



# CrayoNano Q1 2022 Investor Update

April 2022



## Presenters today



Jo Uthus

CEO



Jens Kielland

CFO



# About CrayoNano

- Global presence with headquarters in **Norway** and **Taiwan**
- Pioneers in **nanotechnology**-based **semiconductor** components
- **Strong technology IP** portfolio with **300+ patents** (80 granted, 128 filed, 180 licensed from partner)
- Enabling Environmental, Social and corporate Governance (**ESG**) solutions with our partners
- Our first product line of **radically efficient UV-C LEDs** are vital components for the **fast growing** disinfection markets
- **Fab-lite** business model utilizing global supply-chain





# Planned Ramp Up Continues

## Taiwan Operations established

- On plan to be operational from Q3
- Currently recruiting local leadership team

## Test Production commenced

- First production volumes in progress
- Test shipments to initial customers in progress, with planned build of order pipeline for scale shipments as planned

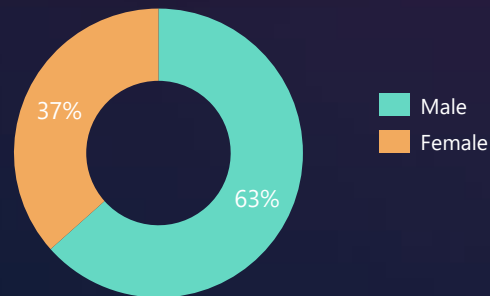
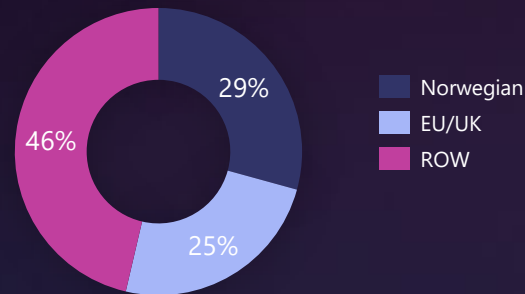
## Growing team of industry leading professionals:

- Total employees 41, up from 34 at the end of 2021
- Europe/Norway: 40
- Taiwan : 1

## Chief Finance Officer joined 1. April

- **Jens G. Kielland** new CFO

## International team of 16 nationalities





# Financial Update



# Financial Update

## Operational ramp up continues according to plan

- As key hires and expansion continues, payroll and operating costs increased to 16.2 MNOK during the period
- Production commenced with initial orders on track for shipment with intention of building a strong order book for future scale shipments

## Skills & capabilities in place to scale

- Building a strong operation and finance team to ensure systems and processes in place to scale



# Capital Markets Update

## Listing Process / Euronext Growth according to plan

- Timing dependent of finance markets
- Expect to complete in 2022

## Strong Funding Base

- Cash balance 86.2 MNOK at quarter end, with a burn rate of 5 MNOK per month

## Future capital needs

- Growth capital required to realize plan for acceleration of operation
- Expect to raise additional capital alongside listing on Euronext Growth
- Timing of finance activities planned with advisors



# Strategy & Outlook





# Ramp Up of Production on Plan

## UV-C LED rapid market growth

- Market CAGR >50% total \$2.5Bn USD TAM in 2025
- Limited UV-C LED global supply
- All key customers signed LOI with CrayoNano for 2022 target

## Acceleration Strategy

- CrayoNano Taiwan Product Design Center
- Licensed 180+ UV LED patents
- Development Partnership with SemiLEDs (Nasdaq: LEDS)
- Manufacturing contract for 2022 and 2023 volume

## Product Release

- CrayoLED H-series product to sample in Q2/22
- Volume products to customers start Q3/22

## Strong financial position

- 86 MNOK end-Q1 2022 cash
- Additional 14 MNOK grant NFR
- 5 MEUR equity term-sheet with EIB

## Public listing

- Euronext Growth listing planned for 2022
- Conditional of capital markets



# External Geopolitical Risk

CrayoNano is operating in a challenging market with several external geopolitical risks that we are navigating:

## War in Ukraine

- Continued crisis in Ukraine
- Impact on global economy

### Mitigation:

- Terminated contracts with all Russian suppliers
- Increased supply from existing suppliers to de-risk supply chain

