

# SECURITIES & EXCHANGE COMMISSION EDGAR FILING

## NANOPHASE TECHNOLOGIES Corp

**Form: 8-K**

**Date Filed: 2017-08-28**

Corporate Issuer CIK: 883107

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 24, 2017

**NANOPHASE TECHNOLOGIES CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other  
jurisdiction of  
incorporation)

**0-22333**  
(Commission  
File Number)

**36-3687863**  
(IRS Employer  
Identification No.)

**1319 Marquette Drive, Romeoville, Illinois 60446**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(630) 771-6700**

**Not applicable**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 5.07. Submission of Matters to a Vote of Security Holders.**

The 2017 Annual Meeting of Stockholders of Nanophase Technologies Corporation (the "Company") was held on August 24, 2017. The following is a summary of the proposals submitted to the Company's stockholders, as described in the Company's definitive proxy statement filed on July 14, 2017, and final results of the voting on each matter.

- 1) The stockholders voted to re-elect three Class II directors to the Board. Results of the voting were as follows:

<b>Director</b>	<b>For</b>	<b>Authority Withheld</b>	<b>Abstentions</b>	<b>Broker Non-Votes</b>
Jess A. Jankowski	16,020,492	97,033	—	10,974,925
Richard W. Siegel, Ph.D.	16,019,833	97,692	—	10,974,925
W. Ed Tyler	16,020,992	96,533	—	10,974,925

In addition to Mr. Jankowski, Dr. Siegel and Mr. Tyler, James A. Henderson, James A. McClung, Ph.D., R. Janet Whitmore and George A. Vincent, III continued their terms of office as directors of the Company after the Annual Meeting.

- 2) The stockholders voted to ratify the appointment by the Company's Audit and Finance Committee of RSM US LLP as the independent auditors of the Company's financial statements for the year ending December 31, 2017. Results of the voting were as follows:

<b>For</b>	<b>Against</b>	<b>Abstentions</b>	<b>Broker Non-Votes</b>
27,016,587	43,611	32,252	—

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**Item 7.01. Regulation FD Disclosure.**

Furnished as Exhibit 99.1 to this Current Report on Form 8-K and incorporated herein by reference is a copy of the slides that the Company intends to utilize in presentations to investors and other third parties. The Company is also making a copy of the attached slides available on the Company's website, [www.nanophase.com](http://www.nanophase.com).

The slides attached as Exhibit 99.1 include non-GAAP financial measures that differ from financial measures calculated in accordance with U.S. generally accepted accounting principles ("GAAP"). The Company believes that the presentation of results excluding certain items, such as non-cash equity compensation charges, provides meaningful supplemental information to both management and investors, facilitating the evaluation of performance across reporting periods. The Company uses these non-GAAP measures for internal planning and reporting purposes. These non-GAAP measures are not in accordance with, or an alternative for, GAAP and may be different from non-GAAP measures used by other companies. The presentation of this additional information is not meant to be considered in isolation or as a substitute for net income prepared in accordance with GAAP. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measure are included in Exhibit 99.1.

The information in Item 7.01 of this Current Report on Form 8-K and Exhibit 99.1 attached hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing. By filing this Current Report on Form 8-K and furnishing this information, the Company makes no admission as to the materiality of any information in this report, including Exhibit 99.1. Any reference to the Company's internet address shall not, under any circumstances, be deemed to incorporate the information available at, or accessible through, such internet address into this report.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit 99.1 [Presentation of Nanophase Technologies Corporation, dated August 24, 2017](#)

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Dated: August 28, 2017

NANOPHASE TECHNOLOGIES CORPORATION

By: /s/ Frank Cesario

Name: Frank Cesario

Title: Chief Financial Officer

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nanophase™  
Nanoengineered Products

