters which shall be handled at the general meeting have been made available for shareholders on the Company's website, the statutory requirement that the documents shall be distributed to shareholders does not apply. This is also applicable to documents which according to statutory law shall be included in or attached to the notice of the general meeting. A shareholder may nonetheless demand to be sent such documents. The Company's communication with shareholders can always take place electronically.

Adopted 30 May 2021

**APPENDIX 2: UNAUDITED INTERIM FINANCIAL STATEMENTS FOR Q1 2021**

smartoptics

# Smartoptics Group

Quarterly Report Q1 – 2021

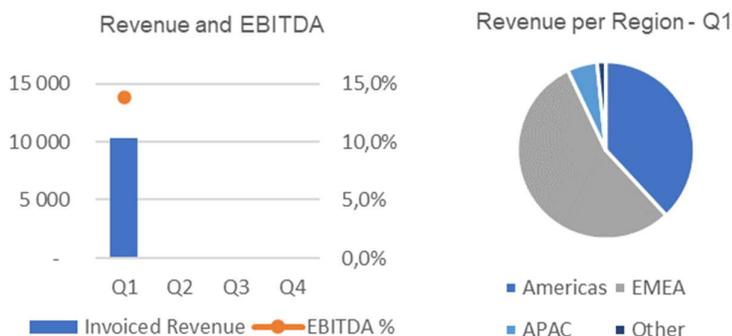
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**OSLO, May 10, 2021 - Smartoptics Group AS today reported its financial results for the quarter ending March 31, 2021. Smartoptics Group provides innovative optical networking solutions and devices for the new era of open networking. The company focuses on solving network challenges and increasing the customers efficiency. Smartoptics customer base includes thousands of enterprises, governments, cloud providers, Internet exchanges as well as cable and telecom operators. Smartoptics Group leverages modern software design principles and expand network horizons by having an open networking approach. This allows the customers the freedom to remain flexible and reduce costs. The products are based on in-house developed hardware and software, enhanced through associated services.**

## Summary of Quarter Q1 2021 (January-March)

### Financial Highlights

- Recognized Revenue of USD 10.0 million (Jan-Mar). Growth of 51.9% compared to Q1 2020 (Jan-Mar).
- Gross Margin of 44.0% (Jan-Mar), compared to 40.1% in Q1 2020 (Jan-Mar).
- EBITDA of USD 1.38 million and 13.8% EBITDA margin (Jan-Mar), compared to USD -0.1 million and -1.9% EBITDA margin in Q1 2020 (Jan-Mar).
- Operating Cash Flow for the period (Jan-Mar) was USD 0.2 million, compared to USD 0.8 million in Q1 2020 (Jan-Mar).



All figures are presented on a consolidated basis for the Group in USD as the presenting currency. The financial figures are prepared in accordance with the Norwegian Generally Accepted Accounting Principles (NGAAP).

## Business Highlights & Significant Events

The first quarter of 2021 was characterized by continued high business activity. Order backlog going into the quarter, strong order booking throughout the quarter combined with a normal component supply situation generated a revenue (recognized revenue) growth of 51.9% compared to the first quarter of 2020.

The EBITDA margin for the quarter was 13.8%, compared to -1.9% same period 2020. Gross Margin was 44.0% in the quarter, compared to 40.1% same period 2020. The increase in Gross Margin from previous quarters was due to the continued positive mix shift towards more higher-value advanced system products.

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## Financial review

All numbers are presented in thousands of US dollar.

### Consolidated Profit and Loss Statement

kUSD	2021		2020		Growth %
		Q1	Q1		
Invoiced revenue		10 267	6 617		
Deferred revenue	1	-254	-26		
<b>TOTAL Recognized Revenue</b>		<b>10 014</b>	<b>6 591</b>		<b>51,9%</b>
COGS		5 608	3 947		
<b>Gross Profit</b>		<b>4 406</b>	<b>2 644</b>		<b>66,6%</b>
Gross Margin %		44,0%	40,1%		
Operating Expenses	2	3 024	2 772		
<b>EBITDA</b>		<b>1 382</b>	<b>-129</b>		
EBITDA Margin %		13,8%	-1,9%		
Depreciation and Amortization	3	208	145		
<b>EBIT</b>		<b>1 174</b>	<b>-273</b>		
EBIT Margin %		11,7%	-4,1%		
Net Financial Items	4	-149	776		
<b>Earnings before tax</b>		<b>1 024</b>	<b>503</b>		
EBT Margin		10,2%	7,6%		

### Revenue

Recognized revenue is Invoiced Revenue less Deferred Revenue. Invoiced revenue is revenue which has been invoiced during the period. Deferred revenue is related to service contracts over a period of months (typically 24-36 months), where the service revenue is recognized over the contract period.

Recognized Revenue grew by 51.9% in Q1 2021 to USD 10.0 million compared to USD 6.6 million Q1 2020. The growth was supported by strong business momentum in terms of orders in the previous quarter, strong order intake throughout the quarter and a stable supply situation on components.

### Gross Profit

COGS (Cost of Goods Sold) was USD 5.6 million in Q1 2021, resulting in a Gross Profit of USD 4.4 million (44.0%).

### Operating Expenses

Operating Expenses was USD 3.0 million in Q1 2021, compared to USD 2.8 million in Q1 2020. Operating costs is increasing primarily due to continued increase of R&D resources and Sales resources.

Salaries and consultant costs is the largest cost component in Operating Expenses, representing 85.2% of the Operating Expenses in Q1 2021.

### EBITDA

EBITDA in Q1 2021 was USD 1.4 million (EBITDA Margin of 13.8%) compared to Q1 2020 USD -0.1 million (-1.9%).

The increase in EBITDA is a result revenue growth and improved Gross Margin. The revenue growth was primarily driven by stronger solutions revenue.

### Net Financials

Interest payments and currency effects are the main components of Net Financials. Currency effects arises as underlying reporting is done in NOK, while the communication of the financial results is done in USD. Cash, Receivables and Payables all have a currency component.

Most of the Revenue and COGS is in USD. The company policy is not to engage in any currency hedging, as the company has a natural hedge in having both Revenue and COGS to a very large extent in USD.

## Consolidated Balance Sheet

	kUSD	
	2021	2020
	Jan-Mar	Jan-Mar
<b>Non-Current Assets</b>	<b>6 773</b>	<b>5 414</b>
Capitalized Development Cost	974	898
Deferred Tax Asset	5 4 173	3 384
Property Plant and Equipment	806	493
Financial Assets	821	640
Other Non-Current Assets	0	0
<b>Current Assets</b>	<b>16 395</b>	<b>10 744</b>
Inventory	6 642	4 235
Accounts Receivables	5 637	4 216
Prepaid Expenses	1 745	379
Cash and Cash Equivalents	2 395	1 786
Other Current Asset	-24	128
<b>TOTAL Asset</b>	<b>23 168</b>	<b>16 158</b>
<b>TOTAL Equity</b>	<b>11 457</b>	<b>8 893</b>
<b>Non-Current Liabilities</b>	<b>3 628</b>	<b>1 555</b>
Liabilities to Financial Institution:	6 2 202	943
Deferred Revenue	1 1 426	611
Other Non-Current Liabilities	0	0
<b>Current Liabilities</b>	<b>8 084</b>	<b>5 711</b>
Liabilities to Financial Institutions	2 710	1 390
Deferred Revenue	1 1 119	532
Accounts Payable	2 657	2 547
Public Duties	7 471	251
Other Current Liabilities	1 126	991
<b>TOTAL Liability</b>	<b>11 712</b>	<b>7 265</b>
<b>TOTAL Liability and Equity</b>	<b>23 168</b>	<b>16 158</b>

## Consolidated Cash Flow Statement

	kUSD	
	2021	2020
	Jan-Mar	Jan-Mar
<b>Cash at the Beginning of Period</b>	<b>3 625</b>	<b>2 094</b>
EBITDA	1 382	-129
Changes in Accounts Receivables	475	538
Changes in Accounts Payable	-1 353	264
Changes in Inventory	1 461	609
Changes in Deferred Revenue	267	-146
Other Working Capital Changes	-1 622	-303
<b>Cash Flow from Operating Activities</b>	<b>610</b>	<b>834</b>
Changes in Non-Current Assets	-279	376
Other Changes	0	0
<b>Cash Flow from Investing Activities</b>	<b>-279</b>	<b>376</b>
Changes in short term financing	547	-887
Changes in long term financing	-31	-193
Interest paid	-19	-47
<b>Cash Flow from Financing Activities</b>	<b>498</b>	<b>-1 127</b>
Dividend	-1 527	0
Translation Differences	-536	-391
<b>Net Cash Flow</b>	<b>-1 234</b>	<b>-308</b>
<b>Cash at the End of Period</b>	<b>2 391</b>	<b>1 786</b>

## Notes

### General

Smartoptics Group AS is a Norwegian company and the parent company of the Smartoptics Group. The Financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway. The group consists of Smartoptics Group AS and the wholly owned subsidiaries Smartoptics AS, Smartoptics Sverige AB and Smartoptics US Corp.

The numbers in this report have not been audited and may be subject to change.

### Exchange Rates

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

Profit and Loss	2020	2021
Jan-Mar	9,4887	8,5140

Balance sheet	2020	2021
Mar 31	10,6006	8,5137

### Note 1 – Deferred Revenue

Service revenues are invoiced in advance and covers a contract period of typically 24-36 months. The service revenue is recognized during the contract period. "Current Deferred Revenue" will be recognized within the next 12 months.

### Note 2 – Research and Development

Parts of the development cost is capitalized and depreciated over 3 years. The principle is to capitalize no more than 30% of direct salary costs in selected development projects. Capitalization for the period Jan - Mar was USD 70 thousand.

### Note 3 – Depreciation and Amortization

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

### Note 4 – Financial Items

Currency effects comes from the cash position, which is made of NOK, SEK and USD, Accounts Receivables which is mostly in USD and Accounts Payable which is mostly in USD.

### Note 5 – Deferred Tax Assets

Deferred tax assets consist of historical net operating losses and amounts to NOK 35 million.

