



Heliospectra AB (publ)

2023

YEAR-END REPORT



CEO COMMENT

Dear Heliospectra AB (publ) Shareholder,

As we reflect on 2023, it stands out as a defining period that shapes our trajectory moving forward. As we step into 2024, we do so with confidence, anchored by a stable product platform catering to both commercial large-scale greenhouses and our dynamic Agtech segment.

While our journey in 2023 didn't precisely align with the ambitious budgetary goals we had set, I am pleased to announce that our net sales improved by 37% compared to the previous year, despite market challenges and a competitive landscape. Throughout the year, we faced several obstacles, including inflation, higher interest rates, reduced energy prices, and a delayed subsidizing program in the Netherlands. These challenges contributed to an estimated decline in the horticulture lighting market of up to -40% to -50% compared to 2022. Consequently, many of our commercial growers and customers postponed their investments to the following year or opted for smaller test trials.

Despite this, we managed to win three tenders with leading technical Universities in Denmark and the USA and establish sales and trials with well-known growers in Europe and Canada within young plants and ornamentals, including Queens, Hendriks Young Plants, Sakata, Feldborg, and Glenwood Walley Farms. We also expanded our network in the industry, providing us access to quote on more significant projects and expanding our pipeline. Looking ahead to 2024, we, therefore, anticipate a shift in our portfolio towards larger greenhouse initiatives. This strategic pivot positions us for continued success and growth in the coming year.

The momentum from 2023 carries forward into the new year, as evidenced by our proactive approach to sales and

marketing. Already in 2024, we've participated in two prominent trade shows: IPM Essen in Essen, Germany, and Fruit Logistica in Berlin, Germany, with plans to exhibit at Horticonact in Groningen, Netherlands, in March. In Q1 this year we have also established our new Dutch office. These engagements signify our commitment to solidifying our presence in key markets and fostering meaningful connections with industry stakeholders.

Throughout 2023, our focus remained steadfast on developing innovative, customer-centric solutions. We introduced groundbreaking products such as the MITRA X Flex, a three-spectrum-in-one solution with flexible far-red, DOXA, our wireless PAR sensor, and an enhanced version of our control system - helioCORE 2.0. This version offers a more user-friendly interface with drag-and-drop features, real-time weather forecasts, dynamic zoning and dimming capabilities, along with new data-overview and safeguard features— an offering unique to Heliospectra in the market.

Building on this foundation, we're excited to unveil our latest offerings: the new ELIXIA and DYNA platforms, our fully controllable solutions, set for full launch in April/May. Both will feature significant improvements in IP rating, output, and efficacy, with the ELIXIA fixture now offering an additional wavelength, increasing from 4 to 5 wavelengths. The new platform allows us to maintain our relevancy and strong brand in the research market while also improving our solution towards, for example, seed producers and research greenhouses.

Additionally, our development team has recently unveiled advancements to our MITRA X platform, making the platform fully modular and allowing us to cater to diverse



environments and crops. The platform now comes with a wattage ranging from 325W to 1500W, a comprehensive spectrum portfolio ranging from 40% red to 90% red, a Flexible spectrum alternative, an efficacy of up to 3.7, and an output of up to 5700 μmol . This, combined with our Swedish craftsmanship, use of only A-brand components, and unique dynamic solutions, provides growers with market-leading quality against a very competitive cost per mmol!

Our cost-saving initiatives, launched in 2022, have yielded substantial benefits. By minimizing our reliance on external consultants and optimizing internal resources, we were able to reduce our other external costs by SEK 14.4 million, representing a remarkable 43% decrease in 2023. Additionally, provisions set aside for potential RMA cases contributed to this cost reduction, with a portion of the allocated funds remaining unused. In Q1 2024, we successfully concluded the final phase of our cost-cutting program by relocating our office in Gothenburg, resulting in a 50% reduction in rent costs.

