
UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 8, 2018

Atomera Incorporated

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-37850
(Commission File
Number)

30-0509586
(I.R.S. Employer
Identification Number)

**750 University Avenue, Suite 280 Los Gatos,
California 95032**
(Address of principal executive offices) (zip code)

(408) 442-5248
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Item 2.02 Results of Operations and Financial Condition

On August 8, 2018, Atomera Incorporated issued a press release announcing its financial results for the three and six months ended June 30, 2018. The Company also intends to conduct an earnings call over which it will distribute an investor presentation. The text of the press release is attached hereto as Exhibit 99.1 and the investor presentation is attached hereto as Exhibit 99.2, both are incorporated by reference herein.

The information in this Current Report, including the exhibits attached hereto, is furnished pursuant to Item 2.02 and shall not be deemed “filed” for any purpose, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section. The information in this Current Report on Form 8-K shall not be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits:

- 99.1 [Press release dated August 8, 2018 Atomera Incorporated](#)
- 99.2 [Investor presentation August 8, 2018 Atomera Incorporated](#)

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATOMERA INCORPORATED

August 8, 2018

By: /s/ Francis Laurencio
Francis Laurencio
Chief Financial Officer

Atomera Provides Second Quarter 2018 Results

LOS GATOS, CA Aug 8, 2018 Atomera Incorporated (NASDAQ: ATOM), a semiconductor materials and intellectual property licensing company focused on deploying its proprietary technology into the semiconductor industry, today provided a corporate update and announced financial results for the second quarter ended June 30, 2018.

Company Highlights

- Grew the number of engagements in the Integration Phase to eleven
- Recognized engineering services revenue
- Working with 4 customers on multiple processes
- 18 engagements underway with 14 customers
- Announced results showing MST technology significantly improves High-K/Metal gate transistors

Management Commentary

“Atomera has deepened and extended its relationships with significant semiconductor fabs in the second quarter toward an end goal of licensing and royalty agreements,” commented Scott Bibaud, President and CEO. “We continue to demonstrate the efficacy of MST and further engage in planning and integration with our prospective customers.”

Second Quarter 2018 Financial Results

During the second quarter of 2018, the Company incurred a net loss of \$3.2 million, or (\$0.26) per basic and diluted share, compared to a net loss of \$3.6 million, or (\$0.31) per basic and diluted share, for the second quarter of 2017. Adjusted EBITDA (a non-GAAP financial measure) in the second quarter of 2018 was a loss of \$2.6 million compared to an adjusted EBITDA loss of \$2.2 million in the second quarter of 2017.

The Company had \$12.3 million in cash and cash equivalents as of June 30, 2018, compared to \$14.5 million as of March 31, 2018 and \$17.4 million as of December 31, 2017.

The total number of shares outstanding was 12,408,525 as of June 30, 2018.

2018 Second Quarter Results Conference Call and Webcast

Atomera will host a conference call today to discuss its financial results and recent progress.

Date: Wednesday, Aug. 8, 2018

Time: 2:00 p.m. PT (5:00 p.m. ET)

Phone: (844) 263-8318 (domestic); +1 (213) 358-0960 (international)

Replay: Available until Aug. 15, 2018; 855-859-2056 (domestic); +1(404) 537-3406 (international); passcode 3855109.

Webcast: Accessible at www.atomera.com

Note about NonGAAP Financial Measures

In addition to the unaudited results presented in accordance with generally accepted accounting principles, or GAAP, in this press release, Atomera presents adjusted EBITDA, which is a nonGAAP financial measure. Adjusted EBITDA is determined by taking net loss and eliminating the impacts of interest, taxes, depreciation, amortization, stockbased compensation, the change in fair value of derivative liabilities, and the gain on the extinguishment of debt. Our definition of adjusted EBITDA may not be comparable to the definitions of similarlytitled measures used by other companies. We believe that this nonGAAP financial measure, viewed in addition to and not in lieu of its reported GAAP results, provides useful information to investors by providing a more focused measure of operating results. This metric is used as part of the Company's internal reporting to evaluate its operations and the performance of senior management. A table reconciling this measure to the comparable GAAP measure is available in the accompanying financial tables below.

About Atomera Incorporated

Atomera Incorporated has developed Mears Silicon Technology™ ("MST[®]"), which increases performance and power efficiency in semiconductor transistors. MST can be implemented using equipment already deployed in semiconductor manufacturing facilities and is complementary to other nanoscaling technologies already in the semiconductor industry roadmap.

