

CondAlign – Company update and potential capital raise

Reference is made to the previous announcements by CondAlign AS ("CondAlign" or the "Company") regarding its ongoing strategic processes and financial situation, including the announcement on 21 June 2024 regarding the issuance of preference shares to raise short-term liquidity and the announcement on 11 November 2024 regarding the issuance of a convertible loan.

CondAlign experience strong traction in the market for its high-value and unique products. A significant number of well-known international companies are in the mid of or have finalized the design-in process with CondAlign's products. As a result of this CondAlign have received several requests for proposal for high volume delivery, and the number of requests are expected to grow strongly going forward.

As previously communicated, the Company and its board are in the process of identifying strategic alternatives for the Company. These processes are progressing well, and it may involve a sale of assets or shares in CondAlign. While the market traction is strong and the strategic discussions are positive, the Company needs to secure funding to finance the current business and these strategic discussions.

With this background the Company has resolved to explore a potential capital raise through the issuance of a convertible loan to raise gross proceeds of minimum NOK 9 million and maximum NOK 15 million. If the minimum proceeds are raised the Company expects the current cash runway to be extended to May 2025, which is expected to give ample time to continue but not necessarily conclude the ongoing strategic process.

The application period for the convertible loan is expected to commence on 10 February 2025 at 09:00 (CET) and last until 17:00 (CET) on 17 February 2025 (subject to extension). The convertible loan will only be directed at existing shareholders and certain other investors in reliance on applicable prospectus exemptions.

The convertible loan can be converted into units of shares in the existing share classes of preference shares and ordinary shares at a conversion price of NOK 8 per unit. Each unit includes 1 preference share and 50 ordinary shares.

The convertible loan will be contingent upon approval by an extraordinary general meeting of the Company. The Company will revert with further information about the convertible loan after expiry of the application period.

For more information, please contact:

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About CondAlign:

CondAlign is a Norwegian deep tech company that develop, manufacture, and sell groundbreaking anisotropic conductive films (electrical and thermal) for the electronics and automotive industry to connect electronics and/or transferring heat. CondAlign is registered at Euronext NOTC.