

Investor Presentation
16 September 2020



IMPORTANT INFORMATION (I)

About this Presentation

CrayoNano AS (the "Company") has prepared this Presentation together with its enclosures and appendices (collectively, the "Presentation") to provide introductory information solely for use in connection with the contemplated private placement of ordinary shares in the Company (the "Transaction"). The opportunity to participate in the Transaction is expected to be distributed to selected potential investors during July 2020. We have retained Pareto Securities AS (the "Manager") as manager of the Transaction.

This Presentation is for information purposes only and does not in itself constitute any offer to sell or a solicitation of an offer to participate in the Transaction, or to buy any financial instruments, shares or other securities in the Company, and should not be construed as an offer or invitation for the sale or issuance of, or a solicitation of an offer to buy or subscribe for, any financial instruments, shares or other securities in any jurisdiction, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any offer, contract, commitment or investment decision relating thereto, nor does it constitute a recommendation regarding the financial instruments/securities of the Company. This Presentation has not been approved or reviewed by, or registered with, any public authority or stock exchange. This Presentation is not a prospectus and does not contain the same level of information or disclosure as a prospectus or similar documents.

Accuracy of information and limitation of liability

Any decision to participate in the Transaction, or invest in financial instruments, shares or other securities in the Company must only be made after careful consideration and not in reliance solely on the introductory information provided herein which is not and does not purport to be complete. Any application to participate in the Transaction or otherwise invest in financial instruments such as shares in the Company will be subject to a term sheet setting out the terms and conditions for such investment, an application form to which any participation in the Transaction or other investment in the Company's shares will be subject and a shareholders' agreement to be adhered to or entered into. By reviewing this Presentation, you acknowledge that you will be solely responsible for your own assessment of the Transaction and valuation and the market position of the Company, and of its assets, rights and liabilities, and that you will conduct your own due diligence and analysis and be solely responsible for forming your own view of the Transaction, the value of the Company and its shares, and of the Company's potential future performance. Please do not hesitate to ask us any questions which would be relevant for your consideration.

We have assimilated the information contained herein from various sources and, unless stated, the information is a result of our own activities. We have taken reasonable care to ensure that, to the best of our knowledge as of the date set out on the cover, the information contained herein is in all material respects in accordance with the facts and contains no omission likely to have a material adverse effect on the evaluation of the Transaction, the Company and of its assets, rights and liabilities.

Please note that we make no assurance that the assumptions underlying forward-looking statements are free from errors. Readers should not place reliance on forward-looking information, which will depend on numerous factors, and any reader must make an independent assessment of such projections. The forward-looking statements contained in this Presentation, including assumptions, opinions and views of the Company or cited from third party sources are solely opinions and forecasts which are subject to risks, uncertainties and other factors that may cause actual events to differ materially from any anticipated development.

If we at any time prior to the pricing and application to participate in the Transaction or otherwise for shares in the Company become aware that an event has occurred which we reasonably expect would have a material adverse effect on the assessment of the Transaction, the Company's shares, or as a result of which this Presentation would be untrue, misleading or incomplete in a material way, we will promptly notify this in sufficient detail, through the Manager, to the persons who have received this Presentation directly from the Manager or the Company. This Presentation speaks as at the date set out on the cover and, save for circumstances described above in this paragraph, the Company assumes no liability to update this Presentation and neither the delivery of this Presentation nor any further discussions by the Company or the Manager with any of the recipients shall create any implication that there has been no change in the affairs of the Company since such date. No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information contained herein. Neither the Manager, its parent or subsidiary undertakings, affiliates or advisors, or any such person's directors, partners, officers, employees, advisors or representatives, accept any liability whatsoever arising directly or indirectly from the use of this Presentation. To the extent the recipient of this Presentation participates in the Transaction, or an investment in the Company's shares otherwise is made, such participation/investment will be made strictly subject to this limitation of liability.

IMPORTANT INFORMATION (II)

The summary of the limited legal review included in the appendix of this Presentation is not, and should not be relied upon as, a legal opinion in relation to any matter referred to in it. The summary has been prepared by Wiersholm on behalf of the Company in accordance with a pre-determined scope for a limited review, and should not be treated as a substitute for specific legal advice concerning specific situations or concerns. The summary does not necessarily address all legal issues which might be relevant in connection with the potential investment. Investors should make their own independent assessment of the Company and the significance of the matters described above. In addition, the summary should not be relied upon as a substitute for warranties, indemnities and other contractual protections commensurate with the nature of the Transaction. Wiersholm may not be held liable for indirect loss and any liability is capped to NOK 50 million, and is subject to further limitations in the engagement letter.

Selling restrictions

This Presentation does not constitute, and should not be construed as, an offer to sell or the solicitation of an offer to participate in, or buy, any securities of the Company in the United States. The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold within the United States, absent registration under the Securities Act or under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, any offer or sale of Shares will only be offered or sold (i) within the United States or to U.S. Persons, only to qualified institutional buyers ("QIBs") in offering transactions not involving a public offering and (ii) outside the United States in offshore transactions in accordance with Regulation S. Any purchaser of Shares in the United States, or to or for the account of U.S. Persons, will be deemed to have been made certain representations and acknowledgements, including without limitation that the purchaser is a QIB.

Neither the Company nor the Manager have authorised any offer to the public of securities, or has undertaken or plans to undertake any action to make an offer of securities to the public requiring the publication of an offering prospectus, in any member state of the European Economic Area. The Presentation is only addressed to and directed at persons in member states of the European Economic Area who are "qualified investors" within the meaning of Article 2(1)(E) of the Prospectus Directive (Directive 2003/71/EC, as amended by Directive 2010/73/EU to the extent implemented in the relevant member state) ("Qualified Investors"). In addition, in the United Kingdom, this presentation is being distributed only to, and is directed only at, persons: (i) having professional experience in matters relating to investments so as to qualify them as "investment professionals" under Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); (ii) falling within Article 49(2)(a) to (d) of the Order; and (iii) to whom it may otherwise lawfully be communicated.

Changes and governing law

Unless otherwise stated, the information contained in this Presentation is provided as of 8 June 2020 and is subject to change without notice. None of the Company, the Manager or any of their respective advisers or representatives undertakes any obligation to update the information provided in the financial information or any other information in the Presentation, to provide the recipient with any additional information, or to correct any inaccuracies that may become apparent in any information provided. This notwithstanding, if at any time prior to the pricing of the Transaction an event occurs which we, based on our knowledge, reasonably expect would affect the assessment of the Shares, or as a result of which this Presentation would be misleading, include any untrue statement of any material fact or omit to state any material fact necessary to make the statements therein, we will promptly notify in sufficient detail, through the Manager, the potential applicants of the Shares.

This Presentation is governed by Norwegian law. Any dispute arising in respect of this Presentation is subject to the exclusive jurisdiction of the courts of Norway with Oslo District Court as exclusive venue.

RISK FACTORS (I)

An investment in the Company involves inherent risks. Before making an investment decision, investors should carefully consider the risk factors and all information contained in this Presentation, in addition to financial statements and related notes. The risks and uncertainties described in this section of this Presentation is not intended to be exhaustive, but only intended to highlight the principal known risks and uncertainties faced by the Company as at the date hereof, and that the Company believes are relevant for the Transaction.

An investment in the Company is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of their investment. The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties described are not a genuine potential threat to an investment in the Company. If any of the following risks were to materialise, individually or together with other circumstances, they could have a material adverse effect on the Company and its business, results of operations, cash flow, financial condition or prospects, which may cause the value of the shares to deteriorate, resulting in the loss of all or part of an investment in the same. The order in which the risks are presented does not reflect the likelihood of their occurrence or the magnitude of their potential impact. The risks mentioned may materialise individually or collectively. The information in this section is based on facts and circumstances as at the date of this Presentation.

Risks related to the Company's industry and business

Industry

The Company operates in a competitive and technologically challenging market, which has seen an increase in competitiveness in recent years. Only companies with sufficient funding, skilled employees, strong technical knowledge, and a clear business strategy are expected to survive and expand in the current market. The market situation may change rapidly due to the development of new technology, and there is risk that competitors are able to adapt faster than the Company.

The Company is vulnerable to risks that are inherent in international business operations, including general economic conditions in multiple countries. While the COVID-19 situation emphasize the need for effective and sustainable disinfection solutions, it is still uncertain to which extent the Company will be impacted by the COVID-19 situation in the short, medium or long term.

Dependence on key employees, personnel and partners

The Company relies heavily on skilled key employees, consultants, and NTNU as a partner, to continue development of its technology. The Company has from time to time experienced a lack of sufficient resources. Although the Company is contemplating to hire additional resources, an inability to retain and attract skilled employees could have a material adverse impact on the Company's operations, earnings and financial position. In particular, a lack of sufficient recruitment, or losing existing key employees, may cause delays and significantly increased costs in relation to the commercialization of the Company's products.

Customer risk

The Company does not have formal commercial agreements with customers. Although several customers have indicated an interest in participating in the development of its products, there is generally no agreement in place with customers which contain future minimum purchase obligations, or otherwise provides reassurance that the Company will have regular customers in the future. There is also the risk of a lack of demand for the product, particularly if the Company fails to deliver on its targeted performance and cost metrics. Further, large volume sales depend on customers successfully integrating CN tech/products into their own products and applications. As the product is not yet produced at scale, there are uncertainties relating to future production, yields and general cost achievements.

Dependence on certain raw materials and suppliers

The Company is dependent on certain raw materials, in particular graphene, that needs to be of a high quality, and in which only a limited number of suppliers are able to produce and deliver. The Company is also dependent on certain third party services, such as the transportation of certain products, and washing of equipment. Any price fluctuations, disruptions, capacity constraints, or quality issues, relating to the suppliers, may adversely affect the Company's ability to meet its commitments towards potential customers. There is also the risk related to scaling of the production, including uncertainties relating to the price of graphene.

RISK FACTORS (II)

Inherent technical and product development risks

The business of the Company contains some inherent technical risks, including risks related to nucleation and radial growth control, delamination, crystal quality, degradation of graphene, and wafer scaling. Although the Company is aware of these risks, and have introduced certain risk mitigations, if such risks materialise they may have a significant adverse impact on the Company's operations, earnings and financial position. There is also a risk related to packaging and assembly of the product, which will require substantial testing when approaching the production phase.

