



Heliospectra AB (publ)  
**2021**  
YEAR-END REPORT



Moving from a product centric to a customer centric organization by placing the customer at the center of all what we do, identify the needs, challenges and pain-points of our customers related to lighting and energy, build smart solutions and focus on the whole customer experience, Heliospectra will claim her position as leader in Smart Lighting.



## CEO COMMENT

Dear Heliospectra AB (publ) Shareholder,

Beginning 2022, I took over the leadership role at Heliospectra. As a board member since May 2021, I was, of course, already familiar with the important strategic topics of Heliospectra. However, from January 1st, I took a deep dive into the operations and used the first month to familiarize myself in detail with the organization and all pending projects. In short, Heliospectra has a very competent and motivated team, but in my view, too much focused on product development and too less on the customer and market. That is why I have created a helioCARE™ team under the responsibility of our marketing manager, and took sales and innovation directly under my responsibility. The number one priority for the whole organization is to bring our innovative solutions as soon as possible to the market.

Commenting on our financial performance, we can conclude that sales did not live up to expectations during

2021. Although our sales team worked harder than ever to solidify our connections with growers, we can't deny that the Covid pandemic has significantly impacted the company. The Nectar Farms order in Australia was canceled following the company's voluntary liquidation. The economic uncertainty mainly related to increasing energy prices and disruption in the worldwide supply chain has negatively affected the level of investments in lighting systems in the horticulture industry. We, and the industry, are also struggling with a shortage of components resulting in increased production costs and prolonged lead times, negatively impacting our margin and sales.

Heliospectra started adjusting and lowering its operating costs beginning of Q3 to mitigate the lower sales numbers and pressure on the margin. In the process of reducing structural our operational costs and product cost basis, the company has had significant non-recurring operating expenses during the fourth quarter, including write-offs of components and intangible assets as well as other costs connected to changes in the product and overall strategy of the company to a total of SEK 16,7 million.

As previously announced, in Q3 the company discovered a faulty fuse in a limited production series of the MITRA model. All reported support cases, which represent half of the affected products, have been handled. Another SEK 4 million is carried to cover additional warranty and conversion costs, should they arise.

### New strategic direction

2021 ended with the company announcing a strategic shift towards sustainable data-driven cultivation. As a result, the company repositions itself from being mainly



a supplier of LED lights, targeting greenhouse and indoor growers needing new lighting, to a system supplier within Smart Farming. Combining sensors, controllable LED lighting, our helioCORE™ light software, and the expertise of our helioCARE™ team, Heliospectra offers a unique solution for the high-tech horticulture industry.

With our wireless solutions, we can control each individual fixture in a greenhouse or indoor facility. When combined with our AI solutions, we provide significant energy savings for our customers, maintaining target light quantity and quality compared with present light solutions in the market. With our knowledge, we will help customers choose the right light spectrum for their specific condition to maximize yield and/or quality and to speed up the learning curve growing with LED lights.

We move from a product-centric to a customer-centric organization by placing the customer at the center of all that we do. By identifying our customers' needs, challenges, and pain points related to lighting and energy consumption, building Smart solutions, and focusing on the whole customer experience, Heliospectra will claim her position as a leader in Smart Lighting.

Heliospectra was already in 2014 in the forefront of Smart Lighting with the fully controllable ELIXIA platform. The company has had a strong, reliable brand image within the AgTech and University segment, where precision and flexibility are critical for a trial's success. In the last couple of years, the need for control and automation has also reached the commercial greenhouse industry. The driving forces behind these trends are the ambition for more sustainable, efficient, automated, and predictable crop production.

Heliospectra is continuously working with leading Universities and researchers to build on our expertise. In 2021 we joined two new research projects; A new partnership with Carlton College, a private College in Northfield, Minnesota, USA, was established as they upgraded their greenhouse and research facility for more control and flexibility. We also started a new research project with LEDs Make it

Resilient, a Belgian research project studying how light affects crop output and resilience, focusing on bumblebees and biocontrol agents.



