

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): October 30, 2019

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))

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 \$.001	ATOM	Nasdaq Capital 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 October 30, 2019, Atomera Incorporated issued a press release announcing its financial results for the three and nine months ended September 30, 2019. 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 October 30, 2019 Atomera Incorporated](#)
- 99.2 [Investor presentation October 30, 2019 Atomera Incorporated](#)

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

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

Date: October 30, 2019



Atomera Provides Third Quarter 2019 Results

LOS GATOS, Calif. Oct. 30, 2019 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 third quarter ended Sept. 30, 2019.

Company Highlights

- Signed integration license agreement with a new customer, a leading RF supplier
- Achieved record quarterly revenue
- Increased total customer engagements to 25 at 19 customers
- Named Duy-Loan Le, 35-year veteran of Texas Instruments, to Board of Directors

Management Commentary

“With record quarterly revenue, and a new license agreement executed with a leading RF provider, Atomera is capitalizing on recent technical advances and continuing to gain traction among the world’s largest semiconductor companies,” said Scott Bibaud, President and CEO. “We continue to grow our engagements with customers across important end markets including analog, RF and FinFET.”

Third Quarter 2019 Financial Results

During the third quarter of 2019, revenue was \$254,000, compared with no revenue in the third quarter of 2018. The Company incurred a net loss of \$(3.1) million, or \$(0.19) per basic and diluted share, in the third quarter of 2019, compared to a net loss of \$(3.4) million, or \$(0.28) per basic and diluted share, for the third quarter of 2018. Adjusted EBITDA (a non-GAAP financial measure) in the third quarter of 2019 was a loss of \$(2.4) million compared to an adjusted EBITDA loss of \$(2.8) million in the third quarter of 2018.

The Company had \$16.8 million in cash and cash equivalents as of Sept. 30, 2019, compared to \$18.9 million as of Dec. 31, 2018.

The total number of shares outstanding was 17.1 million as of Sept. 30, 2019.

Third Quarter 2019 Results Conference Call and Webcast

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

Date: Wednesday, Oct. 30, 2019

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

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

Replay: Available until Nov. 6, 2019; (855) 859-2056 (domestic); +1(404) 537-3406 (international); passcode 9661139.

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, depreciation, amortization and stockbased 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 nonGAAP 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 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, 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 advance the licensing arrangements with our initial three integration licensees, including Asahi Kasei Microdevices and STM Microelectronics, to royalty-based manufacturing and distribution licenses or our ability to add other licensees; (3) 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; (4) our ability to protect our proprietary technology, trade secrets and knowhow and (5) those other risks disclosed in the section "Risk Factors" included in our Prospectus Supplement filed with the SEC on May 30, 2019. 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)

	September 30, 2019 (Unaudited)	December 31, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 16,800	\$ 18,933
Accounts receivable	187	185
Prepaid expenses and other current assets	179	170
Total current assets	17,166	19,288
Property and equipment, net	74	56
Operating lease right-of-use asset	196	—
Security deposit	13	13
Total assets	\$ 17,449	\$ 19,357
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 205	\$ 348
Accrued expenses	266	224
Accrued payroll related expenses	622	984
Current operating lease liability	147	—
Deferred revenue	—	55
Total current liabilities	1,240	1,611
Long term operating lease liability	40	—
Total liabilities	1,280	1,611
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value, authorized 2,500 shares; none issued and outstanding at September 30, 2019 and December 31, 2018	—	—
Common stock, \$0.001 par value, authorized 47,500 shares; 17,074 and 15,034 shares issued and outstanding at September 30, 2019 and December 31, 2018, respectively.	17	15
Additional paid-in capital	148,368	139,693
Accumulated deficit	(132,216)	(121,962)
Total stockholders' equity	16,169	17,746
Total liabilities and stockholders' equity	\$ 17,449	\$ 19,357

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

	Three Months ended September 30,		Nine Months ended September 30,	
	2019	2018	2019	2018
Revenue	\$ 254	\$ –	\$ 395	\$ 96
Cost of revenue	(204)	–	(224)	(113)
Gross margin	50	–	171	(17)
Operating expenses				
Research and development	1,746	1,922	5,930	5,350
General and administrative	1,239	1,324	4,048	3,781
Selling and marketing	240	237	712	695
Total operating expenses	3,225	3,483	10,690	9,826
Loss from operations	(3,175)	(3,483)	(10,519)	(9,843)
Other income				
Interest income	89	48	265	145
Total other income	89	48	265	145
Net loss	\$ (3,086)	\$ (3,435)	\$ (10,254)	\$ (9,698)
Net loss per common share, basic and diluted	\$ (0.19)	\$ (0.28)	\$ (0.66)	\$ (0.80)
Weighted average number of common shares outstanding, basic and diluted	16,567	12,117	15,597	12,079

