



## Heliospectra carries out Rights Issue

(GOTHENBURG, Sweden /TORONTO, Canada/TOKYO, Japan/SAN FRANCISCO, CA, October 25, 2019) – Heliospectra AB (publ) (OTCQB: HILSPY, FIRSTNORTH GROWTH MARKET: HELIO), a world leader in intelligent lighting technology for greenhouse and controlled plant growth environments, carries out Rights Issue.

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### Heliospectra carries out Rights Issue

Heliospectra AB (publ) ("Heliospectra" or "the Company"), which is listed on Nasdaq First North Growth Market, announces that the Board of Directors proposes a rights issue of approximately SEK 51,5 million with preferential rights for existing shareholders (the "Rights Issue"). The terms of the share issue mean that 5 existing shares give the right to subscribe for 1 new share at the price of SEK 5,5. The issue is 100% covered by subscription and guarantee commitments from the Company's existing shareholders, the Weland Group and Midroc New Technology.

Due to the Board's proposal for a new issue of shares, the shareholders are called to an Extraordinary General Meeting which will be held on November 12, 2019. Notice of the Extraordinary General Meeting is published in a special press release.

### Background and reason to the Rights Issue

Heliospectra was founded in 2006 and specializes in intelligent light technology for plant research and greenhouse cultivation. Heliospectra offers a comprehensive solution for plant lighting based on deep knowledge of plant physiology and photosynthesis, combined with modern LED technology. The Company is a technology leader and a fast-growing player in a global market where growth opportunities are expected to be good for a long time.

In 2019, Heliospectra increased its global presence by opening offices in Toronto, Canada and Tokyo, Japan. The Company assesses the market situation as favorable in both these markets with great development potential for Heliospectra in the current and coming years. In Canada, there is a great need for investment in production facilities to meet the demand for cannabis. Japan is at the forefront of vertical cultivation. The Company's CEO, Ali Ahmadian, has been based in Canada since the beginning of the year and runs the subsidiary on site.

The new product series, MITRA, launched in May 2019 and is a hybrid and development of the EOS and ELIXIA products. MITRA has a modular design with passive cooling, which means lower operating costs. The MITRA light is more intense, dimmable and are aimed at large greenhouse and indoor installations for vegetables as well as "light hungry" crops such as tomato, cucumber and cannabis. With MITRA, Heliospectra offers the market's most powerful controllable LED lighting solution.

Heliospectra announced its first commercial order on MITRA on October 24, 2019 when Nectar Farms, a large-scale greenhouse cultivation for tomatoes under construction in Australia, ordered MITRA with a total order value of SEK 72 million. Lightning are expected to be shipped and installed to Nectar Farms in 2020.

The Company's sales during the second and third quarter of 2019 were weaker than previously expected. This is partly a consequence of the introduction of MITRA which delayed ongoing customer discussions and targets a category of customers with larger projects and therefore also longer decision-making processes. Heliospectra sees good potential for more large customer orders on MITRA in the coming quarters and have completed its transition to a larger Swedish contract manufacturer to ensure greater delivery capacity of customized solutions.

Due to delayed sales, the Board's assessment is that existing working capital is not sufficient for the coming twelve-month period. In order to finance the operation, the Board has decided on the present Rights Issue. Upon full subscription, the Company will receive SEK approximately SEK 51.5 million before issue costs. About 20 percent of the issue proceeds are intended to be used to strengthen the Company's financial position, the remaining capital are intended to be used as follows:

- 20 percent for inventory build-up;
- 40 percent for continued development of the sales organization; and
- 20 percent for continued product development in control & automation.

### Terms and Conditions for the Rights Issue

The Rights Issue means that Heliospectra's share capital is increased by a maximum of SEK 936 308.6 by issuing a maximum of 9 363 086 shares. Existing shareholders have the right to subscribe for shares in relation to the number of shares they already own. Those who are registered as shareholders in Heliospectra on the record day have the right to subscribe 1 new share for 5 existing shares in the Company.

The subscription price amounts to SEK 5.5 per share, which means that the new share issue, upon full subscription, provides Heliospectra with approximately SEK 51.5 million before issue costs.

### Subscription and guarantee commitments

Midroc New Technology AB and the Weland Group, through Weland Värdepapper AB and Weland Stål AB, which together represent approximately 50.4% of the share capital, have undertaken to subscribe for their pro rata share in the Rights Issue. In addition, the Weland Group has, through guarantee commitment, undertaken to subscribe the remaining 49.6%. No compensation is paid for subscription commitments. An 8 percent guarantee fee is paid for the guarantee commitment. Subscription and guarantee commitments have not been secured through advance transaction, bank guarantee or similar.

### **Preliminary timetable for the Rights Issue**

November 12, 2019	Extraordinary General Meeting
November 15, 2019	Last day of trading in the share with the right to participate in the Rights Issue
November 19, 2019	Record date for participation in the Rights Issue
November 19, 2019	Publication of the prospectus (expected)
November 20 - December 4, 2019	Subscription period
November 20 - December 2, 2019	Trading in subscription rights
December 9, 2019	Estimated date for publication of the outcome of the Rights Issue

### **Extraordinary General Meeting**

An Extraordinary General Meeting for resolutions on the Board of Directors' proposal for the present Rights Issue as set out above will be held on November 12, 10.00 at Centralhuset konferens, Nils Ericsonplatsen 4, 411 03 Gothenburg. Notice of the Extraordinary General Meeting will be published through a separate press release.

### **Prospectus**

Full terms and conditions for the Rights Issue as well as other information about the Company will appear in the prospectus that is expected to be published by the Company on or around November 19, 2019.

### **Financial and legal advisors**

Västra Hamnen Corporate Finance AB is a financial advisor and MAQS Advokatbyrå is legal advisor to Heliospectra in connection with the Rights Issue.

### **For further information, please contact:**

Ali Ahmadian, CEO of Heliospectra

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### **This information**

This information is such information as Heliospectra AB 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 8.00 CEST on October 25, 2019.

### **About Heliospectra AB (publ)**

HeliospectraAB (publ) (OTCQB: HLS, FIRST NORTH: 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, please visit <https://www.heliospectra.com>.

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### **Importants information**

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares or other securities in Heliospectra. No action has been taken and measures will not be taken to permit a public offering in any jurisdictions other than Sweden. Any invitation to the persons concerned to subscribe for shares in Heliospectra will only be made through the prospectus that Heliospectra estimates to publish on or about November 19, 2019.

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Within the European Economic Area ("EEA"), no public offering of Securities is made in other countries than Sweden. In other member states of the EU, such an offering of Securities may only be made in accordance with the Prospectus Regulation (EU) 2017/1129 (the

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This communication is only being distributed to and is only directed at persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “Order”) or (ii) high net worth entities, and other persons to whom this announcement may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “Relevant Persons”). This communication must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this communication relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

This press release may contain forward-looking statements which reflect the Company’s current view on future events and financial and operational development. Words such as “intend”, “expect”, “anticipate”, “may”, “believe”, “plan”, “estimate” and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

## Investor Relations:

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Company HELIO is listed at Nasdaq First North Growth Market with Redeye AB as Certified Adviser: [Certifiedadviser@redeye.se](mailto:Certifiedadviser@redeye.se), +46 (0)8 121 576 90.

## 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 / 01:00 AM CDT on 25 October 2019.*