### **Finalizing development projects**

Our focus has always been on delivering sustainable, innovative technology with tangible results for our growers. As previously announced, 2022, will be a transitional year where we will finish new functionalities in our present offer and will launch several new updates and new partnerships to enhance the company's new data-driven and wireless solution offering. Including an updated version of the company's control system helioCORE™, a new generation of the MITRA LED lighting, and the Adelfi, a WIRELESS connector that enables MITRA integration with the helioCORE™ control system and sensors. This will create promising opportunities in the post-pandemic era.

Last, but not least, I want to mention our patented Bio-feedback sensor. In April, Heliospectra was awarded a research grant of MSEK 1,750 from Vinnova, the Swedish Innovation Authority, for continued development of the company's patented Bio-feedback system. The project has continued through 2021, and the plan is to initiate field tests of the company's unique biosensor in 2022. With the feedback from the field trials and our customers, we will finetune the functionality and finalize our plan on how we will bring this unique solution to the market.

In 2022, we look forward to furthering our mission to redefine nature's potential through our new strategic direction, focusing on sustainable Smart data-driven farming, innovation, technology, and meaningful partnerships coupled with our commitment to delivering operational excellence to our growers.

**Bonny Heeren,  
CEO Heliospectra AB**

## SIGNIFICANT EVENTS DURING THE YEAR

### JANUARY – DECEMBER

- Heliospectra announces a new order from Environmental Growth Chambers of Chagrin Falls, OH, United States. The order value is \$281,720 USD.
- Heliospectra announces a new order from Texas Tech University of Lubbock, Texas, United States. The order is of Heliospectra's fully adjustable ELIXIA Led lighting solution and the order value is \$ 287,250 USD.
- Heliospectra announces a new order from G&M Family Farm in Freshwater, NL, Canada. The is for Heliospectra's MITRA LED lighting solutions and the order value is \$301,000 CAD.
- Heliospectra announces the nomination of two new board members, Ljubo Mrnjavac and Bonny Heeren. They are set to replace Staffan Hillberg and Martin Skoglund. The nomination committee will officially present the nominations at the Annual General Meeting on May 20[th], 2021.
- Heliospectra publishes the Annual Report for 2020. The report is available and can be downloaded from the company's website <https://www.heliospectra.com/investor-relations/reports-documents-archive>.
- Heliospectra announce that the order from Nectar Farms Management Limited has been written off following insufficient funds and the voluntary liquidation of Nectar Farms. The order value was SEK 72 million.
- Heliospectra announces a new order from San Juan Strains Inc of Pagosa Springs, Colorado, United States. The order is for Heliospectra's MITRA LED lighting solution and the order value is \$319,000 USD.
- Heliospectra announced that they have identified a faulty fuse in a limited production series of the MITRA model. So far, the company has already replaced a quarter of the affected lights, and chosen to set aside an additional SEK 4 million in the quarterly report to cover additional warranty and conversion costs should they arise in the future.
- Heliospectra's President and CEO Ali Ahmadian announces that he step down as CEO. As a result, the board has initiated the recruitment process and the search for his successor. During the transition period, Bonny Heeren, board member of Heliospectra, has stepped in as Acting CEO.

## SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Heliospectra received a short-term loan of approximately SEK 17 million from the three main owners Weland Stål AB, ADMA Förvaltnings AB, and Corespring New Technology AB. The purpose of the loans is to strengthen the company's liquidity and working capital.