*Welcome to Nanophase!!!*

August 24, 2017

Jess Jankowski  
President & CEO

# Safe Harbor - Forward Looking Statements

*This presentation contains words such as “expects,” “shall,” “will,” “believes,” “potential,” and similar expressions that are intended to identify forward-looking statements within the meaning of the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Such statements in this presentation are made based on the Company’s current beliefs, known events and circumstances at the time of publication, and as such, are subject in the future to unforeseen risks and uncertainties that could cause the Company’s results of operations, performance and achievements to differ materially from current expectations expressed in, or implied by, these forward-looking statements. These risks and uncertainties include, without limitation, the following: the Company’s ability to be consistently profitable despite the losses it has incurred since its incorporation; a decision by a customer to cancel a purchase order or supply agreement in light of the Company’s dependence on a limited number of key customers; the terms of the Company’s supply agreements with BASF which could trigger a requirement to transfer technology and/or equipment to that customer; the Company’s potential inability to obtain working capital when needed on acceptable terms or at all; the Company’s ability to obtain materials at costs it can pass through to its customers, including Rare Earth Elements, specifically cerium oxide, as well as high purity zinc; uncertain demand for, and acceptance of, the Company’s nanocrystalline materials; the Company’s manufacturing capacity and product mix flexibility in light of customer demand; the Company’s limited marketing experience; changes in development and distribution relationships; the impact of competitive products and technologies; the Company’s dependence on patents and protection of proprietary information; the resolution of litigation or other legal proceedings in which the Company may become involved; the impact of any potential new government regulations that could be difficult to respond to or too costly to comply with while remaining financially viable; the ability of the Company to maintain an appropriate electronic trading venue for its securities; and other factors described in the Company’s Form 10-K filed March 29, 2017. In addition, the Company’s forward-looking statements could be affected by general industry and market conditions and growth rates. Except as required by federal securities laws, the Company undertakes no obligation to update or revise these forward-looking statements to reflect new events, uncertainties or other contingencies.*



*Nanophase ("NANX") is a world leader in the production of nanomaterials*



- World class application know-how and IP
- Prior to 2014: Supplier of advanced materials to a broad array of markets
- Enabling materials in many familiar brands
- Established Solésence subsidiary in 2016, based on new technology
- Positive market feedback for 1<sup>st</sup> fully formulated products in 2017

We Make NanoTechnology Work!® |



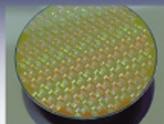
# Nanophase "Materials" Successes

## Ingredient Markets

- Personal Care
- Solar Control
- Architectural Coatings
- Industrial Coatings
- Optics Polishing
- Wafer Polishing



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# Where is Nanophase Today?

- Our existing business is profitable, *and growing*
  - Existing coatings applications are growing
  - Sun Care / Beauty Science business is growing, driven by a *consumer preference* for minerals-based products
    - This helps our ingredients, and intermediates businesses, *and* our formulated products business through Solésence
- Business- and Product- Development Focus:
  - Personal Care has the potential to double over next 4 years
    - Capitalizing on deep commercial experience within Nanophase
    - Strong technical validation of IP
    - Excellent market feedback
  - Solar Control (*re-prioritized for now*)

We Make NanoTechnology Work!® |





# Solésence™

August 24, 2017

**solésence** 

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# Solésence - Who we are



Advancing  
the science  
of healthy skin

- **What we do:** We develop and manufacture patented beauty products for brands.
- **Why we do it:** We seek to improve skin health across the globe with our Active Stress Defense technology.

**solésence**

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Transforming Twenty Years of Mineral UV Sunscreen Leadership into  
***Glamorous Beauty Products featuring Active Stress Defense***

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- 1999: Production begins of leading zinc oxide sunscreen active
  - 2015: New IP expands functionality of zinc oxide and titanium dioxide
  - 2016: Solésence forms, establishes its first major relationship with a brand
  - 2017: New IP expands scope to introduce glamorous beauty products that provide uniquely powerful protective and preventative skin care benefits.

**solésence**

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# Active Stress Defense - Anti-Aging Story



Transparent minerals-based products, *now they look great too!*

Comprehensive, **natural protection** that reduces the potential for developing fine lines and wrinkles;

Quenching the free radicals that lead to sagging skin due to damage they cause to collagen and elastin;

Boosting the effectiveness of antioxidants, vitamins, and other skin care active ingredients!

