

Annual Accounts

Heliospectra AB

556695-2205

Financial year

2010-01-01 - 2010-12-31

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Company report

The Board and the Chief Executive Officer of Heliospectra AB hereby submit the annual accounts for the financial year 2010.

Generally about the business

Ownership structure

The Company is owned by Sylvain Dubé, Wood & Hill SPV2 AB, Wood & Hill SPV6 AB, PIBA AB, ESPIRA Inkubator AB, Tolag Holding AB, Weland Stål AB and Kennerth Thulin.

Business

The Company's business consists of design, development and production of electro-optical equipment and instruments for the plant breeding industry.

Significant events during the year

The development of the Company's patented system has continued during the year. A number of prototypes have been produced and evaluated in consultation with clients.

In order to finance the further development of the Company's products, a new share issue of mSEK 5.0 was initiated at the end of 2010. This was made by way of offsetting loans and was registered by the Swedish Companies Registration Office on 2011-03-23.

Future development

The Company views the future positively. In addition to the greenhouse market, there are other interesting market segments in respect of which inquiries have been received. During 2011, additional field tests of the products are planned to be made in a greenhouse environment. Sales to clients in the greenhouse market are expected to start in 2012.

The Swedish Energy Agency has approved grants of around 3 mSEK for development works to continue in 2011-2012.

Further financing of the business in 2011 included a bridge loan of around 8.7 mSEK granted by Weland Stål AB, Wood & Hill SPV2 AB, Wood & Hill SPV6 AB and Kennerth Thulin. The lenders have been granted a right to offset their claims against shares.

Financial Overview

	2010	2009	2008	2007	2006
Net turnover (kSEK)	-	43	231	286	200
Profit/loss after financial items (kSEK)	-5 392	-3 753	-1 722	-834	-887
Balance sheet total (kSEK)	8 423	5 587	8 661	1 506	2 276
Solidity, %	42	71	89	45	66

Appropriation of profits

Amount in SEK

The Board suggests that the available profits be disposed of as follows:

Share Premium Reserve	4 952 900
Retained earnings	3 730 200
Net profit	-5 391 514
Total	3 291 586
appropriated for carried forward	3 291 586

Total

3 291 586

As for the company's results and financial position, please refer to the following profit and loss account and balance sheet and related notes.

Profit and loss account

<i>Amounts in kSEK</i>	<i>Note</i>	<i>2010-01-01- 2010-12-31</i>	<i>2009-01-01- 2009-12-31</i>
Net sales		-	43
Other operating income	1	1 428	926
		1 428	969
<i>Operating expenses</i>			
Other external costs		-2 729	-919
Personnel costs	2	-3 589	-3 519
Depreciation of tangible fixed assets	3	-371	-344
Operating profit/loss		-5 261	-3 813
<i>Income from financial items</i>			
Interest income and similar items		6	82
Interest expenses and similar items		-137	-22
Profit/loss before tax		-5 392	-3 753
Tax	4	-	-
Net profit/loss for the year		-5 392	-3 753

Balance sheet

<i>Amounts in kSEK</i>	<i>Note</i>	<i>2010-12-31</i>	<i>2009-12-31</i>
ASSETS			
Fixed assets			
<i>Intangible assets</i>			
Capitalized development costs	5	4 850	1 446
Patents	6	253	253
		5 103	1 699
<i>Tangible assets</i>			
Inventory	7	1 035	1 470
		1 035	1 470
Total fixed assets		6 138	3 169
Current assets			
<i>Current receivables</i>			
Accounts receivable		-	342
Tax receivables		26	21
Other receivables		607	193
Prepayments and accrued income		461	96
		1 094	652
<i>Short-term investments</i>			
		-	1 654
<i>Cash and bank</i>			
		1 191	112
Total current assets		2 285	2 418
TOTAL ASSETS		8 423	5 587
EQUITY AND LIABILITIES			
<i>Equity</i>			
<i>Restricted equity</i>			
Share capital (2 185 shares)		219	219
New Share Issue under registration		47	-
		266	219
<i>Unrestricted equity</i>			
Share premium reserve		4 953	10 356
Retained earnings		3 730	-2 873
Net profit/loss for the year		-5 392	-3 753
		3 291	3 730
Total equity		3 557	3 949
<i>Long-term liabilities</i>			
Other long-term liabilities	9	782	786
		782	786
<i>Short-term liabilities</i>			
Accounts payable		1 987	195
Other liabilities		60	71
Accrued expenses and deferred income		2 037	586
		4 084	852

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TOTAL EQUITY AND LIABILITIES

8 423

5 587

Pledged assets and contingent liabilities

2010-12-31

2009-12-31

Pledges

None

None

Contingent liabilities

None

None

Accounting principles and comments to accounts

Amounts in kSEK unless otherwise specified

General accounting principles

The company's annual accounts have been made in accordance with the Annual Accounts Act and the Swedish Accounting Standards Board's general advice, except BFNAR 2008:1 Annual accounts in smaller companies (K2-rules). The accounting principles have not been changed since last year.