## SIGNIFICANT NEWS DURING THE YEAR

### JANUARY – DECEMBER

- Heliospectra has through the wholly owned subsidiary Heliospectra Personal AB ("the Subsidiary") has executed the transfer of 930,000 stock warrants of series P03 from the Company to senior executives and key personnel within the group.
- Heliospectra partnered with Carleton College, a private liberal arts college in Northfield, Minnesota, United States, to upgrade the campus greenhouse facilities. Carleton College installed Heliospectra's ELIXIA adjustable spectrum horticulture lighting and the helioCORE™ light control system to expand the school's plant research capabilities with a focus on vegetable and herb transplants and native plant propagation.
- Heliospectra announced the launch of helioCORE 2.0. The newly upgraded state-of-the-art plant science software currently tested by leading commercial growers and research institutions around the globe. It was planned to have a full launch by Q3 of 2021. This has been postponed to beginning of 2022.
- Heliospectra announced that they have been awarded a research grant from Vinnova, the Swedish Innovation Authority, for the innovation project "Production control and light optimization in greenhouses". The value of the grant is SEK 1,750,000.
- Heliospectra announces that the company's MITRA LED lighting platform has been approved and received its DLC certification. The new certification means MITRA customers meet the requirements for discounts on energy consumption and energy efficiency savings set by utilities in North America.
- Heliospectra announces a new reseller partnership with Harahara Inc., a long-term supplier of cultivation solutions. The company will represent Heliospectra's market leading LED lighting and light control solutions to the controlled environments agriculture and PFALs market in Japan.
- Heliospectra announces a new reseller partnership with MineARC Systems, a global leader in manufacturing and supply of controlled environments in Australia. The company will represent Heliospectra's market-leading LED lighting and light control solutions for controlled environments agriculture in the Australian market.
- Heliospectra, a proud member of the research consortium LEDs Make it Resilient, initiates a new research project focusing on the effects of light quality on plant growth and plant resilience, in terms of interactions with bumblebees and biocontrol agents. Heliospectra acts as a lighting partner and industry expert and is supplying the project with its fully controllable ELIXIA LED-lighting solution and expertise.
- Heliospectra announces a new strategic direction for Heliospectra with focus on sustainable data-driven cultivation, so called smart farming, with focus on flexibility and control. And their plans for expansion into the European greenhouse market.

## FINANCIAL REPORT

TSEK	JAN - DEC		OCT - DEC	
	2021	2020	2021	2020
ORDER INTAKE	-37,786	20,356	4,248	9,440
NET SALES	35,221	38,634	11,278	11,296
OPERATING RESULTS	-59,975	-40,241	-27,894	-9,481
RESULT BEFORE TAX	-59,976	-40,233	-27,892	-9,485

### SALES AND FINANCIAL PERFORMANCE

Order intake during the period October - December amounted to SEK 4,248 (9,440) thousand. For the full year, the corresponding value is SEK -37,786 (20,356) thousand. This value includes cancellation of the order from Nectar Farms, Australia as announced in April 2021. Excluding the cancellation, the order value in 2021 amounted to SEK 33,876 (20,356) thousand.

Net sales during the period October - December amounted to SEK 11,278 (11,296) thousand and operating profit amounted to SEK -27,895 (-9,481) thousand, implying a negative operating margin (negative). Profit after tax was SEK -27,892 (-9,485) thousand.

For the full year, net sales amounted to SEK 35,221 (38,634) and operating profit amounted to SEK -59,975 (-40,241) thousand, implying a negative operating margin (negative). Profit after tax was SEK -59,976 (-40,233) thousand. Operating profit for the period October - December includes write-downs of assets in addition to normal write-downs of SEK 16,743 thousand, of which SEK 5,049 thousand refers to write-downs of intangible assets, SEK 2,928 thousand.

### CASH FLOW, JANUARY – DECEMBER

Operating cash flow was SEK -33 069 (3 260) thousand. Total cash flow was SEK -44 734 (1 214) thousand. Cash equivalents at the end of the period were SEK 10,723 thousand. To strengthen the company's liquidity, the company has raised short-term loans totaling SEK 17,025 thousand from the main owners Weland Stål AB, ADMA Förvaltnings AB and Corespring New Technology AB. SEK 5,000 thousand was paid out in December, the remaining SEK 12,025 thousand was added during Q1 2022.



## SIGNIFICANT RISKS AND UNCERTAINTIES

For a comprehensive – but not complete – summary of risks, we refer to Heliospectra’s 2020 Annual Report <https://www.heliospectra.com/investor-relations/reports-documents-archive>.

