



Heliospectra AB (publ), Interim management statement January – March 2016

“Heliospectra continues its positive development”

Financial Report:

- Net turnover was KSEK 4,753 (2,126)
- Operating profit/loss was KSEK -9,362 (-6,066), involving a negative operating margin (neg)
- Profit/loss after tax was, SEK -9,403 (-6,149) or SEK -1 (0) per share.
- Operating cash flow was KSEK -10,634 (-8,990). Total cash flow was KSEK -11,734 (8,307).

Key events during the period

- Redeye launches a company analysis of Heliospectra with the title “LED Lightning Strikes Growers”
- Heliospectra receives a grant of SEK 500,000 to develop energy and water efficient cultivation of plants in the Middle East.
- Heliospectra carries out high-level recruitment of leading industry manager in the USA, Caroline N Wells
- Heliospectra wins big order worth SEK 2.2 million from cultivators in Washington State
- Heliospectra wins new order in Canada worth SEK 650,000

Key events after the period

- Scandinavian algae producer chooses Heliospectra LX60 LED-lighting, order valued at SEK1.4 million
- Heliospectra announces water-cooled LED lamp for commercial use - first application will be in space.

CEO's comments:

Dear Shareholders,

The positive trend continues and net turnover increased to SEK 4.7 million in Q1-2016 compared to SEK 2.1 million in Q1-2015. As mentioned in the Year End Report for 2015, we increased the turnover from SEK 3.1 million to SEK 13.7 million (340%) from 2014 to 2015. For us, sales are usually more intense in the second half of the year.

Typically, we have one or two large orders per quarter and a number of smaller orders. We are usually in direct contact with major customers, in particular in periods when they test our products. We also use existing customers as references for new clients, so that they can discuss on a grower-to-grower basis as well as visit our reference installations. We recently organised a visit to our customer “The Grove”, who purchased products for SEK 5.7 million in 2015, where thirty or so new potential customers were able to participate www.hortidaily.com/article/25476/US-Touring-The-Groves-MMJ-facility Our customers operate in a rapidly expanding industry, which means there is potential for us to grow with them.

Satisfied customers and references are extremely important in our industry. Therefore, we provide them with advice and information on how best to achieve results with our products. In the future, we may be able to charge for the information and the support we provide both before and after sales.

It is encouraging that we are receiving increasing numbers of orders both directly via our own website as well as via our distributors, such as e.g. GrowersHouse in the US. We are still getting many inquiries and orders via email, in particular from universities and ag tech companies, which have sometimes been worth several hundreds of thousands of SEK and led to even larger orders. We are also seeing a clear trend that researchers are increasingly including equipment from Heliospectra already at the stage of applying for research grants.

All our three markets in research/ag tech, greenhouse and medical cannabis are experiencing strong growth and changing with new technology. Heliospectra is an active participant in this process and participates in the most important fairs and conferences such as the ones referred to below.

In Michigan at <http://www.lightsym16.com/>, Heliospectra's innovative and patented biofeedback system is presented by our staff, together with collaborators from Chalmers University of Technology. This project is partly financed by Mistra, and Heliospectra owns all of the results.

We are building an international industrial company by combining the latest in hardware and software with biology. As a consequence of population growth, urbanisation, global warming and demand in relation to organic/healthy cultivation, the future of food security will face new challenges. At Heliospectra we are proud to be able to participate and deliver effective solutions that meet the needs of rapidly expanding markets.

Staffan Hillberg, CEO
Heliospectra AB

For the complete Interim management statement, see linked document.: https://www.heliospectra.com/sites/default/files/heliospectra_interim_management_statement_jan-mar_2016-3.pdf

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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.