



Press release Smoltek Nanotech Holding AB

October 20, 2020

## **Smoltek completes a directed issue of units of SEK 80 million and issues warrants to existing shareholders**

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*This press release is an English version of the previously published Swedish version, which has interpretative preference.*

**Smoltek Nanotech Holding AB ("Smoltek" or the "Company") hereby announces that the Company has carried out a directed issue of 640 000 units (the "Directed Issue"). One unit consists of two (2) shares and one (1) warrant of series TO 4. The investors in the Directed Issue consists of 72 qualified investors, of which no individual investor constitutes a significant part of the Directed Issue. Additionally, the Company has resolved to issue and allocate one (1) warrant of series TO 4 to current shareholders for every eleven (11) shares owned on the applicable record date.**

The board of directors of Smoltek has, based on the authorization given by the extraordinary general meeting on October 15, 2020, resolved on and carried out the Directed Issue. The subscription price in the Directed Issue was set to SEK 125 per unit, corresponding to SEK 62.50 per share. The warrants are issued free of charge. The Company will initially receive SEK 80 million from the Directed Issue before deduction of transaction costs. No current shareholders of the Company have been approached in the Directed Issue.

The board of directors of Smoltek assesses, given that the Directed Issue was carried out through an accelerated book-building procedure (conducted by Mangold Fondkommission AB), that the Directed Issue has been carried out in accordance with prevailing market conditions.

The rationale for deviating from the shareholders' preferential rights is to broaden the shareholder base, as well as the fact that a directed issue provides the opportunity to, at favorable terms, raise

capital in a time- and cost-effective manner. This is in line with the assessment of the Company's board of directors that it lies in the Company's and the shareholders' best interest to carry out an issue with deviation from the shareholders' preferential rights.

The proceeds from the Directed Issue will be used for the continued commercialization and further development of the Company's CNF-MIM technology for use in capacitors, in the semiconductor industry, as well as for further development of the Company's technology platform in additional promising application areas. The Company is currently evaluating applications in energy storage and energy conversion (batteries, fuel cells and electrolyzers are examples of areas where current materials limit efficiency, life span and safety), as well as applications for the MedTech industry (where efficiency and/or performance of electrodes for different types of electrotherapy as well as other applications are limited by current materials and solutions).

The Directed Issue entails an initial dilution of 16 percent of the number of shares and votes in the Company. Through the Directed Issue, the number of outstanding shares will increase by 1,280,000 from 6,834,817 to 8,114,817. The share capital will increase by SEK 152,484.40 from SEK 814,221.10 to SEK 966,705.50. The issue costs amount to approximately SEK 4.8 million.

The investors who participated in the Directed Issue will not be allotted any warrants in the allotment of warrants to existing shareholders as described below.

#### **Warrants to current shareholders in Smoltek**

In order to provide current shareholders with the opportunity to be compensated for the dilution arising from the Directed Issue, the board of directors of Smoltek has resolved to simultaneously issue additional 621,347 warrants of series TO 4 (i.e. the same series as in the Directed Issue) to be finally allotted free of charge to current shareholders in the Company.

The record date for the allotment of the free of charge warrants of series TO 4 will be announced as soon as it is determined. The shareholders of Smoltek will receive one (1) warrant of series TO 4 for every eleven (11) held shares (regardless of share class) on the record date. Round down will be applied if necessary.

#### **Terms and information regarding warrants of series TO 4**

A total of 1,261,347 warrants of series TO 4 will be issued, where 640,000 are allotted to investors in the Directed Issue and 621,347 to be allotted to current shareholders in the Company.

Each warrant of series TO 4 will give the holder the right to subscribe for one (1) new share in Smoltek during the period from October 20, 2021 until and including November 3, 2021 to a subscription price corresponding to the following:

70 percent of the volume weighted average price of the Company's share during the period from October 5, 2021 until and including October 18, 2021. The subscription price shall however never be determined to an amount below the quotation value of the Company's share or to a higher amount than SEK 93.75.

Warrants of series TO 4 will, upon full exercise, provide the Company additional funds of a maximum of approximately SEK 118 million, based on the maximum subscription price. The actual issue amount will depend on the finally determined subscription price.

Upon full exercise of the warrants of series TO 4, the dilution will amount to approximately 13 percent, calculated in proportion to the number of shares in the Company following the registration of the new shares of the Directed Issue. Upon full exercise of warrants of series TO 4, the number of outstanding shares will increase by 1,261,347 from 8,114,817 to 9,376,164, and the share capital will increase by approximately SEK 150,262.30 from approximately SEK 966,705.50 to approximately SEK 1,116,967.80.

#### **Advisor**

Mangold Fondkommission AB is the sole bookrunner and financial advisor and MAQS Advokatbyrå is the legal advisor in connection with the Directed Issue.

#### **For further information:**

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#### **Smoltek Nanotech Holding AB**

*Smoltek is developing process technology and concepts for applications based on carbon nanotechnology, primarily for the global semiconductor industry. Smoltek's unique technology enables the production of semiconductor components with smaller form factors, higher performance and lower energy consumption.*

*The company protects its technology through an extensive and growing IP-portfolio, consisting of about 100 applied patents, of which 62 are currently granted.*

*Smoltek's applications are today mainly focused on the market segment for "advanced packaging", which is expected to grow at an average annual growth rate (CAGR) of 8.0 percent during the period 2018-2024 and achieve a market value of USD 43.6 billion in 2024 (source: Yole Développement Market research).*

*The company's share is listed on Spotlight Stock Market since 26/02/2018 with the ticker symbol: SMOL.*

***This information is such that Smoltek Nanotech Holding AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, on October 20, 2020.***

**Important information**

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This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into the United States, Australia, Canada, New Zealand, Hong Kong, Japan, Singapore, South Africa, South Korea or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. Smoltek has not authorized any offer to the public of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed Issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

**Forward-looking statements**

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or

“might”, or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. Undue reliance should not be placed on the forward-looking statements in this press release. The information, opinions and forward-looking statements contained in this press release speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless required by law or Spotlight Stock Market regulations.