

Heliospectra (publ) Interim Report July - September 2021

(Gothenburg, Sweden October 22, 2021, at 08:30 CEST)– Heliospectra AB (publ (Nasdaq First North Growth Market: HELIO), a world leader in intelligent lighting technology for greenhouse and controlled plant growth environments, presents its' Interim Report for July - September 2021.

Full report is enclosed to this press release and is also uploaded at <https://www.heliospectra.com/investor-relations/investor-relations>.

SUMMARY OF REPORT:

Sales And Financial Performance for the period July - September and January – September

Order intake during the period July - September amounted to SEK 6,923 thousand. For the period January - September, the corresponding figure is SEK -42,034 (10,916) thousand. This figure includes cancellation of orders from Nectar Farms, Australia, which was announced in April 2021. Excluding this cancellation, order bookings during the period January - September amounted to SEK 29,628 (10,916) thousand.

Net sales during the period July - September amounted to 5,215 (7,464) and operating profit amounted to SEK -15,549 (-8,518) thousand, implying a negative operating margin (negative). Profit after tax was SEK -15,547 (-8,557) thousand. For the period January - September, net sales amounted to SEK 23,943 (27,338) and operating profit amounted to SEK -32,081 (-30,759) thousand, implying a negative operating margin (negative). Profit after tax was SEK -32,084 (-30,747). As communicated on 7 October, operating profit includes a provision of SEK 5.4 million to cover any additional warranty and conversion costs that might arise in the future.

Cash Flow, January – September

Operating cash flow was SEK -25,294 (-35,442) thousand. Total cash flow amounted to SEK -32,993 (-35,743) thousand. Cash flow from investing activities mostly refers to capitalized work for own account in the form of product development.

CEO COMMENT

Dear Shareholders,

During the third quarter, we – and many other industries – experienced the ongoing impact from COVID, primarily supply chain issues, market uncertainty, and client construction delays. These systemic challenges prevented us from achieving our targets for this year. The North American cannabis industry, which currently represents a sizeable portion of our sales pipeline, has been affected by delays in licensing and permits and increased

construction costs. The current uncertainty in the cannabis market strengthens our strategic direction taken at the beginning of the year to focus more on food growers and greenhouse installations. These segments typically have a longer sales cycle but will yield a steadier pipeline and larger sales volumes.

As previously announced, in Q3 of this year Heliospectra identified a faulty fuse in a limited production series of the MITRA model. Not only has this issue been resolved, but we also proactively worked with the customer to replace the affected fixtures. Still, the failure rates of our products fall well within the industry standard. The Heliospectra brand has always been associated with quality and reliability and we have taken strict measures to avoid problems like this from happening in the future.

This year we have allocated most of our development resources towards the development of our bio-sensor technology. Since Heliospectra's inception in 2006, the founder's vision was to develop plant lighting based on biofeedback systems. They wanted to use sensors to measure the health of the plant, and then adapt the lighting to optimize growth and quality. By outsourcing the majority of our product development to a few reputable consultancy firms in Sweden, we have been able to fast-track our time to market and are finally starting to see that vision become a reality.

Heliospectra's patented biosensor technology works by measuring fluorescence (light given off by a plant that is not used for photosynthesis or converted into heat) from the plants' foliage. By measuring the fluorescence, the biosensor can interpret the signals using software and tell the grower how the plants are doing. Combining that with a control system and automatic adjustments can be made to optimize the light environment. Heliospectra is also developing two new modules for the helioCORE™ control system to complement this new biosensor technology: Growth Tracking Control and Optimal Light Control. Allowing us to sell the new technology as a complete solution together with our LED lights and control system, or as a stand-alone solution compatible with most installations on the market, creating a new business opportunity with great potential.

Today, food loss or waste is a huge problem and occurs throughout the food system – during production, processing, distribution, retail, and consumption. This problem not only amounts to a major squandering of precious resources, including water, land, energy, labor, and capital but also needless production of greenhouse gas emissions, contributing to global warming and climate change. With our new sensor technology, growers will be able to detect stress, quickly identify problems, and closely measure plant growth. The result is improved quality, greater precision and more control over their crops, reduced waste, and an improved cultivation economy.

The launch of the new biosensor is the start of a completely new and exciting phase for Heliospectra as a company. We are finalizing our product development, and starting next year, we will begin installation trials to measure the economic value of our technology, helping to make the value proposition more transparent for growers.

Heliospectra continues to provide innovative technology and operational excellence to our growers while at the same time making cultivation more sustainable and resource efficient. By launching our biosensor technology on the market, we are now taking the next step in realizing the founders' vision of revolutionizing the cultivation industry and highlighting the importance of data-driven production.



As always, I thank you for your steadfast support and continued commitment to the Heliospectra vision.

Ali Ahmadian,
President & CEO

For More Information:

Rebecca Nordin, Head of IR at Heliospectra | +46 (0)72 536 8116 | ir@heliospectra.com
<http://www.heliospectra.com>

Heliospectra AB (publ) (Nasdaq First North Growth Market: HELIO) was founded in 2006 in Sweden by plant scientists and biologists with one vision – to make crop production more intelligent and resource-efficient. Today, with customers across seven continents, Heliospectra is the global leader in innovative horticulture lighting technology, custom light control systems and specialized services for greenhouse and controlled plant growth environments. Designed by growers for growers, Heliospectra builds customized LED lighting strategies and controls to automate production schedules, forecast yields and monitor crop health and performance with real-time data and response, to deliver the light plants love and the consistent results growers need.

For more information, please visit <https://www.heliospectra.com>.

Company HELIO is listed at Nasdaq First North Growth Market with Redeye AB as Certified Adviser:

Certifiedadviser@redeye.se, +46 (0)8 121 576 90.

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.

This information is such which Heliospectra AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:30 CEST, October 22nd, 2021.