This, coupled with the increase in net sales, drove a notable improvement of SEK 12.3 million or 34% in operating results compared to the previous year. This achievement is a testament to our team's diligent efforts, sales improvements, and the efficacy of our cost-saving and restructuring initiatives. Importantly, we have maintained a healthy margin on our products throughout this period of growth and transformation.

As we embark on this journey into 2024, I extend my heartfelt gratitude for your unwavering support and trust in Heliospectra, especially our 3 main shareholders, Weland Weland Stål AB, Agartha AB, and Corespring New Technology AB. Together, we are poised to capitalize on emerging opportunities, overcome challenges, and propel our company to new heights of success.

With gratitude,
Bonny Heeren,
CEO and Interim CFO

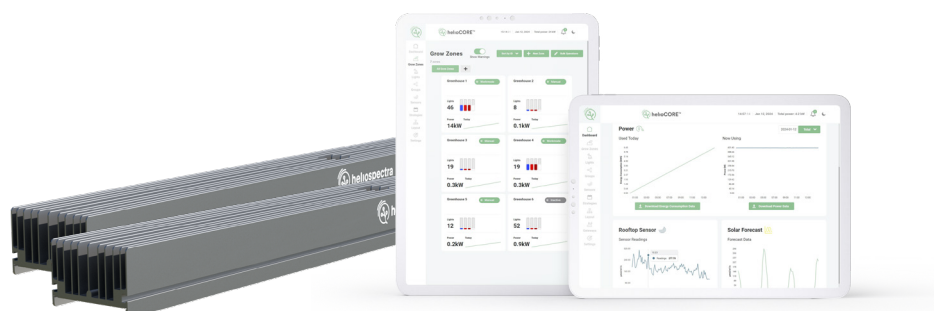


SIGNIFICANT EVENTS DURING THE PERIOD

- The board of directors in Heliospectra AB announced to carry out a partially secured rights issue of shares of approximately SEK 26.2 million on March 13, 2023. The subscription price was set to SEK 1.39 per share. The company received subscription commitments from the four largest shareholders in the company, Weland Stål AB, Weland Värdepapper AB, Corespring New Technology AB, and Agartha AB, corresponding to their pro rata stakes in the rights issue, corresponding to a total of approximately SEK 20.1 million, equalling approximately 76.8 percent of the rights issue.
- Heliospectra published the outcome of the company's rights issue. A total of 15,479,851 shares, corresponding to approximately 82.33 percent of the rights issue, were subscribed with the support of subscription rights. In addition, subscription notifications for 8,260 shares, corresponding to 0.04 percent of the Rights Issue, have been received for subscription without the support of subscription rights. Through the rights issue, the company will receive issue proceeds of approximately SEK 21.5 million.
- On 1 June, Heliospectra held its annual general meeting in the company's premises at Fiskhamnsgatan 2 in Gothenburg. In accordance with the board's proposal, it was decided that in autumn 2023 the company will carry out a targeted issue of warrants to current and future employees of the company and introduce an incentive programme. Three new board members were also welcomed into the board; Peter Klapwijk, Robert Ekström and Ofelia Madsen.

OTHER EVENTS DURING THE PERIOD

- Heliospectra's board appoints Bonny Heeren as permanent CEO and interim CFO. Bonny was appointed interim CEO on January 1st, 2022. Following a transitional year for Heliospectra, he has now been appointed permanent CEO and assumed his new role as on March 1st, 2023. At the same time, Bonny also took over as interim CFO from Annika Westlund, who stepped down as CFO.
- Heliospectra launched MITRA Flex, a new flexible far-red light for application based growing. The new solutions offer customers three spectra in one without losing power, making it perfect for customizable and application-based growing, such as end-of-day or end-of-production light treatments with far-red, or to ensure a healthy crop year-round also in low light seasons.
- Heliospectra introduced the highly anticipated helioCORE 2.0. New features include implementation of real weather forecasts in the DLI controller, a new graphical interface of the installation with a drag-and-drop feature for creating zones, and an improved data overview of the environment. helioCORE 2.0 will be released in Q4 2023.
- In November 2023, Heliospectra secured a bridge loan of 10 MSEK with the company's three main shareholders Weland Stål AB, Agartha AB, and Corespring New Technology AB, to secure capital and drive growth. The bridge loan enabled the company to pre-pay components for production orders and to ensure liquidity while waiting for realized sales.



