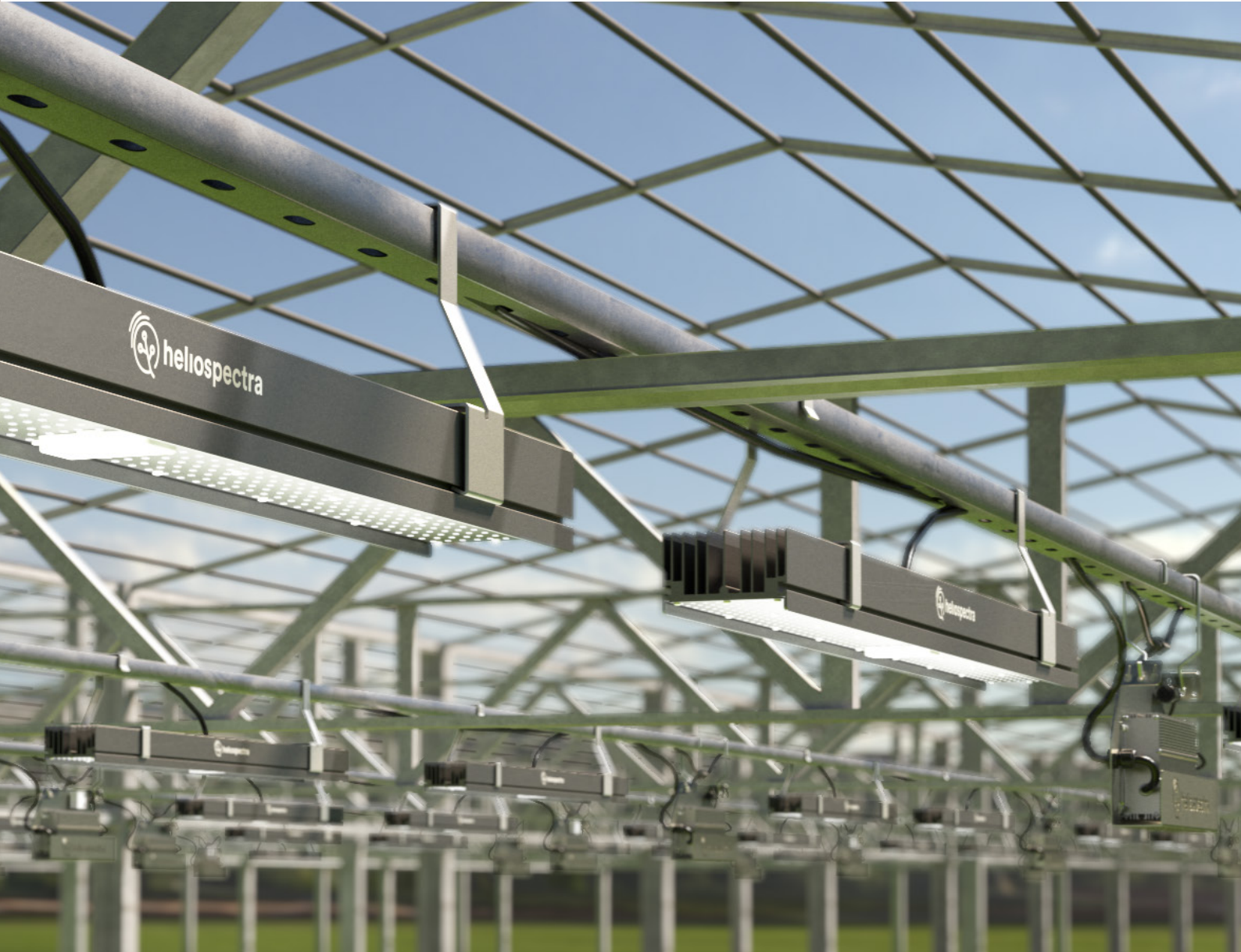




heliospectra



Heliospectra AB (publ)

2022

INTERIM REPORT JUL-SEP



## CEO COMMENT

Dear Heliospectra AB (publ) Shareholder,

So far, 2022 has been a year of transition for Heliospectra. Not only did we re-work our strategy to focus on our new wireless solutions offering, but the company has undergone an organizational change to bring the cost back in line with the topline. This past quarter, our focus has been on closing the numerous trials initiated in Q2, allowing us to test and validate our new solution offering and value proposition.

