



Heliospectra AB (publ)

2021

INTERIM REPORT JAN - MAR

CEO COMMENT

Dear Heliospectra AB (publ) Shareholder,

In 2020 we made the strategic move to expand globally and place a stronger focus on greenhouses and food growers, at the same time we succeeded in strengthening our brand in the cannabis market. This new focus, along with leveraging our existing greenhouse-centric portfolio, will allow us to accelerate progress in this market area. In parallel with this refocused strategy, we will remain steadfast in our commitment to be the industry leader in LED horticulture lighting technology. We continue to develop state-of-the-art technology that will provide growers with full control over their production.

In the first quarter, global market conditions did not improve as the COVID-19 pandemic continues to negatively impact demand. As a result, we did not achieve our sales targets and closed the quarter with TSEK 9,960 in sales and TSEK 12,535 in orders. Despite a challenging environment, we have strengthened our pipeline of food growers with a focus on mega and large greenhouse installations. We are also obtaining our DLC certification, which is crucial for North American customers who are looking to secure energy rebates. Importantly, this certification will be a catalyst to build relationships with mega and large greenhouse food producers. These efforts will take time and stretch our sales cycle, but they will also positively impact future business results.

Our efforts will be further energized and empowered by introducing two new board members: Bonny Heeren and Ljubo Mrnjavac. Combined, they bring decades of experience in greenhouse sales and international expansion, as well as commercial investment acumen.

In the first quarter, we delivered on our promise to release of helioCORE 2.0 to a subset of customers across the globe. Along with a newly developed interface and exciting new features, helioCORE 2.0 provide customers with access to our dedicated Heliospectra plant and light team of experts, who are able to assist with installation and help them utilize the software to its fullest potential. Throughout these customer interactions, we will receive initial product feedback. Following this, the next phase of the helioCORE 2.0 release will start in Q3.



In parallel with the priorities outlined above, we are working hard to deliver new and innovative horticulture technology. We are currently developing our state-of-the-art biosensor and are excited to announce MSEK 1,75 research grant from Vinnova, the Swedish Innovation Authority. In partnership with Chalmers University of Technology, this grant will help accelerate the development of our patented biosensor technology. Ultimately, we expect these efforts to yield two new control modules that will fully integrate with helioCORE 2.0. This will provide growers with full control over their production and allow them to optimize their commercial greenhouses or indoor facilities to meet their specific business objectives. Lastly, we continue to develop the next generation of MITRA with our engineering partners. We are looking forward to seeing these efforts come together and the results that will follow.

While we are confident that we have the right strategic initiative in flight, they will take time to further mature and produce measurable results. Ultimately, they will enable us to grow our pipeline of customers, launch new products and improve financial results. We are looking forward to sharing results as we progress through the year.

I am very pleased to work with shareholders who support our passion for innovation, sustainability, quality and results. As always, I thank you for your steadfast commitment to the Heliospectra vision.

*Ali Ahmadian, CEO
Heliospectra AB (publ)*

SIGNIFICANT EVENTS DURING THE YEAR

JANUARY –MARCH

- Heliospectra announces a new order from Environmental Growth Chambers of Chagrin Falls, OH, United States. The order value is \$281,720 USD.
- Heliospectra announces a new order from Texas Tech University of Lubbock, Texas, United States. The order is of Heliospectra's fully adjustable ELIXIA Led lighting solution and the order value is \$ 287,250 USD.

