



**Heliospectra AB (publ)**

**2021**

**HALF YEAR REPORT**

## CEO COMMENT

Dear Heliospectra AB (publ) Shareholder,

Despite experiencing many of the same COVID driven challenges that most global industries have endured – such as supply chain issues, delayed investments, and economic uncertainty – we have made measurable progress during the first half-year. If we isolate the effect of the order cancellation from Nectar Farms, we have received orders to date which outpace 2020 by 443% while our sales for the half year drop by 6% compared to same period last year. The operating cost has been adjusted to cope with our current market situation which resulted in improving EBITDA by 27,7% compared to the previous year. We have also made great strides in productizing our patented biosensor technology and we are increasingly optimistic of our development of this revolutionary solution.

The Nectar Farms order cancellation was another by-product of the uncontrollable circumstances created by COVID. Unfortunately, the customer was unable to raise an adequate level of funding in time. Although this was a bitter pill to swallow, our organization should feel proud that such a big client chose Heliospectra LED grow lights above all else after nearly three years of vigorous product and competitive analysis.

Looking ahead, we are excited about nearing the commercialization of our patented biosensor technology. This is a game changer that will not only improve our position in this space, but also solidify our reputation as a technologically innovative company. The patented biosensor technology will revolutionize the CEA (controlled environment agriculture) industry by allowing growers to communicate with their crops and dynamically adjust production requirements. For example, this technology will alert growers to the type of light the crop needs at different stages of its growth. By being able to respond to the crop's needs in "real time", growers will be able to cultivate higher quality crops at a faster rate with much less crop waste and thus significantly increase their profit. We have already passed the functional validation of our solution and fielded a significant amount of commercial and research interest. As such, we will continue to focus on finalizing this product and bringing it to market early next year.

In parallel, we are also working hard to optimize our product offerings and expand our global presence in the marketplace. We are working on a comprehensive solution that combines our industry leading light fixtures with our



control platform and biosensor technology. By offering this packaged solution we hope to further support and meet the expanding needs of both our existing and future customers. We have also been focused on expanding our global presence by strengthening our sales channels. Heliospectra has partnered with two new resellers. MineARC Systems, a global leader in manufacturing and supply of controlled environments, will represent Heliospectra's products and solutions in the Australian market. Harahara Inc., a long-term supplier of cultivation solutions, will be doing the same for the controlled environment agriculture and PFALs markets in Japan. We will continue to expand our reseller network in the coming months by partnering with locally trusted and capable resellers.

Looking forward, our goal is to elevate and re-set the technology standard in horticulture by providing an integrated solution that focuses on crop and production yield. As LED lights are increasingly viewed as a commodity, we will differentiate ourselves and our products by focusing on practical innovations that will help define the future of lighting in horticulture and bring value to our customers. In support of these goals, we will continuously review our strategy to ensure we have the right balance between our commercial practices and R&D.

Additionally, as we continue to battle extraordinary societal and marketplace challenges, we will maintain great relationships with our existing customers to ensure we are ready to accept and deliver their delayed, but forthcoming, orders as well as provide a clear path to introducing our new, state-of-the-art biosensor technology solution.

Thank you for your continued support and we look forward to regularly updating you on our progress for the remainder of year.

**Ali Ahmadian, CEO**  
**Heliospectra AB (publ)**

## **SIGNIFICANT EVENTS DURING THE PERIOD**

### APRIL – JUNE

- Heliospectra announces a new order from G&M Family Farm in Freshwater, NL, Canada. The order value is \$301,000 CAD.
- Heliospectra announced the nomination of two new board members, Ljubo Mrnjavac and Bonny Heeren, set to replace Staffan Hillberg and Martin Skoglund. The nomination committee presented the nominations at the Annual General Meeting on May 20[th], 2021.
- Heliospectra published 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>.
- Heliospectra announce that the order from Nectar Farms Management Limited has been written off following insufficient funds and the voluntary liquidation of Nectar Farms. The order value was SEK 72 million.
- Heliospectra announces a new order from San Juan Strains Inc of Pagosa Springs, Colorado, United States. The order is for Heliospectra's MITRA LED lighting solution and the value is \$319,000 USD.

## **SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD**

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## **SIGNIFICANT NEWS DURING THE PERIOD**

### APRIL – JUNE

- Heliospectra 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. The research project is part of the development of Heliospectra's new bio-sensor technology.
- Heliospectra announces that the company's MITRA LED lighting platform has been approved and received its DLC certification. The new certification means MITRA customers meet the requirements for discounts on energy consumption and energy efficiency savings set by utilities in North America.
- Heliospectra announces a new reseller partnership with Harahara Inc., a long-term supplier of cultivation solutions. The company will represent Heliospectra's market leading LED lighting and light control solutions to the controlled environments agriculture and PFALs market in Japan.
- Heliospectra announces a new reseller partnership with MineARC Systems, a global leader in manufacturing and supply of controlled environments in Australia. The company will represent Heliospectra's market-leading LED lighting and light control solutions for controlled environments agriculture in the Australian market.