Our sales and helioCARE team, in close partnership with our Dutch and Canadian partners, have worked hard to close and secure several installations with prominent growers in the Netherlands, Denmark, the UK, and Canada. With these installations in numerous commercial greenhouse environments and on different crops, we are able to improve our solutions further while putting a number to the actual value for our customers.

Our SMART lighting solutions are supporting our mission to Redefine Nature's Potential. Heliospectra's high quality Led fixtures in combination with our SMART software makes it possible to "speak" with each individual MITRA LED light in a greenhouse via a robust wireless communication protocol. Replacing HPS lights with our MITRA LED lights brings already a significant energy saving for our customers. But with our SMART software solution including Dimming, Zoning and DLI control Features, Heliospectra makes it possible to gain another substantial energy saving by not using the lights when not needed and will make it possible to optimize growing condition as we can automate light with our sensors on a microclimate-level.

The current installations will enable us to build on our reference base in this part of the world, and we are confident this will significantly support our sales team during 2023.

The horticulture industry, and as an extension Heliospectra, continues to be affected by the economic uncertainty in the market. High energy and gas prices force growers to close winter production or transition to more energy-efficient solutions. While it is delaying and negatively affecting growers' volition to invest in new greenhouse projects or upgrades, it drives demand for LED lighting solutions in the mid and long run. We believe it will put us in an advantageous position once the economic climate turns.

The refocus of our strategy and the uncertain times for our customers as described above are still affecting our net sales



results. However, on the positive side, our order intake increased compared to the previous quarter.

Last 6 months, we have carried out a major cost saving program and simplified our organization, decreasing our operational expenditures as of November 2022 significantly compared to last year to meet the current situation. With the new strategy and our competitive and unique SMART lighting solution ready to market, I am convinced our topline will increase in next fiscal year 2023. But as lighting season in Northern hemisphere will start after the summer, we will continue experiencing a strained liquidity situation coming months. To secure liquidity in the short term, Heliospectra's three main owners - Weland Stål AB, Agartha AB, and Corespring New Technology AB, granted Heliospectra an unlimited credit facility in Q1 of this year and that extends to the publication of the Year End Report 2022. While it provides us and the Board time to secure funding and liquidity in the long term, it also shows our main owners' trust in the company's new strategy and direction.

The product development team has done an incredible job building our product portfolio these past months to meet our new wireless data-driven direction, including finalizing the new generation MITRA LED fixtures, updating our helioCORE system, and developing our new wireless communication solution the Adelphi and will continue to improve our solutions as we receive real-time data and customer feedback in our present installations, feedback that also helps us plan the pipeline for coming years. In addition, our marketing and sales team has identified the segments of the horticulture lighting market on which we will focus in 2023 to bring in new projects and grow our customer base in the main horticulture markets.

As we are rolling out the new wireless data-driven strategy in full, with our new agile and customer-focused organization that is quick to scale up as needed, I am excited to see how far we can come in 2023.

**Bonny Heeren,**  
**CEO Heliospectra AB**



## SIGNIFICANT EVENTS DURING THE YEAR

### JANUARY – SEPTEMBER

- Heliospectra received a short-term loan of approximately SEK 17 million from the three main owners Weland Stål AB, Agartha AB (formerly ADMA Förvaltnings AB), and Corespring New Technology AB. The purpose of the loans is to strengthen the company's liquidity and working capital.
- The board of directors of Heliospectra AB, agreed upon a directed issues of shares totalling approximately SEK 13.1 million, to three of the Company's main shareholders, i.e., Weland Stål AB, Agartha AB (formerly ADMA Förvaltnings AB), and Corespring New Technology AB. The issue funds have been paid by set-off of the remaining claims, in total approximately SEK 13.1, which the Main Owners had towards the Company.
- Heliospectra AB announced a new order for a Canadian controlled environment specialist conducting an installation for a global seed producer. The order is for Heliospectra's controllable ELIXIA LED lighting solution, and the order value is \$243,000 USD.
- Heliospectra AB appointed Annika Westlund as new Chief Financial Officer (CFO). Annika will take up her new position in mid-May 2022 and report to the CEO.
- Heliospectra enters into an agreement on a credit facility with the main owners Weland Stål AB, Agartha AB (former ADMA Förvaltnings AB) and Corespring New Technology AB. The purpose of the credit facility is to secure the Company's possible liquidity needs during the period up to and including the date of publication of the company's year-end report for the financial year 2022, when both the credit facility and any loans raised under it fall due.
- Heliospectra released its' Annual Report on May 3rd. The report can be found on the website under <https://www.heliospectra.com/investor-relations/reports-documents-archive>.
- Heliospectra carried out a directed issues of shares by way of set-off, a total of approximately SEK 25.9 million, to four of the Company's principal shareholders, i.e., Weland Stål AB, WELAND VÄRDEPAPPER AB, Agartha AB, and Corespring New Technology AB. The subscription price is SEK 1.253 per share.

## SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

## FINANCIAL REPORT

TSEK	JAN - SEP		JUL - SEP	
	2022	2021	2022	2021
ORDER INTAKE	21,746	-42,034	9,262	6,923
NET SALES	15,730	23,943	6,819	5,215
OPERATING RESULTS	-26,993	-32,081	-8,951	-15,549
RESULT BEFORE TAX	-27,008	-32,084	-8,966	-15,547

### SALES AND FINANCIAL PERFORMANCE

Order intake during the period July - September amounted to SEK 9,262 (6,923) thousand. For the period January - September, the corresponding figure is SEK 21,746 (-42,034) thousand. Last years figure includes the canceled order from Nectar Farms, Australia, which was announced in April 2021.

Net sales during the period July - September amounted to SEK 6,819 (5,215) thousand, and operating profit amount-



ed to SEK -8,951 (-15,549) thousand, implying a negative operating margin (negative). Profit after tax was SEK -8,966 (-15,547) thousand. For the period January - September, net sales amounted to SEK 15,730 (23,943) and operating profit amounted to SEK -26,993 (-32,081) thousand, implying a negative operating margin (negative). Profit after tax was SEK -27,008 (-32,084).

### **CASH FLOW, JANUARY – SEPTEMBER**

Operating cash flow was SEK -30,422 (-25,294) thousand. Total cash flow was SEK 6,772 (-32,993) thousand. Cash equivalents at the end of the period were SEK 17,495 (22,465) thousand.

To strengthen the company's liquidity, Heliospectra's three main owners Weland Stål AB, Agartha AB and Corespring New Technology AB have granted the company a credit facility that extends until the day of publication of the company's year-end report for the financial year 2022. The credit facility is not limited to its amount and can be called by the company if necessary. This will provide the company with stability in the coming months as the company's new strategy is rolled out.

## **SIGNIFICANT RISKS AND UNCERTAINTIES**

For a comprehensive – but not complete – summary of risks, we refer to Heliospectra's 2021 Annual Report <https://www.heliospectra.com/investor-relations/reports-documents-archive>.

## **FINANCIAL CALENDAR**

YEARLY REPORT 2022	2023-02-24
INTERIM REPORT JAN-MAR 2023	2023-04-28
HALF YEAR REPORT 2023	2023-08-25
INTERIM REPORT JAN-SEP 2023	2023-10-27



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 October 21, 2022  
/The Board

<b>CONSOLIDATED INCOME STATEMENT</b>	<b>JAN - SEP</b>		<b>JUL - SEP</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Amounts in SEK thousand (KSEK)				
Net Sales	15,730	23,943	6,819	5,215
Activated work for own account	5,035	7,643	1,838	2,136
Other operating income	256	327	0	161
	<b>21,021</b>	<b>31,912</b>	<b>8,657</b>	<b>7,511</b>
<b>Operating Expenses</b>				
Cost of goods sold	-11,152	-15,838	-5,241	-3,868
Other external expenses	-23,723	-28,482	-8,530	-13,555
Personnel expenses	-10,699	-16,893	-3,197	-4,655
Depreciations, amortizations and impairments	-2,973	-3,126	-989	-1,112
Other operating expenses	533	346	350	129
<b>Operating profit/loss</b>	<b>-26,993</b>	<b>-32,081</b>	<b>-8,950</b>	<b>-15,550</b>
Total financial items	-15	-4	-15	1
<b>Profit/Loss before tax</b>	<b>-27,008</b>	<b>-32,084</b>	<b>-8,965</b>	<b>-15,548</b>
Taxes	-	-	-	-
<b>Profit/Loss after tax</b>	<b>-27,008</b>	<b>-32,084</b>	<b>-8,965</b>	<b>-15,548</b>

