



Press Release

Stockholm 2023-09-15

Newsletter - September 2023

In this newsletter, we want to give an overall picture of where JonDeTech stands today and the plans for the future.

Focus on profitability

The company focuses on creating profitability by creating initial revenue in 2023 and then increasing the sales of all products in 2024. The recently communicated rights issue is critical for reaching that level, as it ensures the company's operation from now on, albeit on terms adapted to a very difficult capitalization climate. The financial situation has long been strained for JonDeTech as the financing solution that was in place has not been sufficient. After continued cost reductions, re-prioritization, and the implementation of the rights issue, where JonDeTech's previous lenders chose to settle their debts, JonDeTech will be debt-free and have a stronger balance sheet than in a long time. At the same time, many positive things are happening in the company.

From Deep Tech to Commercialization

JonDeTech has long been a Deep Tech company focusing on technology and developing the basic technology for our product, JIRS30. During the past year, we have carried out a transformation where we broadened the product portfolio and entered a clear commercialization phase. This transformation has primarily been driven by the progress in finalizing the production flow for JIRS30. Earlier this year, the company reached a milestone when the first products were completed in the outsourced production flow at Varioprint. We are now continuously producing working sensor elements, and the remaining work is to qualify the product and set up an automatic sorting and packing system. This work is ongoing together with an industrial partner - Aptasic.

To speed up the journey from Deep Tech to commercialization, the company has expanded its portfolio with the products JIRS10 and JIRS40, which we are actively marketing.

After completing a fully outsourced production flow of JIRS30, we have transformed the company by freeing up engineers in production development and instead adding resources in marketing and sales.

Today's highest priority for the sales team is establishing the first commercial agreements for JIRS10 and JIRS30. For JIRS40, we received an order earlier this year, and we are now in the delivery phase with the goal to complete it during Q4 2023. When this happens, we can invoice approximately SEK 1 million.

Optimized costs

We realized early on that in the challenging investment climate that prevails, we had to reduce our cost base to create longer financial endurance. During 2022-2023, this has been a focus area, and we assess that by the end of 2023, our running monthly costs will be approximately 60% lower than they were 18 months earlier.

We have succeeded in this cost optimization by, among other things:



- Reduced workforce
- Reduction of external resources for production development because the production flow has been completed
- Review of other running costs within the company

When the company now raises capital through a rights issue, it is crucial to show our owners and new investors that we are careful with the shareholders' money and use it for the right things. This is necessary for the company to succeed in its goal of becoming a profitable and prosperous company.

Status update for JIRS30

JIRS30 is a product that has the unique ability as a sensor to measure temperature, presence, and heat flow in various configurations. This generates great interest in customer dialogues, not least in areas where customers are looking for sensors that fit into Wearables, a billion-dollar market. The focus here is on smartwatches, bracelets, and wireless headphones.

We have now solved several of the major technical challenges identified during industrialization. These challenges were very time-consuming and required much more time/resources than we initially estimated. But as we announced on April 20 this year, we can now produce full-scale panels with sensor elements. This means that the production flow is now ready for production in larger volumes, which has been an important milestone for a long time.

What we are now working on to complete a commercially launched JIRS30 is, among other things:

- Improvement of yield and reduced variation in production
- Test and performance measurement to reach Engineering Sample status
- Testing and verification of JIRS30 to reach Commercial Sample status

Status update JIRS10 and JIRS40

JIRS10 and JIRS40 are available products that we are actively marketing.

JIRS10 can achieve volume sales through the cooperation with our Taiwanese partner, whose ASIC development has already reached Engineering Sample status. The final product JIRS10_tpp – which contains JIRS10 – will, according to our partner, be launched in Q2 2024, and the goal is for JIRS10_tpp to be integrated into consumer electronics already on the market.

JIRS40 has generated two Design Wins where the product is integrated into smart electronic door locks. Deliveries to Zhuhai Yoyon Electronic Technology Co (Yoyon) are scheduled for the fourth quarter of 2023 and will be evaluated by Yoyon as an alternative to an existing solution. We are currently working on delivering this first order and establishing ourselves as a continued supplier of JIRS40 to Yoyon.

A summary of the critical activities and milestones we aim to achieve regarding JIRS10 and JIRS40 include:

- Customer delivery of JIRS40 and software to Yoyon according to the agreements concluded earlier this year



- Secure continued supply agreement with Yoyon by JIRS40
- Support our Taiwanese partner regarding the development of the JIRS10_tpp packaged solution, with their goal of launching the product commercially in Q2 2024
- Establish a reseller agreement with the Taiwanese partner for the European market of JIRS10_tpp, to create a "double-sided business model" for JDT

Our technology is a strong contender in new market areas

JonDeTech has focused on launching the JIRS30 as a sensor element that measures infrared radiation for many years. JIRS10 and JIRS40 also provide this functionality but with different performances, which means that the products complement each other for different applications. The company has focused on different solutions for presence detection, for example, connected to a "wake up on presence" function that saves energy in various electronic products.

But today, there is an increased demand for contact-based heat measurement, which enables the manufacture of smart patches, temperature measurement on the body using wearables and smartwatches, and similar applications.

IR sensors based on silicon cannot measure heat flow, which makes the JIRS30 unique in this segment. There are few competing products, and generally, this market is immature but under strong growth. Through the tests carried out with customers, we have received indications that we will be able to be a very strong contender in this market.

Therefore, we have started product packaging and testing of JIRS30 for heat flow measurement so we can quickly reach this market as well with exactly the same product used for measuring IR radiation. We thereby create a larger market without changing the product or production!

The future

With this, I hope you get a clearer picture of where we stand as a company today and what is going on behind the scenes. The current issue is, as you understand, crucial for the company's future and enables us to get to the place we have been on our way to for a while.

If you as a reader have further questions, do not hesitate to send them to us via email to info@jondetech.com

For more news and information about the company, I recommend you register on our [News page](#). You can also follow us on [LinkedIn](#).

Dean Tasic

CEO JonDeTech Sensors AB

For more information, please contact:

Dean Tasic, CEO JonDeTech, phone: +46 73 994 85 70, mail: dean.tasic@jondetech.com



About JonDeTech

JonDeTech is a supplier of sensor technology. The company markets a portfolio of IR sensor elements based on proprietary nanotechnology and silicon MEMS. The nanoelements are extremely thin, built-in flexible plastic, and can be manufactured in high volumes at a low cost, which opens up for a variety of applications, such as temperature and heat flow measurements, presence detection, and gas detection. The company is listed on Nasdaq First North Growth Market. Redeye is the company's Certified Adviser. Read more at www.jondetech.se or see how the IR sensor works at www.youtube.com/watch?v=2vEc3dRsDq8.