



## Heliospectra AB (publ) Half Year Report January - June 2017

Sales orders grew by more than 30% first half of 2017

(GOTHENBURG, Sweden/SAN FRANCISCO, CA, Aug 25, 2017 –

Heliospectra AB (publ) (OTCQB: HILSPY, FIRSTNORTH: HELIO), a world leader in intelligent lighting technology for greenhouse and controlled plant growth environments, presents their Half Year Report for 2017 today. The report will be followed by a live interview with Heliospectra CEO Ali Ahmadian conducted by Redeye today at 12:00 CET.

Turnover and profit/loss January – June

| KSEK            | JANUARY – JUNE |         |     |
|-----------------|----------------|---------|-----|
|                 | 2017           | 2016    |     |
| ORDER INTAKE    | 18,476         | 14,144  | 31% |
| NET SALES       | 11,785         | 9,868   | 19% |
| OPERATING LOSS  | -18,762        | -20,153 | 7%  |
| LOSS BEFORE TAX | -18,824        | -20,238 | 7%  |

- Order intake amounted to 18 476 (14 144) KSEK
- Net sales amounted to 11 785 (9 868) KSEK.
- Operating profit/loss amounted to -18 762 (-20 153) KSEK
- Profit/loss after tax was -18 824 (-20 238) KSEK or -1 (-1) SEK per share.

### Significant events

January – March

- Heliospectra appoints Ali Ahmadian as CEO. Former CEO Staffan Hillberg will continue to be involved as a consultant to Heliospectra.
- Heliospectra makes a presentation in the Cannabis Investor Webcast January 26, 2017.
- Heliospectra is number 42 on Deloitte Global's 2016 Technology Fast 500™ EMEA List of fastest growing companies.
- TCG Retro Market 1 LLC decides to invest in Heliospectra's intelligent LED lighting. In all, products worth SEK 2.5 million (USD 302,000) will be installed by early 2017.
- Heliospectra is selected as a finalist in the third issue of the Sapphire Awards in the Horticulture Lighting category.
- MAK North America will open the first licensed cannabis cultivation for medicinal purposes in the Republic of Macedonia. MAK North has chosen to standardize the new facility using Heliospectra LED lighting to an initial value of SEK 1.27 million (USD 143,034).
- Heliospectra appoints Redeye AB as its new Certified Adviser for Nasdaq OMX First North effective March 1, 2017.
- The University of Sydney's Centre for Carbon, Water and Food decides 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 cultivation on Prince Edward Island, decides to invest in Heliospectra's intelligent LED lighting to a value of SEK 1,871,186 (USD 208,368). This is the customer's second purchase following an extensive trial period.

April – June

- MAK North America places a second order for Heliospectra's LED lighting solutions in an order worth SEK 1.5 million (USD 184,560). The lights will be used in the first licensed medical cannabis growing installation in Macedonia. Delivery is scheduled for the beginning of Q3, and accounts will be reported under Q2 and Q3.
- CORTEX – the market's leading plant lighting control system – is launched by Heliospectra. Heliospectra's new system will provide growers with more control and enable the standardization of crop quality, harvesting cycles and yields.
- Heliospectra books its fifth order from a global Fortune 500 AgTech company. The current order is for the Heliospectra LX60 series, an intelligent LED lamp that is compatible with the company's new Cortex control system. The purchase shows that the AgTech industry is quick to adopt innovative IoT technology. The order, valued at approximately SEK 4.7 million (USD 539,000), is in addition to four previous orders from this customer in 2015 and in 2016.

### Events after the end of the period

- Heliospectra announces an order from TruGanic Hybrid Cultivation. The grower has chosen to invest in Heliospectra's lighting solutions to achieve consistent medicinal profiles and the ability to standardize high crop quality. The order is valued at around SEK 790,000 (USD 93,500).
- Heliospectra showcases the company's new CORTEX control system at the Cultivate '17 trade fair July 15–18, 2017 in Columbus, Ohio. Cortex integrates with Heliospectra's intelligent LED lighting and light sensors and offers commercial growers the industry's most advanced control functions for lighting in farming environments.
- Heliospectra announces an order from the John Innes Centre in Norwich in the UK. The order from the John Innes Centre, an

independent international research center in plant science, genetics and microbiology, is valued at GBP 92,248 (SEK 1,048,273).