Valuation principles etc.

Assets, provisions and liabilities are valued at cost unless otherwise stated.

Definitions of ratios

Solidity

Shareholders' equity and untaxed reserves less deferred taxes (26.3%) compared to balance sheet total.

Reporting of Income

Revenue is recognised in accordance with BFNAR 2003:3 Revenues. The Company report income as the fair value of the consideration received or receivable.

Tax

The Company applies the Swedish Accounting Standards Board's general advice regarding reporting of income tax BFNAR 2001:1.

Receivables

Receivables are stated at cost less any impairment losses.

Costs of research and development

The Company's research costs are reported in the period in which they arise. Research costs refer to the expenditure for research aimed at gaining new scientific or technical knowledge.

Development expenditure means expenditure where research findings or other knowledge is used to create new or improved products or processes. In the balance sheet the development costs are stated at cost. No depreciation has been made when product development is still ongoing.

Grants

Grants are recognized in the balance sheet and income statement when there is reasonable assurance that the conditions attached to the grant will be met and that the grant will be received. Grants are accrued systematically in the same manner and over the same periods as the expenses they are intended to cover. Grants relating to acquisition of fixed assets reduce the cost of the asset.

Tangible assets

Tangible fixed assets are recognized as an asset when, based on available information it is probable that future economic benefits associated with the asset will belong to the company and the cost of the asset can be measured reliably.

Depreciation is based on cost less estimated residual value and depreciated over the asset's estimated useful life. Impairment occurs in the event of permanent reduction of value.

The following depreciation rates have been applied, taking into account the holding period for the year acquired and divested assets.

<i>Fixed assets</i>	<i>% per year</i>
Tangible assets:	
-Inventory	20

Notes

Note 1 Other operating income

	<i>2010-01-01- 2010-12-31</i>	<i>2009-01-01- 2009-12-31</i>
Grants received	1 428	926
Total	1 428	926

Note 2 Employees and personnel costs

Average number of employees

	<i>2010-01-01- 2010-12-31</i>	<i>2009-01-01- 2009-12-31</i>
Men	3	3
Women	3	3
Total	6	6

Wages, other remuneration and social costs

	<i>2010-01-01- 2010-12-31</i>	<i>2009-01-01- 2009-12-31</i>
Board and CEO	-	479
Other employees	2 569	2 089
Total	2 569	2 568
Social costs	932	925
(of which pension costs)	125	127

Of the Company's pension costs, 0 (73) relate to the Group Board and CEO.

Note 3 Depreciation of tangible fixed assets

<i>2010-01-01- 2010-12-31</i>	<i>2009-01-01- 2009-12-31</i>
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Inventory	-371	-344
Total	-371	-344

Note 4 Tax

Deferred tax assets relating to accumulated tax loss carry forwards is estimated at tSEK 3 315.

This claim is not reported since it is uncertain whether and when this may be exercised.

Note 5 Capitalized development costs

	<i>2010-12-31</i>	<i>2009-12-31</i>
Accumulated acquisition value:		
-At the beginning of the year	1 446	660
-Net activations	3 404	786
	4 850	1 446
Carrying amount at end of year	4 850	1 446

Grants have accumulated reduced acquisition cost by tSEK 300.

Note 6 Patents

	<i>2010-12-31</i>	<i>2009-12-31</i>
Accumulated acquisition value:		
-At the beginning of the year	253	69
-New acquisitions	-	184
	253	253
Carrying amount at end of year	253	253

Note 7 Inventory

	<i>2010-12-31</i>	<i>2009-12-31</i>
Accumulated acquisition value:		
-At the beginning of the year	1 983	1 327
-New acquisitions	-	656
-Grants received	-64	-
	1 919	1 983
Accumulated depreciation according to plan:		
-At the beginning of the year	-513	-169
-Year's depreciation according to plan	-371	-344
	-884	-513
Carrying amount at end of year	1 035	1 470

Grants have accumulated reduced acquisition cost by tSEK 63.

Note 8 Equity

	Share- equity	Share premium reserve	Balanced profit	Net profit
At the beginning of the year	219	10 356	-2 873	-3 753
New share issue under registration, registered 2011-03-23	47	4 953		
Transfer of share premium reserve		-10 356	10 356	
<i>Appropriation according to resolution of the Annual General Meeting</i>				
Carried forward			-3 753	3 753
Net profit/loss				-5 392
At year end	266	4 953	3 730	-5 392

Note 9 Other long-term liabilities

	2010-12-31	2009-12-31
Seed loan from Nutek	782	786
Total	782	786

Repayment of the loan is made in an amount equivalent to 5% of the income which may be earned in connection with exploitation of the lamp prototypes which are being developed.

Signatures

Borås, 2011

Martin Skoglund
Chairman of the Board

Staffan Hillberg
Chief Executive Director

Staffan Gunnarsson
Member

Thord Gustafson
Member

My audit report was submitted on 2011.

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Thomas Bohlin
Chartered Accountant