Although the Company's technology is proven in many aspects, the Company is on a continuous basis developing its technology and it is expected that further development is necessary for the a successful commercialization of the Company's product.

Risks relating to the liquidity of the shares and limitations on transfers of shares

The Company's shares are currently not listed on any stock exchange or other market place, and there is no liquid trading market for the shares. There can be no assurance that any liquid trading market will develop. Furthermore, transfer of the shares are subject to approval by the Board of Directors. Any approval are subject to that the buyer enters into the at all times applicable shareholders agreement of the Company. As a result, shareholders may not be able to sell their shares or, if they should be able to sell the shares, may not be able to obtain a satisfactory price for the shares.

While the Company will consider carrying out an initial public offering of the shares, there can be no assurances that any such transaction will be carried out. A successful listing will depend on a number factors, many of which are outside the Company's control. Even with a listing, liquidity in the shares may be limited.

Risks related to laws and regulations

The Company's operations and business strategy are heavily tied to its technology. Although the Company is generally not dependent on regulatory approval or licenses for its business at the current stage, there is no guarantee that this will be the case in the future. There is also the risk of international export regulations inhibiting the Company's ability to export products, or certain components. Further, no assurances can be made that the Company's measures for preserving the secrecy of its trade secrets and confidential information are sufficient to prevent others from obtaining that information, nor that the Company will have adequate remedies to fully compensate for loss occurred if its employees, contractor, partners or other third parties breach their agreements with the Company. The Company's competitors or other persons may already have obtained, or may in the future obtain, patents or other intellectual property relating to one or more aspect of the Company's technology or products. If the Company is sued for patent infringement or infringement of other intellectual property rights, it may be forced to incur substantial costs in defending itself.

Risks related to financing and market risk

The Company may not be able to obtain sufficient funding

Although the Company has had recent success in obtaining financing through convertible loans and credit arrangements, the Company is dependent on additional funding over time to deliver on its business plan. Further, the Company has applied certain assumptions in determining its future funding requirements and sources of capital, and such assumptions may turn out to be incorrect. There is a risk that such further financing may not be available or sufficient. Any failure to obtain any further required funding could materially and adversely affect the Company's business, results of operations and financial condition or prospects and the Company's ability to make payments could be impaired, and further, failure to obtain such financing could result in the delay or indefinite postponement of exploration, development or production on any or all of the Company's projects. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favorable.

Liquidity risk and insolvency

Liquidity risk encompasses the risk that the Company may not be able to meet its financial obligations as they fall due. Insolvency risk is the risk that as a consequence of not being able to meet its financial obligations as they fall due, the Company may be placed into insolvency. There is no guarantee that the Company will in the future have sufficient amounts available to meet claims of creditors. The proceeds which could be raised from a sale of the Company's assets or business in an insolvency situation may be considerably less than the current value of such assets and business. There can be no assurance that the Company's assets would be protected from any actions by its creditors, whether under insolvency law, by agreements or otherwise.

Fluctuations in currency exchange rates

As the Company operates in, and generates revenue from and have expenses (such as through import of raw material and other production material) from other jurisdictions than Norway, the Company is exposed to fluctuation in foreign exchange rates. Further, the Company's reporting currency is NOK, and all revenue and expenses generated in other currencies than NOK are converted to NOK.

TRANSACTION SUMMARY

Offering details

- **Offering structure:** Private Placement of new shares and secondary sale of existing shares
- **Total offering:** 93,750 - 125,000 Offer Shares which is equivalent to NOK 75 - 100 million
 - **Primary offering:** 79,919 – 111,169 new shares which will raise gross proceeds of approx. NOK 64 - 89 million
 - **Secondary offering:** 13,831 existing shares from Firda AS which is equivalent to approx. NOK 11 million
- **Offer price:** NOK 800 per share
- **Outstanding shares:** 346,730 shares pre-issue
- **Subscription rights outstanding:** 75,639 subscription rights with a volume weighted average strike price of NOK 529
- **Convertible loans:** The Company has issued convertible loans of NOK 11 million with maturity 17 September 2021 and (PIK) interest rate of 10% per annum. The principle amount (incl. accrued PIK interest) is convertible into shares at a price of NOK 800 per share at any time until and including the maturity date. Assuming conversion at maturity, the loans will be converted to 15,526 shares
- **Fully diluted equity value:** Approx. NOK 310m
- **Listing:** NOTC listing in connection with private placement and Merkur Market listing targeted second half of 2021
- **Use of proceeds:** Finance the company's commercialization plan and for general corporate purposes

Timing and Key Conditions

- **Subscription period:** From 16 September 2020 to 21 September 2020 (may be closed earlier or extended at the discretion of the Company)
- **Documentation:** Investor Presentation, Application Agreement and Term Sheet, all dated 16 September 2020
- **Allocation:** Allocation will be made at the sole discretion of the Company, based on criteria such as (but not limited to) existing ownership, sector knowledge, perceived investor quality, timeliness of application and investment horizon
- **Minimum subscription:** The minimum subscription and allocation amount in the Private Placement will be the NOK equivalent of EUR 100,000
 - The Company may offer and allocate an amount below the figure above to the extent exemptions from prospectus requirements, in accordance with applicable regulations, including the Norwegian Securities Trading Act and ancillary regulations, are available
- **Managers:** Pareto Securities AS and SpareBank 1 Markets AS

KEY INVESTMENT MESSAGE

CrayoNano addressing increasing demand and awareness for environmentally friendly disinfection solutions

UVC LED is the technology that is used for contactless disinfection of air, water and surfaces

Several limitations of today's solutions, both with regard to toxicity, efficiency and costs

CrayoNano in the engineering phase of introducing breakthrough LED chips, based on unique proprietary technology

Already in advanced discussions with customers, targeting commercial sales next year and EBITDA of NOK 130 million in three years

It's all about

1) to replace the existing market

...and

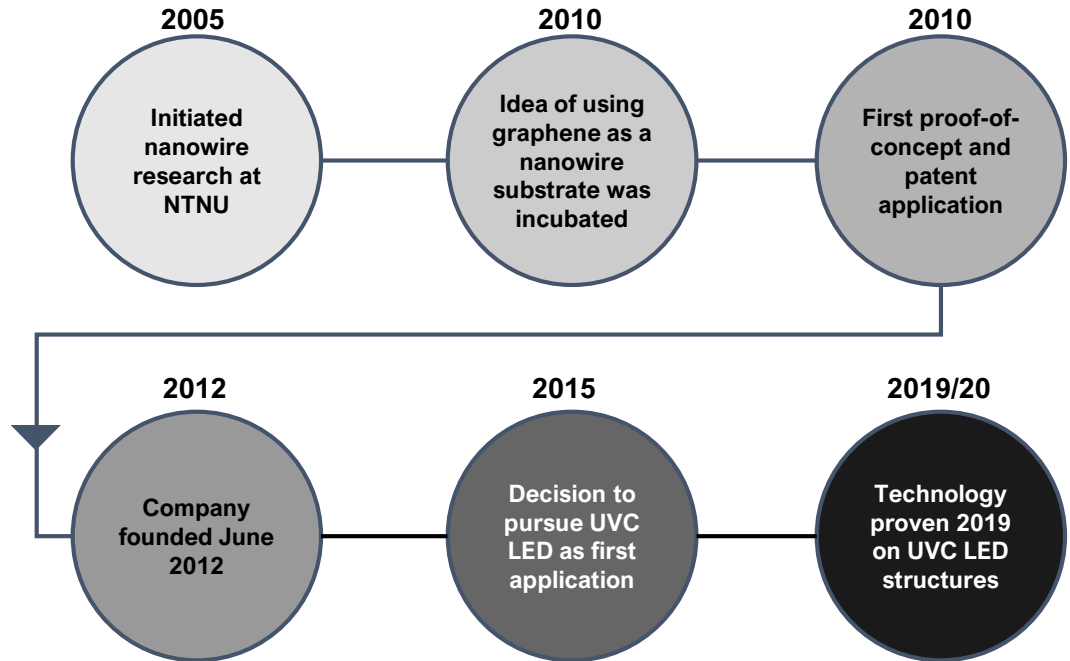
2) to create a USD 1Bn market within the next four years



BUILDING ON STRONG SEMICONDUCTOR CLUSTER IN TRONDHEIM

~NOK 170m invested in CrayoNano
(of which about half in grants)

~NOK 250m invested by NTNU in nanotechnology in general*



CONTENT

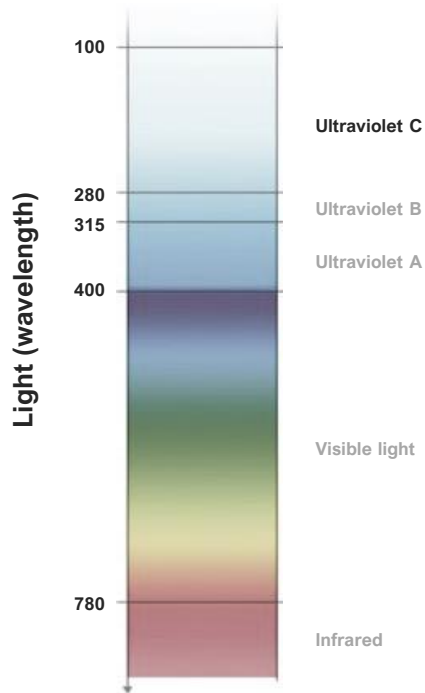


Investment case

Business plan & financials

Appendix

UVC LIGHT KILLS VIRUSES AND BACTERIA



Disinfection and purification using UVC light



**Water
disinfection**



Air disinfection



**Surface
disinfection**

- UVC light is capable of inactivating microorganisms, such as bacteria and viruses
- Functions by destroying nucleic acids and disrupting DNA
- Destroys 99.9% of viruses and bacteria
- Applicable for disinfection purposes for water, air and surfaces

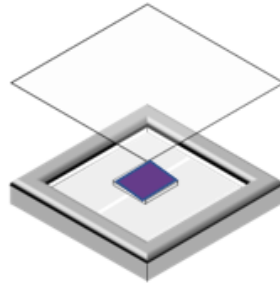
TECHNOLOGY BREAKTHROUGH: NANOWIRES ON GRAPHENE

