

## Weebit Nano ReRAM fully qualified with SkyWater; initial revenues expected in 2023

*Negotiations and evaluations in different stages with multiple foundries & customers*

### Q4 FY23 Quarterly Activities Report

#### Key highlights

- Fully qualified Weebit ReRAM IP at industrial temperatures in SkyWater Technology's S130 process
- Discussions and evaluations ongoing with multiple leading fabs and potential customers; initial revenues expected in 2023
- Strengthened leadership team with Lilach Zinger appointed Director of Foundry/IDM Business Development
- Raised A\$15 million via an upsized and strongly supported Share Purchase Plan (SPP)
- Established Board sub-committees in line with best practice governance

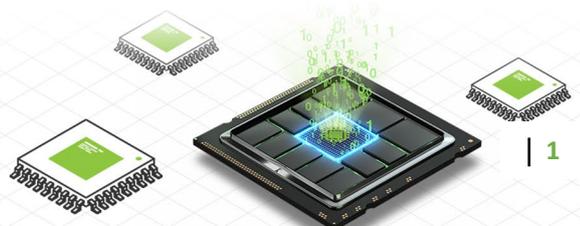
28 July 2023 – Weebit Nano Ltd (ASX: WBT, Weebit or Company) is pleased to provide this activity report for the quarter ended 30 June 2023 (Q4 FY23), along with the Company's Appendix 4C cash flow report.

**Commenting on Q4 FY23, Weebit CEO Coby Hanoch said:** "Weebit Nano has had a strong finish to the 2023 financial year, successfully completing the last key technical milestone before commercialisation at SkyWater, with full qualification of our embedded ReRAM in SkyWater Technology's 130nm CMOS (S130) process. As the global leading independent provider of ReRAM, we're also making significant progress in our negotiations and evaluations with many of the world's leading foundries, integrated device manufacturers (IDMs) and semiconductor companies. We expect to sign licensing agreements with at least one of these in the coming months, followed by initial revenues this calendar year.

"Technology qualification with our first commercial production fab has de-risked our embedded ReRAM IP for other foundries and IDMs, confirming the quality, reliability, and repeatability of Weebit's technology in volume production. It has provided confidence to potential customers looking to embed more intelligence and capability into their next generation products, and we are working alongside SkyWater to have our ReRAM IP integrated into these system-on-chip (SoC) designs.

"Qualification data highlights the significant advantages of Weebit ReRAM over flash and other emerging non-volatile memory (NVM) technologies, offering a faster, lower cost, more energy efficient and more reliable NVM suitable for use in high-temperature, radiation, and electromagnetic conditions. We are continuing to qualify our embedded ReRAM at higher temperatures and endurance levels, opening up more advanced applications for our ReRAM.

"While we remain focused on securing new licensing agreements as part of our immediate opportunity, we are continuing to develop a solution for the discrete memory market as well as scaling our embedded technology to smaller geometries. Longer-term, the discrete market is a significantly larger opportunity and will diversify our business model."



## Weebit ReRAM fully qualified in SkyWater's S130 process

During the quarter, Weebit Nano fully qualified its embedded ReRAM intellectual property (IP) at industrial temperatures in SkyWater Technology's 130nm CMOS (S130) process. Technology qualification in a commercial fab was the Company's final key commercialisation milestone, demonstrating to SkyWater customers that Weebit's embedded ReRAM is proven for volume production and suitable for use in customer applications.

Qualification was conducted on SkyWater-produced demo chips embedded with Weebit ReRAM, with all blindly selected silicon die passing rigorous JEDEC industry standard testing. Weebit ReRAM in S130 offers a fast, reliable, and ultra-low power NVM suitable for use in challenging environments.

SkyWater customers can now confidently integrate Weebit ReRAM IP in SoC designs for many applications, such as mixed-signal, IoT, automotive, industrial, medical, and aerospace. Weebit and SkyWater are jointly engaged in numerous customer discussions and expect Weebit IP will be in design with one or more of these customers during the calendar year.