Atomera Incorporated
Reconciliation to Non- GAAP EBITDA
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Net loss (GAAP)	\$ (3,086)	\$ (3,435)	\$ (10,254)	\$ (9,698)
Add (subtract) the following items:				
Interest income	(89)	(48)	(265)	(145)
Depreciation and amortization	12	8	33	24
Stock-based compensation	798	630	2,280	1,796
Adjusted EBITDA (non-GAAP)	<u>\$ (2,365)</u>	<u>\$ (2,845)</u>	<u>\$ (8,206)</u>	<u>\$ (8,023)</u>

Investor Contact:

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



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 Prospectus Supplement filed with the SEC on May 30, 2019. 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 Prospectus Supplement, 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.

*Transistor enhancement
technology for the
\$450B semiconductor market*

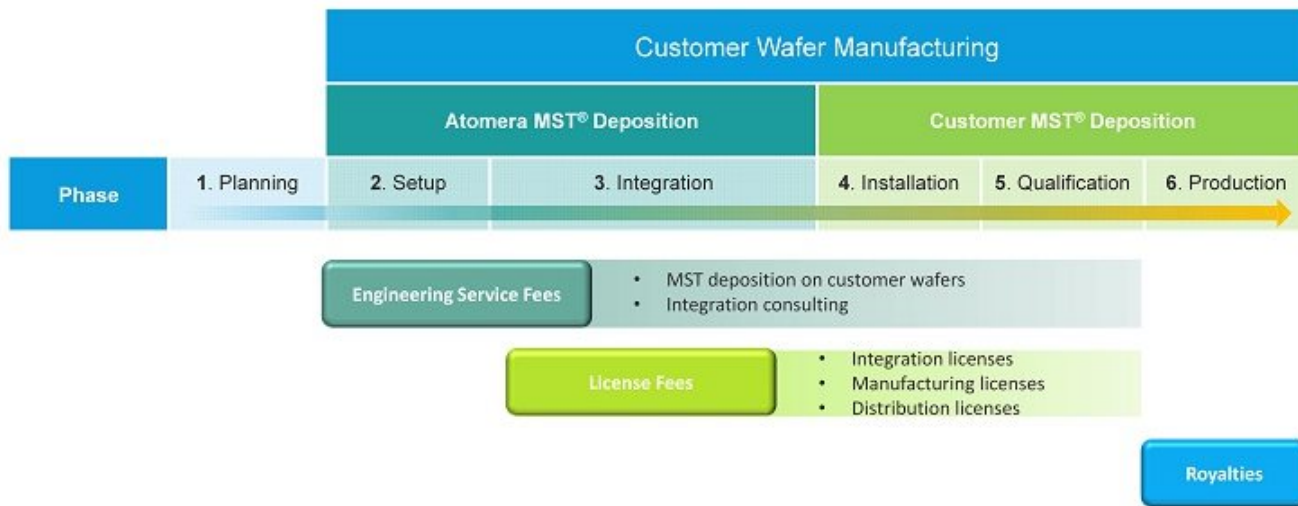
*Strong, Growing and
Defensible
Patent Portfolio*



*Top Tier
Management Team*

*High Leverage IP
Licensing Business Model*

**Mears Silicon
Technology (MST®)**
Quantum Engineered Materials



Number of Customer Engagements



- 19 customers, 25 engagements
- Working with 50% of the world's top semiconductor makers*

* At least 10 of the top 20 (IC Insights, McClean Report 2019)

New integration licensee announced



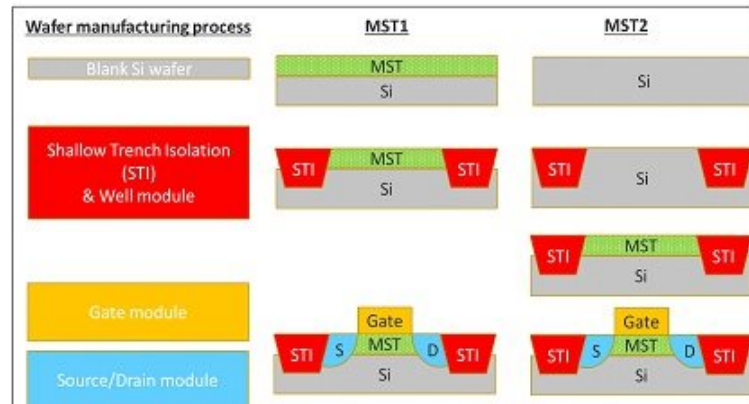
- Large fabless RF semiconductor solutions provider
- MST to be used in development of next generation RF platform
- Integration License grants rights for company to design with MST in RFSOI technology
- Provides enhanced performance for advanced 5G cellular designs
- 5G cellular market provides excellent growth potential
 - 5G phone shipments expected to hit 200M, at 15% penetration next year
 - Should grow to more than 50% in 2023
 - RF content per phone estimated to grow from ~\$13 today to ~\$19 in early 5G phones