UVC LED Packaged Chips

Enabling high efficiency / low cost

Graphene

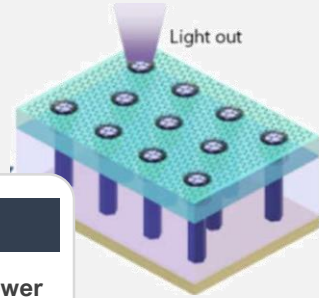
UVC Transparent
100x Silicon Conductivity
20x Steel Strength
Flexible
Durable



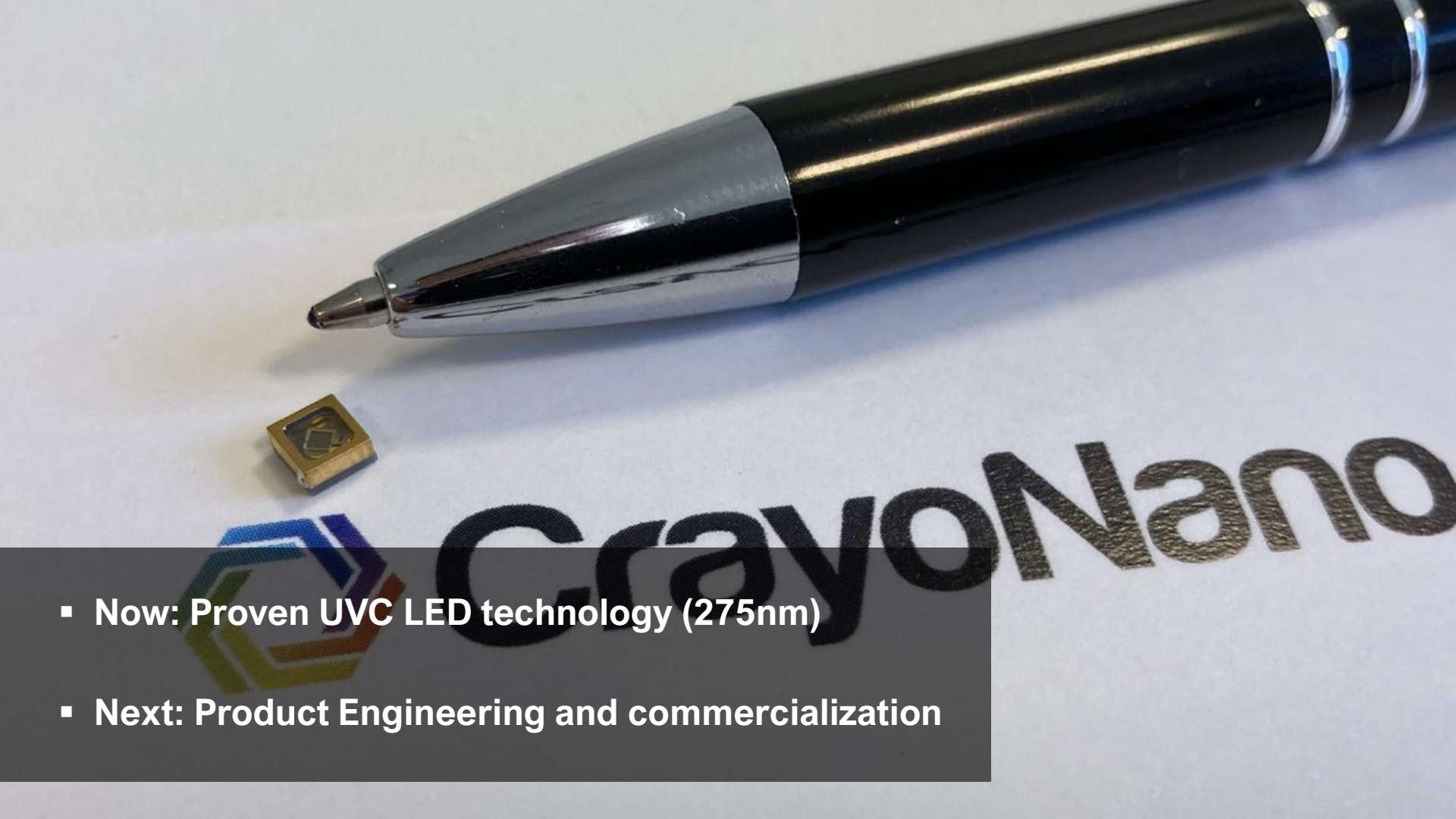
 CrayoNano

Nanowires

Superior UVC optical power
High quality crystals
Resilient to strain
Scalable

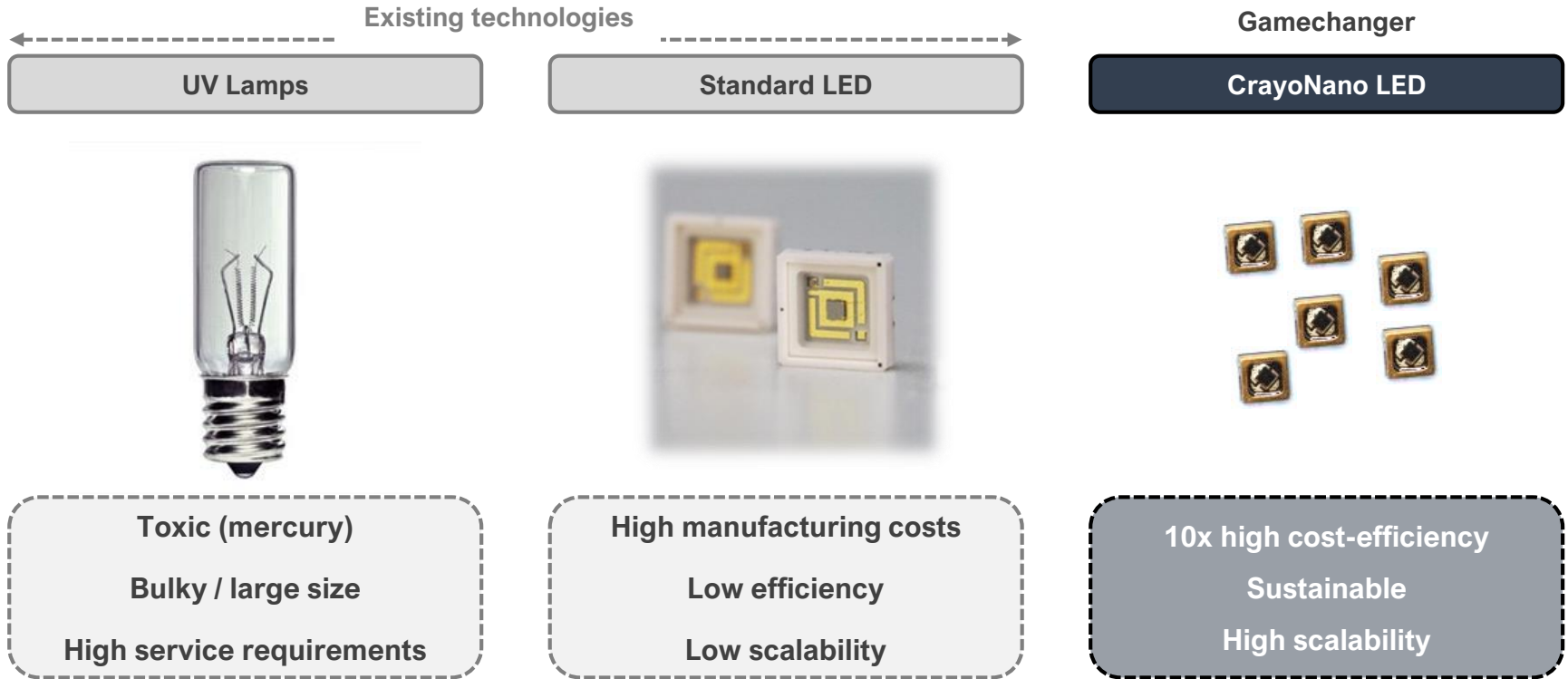


x10 cost-efficiency to existing products in the market



- Now: Proven UVC LED technology (275nm)
- Next: Product Engineering and commercialization

DISRUPTING THE UVC INDUSTRY WHERE EXISTING TECHNOLOGIES LACK PROMISE



ESG PROFILE: SUSTAINABLE DISINFECTION SOLUTIONS

UVC to save lives

Clean air, water, and food are necessities challenged by a growing global population and resources. UVC LED can be part of a sustainable solution, enabling portable and effective disinfection and purification



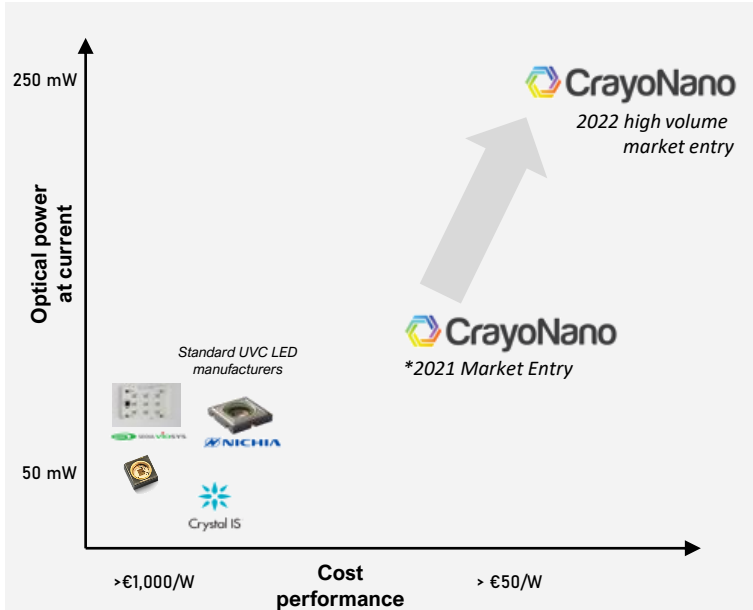
Reducing CO₂ emissions

UVC LEDs have the potential to be significantly more efficient than alternatives disinfection methods and paves the way for eco-friendly products and solutions that reduces CO₂ footprint

Toxic free

UVC LEDs are free of mercury and toxic gases associated with UV lamps. Potential to replace harmful non-UV alternatives such as cleaning with ozone, chlorine and other chemicals

THE CRAYONANO ADVANTAGE – MARKET DISRUPTION



CrayoNano Market Disruption

- Patented nanowire and graphene technology
- x10 cost-performance
- Scalable Manufacturing
- “Fab-light” utilize existing semiconductor manufacturing

Competing technology struggles – thin-film LED

- Technology limitation to scale performance
- Limits opening up mass-markets due to lack of cost-efficiency

Source: Yole Développement, 2019

PROVEN TEAM WITH DEEP EXPERIENCE

Jo Uthus
CEO



20+ years in intl. leadership roles in \$1Bn+ public semiconductor & software companies



Michael Peil
SVP Business Dev.



