



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 20th, 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	APR - JUN		JAN - 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.

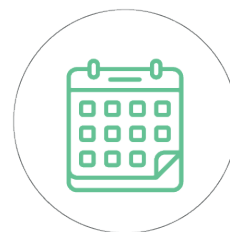


SIGNIFICANT RISKS AND UNCERTAINTIES

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



CONSOLIDATED INCOME STATEMENT	2021	2020	2021	2020
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
	24,401	19,946	12,026	4,696
Operating Expenses				
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
Operating profit/loss	-16,532	-22,242	-9,231	-13,185
Total financial items	-5	51	0	47
Profit/Loss before tax	-16,537	-22,190	-9,231	-13,137
Taxes	0	0	0	0
Profit/Loss after tax	-16,537	-22,190	-9,231	-13,137

CONSOLIDATED CASH FLOW STATEMENT	2021	2020
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
Operating cash flow	-14,755	-28,285
Cash flow from investing activities	-5,565	-211
Cash flow from financing activities	0	124
Cash flow for the period	-20,320	-28,371
Cash and cash equivalent at beginning of period	55,458	54,243
Cash and cash equivalents at end of period	35,138	25,872

KEY RATIOS	2021	2020	2021	2020
	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.

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

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

KEY RATIOS	2021-06-30	2020-12-31
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%
TOTAL:	77,245,465	100.0%

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%.

2021



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.

FOR MORE INFORMATION, PLEASE CONTACT:

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



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