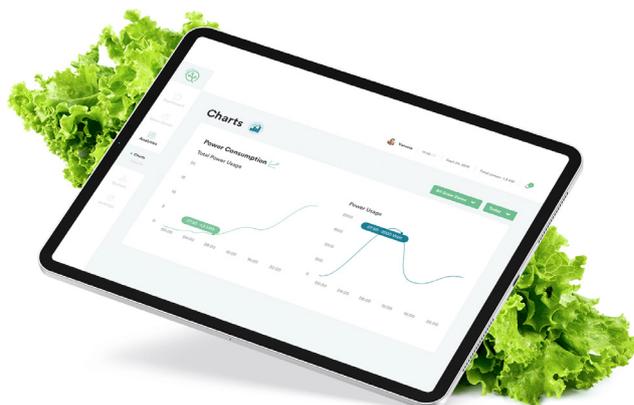
SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Heliospectra announces a new order from G&M Family Farm in Freshwater, NL, Canada. The order value is \$301,000 CAD.
- Heliospectra announces the nomination of two new board members, Ljubo Mrnjavac and Bonny Heeren. They are set to replace Staffan Hillberg and Martin Skoglund. The nomination committee will officially present the nominations at the Annual General Meeting on May 20[th], 2021.
- Heliospectra publishes the Annual Report for 2020. The report is available and can be downloaded from the company's website <https://www.heliospectra.com/investor-relations/reports-documents-archive>.

SIGNIFICANT NEWS

JANUARY –MARCH

- Heliospectra has through the wholly owned subsidiary Heliospectra Personal AB ("the Subsidiary") has executed the transfer of 930,000 stock warrants of series P03 from the Company to senior executives and key personnel within the group.
- Heliospectra partnered with Carleton College, a private liberal arts college in Northfield, Minnesota, United States, to upgrade the campus greenhouse facilities. Carleton College installed Heliospectra's ELIXIA adjustable spectrum horticulture lighting and the helioCORE™ light control system to expand the school's plant research capabilities with a focus on vegetable and herb transplants and native plant propagation.
- Heliospectra, commitment to building tomorrow's technology for today's growers, has announced the launch of helioCORE 2.0. The newly upgraded state-of-the-art plant science software is being released to leading commercial growers and research institutions around the globe. It is expected to have a full launch by Q3 of 2021.
- Heliospectra announced that they have been awarded a research grant from Vinnova, the Swedish Innovation Authority, for the innovation project "Production control and light optimization in greenhouses". The value of the grant is SEK 1,750,000.



FINANCIAL REPORT

TSEK	JAN - MAR	
	2021	2020
ORDER INTAKE	12,535	2,464
NET SALES	9,960	15,200
OPERATING RESULTS	-7,302	-9,058
RESULT BEFORE TAX	-7,307	-9,054

SALES AND FINANCIAL PERFORMANCE, JANUARY– MARCH

Net sales amounted to KSEK 9,960 (15,200). The operating loss amounted to KSEK -7,302 (-9,058) KSEK, signifying a negative operating margin (neg). The loss after tax was KSEK -7,307 (-9,054).

CASH FLOW, JANUARY – MARCH

Operating cash flow was KSEK -7,448 (-20,014). Total cash flow was KSEK -9,807 (-20,310).



SIGNIFICANT RISKS AND UNCERTAINTIES

For a comprehensive – but not complete – summary of risks, we refer to Heliospectra’s 2020 Annual Report <https://www.heliospectra.com/investor-relations/reports-documents-archive>.