15+ years intl. management in UV LED start up, development, marketing and sales in UV industry



Ida Marie Høiaas
CTO



5+ years of experience in nanoelectronics R&D



Helge Weman
CSO



30+ years research in semiconductors. Founder of CrayoNano



Sveinung Ryen
COO¹



15+ years industrial engineering and operations mgmt. electronics products



Bård Skogstad
CFO²



25 years of experience as CFO in tech.companies (Signicat, Resman)



HIGHLY EXPERIENCED BOARD

Board of Directors



Rune Rinnan (Chairman)

- Managing Partner at Televenture Management
- **>30 years in international tech business**



Bill Cortelyou

- President & CEO at Phoseon Tech.
- **>30 years in executive mgmt. of semiconductor businesses, including Phoseon and IDT**



Jan Eyvin Wang

- SVP Wilh. Wilhelmsen Holding ASA
- **>30 years in international logistics business with 20 years in executive positions in Asia and US**



John Raaum

- Head of Technology & Development at SAP Norway
- **>20 years in key positions at int. tech companies**



Torkjell Nilsen

- Partner at FIRST Fondene AS
- **>25 years in the financial industry and private equity**

"Don't worry about the \$1bn USD market, it's there, just focus on getting the product out"
- Oliver Lawal -

Commercial Advisory Board



Harald Maiweg

- Managing Director, Acuva Technologies Europe
- **>30 years in executive mgmt. of LED businesses, including Nikkiso and Heraeus**



Oliver Lawal

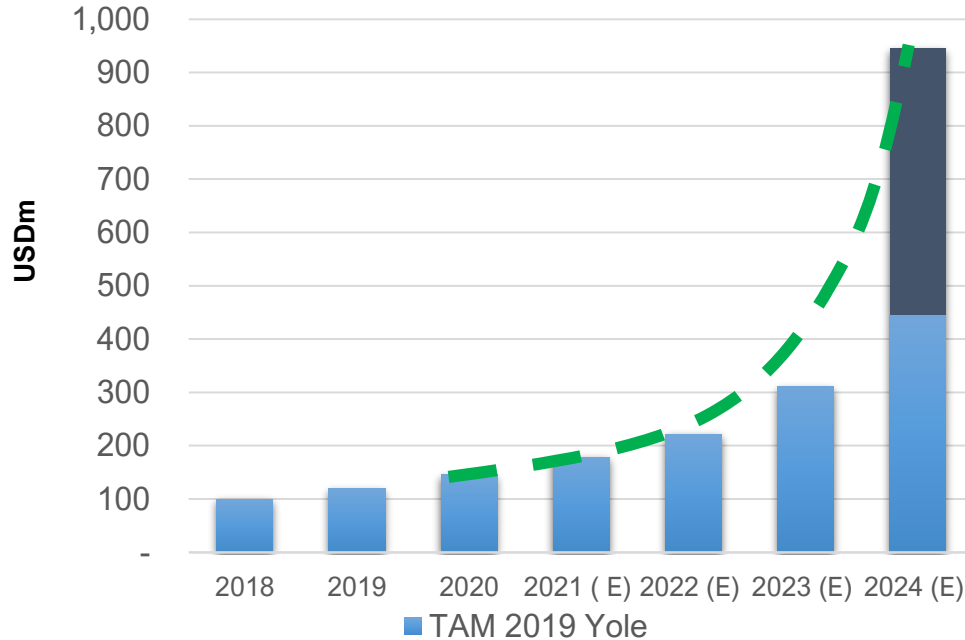
- President & CEO of AquiSense Technologies
- **>20 years in executive mgmt. of water treatment businesses, including Aquionics and Wedeco**



David Harbourne

- Self-employed consultant
- **>30 years in executive mgmt. of UV system business, including Heraeus and Fusion UV Systems**

UVC LED COMPONENT MARKET EXPLODES - \$1BN USD 2024



- **30%+ CAGR 2019-2024**

- **LED Magazine : TAM x3**

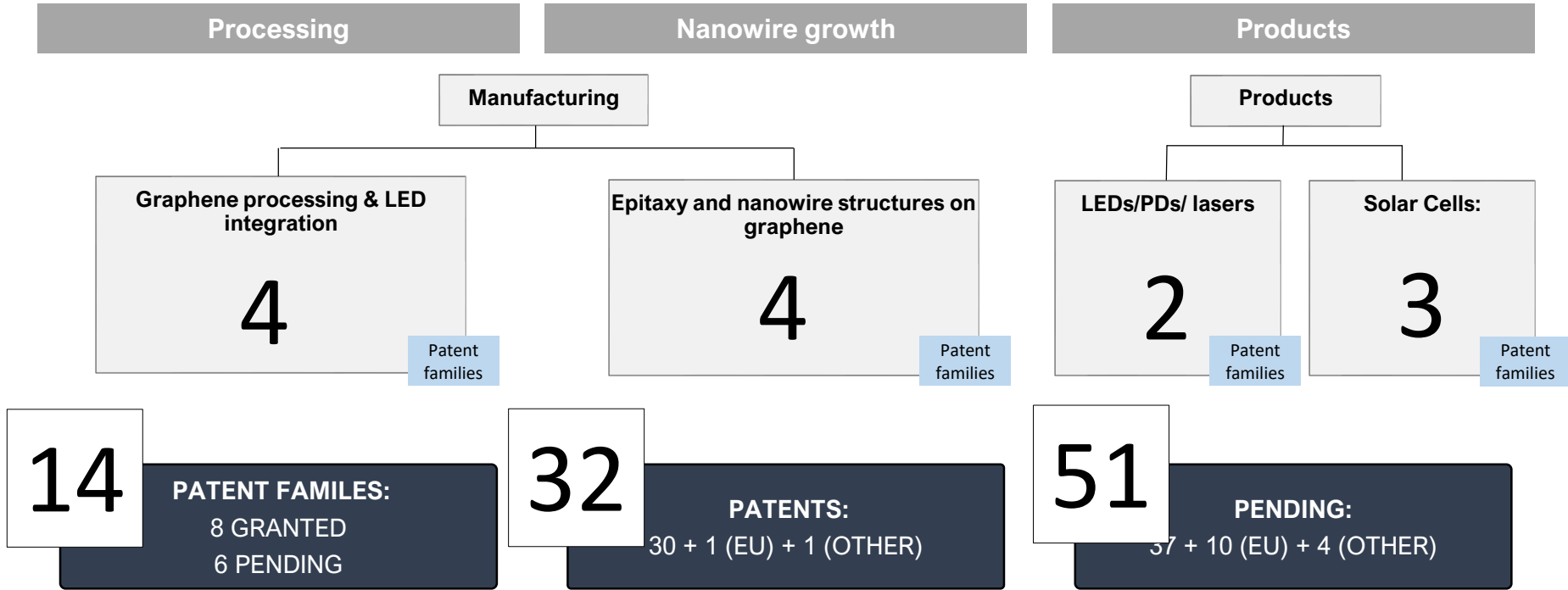
- Contactless disinfection
- Awareness by covid-19
- Driven by lower cost

- **CrayoNano**

- Existing market adoption
- New application enabler
- High cost/performance

Source; Yole Development 2019 + LED Magazine Aug 2020

CRAYONANO IP PROTECTED BY 14 PATENT FAMILIES



1) Patents currently under exclusive license with NTNU. Purchase option agreement in place specifying purchase price per patent. Assumed purchase of selected patents in 2023 or earlier, depending on strategy/benefits

ENABLING NEW APPLICATIONS

Current significant UVC applications (examples)



Water treatment



**Drinking water
disinfection (lamps)**



**Food packaging
disinfection**



**Air purification
systems**



**Laboratories and
hospital disinfection**



**Aquarium
sterilizers**

New UVC LED applications (examples)



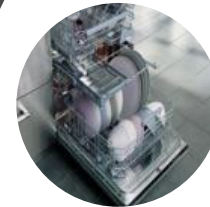
**Public
transportation**



**Water Dispensers,
Fountains and Faucets**



**Food processing
sterilization**



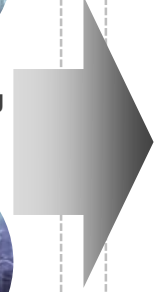
**UV enhanced
cleaning**



**Cleaning drones
and robots**



**Healthcare /
medical**



CONTENT

Investment case



Business plan & financials

Appendix

KEY ACHIEVEMENTS SINCE LAST RAISE



May'17:
50 MNOK
*

Feb'18:
R&D
Production
line in HQ

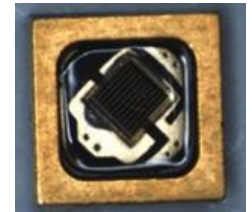
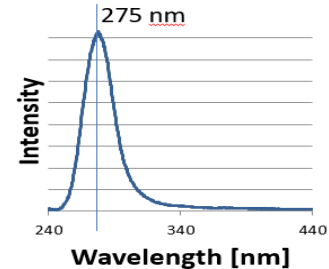
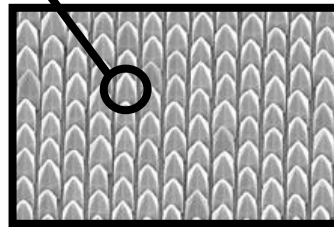
Aug'18:
First UVA
samles

Q2'19:
First UVB
and UVC
samples

April'20:
Target
wavelength
of <275 nm
achieved!

July'20:
Supply
chain
partners
onboarded
=> First
samples!

