

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 7, 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 August 7, 2019, Atomera Incorporated issued a press release announcing its financial results for the three and six months ended June 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 August 7, 2019 Atomera Incorporated |
| 99.2 | Investor presentation August 7, 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: August 7, 2019



Atomera Provides Second Quarter 2019 Results

LOS GATOS, Calif. August 7, 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 second quarter ended June 30, 2019.

Company Highlights

- Increased total number of engagements to 24 at 19 customers
- Completed \$6.7 million registered direct offering of common stock
- Continued to recognize license revenue from integration licenses

Management Commentary

“The announcement of multiple technical breakthroughs last quarter has generated great interest in the Atomera’s technology resulting in new customer engagements and license opportunities,” said Scott Bibaud, President and CEO. “We believe the market size represented by these 5V analog, FinFet, and 5G cellular RF devices provides outstanding growth potential for our company.”

Second Quarter 2019 Financial Results

During the second quarter of 2019, revenue was \$70,000, compared with \$96,000 in the second quarter of 2018. The Company incurred a net loss of \$(3.6) million, or (\$0.24) per basic and diluted share, in the second quarter of 2019, compared to a net loss of \$(3.2) million, or (\$0.26) per basic and diluted share, for the second quarter of 2018. Adjusted EBITDA (a non-GAAP financial measure) in the second quarter of 2019 was a loss of \$(2.9) million compared to an adjusted EBITDA loss of \$(2.6) million in the second quarter of 2018.

The Company had \$19.1 million in cash and cash equivalents as of June 30, 2019, compared to \$18.9 million as of December 31, 2018.

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

Second Quarter 2019 Results Conference Call and Webcast

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

Date: Wednesday, Aug 7, 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 Aug. 14, 2019; (855) 859-2056 (domestic); +1(404) 537-3406 (international); passcode 9397428.

Webcast: Accessible at www.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 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.

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 advance the licensing arrangements with our initial integration licensees, 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 know-how 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 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
Condensed Balance Sheets
(in thousands, except per share data)

	June 30, 2019	December 31, 2018
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 19,118	\$ 18,933
Accounts receivable	18	185
Unbilled contracts receivable	33	—
Prepaid expenses and other current assets	304	170
Total current assets	19,473	19,288
Property and equipment, net	86	56
Operating lease right-of-use asset	229	—
Security deposit	13	13
Total assets	\$ 19,801	\$ 19,357
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 211	\$ 348
Accrued expenses	511	224
Accrued payroll related expenses	385	984
Current operating lease liability	143	—
Deferred revenue	16	55
Total current liabilities	1,266	1,611
Long term operating lease liability	78	—
Total liabilities	1,344	1,611
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value, authorized 2,500 shares; none issued and outstanding at June 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 June 30, 2019 and December 31, 2018, respectively.	17	15
Additional paid-in capital	147,570	139,693
Accumulated deficit	(129,130)	(121,962)
Total stockholders' equity	18,457	17,746
Total liabilities and stockholders' equity	\$ 19,801	\$ 19,357

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Revenue	\$ 70	\$ 96	\$ 141	\$ 96
Cost of revenue	(20)	(113)	(20)	(113)
Gross margin	50	(17)	121	(17)
Operating expenses				
Research and development	2,057	1,738	4,184	3,428
General and administrative	1,488	1,254	2,809	2,457
Selling and marketing	225	212	472	458
Total operating expenses	3,770	3,204	7,465	6,343
Loss from operations	(3,720)	(3,221)	(7,344)	(6,360)
Other income				
Interest income	86	50	176	97
Total other income	86	50	176	97
Net loss	<u>\$ (3,634)</u>	<u>\$ (3,171)</u>	<u>\$ (7,168)</u>	<u>\$ (6,263)</u>
Net loss per common share, basic and diluted	<u>\$ (0.24)</u>	<u>\$ (0.26)</u>	<u>\$ (0.47)</u>	<u>\$ (0.52)</u>
Weighted average number of common shares outstanding, basic and diluted	<u>15,423</u>	<u>12,078</u>	<u>15,104</u>	<u>12,060</u>