Safe Harbor

This press release contains forwardlooking statements concerning Atomera Incorporated, including statements regarding the prospects for the semiconductor industry generally and the ability of our MST technology to significantly improve semiconductor performance. Those forwardlooking statements involve known and unknown risks, uncertainties and other factors that could cause actual results to differ materially. Among those factors are: (1) the fact that we have not yet commenced principal revenue producing operations or entered into a definitive agreement with regard to the licensing or commercialization of our MST technology, thus subjecting us to all of the risks inherent in a prerevenue enterprise; (2) risks related to our ability to raise sufficient capital, as and when needed, to pursue the further development, licensing and commercialization of our MST technology; (3) our ability to protect our proprietary technology, trade secrets and knowhow and (4) those other risks disclosed in the section "Risk Factors" included in our Annual Report on Form 10-K for the year ended December 31, 2017 and filed with the SEC on March 6, 2018. We caution readers not to place undue reliance on any forwardlooking statements. We do not undertake, and specifically disclaim any obligation, to update or revise such statements to reflect new circumstances or unanticipated events as they occur.

-- Financial Tables Follow --

Atomera Incorporated
Condensed Balance Sheets
(in thousands, except per share data)

	June 30, 2018	December 31, 2017
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 12,254	\$ 17,369
Accounts receivable	96	110
Prepaid expenses and other current assets	296	248
Total current assets	<u>12,646</u>	<u>17,727</u>
Property and equipment, net	65	67
Security deposit	<u>13</u>	<u>13</u>
Total assets	<u>\$ 12,724</u>	<u>\$ 17,807</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 339	\$ 198
Accrued expenses	285	239
Accrued payroll related expenses	<u>338</u>	<u>512</u>
Total liabilities	<u>962</u>	<u>949</u>
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value, authorized 2,500 shares; none issued and outstanding at June 30, 2018 and December 31, 2017	—	—
Common stock, \$0.001 par value, authorized 47,500 shares; 12,408 and 12,161 shares issued and outstanding at June 30, 2018 and December 31, 2017, respectively.	12	12
Additional paid-in capital	127,078	125,911
Accumulated deficit	<u>(115,328)</u>	<u>(109,065)</u>
Total stockholders' equity	<u>11,762</u>	<u>16,858</u>
Total liabilities and stockholders' equity	<u>\$ 12,724</u>	<u>\$ 17,807</u>

Atomera Incorporated
Condensed Statements of Operations
(Unaudited)
(in thousands, except per share data)

	Three Months ended June 30,		Six Months ended June 30,	
	2018	2017	2018	2017
Revenue	\$ 96	\$ —	\$ 96	\$ —
Cost of revenue	(113)	—	(113)	—
Gross margin	(17)	—	(17)	—
Operating expenses				
Research and development	1,738	1,444	3,428	2,900
General and administrative	1,254	1,712	2,457	3,315
Selling and marketing	212	508	458	1,017
Total operating expenses	3,204	3,664	6,343	7,232
Loss from operations	(3,221)	(3,664)	(6,360)	(7,232)
Other income/(expense)				
Interest income	50	36	97	64
Other expense	—	(2)	—	(6)
Total other income/(expense), net	50	34	97	58
Net loss	<u>\$ (3,171)</u>	<u>\$ (3,630)</u>	<u>\$ (6,263)</u>	<u>(7,174)</u>
Net loss per common share, basic and diluted	<u>\$ (0.26)</u>	<u>\$ (0.31)</u>	<u>\$ (0.52)</u>	<u>(0.62)</u>
Weighted average number of common shares outstanding, basic and diluted	<u>12,078</u>	<u>11,616</u>	<u>12,060</u>	<u>11,594</u>

Atomera Incorporated
Reconciliation to Non- GAAP EBITDA
(Unaudited)

	Three Months ended June 30,		Six Months ended June 30,	
	2018	2017	2018	2017
Net loss (GAAP)	\$ (3,171)	\$ (3,630)	\$ (6,263)	\$ (7,174)
Add (subtract) the following items:				
Interest income	(50)	(36)	(97)	(64)
Depreciation and amortization	8	4	16	9
Stock-based compensation	621	1,428	1,166	2,638
Adjusted EBITDA (non-GAAP)	<u>\$ (2,592)</u>	<u>\$ (2,239)</u>	<u>\$ (5,178)</u>	<u>\$ (4,591)</u>

#

Investor Contact:

