

Jobs boost for SmartKem as it raises \$25m

By JON ROBINSON

A \$25m fundraise and reverse takeover by a listed US business will allow a Manchester-headquartered company making materials for flexible electronics to disrupt the industry and increase its headcount by 25%, its chief executive has told BusinessLive.

In an exclusive interview, SmartKem's Ian Jenks added the move, which was first revealed last month, will enable it to access to a "universe of new shareholders" to help the company continue to grow.

The reverse acquisition saw SmartKem become a wholly owned subsidiary of Parasol, which has now changed its name to SmartKem, Inc.

SmartKem makes materials for flexible electronics such as bendable smart phone displays, foldable laptops and TV backlights.

Mr Jenks also spoke about the company's response to the Covid-19 pandemic and where he sees the business going in the immediate future.

"I'm very proud of the way the business responded to the first lockdown", Mr Jenks said.



A SmartKem product

"We immediately took a week off to work out what we were going to do and started transferring teams to be able to work from home.

"We've not had to access any Government support grants or loans and only furloughed one person, who was on the at risk register and we topped up their salary.

"The team has been magnificent throughout and I realise that we are in a very lucky position compared to many other businesses.

"We've not had to reduce our headcount at all."

SmartKem's truFLEX technology deposits organic ink on a substrate at a temperature as low as 80 degrees C, enabling manufacturers to use a

range of flexible plastic substrates using existing industry standard equipment and infrastructure.

SmartKem's transistor stacks are flexible, bendable, wearable and lightweight and can be used in a number of different applications, including bendable smart-phone displays, foldable laptops and TV backlights.

Mr Jenks added that while he can not reveal any forward looking financial targets as the company is now part of a public business, he did reveal plans to create new jobs in the UK.

"We're a team of 40 at the moment and I would expect to increase that by 25% in the next two years.

"I would say that the business is at the pre-revenue stage and I would think we would finish developing our products in the next 12 months and then start to manufacture them.

"We also want to create a new product development team and increase our headcount at the Government's Centre for Process Innovation in Darlington."

On the fundraising, which was revealed last month, Mr Jenks said: "We were able to complete such a successful move in part because of how we have handled the last 12 months.

"People could be confident that we know what we are doing and could clearly see that it was a good investment!"

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