



Interview Shortlisted Company – European Small and Mid-Cap Awards 2021

Name of the company
FOM Technologies
What are the key qualities your company has?
<p>The company has had a remarkable development since its founding in late 2012, making it an exceptional performer within the SME segment.</p> <p>Despite being only 2 employees, from the founding and up until 2018, the company has developed into the leading company in the world within material research, targeting the globe's most prestigious and leading universities, research institutions and Fortune 500 corporations.</p> <p>This intense global focus has resulted in more than 100 customers, in more than 20 countries on 6 continents. Today FOM Technologies stands out as an exceptional "Born Global" SME performer.</p>
What prompted your company to go public?
<p>Fundamentally, we wanted to grow the company, while still wanting to maintain ownership. Furthermore, from our experience we felt it would be beneficial step, when aiming for the most prestigious universities, research institutions and Fortune 500 companies, in convincing them of our substance. In addition, it gives us the possibility to offer warrants to employees as a part of a remuneration package.</p>
What were the main challenges along the road to becoming public?
<p>Listing a company is a major mountain to climb. We started the process on the 10th of March 2020. On the following day, the 11th of March 2020, Denmark was completely shoot down due to COVID-19. The next 3-4 month was the most difficult times to go public in Denmark for the last decade.</p>
What have been the key benefits (for your company) of going public?
<p>Above all, being able to announce that FOM Technologies is a listed company has given us much better recognition and respect among investors, sub-suppliers and customers. Listing improves the equity base and the substance of a small SME. It also makes it much easier to attract employees, partly due to increased brand recognition, and because as a listed company we can provide the opportunity to give warrants to employees.</p>
After going public, what reactions have you had from investors, customers, employees, etc.?

We have had massive positive feedback from investors, customers and employees. The fact that our share price has performed so well has provided us with a lot of investor ambassadors. For international customers, they feel that a listed company signals more substance and thereby more professionalism. Similar with employees.

What experience/advice would you want to share with companies that are thinking of going public?

All companies that are thinking of going public should be aware of the following:

- Under promise and overdeliver towards investors
- Decent valuation and if in doubt, make it on the low side to provide upside for investors
- Make a simple, likeable and compelling storytelling
- Go digital (in your business model as well as share distribution).
- Get corner investors on board
- Tie up management, founders and board in a 12-month lock-up period from listing
- Maximise the number of investors to increase daily trading liquidity
- Maintain a firm and steady PR/Marketing flow
- Create a stellar team

Where do you see yourselves in 5 years?

We have 3 goals for ourselves in a 5-year horizon:

- We want to prove to all investors that we can scale the company 5 to 10-fold
- We want to have offices and an organisation in North America, the EU, India, China and Asia.
- We want to be the leading provider of Slot-die coating equipment – targeting material research.

Have you had any assistance from the European Union, e.g. funding projects, etc.

In 2019 FOM Technologies was invited to participate in an EU funded Horizon 2020 project called Harvest. The project aims at doing material research aiming for the aviation industry.

If you had 3 wishes: What should the EU be doing to encourage more SMEs to go public? What should the EU be doing to provide ongoing support for listed companies?

If we could make 3 wishes related to what the EU should be doing to encourage more SMEs to go public, it should be:

- EU should put bigger pressure on member countries to unify and simplify tax on capital gain, taxation on founders' shares, and employee warrant taxation in the different member states.
- EU should simplify and reduce the regulatory burden of SME's going public.
- EU should improve market access. Ultimately, the goal is that Europe becomes the most attractive place to start a small business, make it grow and scale up in the single market and beyond.