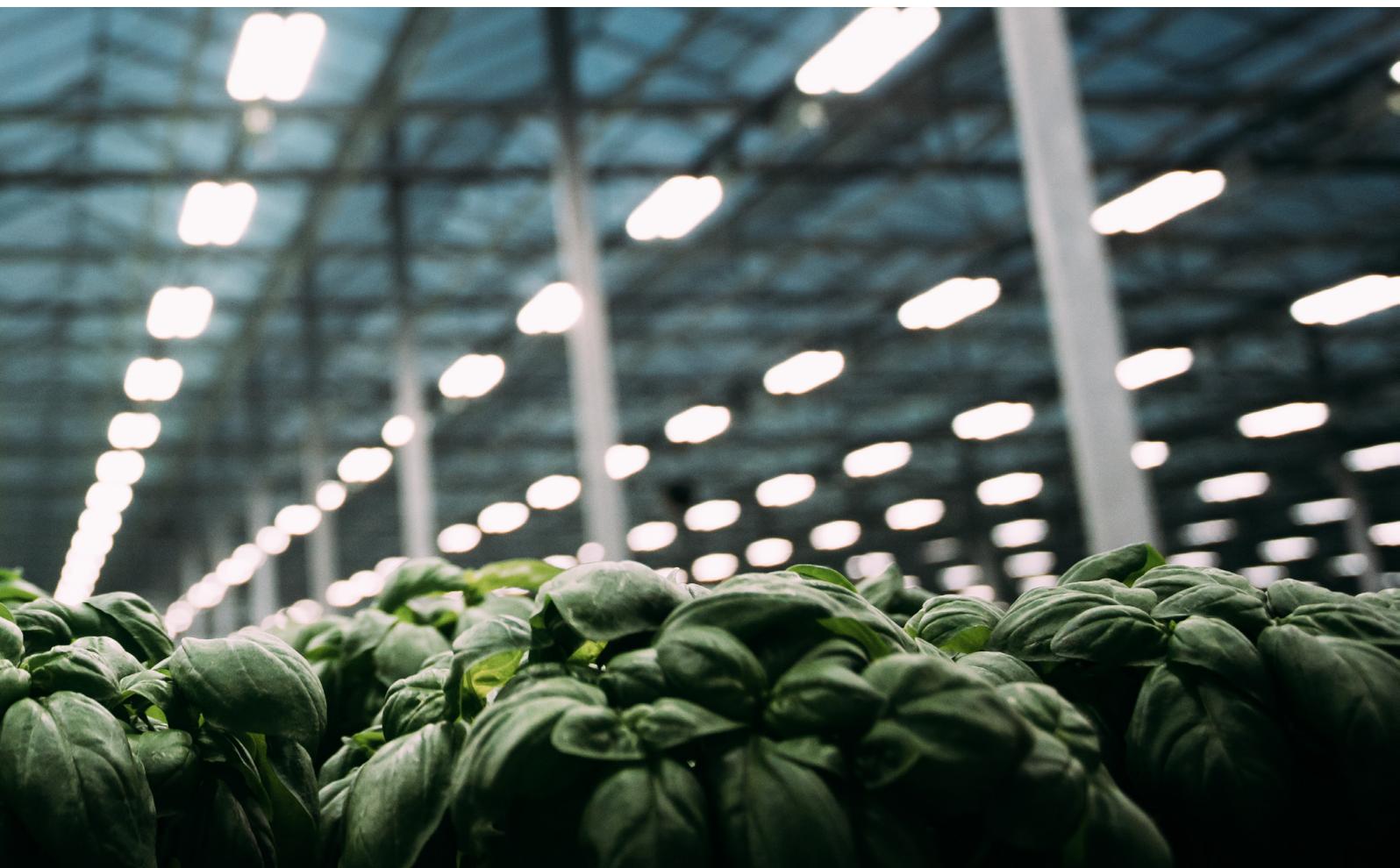
FINANCIAL CALENDAR

ANNUAL GENERAL MEETING	5/20/2021
HALF YEAR REPORT JAN - JUN 2021	8/20/2021
INTERIM REPORT JAN - SEP 2021	10/22/2021
ANNUAL REPORT 2021	2/25/2022



All reports can be found on Heliospectra’s website (see link below) from the date stated above, <https://www.heliospectra.com/investor-relations/reports-documents-archive>.

