



## Heliospectra AB (publ), Interim Report January – March 2017

### “Full Focus on Commercialization”

(GOTHENBURG, Sweden / SAN FRANCISCO, CA, April 28, 2017) – Heliospectra AB (publ) (OTCQB: HLSPY, FIRSTNORTH: HELIO), a world leader in intelligent lighting technology for controlled plant growth environments, are today presenting its interim report for January – March 2017.

#### Financial Report:

- Net turnover was KSEK 3,913 (4,753)
- Operating profit/loss was KSEK -10,417 (-9,038), involving a negative operating margin (neg)
- Profit/loss after tax was, KSEK-10,449 (-9,079) or SEK -0.3 (-0.5) per share.
- Operating cash flow was KSEK -9,336 (-10,634). Total cash flow was KSEK -9,753 (-11,734).

#### Key events during the period

##### *January - March*

- Heliospectra appoints Ali Ahmadian as new CEO. Departing CEO Staffan Hillberg will continue to be involved as an advisor to Heliospectra.
- Heliospectra makes presentation on the Cannabis Investor Webcast on 26 January 2017.
- Heliospectra number 42 in Deloitte Global's 2016 Technology Fast 500™ EMEA List of the fastest-growing companies.
- TCG Retro Market 1 LLC has chosen to invest in Heliospectra's intelligent LED lighting. In total products to a value of SEK 2.5 million (USD 302,000) will be installed at the beginning of 2017.
- Heliospectra has been chosen as a finalist in the third edition of the Sapphire Awards in the “Horticulture Lighting” category.
- Mak North America will be opening the first licensed cannabis farm for medical purposes in Macedonia. Mak North has chosen to standardise the new facility with Heliospectra LED lighting at an initial value of SEK 1.27 million (USD 143,034).
- Heliospectra has appointed Redeye AB to be the new Certified Adviser for Nasdaq First North as of 1 March 2017.
- The University of Sydney's Centre of Carbon, Water and Food has chosen to invest in Heliospectra's intelligent LED lighting to a value of SEK 823,601 (USD 90,800).
- Canada's Island Garden Inc., a licensed medical cannabis farm on Prince Edward Island in Canada, has decided to invest in Heliospectra's intelligent LED lighting to a value of SEK 1,871,186 (USD 208,368). This is the second purchase for this customer following an extensive trial period.

#### Key events after the period

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#### CEO's comments:

##### *Full focus on commercialization*

It is with great pleasure and confidence that I present my first quarterly report as CEO with Heliospectra. Heliospectra's lighting solutions have been refined through years of research and development and have proven their value to our customers. I am now looking forward to applying my experience in international business to take Heliospectra to the next level and, together with my team, build a global leader of lighting solutions for controlled plant growth environments. During my initial time as CEO, we have taken the first steps in formalizing a proactive corporate culture with clear strategy, structure, and goals.

In the first quarter of 2017 we focused on the full commercialization of our lighting solutions, while at the same time enhancing the company's position. To achieve this, we have drawn up a new strategic plan and have also rationalised and re-prioritised our activities. In Q1 a new internal organisation was created with clear goals for each role in the areas of Sales, Marketing and Supply Chain Management. We also created a product management department and introduced a new Product Manager into the organization to support our strategic goals and to further build on our robust product platform. Heliospectra's products provide growers with a sustainable, reliable lighting solution based on high quality, which will always be a strong competitive advantage and principal for further product development.

We had a slow start in sales in Q1 2017, bearing in mind our high ambitions for this year's financial results. However, the order value increased during the period by 40% compared to the same period in 2016. We also strengthened the pipeline for larger order intake in the food production sector, which is in line with the streamlined strategy and our enhanced focus on commercial greenhouses. These kinds of projects do, however, have a longer sales cycle than small and medium-sized projects, although the orders and volumes are generally bigger. Moreover, Heliospectra exhibited at two trade fairs – IPM Essen in Germany and Cannabis 2017 Cultivation in the USA – where important contacts were made.

Heliospectra is a global company with a product that is in demand in all markets. This was noticeable not least from the press releases published in the first quarter announcing major contracts with customers in Canada, Australia, Macedonia and Hawaii to a value of close to MUSD 0,7 (MSEK 6,5). Whether the aim is to supplement natural light in a greenhouse or to equip a facility for indoor cultivation, intense, high-quality light and enhanced control of the plant growth environment is a competitive advantage for all growers.

All in all, I am satisfied with the progress made by Heliospectra during Q1, the changes initiated, and the large steps the organisation has

taken to build strong foundations for future market expansion in several geographical regions and market segments.

Ali Ahmadian, CEO

Heliospectra AB (publ)

**For the complete Interim report:**

The report in its entirety is attached and is available for reading at: <http://ir.heliospectra.com/en/reports-downloads/>

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Redeye is Heliospectra's Certified Advisor for Nasdaq First North - [www.redeye.se](http://www.redeye.se)

**About Heliospectra**

Heliospectra AB (publ) (OTCQB: HLSPY, FIRSTNORTH: HELIO) is the industry's most proven intelligent lighting technology for greenhouse and controlled plant growth environments. With the vision to make commercial crop production more connected and resource-efficient. Growers and commercial producers across six continents use Heliospectra's holistic and flexible solutions to consistently increase yields while producing crops that achieve quality appearance, superior nutritional value and longer shelf life, harvest after harvest. Founded in 2006 and winner of multiple international awards and recognitions, Heliospectra has raised more than \$32 million in capital to date. As a publicly traded company, the majority ownership remains with some of Heliospectra's earliest investors [Weland Steel](#), [Swedish Industrial Fund](#) and [Midroc New Technology](#). For more information, please visit <https://www.heliospectra.com>.

**Forward-Looking Statements**

The statements in this press release constitute forward-looking statements within the meaning of federal securities laws. Such statements are based on our current beliefs and expectations and are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond our control. In addition, such forward-looking statements are subject to assumptions with respect to future business strategies and decisions that are subject to change. Potential risks and uncertainties include, but are not limited to, technical advances in the industry as well as political and economic conditions present within the industry. We do not take any obligation to update any forward-looking statement to reflect events or developments after a forward-looking statement was made.

*This information is information that Heliospectra AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 8AM CET / 2 AM EST on April 28, 2017.*