Atomera Incorporated
Reconciliation to Non- GAAP EBITDA
(Unaudited)
(in thousands)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2019	2018	2019	2018
Net loss (GAAP)	\$ (3,634)	\$ (3,171)	\$ (7,168)	\$ (6,263)
Add (subtract) the following items:				
Interest income	(86)	(50)	(176)	(97)
Depreciation and amortization	11	8	21	16
Stock-based compensation	788	621	1,482	1,166
Adjusted EBITDA (non-GAAP)	<u>\$ (2,921)</u>	<u>\$ (2,592)</u>	<u>\$ (5,841)</u>	<u>\$ (5,178)</u>

Investor Contact:

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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*

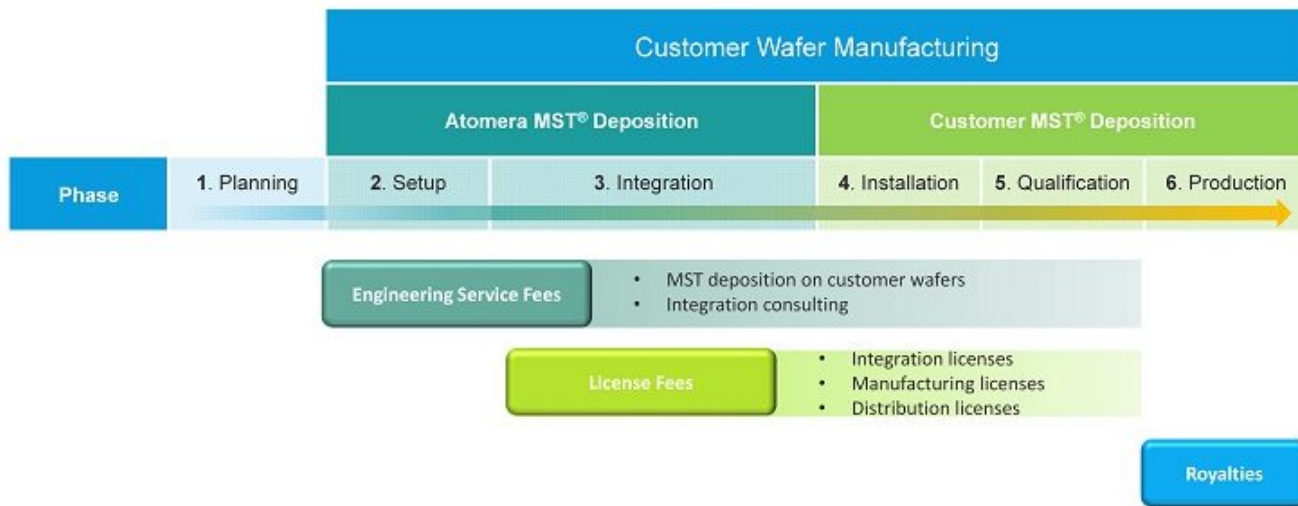


*Top Tier
Management Team*

*High Leverage IP
Licensing Business Model*

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

Customer engagement model



Number of Customer Engagements



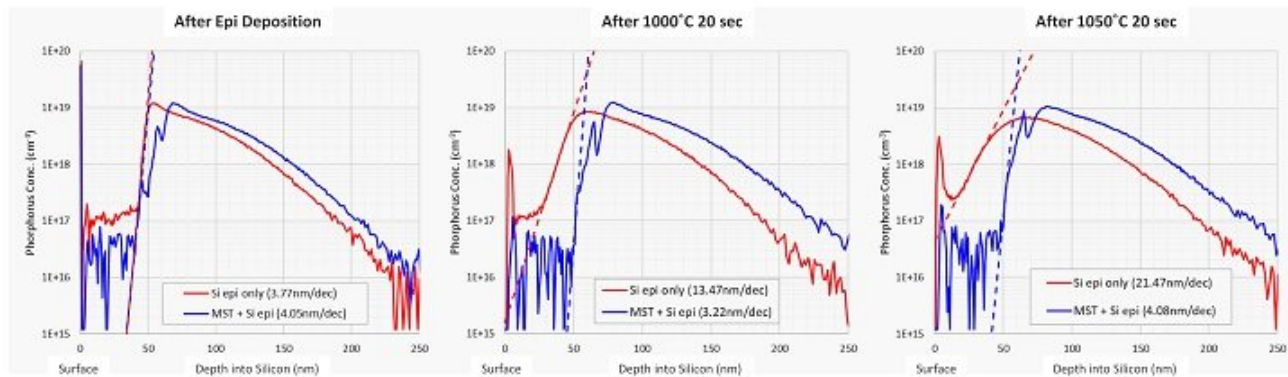
- 19 customers, 24 engagements
- Working with 50% of the world's top semiconductor makers*

