

Heliospectra (publ) Publish the Interim Report for January to March 2023

(GOTHENBURG, Sweden, Apr 28, 2023, at 08:30 CEST)– Heliospectra AB (publ), a leader in intelligent lighting technology for greenhouse and controlled plant growth environments, presents its Interim Report for January to March 2023.

Full report is enclosed to this press release and is also uploaded at <https://www.heliospectra.com/investor-relations/reports-documents-archive>.

SUMMARY OF REPORT

Sales and financial performance January – March 2023

- Order intake during the period amounted to SEK 1,649 (2,041) thousand.
- Net sales during the period amounted to SEK 7,033 (5,562) thousand.
- Operating result during the period amounted to SEK -6,474 (-7,797) thousand.
- Profit after tax was SEK -6,474 (-7,797) thousand.

Cash flow, January – March 2023

Operating cash flow was SEK -6,608 (3,131) thousand. Total cash flow was SEK -7,884 (-66) thousand. Cash equivalents at the end of the period were SEK 5,584 (10,657) thousand.

CEO COMMENT

Dear Shareholders,

The first quarter of 2023 has been a busy one for Heliospectra. While our sales and marketing team is rolling out our new wireless solution offer to the market, our development team continues to improve on our SMART solutions and design new customer-oriented solutions to strengthen our product offering towards the commercial greenhouse market.

In February 2023, we started the year by announcing our new MITRA Flex, the market's first available wirelessly controlled flexible far-red fixture. The new light fixture offers customers three spectra in one - PAR, PAR + Far-Red, and Far-Red only - making it perfect for customizable and application-based growing strategies, including end-of-day and end-of-production light treatments with far-red. Studies have proven the far-red wavelength beneficial for a wide variety of crops, especially within the cut flower and potted flower segments, where far-red has been proven to speed up production by up to 12 days for lilies, saving time and resources for growers.

This year the sales team has been on the road, meeting with customers and promoting our new wireless solution and MITRA platform, as well as expanding our partner network in Europe and Canada. During the first quarter of 2023, we exhibited at four trade shows in Europe - SIVAL in France, Fruit Logistica in Germany, Handelsdagarna in Denmark, and HortiContact in the Netherlands – providing us the opportunity to meet with potential

customers and gain vital feedback on our solutions. In June, we will exhibit at Greentech in Amsterdam, the world's leading Horticulture trade show, where we will showcase our MITRA platform with a focus on the dynamic far-red functionality, the dimming and grouping functionality, with the user-friendly click and drop option in our helioCORE software, as well as launch our new wireless PAR sensor integration and a new high-wattage HPS replacement fixture.

With our focus shifted towards the greenhouse market, we continue to put our customers at the center of everything we do and improve our product offerings to solve the problems of our growers and bring value. One of these projects is our new HPS replacement fixture, a 1000-watt LED top light fixture designed as a one-on-one replacement to traditional HPS lights, with a wider beam angle, a high light output, and highly improved efficacy, for an easy transition into LED. The new HPS replacement fixture as the latest add-on to our portfolio we now have a solution, suitable for light-hungry crops such as tomatoes and cucumbers. Allowing us to expand our targeted segment focus to include vegetables, opening for new possibilities.

We finished 2022 with a relatively strong order intake, resulting in net sales of 7,033 TSEK in Q1, a 21 percent increase compared to last year. In February, the first lights were shipped to ENKO in the USA. ENKO is an AgTech company that combines DNA-encoded libraries, AI, and machine learning to provide growers with new tools to grow successfully and sustainably while protecting crops from pests and diseases. Our smart wireless solutions of Heliospectra, like dynamic dimming, grouping, and our unique energy-saving DLI controller, will help ENKO to achieve their goals. As we work on percentage of completion method, 28% of the total order value of 8,2 MSEK is reported in the Q1 turnover. Other turnover is mainly related to the AgTech market with our ELIXIA and DYNA fixtures.

The cost-saving program and re-organization carried out in 2022 continue to provide results for the company's overall cost structure, resulting in reduced operational costs of 20 percent in Q1 2023 compared to the same period last year.

In Q1 2022, a one-time profit of 1,1 million SEK was reported related to a settlement with a customer. Compensated for this incidental effect, Q1 2023 operating profit improved by 2,4 million SEK (27%) compared to the same period last year.

Our supply chain team works hard to reduce our production costs to improve margins and ensure our solutions are competitive. By negotiating directly with our A-brand component suppliers, we have managed to lower our COGS and guarantee our customers a reliable, high-quality product.

Looking to the rest of the year, in Europe, growers' decision to invest often depends on different rebate programs. As these programs wrap up in April and May, many growers await their final decision until the rebates are secured. We, therefore, expect a substantial order intake in Q2. These orders will have to be shipped and invoiced in Q3, or early Q4, when our customers will start using their artificial lighting systems.

To secure our long-term liquidity, the board of directors in Heliospectra decided to carry out a rights issue in March, partially guaranteed by the company's four largest shareholders - Weland Stål AB, Weland Värdepapper AB, Corespring New Technology AB, and Agartha AB, corresponding to a total of SEK 20.1 million, or 76.8 percent. In the end, approximately 82.37 percent of the rights issue were subscribed. Through the rights issue, the company received issue proceeds of about SEK 21.5 million before costs. In these times of change, we are grateful for our main shareholders' strong faith in our vision and their continued support.

The net proceeds from the rights issue will go towards launching the company's new smart lighting system and brand on the European market, expanding the company's sales and application team in Western Europe, and completing strategic innovation projects such as the HPS replacement and the new fully controllable ELIXIA platform.

On a strategic level, the board is working hard to bring experience and network to the company. Therefore, three new board members will be introduced on May 3rd at the Annual General Meeting - Peter Klapwijk, Robert Ekström, and Ofelia Madsen. All three accomplished executives within the horticulture industry or other tech-driven markets. I look forward to working with them and utilizing their extensive knowledge to benefit Heliospectra.

This year is Heliospectra's time to enter the European and Canadian markets in full and make a mark. With our extensive competitive portfolio of high efficacy lights in combination with the energy savings we bring to our customers' thanks to our wireless data-driven solutions, and the support provided by our helioCARE team, I believe we are the best alternative for every LED light project in a greenhouse. As a new shareholder of the company I am excited to see how far we can come in 2023 and beyond.

*Bonny Heeren,
CEO Heliospectra AB*

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The information was submitted for publication, through the agency of the named contact persons, at 08:30 a.m. CET on April 28, 2023.

Heliospectra AB (publ) (Nasdaq First North Growth Market: HELIO) was founded in 2006 in Sweden by plant scientists and biologists with one vision – to make crop production more intelligent and resource-efficient. Today, with customers across seven continents, Heliospectra is the global leader in innovative horticulture lighting technology, custom light control systems and specialized services for greenhouse and controlled plant growth environments. Designed by growers for growers, Heliospectra builds customized LED lighting strategies and controls to automate production schedules, forecast yields and monitor crop health and performance with real-time data and response, to deliver the light plants love and the consistent results growers need.

For more information, please visit <https://www.heliospectra.com>.

Company HELIO is listed at Nasdaq First North Growth Market with Redeye AB as Certified Adviser.