FINANCIAL REPORT

| | JAN - DEC | | OCT - DEC | |
|-------------------|-----------|---------|-----------|--------|
| TSEK | 2023 | 2022 | 2023 | 2022 |
| ORDER INTAKE | 28,056 | 34,423 | 9,377 | 12,677 |
| NET SALES | 35,311 | 25,728 | 9,908 | 9,998 |
| OPERATING RESULTS | -23,608 | -35,943 | -7,605 | -8,950 |
| RESULT BEFORE TAX | -22,688 | -36,083 | -7,312 | -9,075 |

SALES AND FINANCIAL PERFORMANCE OCTOBER - DECEMBER

Order intake during the period October to December amounted to SEK 9,377 (12,677) thousand. Net sales during the period October to December amounted to SEK 9,908 (9,998) thousand and operating profit amounted to SEK -7,605 (-8,950) thousand. Results before tax amounted to SEK -7,312 (-9,075) thousand.

SALES AND FINANCIAL PERFORMANCE JANUARY – DECEMBER

Order intake during the period January to December amounted to SEK 28,056 (34,423) thousand. Net sales during the period January to December amounted to SEK 35,311 (25,728) thousand and operating profit amounted to SEK -23,608 (-35,943) thousand. Results before tax amounted to SEK -22,688 (-36,083) thousand.

CASH FLOW, JANUARY – DECEMBER

Operating cash flow was SEK -25,101 (-33,848) thousand. Total cash flow was SEK -4,843 (2,762) thousand. Cash equivalents at the end of the period were SEK 8,642 (13,485) thousand. To strengthen the company's liquidity, Heliospectra secured a bridge loan of approximately SEK 10 million in November 2023, from the company's three main shareholders Weland Stål AB, Agarth AB, and Corespring New Technology AB

COMMENTS

In 2023, we increased net sales by 37% compared to 2022, leaving us at a total of SEK 35.3 million. Orders are still a stable mix between Agtech and the greenhouse segment, but we see a change for 2024 as we are now filling the pipeline with bigger greenhouse projects. Our cost-saving program initiated in 2022 has been a success. It allowed us to further reduce our Other External Costs by SEK 14.4 million (43%) in 2023. The biggest reason for this was our decision to minimize the use of external consultants and focus on internal resources instead. The other main contributor was a decrease in RMA cost. In 2022, we announced an issue with a fuse on our MITRA C. At the time, we set aside a provision of SEK 5.4 million to cover future RMA cases; of this, 1.1 million was not used. While we lowered our employee costs significantly during our reorganization, mainly in North America, we did move some of our consultants to the payroll. In the end, our employee costs decreased by 3,7%. This, in combination with the increased net sales, resulted in an improvement in operating results of SEK 12.3 million (34%) compared to 2022. In 2023, we also settled all costs related to the discontinuation of the Mitra C at our Swedish contract manufacturing partner.

We have also maintained a healthy margin on our products. In Q1 2024, we finalized the last piece of our cost-cutting program as we relocated our office in Gothenburg, thereby lowering our rent costs by 50%. We increased our stock by SEK 2.5 million at year-end compared to 2022, mainly due to an increase in finished products, some allocated for orders shipped out in Q1 2024.

SIGNIFICANT RISKS AND UNCERTANTIES

For a comprehensive – but not complete – summary of risks, we refer to Heliospectra's 2022 Annual Report <https://heliospectra.com/investor-relations/financial-reports-documents/reports/>.