Individual nano-LED-columns



*post-money evaluation: 224M NOK (excl. warrants)

KEY MILESTONES NEXT 12-18 MONTHS

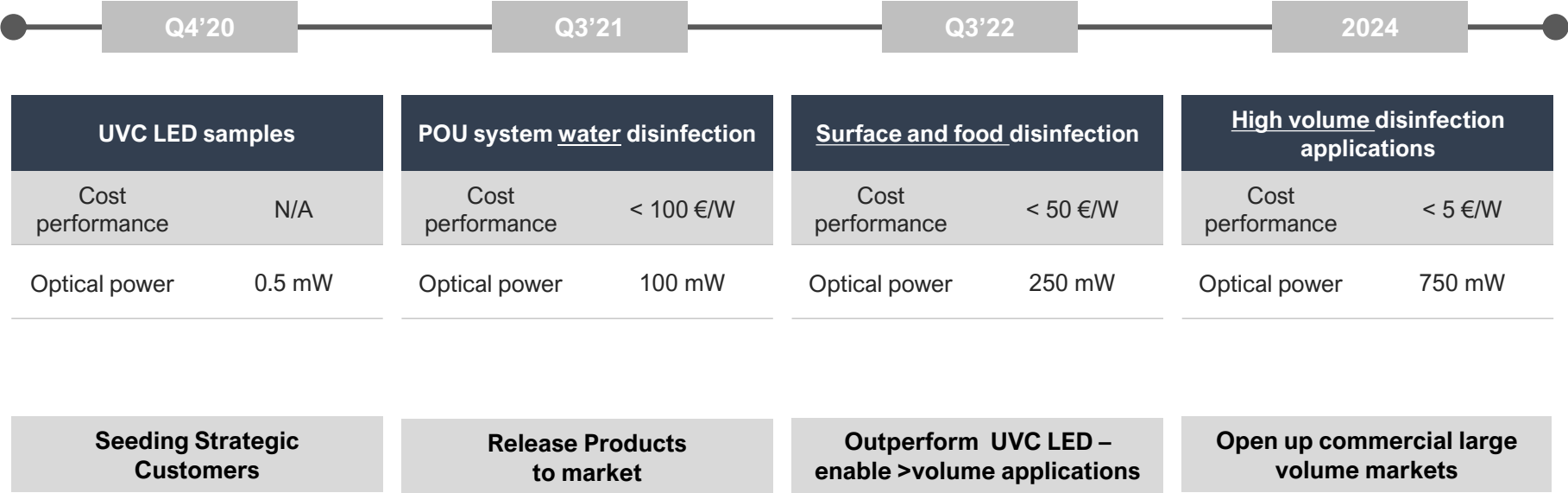
Near-term Newsflow

- Dec '20 –UVC LED product demonstrator available to handful strategic customers
- Apr '21 – UVC LED Customer Qualification Samples available for design-in
- July '21 – UVC LED Product release to production – volume product delivery
- Aug-Dec '21 – Secure customer design-wins

Key Initiatives

- Supply chain development
- Release Product to Manufacturing
- Design-wins with key strategic customers
- Commercial market roll-out H2'2021

CHIP TECHNOLOGY PRODUCT ROADMAP



STRONG INTEREST FROM PARTNERS AND CUSTOMERS

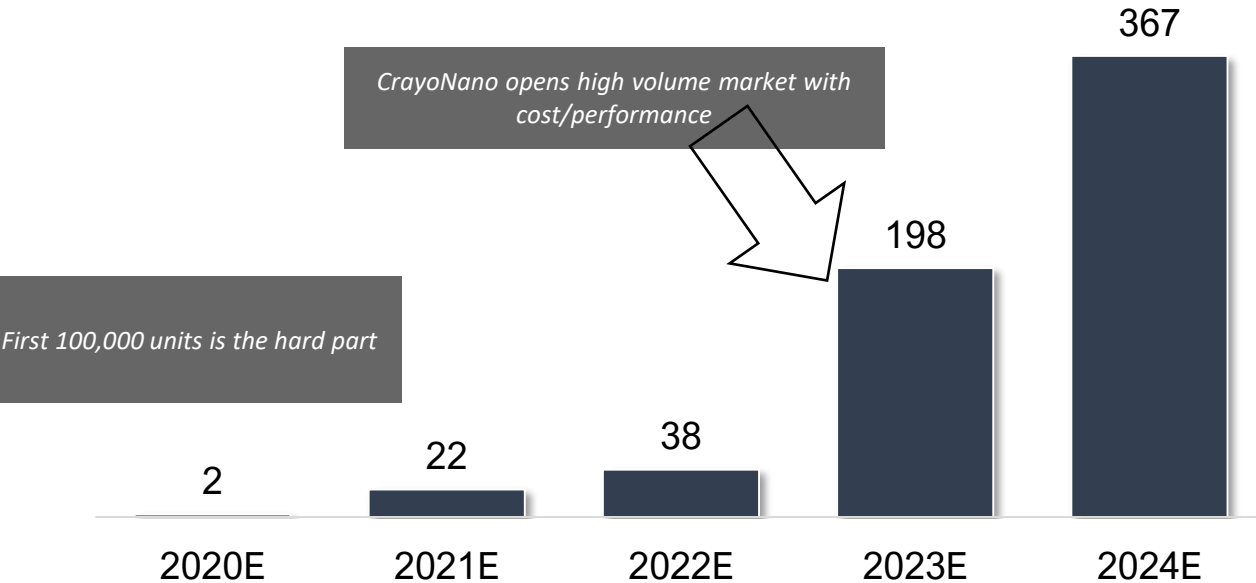
Manufacturing		Sales & target customers		
Graphene suppliers	Packaging partners	Small/medium OEMs	Large OEMs	Distributors
 	    	     <p>Initial focus on OEMs for POU* water disinfection</p>	     <p>Plan to attract based on success with small/mid sized OEMs</p>	   <p>Provides access to market tail of smaller customers not served directly</p>
Processing partners				
  				

Signed letters of interest from +15 potential customers / OEMs and supply chain partners

GO-TO MARKET AND REVENUE TARGETS

Revenue targets

NOKm

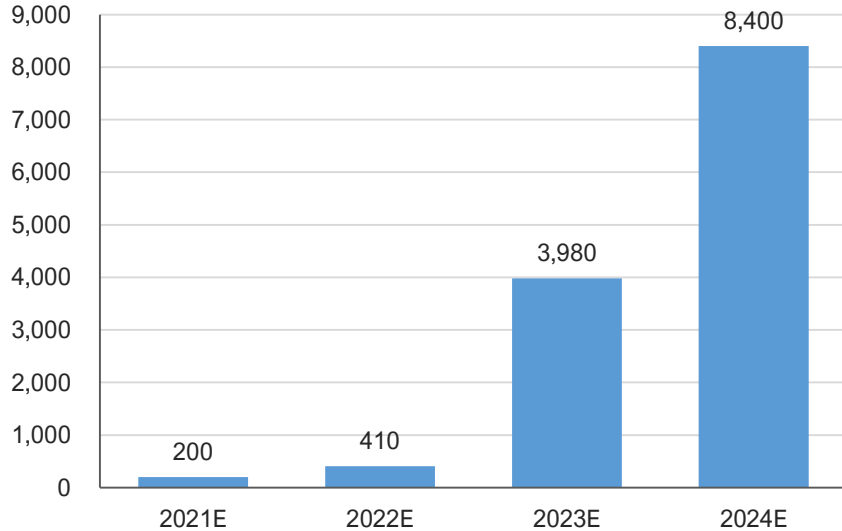


- Market entry H2 2021 with small/medium sized OEMs
- Volume ramp-up and expansion of customer base (larger OEMs) in 2023+
- Winning the race to thin-film towards 2024

VOLUME AND ASP TARGETS

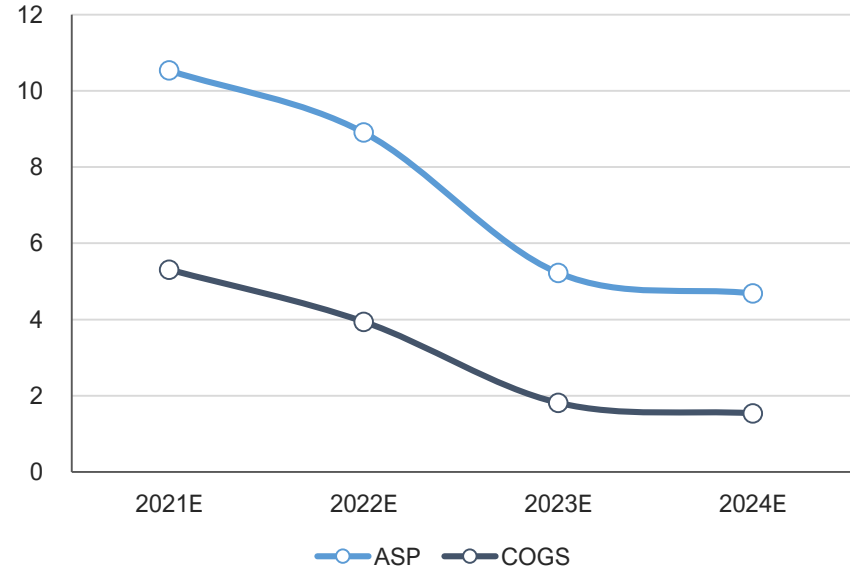
Volume targets

'000 units



ASP* and COGS targets

USD per LED unit



* Average selling price

CASH FLOW AND FUNDING REQUIREMENT

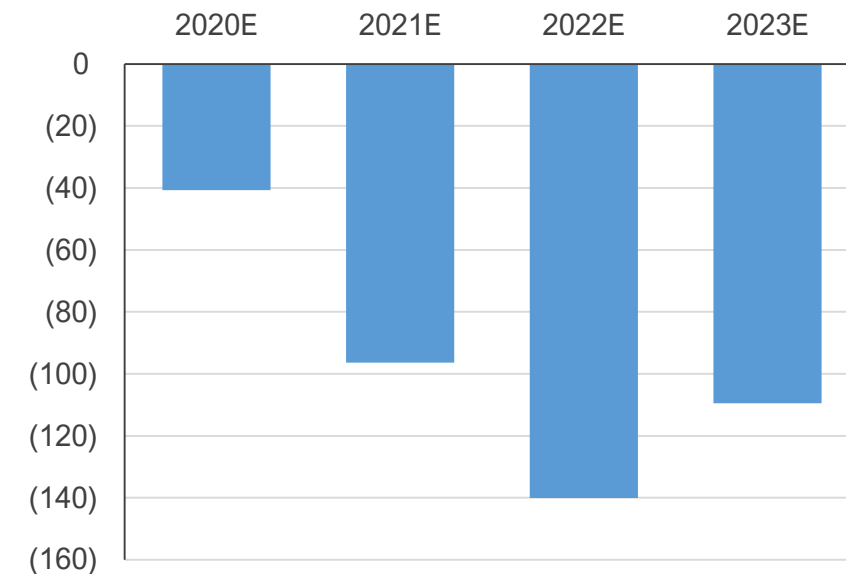
Key cash flow items

	Unit	2020E	2021E	2022E	2023E	2024E
EBITDA	NOKm	(37)	(38)	(43)	48	141
Taxes paid	"	0	0	0	0	0
Change in NWC	"	0	(2)	1	(16)	(17)
Capex	"	(4)	(16)	(1)	(1)	(1)
Sum	"	(41)	(56)	(44)	31	123

