



# Smoltek's Board of Directors has conditionally resolved upon a rights issue of units of approximately SEK 67 million

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

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**Smoltek Nanotech Holding AB ("Smoltek" or the "Company") hereby announces that the board of directors today, subject to the approval of the extraordinary general meeting on October 24, 2022, has resolved to carry out an issue of units consisting of shares and warrants with preferential rights for existing shareholders of approximately SEK 67 million (the "Rights Issue"). The Rights Issue is guaranteed to approximately 65 percent through subscription commitments and underwriting commitments. Notice to the extraordinary general meeting will be published in a separate press release.**

## Summary

- Smoltek's board of directors has, subject to approval from the extraordinary general meeting on October 24, 2022, resolved to carry out the Rights Issue of units consisting of shares and warrants of series TO 7.
- If fully subscribed, the Rights Issue will provide Smoltek with proceeds of approximately SEK 66.8 million before transaction costs.
- In the event of full subscription and full exercise of all warrants of series TO 7 issued in conjunction with offered units, the Company may be provided additional proceeds of approximately SEK 50.1 million.
- The Rights Issue is guaranteed to approximately 65.0 percent through subscription commitments and underwriting commitments.
- All existing shareholders will receive one (1) unit right for each one (1) share owned on the record date, October 31, 2022. Five (5) unit rights give the right to subscribe for one (1) unit. One (1) unit consists of four (4) newly issued shares and two (2) warrants of series TO 7. The subscription price per unit is SEK 36.00, corresponding to SEK 9.00 per share (the warrants are issued free of charge).
- The subscription period for the Rights Issue will commence on November 2, 2022, and end on November 16, 2022.
- The Rights Issue is carried out to develop and strengthen the organization through recruitment and developing further competence for the purpose of preparing to scale-up production to high volumes.

## Comment from management

*- We are extremely pleased with the progress we have made in 2022 in the industrialization and commercialization of our ultra-thin capacitors. The memorandum of understanding and the joint development agreement with Yageo represent decisive progress for the semiconductor business area, as we now have a perfect partner to jointly develop a first product, mass produce it and sell it globally through their sales channels.*

- *Håkan Persson, President and CEO at Smoltek Nanotech Holding AB*

*- We are looking forward to a very exciting autumn. The results of the two ongoing demo projects and our new competent employees are critical milestones for developing prototypes, pilot plants and customer projects in the hydrogen business area. In addition, it is exciting to receive increasing confirmations on what a boom the global*

*hydrogen economy is about to become. Country after country surpasses each other in the enormous sums they invest in the expansion of hydrogen gas, where the lack of natural gas has given an extra push in this direction.*

- *Ellinor Ehrnberg, CEO of the group company Smoltek Innovation AB*

## **Background and rationale in summary**

The Company is in an exciting development phase and is working intensively on the development of its innovative carbon nanofiber-based technology. To better utilize the potential of the technology, the Company has updated its business model to collaborate with international partners to reach the market in a more efficient way. On August 18, 2022, the Company signed a joint development agreement with Yageo Group for the commercialization of discrete capacitors, which means that the Company may take part in Yageo's mass production facilities and sales channels, and that Smoltek initially will receive approximately SEK 15 million for development activities within the framework of the collaboration. The Company has begun working towards the commercialization phase to achieve scale-up of volume production for ultra-thin capacitors in order to be able to accept big orders by the end of 2024. Within the hydrogen business area, the Company has also signed a cooperation agreement with an international manufacturer of input materials for electrolyzers. The Company is now looking for additional international cooperation partners to reach the hydrogen market in an efficient way and take the next step in the development phase, which involves a corresponding drastic cost reduction per produced unit hydrogen gas.

During 2022, Smoltek's board of directors and management team have continuously evaluated the need for resources and costs required to reach the goals that the group has established and agreed that an injection of capital is required for the continued development and commercialization of the Company's two business areas. The Company also needs funding to strengthen and develop the organization in the long term through recruitment and development of additional competence for product development as well as preparations to scale-up production to high volumes.