FINANCIAL CALENDAR

| | |
|-------------------------------|------------|
| ANNUAL REPORT 2023 | 4/24/2024 |
| INTERIM REPORT JAN - MAR 2024 | 4/28/2024 |
| ANNUAL GENERAL MEETING | 6/5/2024 |
| HALF-YEAR REPORT 2024 | 8/26/2024 |
| INTERIM REPORT JUL - SEP 2024 | 10/25/2024 |
| YEAR-END REPORT 2024 | 2/28/2025 |

All reports can be found on Heliospectra's website (see link below) from the date stated above, <https://heliospectra.com/investor-relations/financial-reports-documents/reports/>.

Gothenburg, February 23, 2024,

/The Board



CONSOLIDATED INCOME STATEMENT

Amounts in SEK thousand (KSEK)

| | JAN - DEC | | OCT - DEC | |
|--|----------------|----------------|---------------|---------------|
| | 2023 | 2022 | 2023 | 2022 |
| Net Sales | 35,311 | 25,728 | 9,908 | 9,998 |
| Activated work for own account | 3,071 | 7,110 | -21 | 2,075 |
| Other operating income | 320 | 1,919 | 167 | 1,663 |
| | 38,701 | 34,757 | 10,053 | 13,736 |
| Operating Expenses | | | | |
| Cost of goods sold | -26,131 | -19,782 | -11,259 | -8,630 |
| Other external expenses | -18,900 | -33,284 | -675 | -9,561 |
| Personnel expenses | -12,890 | -13,392 | -3,784 | -2,693 |
| Depreciations, amortizations and impairments | -3,879 | -3,961 | -1,534 | -988 |
| Other operating expenses | -509 | -281 | -405 | -814 |
| Operating profit/loss | -23,608 | -35,943 | -7,604 | -8,950 |
| Total financial items | 920 | -140 | 292 | -125 |
| Profit/Loss before tax | -22,688 | -36,083 | -7,312 | -9,075 |
| Taxes | - | - | - | - |
| Profit/Loss after tax | -22,688 | -36,083 | -7,312 | -9,075 |

CONSOLIDATED CASH FLOW STATEMENT

Amounts in SEK thousand (KSEK)

| | JAN - DEC | |
|--|----------------|----------------|
| | 2023 | 2022 |
| Profit/Loss after financial items | -22,688 | -36,083 |
| Adjustments for items not included in the cash flow | -5,736 | 3,764 |
| Change in working capital | 3,323 | -1,529 |
| Operating cash flow | -25,101 | -33,848 |
| Cash flow from investing activities | -1,185 | -6,005 |
| Cash flow from financing activities | 21,443 | 42,615 |
| Cash flow for the period | -4,843 | 2,762 |
| Cash and cash equivalent at beginning of period | 13,485 | 10,723 |
| Cash and cash equivalents at end of period | 8,642 | 13,485 |

KEY RATIOS

| | JAN - DEC | | OCT - DEC | |
|-----------------------------------|-------------|------------|-------------|-------------|
| | 2023 | 2022 | 2023 | 2022 |
| Weighted average number of shares | | | | |
| Before dilution | 118,165,557 | 92,038,513 | 122,037,585 | 106,549,474 |
| After dilution | 118,165,557 | 92,348,513 | 122,037,585 | 106,549,474 |
| Earnings per share basic | -0.19 | -0.39 | -0.06 | -0.09 |
| Earnings per share fully diluted | -0.19 | -0.39 | -0.06 | -0.09 |
| Revenue per share basic | 0.30 | 0.28 | 0.08 | 0.09 |
| Revenue per share diluted | 0.30 | 0.28 | 0.08 | 0.09 |
| Operating margin % | neg. | neg. | neg. | neg. |
| EBITDA, KSEK | -19,728 | -31,982 | -6,069 | -7,962 |
| EBITDA, margin, % | neg. | neg. | neg. | neg. |

CONSOLIDATED BALANCE SHEET
2023-12-31 **2022-12-31**

Amounts in SEK thousand (KSEK)