## FINANCIAL REPORT

| TSEK              | JAN - JUN |         | APR - JUN |         |
|-------------------|-----------|---------|-----------|---------|
|                   | 2021      | 2020    | 2021      | 2020    |
| ORDER INTAKE      | -48,957   | 4,181   | -61,492   | 1,717   |
| NET SALES         | 18,728    | 19,874  | 8,768     | 4,674   |
| OPERATING RESULTS | -16,532   | -22,242 | -9,230    | -13,185 |
| RESULT BEFORE TAX | -16,537   | -22,190 | -9,230    | -13,137 |

### SALES AND FINANCIAL PERFORMANCE, JANUARY– JUNE

Order intake during the period April - June amounted to SEK -61,492 thousand. This figure includes the order cancellation from Nectar Farms, Australia, which was announced in April 2021. Excluding this cancellation, order intake during the period amounted to SEK 10,171 (1,717) thousand. For the period January - June, the corresponding figure is SEK 22,706 (4,181) thousand.

Net sales during the period April - June amounted to SEK 8,768 (4,674) thousand and operating profit amounted to SEK -9,230 (-13,185) thousand, implying a negative operating margin (negative). Profit after tax was SEK -9,230 (-13,137) thousand. For the period January - June, net sales amounted to SEK 18,728 (19,874) thousand and operating profit amounted to SEK -16,532 (-22,242) thousand, implying a negative operating margin (negative). Profit after tax was SEK -16,537 (-22,190) thousand.

### CASH FLOW, JANUARY – JUNE

Operating cash flow was SEK -14 755 (-28 285) thousand. Total cash flow was SEK -20 320 (-28 371) thousand. Cash flow from investment activities mostly refers to capitalized work for own account in the form of product development.



## 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

|                                 |            |
|---------------------------------|------------|
| INTERIM REPORT JAN - SEP 2021   | 10/22/2021 |
| ANNUAL REPORT 2021              | 2/25/2022  |
| INTERIM REPORT JAN - MAR 2022   | 04/22/2022 |
| ANNUAL GENERAL MEETING          | 05/19/2022 |
| HALF YEAR REPORT JAN - JUN 2022 | 08/19/2022 |



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 August 20th 2021,  
/The Board



| <b>CONSOLIDATED INCOME STATEMENT</b>         | <b>2021</b>    | <b>2020</b>    | <b>2021</b>   | <b>2020</b>    |
|--|----------------|----------------|---------------|----------------|
| Amounts in SEK thousand (KSEK)               | JAN-JUN        | JAN-JUN        | APR-JUN       | APR-JUN        |
| Net Sales                                    | 18,728         | 19,874         | 8,768         | 4,674          |
| Activated work for own account               | 5,507          | 664            | 3,245         | 640            |
| Other operating income                       | 166            | 72             | 13            | 22             |
|  | <b>24,401</b>  | <b>19,946</b>  | <b>12,026</b> | <b>4,696</b>   |
| <b>Operating Expenses</b>                    |                |                |               |                |
| Cost of goods sold                           | -11,970        | -11,640        | -4,926        | -3,693         |
| Other external expenses                      | -14,927        | -11,214        | -9,002        | -4,614         |
| Personnel expenses                           | -12,238        | -17,203        | -5,916        | -8,172         |
| Depreciations, amortizations and impairments | -2,014         | -2,154         | -998          | -1,075         |
| Other operating expenses                     | 217            | -640           | -414          | -966           |
| <b>Operating profit/loss</b>                 | <b>-16,532</b> | <b>-22,242</b> | <b>-9,231</b> | <b>-13,185</b> |
| Total financial items                        | -5             | 51             | 0             | 47             |
| <b>Profit/Loss before tax</b>                | <b>-16,537</b> | <b>-22,190</b> | <b>-9,231</b> | <b>-13,137</b> |
| Taxes  | 0              | 0              | 0             | 0              |
| <b>Profit/Loss after tax</b>                 | <b>-16,537</b> | <b>-22,190</b> | <b>-9,231</b> | <b>-13,137</b> |

| <b>CONSOLIDATED CASH FLOW STATEMENT</b>                | <b>2021</b>    | <b>2020</b>    |
|--|----------------|----------------|
| Amounts in SEK thousand (KSEK)                         | JAN-JUN        | JAN-JUN        |
| Profit/Loss after financial items                      | -16,537        | -22,190        |
| Adjustments for items not included in the cash flow    | 2,031          | 2,004          |
| Change in working capital                              | -249           | -8,099         |
| <b>Operating cash flow</b>                             | <b>-14,755</b> | <b>-28,285</b> |
| Cash flow from investing activities                    | -5,565         | -211           |
| Cash flow from financing activities                    | 0              | 124            |
| <b>Cash flow for the period</b>                        | <b>-20,320</b> | <b>-28,371</b> |
| <b>Cash and cash equivalent at beginning of period</b> | <b>55,458</b>  | <b>54,243</b>  |
| <b>Cash and cash equivalents at end of period</b>      | <b>35,138</b>  | <b>25,872</b>  |