### Note 6 – Liabilities to Financial Institutions

There are two loans from Innovasjon Norge of combined NOK 18.8 million, and a credit line with Nordea of NOK 19 million.

### Note 7 – Public Duties

Under the Covid-19 relief measures the Swedish Government has allowed for postponing of payment of Social Charges, this amounts to SEK 3 million per March 31, 2021.

### Note 8 – Other Working Capital Changes

Other Working Capital Changes relates to pre-payments of certain components and inventory, pay-out of accrued bonuses for 2020, pay-out of sales commission for the fourth quarter of 2020 and down-payment of postponed Social Charges in Sweden.

### Note 9 – Dividend

Dividend of NOK 13 million was paid in March, 2021.

**APPENDIX 3: AUDITED ANNUAL FINANCIAL STATEMENTS FOR 2020**

smartoptics

# Smartoptics Group AS

Annual Report 2020

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## Board of Directors Report 2020

Smartoptics Group AS

Organization number 858 905 192

### 1. Operations and locations

Smartoptics Group AS is the holding company the Smartoptics group of companies. The group consists of Smartoptics Group AS and three subsidiaries (Smartoptics AS, Smartoptics Sverige AB and Smartoptics US Corp).

Smartoptics provides innovative optical networking solutions and devices for the new era of open networking. The group focuses on solving network challenges and increasing the customers efficiency. Smartoptics customer base includes thousands of enterprises, governments, cloud providers, Internet exchanges as well as cable and telecom operators.

Smartoptics leverages modern software design principles and enables customers increased flexibility by having an open network design approach. This allows the customers the freedom to remain flexible and reduce costs. The products are based on in-house developed hardware and software, enhanced through associated services.

The group has three main product categories.

Optical solutions comprises software and hardware systems which enable transport of data over optical fibers in networks and between data centers. Smartoptics' product offering is designed to target the metro and regional market. Target customers may be enterprises, Internet content providers or communication service providers.

Optical devices consists of passive optical multiplexers, transceivers (optical interfaces for routers, switches and base-stations for example) and various accessories. Optical transceivers are complete pluggable optical interfaces for any host system, ranging from simple fiber to the home termination points to high end routers, switches and base stations. Smartoptics offers a complete portfolio that can be used in a wide range of host systems. Smartoptics offers optical transceivers capable of transmitting and receiving from 100 Mbit/s to 400 Gbit/s.

Services consists of technical support, advanced product replacement, extended warranty and software upgrades. Services is usually sold together with the other products.

The employees of the group are in Norway, Sweden, United Kingdom, Germany, Poland and the USA. The company operates from Ryensvingen 7, 0680 Oslo.

Finance and logistics are located in Oslo (Smartoptics AS), while company management, product development of solutions business and solutions systems production are located in Kista, Sweden (Smartoptics Sverige AB). Outside the Nordics the employees primarily work with sales and technical sales support.

### 2. Going concern

The annual report is prepared on the assumption of going concern.

The group's revenue grew with 42% in 2020 (31% in constant currencies). Revenues grew from kNOK 230.1 in 2019 to kNOK 327.4 in 2020. The growth in revenue came from both main product categories, optical solutions and optical devices, due to the launch of new solution products and increased demand for optical devices.

### 3. Business outlook

The market for fiber optic communication is growing at around 3% per year, and the type of products Smartoptics develops and sells are growing at a far greater pace than the overall market, around 20% per year.

Between 2016 and 2020, the group had a revenue growth of 23% per year due to the launch of several system products such as the DCP-M open line system.

The group sells to enterprises, internet content providers and communication service providers, all over the world. However, the primary markets are Europe and North America.

The group expects to grow revenue from solutions products in all markets. Device sales have also grown in volume, due to successful customer wins, in Europe and in USA. The outlook is continued growth of solutions, services and devices.

Smartoptics has had limited impact from Covid-19 during 2020. The notable impacts were slight delays in the supply of certain components during the spring of 2020 and that some orders were pulled ahead a few weeks, and some orders were pushed out a few weeks, also during the spring of 2020. There was no material financial impact from Covid-19 on Smartoptics.

### 4. True and fair view

The company presents consolidated accounts. In 2020, the company had operating revenues of kNOK 0, same as in 2019 as the parent company is a holding company for the group. The annual result was kNOK 0.6 in 2020 compared to kNOK 0.7 in 2019.

In 2020, the group had operating revenues of kNOK 327.4 and an annual profit of kNOK 13.4 compared to kNOK 230.1 and 3.5 in 2019.

The operating profit for 2020 was kNOK 15 compared to kNOK 7.2 in 2019.

At the end of the year 2020, the company's equity was kNOK 93.9, which was equal to 100% of total capital compared to NOK 93.4 and 100% of total capital.

At the end of the year 2020, the group's equity was kNOK 101.4, which was equal to 45.11% of total capital compared to NOK 87.5 and 52.96% of total capital.

The group had a net cash flow of kNOK 21.3, due to positive operational cash flow and financing from Innovasjon Norge (Innovasjonslån) of kNOK 10

At the end of the year 2020, the group's current liabilities were kNOK 93 compared to kNOK 61.3 in 2019.

It is the Board's opinion that the annual accounts give a true and fair view of the company's and the group's results, development and position.

### 5. Product development

A fundamental part of Smartoptics' business is innovation as the group develops both in-house hardware and software. The group has a substantial development pipeline for the next years and the group plans to launch new line systems, muxponders, and a software suite referred to as SoSmart, among other.

**6. Working environment**

In the financial year, the group employed 66 full-time employees. There were no injuries or accidents during the financial year. Sick leave has been low and there have been no long-term sick leavers. The working environment in the group is considered good, and ongoing measures for improvement are implemented.

**7. Gender equality**

The company had per December 31, 2020. no employees. The board of the Company consists of three persons, all male.

In the group there were 53 male employees and 13 female employees.

**8. External environment**

Some of the products that the company delivers contain environmentally hazardous substances, e.g. batteries and electronics. These are handled in accordance with the requirements set by public authorities in that they are delivered to an environmental station. Apart from the conditions mentioned, the company does not pollute the external environment. The group holds ISO-9001 and ISO-14001 certifications.

**9. Financial risks**

The most important financial risks to which the group is exposed are related to liquidity risk and currency risk. The board focuses on the group's financial situation and has an ongoing update of this throughout the year.

Customer credit risk is continuously monitored. As the group has historically had very low levels of bad debt we expect minimal impact credit risks going forward.

The board's assessment is that the group has satisfactory borrowing and payment ability, which maintains sufficient financial freedom of action. The groups' revenue and direct costs are in US dollars, while bank loans are in Norwegian kroner. Indirect operating costs are mostly in Swedish kronor, Norwegian kroner, and US dollars. With regards to currency exposure the group has natural hedging of risks as most of revenue and direct costs are in US Dollars.

**10. Deferred revenue**

The subsidiaries Smartoptics AS and Smartoptics US Corp have service and software upgrade contracts with duration up to six years. If the contracts are invoiced prior to the contract period, the revenue is booked on the balance and recognized as revenue according to the contract period.

The principle of deferred revenue was adopted in 2020. The financial statements for Smartoptics AS and Smartoptics US Corp for 2019 and 2018 have been corrected to reflect this change.

**11. Allocation of net income**

The Board of Directors proposes the following allocation of the net profit for Smartoptics Group AS:

Dividend	NOK	0
Transferred to other equity	NOK	558.227
Total allocations	NOK	558.227

Oslo May 25, 2021

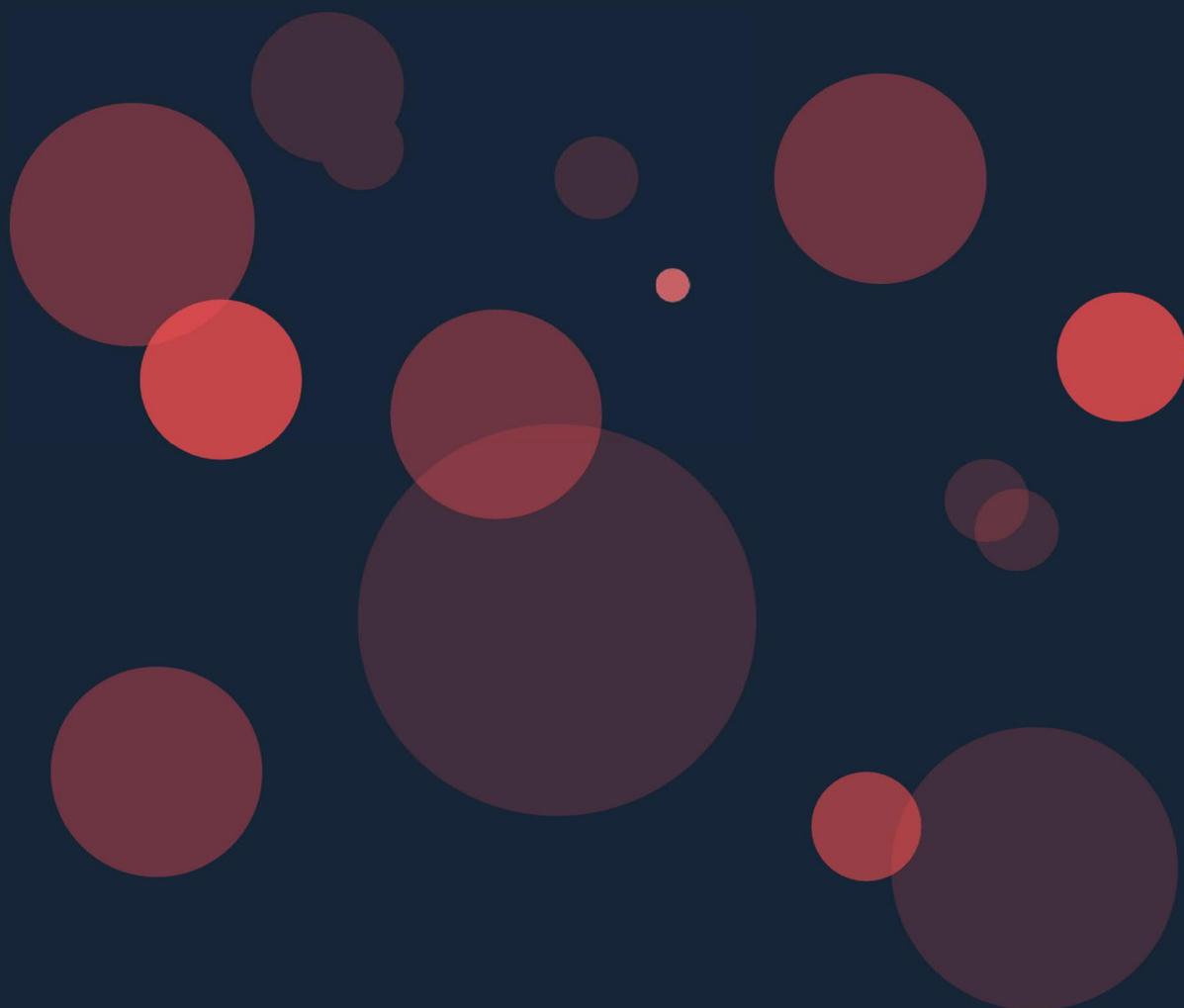
*Thomas Ramm*  
Thomas Ramm (May 25, 2021 20:47 GMT+2)