The proceeds from the Rights Issue and exercised warrants of series TO 7 shall be primarily used for:

- Continued development of ultra-thin capacitors as well as to prepare the products for commercialization and production in high volumes.
- Continued development of demonstrators and production concepts for highly efficient cell materials for electrolyzers.
- Recruitment of competence for continued development and work to prepare Smoltek's ultra-thin capacitors and highly efficient cell materials for electrolyzers for commercialization.

## **Terms for the Rights Issue**

The board of Smoltek has decided, subject to approval from the extraordinary general meeting on October 24, 2022, to carry out the Rights Issue of units consisting of shares and warrants in accordance with the following main conditions:

- For each (1) share owned as per the record date, October 31, 2022, the shareholder will receive one (1) unit right. Five (5) unit rights give the right to subscribe for one (1) unit. One (1) unit consists of four (4) shares, two (2) warrants of series TO 7. The subscription price per unit is SEK 36.00, corresponding to SEK 9.00 per share (the warrants are issued free of charge).
- The Rights Issue entails an issue of a maximum of 1,856,579 units, corresponding to 7,426,316 shares and 3,713,158 warrants of series TO 7.
- Upon full subscription in the Rights Issue, the Company receives proceeds of approximately SEK 66.8 million before transaction costs.
- The subscription period for subscription of units will commence on November 2, 2022, and end on November 16, 2022.
- Through the Rights Issue, the share capital may increase by a maximum of SEK 884,682.172448, and the number of shares increase by a maximum of 7,426,316 from 9,282,895 to 16,709,211. Upon full exercise of the warrants of series TO 7, the share capital would increase by an additional SEK 442,341.086224 and the number of shares by an additional 3,713,158. Upon full exercise in the Rights Issue and full exercise of the warrants of series TO 7, the share capital would increase to SEK 2,432,879.556283 and the number of shares to 20,422,369.
- The existing shareholders in the Company who do not subscribe for units in the Rights Issue will be subject to dilution. A fully subscribed Rights issue entails a dilution corresponding to 44.44 percent.

## **Terms for the warrants of series TO 7**

- Each warrant of series TO 7 gives a right to subscribe for one (1) new share in the Company. The subscription price for subscription of shares, when exercising warrants of series TO 7 corresponds to 70

percent of the volume-weighted average price paid for the Company's shares on Spotlight Stock market during the period from May 17, 2022, to May 31, 2022, but not less than the quota value of the share (currently approximately SEK 0.12) and not more than SEK 13.50.

- The warrants may be exercised to subscribe for new shares during a period commencing on June 5, 2023 and ending on June 19, 2023.
- In the event of full subscription of the Rights Issue and full exercise of all warrants of series TO 7 issued in conjunction with offered units, the Company would be provided with additional proceeds of approximately SEK 50.1 million.
- The maximum increase of the number of shares in the Company as a result of full subscription of the Rights Issue and full exercise of attached warrants of series TO 7 may entail a further dilution of approximately 18.18 percent.
- The warrants of series TO 7 are intended to be admitted to trading on the Spotlight Stock Market after final registration with the Swedish Companies Registration Office.

### **Subscription commitments, underwriting commitments and lock-up**

The Rights Issue is covered to approximately 5.1 percent by subscription commitments from existing shareholders, including members of the board and management as well as certain major shareholders. In addition thereto, underwriters have undertaken to guarantee up to 65.0 percent of the Rights Issue. The subscription and underwriting commitments are not secured through bank guarantees, pledge or similar arrangements. The underwriting commitments have been provided by external investors. For the underwriting commitments, an underwriting compensation of twelve (12) percent of the guaranteed amount in cash compensation or fifteen (15) percent of the guaranteed amount in the form of units. The respective party that has provided an underwriting guarantee has the right to choose whether the underwriting compensation shall be paid in cash or in the form of units at subscription price corresponding to the one in the Rights Issue. No compensation is paid for the subscription commitments entered. Furthermore, the Company's two largest shareholders, Garmtec Business Partner AB and Peter Enoksson, whose holdings together represent approximately 30.7 percent of the Company's outstanding shares, have undertaken not to sell their shares in the Company during a period of nine months from the execution of the Rights Issue through a so-called lock up agreement.