Gothenburg April 23 2021,
/The Board



CONSOLIDATED INCOME STATEMENT	2021	2020
Amounts in SEK thousand (KSEK)	JAN-MAR	JAN-MAR
Net Sales	9,960	15,200
Other operating income	153	50
	10,112	15,250
Operating Expenses		
Cost of goods sold	-7,044	-7,947
Other external expenses	-3,663	-6,576
Personnel expenses	-6,322	-9,031
Depreciations, amortizations and impairments	-1,016	-1,079
Other operating expenses	631	326
Operating profit/loss	-7,302	-9,058
Total financial items	-5	4
Profit/Loss before tax	-7,307	-9,054
Taxes	0	0
Profit/Loss after tax	-7,307	-9,054

CONSOLIDATED CASH FLOW STATEMENT	2021	2020
Amounts in SEK thousand (KSEK)	JAN-MAR	JAN-MAR
Profit/Loss after financial items	-7,307	-9,054
Adjustments for items not included in the cash flow	1,039	1,038
Share Issuance	-1,180	-11,997
Change in working capital	-7,448	-20,014
Operating cash flow	-2,359	-151
Cash flow from investing activities	0	-146
Cash flow from financing activities	-9,807	-20,310
Cash flow for the period		
Cash and cash equivalent at beginning of period	55,458	54,243
Cash and cash equivalents at end of period	45,651	33,933

KEY RATIOS	2021	2020
	JAN-MAR	JAN-MAR
Weighted average number of shares		
Before dilution	77,245,466	56,178,520
After dilution	89,588,689	57,270,461
Earnings per share basic	-0.09	-0.16
Earnings per share fully diluted	-0.08	-0.16
Revenue per share basic	0.13	0.27
Revenue per share diluted	0.11	0.27
Operating margin %	neg.	neg.
EBITDA, KSEK	-6,286	-7,979
EBITDA, margin, %	neg.	neg.

CONSOLIDATED BALANCE SHEET	2021-03-31	2020-12-31
Amounts in SEK thousand (KSEK)		
Assets		
Intangible assets	14,459	12,945
Tangible assets	1,648	1,819
Total fixed assets	16,107	14,764
Inventories	17,667	18,261
Current receivables	8,137	9,999
Cash and cash equivalents	45,651	55,458
Total current assets	71,455	83,718
Total assets	87,563	98,482
EQUITY AND LIABILITIES		
Equity	60,576	67,891
Non-current liabilities	9,415	9,384
Current liabilities	17,571	21,207
Total equity and liabilities	87,563	98,482

CHANGE IN CONSOLIDATED EQUITY	JAN-MAR	
Amounts in SEK thousand (KSEK)	2021	2020
Opening equity	67,891	60,687
Profit/Loss for the period after tax	-7,307	-9,054
Exchange rate differences	-8	-38
Closing equity	60,576	51,595

KEY RATIOS	2021-03-31	2020-12-31
Number of shares, thousands	77,245,466	77,245,466
Equity per share, SEK	0.78	0.88
Equity/assets ratio	69%	69%
Quick ratio	306%	309%

ACCOUNTING POLICIES AND NOTES

This interim report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general guidelines BFNAR 2012:1 Annual Accounts and Consolidated Accounts (K3). The accounting policies are unchanged from the 2020 annual report and remain as described in said report. All amounts are reported in SEK thousands unless otherwise indicated.

DEFINITIONS

SALES PER SHARE

Net sales in relation to the number of shares

EARNINGS PER SHARE AFTER-TAX

Earnings after tax in relation to the number of shares

OPERATING MARGIN

Operating loss in relation to net sales

EBITDA

Operating profit/loss excl. depreciation and amortisation

EBITDA MARGIN

Equity in relation to number of shares

EQUITY/SHARE

EBITDA in relation to net sales

EQUITY/ASSETS RATIO

Equity in relation to total assets

QUICK RATIO

Current receivables plus cash and cash equivalents in relation to current liabilities



THE SHARE

The shares are issued in accordance with Swedish law and are denominated in Swedish kronor. There is only one class of shares. Shares are made out to the holder and the share register is maintained digitally by Euroclear Sweden.