Thomas Ramm  
Chairman of the Board

*Harald Berg*  
Harald Berg (May 25, 2021 20:51 GMT+2)

Harald Kristofer Berg  
Board Member

# smartoptics



**Consolidated Financial  
Statements**

## CONSOLIDATED INCOME STATEMENT

Parent			Group	
2020	2019	Notes	2020	2019
NOK	NOK		NOK	NOK
<b>Revenue</b>				
0	0	Invoiced revenue	2,3 334 564 083	233 658 021
0	0	Other operating revenue	1 458 698	1 025 319
0	0	Deferred revenue	2 -8 647 850	-4 618 305
<b>0</b>	<b>0</b>	<b>Total recognized revenue</b>	<b>327 374 931</b>	<b>230 065 035</b>
<b>Operating expenses</b>				
0	0	Cost of goods sold	3 202 862 116	129 188 447
0	0	Payroll expenses	4,5 73 134 751	61 137 744
0	0	Depreciation, amortization & impairment	7,8 5 735 598	4 979 914
125 093	84 682	Other operating expenses	3,4 30 669 197	27 566 139
<b>125 093</b>	<b>84 682</b>	<b>Operating expenses</b>	<b>312 401 661</b>	<b>222 872 244</b>
<b>-125 093</b>	<b>-84 682</b>	<b>Operating profit</b>	<b>14 973 270</b>	<b>7 192 791</b>
<b>Financial income and expenses</b>				
496 000	647 275	Intercompany interest income	-0	0
338 309	229 766	Other interest income	383 959	674 923
0	49 288	Other financial income	20 419 984	6 023 814
5 038	0	Increase in market value of financial assets	5 038	0
0	-6 267	Decrease in market value of financial assets	0	-6 267
0	0	Other interest expense	1 445 508	1 992 253
0	-88	Other financial expense	20 773 305	6 278 617
<b>839 347</b>	<b>919 974</b>	<b>Net financial income and expenses</b>	<b>-1 409 833</b>	<b>-1 578 400</b>
<b>714 254</b>	<b>835 292</b>	<b>Profit before tax</b>	<b>13 563 437</b>	<b>5 614 391</b>
<b>-156 027</b>	<b>-185 143</b>	<b>Tax</b>	<b>6 -151 018</b>	<b>-2 089 103</b>
<b>558 227</b>	<b>650 149</b>	<b>Net profit</b>	<b>13 412 419</b>	<b>3 525 288</b>
<b>Allocated as follows</b>				
558 227	650 149	Transferred to other equity	15	
<b>558 227</b>	<b>650 149</b>	<b>Total allocations</b>		

**CONSOLIDATED BALANCE SHEET - ASSETS**

Parent			Group	
2020	2019	Notes	2020	2019
NOK	NOK		NOK	NOK
<b>Assets</b>				
<b>Non-current Assets</b>				
<b>Intangible Assets</b>				
0	0	7	8 228 172	9 007 704
28 499 197	28 655 224	6	35 078 670	34 869 441
<b>28 499 197</b>	<b>28 655 224</b>		<b>43 306 842</b>	<b>43 877 145</b>
<b>Fixed Assets</b>				
0	0	8	6 665 103	4 860 875
<b>0</b>	<b>0</b>		<b>6 665 103</b>	<b>4 860 875</b>
<b>Financial Assets</b>				
42 781 546	42 781 546	9	0	0
1	1		1	1
413 682	524 289	12	413 682	524 289
0	0		157 440	0
<b>43 195 229</b>	<b>43 305 836</b>		<b>571 123</b>	<b>524 290</b>
<b>71 694 426</b>	<b>71 961 060</b>		<b>50 543 068</b>	<b>49 262 311</b>
<b>Current Assets</b>				
<b>0</b>	<b>0</b>	10	<b>69 517 389</b>	<b>40 867 560</b>
<b>Receivables</b>				
0	0	11	52 368 869	41 822 820
16 897 708	16 907 363	12	3 877 491	3 707 174
2 751 484	4 047 580	12	8 816 317	11 130 782
<b>19 649 192</b>	<b>20 954 943</b>		<b>65 062 677</b>	<b>56 660 775</b>
<b>Cash</b>				
2 627 997	496 701	11	39 688 100	18 427 062
<b>2 627 997</b>	<b>496 701</b>		<b>39 688 100</b>	<b>18 427 062</b>
<b>22 277 189</b>	<b>21 451 644</b>		<b>174 268 166</b>	<b>115 955 397</b>
<b>93 971 615</b>	<b>93 412 704</b>		<b>224 811 233</b>	<b>165 217 708</b>

## CONSOLIDATED BALANCE SHEET – EQUITY AND LIABILITIES

Parent			Group	
2020	2019	Notes	2020	2019
NOK	NOK		NOK	NOK
<b>Equity and Liabilities</b>				
<b>Equity</b>				
<b>Paid-up Equity</b>				
1 803 683	1 794 422	Share capital	14 1 803 683	1 794 422
37 180 223	35 689 574	Share premium reserve	37 180 223	35 689 574
0	1 499 910	Other paid-up capital	0	1 499 910
<b>38 983 906</b>	<b>38 983 906</b>	<b>Total Paid-up Equity</b>	<b>38 983 906</b>	<b>38 983 906</b>
<b>Retained Earnings</b>				
54 984 379	54 426 152	Other equity	62 438 988	48 552 253
<b>93 968 285</b>	<b>93 410 058</b>	<b>Total Equity</b>	<b>101 422 894</b>	<b>87 536 159</b>
<b>Liabilities</b>				
<b>Long-term Liabilities</b>				
0	0	Loans from financial institutions	11 19 166 666	10 000 000
0	0	Deferred revenue, long-term	2 11 187 874	6 365 987
<b>0</b>	<b>0</b>	<b>Total Long-term Liabilities</b>	<b>30 354 540</b>	<b>16 365 987</b>
<b>Current Liabilities</b>				
0	0	Liabilities to financial institutions	11 27 818 307	20 048 957
0	0	Deferred revenue, short-term	2 8 359 613	4 977 686
3 330	2 645	Accounts payable	34 479 850	20 090 248
0	0	Tax payable	6 1 598 018	1 358 771
0	0	Public duties payable	7 276 507	1 841 072
0	0	Other current liabilities	13 501 505	12 998 831
<b>3 330</b>	<b>2 645</b>	<b>Total Current liabilities</b>	<b>93 033 801</b>	<b>61 315 564</b>
<b>3 330</b>	<b>2 645</b>	<b>Total Liabilities</b>	<b>123 388 341</b>	<b>77 681 551</b>
<b>93 971 615</b>	<b>93 412 703</b>	<b>Total Equity and Liabilities</b>	<b>224 811 233</b>	<b>165 217 708</b>

Oslo May 25, 2021

*Thomas Ramm*  
 Thomas Ramm (May 25, 2021 20:47 GMT+2)

*Harald Berg*  
 Harald Berg (May 25, 2021 20:51 GMT+2)

Thomas Ramm  
 Chairman of the Board

Harald Kristofer Berg  
 Board Member

**CONSOLIDATED CASH FLOW STATEMENT**

Parent			Group	
2020	2019		2020	2019
NOK	NOK		NOK	NOK
<b>Cash flow from operating activities</b>				
714 254	835 292	Profit before tax	13 563 437	5 614 391
0	0	Taxes paid	-239 248	652 911
0	-43 021	Gain/loss fixed assets	0	-43 021
0	0	Depreciation of fixed assets	5 735 598	4 979 914
0	0	Change in inventory	-28 649 828	-18 621 402
0	0	Change in accounts receivable	-10 546 049	-8 060 895
685	2 645	Change in accounts payable	14 389 603	6 821 136
0	0	Change in deferred revenue	8 203 814	5 681 635
1 305 751	-1 399 133	Other items related to operating activities	8 301 671	-2 920 612
<b>2 020 690</b>	<b>-604 217</b>	<b>Net cash flow from operating activities</b>	<b>10 758 997</b>	<b>-5 895 943</b>
<b>Cash flow from investment activities</b>				
0	0	Purchase of tangible assets	-4 301 306	-2 775 964
0	0	Purchase of intangible assets	-2 243 277	-1 419 370
0	2 511 786	Net change in financial assets	0	2 511 786
<b>0</b>	<b>2 511 786</b>	<b>Net cash flow from investment activities</b>	<b>-6 544 583</b>	<b>-1 683 548</b>
<b>Cash flow from financing activities</b>				
		New debt aquired	10 000 000	10 000 000
		Repayment of long-term debt	-833 334	0
0	-4 830 895	Repayment of short-term debt	0	-4 830 895
110 607	1 758 191	Repayment of issued loans	110 607	1 758 191
0	0	Net change in credit facility	7 769 350	66 353
0	1 499 910	Capital increase	0	1 499 910
<b>110 607</b>	<b>-1 572 794</b>	<b>Cash flow from financing activities</b>	<b>17 046 623</b>	<b>8 493 559</b>
<b>2 131 297</b>	<b>334 775</b>	<b>Net cash flow</b>	<b>21 261 038</b>	<b>914 067</b>
<b>496 701</b>	<b>161 926</b>	<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>18 427 062</b>	<b>17 512 995</b>
<b>2 627 998</b>	<b>496 701</b>	<b>Cash and Cash Equivalents at End of Period</b>	<b>39 688 100</b>	<b>18 427 062</b>

## NOTES

### NOTE 1 – ACCOUNTING PRINCIPLES

Smartoptics Group AS is a Norwegian company. The financial statements have been prepared in accordance with the Norwegian Accounting Act of 1998 and generally accepted accounting principles in Norway.