## Agreements with Tier-1 foundries & customers

Weebit Nano's priority remains securing new licensing agreements with partners and customers, including a Tier-1 foundry. The Company is in different stages of technical evaluation and negotiation with several leading foundries, integrated device manufacturers (IDMs) and semiconductor companies and expects to generate initial revenues from at least one of these agreements this calendar year. While these agreements are highly complex and have taken longer than anticipated, qualification progress with both SkyWater and CEA-Leti helps accelerate these discussions.

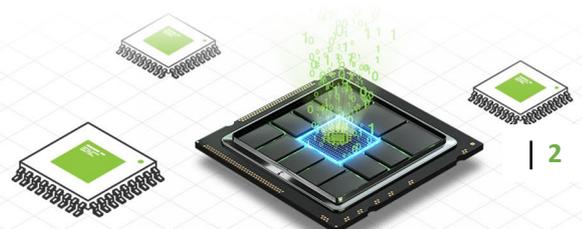
## Board and leadership appointments

In June, Non-Executive Director Fred Bart resigned from his position after more than five years on the Board. Mark Licciardo, Weebit's Company Secretary, was appointed as an interim Director following Mr Bart's resignation. The Board is actively interviewing several high-calibre Australian candidates for a permanent position.

After joining the ASX 300 index, the Board of Weebit Nano sought to align its governance processes with best practice, establishing four sub-committees: Governance Committee, Remuneration Committee, Audit & Risk Committee, and Technology Committee.

During the quarter, Weebit strengthened its senior leadership team, appointing Lilach Zinger as Director of Foundry/IDM Business Development. Lilach brings more than 25 years' semiconductor experience to Weebit, including more than two decades at Tower Semiconductor where she rose to Vice President of Operations managing Fab1. More recently, Lilach was the Chief Operating Officer at PCB Technologies, one of Israel's largest PCB manufacturing companies, where she was responsible for 350 employees and revenue in the tens of millions. Weebit has also hired a team of three very experienced engineers in France to address growing demand from foundries and customers. The team had previously been working for MRAM developer Antaios.

**Commenting on the new appointments, Mr Hanoach said,** "I'm incredibly proud of the calibre of our Board and leadership team, and we continue to attract top talent across the business. Lilach and our new engineers are excellent additions to Weebit, and ensure we are well-placed to capitalise on growing demand for faster, lower cost, and more efficient memory technology."



“Weebit Nano has strong governance credentials with its highly professional and conservative Board regularly seeking independent advice from its lawyers and Company Secretary on best-practice disclosure. The Board continues to enhance its governance practices, including restructuring Board committees to exclude executives, updating the CEO agreement, and streamlining operating procedures.”

### **Two new patents granted**

During the quarter, Weebit Nano added to its intellectual property portfolio, granted two new patents relating to innovative ReRAM bit cell devices and manufacturing methods. Weebit Nano has been granted more than 20 patents in key semiconductor jurisdictions including United States of America, France, and member states of the European Patent Organisation.

### **Market engagement**

Weebit Nano continues to ramp-up its sales and marketing activities to support commercial discussions, engaging with potential partners and customers at multiple leading conferences during the quarter. These events included Israel’s leading semiconductor conference, ChipEx; Leti Innovation Days; CEA-List Days; the International Memory Workshop (IMW); and the Design Automation Conference (DAC). Participation at these conferences, including live demonstrations of Weebit ReRAM, are key to increasing awareness.

### **Investor briefing details for July / August**

CEO Coby Hanoch is in Australia next week and will be hosting retail investor briefings in Sydney (31 Jul – 1 Aug), Melbourne (2 Aug), and Perth (3 Aug). Coby will provide an update on the Company’s quarterly activities and outlook at the sessions, as well as take questions from attendees.

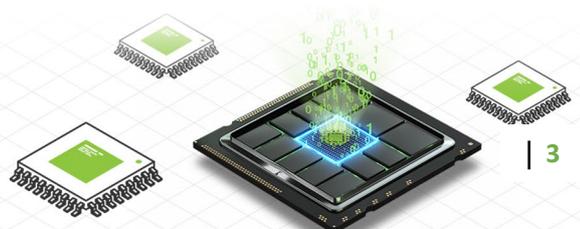
Weebit’s management team will be participating in several investor events over the coming quarter. These include:

- 8-9 August: Oppenheimer 26th Annual Technology, Internet & Communications Conference, held virtually. Weebit will be represented by CEO Coby Hanoch.
- 9-10 August: Canaccord Genuity 43rd Annual Growth Conference in Boston. Weebit will be represented by Executive Director Yoav Nissan-Cohen.
- 29-30 August: Jefferies 20th Annual Chicago Semis Conference. Weebit will be represented by CEO Coby Hanoch.
- 11-13 September: Jefferies Israel Tech Trek. Weebit will be represented by CEO Coby Hanoch and CFO Alla Felder.