**solésence**

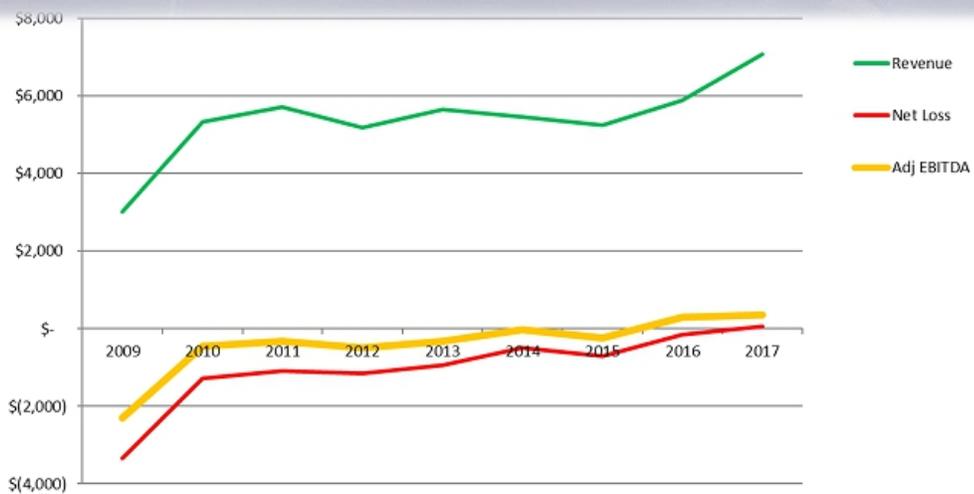


# Financial Trends

August 24, 2017

Jess Jankowski  
President & CEO

# 6 Month Financial Results (\$'000s)



\* See reconciliation of Adjusted EBITDA to net income/(loss) as shown in Appendix A  
We Make NanoTechnology Work!™ |



## Financial Trends (*continued*)

- Q2 2017 marked first back-to-back quarterly net income and first ever first six month net income in company history
- Adj. EBITDA is improving even faster
- Expectation that 2017 revenues exceed 2016's
- Market cap has more than doubled since Q312 Rights Offering (\$9M to \$21M) Q217 - ***Our Leverage is Good!!!***
- We expect launching new products to further enhance opportunity set, revenue, and bottom line

# Summary

- Large, well defined markets accompanied by strong new IP
- Selling a range of competitive products, not only ingredients
- Base business is stable, profitable, and growing
- Business- and Product- Development in two strongest areas:
  - Personal Care has the potential to double over next ~4 years
    - Benefitting from strong consumer demand for natural, minerals-based products
    - Capitalizing on deep commercial experience within Nanophase
- Solar Control (re-prioritized)

**Good Revenue/Cash-Flow/Growth Outlook**

# *Thank You!*

## *Questions?*

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*Appendix A – Reconciliation of Adjusted EBITDA to net income/(loss)  
First Six Months of the Year in \$000s*

	2009	2010	2011	2012	2013	2014	2015	2016	2017	
Net Income/(Loss)	\$ (3,347)	\$ (1,272)	\$ (1,083)	\$ (1,152)	\$ (936)	\$ (499)	\$ (700)	\$ (148)	\$ 68	
Depreciation	\$ 640	\$ 587	\$ 564	\$ 506	\$ 451	\$ 371	\$ 366	\$ 361	\$ 183	
Equity Expense	\$ 441	\$ 243	\$ 201	\$ 160	\$ 149	\$ 106	\$ 94	\$ 88	\$ 94	
Interest/Other	\$ (25)	\$ (15)	\$ (2)	\$ 3	\$ 8	\$ 2	\$ 3	\$ 7	\$ 14	
Adj EBITDA	\$ (2,291)	\$ (457)	\$ (320)	\$ (483)	\$ (328)	\$ (20)	\$ (237)	\$ 308	\$ 359	
	584	Non-equity 2009 severance charge								
	\$ (1,707)									