#### **Revenue recognition**

Revenue from the sale of goods is recognized in the income statement when delivery has taken place and when the materiality of risk and control has been transferred.

#### **Deferred revenue**

Revenue from the sale of services is recognized in the income statement based on the duration of the contract period.

#### **Interest income**

Interest income are recognized in the income statement when they are earned.

#### **Foreign currency**

Monetary items, receivables and liabilities in the balance sheet denominated in other currencies than NOK are recorded at the year end exchange rates.

#### **Taxes**

The tax expense in the income statement consists of tax payable for the period and changes in deferred tax. Deferred tax and deferred tax assets are calculated at 22 % based on the temporary differences which exist between accounting and tax values, and any tax loss carried forward at the end of the financial year.

Temporary differences which are reversed or may be reversed in the same period, have been offset and are presented net. Deferred tax assets regarding net tax-reducing differences that have not been offset and deferred tax asset regarding tax losses carrying forward, are recognized on the balance sheet to the extent that the tax benefit is assumed to be utilized through future taxable profit.

Deferred tax and deferred tax assets that can be capitalized are presented net on the balance sheet.

Tax reduction by intra-group contributions given and tax on intra-group contributions received, reported as a reduction of cost or directly against equity, are recognized directly towards tax on the balance sheet.

Deferred tax/deferred tax assets are calculated at nominal value.

#### **Classification and assessment of balance sheet items**

Current assets and current liabilities normally consists of items that are due within one year after the balance sheet day, plus items related to the inventory cycle. Other items are classified as fixed assets/long-term liabilities.

Current assets are valued at the lowest value off acquisition cost and fair value. Current liabilities are recognized at their nominal value at the time.

Fixed assets are valued at the cost of acquisition, but are written down to the fair value if impairment is not expected to be temporary. Long-term liabilities are recorded at nominal value at the time.

#### **Receivables**

Accounts receivable and other current receivables are recorded on the balance sheet at nominal value less provisions for doubtful debts. Provisions for doubtful debts are calculated on the basis of an individual assessment. For the remaining receivables, a general provision is estimated based on the expected loss.

#### **Inventory**

Inventories are carried in the financial statement at the lower of cost and net realizable value. Net sales price is the estimated selling price for ordinary operations after deduction of calculated necessary expenses for the implementation of sales. Acquisition cost is allocated using average acquisition cost and includes expenses incurred by acquiring the goods and costs of bringing the goods and costs of bringing the goods to their present state and location.

#### **Consolidation**

The Group's accounts include the parent company Smartoptics Group AS, wholly subsidiary Smartoptics AS (Norway), Smartoptics Sverige AB (Sweden) and Smartoptics US Corp (USA). The parent company has controlling influence as it owns more than 50% of the shares in the subsidiary and the group is in a position to exercise actual control over the companies. The group accounts have been prepared applying uniform principles, in that the subsidiaries follows the same accounting principles as the parent company.

**NOTE 1 – ACCOUNTING PRINCIPLES (CONT.)**

The consolidated financial statements are presented in NOK. Smartoptics Group AS reports in NOK, Smartoptics AS reports in NOK, Smartoptics Sverige AB reports in SEK and Smartoptics US Corp reports in USD. The balance sheet has been translated from SEK and USD for the subsidiaries at the exchange rate at

the end of the period. The income statement has been translated at the average exchange rate for 2020. Translation differences are presented as part of the equity.

***Subsidiaries***

Subsidiaries are valued according to the cost method in the company accounts. The investment has been assessed at acquisition cost for the shares unless impairment has been necessary. Impairment to fair value has been effectuated when impairment is not expected to be temporary and when it's considered necessary according to good accounting practice. Impairments are reversed when the basis for write-downs is no longer present.

Dividends, group contributions and other distributions are recognized as income in the same year as it is allocated in the giver's accounts. If the dividend/group contribution exceeds the share of earnings earned after the acquisition date, the excess part represent repayment of invested capital, and the distributions are deducted from the value of the investment in the balance sheet of the parent company.

***Fixed assets***

Tangible fixed assets are capitalized and depreciated over the expected useful life of the fixed asset. Essential assets which consists of significant components with different lifetimes are decomposed with different depreciation periods for those different components. Direct maintenance of operating assets is expensed on an ongoing basis under operating costs, while costs for improvements are added to the asset's cost price and depreciated in line with the asset. If the recoverable amount of the asset is lower than the book value, write-down is made to the recoverable amount. The recoverable amount is the higher of net sales value and value in use. Value in use is the present value of the future cash flows that the asset will generate.

***Research and development***

A limited amount of development costs are capitalized to the extent that a future financial benefit can be identified the development of an identifiable intangible asset and the expenses can be measured reliably. In the opposite case such costs are expensed when incurred. Capitalized development is amortized on a straight-line basis over its economic life. Research costs are expensed on an ongoing basis.

***Pensions***

For defined contribution plans, the company pay contributions to an insurance company. The company has no further payment obligation after the deposits have been paid. Deposits are classified as salary and personnel costs. Any prepaid deposits are capitalized as assets (pension funds) in case that the deposit can be refunded or reduce future payments.

***Use of estimates***

The Management have used estimates and assumptions which has an impact on the income statement and the valuation of assets and liabilities, as well as uncertain assets and liabilities on the balance sheet date during the preparation of the annual accounts in accordance with generally accepted accounting principles.

***Cash flow statement***

The cash flow statement is based on the indirect method. Cash and cash equivalents includes cash, bank deposits and other short-term liquid investments.

**NOTE 2 - REVENUES**

Geographical distribution	Parent		Group	
	2020	2019	2020	2019
EMEA			156 869 722	130 945 126
Americas			147 976 528	87 312 048
APAC			26 708 044	14 054 551
Other			4 468 487	2 371 615
<b>Total invoiced and other revenue</b>	<b>0</b>	<b>0</b>	<b>336 022 781</b>	<b>234 683 340</b>
Deferred revenue			-8 647 850	-4 618 305
<b>Total recognized revenue</b>	<b>0</b>	<b>0</b>	<b>327 374 931</b>	<b>230 065 035</b>
<b>Deferred revenue not recognized</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Deferred revenue, long-term			11 187 874	6 365 987
Deferred revenue, short-term			8 359 613	4 977 686
<b>Total deferred revenue not recognized</b>	<b>0</b>	<b>0</b>	<b>19 547 487</b>	<b>11 343 673</b>

The group is selling software and service contracts with a contract period from 1 to 6 years. If the contracts are invoiced prior to the contract period, the revenue is booked in the balance and recognized as revenue according to the contract period. Deferred revenue, short-term is recognized within the next 12 months.

**NOTE 3 – RELATED PARTIES TRANSACTIONS**

Remuneration to executive management are described in note 4, and balances with group companies are described in note 12.

Transactions with related parties:	Parent		Group	
	2020	2019	2020	2019
a) Sale of goods and services				
Sale of goods:				
- Subsidiary	0	0	178 046 029	111 095 897
Sale of services:				
- Subsidiary			96 012 352	71 908 684
<b>Total sale of goods and services</b>	<b>0</b>	<b>0</b>	<b>274 058 381</b>	<b>183 004 581</b>
b) Purchase of goods and services				
Purchase of goods				
- Subsidiary	0	0	178 046 029	110 690 886
Purchase of services				
- Subsidiary	0	0	96 012 352	72 201 787
- Parent company (administrative services)	0	0	2 020 000	0
<b>Total purchase of goods and services</b>	<b>0</b>	<b>0</b>	<b>276 078 381</b>	<b>182 892 673</b>

**NOTE 4 – PAYROLL COST, NUMBER OF EMPLOYEES REMUNERATION, LOANS TO EMPLOYEES AND REMUNERATION TO THE AUDITOR**

Payroll cost	Parent		Group	
	2020	2019	2020	2019
Salaries and wages	0	0	53 030 932	43 595 770
Social security tax	0	0	10 578 752	10 008 567
Pension expenses	0	0	5 841 773	3 744 068
Other benefits	0	0	3 683 293	3 789 339
<b>Sum</b>	<b>0</b>	<b>0</b>	<b>73 134 751</b>	<b>61 137 744</b>

The parent company had no full-time employees in 2020. For the Group the average number of full-time employees in 2020 was 66.

<b>Management remuneration</b>	<b>Group</b>	
	<b>CEO</b>	<b>Board</b>
Salaries	1 953 361	175 000
Pension expenses	527 415	0
Other benefits	77 322	0
Bonus	1 022 700	0

The bonus related to 2019 was SEK 1.000.000 and was paid out in 2020. Bonus for 2020 was SEK 500.000 and will be paid out in Q1 2021.

Chief Executive Officer Magnus Grenfeldt is paid through subsidiary Smartoptics Sverige AB.

<b>Remuneration to auditors</b>	<b>Parent</b>	<b>Group</b>
Statutory audit	82 000	395 786
Other non-auditing services	10 707	66 304
<b>Total remuneration to auditors</b>	<b>92 707</b>	<b>462 090</b>

## NOTE 5 – MANDATORY OCCUPATIONAL PENSION

The parent company does not have employees and is not required to provide an occupational pension scheme.