Bishop IR
Mike Bishop
(415) 894-9633
investor@atomera.com



atomera

2Q 2018 Conference Call

Forward-Looking Statements

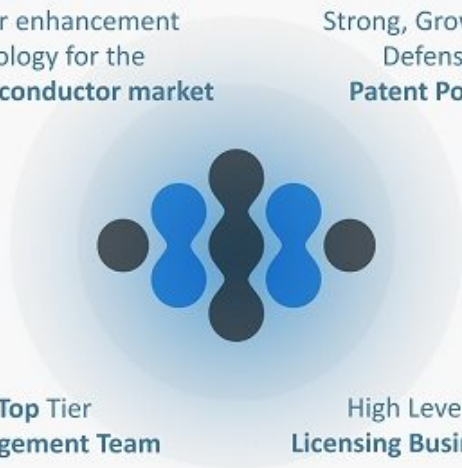
This presentation contains forward-looking statements concerning Atomera Incorporated ("Atomera," the "Company," "we," "us," and "our"). The words "believe," "may," "will," "potentially," "estimate," "continue," "anticipate," "intend," "could," "would," "project," "plan," "expect" and similar expressions that convey uncertainty of future events or outcomes are intended to identify forward-looking statements. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, including those described in the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2017 filed with the SEC on March 6, 2018 (the "2017 Annual Report"). In light of these risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in our forward-looking statements. You should not rely upon forward-looking statements as predictions of future events. Although we believe that the expectations reflected in our forward-looking statements are reasonable, we cannot guarantee that the future results, levels of activity, performance or events and circumstances described in the forward-looking statements will be achieved or occur.

This presentation contains only basic information concerning Atomera. The Company's filings with the Securities Exchange Commission, including the 2017 Annual Report, include more information about factors that could affect the Company's operating and financial results. We assume no obligation to update information contained in this presentation. Although this presentation may remain available on the Company's website or elsewhere, its continued availability does not indicate that we are reaffirming or confirming any of the information contained herein.

Company Overview

Transistor enhancement
technology for the
\$400B semiconductor market

Strong, Growing and
Defensible
Patent Portfolio



**Top Tier
Management Team**

High Leverage IP
Licensing Business Model

Technology at the Atomic Level

Customer Engagement Phases



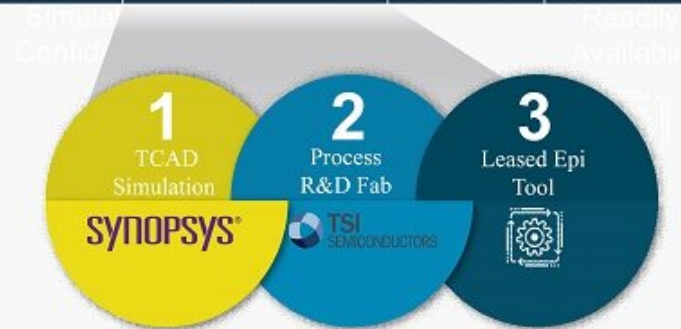
Customer Engagement Pipeline



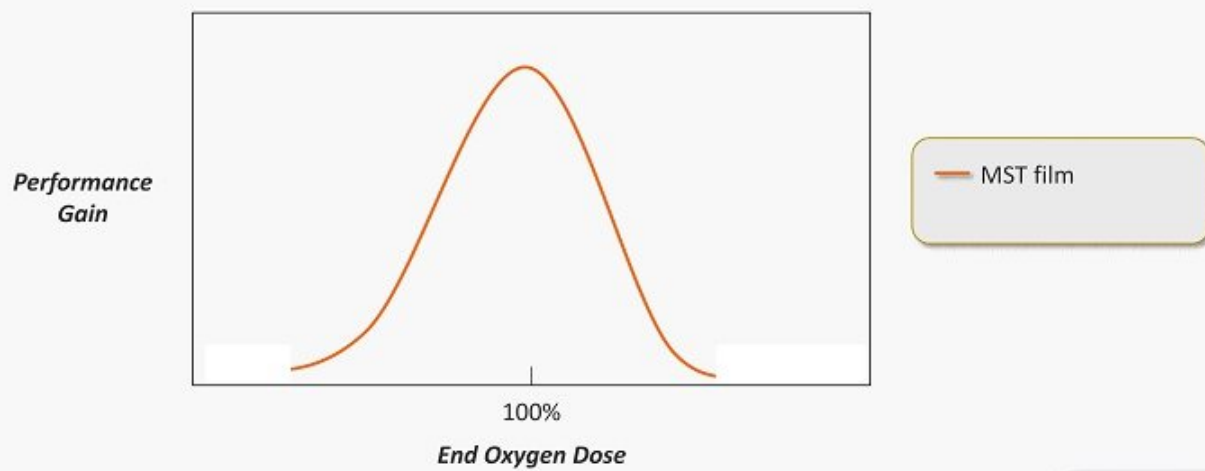
Now engaged with 50% of the world's top semiconductor makers*