## Taiwan Border Controls

- Travel restrictions and quarantine still in effect
- Covid-19 restrictions remain in place

### Mitigation:

- Proceeding with Taiwan operations, despite restrictions
- Fab-lite approach allows relocation between geographies for execution of strategic plan

## China Lockdowns

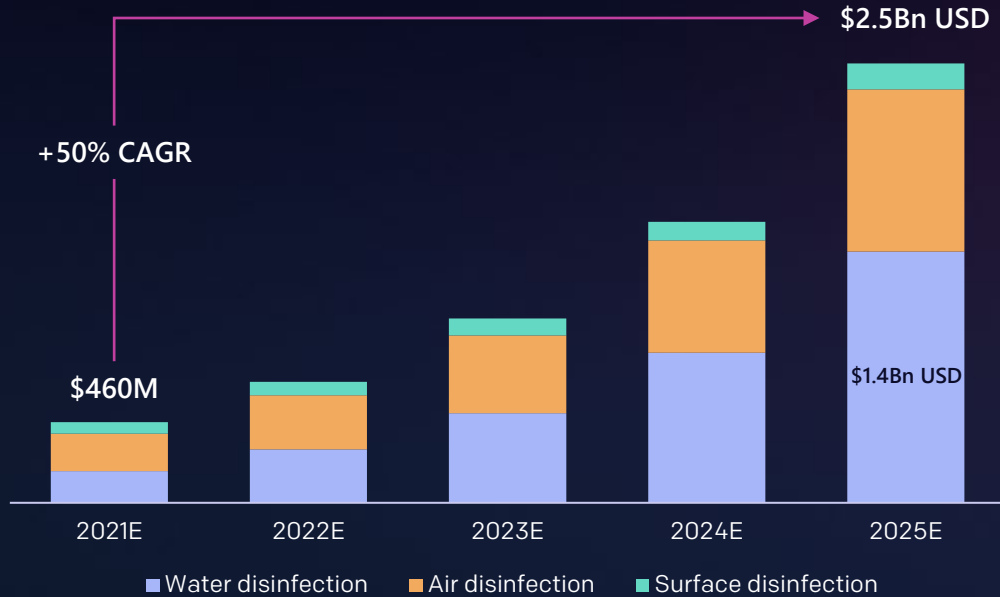
- Ports in Shanghai and Shenzhen seeing delays due to Covid-19 lockdowns

### Mitigation:

- Pre-purchased all consumables for current production, buying ahead for subsequent production
- Actively monitoring the availability of consumables



# 2025 UV-C LED Market Forecast



Source: Yole Development Report

- **Water disinfection** is the largest market
- **Drinking water** POU & POE has highest visibility
- UVC LED's market is largely driven by **new application markets**



## Outlook

- Operational Ramp Up continues according to plan, with test shipments in progress and order pipeline commencing.
- On track to fulfil orders and begin generating revenue in the second half of 2022.
- Listing and Capital Raise, subject to capital markets development, planned to complete in 2022.
- In the short term, the risk of supply chain disruption and capital market delays remain.
- Strong demand for our disruptive UV-C LED technology, and optimistic of the continued growth of its use and application.



## Q&A



# Appendices



# P&L

## Condensed profit and loss statement

	Q1	Q1	FY	FY
<i>(Figures in NOK thousands)</i>	2022	2021	2021	2020
Sales revenue	0	303	303	76
Other revenue and public grants	4 947	881	8 022	1 979
<b>Total revenues</b>	<b>4 947</b>	<b>1 185</b>	<b>8 326</b>	<b>2 055</b>
COGS	0	289	289	0
<b>Gross margin commercial revenue</b>	<b>0</b>	<b>14</b>	<b>14</b>	<b>76</b>
Payroll and relate costs	9 470	4 887	27 260	12 122
Other operating costs	6 711	2 875	15 655	10 205
<b>EBITDA</b>	<b>-11 233</b>	<b>-6 867</b>	<b>-34 879</b>	<b>-20 272</b>
Depreciation	1 861	1 499	6 007	4 953
<b>EBIT</b>	<b>-13 094</b>	<b>-8 366</b>	<b>-40 886</b>	<b>-25 225</b>
Net financial items	-241	-173	-215	-844
<b>Net profit before tax</b>	<b>-13 335</b>	<b>-8 538</b>	<b>-41 101</b>	<b>-26 069</b>
Tax expense	-2 934	-1 878	-9 737	-6 230
<b>Net profit (loss)</b>	<b>-10 402</b>	<b>-6 660</b>	<b>-31 364</b>	<b>-19 839</b>
<b># shares in 1000</b>	28 401	27 229	28 401	17 104
<b>Earnings pr share (NOK)</b>	-0,37	-0,24	-1,10	-1,16

