

Photocat prepares to increase its share capital to fuel growth

Photocat's board of directors seeks mandate to initiate a directed issue of new shares to fuel growth.

Photocat has in 2018, following a strong cost cutting programme, performed a strategic review in order to maximize the outcome. The focus has been on achieving endorsement for the technology from public authorities in the Nordic area. Secondly the focus has been on identifying strategic partners strong enough to accelerate growth in main markets.

The 2018 sales results show growth for photocatalytic dispersions which is Photocat's core revenue stream. Full year revenue for 2018 will land around MDKK 5.1. The difference in the 2018 revenue relative to the 2017 figures reflects the influence from the timing of equipment sales. During 2018 Photocat has built a strong pipeline of private and public activities which is expected to result in strong revenue development in 2019 for both photocatalytic dispersions and equipment sales.

Despite a significant cost reduction programme in 2018 and hence activity level, the company has kept its customer base and managed to grow relations. As a result, Photocat enters 2019 with a strong pipeline and expects sales to grow to MDKK 8 in 2019.

Photocat also achieved significant technology endorsement from the Danish Environmental Agency, the Municipality of Frederiksberg and the Municipality of Copenhagen. This is materialized into specific orders in 2019.

The funds to be raised in a directed issue will be used to secure sufficient funds to realize the growth expectations, provide a cash base as well as restructure the balance sheet in order to lower debt and financial expenses.

Photocat's holds a leading position in its current markets (Canada, Denmark, Germany, Norway, Spain and Sweden) where it is recognized as the leading quality provider of photocatalytic technology.

The information in this announcement requires Photocat A/S to publish the information in accordance with the EU Market Abuse Regulation and the Securities Market Act, The information was submitted for publication on 18 January 2019 at 17:31 CET.