More information on these events can be found at [www.weebit-nano.com/events](http://www.weebit-nano.com/events).

### **Financials**

Notable operating cash flow items during Q4 FY23 included R&D expenses of A\$3.8 million, comprising milestone-based payments to research partner CEA-Leti of \$3.5 million. Payments to related parties were A\$1 million, inclusive of fees paid to Directors and the CEO’s cost of payroll and bonus. At the end of the financial year, Weebit had a strong cash balance of A\$88 million, inclusive of \$15 million from the upsized and strongly supported Share Purchase Plan (SPP) that closed in April.



## Looking forward

Weebit Nano is on track to achieve the following milestones in the coming months:

- Sign new agreements with partners and customers, including a Tier-1 foundry/IDM;
- Complete technology qualification at 125C for automotive applications;
- Start design integration of Weebit ReRAM IP with SkyWater customers;
- Commence technology qualification at 22nm with GlobalFoundries; and
- Begin scaling embedded ReRAM technology below 22nm.

- ENDS -

*This announcement has been authorised for release by the Board of Weebit Nano Limited.*

## For further information, please contact:

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## About Weebit Nano Limited

Weebit Nano Ltd. is a leading developer of advanced semiconductor memory technology. The company's ground-breaking Resistive RAM (ReRAM) addresses the growing need for significantly higher performance and lower power memory solutions in a range of new electronic products such as Internet of Things (IoT) devices, smartphones, robotics, autonomous vehicles, 5G communications and artificial intelligence.

Weebit's ReRAM allows semiconductor memory elements to be significantly faster, less expensive, more reliable and more energy efficient than those using existing Flash memory solutions. As it is based on fab-friendly materials, Weebit ReRAM can be integrated within existing flows and processes faster and easier than other emerging technologies, without requiring special equipment or large investments.

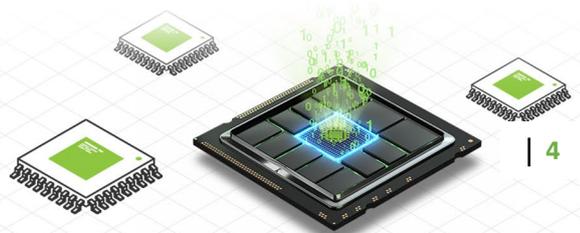
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## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Weebit Nano Limited (ASX: WBT)

**ABN**

15 146 455 576

**Quarter ended ("current quarter")**

30 June 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date ( 12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) research and development	(3,825)	(11,660)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(318)	(963)
(d) leased assets	(92)	(315)
(e) staff costs	(1,479)	(6,476)
(f) administration and corporate costs	(789)	(2,187)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	827	1,380
1.5 Interest and other costs of finance paid	(12)	(30)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(5,688)</b>	<b>(20,251)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(22)	(41)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date ( 12 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(22)</b>	<b>(41)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	15,005	60,005
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	372	515
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(755)	(2,826)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>14,622</b>	<b>57,694</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	79,243	50,211
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,688)	(20,251)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(22)	(41)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date ( 12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	14,622	57,694
4.5	Effect of movement in exchange rates on cash held	117	659
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>88,272</b>	<b>88,272</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	7,778	10,683
5.2	Call deposits	80,494	68,560
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>88,272</b>	<b>79,243</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	1,008
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

The payments at 6.1 relate to salaries, bonuses and consulting/director fees for directors' within the group.

## Quarterly cash flow report for entities subject to Listing Rule 4.7B

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(5,688)
8.2 Cash and cash equivalents at quarter end (item 4.6)	88,272
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	88,272
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	16
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 July 2023 .....

Authorised by: Board of Directors .....

(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.