| <b>KEY RATIOS</b>                 | <b>2021</b> | <b>2020</b> | <b>2021</b> | <b>2020</b> |
|-----------------------------------|-------------|-------------|-------------|-------------|
|                                   | JAN-JUN     | JAN-JUN     | APR-JUN     | APR-JUN     |
| Weighted average number of shares |             |             |             |             |
| Before dilution                   | 77,245,465  | 56,178,520  | 77,245,465  | 56,178,520  |
| After dilution                    | 89,295,438  | 57,224,491  | 89,002,188  | 57,178,520  |
| Earnings per share basic          | -0.21       | -0.39       | -0.12       | -0.23       |
| Earnings per share fully diluted  | -0.19       | -0.39       | -0.10       | -0.23       |
| Revenue per share basic           | 0.24        | 0.35        | 0.11        | 0.08        |
| Revenue per share diluted         | 0.21        | 0.35        | 0.10        | 0.08        |
| Operating margin %                | neg.        | neg.        | neg.        | neg.        |
| EBITDA, KSEK                      | -14,518     | -20,088     | -8,233      | -12,110     |
| EBITDA, margin, %                 | neg.        | neg.        | neg.        | neg.        |



| <b>CONSOLIDATED BALANCE SHEET</b>   | <b>2021-06-30</b> | <b>2020-12-31</b> |
|-------------------------------------|-------------------|-------------------|
| Amounts in SEK thousand (KSEK)      |                   |                   |
| <b>Assets</b>                       |                   |                   |
| Intangible assets                   | 16,757            | 12,945            |
| Tangible assets                     | 1,558             | 1,819             |
| <b>Total fixed assets</b>           | <b>18,316</b>     | <b>14,764</b>     |
| Inventories                         | 20,176            | 18,261            |
| Current receivables                 | 9,434             | 9,999             |
| Cash and cash equivalents           | 35,138            | 55,458            |
| <b>Total current assets</b>         | <b>64,748</b>     | <b>83,718</b>     |
| <b>Total assets</b>                 | <b>83,064</b>     | <b>98,482</b>     |
| <b>EQUITY AND LIABILITIES</b>       |                   |                   |
| Equity                              | 51,343            | 67,891            |
| Non-current liabilities             | 9,412             | 9,384             |
| Current liabilities                 | 22,309            | 21,207            |
| <b>Total equity and liabilities</b> | <b>83,064</b>     | <b>98,482</b>     |

| <b>CHANGE IN CONSOLIDATED EQUITY</b> | <b>JAN-JUN</b> |               |
|--------------------------------------|----------------|---------------|
| Amounts in SEK thousand (KSEK)       | <b>2021</b>    | <b>2020</b>   |
| Opening equity                       | 67,891         | 60,687        |
| Profit/Loss for the period after tax | -16,537        | -22,190       |
| Exchange rate differences            | -11            | -100          |
| <b>Closing equity</b>                | <b>51,343</b>  | <b>38,397</b> |

| <b>KEY RATIOS</b>           | <b>2021-06-30</b> | <b>2020-12-31</b> |
|-----------------------------|-------------------|-------------------|
| Number of shares, thousands | 77,245,465        | 77,245,465        |
| Equity per share, SEK       | 0.66              | 0.88              |
| Equity/assets ratio         | 62%               | 69%               |
| Quick ratio                 | 200%              | 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 30th of June 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 77,245,465 shares. Average amount of shares after dilution amounted to 89,295,438 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 2021-06-30

| 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     | 2,378,666         | 3.1%          |
| THE BANK OF NEW YORK MELLON, CORPORATION W9 | 1,309,821         | 1.7%          |
| LUNDGREN, FREDRIK                           | 845,701           | 1.1%          |
| MAGOWNY INVEST AB                           | 632,670           | 0.8%          |
| NORDNET PENSIONS FÖRSÄKRING AB              | 545,102           | 0.7%          |
| SPP SVERIGE PLUS                            | 463,905           | 0.6%          |
| Other Owners                                | 18,477,074        | 23.9%         |
| <b>TOTAL:</b>                               | <b>77,245,465</b> | <b>100.0%</b> |

Total number of stock owners are approximately 5,595.

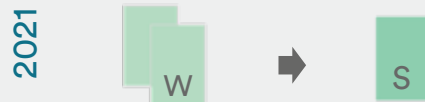


## WARRANTS 2020/21

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 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.

The P02 series was not executed and therefore brought forward no dilution.





## 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](http://www.heliospectra.com).

### FOR MORE INFORMATION, PLEASE CONTACT:

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





**heliospectra**

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