The group is required to provide an occupational pension scheme pursuant to the Act relating to Mandatory Occupational Pensions. The group's pension schemes comply with the requirements under that law. This year's pension cost of NOK 191 592 is recognized on the income statement and included in Pension expenses in note 4.

## NOTE 6 – TAXES

<b>Tax base calculation</b>	<b>Parent</b>		<b>Group</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Payable tax	0	0	344 753	797 836
Change in deferred tax with old tax rate	0	0	-349 762	1 106 124
Change in deferred tax with new tax rate	156 027	185 143	156 027	185 143
<b>Total tax expense</b>	<b>156 027</b>	<b>185 143</b>	<b>151 018</b>	<b>2 089 103</b>

### Calculation of this year's tax base

Profit before tax	714 254	835 292
Permanent differences *)	-5 038	6 267
Change in temporary differences	247 962	309 952
Carry forward deficit	-957 178	1 151 511
<b>Tax base</b>	<b>0</b>	<b>0</b>

### Overview of temporary differences

Deferred revenue	0	0	-12 983 911	0
Accounting provisions	0	0	0	-13 515
Receivables	0	0	0	0
Goods	0	0	-2 373 042	0
Fixed assets	0	0	-5 664 249	-6 664 087
Gain-loss account	991 846	1 239 808	991 846	1 239 808
Carry forward deficit	-130 533 648	-131 490 827	-141 300 699	-155 276 234
<b>Total temporary differences</b>	<b>-129 541 802</b>	<b>-130 251 019</b>	<b>-161 330 055</b>	<b>-160 714 028</b>
Not included in deferred tax calculation			1 881 557	2 216 568
<b>Basis for calculation of deferred tax</b>	<b>-129 541 802</b>	<b>-130 251 019</b>	<b>-159 448 498</b>	<b>-158 497 460</b>
Deferred tax (22%)	-28 499 196	-28 655 224	-35 078 670	-34 869 441

The management has estimated that the deferred tax will be utilized within a few years and is therefore valued at nominal value in the balance sheet as of 31.12.2020.

	Parent 2020	Group 2020
22% Tax of profit before tax	157 136	2 389 129
Permanent differences (22%)	-1108	-253 726
Tax effect of differences not included in deferred tax calculation 22%		-73 702
Difference in deferred tax		-1910 683
<b>Calculated tax expense</b>	<b>156 027</b>	<b>151018</b>
Effective tax rate **)	21,8 %	1,1%

\*) Includes: non-deductible costs, such as representation, and non-taxable revenues, such as Hoards.

\*\*\*) Tax expense in relation to profit before tax

The company has a payable tax receivable of NOK 1 242 102 related to hoards projects (SkatteFUNN). This is classified as other short-term receivables.

## NOTE 7 – INTANGIBLE ASSETS

Intangible assets	R&D	Total
Acquisition cost as of 01.01	15 239 751	15 239 751
Purchased intangible assets	2 243 277	2 243 277
Departed sold intangible assets	0	0
<b>Acquisition cost as of 31.12</b>	<b>17 483 028</b>	<b>17 483 028</b>
Accumulated depreciation as of 31.12	-9 254 856	-9 254 856
Accumulated write-downs as of 31.12	0	0
Reversed write-downs as of 31.12	0	0
<b>Book value as of 31.12</b>	<b>8 228 172</b>	<b>8 228 172</b>
This year's depreciation	2 861 087	2 861 087

Activated research and development products relate to the development of new optical infrastructure adapted to data centers or handling higher speed and better fiber utilization.

The company uses linear depreciation for all intangible assets. The economic life of the fixed assets are estimated to be:

R&D 5 years

## NOTE 8 – TANGIBLE ASSETS

Tangible assets	Equipment and movables
Acquisition cost as of 01.01	13 093 585
Access purchased tangible assets	4 301 306
Departed sold tangible assets	
Currency effect	938 281
<b>Acquisition cost as of 31.12</b>	<b>18 333 172</b>
Accumulated depreciation as of 31.12	-11 668 069
Accumulated write-downs as of 31.12	0
Reversed write-downs as of 31.12	0
<b>Book value as of 31.12</b>	<b>6 665 103</b>
This years depreciation	2 874 511
This years write-downs	0

The company uses linear depreciation for all tangible assets. The economic life of the fixed assets are estimated to be:

Equipment and movables 3-5 years

The group has expensed NOK 3 167 081 in 2020 for renting office space.

## NOTE 9 – SUBSIDIARIES

	Office	Ownership	Voting share
Smartoptics AS	Oslo	100,0 %	100,0 %

In addition to Smartoptics AS owned by Smartoptics Group AS there are two additional subsidiaries owned by Smartoptics AS that are consolidated in the financial statements.

	Office	Ownership	Voting share
Smartoptics Sverige AB	Sweden	100%	100%
Smartoptics US Corp	USA	100%	100%

## NOTE 10 – INVENTORIES

	Parent		Group	
	2020	2019	2020	2019
Finished goods	0	0	69 517 389	40 867 560
<b>Sum</b>	<b>0</b>	<b>0</b>	<b>69 517 389</b>	<b>40 867 560</b>

## NOTE 11 – PAYABLES, LOANS AND PLEDGES

	Parent		Group	
Pledges	2020	2019	2020	2019
Debt secured by pledges	0	0	37 733 431	30 048 957
<b>Pledged assets:</b>				
Accounts receivable	0	0	85 000 000	30 000 000
Inventory	0	0	85 000 000	30 000 000
Equipment and movables	0	0	85 000 000	30 000 000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>255 000 000</b>	<b>90 000 000</b>

The group's accounts receivable, inventory and operating accessories are pledged as security for every intercompany balances with the company's banking connection. Credit facility is granted with a limit of NOK 19 000 000 for the group. In addition, the bank has issued a guarantee for rent, NOK 1 251 300.

## NOTE 12 – INTERCOMPANY RECEIVABLES TO AND FROM SUBSIDIARIES AND RELATED COMPANIES

	2020	2019
Non-current intercompany receivables Smarter Holding AS (Parent company)	413 682	524 289
Current intercompany receivables Smarter Holding AS (Parent company)	3 877 491	3 707 174
Other receivables Coretech AS (related company) *	2 751 484	2 547 670
	<b>7 042 657</b>	<b>6 779 133</b>

\* The Chairman of the Board holds all shares in Coretech AS.

**NOTE 13 – BANK DEPOSITS**

Restricted bank deposits are NOK 0 for the parent company and NOK 245 954 for the group as of 31.12.

**NOTE 14 – SHARE CAPITAL AND SHAREHOLDER INFORMATION****Share capital**

	Shares	Nominal value
Ordinary shares	63 573 328	0,02
Preference shares	15 679 076	0,02
B-shares	10 931 750	0,02
<b>Sum</b>	<b>90 184 154</b>	

The company's shares are divided into three different classes, ordinary shares, preference share and b-shares. The ordinary and preference shares have the same voting rights. B-shares does not have voting right. Preference shares have priority on dividend.

**Shareholder overview as of 31.12**

	Ownership	Ordinary shares	Preference shares	B-shares	Total
Smarter Holding AS	69,98%	63 110 250	0	0	63 110 250
Finisar Sweden Holding AB	17,39%	0	15 679 076	0	15 679 076
Magnus Grenfeldt	3,64%	0	0	3 282 889	3 282 889
Other	8,99%	463 078	0	7 648 861	8 111 939
<b>Sum</b>	<b>100%</b>	<b>63 573 328</b>	<b>15 679 076</b>	<b>10 931 750</b>	<b>90 184 154</b>

**Ownership**

Chairman of the Board	35%	Coretech AS v/Thomas Ramm (Via Smarter Holding AS)
Board member	19%	K-Spar Industrier AS v/Harald Kristofer Berg (Via Smarter Holding AS)
Board member	0,5 %	Karl Andreas Thedéen
Deputy board member	16%	Kløvningen AS v/Einar Caspersen (Via Smarter Holding AS)

**NOTE 15 – EQUITY**

<b>Parent</b>	<b>Share premium</b>			<b>Total</b>
	<b>Share capital</b>	<b>reserve</b>	<b>Other equity</b>	
Equity as of 01.01	1 794 422	35 689 575	54 426 152	91 910 149
Capital increase	9 262	1 490 648		1 499 910
Net profit	0	0	558 227	558 227
<b>Equity 31.12</b>	<b>1 803 683</b>	<b>37 180 223</b>	<b>54 984 379</b>	<b>93 968 285</b>

<b>Group</b>	<b>Share premium</b>			<b>Total</b>
	<b>Share capital</b>	<b>reserve</b>	<b>Other equity</b>	
Equity 01.01	1 794 422	35 689 575	48 552 253	86 036 251
Capital increase	9 262	1 490 648	0	1 499 910
Net profit	0	0	13 412 419	13 412 419
Translation differences	0	0	474 315	474 315
<b>Equity 31.12</b>	<b>1 803 684</b>	<b>37 180 223</b>	<b>62 438 987</b>	<b>101 422 894</b>

**NOTE 16 – FINANCIAL MARKET RISK****Interest risk**

Interest risk arises in short and medium term, due to use of variable interest rate

**Currency risk**

The company is mainly exposed to USD and SEK. Development in these exchange rates implies both directly and indirectly a financial risk for the group. The group has mainly revenue and COGS in USD, which reduces the currency risk. A great portion of the operational expenditure is in SEK.