- Pre commercial phase - revenue comes from public grants
- P&L presented is net of capitalized R&D
- Good cost-control
- Current burn-rate (Q1-22) around 5 MNOK per month

The profit and loss is net of capitalized development activities. Gross capitalized development expenses in 1Q 2022 was 5.0 MNOK compared to 3.5 MNOK in 1Q 2021. Net of funding, capitalized development was 3.3 MNOK in 1Q 2022 compared to 1.6 MNOK in 1Q 2021.

Accumulated gross capitalized development expenses in FY2021 was 16.6 MNOK, compared to 9.0 MNOK in FY2020. Net of funding, capitalized development was 6.2 MNOK in FY2021, compared to 5.0 MNOK in FY2020.



# Balance sheet

## Condensed balance sheet

(Figures in NOK thousands)

### Assets

	FY 31.03.2022	FY 31.03.2021
Development, patents and licenses	59 860	42 165
Deferred tax assets	28 843	16 172
Tangible fixed assets	13 336	16 152
Financial fixed assets	2 061	2 061
<b>Total non-current assets</b>	<b>104 099</b>	<b>76 550</b>

### Current assets

Trade and other receivables	15 616	7 233
Cash and cash equivalents	86 163	116 532
<b>Total current assets</b>	<b>101 780</b>	<b>123 765</b>
<b>Total assets</b>	<b>205 879</b>	<b>200 314</b>

### Equity and liabilities

#### Equity

Share Capital	568	545
Share premium account	234 362	215 630
Share premium account	2 596	2 596
Additional paid in capital	-79 521	-46 398
Retained earnings	<b>158 005</b>	<b>172 373</b>

#### Total equity

#### Liabilities

Convertible loans	0	9 753
Liabilities to finance institutions	9 837	10 400
Trade payables	5 384	1 585
Government charges	2 432	2 133
Other liabilities	30 221	4 070

#### Total liabilities

<b>Total equity and liabilities</b>	<b>205 879</b>	<b>200 314</b>
-------------------------------------	----------------	----------------

- Strong financial position of 86 MNOK in cash equivalents at end of Q1-22
- Increase in non-current assets due to capitalized development
- Equity at 76,7 %



## Disclaimer:

This Presentation has been produced by CrayoNano AS (the “Company” or “CrayoNano”) as an update to its shareholders and may not be reproduced or redistributed, in whole or in part. To the best of the knowledge of the Company and its Board of Directors, the information contained in this Presentation is in all material respect in accordance with the facts as of the date hereof, and contains no material omissions likely to affect its import. However, no representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, arising directly or indirectly from the use of this Presentation. This Presentation contains information obtained from third parties. Such information has been accurately reproduced and no facts have been omitted that would render the reproduced information to be inaccurate or misleading, as far as the Company is aware and able to ascertain from the information published by these third parties.

## “Forward looking statements”

An investment in the company involves risk, and several factors could cause the actual results, performance or achievements of the company to be materially different from any future results, performance or achievements that may be expressed or implied by statements and information in this presentation. These factors include, e.g., risks or uncertainties associated with the company’s business, segments, development, growth management, financing, market acceptance and relations with customers, and, more generally, general economic and business conditions, changes in domestic and foreign laws and regulations, taxes, changes in competition and pricing environments, fluctuations in currency exchange rates and interest rates, and other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this presentation.

Disrupting the fast  
growing markets for  
disinfection



CrayoNano AS

Sluppenvegen 6, Trondheim, Norway

+47 72 92 98 60

[investor@crayonano.com](mailto:investor@crayonano.com)