

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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): February 15, 2023

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)

(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:

- ☐ 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))

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---------------------------------|-------------------|---|
| Common stock: Par value \$0.001 | ATOM | Nasdaq Global Market |

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 February 15, 2023, Atomera Incorporated issued a press release announcing its financial results for the three and twelve months ended December 31, 2022. 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

The following exhibits are filed with this report:

| Exhibit Number | Exhibit Description |
|----------------|---|
| 99.1 | Press release dated February 15, 2023 Atomera Incorporated |
| 99.2 | Investor presentation dated February 15, 2023 Atomera Incorporated |
| 104 | Cover Page Interactive Data File (formatted in iXBRL, and included in exhibit 101). |

SIGNATURES

Pursuant to the requirements of the Securities 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

Dated: February 15, 2023

/s/ Francis B. Laurencio

Francis B. Laurencio,
Chief Financial Officer



Atomera Provides Fourth Quarter and Fiscal 2022 Results

LOS GATOS, Calif. Feb. 15, 2023 Atomera Incorporated (NASDAQ: ATOM), a semiconductor materials and technology licensing company, today provided a corporate update and announced financial results for the fourth quarter and fiscal year ended December 31, 2022.

Recent Company Highlights

- Released a Whitepaper detailing Atomera's contribution to advanced node technologies
- One customer advanced into the integration phase (Phase Three)
- Announced collaboration with Arizona State University to enable R&D aimed at advancing semiconductor materials

Management Commentary

"This point in the semiconductor industry cycle is ripe for Atomera to engage with customers on enhancing their process technologies and we are seeing a corresponding increase in customer interest," said Scott Bibaud, President and CEO. "Recent efforts focused on technologies for the most advanced nodes have been garnering particularly strong interest from the industry."

Financial Results

The Company incurred a net loss of (\$4.3) million, or (\$0.18) per basic and diluted share in the fourth quarter of 2022, compared to a net loss of (\$4.2) million, or (\$0.18) per basic and diluted share, for the fourth quarter of 2021. Adjusted EBITDA (a non-GAAP financial measure) in the fourth quarter of 2022 was a loss of (\$3.5) million compared to an adjusted EBITDA loss of (\$3.4) million in the fourth quarter of 2021.

For fiscal year 2022, revenue was \$382,000, compared with \$400,000 in fiscal 2021. Net loss was (\$17.4) million, or (\$0.75) per basic and diluted share for fiscal 2022, compared to (\$15.7) million, or (\$0.70) per basic and diluted share in fiscal 2021. Adjusted EBITDA for fiscal 2022 was a loss of (\$14.1) million compared to an adjusted EBITDA loss of (\$12.5) million in fiscal 2021.

The Company had \$21.2 million in cash and cash equivalents as of December 31, 2022, compared to \$28.7 million as of December 31, 2021.

The total number of shares outstanding was 24.0 million as of December 31, 2022.

Fourth Quarter and Fiscal Year 2022 Results Webinar

Atomera will host a live video webinar today to discuss its financial results and recent progress.

Date: Wednesday, Feb. 15, 2023

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

Webcast: Accessible at <https://ir.atomera.com>

Note about Non-GAAP 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 non-GAAP financial measure. Adjusted EBITDA is determined by taking net loss and eliminating the impacts of interest, depreciation, amortization and stock-based compensation. Our definition of adjusted EBITDA may not be comparable to the definitions of similarly-titled measures used by other companies. We believe that this non-GAAP financial measure, viewed in addition to and not in lieu of our 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 is a semiconductor materials and technology licensing company focused on deploying its proprietary, silicon-proven technology into the semiconductor industry. Atomera 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 nano-scaling technologies already in the semiconductor industry roadmap. More information can be found at www.atomera.com