# Annual report 2020 Smartoptics Group AS

Final Audit Report

2021-05-25

Created:	2021-05-25
By:	Mikael Haag (mikael.haag@smartoptics.com)
Status:	Signed
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## "Annual report 2020 Smartoptics Group AS" History

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To the General Meeting of Smartoptics Group AS

## **Independent Auditor's Report**

### **Report on the Audit of the Financial Statements**

#### *Opinion*

We have audited the financial statements of Smartoptics Group AS showing a profit of NOK 558 227 in the financial statements of the parent company and a profit of NOK 13 412 419 in the financial statements of the group. The financial statements comprise:

- The financial statements of the parent company Smartoptics Group AS (the Company), which comprise the balance sheet as at 31 December 2020, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and
- The consolidated financial statements of Smartoptics Group AS and its subsidiaries (the Group), which comprise the balance sheet as at 31 December 2020, the income statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion:

- The financial statements are prepared in accordance with the law and regulations.
- The accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.
- The accompanying consolidated financial statements give a true and fair view of the financial position of the Group as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

#### *Basis for Opinion*

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company and the Group as required by laws and regulations, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Other information*

Management is responsible for the other information. The other information comprises information in the annual report, except the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

**THE POWER OF BEING UNDERSTOOD**

AUDIT | TAX | CONSULTING

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### *Responsibilities of the Board of Directors for the Financial Statements*

The Board of Directors (Management) are responsible for the preparation in accordance with law and regulations, including a true and fair view of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

#### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to <https://revisorforeningen.no/revisjonsberetninger>

#### **Report on Other Legal and Regulatory Requirements**

##### *Opinion on the Board of Directors' report*

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and the proposed allocation of the result is consistent with the financial statements and complies with the law and regulations.

##### *Opinion on Registration and Documentation*

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to produce a proper and clearly set out registration and documentation of the Company's accounting information in accordance with the law and bookkeeping standards and practices generally accepted in Norway.

Independent Auditor's Report 2020 for Smartoptics Group AS



Oslo, 26 May 2021  
RSM Norge AS

A handwritten signature in blue ink, appearing to read "Lars Løyning".

Lars Løyning  
State Authorised Public Accountant

**APPENDIX 4: AUDITED ANNUAL FINANCIAL STATEMENTS FOR 2019**



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2019 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer: 858 905 192  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: SMARTOPTICS GROUP AS  
Forretningsadresse: c/o SmartOptics AS  
Ryensvingen 7  
0680 OSLO

### Regnskapsår

Årsregnskapets periode: 01.01.2019 - 31.12.2019

### Konsern

Morselskap i konsern: Ja  
Konsernregnskap lagt ved: Nei

### Regnskapsregler

Regler for små foretak benyttet: Nei  
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Harald Kristofer Berg  
Dato for fastsettelse av årsregnskapet: 18.06.2020

### Grunnlag for avgivelse

År 2019: Årsregnskapet er elektronisk innlevert  
År 2018: Tall er hentet fra elektronisk innlevert årsregnskap fra 2019

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 26.05.2021



## Resultatregnskap

Beløp i: NOK	Note	2019	2018
<b>RESULTATREGNSKAP</b>			
<b>Kostnader</b>			
Annen driftskostnad	2	84 682	40 764
<b>Sum kostnader</b>		<b>84 682</b>	<b>40 764</b>
<b>Driftsresultat</b>		<b>-84 682</b>	<b>-40 764</b>
<b>Finansinntekter og finanskostnader</b>			
Inntekt på investering i datterselskap	4		
Renteinntekt fra foretak i samme konsern	5	647 275	547 200
Annen renteinntekt	5	229 766	320 669
Annen finansinntekt	8	49 288	87 563
Verdiøkning markedsbaserte omløpsmidler	8		6 267
<b>Sum finansinntekter</b>		<b>926 330</b>	<b>961 700</b>
Verdireduksjon markedsbaserte omløpsmidler		6 267	
Annen finanskostnad		88	
<b>Sum finanskostnader</b>		<b>6 355</b>	
<b>Netto finans</b>		<b>919 975</b>	<b>961 700</b>
<b>Ordinært resultat før skattekostnad</b>		<b>835 292</b>	<b>920 936</b>
Skattekostnad	3	185 143	1 521 300
<b>Ordinært resultat etter skattekostnad</b>		<b>650 149</b>	<b>-600 364</b>
<b>Årsresultat</b>		<b>650 149</b>	<b>-600 364</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>650 149</b>	<b>-600 364</b>
<b>Totalresultat</b>		<b>650 149</b>	<b>-600 364</b>
<b>Overføringer og disponeringer</b>			
Utbytte	7		
Avsatt til annen egenkapital		650 149	
Overført fra annen egenkapital			-600 364
<b>Sum overføringer og disponeringer</b>	<b>7</b>	<b>650 149</b>	<b>-600 364</b>



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2019</b>	<b>2018</b>
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## Balanse

Beløp i: NOK	Note	2019	2018
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	3	28 655 224	28 840 367
<b>Sum immaterielle eiendeler</b>		<b>28 655 224</b>	<b>28 840 367</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	4	42 781 546	42 781 546
Lån til foretak i samme konsern	5	524 289	625 066
Investeringer i aksjer og andeler		1	1
<b>Sum finansielle anleggsmidler</b>		<b>43 305 836</b>	<b>43 406 613</b>
<b>Sum anleggsmidler</b>		<b>71 961 060</b>	<b>72 246 980</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Andre kortsiktige fordringer	5	19 455 033	21 102 300
Krav på innbetaling av selskapskapital		1 499 910	
<b>Sum fordringer</b>		<b>20 954 943</b>	<b>21 102 300</b>
<b>Investeringer</b>			
Markedsbaserte obligasjoner	8		2 468 766
<b>Sum investeringer</b>			<b>2 468 766</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter o.l.		496 701	161 925
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>496 701</b>	<b>161 925</b>
<b>Sum omløpsmidler</b>		<b>21 451 643</b>	<b>23 732 991</b>
<b>SUM EIENDELER</b>		<b>93 412 704</b>	<b>95 979 971</b>

## BALANSE - EGENKAPITAL OG GJELD



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2019</b>	<b>2018</b>
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital	6	1 794 422	1 794 422
Overkurs	7	35 689 575	35 689 575
Annen innskutt egenkapital		1 499 910	
<b>Sum innskutt egenkapital</b>		<b>38 983 906</b>	<b>37 483 997</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital		54 426 152	53 776 003
<b>Sum opptjent egenkapital</b>		<b>54 426 152</b>	<b>53 776 003</b>
<b>Sum egenkapital</b>	7	<b>93 410 059</b>	<b>91 260 000</b>
<b>Sum langsiktig gjeld</b>		<b>0</b>	<b>0</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		2 645	
Annen kortsiktig gjeld	5		4 719 971
<b>Sum kortsiktig gjeld</b>		<b>2 645</b>	<b>4 719 971</b>
<b>Sum gjeld</b>		<b>2 645</b>	<b>4 719 971</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>93 412 704</b>	<b>95 979 971</b>



**RSM Norge AS**

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Til generalforsamlingen i Ignis AS

## Uavhengig revisors beretning

### Uttalelse om revisjonen av årsregnskapet

#### Konklusjon

Vi har revidert Ignis AS' årsregnskap som viser et overskudd på kr 650 149. Årsregnskapet består av balanse per 31. desember 2019, resultatregnskap og kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening er det medfølgende årsregnskapet avgitt i samsvar med lov og forskrifter og gir et rettvise bilde av selskapets finansielle stilling per 31. desember 2019, og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

#### Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet i Revisors oppgaver og plikter ved revisjon av årsregnskapet. Vi er uavhengige av selskapet slik det kreves i lov og forskrift, og har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Etter vår oppfatning er innhentet revisjonsbevis tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

#### Øvrig informasjon

Ledelsen er ansvarlig for øvrig informasjon. Øvrig informasjon omfatter informasjon i årsrapporten bortsett fra årsregnskapet og den tilhørende revisjonsberetningen.

Vår uttalelse om revisjonen av årsregnskapet dekker ikke øvrig informasjon, og vi attesterer ikke den øvrige informasjonen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese øvrig informasjon med det formål å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom øvrig informasjon og årsregnskapet, kunnskap vi har opparbeidet oss under revisjonen, eller hvorvidt den tilsynelatende inneholder vesentlig feilinformasjon.

Dersom vi konkluderer med at den øvrige informasjonen inneholder vesentlig feilinformasjon er vi pålagt å rapportere det. Vi har ingenting å rapportere i så henseende.

#### Styrets ansvar for årsregnskapet

Styret (ledelsen) er ansvarlig for å utarbeide årsregnskapet i samsvar med lov og forskrifter, herunder for at det gir et rettvise bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avviklet.

## THE POWER OF BEING UNDERSTOOD

AUDIT | TAX | CONSULTING

RSM Norge AS is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Norge AS er medlem av/is a member of Den norske Revisorforening.



Revisors beretning 2019 for Ignis AS



*Revisors oppgaver og plikter ved revisjonen av årsregnskapet*

Vårt mål med revisjonen er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med lov, forskrift og god revisjonsskikk i Norge, herunder ISA-ene, alltid vil avdekke vesentlig feilinformasjon som eksisterer. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon blir vurdert som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke økonomiske beslutninger som brukerne foretar basert på årsregnskapet.

For videre beskrivelse av revisors oppgaver og plikter vises det til:  
<https://revisorforeningen.no/revisjonsberetninger>

**Uttalelse om andre lovmessige krav**

*Konklusjon om årsberetningen*

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, mener vi at opplysningene i årsberetningen om årsregnskapet, forutsetningen om fortsatt drift og forslaget til resultatdisponering er konsistente med årsregnskapet og i samsvar med lov og forskrifter.

*Konklusjon om registrering og dokumentasjon*

Basert på vår revisjon av årsregnskapet som beskrevet ovenfor, og kontrollhandlinger vi har funnet nødvendig i henhold til internasjonal standard for attestasjonsoppdrag (ISAE) 3000 «Attestasjonsoppdrag som ikke er revisjon eller forenklet revisorkontroll av historisk finansiell informasjon», mener vi at ledelsen har oppfylt sin plikt til å sørge for ordentlig og oversiktlig registrering og dokumentasjon av selskapets regnskapsopplysninger i samsvar med lov og god bokføringskikk i Norge.