- “Fab-light” model ensures low capex
- Positive cash-flow expected from 2023
- Acquisition of patents planned in 2021*

Cumulative free cash flow

NOKm



* Patents currently under exclusive license with NTNU. CrayoNano has options to purchase the patents in place

INVESTMENT PROPOSITION

- MARKET IN HYPERGROWTH – USD 1Bn in 2024
- PROVEN, PATENTED TECHNOLOGY
- STRATEGIC CUSTOMERS ONBOARD
- STRONG ESG PROFILE – CLEAN AIR, WATER, FOOD - REPLACE TOXIC MATERIALS – REDUCE ENERGY CONSUMPTION
- COVID-19 ACCELERATES DISINFECTION AWARENESS

CONTENT

Investment case

Business plan & financials



Appendix

BALANCE SHEET

NOKm	Audited 31.12.2019	Unaudited 31.05.2020
R&D assets	17.1	16.5
Permits, patents, licenses, etc.	11.1	10.7
Deferred tax asset	8.5	8.5
Intangible fixed assets	36.7	35.8
Production equipment	16.9	15.9
Fixtures, fittings, etc.	1.6	1.5
Tangible fixed assets	18.5	17.3
Long term receivables	1.5	1.2
Financial fixed assets	1.5	1.2
Current receivables	8.0	3.8
Cash and cash equivalents	8.4	7.4
Current assets	16.4	11.2
TOTAL ASSETS	73.1	65.6
Paid-in equity	82.5	82.5
Other equity	(18.1)	(28.1)
Equity	64.4	54.4
Convertible debt	0.0	6.3
Non-current liabilities	0.0	6.3
Debt to credit institutions	3.7	0.0
Accounts payables	2.0	1.3
Public duties payables	0.7	0.3
Other current liabilities	2.3	3.2
Current liabilities	8.7	4.8
TOTAL EQUITY AND LIABILITIES	73.1	65.6

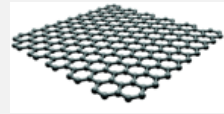
- Total equity raised of approx. NOK 81m
- Convertible loans of NOK 11m raised year to date, of which NOK 6m was paid to the company as per 31 May
- Total funds raised ~NOK 170m, including soft funding ~NOK 69m
- Sparebank 1 SMN has granted a NOK 4m loan which was not drawn as per 31 May
- In addition, NOK 8m loan granted from Innovation Norway not drawn as per 31 May

“FAB-LIGHT” MODEL USING STANDARD SEMICONDUCTOR MANUFACTURING PROCESS

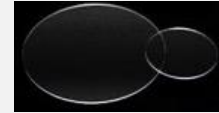
CrayoNano customized and proprietary

Graphene-based wafers

MOCVD growth



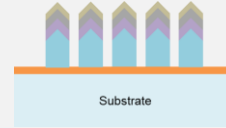
Sapphire



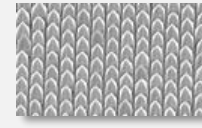
Graphene



Standard MOCVD



Nano-structured AlGaN



High value CrayoNano components

- CrayoNano proprietary technology
- CrayoNano customized process
- Standard manufacturing equipment
- **Protected CrayoNano IP**

Standard semiconductor manufacturing process

Front-end process

Back-end process

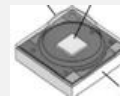
Packaging



Flip chip



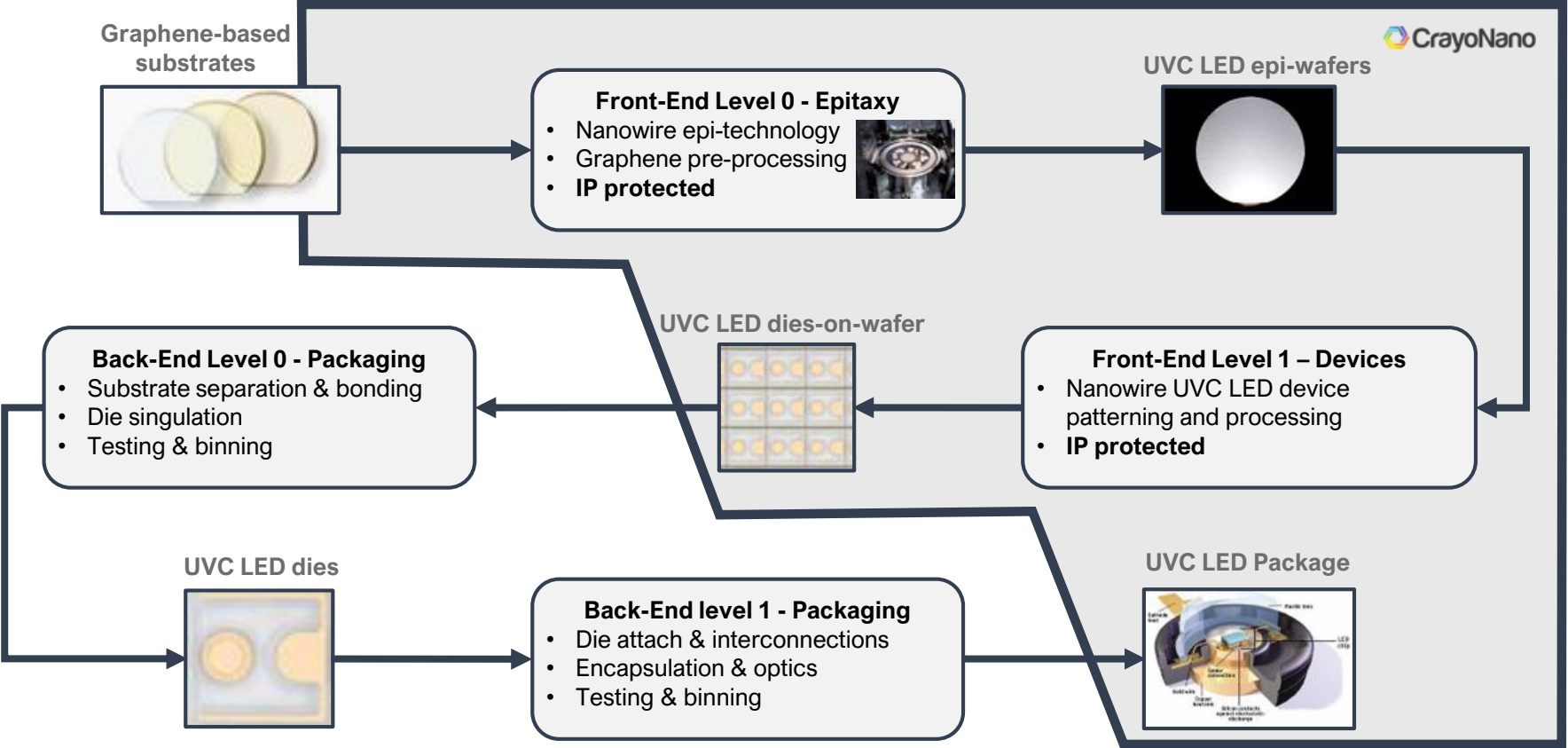
45 mil dies



Reuse existing semi-conductor processes

- Existing process, tools, design-flow
- Subcontractors (utilize existing capacity)
- Packages, qualification
- Assembly and test
- **Lower barrier of entry, reduced risk and increased time to market vs DIY**

A SUPPLIER OF UVC LED WAFERS AND PACKAGED CHIPS

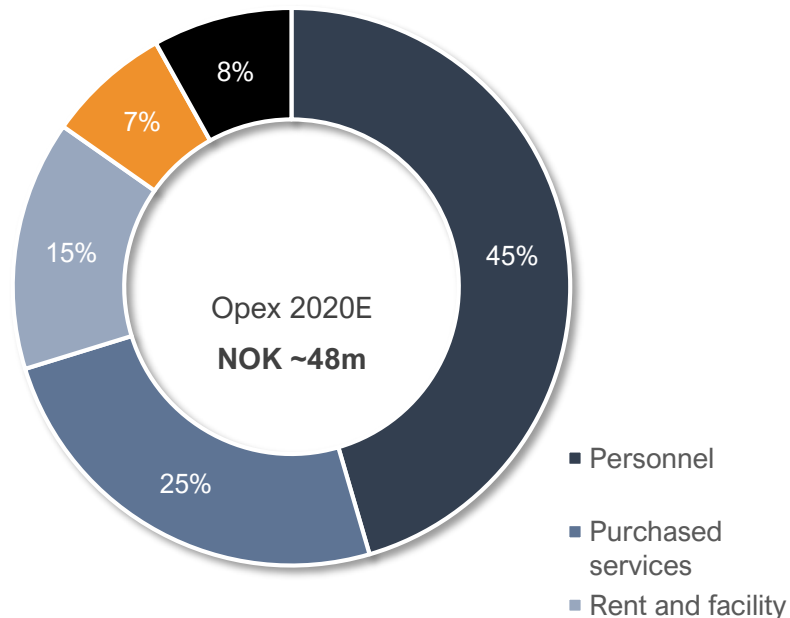


DETAILED P&L

Condensed P&L

P&L	Unit	2020E	2021E	2022E	2023E	2024E
Revenue	NOKm	3	22	38	198	367
COGS	NOKm	(1)	(11)	(17)	(69)	(121)
Gross profit	NOKm	1	11	21	129	246
Personnel expenses	NOKm	(22)	(38)	(51)	(62)	(72)
Other opex	NOKm	(26)	(22)	(25)	(31)	(38)
Soft funding / other	NOKm	10	11	12	12	5
EBITDA	NOKm	(37)	(38)	(43)	48	141
D&A	NOKm	(5)	(6)	(7)	(7)	(7)
EBIT	NOKm	(42)	(45)	(50)	41	134
Net financial	NOKm	(0)	(1)	(1)	(1)	(0)
EBT	NOKm	(42)	(45)	(50)	40	134
Tax	NOKm	12	12	14	(6)	(28)
Net profit	NOKm	(31)	(33)	(37)	34	105