### **Prospectus**

An EU growth prospectus and application form will be available before the beginning of the subscription period on the Company's website, [www.smoltek.com/investors](http://www.smoltek.com/investors)

### **Indicative timetable**

October 27, 2022	Last day of trading in Smoltek's shares including the right to receive unit rights
October 28, 2022	First day of trading in Smoltek's shares excluding the right to receive unit rights
October 31, 2022	Record date for obtaining unit rights. Shareholders who are registered in the share register kept by Euroclear Sweden AB on this day, receive unit rights for participation in the Rights Issue
November 2 – November 14, 2022	Trading with unit rights on Spotlight Stock Market
November 2 – November 16, 2022	Subscription period for the Rights Issue
November 2 – Week 45, 2022	Trading with BTU on Spotlight Stock Market
October 18, 2022	Estimated date for publication of issue results

The time plan is conditional upon that the Swedish Financial Supervisory Authority has approved the prospectus regarding the Rights Issue which currently is prepared by the Company. Consequently, there might be minor adjustments in the time plan.

### **Advisers**

Mangold Fondkommission AB is the financial advisor to Smoltek in connection with the Rights Issue. MAQS Advokatbyrå AB is the legal advisor to the Company in connection with the Rights Issue.

### **For more information, please contact:**

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## Qualified Adviser

Smoltek's Qualified Adviser is Mangold Fondkommission AB, +46 8 52 77 5020, [ca@mangold.se](mailto:ca@mangold.se), [www.mangold.se](http://www.mangold.se)

## About Smoltek

Smoltek is a Swedish technology company based in Gothenburg, specialized in the development and integration of carbon nanotechnology. The technology is used in the manufacture of vertical carbon nanostructures to create a three-dimensional surface in precision-defined patterns to solve advanced materials engineering problems in the process and semiconductor industry. Today, the Company focuses on capturing the potential of the development of mobile phones, tablets and laptops as well as the development of green energy production, which has resulted in the Company's two different business areas: semiconductors and hydrogen. In the semiconductor business area, the Company develops ultra-thin capacitors intended for decoupling capacitors for application processes in for example mobile phones, and in the hydrogen business area, the first product is planned to be a highly efficient cell material intended for use in PEM electrolyzers to drastically reduce investment cost to produce fossil-free hydrogen. The Company's technology makes components and materials thinner, more energy efficient, more powerful and cheaper. This is made possible by the three-dimensional surface structure of the carbon nanostructures, which creates a surface that can be refined multiple times in the same volume for, for example, electrical and chemical processes. Smoltek has a strongly patent-protected technology consisting of roughly 110 patent assets within 20 patent families, of which 76 are currently granted patents. The company's stock is listed on the Spotlight Stock Market. For more information, go to [www.smoltek.com/investors](http://www.smoltek.com/investors)

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Within the European Economic Area, no offer is made to the public of securities in any country other than Sweden. In other Member States of the European Union, such an offer may only be made in accordance with the exceptions in the Prospectus Regulation (EU) 2017/1129. This press release contains certain forward-looking information that reflects the Company's present view of future events as well as financial and operational development. Words such as "intend", "assess", "expect", "may", "plan", "believe", "estimate" and other expressions entailing indications or predictions of future development or trends, not based on historical facts, constitute forward-looking information. Forward-looking information is inherently associated with both known and unknown risks and uncertainties as it depends on future events and circumstances. Forward-looking information is not a guarantee of future results or development, and actual outcomes may differ materially from the statements set forth in the forward-looking information.