

# Weebit Nano Ltd

## QUARTERLY RESULT

# Customer discussions ramp up

### NEED TO KNOW:

- Significant increase in customer interest following onsemi agreement.
- Management focused on securing more agreements and achieving qualification.
- No unexpected findings in the quarterly cash report.

**Significant increase in customer interest:** The recent licence agreement with onsemi, a leading player in the auto sensor industry, has led to a noticeable rise in discussions with potential customers. This partnership not only strengthens Weebit's credibility but also enhances its prospects for securing more deals in the future.

**Management focused on growth:** Weebit's management is actively working towards signing two more agreements with chip manufacturers and three with product companies by the end of 2025. Additionally, they aim to achieve qualification with DB HiTek within the same timeframe, which is crucial for validating their technology.

**Quarterly cash report stable:** Weebit reported \$97m in cash as of 31 December 2024, with expenses remaining consistent with previous periods. The cash flow numbers did not reveal any surprises, indicating stable financial management.

### INVESTMENT VIEW

**Leading edge in AI hardware:** Weebit is a prominent player in developing next-generation memory solutions, particularly ReRAM, which addresses the limitations of current memory technologies. This positions the company well for growth in edge network devices.

**Near-term catalysts for growth:** The company is close to achieving significant milestones, such as qualification with DB HiTek and additional licence agreements. These developments will validate Weebit's technology and pave the way for sustainable long-term royalties.

**Experienced leadership team:** Weebit benefits from a highly credentialed board and management team, with extensive experience in the semiconductor industry. Their expertise and strategic relationships, such as with CEA-Leti, are vital for the company's success.

### RISKS TO INVESTMENT VIEW

CLASSIFICATION

14 FEB 2025

## Pre-Revenue

### Stock Overview ^

ASX code	WBT
Current Price (14 Feb 2025)	\$2.14
Price at Review (14 Feb 2025)	\$2.14
GICS Sector	Information Technology
Market Cap (AUD\$m)	\$444m

Source: LSEG

### Financial Forecast ^

Year JUN AU\$m	2023	2024	2025E	2026E	2027E
Revenue	0	1	2	7	21
EBIT	-40	-45	-23	-41	-27
Pre-tax Profit	-39	-41	-23	-39	-25
Net Profit	-39	-41	-23	-39	-25
EPS (cps)	-22.17	-21.93	-11.09	-17.69	-11.66
PE (x)	-23.0	-11.6	-19.3	-12.1	-18.4
DPS (cps)	0	0	0	0	0
Dividend Yield (%)	-	-	-	-	-

Source: LSEG, MST Financial

### Share Price ^



Source: LSEG, Sandstone Insights. Index rebased into share price terms

### Company Overview ^

Weebit Nano Ltd is an Australia-based developer of advanced semiconductor memory technology. The Company is engaged in the development of non-volatile memory using a Resistive RAM (ReRAM) technology based on fabrication factory (fab) friendly materials. ReRAM...

The valuation is set at A\$7.86 per share, unchanged from previous reports. This valuation assumes of successful commercialisation of Weebit's ReRAM technology and achieving key milestones, such as qualification with DB HiTek. The company's current cash position of \$97m supports its ongoing operations and strategic initiatives.

## CATALYSTS

Feb 2025: 1H25 result

Mid-2025: Qual. progress with DB HiTek

Next 12 months: Licensing agreements

## WBT

### DISCLAIMER AND DISCLOSURES <sup>^</sup>

Issuer	The information and opinions contained within Sandstone Insights Research were prepared by MST Financial Services Pty Ltd (ABN 54 617 475 180, AFSL 500557) ("MST", "us", "our" or "we")
Reliance	Whilst we make every effort to use reliable, comprehensive information in the construction of its reports, we make no representation, warranty or undertaking of the accuracy, timeliness or completeness of information in this report. Save for any statutory liability that cannot be excluded, we and our employees, representative and agents shall not be liable (whether in negligence or otherwise) for any error or inaccuracy in, or omission from, this advice or any resulting loss suffered by the recipient or any other person.
General Advice	Any advice contained within Sandstone Insights Research is generic advice only and has been prepared without taking into account any person's objectives, financial situation or needs. Any person, before acting on any advice contained within Sandstone Insights Research, should first consider consulting with a financial adviser to assess whether that advice is appropriate for their objectives, financial situation and needs. Investments involve risks and the value of any investment or income may go down as well as up. Investors may not get back the full amount invested, and price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise.
General Disclosures	This report should be read in conjunction with our Disclaimers and Disclosures <a href="#">Sandstone Insights</a> and is published in accordance with our Conflict Management Policy <a href="#">Sandstone Insights</a> which are available at our website: <a href="https://www.sandstoneinsights.com.au">https://www.sandstoneinsights.com.au</a> . Past performance is not indicative of future performance, and no representation or warranty, express or implied, is made regarding future performance. Estimates of future performance are based on assumptions that may not be realised. Investments involve risks and the value of any investment or income may go down as well as up. Investors may not get back the full amount invested, and price, value of and income from any of the securities or financial instruments mentioned in this report can fall as well as rise.
Currency of Research	The recommendations made in a Sandstone Insights Research report are current as of the publication date. If you are reading a report more than 4 weeks after publication, it is likely that circumstances will have changed and at least some aspects of the analysis may no longer hold.
Access and Use	Any access to or use of Sandstone Insights Research is subject to the Terms of Use. By accessing or using Sandstone Insights Research you hereby agree to be bound by our Terms and Conditions and hereby liable for any monies due in payment of accessing this service. In addition you consent to us collecting and using your personal data (including cookies) in accordance with our Privacy Policy, including for the purpose of a) setting your preferences and b) collecting readership data so we may deliver an improved and personalised service to you. If you do not agree to our Terms of Use and/or if you do not wish to consent to our use of your personal data, please do not access this service.
Commissioned Research	In producing this report, MST has been engaged and remunerated by the company that is the subject of this report in exchange for ongoing research coverage.