Heliospectra's share capital on the 31th of March 2021 totals SEK 7,724,546.5 split between 77,245,465 shares, each with a quota value of SEK 0.10. Average amount of shares before dilution amounted to 57,934,099 shares. Average amount of shares after dilution amounted to 59,882,353 shares.

Heliospectra's shares and warrants are traded on First North Growth Market as of June 18, 2014.

The share's First North ticker symbol is **HELIO**

The share's ISIN code is **SE0005933082**

Heliospectra may also be traded via a so-called ADR in the United States on the OTC Markets through BNYMellon.

The ADR ticker symbol on the OTC Markets OTCQB is **HLSPY**

CUSIP code for ADR: **423281104**

LIST OF OWNERS

PER 2021-03-31

STOCK OWNER	NR OF STOCK	PERCENTAGE
WELAND VÄRDEPAPPER AB	17,344,657	22.5%
WELAND STÅL AB	14,397,533	18.6%
ADMA FÖRVALTNINGS AB	12,000,000	15.5%
MIDROC NEW TECHNOLOGY AB	8,850,336	11.5%
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION	2,395,537	3.1%
THE BANK OF NEW YORK MELLON, CORPORATION W9	1,362,151	1.7%
LUNDGREN, FREDRIK	805,701	1.0%
MAGOWNY INVEST AB	715,871	0.9%
NORDNET PENSIONS FÖRSÄKRING AB	545,102	0.7%
SPP SVERIGE PLUS	463,905	0.6%
Other Owners	18,364,672	23.8%
TOTAL:	77,245,465	100.0%

Total number of stock owners are approximately 5,650.

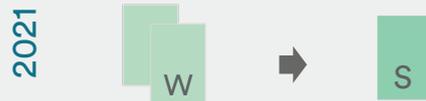


WARRANTS 2020/21

During 2020, a rights issue was carried out of units consisting of shares and warrants.

During the period from 1 November 2021 to 30 November 2021, those who have subscribed for options are given the right to redeem two (2) warrants against one (1) share at a subscription price of SEK 3.1.

The rights issue consists of a maximum of 21,066,945 units. At full subscription, the dilution is estimated to be about 12%.



STOCK WARRANTS FOR SENIOR EXECUTIVES

At the Extraordinary General Meeting on March 12, 2019, a warrant program was decided for senior executives and key personnel of series P02. This includes 1,000,000 options where each option entitles the holder to subscribe for one new share at a subscription price of SEK 6.13 per share during the period March 1, 2021 through April 30, 2021. Based on this, the dilution is estimated to be about 1,3%.

At the General Meeting on May 14, 2020, a warrant program was decided for senior executives and key personnel of series P03. This includes 1,000,000 options where each option entitles the holder to subscribe for one new share at a subscription price of SEK 3.19 per share during the period March 1, 2022 through April 30, 2022. Based on this, the dilution is estimated to be about 1,3%. A total of 930,000 warrants have so far been handed over, the remaining 70,000 warrants may in future be offered to senior executives and key personnel.



HELIOSPECTRA IN SHORT

Heliospectra AB (publ) (OTCQB: HLS, FIRST NORTH GRWOTH MARKET: HELIO) is the global leader in intelligent lighting technology, light control systems and related services for greenhouse and controlled plant growth environments. With the vision to make commercial crop production more connected and resource-efficient, Heliospectra integrates customized LED spectral strategies with real-time response and artificial intelligence to create predictable and reliable business forecasts and harvest results. Founded in 2006, Heliospectra is committed to helping growers and commercial producers across six continents consistently increase yields and produce crops with quality appearance, superior nutritional or medicinal value and longer shelf life, harvest after harvest. Heliospectra is the recipient of multiple international awards and recognitions.

For more information, we refer to Heliospectra's 2020 Annual Report <https://www.heliospectra.com/investor-relations/reports-documents-archive>. and the heliospectra website www.heliospectra.com.

FOR MORE INFORMATION, PLEASE CONTACT:

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This report has not been reviewed by the company's auditors.



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