Assets

| | | |
|-------------------|--------|--------|
| Intangible assets | 18,147 | 18,723 |
| Tangible assets | - | 412 |

Total fixed assets **18,147** **19,135**

| | | |
|---------------------------|--------|--------|
| Inventories | 11,349 | 8,834 |
| Current receivables | 12,193 | 11,371 |
| Cash and cash equivalents | 8,642 | 13,485 |

Total current assets **32,183** **33,690**
Total assets **50,331** **52,825**
EQUITY AND LIABILITIES

| | | |
|-------------------------|--------|--------|
| Equity | 11,683 | 14,792 |
| Provisions | 2,757 | 8,787 |
| Non-current liabilities | 9,000 | 9,000 |
| Other equity | 26,891 | 20,246 |

Total equity and liabilities **50,331** **52,825**
CHANGE IN CONSOLIDATED EQUITY
JAN - DEC

Amounts in SEK thousand (KSEK)

2023 **2022**

| | | |
|--------------------------------------|---------|---------|
| Opening equity | 14,792 | 8,033 |
| Profit/Loss for the period after tax | -22,688 | -36,083 |
| Right Issue | 21,443 | 42,615 |
| Exchange rate differences | -1,864 | 227 |

Closing equity **11,683** **14,792**
KEY RATIOS
2023-12-31 **2022-12-31**

| | | |
|-----------------------------|-------------|-------------|
| Number of shares, thousands | 122,037,585 | 106,549,474 |
| Equity per share, SEK | 0.10 | 0.14 |
| Equity/assets ratio | 23% | 28% |
| Quick ratio | 77% | 123% |

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 2022 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 December 2023 totals SEK 12,203,759 split between 122,037,585 shares, each with a quota value of SEK 0.10. Average amount of shares before dilution amounted to 122,037,585 shares. Average amount of shares after dilution amounted to 122,037,585 shares.

Heliospectra's shares and warrants are traded on First North as of June 18, 2014.