Three technical breakthroughs



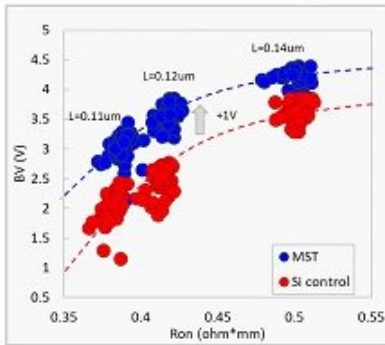
- MST-SP provides up to 50% performance gains for 5V Analog
- Enhancements for FinFET devices
- RF SOI improvements applicable to the 5G cellular space

Phosphorus diffusion blocking by MST

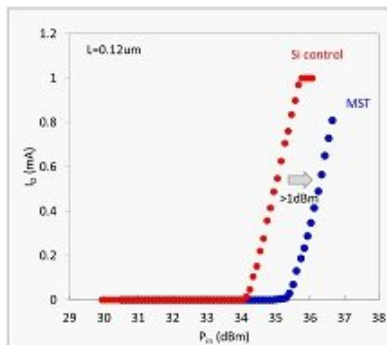


- MST minimizes up-diffusion of Phosphorus through typical manufacturing thermal cycles
 - Ideally dopant concentration will stay very low near the surface
 - Steeper slope (in nm/dec) is more effective at blocking
- MST shows 4-5x better diffusion blocking over Baseline (Si epi only)
 - A very compelling result for use in FinFET devices

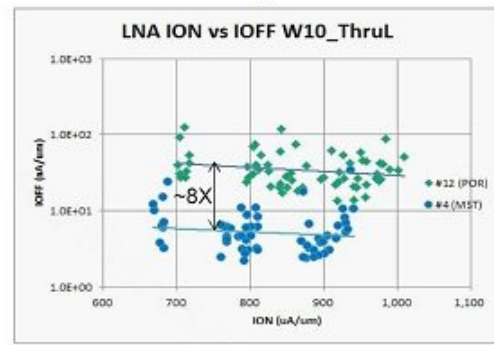
Breakdown Voltage vs R_{on}



RF Switch Power Handling



LNA Ioff improvement



- MST improves BV vs R_{on}
 - Up to 50% BV increase at same R_{on}
 - 15-20% R_{on} improvement at same BV
- MST improves RF switch power handling
 - Greater than 25%
 - Provides greater design flexibility
- MST improves LNA performance
 - 8 x better Ioff
 - Reduce power consumption extending battery life

	Q2 '18	Q3 '18	Q4 '18	Q1 '19	Q2 '19
GAAP Results					
Revenue	\$0.1M	-	\$0.15M	\$0.07M	\$0.07M
Gross Profit	(\$0.02M)	-	\$0.12M	\$0.07M	\$0.05M
Operating Expense	(\$3.2M)	(\$3.5M)	(\$3.4M)	(\$3.7M)	(\$3.8M)
Net Loss	(\$3.2M)	(\$3.4M)	(\$3.2M)	(\$3.5M)	(\$3.6M)
Loss Per Share	(\$0.26)	(\$0.28)	(\$0.22)	(\$0.24)	(\$0.24)
Reconciliation between GAAP & Non-GAAP					
Net Loss (GAAP)	(\$3.2M)	(\$3.4M)	(\$3.2M)	(\$3.5M)	(\$3.6M)
Stock-Based Compensation	\$0.6M	\$0.6M	\$0.6M	\$0.7M	\$0.8M
Adjusted EBITDA (Non-GAAP)*	(\$2.6M)	(\$2.8M)	(\$2.6M)	(\$2.9M)	(\$2.9M)
July 31, 2019 Liquidity	Actual				
Cash	\$18.5M				
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