<b>CONSOLIDATED CASH FLOW STATEMENT</b>	<b>JAN - SEP</b>	
Amounts in SEK thousand (KSEK)	<b>2022</b>	<b>2021</b>
Profit/Loss after financial items	-27,008	-32,084
Adjustments for items not included in the cash flow	3,346	3,166
Change in working capital	-6,760	3,625
<b>Operating cash flow</b>	<b>-30,422</b>	<b>-25,294</b>
Cash flow from investing activities	-5,421	-7,699
Cash flow from financing activities	42,615	-
<b>Cash flow for the period</b>	<b>6,772</b>	<b>-32,993</b>
<b>Cash and cash equivalent at beginning of period</b>	<b>10,723</b>	<b>55,458</b>
<b>Cash and cash equivalents at end of period</b>	<b>17,495</b>	<b>22,465</b>

<b>KEY RATIOS</b>	<b>JAN - SEP</b>		<b>JUL - SEP</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Weighted average number of shares				
Before dilution	87,201,526	77,245,465	92,753,419	77,245,465
After dilution	87,614,859	89,295,439	92,753,419	88,708,938
Earnings per share basic	-0.31	-0.42	-0.10	0.20
Earnings per share fully diluted	-0.31	-0.36	-0.10	0.18
Revenue per share basic	0.18	0.31	0.07	0.07
Revenue per share diluted	0.18	0.27	0.07	0.06
Operating margin %	neg.	neg.	neg.	neg.
EBITDA, KSEK	-24,020	-28,955	-7,961	-14,438
EBITDA, margin, %	neg.	neg.	neg.	neg.

<b>CONSOLIDATED BALANCE SHEET</b>	<b>2022-09-30</b>	<b>2021-12-31</b>
Amounts in SEK thousand (KSEK)		
<b>Assets</b>		
Intangible assets	18,991	15,793
Tangible assets	548	1,298
<b>Total fixed assets</b>	<b>19,539</b>	<b>17,091</b>
Inventories	13,828	16,363
Current receivables	9,278	12,186
Cash and cash equivalents	17,495	10,723
<b>Total current assets</b>	<b>40,601</b>	<b>39,272</b>
<b>Total assets</b>	<b>60,140</b>	<b>56,363</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	23,950	8,033
Non-current liabilities	9,488	9,424
Current liabilities	26,703	38,906
<b>Total equity and liabilities</b>	<b>60,140</b>	<b>56,363</b>
<b>CHANGE IN CONSOLIDATED EQUITY</b>	<b>JAN - SEP</b>	
Amounts in SEK thousand (KSEK)	<b>2022</b>	<b>2021</b>
Opening equity	8,033	67,891
Profit/Loss for the period after tax	-27,008	-32,084
Right Issue	42,615	-
Exchange rate differences	309	9
<b>Closing equity</b>	<b>23,950</b>	<b>35,816</b>
<b>KEY RATIOS</b>	<b>2022-09-30</b>	<b>2021-12-31</b>
Number of shares, thousands	106,549,474	77,245,465
Equity per share, SEK	0.22	0.10
Equity/assets ratio	40%	14%
Quick ratio	100%	59%

## 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 BFAR 2012:1 Annual Accounts and Consolidated Accounts (K3). The accounting policies are unchanged from the 2021 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

