



Heliospectra is planning to launch a fully underwritten rights issue of approximately SEK 91 million

- for further commercialization of the Company's products and continued product development

Heliospectra AB (publ) (OTCQB: HLSPY, FIRSTNORTH: HELIO), a world leader in intelligent lighting technology for controlled environments horticulture announces that the Board of Directors of Heliospectra AB (publ) ("the Company" or "Heliospectra") proposes to the Extraordinary General Meeting ("EGM") to resolve on a rights issue of approximately SEK 91 million and an overallotment option of approximately SEK 20 million. In total, the three largest shareholders have committed to subscribe for the equivalent of 50.49 percent of the rights issue. The largest shareholder has entered into an underwriting commitment to ensure the balance; hence the rights issue is 100 percent guaranteed. The proceeds will mainly be used for sales and marketing purposes, further product development as well as to strengthen the balance sheet.

Summary

- Heliospectra's Board of Directors proposes a rights issue of approximately 91 million. In the event the rights issue is oversubscribed, the Board of Directors proposes to the EGM to authorize the Board of Directors to issue additional shares corresponding to a value of up to approximately SEK 20 million through an overallotment option. The rights issue, excluding the overallotment option, comprises up to 13,966,647 ordinary shares at a price of SEK 6.50 per share.
- The terms of the rights issue constitute that three (3) new shares are issued for every four (4) existing shares.
- The rights issue and the overallotment option are subject to approval by the EGM on November 8, 2016. Notice to shareholders of the EGM will be published through a separate press release.
- The rights issue is covered in its entirety through subscription and underwriting commitments from existing shareholders.
- Record date for participation in the rights issue is 15 November, 2016.
- Subscription period in the rights issue will take place between November 18, 2016 and December 2, 2016.

Background and motive

Heliospectra is an innovative Swedish company that has developed and patented an advanced lighting solutions for commercial greenhouses, indoor farming and plant research. Heliospectra's efficient systems gives growers the ability to control plant quality and growth. The system combines special LED-based lamps connected to the internet, combined with sensors connected to a software-based control system that measure how the plants absorb light. The company's product portfolio consists of four product families that are sold as complete systems in which LED lights are a subcomponent. Additional sales consist of software for new features and new devices such as light fixtures and sensors. Heliospectra's customers are mainly professional growers and the Company's main markets are North America, Europe and the Middle East.

The proceeds from the rights issue (including overallotment option) will be used primarily for investments in sales and marketing, further product development as well as to strengthen the Company's balance sheet.

Rights issue

Heliospectra's Board of Directors proposes, subject to approval by the EGM, to carry out a rights issue of up to 13,966,647 shares with pre-emptive rights for existing shareholders of approximately SEK 91 million before transaction related costs. Persons who, on the record date, are shareholders in Heliospectra receive one (1) subscription right per share and four (4) subscription rights entitles to subscription for three (3) new shares in Heliospectra at the price of SEK 6.50 per share.

In the event all shares are not subscribed for with subscription rights, the Board of Directors shall, within the framework of the new share issue maximum amount, resolve on the allotment of shares subscribed for without subscription rights. In such case shares shall firstly be allotted to persons who have subscribed for shares with subscription rights, irrespective of whether or not such persons were shareholders on the record date, pro rata to the number of subscription rights exercised, secondly, be allotted to persons who have indicated their interest to subscribe for shares without subscription rights, pro rata in relation to their declared interest, and ultimately awarded to persons who have entered into underwriting commitments regarding subscription of shares, in proportion to such underwriting commitments.

The record date for participation in the rights issue will be November 15, 2016 and the subscription period runs from November 18, 2016 to December 2, 2016. The Board of Directors shall be authorized to extend the subscription period. Trading in subscription rights will take place from November 18, 2016 to November 30, 2016.

Lock-up Agreements

Redeye AB, financial advisor to Heliospectra in the rights issue, has entered into so-called lock-up agreements with the three largest shareholders.

Preliminary timetable for the rights issue

Nov 8, 2016 Extraordinary General Meeting

Nov 11, 2016 Last day of trading including subscription rights

Nov 14, 2016 First day of trading excluding subscription rights

Nov 15, 2016 Record date for participation in rights issue

Nov 16, 2016 Estimated day for publication of prospectus

Nov 18, 2016 - Nov 30, 2016 Trading in subscription rights

Nov 18, 2016 - Dec 2, 2016 Subscription period
Dec 7, 2016 Estimated date for publication of preliminary outcome of rights

Extraordinary general meeting

The shareholders of Heliospectra will be convened at an EGM on November 8, 2016. Complete notice to shareholders will be published in a separate press release.

Financial and legal advisors

Redeye AB acts as financial advisor and MAQS Advokatbyrå acts as legal advisor to Heliospectra in the transaction.

Join the Heliospectra Conversation

Read more at www.heliospectra.com/blog

Follow @Heliospectra on Twitter

Like Heliospectra on Facebook at www.facebook.com/Heliospectra

GOTHENBURG, Sweden/SAN FRANCISCO, CA, October 11, 2016

Investor Relations:

Staffan Hillberg, CEO of Heliospectra | 46 (0)708 36 59 44 | staffan.hillberg@heliospectra.com

Michael Swartz, Senior Analyst | Viridian Capital Advisors, LLC | 1 212-333-0257 | mswartz@viridianca.com

G&W is Heliospectra's Certified Advisor for Nasdaq First North - www.gwkapital.se

About Heliospectra AB

Heliospectra AB (publ) (OTCQB: HLSPY, FIRSTNORTH: HELIO) (www.heliospectra.com) specializes in intelligent lighting technology for plant research and greenhouse cultivation. The Company's lighting system provides an effective and durable technology for cultivating greenhouse and indoor plants by combining several different groups of versatile light emitting diodes (LEDs) with optics, remote sensing techniques, and a robust heat dissipation solution. This proprietary setup gives growers the ability to control the intensity and wavelengths of the light emitted, creating a spectrum specifically adjusted to different plant species and growth stages to better facilitate photosynthesis. The complete, highly-engineered lamp produces crops that look better, taste better, and have a longer shelf-life than those grown under HID lamps. The technology not only reduces energy consumption by up to 50%, but also helps stimulate growth characteristics and improve plant quality. Other benefits include reduced light pollution, lower mercury use due to the avoidance of traditional HID/HPS bulbs, and less HVAC investment and monthly expense requirements.

Heliospectra products are based on in-depth knowledge in plant physiology and photosynthesis along with a unique way to utilize modern LED technology. After six years of development in Sweden, the company has now begun to expand into the international market. The company has raised more than \$ 21 million in capital and has received more than \$2.6 million through academic scholarships and grants. It has also received numerous awards for its forward thinking technology. Principal owners: Weland Steel www.welandstal.se, Swedish Industrial Fund www.industrifonden.se, Midroc www.midroc.se, Avanza Pension www.avanza.se.

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.