



# CrayoNano Q3 2022 Financial Results

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## Presenters today



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CEO



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# About CrayoNano

- Global presence with headquarters in **Norway** and **Taiwan**
- Pioneers in **nanotechnology**-based **semiconductor** components
- **Strong technology IP** portfolio with **266 patents** (97 granted, 169 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 utilising global supply chain





# Continuing to deliver on our mission

- **Official product launch**

- On 6 October 2022, we launched the CrayoLED™, an ultraviolet-C light emitting diode (UV-C LED) semi conductor packaged component

- **First revenue**

- CrayoNano generated first commercial revenue from the sale of initial test units to multiple customers with further demand for our product remaining strong

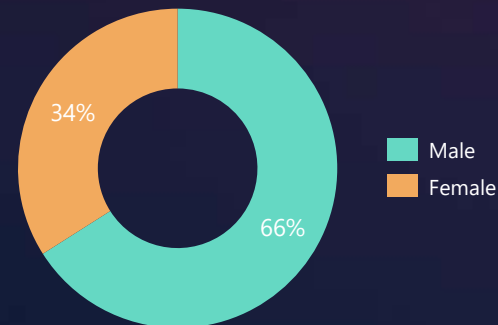
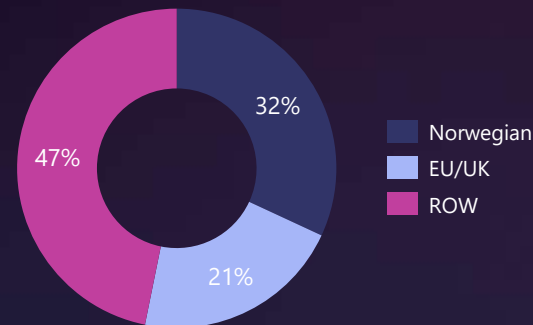
- **Taiwanese operations**

- Completion of our Cleanroom with our Fab2 expected to be operational by the end of the year, supporting our priority to scale our technology for mass market adoption

- **Private placement update**

- Continuing to work with advisors with an intention to raise capital for scaling business, supported by a signed term sheet from the EIC fund of EUR 5mil

## Growing team, now 17 nationalities





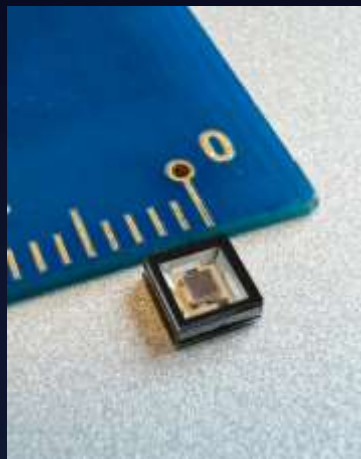
# CrayoLED™ H-Series (CLH-N3S) launched and available now

- On 6 October 2022, CrayoNano launched the **CrayoLED™ H-Series (CLH-N3S)**, an ultraviolet-C light emitting diode (UV-C LED) semiconductor packaged component
- CrayoLED™ provides a new disinfection solution designed to meet the high standards for reliability and performance for the air, water, and high-contact surfaces
- CrayoLED™ is designed with tier-1 customers, specifically addressing water disinfection applications
- Commenced selling with a select group of key customers

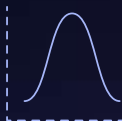




# CrayoLED™ tailored for disinfection



Clean UV-C output,  
High germicidal efficacy



Constant, pure UV output

Typical Peak Wavelength: 275nm

FWHM: 11 nm

Typical Radiometric Output Power: 80mW

Typical Forward Voltage: 6V

High Flux Density  
3.5 x 3.5mm



Typical Wall Plug Efficiency (WPE) 3.8%

Easy plug-in Integration

Compact design for flexibility

Robust Packaging



High thermal conductivity

Built-in ESD protection

Longer lifetime 10,000 hrs

Low maintenance

MSL Level 3



Baby Bottles  
Sterilisers



POU: Faucets,  
Showers & POE



Humidifiers



Air Conditioners



Transportation &  
Emergency vehicles



Cleaning robots  
and drones



# Providing a sustainable response to global challenges



Massive and growing world population...

...with increasing health concerns, like access to safe drinking water

~10bn

world population by 2050

~5bn

people could face water scarcity and limited access to clean water by 2050



 CrayoNano

CrayoNano provides a **disruptive and patented** UV-C LED semiconductor component that is **energy efficient, scalable and sustainable**, replacing the use of toxic chemicals and mercury UV lamps for disinfection to **ensure safe drinking water at scale**. Miniaturisation enabled by **nanotechnology** unlocks additional use cases



# Flexible chips – used everywhere, from homes to hospitals



Faucet water disinfection – end-application example

## “Thousands” of end-applications

can benefit from utilising UV-C LED, ranging from food processing sterilisation to hospital disinfection, enabled by miniaturisation



Standardised for all applications



The size of a grain of rice, enabled by advanced nanotechnology



Superior design flexibility



Direct and eco-friendly substitute to current solutions

CrayoNano provides its disruptive UV-C LED solution to system integrators and original equipment manufacturers