## FINANCIAL CALENDAR

INTERIM REPORT JAN - MAR 2022	4/22/2022
ANNUAL REPORT 2021	5/03/2022
ANNUAL GENERAL MEETING	5/22/2022
HALF YEAR REPORT JAN - JUN 2022	8/22/2022
INTERIM REPORT JAN - SEP 2022	10/22/2022



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

Gothenburg February 25, 2022,  
/The Board



<b>CONSOLIDATED INCOME STATEMENT</b>	<b>JAN - DEC</b>		<b>OCT - DEC</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Amounts in SEK thousand (KSEK)				
Net Sales	35,221	38,634	11,278	11,296
Activated work for own account	11,609	2,482	3,966	1,708
Other operating income	1,191	1,422	864	581
	<b>48,021</b>	<b>42,538</b>	<b>16,108</b>	<b>13,585</b>
<b>Operating Expenses</b>				
Cost of goods sold	-22,360	-25,093	-6,522	-8,365
Other external expenses	-34,902	-22,932	-6,420	-7,290
Personnel expenses	-25,061	-28,849	-8,168	-5,598
Depreciations, amortizations and impairments	-4,288	-4,138	-1,162	-927
Impairment of assets in addition to normal write-downs depreciations	-16,743	-	-16,743	-
Other operating expenses	-4,643	-1,767	-4,989	-886
<b>Operating profit/loss</b>	<b>-59,975</b>	<b>-40,241</b>	<b>-27,895</b>	<b>-9,481</b>
Total financial items	-1	8	3	-4
<b>Profit/Loss before tax</b>	<b>-59,976</b>	<b>-40,233</b>	<b>-27,892</b>	<b>-9,485</b>
Taxes	-	-	-	-
<b>Profit/Loss after tax</b>	<b>-59,976</b>	<b>-40,233</b>	<b>-27,892</b>	<b>-9,485</b>

<b>CONSOLIDATED CASH FLOW STATEMENT</b>	<b>JAN - DEC</b>	
Amounts in SEK thousand (KSEK)	<b>2021</b>	<b>2020</b>
Profit/Loss after financial items	-59,976	-40,233
Adjustments for items not included in the cash flow	21,080	3,711
Share Issuance	71	47,864
Change in working capital	5,757	-8,082
<b>Operating cash flow</b>	<b>-33,069</b>	<b>3,260</b>
Cash flow from investing activities	-11,666	-2,230
Cash flow from financing activities	-	184
<b>Cash flow for the period</b>	<b>-44,734</b>	<b>1,214</b>
<b>Cash and cash equivalent at beginning of period</b>	<b>55,458</b>	<b>54,243</b>
<b>Cash and cash equivalents at end of period</b>	<b>10,723</b>	<b>55,458</b>

<b>KEY RATIOS</b>	<b>JAN - DEC</b>		<b>OCT - DEC</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Weighted average number of shares				
Before dilution	77,248,052	57,934,099	77,255,815	63,200,836
After dilution	88,126,986	59,882,353	85,208,130	67,901,910
Earnings per share basic	-0.78	-0.69	-0.36	-0.15
Earnings per share fully diluted	-0.68	-0.67	-0.33	-0.14
Revenue per share basic	0.46	0.67	0.15	0.18
Revenue per share diluted	0.40	0.65	0.13	0.17
Operating margin %	neg.	neg.	neg.	neg.
EBITDA, KSEK	-55,688	-36,103	-26,734	-8,554
EBITDA, margin, %	neg.	neg.	neg.	neg.



<b>CONSOLIDATED BALANCE SHEET</b>	<b>2021-12-31</b>	<b>2020-12-31</b>
Amounts in SEK thousand (KSEK)		
<b>Assets</b>		
Intangible assets	15,793	12,945
Tangible assets	1,298	1,819
<b>Total fixed assets</b>	<b>17,091</b>	<b>14,764</b>
Inventories	16,363	18,261
Current receivables	12,186	9,999
Cash and cash equivalents	10,723	55,458
<b>Total current assets</b>	<b>39,272</b>	<b>83,718</b>
<b>Total assets</b>	<b>56,363</b>	<b>98,482</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	8,033	67,891
Non-current liabilities	9,424	9,384
Current liabilities	38,906	21,207
<b>Total equity and liabilities</b>	<b>56,363</b>	<b>98,482</b>