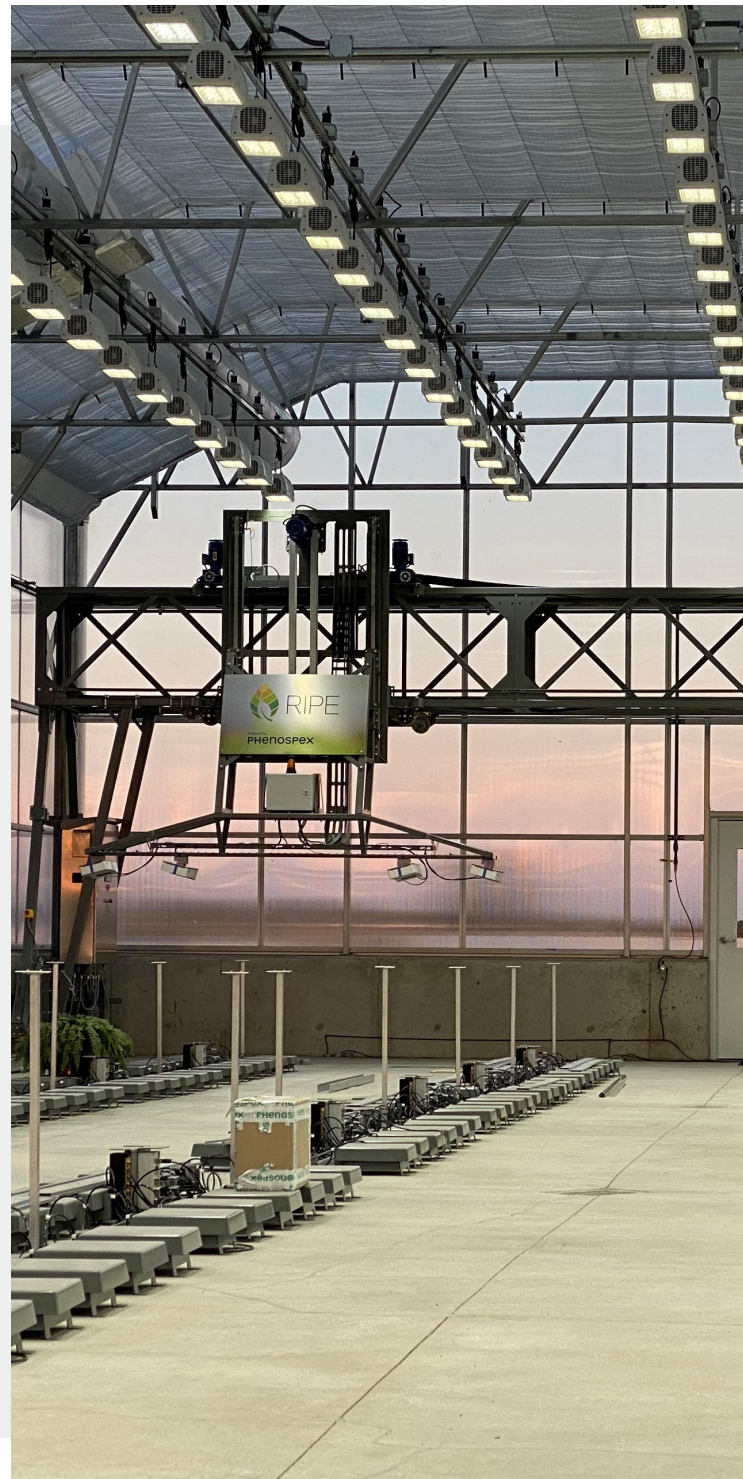
EBITDA in relation to net sales

#### 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 30th of September 2022 totals SEK 10,654,947 split between 106,549,474 shares, each with a quota value of SEK 0.10. Average amount of shares during the period January - September before dilution amounted to 87,201,526 shares. Average amount of shares after dilution amounted to 87,614,859 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 2022-09-30

STOCK OWNER	NR OF STOCK	PERCENTAGE
WELAND VÄRDEPAPPER AB	25 357 275	23,8%
WELAND STÅL AB	29 227 867	27,4%
AGARTHA AB	20 628 816	19,4%
CORESRING NEW TECHNOLOGY AB	15 230 404	14,3%
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION	2 368 708	2,2%
SWEDBANK FÖRSÄKRING AB	1 124 333	1,1%
FÖRSÄKRINGSAKTIEBOLAGET, SKANDIA	838 956	0,8%
NORDNET PENSIONS FÖRSÄKRING AB	737 099	0,7%
MAGOWNY INEST AB	545 102	0,5%
SPP SVERIGE PLUS	463 905	0,4%
OTHER OWNERS	10 027 008	9,4%
<b>TOTAL:</b>	<b>106 549 474</b>	<b>100,0%</b>

Total number of stock owners are approximately 5,079.

## STOCK WARRANTS FOR SENIOR EXECUTIVES AND KEY PERSONELL

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 was estimated to be about 1.3%. None of the above warrants were exercised.



## 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 2021 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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