# Structured sales process

## Standard customer qualification and design-in process



### Lead generation

- Focus on selected customers facilitating quick design-in cycles and low risk at market entry
- Executed plan of visiting and completing sample demos with eight tier 1 target customers and two tier 2 target customers in Americas, EMEA, APAC in H1 2022

*Pipeline as of September 2022*



### Typical qualification & design win timeline

- 1 **Sample Testing**  
~ 1 months
- 2 **Product Qualification**  
3 – 9 months
- 3 **Design Win Qualification**  
1 – 2 months

### CrayoNano's revenue operations (RevOps)



Holistic customer orientation

Sales / marketing / customers operations + Data  
The three teams work together as one unit to work with data, which fuels the RevOps strategy



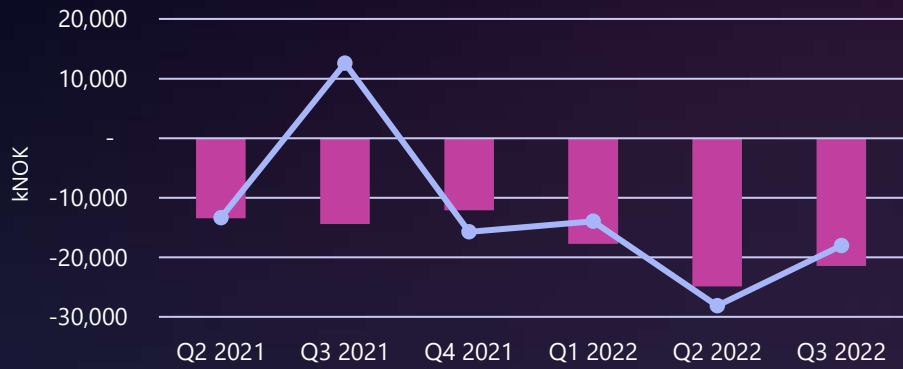
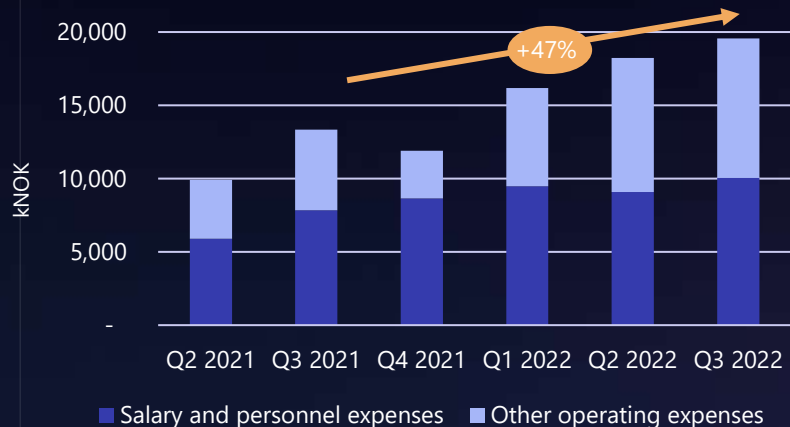
Close customer follow-up  
Netsuite's ERP/CRM system went live on July 1<sup>st</sup> with customer pipeline including forecast and opportunities implemented



# Financial Update



# Investment to support accelerated growth plan



Salary and personnel expenses with 28% growth YoY as we continue to strengthen our organisation with a focus on commercial roles and manufacturing operations

Other operating expenses increased 73% YoY:

- CrayoNano Fab 2 scaling operations and facilities
- Increase in strategic R&D partner activities
- Internal ramp up

Cash flow from operations spending increased 49% YoY. QoQ the net cash flow spending decreased and ended at NOK 18m:

- The increase in opex is offset by receipt of public funding, slightly lower capex and other working capital changes



# Capital markets update

## Strong Funding Base

- Signed term sheet for a EUR 5m (NOK ~52m) investment from the EIC Fund (subject to certain terms and conditions)
- Cash balance NOK 40m at quarter end and began generating revenue in the quarter

## Private placement

- Working with DNB Markets and Sparebank1 Markets as advisors in connection with the capital raise
- Growth capital will be used to support the ongoing acceleration plan, including support for mass volume production

## Listing Process / Euronext Growth update

- Continue to prepare for planned listing on Euronext Growth



# Q3 Key Takeaways

# Q3 key takeaways

## Ongoing commercial engagement

Strong demand for our first UV-C LED product launched in October 2022  
First revenue booked in the quarter and optimistic of the continued growth of product use and application  
Continue to deliver operational growth according to plan

## Operational readiness and supply chain

Continued progression of our in-house Fab2 Taiwan operations  
Cleanroom completed in the quarter with our CrayoNano Taiwan Fab 2 expected to be operational by the end of the year

## Funding our growth

Continue to work with SB1M and DNB Markets to raise growth capital and long-term funding requirements to scale to high-volume manufacturing