Opex breakdown

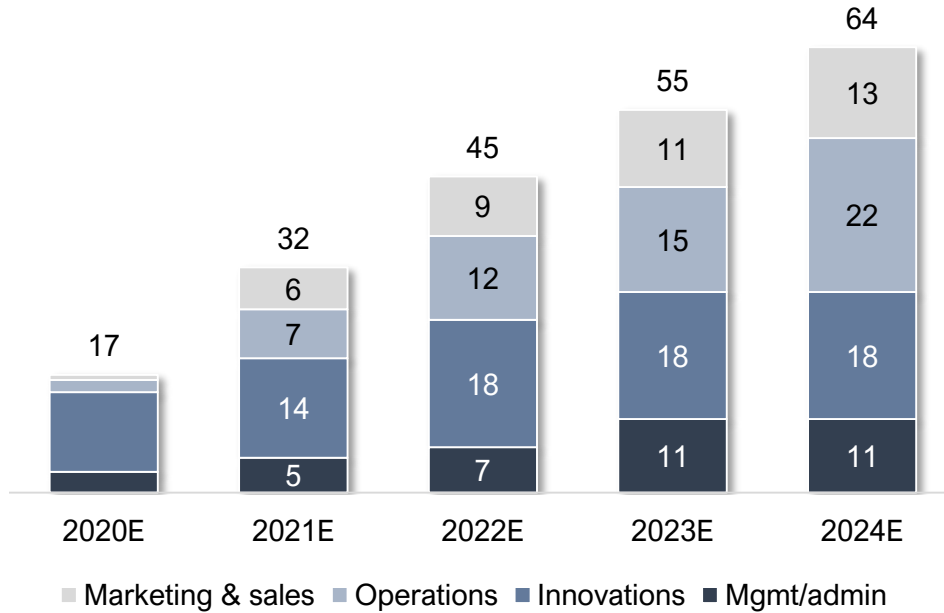


1) Includes revenues from sale of commercial products and pilots/R&D revenue from customers. Excludes soft-funding (which impacts revenue in statutory accounts)

RAMPING UP ORGANIZATION

Development in employees

No. of FTEs

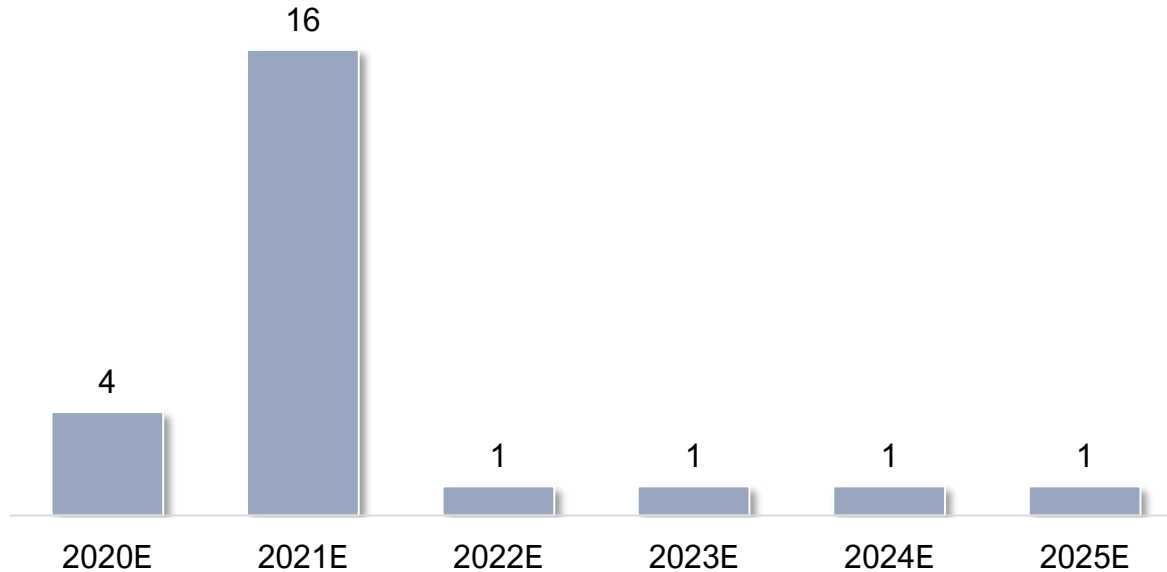


- Current organization of 15 employees
- Management (complete Sept 2020)
- Engineering (onboarded Aug 2020)
 - Lab engineer,
 - epi engineer
 - process/device engineer
- Operations (late 2020)
 - Production manager
 - Supply manager (Q4)
 - Director marketing and sales (Q4)
 - Further admin support

CAPEX PLAN

Capex development

NOKm



- Capex primarily related to R&D lab equipment and various smaller items (~NOK 1m per year)
- Furnace related equipment and reliability testing equipment in 2020
- Assumed purchase of selected patents currently under license with NTNU in 2021 for a purchase price of ~NOK 15m. Option agreement in place with specified prices
- Plan of record is to acquire patent rights in 2021 with commercial and strategic benefits

SHAREHOLDERS

#	Shareholder name	Holding (#)	Holding (%)
1	NORSK INNOVASJONSKAPITAL III AS	105,184	30 %
2	FIRDA AS	27,662	8 %
3	SKIPS AS TUDOR	24,677	7 %
4	COFOUNDER AS	22,500	6 %
5	HELGE WEMAN	22,500	6 %
6	SPAREBANK 1 SMN INVEST AS	13,876	4 %
7	MOLVER AS	12,106	3 %
8	PETROCK II AS	12,000	3 %
9	BJØRN OVE MYKING FIMLAND	11,250	3 %
10	ER CAPITAL AS	7,400	2 %
11	JAMA HOLDING AS	7,235	2 %
12	TORSTEIN INGVALD TVENGE	7,000	2 %
13	CLEARSTREAM BANKING S.A.	6,600	2 %
14	LJM AS	6,000	2 %
15	LUCELLUM AS	5,500	2 %
16	TARAGO AS	5,179	1 %
17	ODDVAR AASERUD	5,000	1 %
18	CRAYONANO AS	4,650	1 %
19	SJOG AS	3,979	1 %
20	SEED CONSULTING AS	3,903	1 %
	OTHERS	32,529	9 %
	Total	346,730	100 %

- 346,730 shares currently outstanding
- Total of 54 shareholders
- CrayoNano AS sold 4,650 of its own shares to by Jo Uthus (CEO) in August (included as “CrayoNano AS” in the table)

SHARE CAPITAL DEVELOPMENT

Action	Date of registry	Number of shares	Nominal value	Share capital	New shares	Share price	Paid-in equity	Comment
Incorporation	27.06.2012	100,000	1.00	100,000	100,000	1.00	100,000	
Exersice of option	11.02.2013	112,500	1.00	112,500	12,500	16.00	200,000	CoFounder option
Loan conversion	26.06.2014	127,500	1.00	127,500	15,000	133.33	1,999,950	NIK conv. loan
Loan conversion	26.06.2014	153,654	1.00	153,654	26,154	152.94	3,999,993	NIK conv. loan
Share issue	15.02.2016	206,284	1.00	206,284	52,630	380.00	19,999,400	Private placement
Share issue to mgmt.	02.05.2017	216,809	1.00	216,809	10,525	380.00	3,999,500	Share issue new mgmt.
Share issue	07.07.2017	279,858	1.00	279,858	63,049	802.55	50,599,975	Private placement
Exersice of subscription rights	28.06.2018	325,321	1.00	325,321	45,463	1.00	45,463	Mainly subsscription rights related to issue registered 07.07.2017
Exersice of subscription rights	21.01.2019	335,286	1.00	335,286	9,965	1.00	9,965	Mainly subsscription rights related to issue registered 07.07.2017
Exersice of subscription rights	13.05.2019	346,730	1.00	346,730	11,444	1.00	11,444	Mainly subsscription rights related to issue registered 07.07.2017
Combined 2017 share issue					125,974	402.17	50,662,900	For each of the 63,049 shares issued in the 2017 share issue, the investors received one right to subscribe at NOK 1 per share (124 rights not utilized)

OVERVIEW OF SUBSCRIPTION RIGHTS

Rights holder	Shares (#)	Strike price (NOK)	Expiry	Rights holder	Shares (#)	Strike price (NOK)	Expiry
NIK III	1,482	172	25/11/2020	Bonaventura AS	312	800	17/09/2021
Skips AS Tudor	1,250	172	25/11/2020	Skareveranden AS	250	800	17/09/2021
MIDAS CAPITAL AS	13,000	172	25/11/2020	Haitoukin AS	200	800	17/09/2021
KARLANDER INVEST AS	1,758	231	25/11/2020	CoFounder II AS	2,500	800	17/09/2021
NIK III	3,500	231	25/11/2020	Breivik Invest	1,000	800	17/09/2021
Torstein Tvenge	8,250	231	25/11/2020	Molver AS	1,250	800	17/09/2021
Torkjell Nilsen (Board member)	1,800	648	31/12/2020	Petrock II AS	375	800	17/09/2021
Jan Eyvin Wang (Board member)	1,800	648	31/12/2020	Ingvar Skogseide	350	800	17/09/2021
Mazid Munshi (Employee)	1,000	648	17/09/2021	Arthur Johan Brudvik	500	800	17/09/2021
Ida Marie Høiaas (Employee)	3,467	648	17/09/2021	Leidulv Vigen (Employee)	1,000	648	01/04/2022
NIK III	625	800	17/09/2021	David Harbourne (CAB)	1,800	800	1.6-21/22/23
LJM AS	500	800	17/09/2021	Oliver Lawal (CAB)	1,800	800	1.6-21/22/23
Haitoukin AS	220	800	17/09/2021	Jo Uthus CEO- Option Agreement	6,000	648	11/07/2023
Arthur Johan Brudvik	150	800	17/09/2021	William B. Cortelyou (Board member)	2,100	800	01/12/2023
Advisum AS	500	800	17/09/2021	Harald Maiweg (CAB)	1,800	800	1.6-21/22/23
Sparebank1 SMN Invest AS	2,500	800	17/09/2021	Michael Peil (SVP)	4,400	648	31/12/2023
Endre Moen	375	800	17/09/2021	John Raaum (Board member)	1,800	800	15/06/2023
Karlander Invest AS	250	800	17/09/2021	Sveinung Ryen (COO)	1,800	800	29/05/2023
Jama Holding AS	125	800	17/09/2021	Bård Skogstad (CFO)	2,100	800	04/06/2023
Skips AS Tudor	1,250	800	17/09/2021	SUM	75,639		
Markus Peil	500	800	17/09/2021				