Safe Harbor

This press release contains forward-looking 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 forward-looking 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, to date, we have only recognized minimal engineering services and licensing revenues and we have not yet commenced principal revenue producing operations or entered into a definitive royalty-based manufacturing and distribution license agreement with regard to our MST technology, thus subjecting us to all of the risks inherent in an early-stage enterprise; (2) risks related to our ability to successfully complete the milestones in our joint development agreements or, even if successfully completed, to reach a commercial distribution license with our JDA customers; (3) risks related to our ability to advance the licensing arrangements with our initial integration licensees to royalty-based manufacturing and distribution licenses or our ability to add other licensees; (4) 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; (5) our ability to protect our proprietary technology, trade secrets and knowhow and (6) those other risks disclosed in the section "Risk Factors" included in our Annual Report on Form 10-K filed with the SEC on February 15, 2023. We caution readers not to place undue reliance on any forward-looking 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
Balance Sheets
(in thousands, except per share data)

| | December 31, 2022 | December 31, 2021 |
|---|------------------------------|------------------------------|
| | (Unaudited) | |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 21,184 | \$ 28,699 |
| Prepaid expenses and other current assets | 418 | 309 |
| Total current assets | 21,602 | 29,008 |
| Property and equipment, net | 158 | 196 |
| Long-term prepaid maintenance and supplies | 91 | 91 |
| Security deposit | 14 | 14 |
| Operating lease right-of-use asset | 700 | 900 |
| Financing lease right-of-use-asset | 4,164 | 5,851 |
| Total assets | \$ 26,729 | \$ 36,060 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable | \$ 397 | \$ 338 |
| Accrued expenses | 173 | 203 |
| Accrued payroll related expenses | 967 | 601 |
| Current operating lease liability | 245 | 216 |
| Current financing lease liability | 1,126 | 1,395 |
| Total current liabilities | 2,908 | 2,753 |
| Long-term operating lease liability | 521 | 768 |
| Long-term financing lease liability | 2,986 | 4,158 |
| Total liabilities | 6,415 | 7,679 |
| Commitments and contingencies | | — |
| Stockholders' equity: | | |
| Preferred stock \$0.001 par value, authorized 2,500 shares; none issued and outstanding at December 31, 2022 and December 31, 2021 | — | — |
| Common stock: \$0.001 par value, authorized 47,500 shares; 23,973 and 23,207 shares issued and outstanding as of December 31, 2022 and December 31, 2021, respectively; | 24 | 23 |
| Additional paid-in capital | 203,585 | 194,212 |
| Accumulated deficit | (183,295) | (165,854) |
| Total stockholders' equity | 20,314 | 28,381 |
| Total liabilities and stockholders' equity | \$ 26,729 | \$ 36,060 |

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

| | Three Months Ended | | | Year Ended | |
|---|--------------------|---------------|--------------|--------------|-------------|
| | December 31, | September 30, | December 31, | December 31, | |
| | 2022 | 2022 | 2021 | 2022 | 2021 |
| | (Unaudited) | (Unaudited) | (Unaudited) | | |
| Revenue | \$ 5 | \$ 2 | \$ – | \$ 382 | \$ 400 |
| Cost of revenue | – | – | – | (81) | – |
| Gross margin | 5 | 2 | – | 301 | 400 |
| Operating expenses | | | | | |
| Research and development | 2,523 | 2,743 | 2,249 | 10,038 | 8,779 |
| General and administrative | 1,559 | 1,567 | 1,508 | 6,441 | 6,164 |
| Selling and marketing | 329 | 347 | 316 | 1,348 | 986 |
| Total operating expenses | 4,411 | 4,657 | 4,073 | 17,827 | 15,929 |
| Loss from operations | (4,406) | (4,655) | (4,703) | (17,526) | (15,529) |
| Other income (expense) | | | | | |
| Interest income | 189 | 113 | 2 | 340 | 9 |
| Interest expense | (55) | (60) | (76) | (255) | (128) |
| Total other income (expense), net | 134 | 53 | (74) | 85 | (119) |
| Net loss before income taxes | (4,272) | (4,602) | (4,147) | (17,441) | (15,648) |
| Provision for income taxes | – | – | 18 | – | 66 |
| Net loss | \$ (4,272) | \$ (4,602) | \$ (4,165) | \$ (17,441) | \$ (15,714) |
| Net loss per common share, basic and diluted | \$ (0.18) | \$ (0.20) | \$ (0.18) | \$ (0.75) | \$ (0.70) |
| Weighted average number of common shares outstanding, basic and diluted | 23,538 | 23,294 | 22,751 | 23,157 | 22,492 |

