



Heliospectra AB (publ)

2020

Interim Report Jan-March



CEO COMMENT

As I write this letter, humanity is facing one of its biggest challenges in living memory, one that will profoundly impact families, communities, companies and economies. I would like to thank the entire Heliospectra team for their hard work, passion and resourcefulness during these difficult times and our shareholders for your unwavering commitment to our people, our innovations and our vision.

While Heliospectra entered this year in a position of strength, like most companies we are facing new and unforeseen challenges as a result of the pandemic. The necessary restrictions imposed to combat the virus have changed the way we have had to approach our business. As expressed in our Year-End 2019 Report, we started 2020 with a strong order book. Even though we have not lost any single opportunity and our customers are committed to us more than ever, due to the travel restrictions some of our customers' projects, including Nectar Farms, have faced with delay in initiation. In order to take action to mitigate short-term impact, we work hard to secure governmental grants and support in the markets we are present. Secondly, we are strengthening our forward-looking focus and actions to ensure we are top of customers' mind and ready for the demand when the world comes back online.

Strengthening Connections

We have been focusing even more deeply on building and strengthening relationships with our customers and the industry at large. We are building virtual networking opportunities for the industry and educating and engaging our customers through our webinars – by growers, for growers. We are also connecting with customers all over the world through virtual avenues, as we continue to devote our day-to-day energies to helping our growers succeed and supporting their teams with our cultivation and plant science expertise.

Cutting Edge Product Solutions

Heliospectra is excited that MITRA is now fully certified in North America. With its modular design and powerful output optimizable for any crop, MITRA is in demand and meeting the market's needs. Additionally, we are united in our mission and maintaining our technological leadership position in the market by development cutting-edge integrated lighting solutions. No matter where our desks may be, we are ready to meet our customer's future needs.

Stronger organisation

As the company continues to broaden its global presence and impact, in quarter one we welcomed on board Sarah Basiri as Vice President of Marketing, based out of New York, United States, and Scott Thornton as Vice President of Sales and General Manager for North America, based out Montreal, Canada. Sarah joins Heliospectra from The Mezzanine Group, an award-winning marketing agency, where she served as Director of Marketing for multinational clients. Formerly Managing Director of Tetra Pak Canada, Scott joins Heliospectra from PBC, a private label food broker in Canada, where he served as Vice President of Sales and Marketing. Sarah and Scott collectively have over 40 years of experience building and leading teams internationally with a focus on excellence in sales, marketing and customer experience. Their passion for technology and innovation, as well as their industry expertise, will play a key role in Heliospectra's success and continued expansion globally.

The days ahead will be a challenge but also a triumph for companies, communities and individuals around the globe. Now is the time to come together and support one another. We will soon emerge from this crisis to begin a stronger, more united, and more prosperous chapter together. I strongly believe that the power of Heliospectra's vision – to feed and heal the world – will rapidly put us in a very relevant context for customers, consumers, societies and ultimately you as our shareholders.

Ali Ahmadian, Vice President & CEO



FINANCIAL REPORT

AMOUNTS IN SEK THOUSAND (KSEK)	JAN – MARCH	
	2020	2019
Order intake	2 464	12 309
Net sales	15 200	9 657
Operating result	-9 058	-9 429
Result before tax	-9 054	-9 483

SALES AND FINANCIAL PERFORMANCE, JANUARY– MARCH

Net sales amounted to KSEK 15 200 (9 657) which means an increase of 57% compared to last year. Of the period's sales, the MITRA product group made up 21%. The operating loss amounted to KSEK -9 058 (-9 429) KSEK, signifying a negative operating margin (neg). The loss after tax was KSEK -9 054 (-9 483).

CASH FLOW, JANUARY – MARCH

Operating cash flow was KSEK -20 014 (-12 227). Total cash flow was KSEK -20 310 (-3 186). Of the operating cash flow, 60% was a change in working capital.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

APRIL

Heliospectra announces a new order from Turner Construction in the US for the fully controllable ELIXIA LED light solution for green house installation project. Order value is USD\$ 228 000.

EVENTS AFTER THE END OF THE PERIOD

APRIL

In light of the general uncertainty in the economy and the measures taken by the authorities to stop the spread of Covid-19 (the new corona virus), Heliospectra short-term permits 70% of its staff in Sweden. The decision means a reduction of 40% of working time starting on April 6th and is valid until further notice. The measure is in accordance with the guidelines for short-term work presented by the Swedish government and has been taken to parry the reduced business activity during this pandemic.

SIGNIFICANT RISKS AND UNCERTAINTIES

For a comprehensive – but not complete – summary of risks, we refer to Heliospectra's 2019 Annual Report <http://ir.heliospectra.com/reports-files/>.