## Q&A



# Appendices



# P&L

## Condensed profit and loss statement (unaudited)

|  | Q3<br>2022     | Q3<br>2021     | YTD <sup>1</sup><br>2022 | YTD<br>2021    | FY<br>2021     |
|--|----------------|----------------|--------------------------|----------------|----------------|
| <i>(Figures in NOK thousands)</i>        |                |                |                          |                |                |
| Sales revenue                            | 208            | 0              | 208                      | 303            | 303            |
| Other revenue and public grants          | 2 387          | 2 562          | 7 348                    | 6 038          | 8 022          |
| <b>Total revenues</b>                    | <b>2 595</b>   | <b>2 562</b>   | <b>7 556</b>             | <b>6 342</b>   | <b>8 326</b>   |
| COGS                                     | 103            | 0              | 103                      | 289            | 289            |
| <b>Gross margin (commercial revenue)</b> | <b>104</b>     | <b>0</b>       | <b>104</b>               | <b>14</b>      | <b>14</b>      |
| Payroll and related costs                | 10 033         | 7 841          | 28 581                   | 18 625         | 27 260         |
| Other operating costs                    | 9 536          | 5 500          | 25 396                   | 12 373         | 15 655         |
| <b>EBITDA</b>                            | <b>-17 078</b> | <b>-10 778</b> | <b>-46 526</b>           | <b>-24 945</b> | <b>-34 879</b> |
| Depreciation                             | 1 687          | 1 503          | 5 142                    | 4 505          | 6 007          |
| <b>EBIT</b>                              | <b>-18 766</b> | <b>-12 281</b> | <b>-51 669</b>           | <b>-29 450</b> | <b>-40 886</b> |
| Net financial items                      | 41             | - 51           | - 685                    | - 155          | -215           |
| <b>Net profit before tax</b>             | <b>-18 724</b> | <b>-12 332</b> | <b>-52 353</b>           | <b>-29 605</b> | <b>-41 101</b> |
| Tax expense                              | -4 119         | -2 713         | -11 891                  | -6 513         | -9 737         |
| <b>Net profit (loss)</b>                 | <b>-14 605</b> | <b>-9 619</b>  | <b>-40 462</b>           | <b>-23 092</b> | <b>-31 364</b> |
| # shares in 1000                         | 28 401         | 28 401         | 28 401                   | 28 401         | 28 401         |
| Earnings pr share (NOK)                  | -0.51          | -0.34          | -1.42                    | -0.81          | -1.10          |

<sup>1</sup> The H1-22 financial statement has been audited

- P&L presented is net of capitalised R&D
- Current burn-rate (Q3-22) around NOK 6m per month

# Balance sheet

## Condensed balance sheet

(unaudited)

(Figures in NOK thousands)

|                                     | Q3<br>30.09.2022 | Q3<br>30.09.2021 | FY<br>31.12.2121 |
|-------------------------------------|------------------|------------------|------------------|
| <b>Assets</b>                       |                  |                  |                  |
| Development, patents and licenses   | 61 615           | 43 504           | 58 581           |
| Deferred tax assets                 | 37 800           | 22 685           | 25 909           |
| Tangible fixed assets               | 12 433           | 14 746           | 14 042           |
| Financial fixed assets              | 1 059            | 2 061            | 2 061            |
| <b>Total non-current assets</b>     | <b>112 907</b>   | <b>82 995</b>    | <b>100 593</b>   |
| <b>Current assets</b>               |                  |                  |                  |
| Trade and other receivables         | 15 047           | 4 086            | 6 093            |
| Cash and cash equivalents           | 40 037           | 115 785          | 100 092          |
| <b>Total current assets</b>         | <b>55 084</b>    | <b>119 871</b>   | <b>106 185</b>   |
| <b>Total assets</b>                 | <b>167 991</b>   | <b>202 866</b>   | <b>206 778</b>   |
| <b>Equity and liabilities</b>       |                  |                  |                  |
| <b>Equity</b>                       |                  |                  |                  |
| Share Capital                       | 568              | 545              | 568              |
| Share premium account               | 234 362          | 234 385          | 234 362          |
| Additional paid in capital          | 2 596            | 2 596            | 2 596            |
| Retained earnings                   | -109 685         | -60 952          | -69 224          |
| <b>Total equity</b>                 | <b>127 841</b>   | <b>176 574</b>   | <b>168 302</b>   |
| <b>Liabilities</b>                  |                  |                  |                  |
| Convertible loans                   | 0                | 0                | -                |
| Liabilities to finance institutions | 8 323            | 11 350           | 10 593           |
| Trade payables                      | 3 086            | 3 074            | 3 518            |
| Government charges                  | 3 379            | 808              | 1 486            |
| Other liabilities                   | 25 362           | 11 061           | 22 878           |
| <b>Total liabilities</b>            | <b>40 150</b>    | <b>26 293</b>    | <b>38 476</b>    |
| <b>Total equity and liabilities</b> | <b>167 991</b>   | <b>202 866</b>   | <b>206 778</b>   |

- Strong financial position of NOK 40m in cash equivalents at end of Q3-22
- Equity at 76,1 %

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Disrupting the fast  
growing markets for  
disinfection



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