

## Foresight WAE Technology EIS Fund

### Additive Manufacturing Technologies (“AMT”)



Company Key Facts	
Business Description	AMT is developing industrial technologies to enable the deployment of 3D printing for mass production
Company Website	amtechnologies.co.uk
Headquarters	Sheffield
Industry	3D printing
Fund Investment Date(s)	September 2019 (£2.0m), October 2020 (£0.4m), June 2021 (£1.7m) and May 2023 (£0.2m)
Fund Investment Total	£4.3m
Current Investment Performance	●

#### Trading Update

- In the six months to 30 June 2023, trading slowed somewhat owing to a global market slowdown.
- Foresight encouraged the replacement of the Financial Director with the previously appointed interim, to improve cash management, control of expenditure and prepare the company for a small fundraising round from the existing shareholders.

#### Recent Events

- A small round of £1.6m was raised by the company in May 2023.
- A sales process was undertaken using an adviser with considerable expertise in the sector; unfortunately, no buyers came forward, likely due to the current uncertain economic climate.
- Despite the recent small funding round, with an unexpected further slowdown in sales and some pressure from the company's bank, the cash position of the company remains precarious.
- At the time of writing, there was an offer of investment from other shareholders excluding FWT. Unfortunately, the terms of the funding are dilutive to FWT's existing investments, wiping out value in the near term due to a preferential return but giving the company the necessary runway for FWT to recover value in the medium term.

#### Current Focus and Outlook

- A restructuring plan is underway and includes considerably reducing the number of employees and other expenses, so that the costs are more aligned with the current level of turnover.
- AMT is raising a further round of c.£2m, which Mercia is due to lead. Foresight is not participating in this round as it is considered likely that a further round will be required in 12 months' time, at which point it will be possible to determine the effectiveness of the restructuring plan and understand if sales growth has resumed.

#### FWT Value-Add

- Foresight has considerably strengthened the finance function as the company works through cash flow challenges.
- Foresight has provided significant support with negotiations with the bank to effect a capital and interest repayment holiday.