- Heliospectra announces that a new Fortune 500 Global AgTech-customer has selected Heliospectra's intelligent LED lighting solutions. The order, valued at USD 70,000 (SEK 583,333), boosts Heliospectra's already significant increase in its product sales and marketing during 2017.
- Heliospectra announces a new order from a new grower in Portugal. The controlled indoor facility is investing in Heliospectra's lighting solutions to speed up harvesting cycles and increase yields. The order is worth SEK 628,555 (USD 77,500).
- Heliospectra expands the management team, to provide innovative and performance-driven lighting solutions to growers worldwide, with the appointment of Peter Nyberg as Head of Technology and Development. Peter starts at the company on August 15, 2017.
- Heliospectra receives an order from leading Italian tomato producer Gandini Antonio S.S. through their Italian reseller Ageon S.r.l. The growers goal is to invest in advanced LED technology to increase yield and improve plant quality. The order is valued at \$99,000 (SEK 805,000).
- Heliospectra receives a second order from The Grove Nevada, a prominent cultivation facility in Las Vegas, Nevada. The Grove standardized on Heliospectra already in 2015 and have had unprecedented results in accelerating harvest while controlling consistency and medicinal profiles of cannabis crops with Heliospectra. The new order is valued at \$209,960 (SEK 1 749 667).

## A Word From the CEO

Dear Heliospectra AB (publ) Shareholder,

We are six months into a major positive transformation of Heliospectra. Considerable progress has been made to date, and we've put into action strategic initiatives that will deliver rewards over the long term. As we reflect on the half-year milestone, let's remember why we embarked on this transformative journey in the first place: to establish a firm foundation in larger markets and offer compelling solutions to major growers.

Staying focused on these long-term objectives has been the key to our success during the last six months. This focus guided us as we reshaped our company organization and introduced new solutions and services. We expanded our engineering, marketing and sales resource allocation toward food and research markets without compromising market share in the medical market, in which our installed base also grew. We received sizable repeat orders from some of the largest global players in the ag-tech and medical industries, which grow ever more alike in their rigorous technology requirements, proving the high quality of our product and service offerings and the value our customers gain from our solutions.

We have not hesitated in executing against our long-term objective and strategy. We exited from unprofitable business and grew sales orders by more than 30% in the first half of 2017. We reached nearly 20% improvement in our recognized income and, although currency rates and other macroeconomic issues presented challenges, our cost reduction and profitability improvement programs remained in accordance with our plan. This rigor contributed to a 7% improvement in our bottom line compared to the year-ago period.

Additionally, we redoubled our efforts to develop integrated control and automation software, which will elevate light management capabilities for our growers to a level unparalleled in our industry. Cortex, the technology platform's brand name, was productized during the first quarter and introduced to the market in June. The following month at Cultivate, North America's largest horticulture event, Cortex received a warmly enthusiastic reception from leading growers, thought-leading scientists and media. It is readily apparent that Cortex directly addresses a major gap in existing software platforms, which simply do not provide growers with the controls required for lighting. We are now embarking on Cortex beta programs with category-leading growers and ag-tech companies.

As we look ahead, we will continue to build on our value propositions to provide growers with solutions that empower them to control consistency, increase yields, accelerate harvests and improve crop quality to achieve measurable business results. We will continue to generate incremental earnings through our shared capabilities and collaboration with other industry leaders. We are proud of our achievements, but not content. We will create more value for our customers and shareholders in the six months ahead and beyond.

*Ali Ahmadian, CEO  
Heliospectra AB (publ)*

## For the complete half Year Report:

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

## Live Presentation and Interview

Heliospectra CEO Ali Ahmadian will be presenting the financial results and the latest developments in the company, during a live interview conducted by Redeye today at 12:00 CET. Investors are able to watch the stream at: <https://www.redeye.se/live/heliospectra-q2-2017>. They are also able to send in questions beforehand to [questions@redeye.se](mailto:questions@redeye.se) or by using the Twitter-tag: @Redeye\_ or @heliospectra during the live interview.

## Investor Relations:

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

<http://www.heliospectra.com>

## About Heliospectra

Heliospectra AB (publ) (OTCQB: HLS, FIRST NORTH: 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 holistic and flexible solutions to consistently increase yields while producing crops that achieve quality appearance, superior nutritional or medicinal 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 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 08.00 CEST / 3 AM EDT on August 25, 2017.*