Oslo, 18. juni 2020  
RSM Norge AS

Lars Løyning  
Statsautorisert revisor



## Ignis AS

### Resultatregnskap

Driftsinntekter og driftskostnader	Note	2019	2018
Annen driftskostnad	2	84 682	40 764
<b>Sum driftskostnader</b>		<b>84 682</b>	<b>40 764</b>
<b>Driftsresultat</b>		<b>(84 682)</b>	<b>(40 764)</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern	5	647 275	547 200
Annen renteinntekt	5	229 766	320 669
Annen finansinntekt	8	49 288	87 563
Verdøkning markedsbaserte omløpsmidler	8	-	6 267
Verdireduksjon markedsbaserte omløpsmidler		6 267	-
Annen finanskostnad		(88)	-
<b>Resultat av finansposter</b>		<b>919 975</b>	<b>961 700</b>
<b>Resultat før skattekostnad</b>		<b>835 292</b>	<b>920 936</b>
Skattekostnad	3	(185 143)	(1 521 300)
<b>Ordinært resultat</b>		<b>650 149</b>	<b>(600 364)</b>
<b>Årsresultat</b>		<b>650 149</b>	<b>(600 364)</b>
<b>Overføringer</b>			
Avsatt til annen egenkapital		650 149	-
Overført fra annen egenkapital		-	600 364
<b>Sum overføringer</b>	7	<b>650 149</b>	<b>(600 364)</b>



## Ignis AS

### Balanse

Eiendeler	Note	2019	2018
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Utsatt skattefordel	3	28 655 224	28 840 367
<b>Sum immaterielle eiendeler</b>		<b>28 655 224</b>	<b>28 840 367</b>
<b>Finansielle anleggsmidler</b>			
Investeringer i datterselskap	4	42 781 546	42 781 546
Lån til foretak i samme konsern	5	524 289	625 066
Investeringer i aksjer og andeler		1	1
<b>Sum finansielle anleggsmidler</b>		<b>43 305 836</b>	<b>43 406 613</b>
<b>Sum anleggsmidler</b>		<b>71 961 060</b>	<b>72 246 980</b>
<b>Omløpsmidler</b>			
<b>Fordringer</b>			
Andre kortsiktige fordringer	5	19 455 033	21 102 300
Krav på innbetaling av aksjekapital		1 499 910	-
<b>Sum fordringer</b>		<b>20 954 943</b>	<b>21 102 300</b>
<b>Investeringer</b>			
Markedsbaserte obligasjoner	8	-	2 468 766
<b>Sum investeringer</b>		<b>-</b>	<b>2 468 766</b>
Bankinnskudd, kontanter o.l.		496 701	161 925
<b>Sum omløpsmidler</b>		<b>21 451 643</b>	<b>23 732 991</b>
<b>Sum eiendeler</b>		<b>93 412 704</b>	<b>95 979 971</b>



## Ignis AS Balanse

Egenkapital og gjeld	Note	2019	2018
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital	6	1 794 422	1 794 422
Overkurs	7	35 689 575	35 689 575
Ikke registrert kapitalforhøyelse		1 499 910	-
<b>Sum innskutt egenkapital</b>		<b>38 983 906</b>	<b>37 483 997</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital		54 426 152	53 776 003
<b>Sum opptjent egenkapital</b>		<b>54 426 152</b>	<b>53 776 003</b>
<b>Sum egenkapital</b>	<b>7</b>	<b>93 410 059</b>	<b>91 260 000</b>
<b>Gjeld</b>			
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		2 645	-
Annen kortsiktig gjeld	5	-	4 719 971
<b>Sum kortsiktig gjeld</b>		<b>2 645</b>	<b>4 719 971</b>
<b>Sum gjeld</b>		<b>2 645</b>	<b>4 719 971</b>
<b>Sum egenkapital og gjeld</b>		<b>93 412 704</b>	<b>95 979 971</b>

Oslo, 18/06 - 2020  
Styret i Ignis AS

Thomas Ramm  
styreleder

Harald Kristofer Berg  
styremedlem



## Ignis AS

### Kontantstrømoppstilling

	2019	2018
<b>Kontantstrøm fra operasjonelle aktiviteter</b>		
Resultat før skattekostnad	835 292	920 936
Tap/gevinst ved salg av investeringer	-43 021	-62 025
Endring i leverandørgjeld	2 645	-3 125
Endring i andre tidsavgrensingsposter	100 777	-450 132
<b>Netto kontantstrøm fra operasjonelle aktiviteter</b>	<u>895 693</u>	<u>405 653</u>
<b>Kontantstrøm fra investeringsaktiviteter</b>		
Innbetalinger ved salg av andre investeringer	2 511 786	5 399 527
Utbetalinger ved kjøp av andre investeringer	-	-7 800 000
<b>Netto kontantstrøm fra investeringsaktiviteter</b>	<u>2 511 786</u>	<u>-2 400 473</u>
<b>Kontantstrøm fra finansieringsaktiviteter</b>		
Utbetalinger ved avgitt lån	-	-7 000 000
Utbetalinger ved nedbetalinger av kortsiktig gjeld	-4 719 971	-5 580 029
Innbetalinger ved avgitt lån	1 647 267	1 100 473
Innbetalinger av egenkapital	-	3 885 620
<b>Netto kontantstrøm fra finansieringsaktiviteter</b>	<u>-3 072 704</u>	<u>-7 593 936</u>
Netto endring i kontanter og kontantekvivalenter	334 775	-9 588 756
Beholdning av kontanter og kontantekvivalenter 01.01.	161 925	9 750 680
<b>Beholdning av kontanter og kontantekvivalenter 31.12.</b>	<u>496 701</u>	<u>161 925</u>



## Ignis AS

### Noter 2019

#### Note 1 Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapslovens bestemmelser og god regnskapsskikk.

##### *Finansinntekter*

Renteinntekter inntektsføres etter hvert som de oppjønes.

Gevinster ved salg av aksjer resultatføres på det tidspunkt risiko og rettigheter knyttet til de solgte aksjene har gått over på kjøper (transaksjonstidspunktet). Dersom det er usikkerhet om det samlede vederlagets endelige størrelse inntektsføres gevinsten med det beløp som anses mest sannsynlig.

##### *Valuta*

Transaksjoner i utenlandsk valuta omregnes til kursen på transaksjonstidspunktet. Pengeposter i utenlandsk valuta omregnes til norske kroner ved å benytte balansedagens kurs.

##### *Skatt*

Skattekostnaden i resultatregnskapet omfatter både periodens betalbare skatt og endring i utsatt skatt/skattefordel. Utsatt skatt/skattefordel er beregnet med 22 % på grunnlag av de midlertidige forskjeller som eksisterer mellom regnskapsmessige og skattemessige verdier, samt skattemessig underskudd til fremføring ved utgangen av regnskapsåret. Skatteøkende og skattereduserende midlertidige forskjeller som reverserer eller kan reversere i samme periode, utlignes. Utsatt skattefordel på netto skattereduserende forskjeller som ikke er utlignet og på underskudd til fremføring, balanseføres i den grad skattefordelen antas å kunne utnyttes gjennom fremtidige skattepliktige overskudd.

Utsatt skatt og utsatt skattefordel som kan balanseføres, er oppført netto i balansen.

Skattereduksjon ved avgitt konsernbidrag og skatt på mottatt konsernbidrag som føres til reduksjon av kostpris eller direkte mot egenkapitalen, føres direkte mot skatt i balansen.

Utsatt skatt beregnes med nominell verdi.

##### *Klassifisering og vurdering av balanseposter*

Omløpsmidler og kortsiktig gjeld omfatter poster som forfaller til betaling innen ett år etter anskaffelsestidspunktet, samt poster som knytter seg til varekretsløpet. Øvrige poster er klassifisert som anleggsmiddel/langsiktig gjeld.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt beløp på opptakstidspunktet.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi ved verdifall som ikke forventes å være forbigående. Langsiktig gjeld balanseføres til nominelt beløp på opptakstidspunktet.



## Ignis AS

### Noter 2019

#### Note 1 Regnskapsprinsipper forts.

##### *Fordringer*

Kundefordringer og andre fordringer er oppført i balansen til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av individuelle vurderinger av de enkelte fordringene. I tillegg gjøres det for øvrige kundefordringer en uspesifisert avsetning for å dekke antatt tap.

##### *Datterselskap/tilknyttet selskap*

Datterselskaper og tilknyttede selskaper vurderes etter kostmetoden i selskapsregnskapet. Investeringen er vurdert til anskaffelseskost for aksjene med mindre nedskrivning har vært nødvendig. Det er foretatt nedskrivning til virkelig verdi når verdifall skyldes årsaker som ikke kan antas å være forbigående og det må anses nødvendig etter god regnskapsskikk. Nedskrivninger er reversert når grunnlaget for nedskrivning ikke lenger er til stede.

Utbytte, konsernbidrag og andre utdelinger er inntektsført samme år som det er avsatt i givers regnskap. Overstiger utbyttet/konsernbidraget andel av opptjent resultat etter anskaffelsestidspunktet, representerer den overskytende del tilbakebetaling av investert kapital, og utdelingene er fratrukket investeringens verdi i balansen til morselskapet.

##### *Andre anleggsaksjer*

Aksjene vurderes til det laveste av historisk kostpris og antatt virkelig verdi. Mottatt utbytte og andre utdelinger fra selskapene inntektsføres som annen finansinntekt når de mottas. Utbytte som overstiger andel av opptjent resultat i eierperioden, regnskapsføres som reduksjon av aksjenes kostpris.

##### *Kortsiktige plasseringer*

Kortsiktige plasseringer (aksjer og andeler vurdert som omløpsmidler) vurderes til laveste av anskaffelseskost og virkelig verdi på balansedagen. Markedsbaserte finansielle omløpsmidler er vurdert til virkelig verdi. Mottatt utbytte og andre utdelinger fra selskapene inntektsføres som annen finansinntekt.

##### *Kontantstrømpoppstilling*

Kontantstrømpoppstillingen er utarbeidet etter den indirekte metode. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige, likvide plasseringer.

#### Note 2 Lønnskostnader, antall ansatte, godtgjørelser, lån til ansatte og godtgjørelse til revisor

Selskapet har ikke ansatte. Det er derfor heller ikke pliktig til å ha en tjenestepensjonsordning etter lov om obligatorisk tjenestepensjon. Det er ikke utbetalt eller avsatt styrehonorarer.