- Total rights to subscribe for 75,639 shares outstanding
- Total proceeds upon conversion of all rights of approx. NOK 40m

CONVERTIBLE LOANS

Convertible loan tranche 1

- Primarily motivated by Innovation Norway loan requiring new subordinated capital (min. NOK 6m), as well as short term funding need during COVID 19 market crisis
- Nominal amount and total subscription price of NOK 6,046,000
- The loan carries an interest of 10% p.a. (accrued interest added to the principle)
- The lenders may demand conversion of their portion of the loan (including accrued interest) into shares at a subscription price of NOK 800 per share at any time until and including 17 September 2021
- Subscription deadline for the convertible loan was 21 March 2020
 - All subscriptions has been paid to the company
- At issue the convertible loan corresponds to 7,557 new shares
- At maturity the convertible loan will, if converted into shares, correspond to 8,573 new shares
- The lenders that subscribed for the convertible loan were also granted one independent subscription right for each share their principal part of the convertible loan may be converted into ([included on the previous page](#))

Convertible loan tranche 2

- Second tranche was primarily motivated by ensuring equal treatment of shareholders following tranche 1 and was at equal terms
- Nominal amount and total subscription price of NOK 4,940,000
- The loan carries an interest of 10% p.a. (accrued interest added to the principle)
- The lenders may demand conversion of their portion of the loan (including accrued interest) into shares at a subscription price of NOK 800 per share at any time until and including 17 September 2021
- Subscription deadline for the convertible loan was 29 May 2020
 - All subscriptions has been paid to the company
- At issue the convertible loan corresponds to 6,175 new shares
- At maturity the convertible loan will, if converted into shares, correspond to 6,953 new shares
- The lenders that subscribed for the convertible loan were also granted one independent subscription right for each share their principal part of the convertible loan may be converted into ([included on the previous page](#))

LOCK-UP AGREEMENTS

Shareholder	Shares (#)	Shares (%)	Lock up	Role
NORSK INNOVASJONSKAPITAL III AS	105,184	30.3 %	12 months	Represented on the board
FIRDA AS	27,662	8.0 %	12 months	Selling shareholder
SKIPS AS TUDOR	24,677	7.1 %	12 months	Represented on the board
COFOUNDER AS	22,500	6.5 %	12 months	Large active shareholder
HELGE WEMAN	22,500	6.5 %	12 months	Management
CLEARSTREAM BANKING S.A.	6,600	1.9 %	12 months	Management (Michael Peil)
JO UTHUS	4,650	1.3 %	12 months	Management

DRAFT SUMMARY OF LIMITED LEGAL REVIEW

- The Company has generally not entered into formal commercial agreements with suppliers and customers. The lack of formal agreements, with clear rights and obligations, represent a risk for the Company. Further, although several potential customers have confirmed their interest in the Company's technology, there is no guarantee that the Company will have regular customers going forward.
- The Company is dependent on certain materials (in particular graphene) which is only available for production by a limited number of suppliers. Although the Company has established a long term relationship with one of these suppliers, no formal agreement has been entered into as of yet. There is an inherent risk that the Company may be affected if these suppliers halt their production.
- The Company has recently entered into credit agreements with Innovasjon Norge and Sparebank 1 SMN for an amount of MNOK 8 and MNOK 4 respectively. The Company's trade receivables have been pledged as security under one agreement. A change of control clause in both agreements will be triggered by the Transaction, although the risk associated with this is considered to be limited.
- The Company has issued options and other subscription rights which may dilute the investors' shareholding.
- Several of the inventions used by the company are protected by patents/patent applications owned by NTNU Technology Transfer AS ("NTNU"). The management has confirmed that all relevant patents/patent applications and related IPR are licensed to the company and that the company is granted a right, but no obligation, to acquire all right and title to the patents/patent applications until March 2021. Wiersholm has not verified whether all of the relevant patents/patent applications are included in the license- and option agreement.
- According to the management, the company fully or partly owns patents/patent applications related to six patent families. Wiersholm has not verified the company's ownership to these patents/patent applications, nor have we reviewed potential agreements with NTNU, which is co-owner in four of the patents/patent applications.
- The management has informed that the company is planning to forward an opposition towards Intel's patent application in the US. According to the management, it is unlikely that a potential grant of the patent will significantly interfere with the company's freedom to operate as it is not connected to business critical IPR. Thus, the risk in relation to this patent application is considered by the Company to be low. Submitting oppositions towards relevant patents/patent applications is, however, an important part of the company's IPR strategy to protect its IPR.
- The Company has no trademark registrations for its name, logo or products. Consequently, the company does not have trademark protection for its name or products. Other market players may therefore use the brand in their own businesses unless the Company has acquired distinctiveness through use.
- The Company recently received a claim from Crayon Group Holding ASA ("Crayon") claiming that the company's use of "CrayoNano" is infringing Crayon's trademark "Crayon", and that the company must change its name. "Crayon" is not a registered trademark, but Crayon is arguing that the trademark is established by use. The company has rejected the claim, and argued that "Crayon" is not a protected trademark, and that there is no danger of confusion between "Crayon" and "Crayonano".

AUDITED 2019 ACCOUNTS

	Note	2019	2018
DRIFTSINNEKTER OG DRIFTSKOSTNADER			
Driftsinntekter			
Annen driftsinntekt	1	5 300 366	8 141 091
Sum driftsinntekter		5 300 366	8 141 091
Driftskostnader			
Varekostnad		0	202 757
Lønnskostnad	2	7 319 380	3 929 303
Avskrivning på varige driftsmidler	3	4 501 571	3 803 827
Annen driftskostnad	2	6 594 680	1 961 884
Sum driftskostnader		18 415 631	9 897 771
DRIFTSRESULTAT		-13 115 265	-1 756 680
FINANSINNEKTER OG FINANSKOSTNADER			
Finansinntekter			
Annen renteinntekt		13 556	32 125
Annen finansinntekt		37 851	26 908
Sum finansinntekter		51 407	59 033
Finanskostnader			
Annen rentekostnad		41 922	3 582
Annen finanskostnad		54 040	71 234
Sum finanskostnader		95 962	74 816
NETTO FINANSPOSTER		-44 554	-15 783
ORDINÆRT RES. FØR SKATTEKOSTNAD		-13 159 819	-1 772 462
Skattekostnad på ordinært resultat	4,5,6	-3 133 135	-21 134
ORDINÆRT RESULTAT		-10 026 684	-1 751 328
ÅRSRESULTAT		-10 026 684	-1 751 328
OVERF. OG DISPONERINGER			
Overføringer annen egenkapital	7	-10 026 684	-1 751 328
SUM OVERF. OG DISPONERINGER		-10 026 684	-1 751 328

EIENDELER

ANLEGGSMIDLER

Immaterielle eiendeler

Forskning og utvikling	1,3	17 075 562	15 306 859
Konsepsjoner, patenter, lisenser o.l.	3	11 103 783	8 475 681
Utsatt skattefordel	4,5,6	8 535 249	5 402 114
Sum immaterielle eiendeler		36 714 594	29 184 653

Varige driftsmidler

Maskiner og anlegg	3	16 921 699	18 923 880
Driftsløsøre, inventar, verktøy, kontorm.	3	1 556 791	1 793 647
Sum varige driftsmidler		18 478 490	20 717 527

Finansielle anleggsmidler

Andre langsiktige fordringer	2	1 502 820	0
Sum finansielle anleggsmidler		1 502 820	0

SUM ANLEGGSMIDLER

		56 695 904	49 902 180
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OMLØPSMIDLER

Fordringer

Andre kortsiktige fordringer	8	7 970 727	7 571 639
Sum fordringer		7 970 727	7 571 639

Bankinnskudd, kontanter o.l.

	9	8 404 704	18 383 924
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SUM OMLØPSMIDLER

		16 375 431	25 955 563
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SUM EIENDELER

		73 071 335	75 857 743
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EGENKAPITAL OG GJELD

EGENKAPITAL

Innskutt egenkapital

Aksjekapital	7,10	346 730	325 321
Ikke registrert selskapskapital	7	0	9 965
EGNE AKSJER	7	-4 650	0
Overkurs	7	80 630 085	80 630 085
Annen innskutt egenkapital	7	1 523 133	0
Sum innskutt egenkapital		82 495 298	80 965 371

Opptjent egenkapital

Udekket tap	7	-18 119 623	-7 994 255
Sum opptjent egenkapital		-18 119 623	-7 994 255

SUM EGENKAPITAL

		64 375 676	72 971 116
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GJELD

KORTSIKTIG GJELD

Gjeld til kredittinstitusjoner	12	3 700 000	0
Leverandørgjeld		2 048 794	1 786 911
Skyldig offentlige avgifter		661 052	390 764
Annen kortsiktig gjeld	11	2 285 813	708 952
SUM KORTSIKTIG GJELD		8 695 660	2 886 627

SUM GJELD

		8 695 660	2 886 627
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SUM EGENKAPITAL OG GJELD

		73 071 335	75 857 743
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CrayoNano

For further information, visit
www.crayonano.com