* 10 of the top 20 (IC Insights, McClean Report 2017)

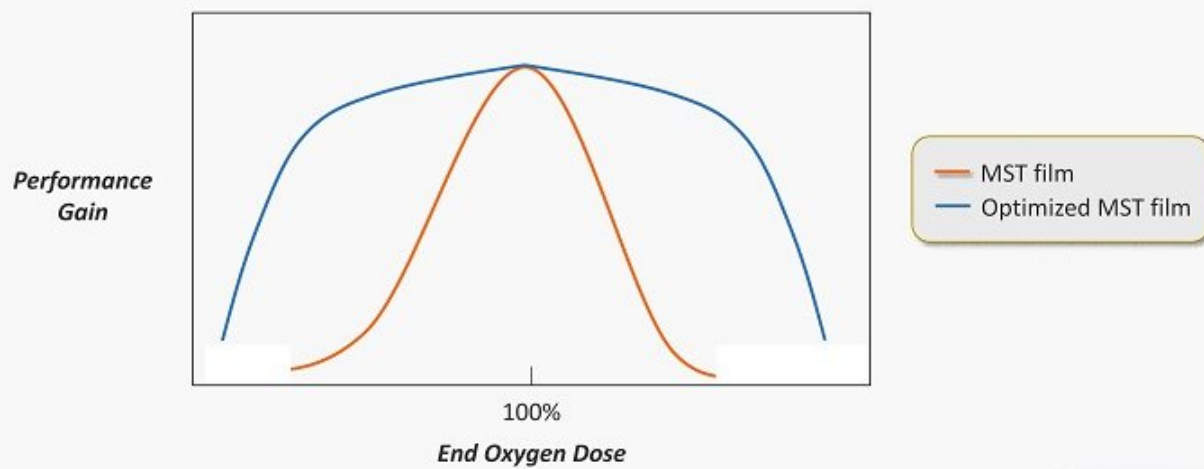
Shortening the Integration Phase



Maximizing MST Performance



Maximizing MST Performance



MST and High-k/Metal gates



- Tests conducted on MST by the University of Notre Dame
- Results showed MST improved performance of High-k products
 - 23% mobility enhancement
 - 2.7x gate leakage reduction
- High-k/Metal gate widely used in advanced manufacturing nodes

Financials

	2018 YTD		2017			
	Q2 2018	Q1 2018	Q4 2017	Q3 2017	Q2 2017	Q1 2017
GAAP Results						
Revenue	\$0.1M	-	\$0.1M	-	-	-
Gross Profit	(\$0.02M)	-	\$0.1M	-	-	-
Operating Expense	(\$3.2M)	(\$3.1M)	(\$2.7M)	(\$3.3M)	(\$3.7M)	(\$3.6M)
Net Loss	(\$3.2M)	(\$3.1M)	(\$2.6M)	(\$3.3M)	(\$3.6M)	(\$3.5M)
Loss Per Share	(\$0.26)	(\$0.26)	(\$0.21)	(\$0.28)	(\$0.31)	(\$0.31)
Reconciliation between GAAP & Non-GAAP						
Net Loss (GAAP)	(\$3.2M)	(\$3.1M)	(\$2.6M)	(\$3.3M)	(\$3.6M)	(\$3.5M)
Interest Expense	-	-	-	-	-	-
Stock-Based Compensation	\$0.6M	\$0.5M	\$0.5M	\$0.9M	\$1.4M	\$1.2M
Adjusted EBITDA (Non-GAAP)*	(\$2.6M)	(\$2.6M)	(\$2.1M)	(\$2.4M)	(\$2.2M)	(\$2.4M)
Cash at June 30, 2018	\$12.3M					
Shares Outstanding at June 30, 2018	12.4M					

Summary

- Reached 18 total engagements with 14 different customers
- 11 engagements in critical integration phase
- In multi-process engagements with four customers
- First wafer run being planned using customer-installed Epi tools
- New MST recipe should speed integration process and improve manufacturability
- New results in High-k/Metal Gate expand our technology reach
- Building momentum to commercialization



atomera

2Q 2018 Conference Call