<b>CHANGE IN CONSOLIDATED EQUITY</b>	<b>JAN-DEC</b>	
Amounts in SEK thousand (KSEK)	<b>2021</b>	<b>2020</b>
Opening equity	67,891	60,687
Profit/Loss for the period after tax	-59,976	-40,233
Right Issue	71	47,864
Exchange rate differences	48	-427
<b>Closing equity</b>	<b>8,033</b>	<b>67,891</b>

<b>KEY RATIOS</b>	<b>2021-12-31</b>	<b>2020-12-31</b>
Number of shares, thousands	77,276,514	77,245,465
Equity per share, SEK	0.10	0.88
Equity/assets ratio	14%	69%
Quick ratio	59%	309%

## PROPOSED APPROPRIATION OF RETAINED EARNINGS

The board and CEO propose that non-restricted equity,

Amounts in SEK

Profit brought forward	46,696,897
Share premium fund	67,772
Net result of the year	-60,157,081
<b>Total</b>	<b>-13,392,412</b>
<b>To be appropriated as follows</b>	
Carried forward	-13,392,412
<b>Total</b>	<b>-13,392,412</b>

## 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 2020 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 31th of December 2021 totals SEK 7,727,651 split between 77,276,514 shares, each with a quota value of SEK 0.10. Average amount of shares before dilution amounted to 77,248,052 shares. Average amount of shares after dilution amounted to 88,126,986 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 2021-12-31

STOCK OWNER	NR OF STOCK	PERCENTAGE
WELAND VÄRDEPAPPER AB	17 344 657	22,5%
WELAND STÅL AB	14 397 533	18,6%
ADMA FÖRVALTNINGS AB	12 000 000	15,5%
CORESPRING NEW TECHNOLOGY AB	8 850 336	11,5%
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION	2 361 301	3,1%
THE BANK OF NEW YORK MELLON, CORPORATION W9	861 888	1,1%
FÖRSÄKRINGSAKTIEBOLAGET, SKANDIA	838 690	1,1%
NORDNET PENSIONS FÖRSÄKRING AB	696 221	0,9%
MAGOWNY INEST AB	545 102	0,7%
SWEDBANK FÖRSÄKRING AB	486 833	0,6%
Other Owners	18 893 953	24,5%
<b>TOTAL:</b>	<b>77 276 514</b>	<b>100,0%</b>

Total number of stock owners are approximately 2,620.

## WARRANTS 2020/21

During 2020, a rights issue was carried out of units consisting of shares and warrants. During the period from 1 November 2021 to 30 November 2021, those who have subscribed for options are given the right to redeem two (2) warrants against one (1) share at a subscription price of SEK 3.1. A total of 25,014 warrants to a value of 77,543,SEK was issued, resulting in a dilution of 0.03 %.

## STOCK WARRANTS FOR SENIOR EXECUTIVES AND KEY PERSONELL

At the Extraordinary General Meeting on March 12, 2019, a warrant program was decided for senior executives and key personnel of series P02. This included 1,000,000 options where each option entitled 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. None of the above warrants were exercised.

At the General Meeting on May 14, 2020, a warrant program was decided for senior executives and key personnel of series P03. This includes 1,000,000 options where each option entitles the holder to subscribe for one new share at a subscription price of SEK 3.19 per share during the period March 1, 2022 through April 30, 2022. Based on this, the dilution is estimated to be about 1.3%. A total of 930,000 warrants have so far been handed over, the remaining 70,000 warrants may in future be offered to senior executives and key personnel.



## HELIOSPECTRA IN SHORT

Heliospectra AB (publ) (OTCQB: HLS, 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 2020 Annual Report <https://www.heliospectra.com/investor-relations/reports-documents-archive>. and the heliospectra website [www.heliospectra.com](http://www.heliospectra.com).

### **For more information, please contact:**

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**This report has not been reviewed by the company's auditors.**



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