The share's First North ticker symbol is **HELIO**

The share's ISIN code is **SE0005933082**

LIST OF OWNERS

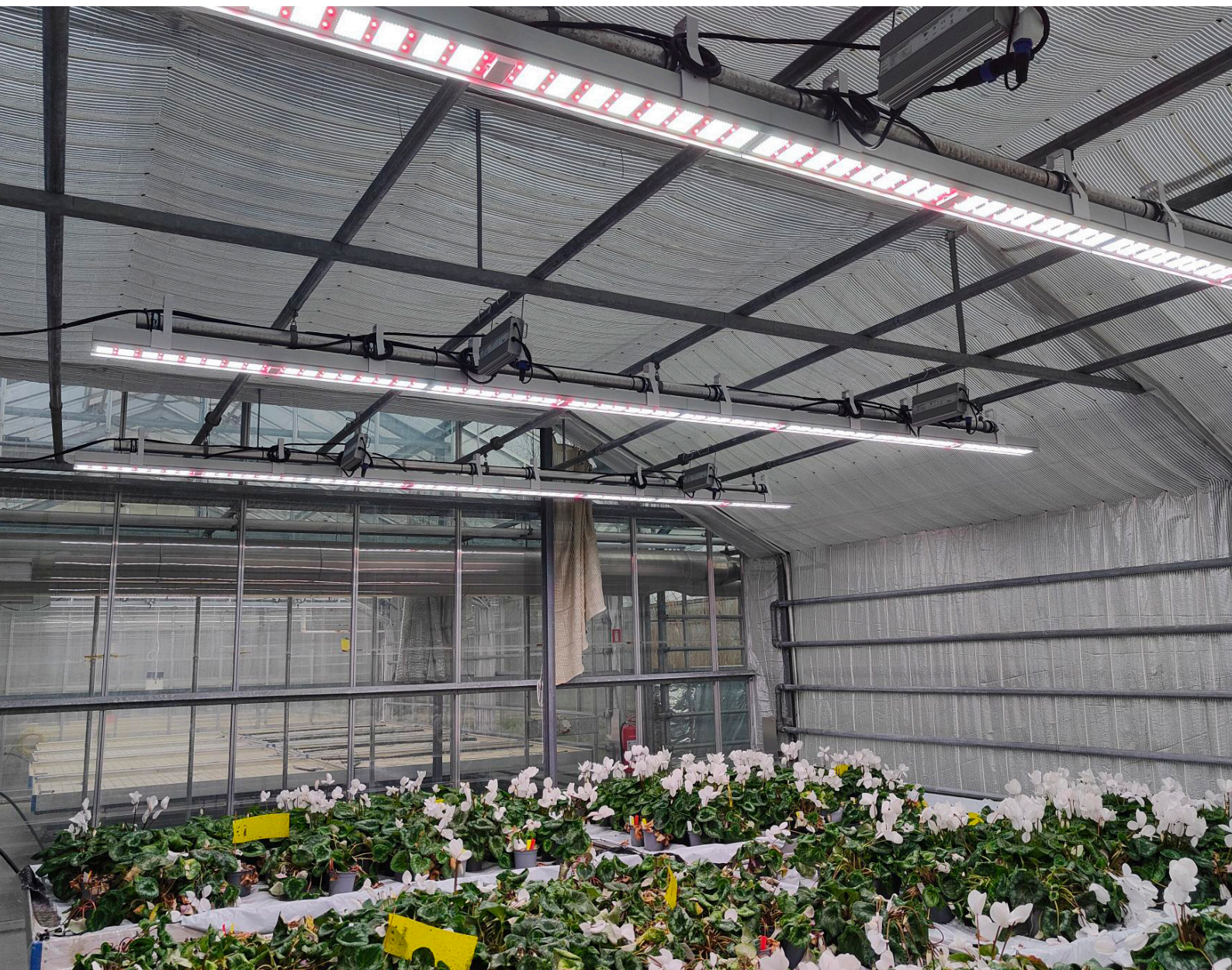
PER 2023-12-31.

| STOCK OWNER | NR OF STOCK | PERCENTAGE |
|--------------------------------------|--------------------|----------------|
| WELAND STÅL AB | 29,693,523 | 24.33% |
| WELAND VÄRDEPAPPER AB | 28,433,577 | 23.30% |
| AGARTHA AB | 21,967,355 | 18.00% |
| CORESPRING NEW TECHNOLOGY AB | 16,217,877 | 13.29% |
| AVANZA PENSION | 2,342,927 | 1.92% |
| SWEDBANK FÖRSÄKRING | 1,180,921 | 0.97% |
| FÖRSÄKRINGSAKTIEBOLAGET SKANDIA (PUB | 830,761 | 0.68% |
| NORDNET PENSIONS FÖRSÄKRING AB | 822,397 | 0.67% |
| MAGOWNY INVEST AB | 545,102 | 0.45% |
| NILSSON, JOHAN | 540,524 | 0.44% |
| OTHER OWNERS | 19,462,621 | 15.95% |
| TOTAL: | 122,037,585 | 100.00% |

Total number of stock owners are approximately 4,626.

STOCK WARRANTS FOR SENIOR EXECUTIVES AND KEY PERSONELL

At the Annual General Meeting on June 1st, 2023, a warrant program for senior executives and key personnel of series 2023/26:1 was voted through. This includes a maximum of 8,000,000 options. Each warrant entitles to a new subscription for one share in the company. New subscription of shares, with the support of the warrants of series 2023/26:1, must take place during the period from and including July 1, 2026 to and including October 31, 2026. The market value will be calculated by an actor independent of the company using the Black & Scholes valuation model.





HELIOSPECTRA IN SHORT

Heliospectra AB (publ) (FIRST NORTH: HELIO) is the global leader in smart LED light 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 2022 Annual Report <https://heliospectra.com/investor-relations/financial-reports-documents/reports/> 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.



heliospectra

www.heliospectra.com