Det er ikke gitt lån/sikkerhetstillegg til styreformann eller andre nærstående parter.

##### **Godtgjørelse til revisor**

Lovpålagt revisjon	23 125
Andre tjenester	42 860
<b>Sum honorar til revisor</b>	<b>65 985</b>



## Ignis AS

### Noter 2019

#### Note 3 Skatt

Årets skattekostnad fordeler seg på:	2019	2018
Betalbar skatt	-	-
Endring i utsatt skatt med gammel skattesats	0	210 374
Endring i utsatt skatt som følge av ny skattesats	185 143	1 310 926
<b>Sum skattekostnad</b>	<b>185 143</b>	<b>1 521 301</b>

#### Beregning av årets skattegrunnlag:

Resultat før skattekostnad	835 292	920 936
Permanente forskjeller *)	6 267	(6 267)
Endring i midlertidige forskjeller	309 952	387 440
Skattemessig resultat	1 151 511	1 302 109
Anvendt fremførbart underskudd	1 151 511	1 302 109
<b>Årets skattegrunnlag</b>	<b>-</b>	<b>-</b>

#### Oversikt over midlertidige forskjeller:

Underskudd til fremføring	(131 490 827)	(132 642 339)
Anleggsmidler	-	-
Gevinst- og tapskonto	1 239 808	1 549 760
<b>Sum</b>	<b>(130 251 019)</b>	<b>(131 092 579)</b>

22% utsatt skattefordel	(28 655 224)	(28 840 367)
-------------------------	--------------	--------------

Som følge av konsernbidrag fra datterselskapet Smartoptics AS, har selskapets ledelse en forventning om at hele den utsatte skattefordelen vil kunne nyttiggjøre seg i løpet av noen år, og har derfor valgt å balanseføre hele fordelene til nominell verdi pr 31.12.

#### Forklaring til hvorfor årets skattekostnad ikke utgjør 22% / 23% av resultat før skatt:

22% skatt av resultat før skatt	183 764	211 815
Permanente forskjeller (22 %) *)	1 379	(1 441)
Endring i utsatt skatt som følge av endret skattesats	0	1 310 926
<b>Beregnet skattekostnad</b>	<b>185 143</b>	<b>1 521 301</b>

Effektiv skattesats **)	22 %	165 %
-------------------------	------	-------

\*) Inkluderer: ikke fradragsberettigede kostnader, som f.eks. representasjon, samt fradrag for resultatandel knyttet til tilknyttet selskap (resultatandelen trekkes ut ettersom den allerede er skattlagt hos de enkelte selskapene). Dette inkluderer også mottatt konsernbidrag og derigjennom utnyttelse av underskudd til fremføring.

\*\*) Skattekostnad i forhold til resultat før skatt



## Ignis AS Noter 2019

### Note 4 Datterselskap, tilknyttet selskap mv.

	Kontor	Eierandel	St.andel
Smartoptics AS	Oslo	100 %	100 %

Investeringene vurderes etter kostmetoden.

### Investeringer etter kostmetoden

Selskap	Aksjekapital	Antall aksjer	Balansført verdi
Smartoptics AS	971 500	971 500	42 781 546

	Egenkapital	Resultat 2019
Smartoptics AS	42 255 699	6 331 895

Ignis AS inngår i konsernregnskapet til Smarter Holding AS med forretningskontor i Oslo. Konsernregnskapet kan utleveres på Smarter Holding AS' kontor i Ryensvingen 7, 0680 OSLO.

### Note 5 Mellomværende med datterselskap, tilknyttede selskap mv.

Mellomværende	2019	2018
Langsiktige fordringer Smarter Holding AS (morselskap)	524 289	625 066
Andre kortsiktige fordringer Smarter Holding AS (morselskap)	3 707 174	3 596 250,00
Andre kortsiktige fordringer Smartoptics AS (datterselskap)**	13 200 189	14 184 133
Andre kortsiktige fordringer Coretech AS (tilknyttet selskap) *	2 547 670	3 321 917
Annen kortsiktig gjeld Smarter Holding AS (morselskap)	0	(3 214 300)
Annen kortsiktig gjeld Finisar Sweden Holding AB	0	(1 505 671)
<b>Sum</b>	<b>19 979 322</b>	<b>17 007 395</b>

Ignis AS har stilt garanti for lån i Smartoptics AS fra Innovasjon Norge AS.

\* Selskapets styreleder eier samtlige aksjer i Coretech AS.

Lånet er renteberegnet med en rentesats på 8 % og det er stilt sikkerhet for lånet.

\*\* Lån til datterselskap er renteberegnet med 4 %. Det er ikke stilt sikkerhet for lånet.



## Ignis AS Noter 2019

### Note 6 Aksjekapital og aksjonærinformasjon

#### Aksjekapitalen består av:

	Antall	Pålydende
Ordinære aksjer	63 110 250	0,02
Preferanseaksjer	15 679 076	0,02
B-aksjer	10 931 750	0,02
<b>Sum</b>	<b>89 721 076</b>	

Selskapets aksjer er inndelt i tre aksjeklasser, ordinære aksjer, preferanseaksjer og b-aksjer. De ordinære aksjene og preferanseaksjene har lik stemmerett. B-aksjene har ikke stemmerett. Preferanseaksjene har fortrinnsrett på utbytte.

#### Oversikt over aksjonærene pr 31.12:

	Eierandel	Ordinære aksjer	Preferanse-aksjer	B-aksjer	Sum
Smarter Holding AS	70 %	63 110 250	-	-	63 110 250
Finisar Sweden Holding AB	17 %	-	15 679 076	-	15 679 076
Magnus Grenfeldt	4 %	-	-	3 282 889	3 282 889
Andre	9 %	463 078	-	7 648 861	8 111 939
<b>Sum</b>	<b>100 %</b>	<b>63 573 328</b>	<b>15 679 076</b>	<b>10 931 750</b>	<b>90 184 154</b>

Selskapets styremedlemmer eier indirekte aksjer gjennom Smarter Holding AS:

	Eierandel	
Styrets leder	35 %	Coretech AS v/Thomas Ramm
Styremedlem	19 %	K-Spar Industrier AS v/Harald Kristofer Berg
Varamedlem	16 %	Kløvningen AS v/Einar Caspersen

### Note 7 Egenkapital

	Aksjekapital	Overkurs	Annen EK	Ikke registrert EK	Sum
Egenkapital pr. 01.01	1 794 422	35 689 575	53 776 003		91 260 000
Ikke registrert kapitalforhøyelse	-	-		1 499 909	1 499 909
Årets resultat			650 149		650 149
<b>Egenkapital pr. 31.12</b>	<b>1 794 423</b>	<b>35 689 575</b>	<b>54 426 152</b>	<b>1 499 909</b>	<b>93 410 059</b>



## Styrets årsberetning for 2019

**Ignis AS**  
**Org. Nr. 858 905 192**

### **Virksomhetens art og hvor den drives**

Selskapets vedtektsfestede formål er produksjon, handel og konsulentvirksomhet innen elektronikk og telekommunikasjonsutstyr. I tillegg virksomhet i tilknytning til dette og deltagelse i andre virksomheter gjennom eierskap eller på annen måte, samt å yte tjenester og lån til/ fra foretak i konsernet. Selskapets forretningsadresse er i Oslo kommune.

### **Fortsatt drift**

Det har ikke vært aktivitet i selskapet i 2019 ut over låneaktiviteter til og fra konsernselskaper samt forvaltning av selskapets likviditetsreserve.

Årsregnskapet er satt opp under forutsetning om at fortsatt drift er til stede. Etter styrets oppfatning er det ingen forhold som tilsier noe annet.

### **Rettvisende oversikt over utvikling og resultat**

Ignis AS har per i dag ingen aktivitet utover utøvelse av eierskap til datterselskapet SmartOptics AS. Selskapet hadde ingen driftsinntekter i 2018. Årsresultatet endte på 650.149 kroner. Sum skattekostnad er på 185.143 kroner.

Egenkapitalen var ved årsslutt kr 93.410.059, som utgjorde 100 % av totalkapitalen.

Styret kjenner ikke til vesentlige forhold som har betydning for bedømmelsen av selskapet utover det som fremgår av årsregnskapet med noter. Det har heller ikke inntrådt forhold etter regnskapsårets utgang som er av negativ betydning for bedømmelsen av selskapet. Styret mener årsregnskapet med noter gir et rettvisende bilde av de økonomiske resultater for 2019 og stilling ved årsskiftet.

Likviditeten i selskapet er tilfredsstillende og reguleres gjennom emisjoner og konsernbidrag fra datterselskaper. Det utarbeides ikke konsernregnskap for Ignis AS da selskapet inngår i konsernet Smarter Holding AS, der det utarbeides konsernregnskap.

### **Arbeidsmiljø**

Ved årsslutt har selskapet ingen ansatte.

### **Ytre miljø**

Selskapets virksomhet forårsaker ikke forurensning av det ytre miljø.

### **Likestilling**

Selskapet har ingen ansatte. Styret består av menn.

### **Operativ og finansiell risiko**

De viktigste finansielle risiker som konsernet er utsatt for er knyttet til renterisiko, likviditetsrisiko og valutarisiko. Styret har fokus på selskapets finansielle situasjon og har løpende oppdatering av denne gjennom året. Styrets vurdering er at selskapet har tilfredsstillende låne- og betalingssevne, som opprettholder tilstrekkelig finansiell handlefrihet.

Selskapet hadde i 2019 begrenset eksponering mot valuta (USD) og ingen rentebærende gjeld.

Konsernet har god kontroll på kredittrisiko ved salg.

### **Disponering av årets resultat**

Styret foreslår følgende disponering av årsresultatet i Ignis AS:

Til annen egenkapital	kr 650.149
Ordinært utbytte	kr 0
<u>Tilleggsutbytte</u>	<u>kr 0</u>
Totalt disponert	kr 650.149



Oslo, 18/ 6-2020

Thomas Ramm  
Styrets leder

Harald K. Berg  
Styremedlem