Atomera Incorporated
Reconciliation to Non-GAAP EBITDA
(Unaudited)

| | Three Months Ended | | | Year Ended | |
|-------------------------------|--------------------|-------------------|-------------------|--------------------|--------------------|
| | December 31, | September 30, | September 30, | December 31, | |
| | 2022 | 2022 | 2021 | 2022 | 2021 |
| Net loss (GAAP) | \$ (4,272) | \$ (4,602) | \$ (4,165) | \$ (17,441) | \$ (15,714) |
| Depreciation and amortization | 19 | 19 | 20 | 77 | 67 |
| Stock-based compensation | 893 | 889 | 639 | 3,367 | 2,973 |
| Interest income | (189) | (113) | (2) | (340) | (9) |
| Interest expense | 55 | 60 | 76 | 255 | 128 |
| Provision for income taxes | — | — | 18 | — | 66 |
| Net loss non-GAAP EBITDA | <u>\$ (3,494)</u> | <u>\$ (3,747)</u> | <u>\$ (3,414)</u> | <u>\$ (14,082)</u> | <u>\$ (12,489)</u> |

Investor Contact:

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



Safe Harbor



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 disclosed in the section "Risk Factors" included in our Annual Report on Form 10-K filed with the SEC on February 15, 2023 (the "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 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.

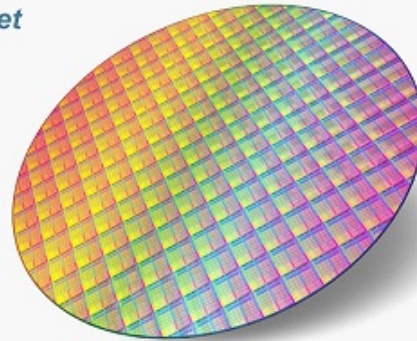
Mears Silicon Technology (MST®)

Quantum Engineered Materials



Transistor enhancement technology for the \$550B semiconductor market

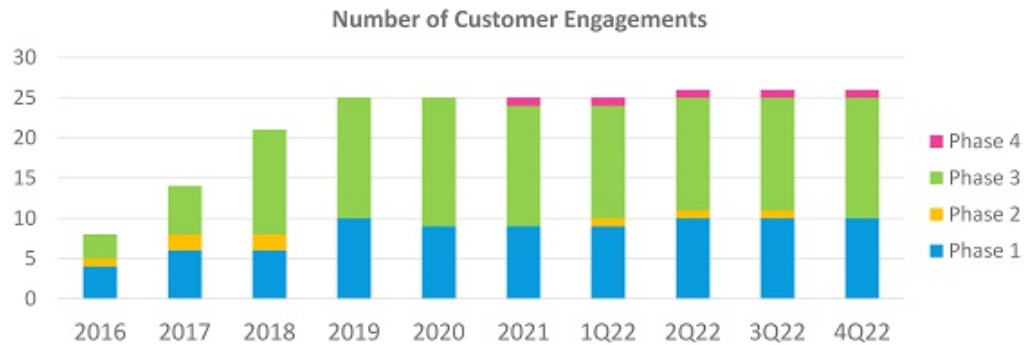
High Leverage IP Licensing Business Model



Top Tier Management Team

Strong, Growing and Defensible Patent Portfolio

Customer Pipeline



* 10 of the top 20 (IC Insights, McClean Report 2022)
 ^ End of year engagement count

- 20 customers, 26 engagements
- Working with 50% of the world's top semiconductor makers*

1/19/2023

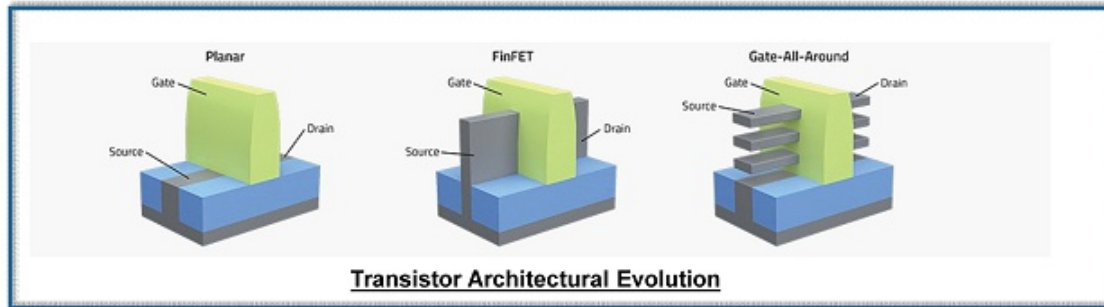
Atomera Confidential

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MST: Solving GAA Transistor Challenges