• MST1

- Blanket technology
- Easy to integrate
 - Deposited at beginning of mfg process
- Degraded by high heat in STI/Well module
- Faster time to market for low heat processes
- Used for FinFET, RFSOI, newer process nodes

• MST2

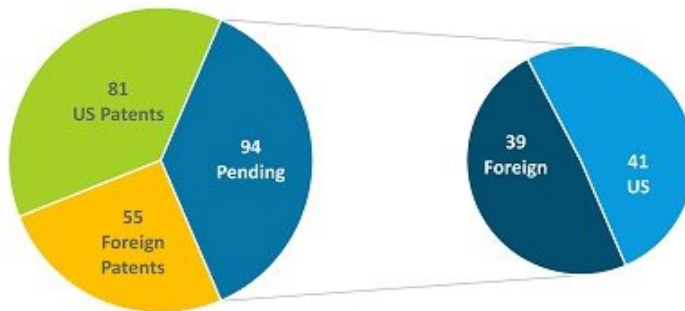
- Selective technology
 - Integrated after STI/Well so avoids highest heat
- More flexible to apply to selected areas only
- Used for 5V, Analog, older process nodes



Patent Portfolio - 25 % growth YoY

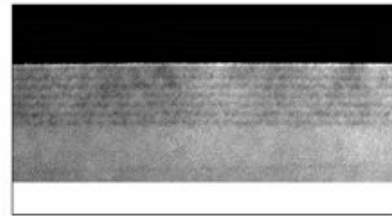


230 Patents Granted and Pending



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

- Duy-Loan Le
- Semiconductor expert
 - 1st and only woman Sr Fellow at TI, retired 2017
 - Very well connected in the industry through her own consulting firm
- Public company board experience
 - National Instruments (Nasdaq:NATI) since 2002
 - Market Cap: \$5.4B
 - CREE (Nasdaq:CREE) since 2018
 - Market Cap : \$4.8B
 - Ballard Power Systems (Nasdaq:BLDP) since 2017
 - Market Cap : \$1.4B

Financial Review



	Q3 '18	Q4 '18	Q1 '19	Q2 '19	Q3 '19
GAAP Results					
Revenue	-	\$0.15M	\$0.07M	\$0.07M	\$0.25M
Gross Profit	-	\$0.12M	\$0.07M	\$0.05M	\$0.05M
Operating Expense					
R&D	\$1.9	\$2.0	\$2.1	\$2.1	\$1.7
G&A	\$1.3	\$1.2	\$1.3	\$1.5	\$1.2
S&M	\$0.2	\$0.3	\$0.2	\$0.2	\$0.2
Total Operating Expense	(\$3.5M)	(\$3.4M)	(\$3.7M)	(\$3.8M)	(\$3.2M)
Net Loss	(\$3.4M)	(\$3.2M)	(\$3.5M)	(\$3.6M)	(\$3.1M)
Loss Per Share	(\$0.28)	(\$0.22)	(\$0.24)	(\$0.24)	(\$0.19)
Reconciliation between GAAP & Non-GAAP					
Net Loss (GAAP)	(\$3.4M)	(\$3.2M)	(\$3.5M)	(\$3.6M)	(\$3.1M)
Stock-Based Compensation	\$0.6M	\$0.6M	\$0.7M	\$0.8M	\$0.8M
Adjusted EBITDA (Non-GAAP)*	(\$2.8M)	(\$2.6M)	(\$2.9M)	(\$2.9M)	(\$2.4M)
Sep 30, 2019 Liquidity	Actual				
Cash	\$16.8M				
Shares Outstanding	17.1M				

* Adjusted EBITDA is a non-GAAP financial measure. A full reconciliation of GAAP and non-GAAP results is contained in our press release. Some figures do not total exactly due to rounding.



Thank You