FINANCIAL CALENDAR

Annual General Meeting	5/14/2020
Half Year Report Jan-June	8/21/2020
Interim Report Jan-Sep	10/29/2020
Year-end Report	02/19/2021



Gothenburg 24th of April 2020,
//The Board

CONSOLIDATED INCOME STATEMENT	2020	2019
Amounts in SEK thousand (KSEK)	JAN – MAR	JAN – MAR
Net Sales	15 200	9 657
Other operating income	50	0
	15 250	9 657
OPERATING EXPENSES		
Cost of goods sold	-7 947	-5 352
Other external expenses	-6 576	-6 036
Personnel expenses	-9 031	-6 801
Depreciations, amortizations and impairments	-1 079	-947
Other operating expenses	326	50
Operating profit/loss	-9 058	-9 429
Total financial items	4	-54
Profit/Loss before tax	-9 054	-9 483
Taxes	0	0
Profit/Loss after tax	-9 054	-9 483
CONSOLIDATED CASH FLOW STATEMENT	2020	2019
Amounts in SEK thousand (KSEK)	JAN – MAR	JAN – MAR
Profit/Loss after financial items	-9 054	-9 483
Adjustments for items not included in the cash flow	1 038	976
Change in working capital	-11 997	-3 720
Operating cash flow	-20 014	-12 227
Cash flow from investing activities	-151	-686
Cash flow from financing activities	-146	9 727
Cash flow for the period	-20 310	-3 186
Cash and cash equivalent at beginning of period	54 243	11 165
Cash and cash equivalents at end of period	33 933	7 979
KEY RATIOS	2020	2019
	JAN – MAR	JAN – MAR
Weighted average number of shares		
Before dilution	56 178 520	35 111 576
After dilution	57 270 461	36 019 488
Earnings per share basic	-0,16	-0,27
Earnings per share fully diluted	-0,16	-0,26
Revenue per share	0,27	0,28
Operating margin %	neg.	neg.
EBITDA, KSEK	-7 979	-8 482
EBITDA, margin, %	neg.	neg.

CHANGE IN CONSOLIDATED EQUITY	2020	2019
Amounts in SEK thousand (KSEK)	JAN – MAR	JAN – MAR
Opening equity	60 687	15 207
Profit/Loss for the period after tax	-9 054	-9 483
Exchange rate differences	-38	29
Closing equity	51 595	5 753

CONSOLIDATED BALANCE SHEET	2020-03-31	2019-12-31
Amounts in SEK thousand (KSEK)		
ASSETS		
Intangible assets	13 735	14 548
Tangible assets	2 010	2 125
Total fixed assets	15 745	16 673
Inventories	13 029	15 931
Current receivables	17 009	7 150
Cash and cash equivalents	33 933	54 243
Total current assets	63 970	77 324
Total assets	79 715	93 997
EQUITY AND LIABILITIES		
Equity	51 595	60 687
Non-current liabilities	9 050	9 200
Current liabilities	19 070	24 110
Total equity and liabilities	79 715	93 997

KEY INDICATORS	2020-03-31	2019-12-31
Number of shares, thousands	56 178 520	46 815 434
Equity per share, SEK	0,92	1,30
Equity/assets ratio	65%	65%
Quick ratio	267%	255%

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 2019 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

OPERATING MARGIN

Operating loss in relation to net sales

EBITDA MARGIN

EBITDA in relation to net sales

EQUITY/ASSETS RATIO

Equity in relation to total assets

EARNINGS PER SHARE AFTER-TAX

Earnings after tax in relation to the number of shares

EBITDA

Operating profit/loss excl. depreciation and amortisation

EQUITY/SHARE

Equity in relation to number of shares

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 31th of March 2020 totals SEK 5 617 852 split between 56 178 520 shares, each with a quota value of SEK 0.10. Average amount of shares before dilution amounted to 56 178 520 shares. Average amount of shares after dilution amounted to 57 178 520 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

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 2020-03-31

STOCK OWNER	NR OF STOCK	PERCENTAGE
Weland Värdepapper AB	12 614 296	22,45%
Weland Stål AB	10 470 935	18,64%
ADMA Förvaltnings AB	7 911 135	14,08%
Midroc New Technology AB	6 436 608	11,46%
Försäkringsaktiebolaget, Avanza Pension	1 910 469	3,40%
Bank of New York Mellon	1 284 925	2,29%
Magowny Invest AB	545 102	0,97%
Piba AB	386 000	0,69%
SPP Sverige Plus	334 876	0,60%
Nordnet	318 935	0,57%
Other owners	13 965 239	24,9%
TOTAL	56 178 520	100,0%

STOCK WARRANT FOR SENIOR EXECUTIVES

At the Extraordinary General Meeting on March 12, 2019, a warrant program was decided for senior executives and key personnel. This includes 1,000,000 options where each option entitles the holder to subscribe for one new share at a subscription price of SEK 6.13 per share during the period March 1, 2021 through April 30, 2021. Based on this, the dilution is estimated to be about 2%.



HELIOSPECTRA IN SHORT

Heliospectra AB (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 com-

mercial 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.

For more information, we refer to Heliospectra's 2019 Annual Report

<https://www.heliospectra.com/investor-relations/reports-presentations/> 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