- ▶ Blocks source/drain dopant diffusion
- ▶ Provides enhanced punch-through stop layer between source and drain
- ▶ Lowers contact resistance
- ▶ Reduces HKMG stack height
- ▶ Improves carrier mobility, gate leakage



MST technology focus areas



MST-SP

MST for
Advanced
Nodes

MST for
RF-SOI

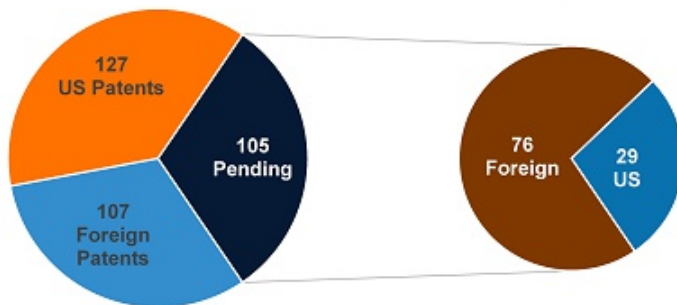
Atomera Incorporated



Strong and Growing IP Portfolio



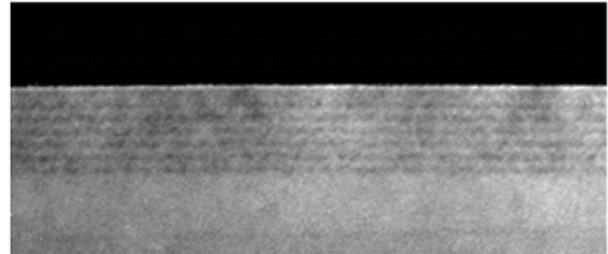
339 Patents Granted and Pending



Core MST Method and Device
MST Enabled Devices/Architecture
Next-Gen Architectures using MST

Discoverable

These distinctive layers are visible on products using MST



Extensive know-how

Extends life and value of patents

Atomera Incorporated

Financial Review



| <u>Income Statement</u> (\$ in thousands, except per-share data) | Year Ended | | Three Months Ended | | |
|---|--------------------|--------------------|--------------------|-------------------|-------------------|
| | 12/31/2022 | 12/31/2021 | 12/31/2022 | 9/30/2022 | 12/31/2021 |
| REVENUE | \$ 382 | \$ 400 | \$ 5 | \$ 2 | \$ - |
| Gross Profit | 301 | 400 | 5 | 2 | - |
| OPERATING EXPENSES | | | | | |
| Research & Development | 10,038 | 8,779 | 2,523 | 2,743 | 2,249 |
| General and Administration | 6,441 | 6,164 | 1,559 | 1,567 | 1,508 |
| Selling and Marketing | 1,348 | 986 | 329 | 347 | 316 |
| TOTAL OPERATING EXPENSES | 17,827 | 15,929 | 4,411 | 4,657 | 4,073 |
| OPERATING LOSS | (17,526) | (15,529) | (4,406) | (4,655) | (4,073) |
| Other Income (Expense) | 85 | (119) | 134 | 53 | (74) |
| Provision for income tax | - | (66) | - | - | (18) |
| NET LOSS | \$ (17,441) | \$ (15,714) | \$ (4,272) | \$ (4,602) | \$ (4,165) |
| Net Loss Per Share | \$ (0.75) | \$ (0.70) | \$ (0.18) | \$ (0.20) | \$ (0.18) |
| Weighted average shares outstanding | 23,157 | 22,492 | 23,538 | 23,294 | 22,751 |
| ADJUSTED EBITDA (NON-GAAP) | \$ (14,082) | \$ (12,489) | \$ (3,494) | \$ (3,747) | \$ (3,359) |
| ADJUSTED EBITDA PER SHARE | \$ (0.61) | \$ (0.56) | \$ (0.15) | \$ (0.16) | \$ (0.15) |
| <u>Balance Sheet Information</u> | | | | | |
| Cash | \$ 21,184 | \$ 28,699 | \$ 21,184 | \$ 23,287 | \$ 28,699 |
| Debt | - | - | - | - | - |

Mission Statement

*We collaborate with customers
to improve their products,
through integration of MST,
so that both companies
benefit financially*





atomera

Thank You