



Press release
F.A.O: News Director

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Heliospectra (publ) receives a grant of SEK 500,000 – for the development of energy-efficient and water-conserving plant cultivations in the Middle East

Heliospectra AB (publ), a world leader in intelligent lighting technology for plant research and greenhouse cultivation, has been awarded a grant from the Swedish Energy Agency totalling SEK 500,000. Until 31 August 2016, Heliospectra will analyse and improve the possibilities for engaging in energy-efficient, water-conserving growing in the Middle East.

– This venture represents a strategically important development project for Heliospectra. It also of utmost significance for the region as a whole, where water is in short supply and is expected to be an even scarcer commodity in the future. The need to identify energy-efficient and, perhaps even more importantly, water-conserving means of growing plants in the Middle East is enormous in places such as the Middle East, says Staffan Hillberg, CEO of Heliospectra.

For example, a minimal amount of Qatar's food consumption comes from crops grown in the country, with almost all foods being imported. This system is not sustainable in the long term. While a limited growth regime is possible in a greenhouse environment, temperatures during the summer months can reach over 45 degrees Celsius, making crop growth all but impossible. In certain areas in Africa and California, water will be at even more of a premium than it is today.

– Projects like the Middle East project at hand, which aim to advance the efficiency of plant growth, are going to be increasingly necessary. These are projects where we at Heliospectra, with our products and expertise, can play a major role, according to Staffan Hillberg.

The project's budget stands at an approximate total of SEK 1.7 million, of which the Energy Agency's grant covers 30 percent and Heliospectra is funding the remaining 70 percent. The project is part of a larger cooperation agreement between Heliospectra's part-owner Midroc New Technology and GORD - Gulf Organisation for Research & Development. The aim is to create a pilot facility combining energy-efficient products from Swedish companies in the Midroc portfolio.

Heliospectra is already one of the driving forces behind future-oriented projects aiming to develop effective growing systems with minimal consumption of light and water resources. Among other leading positions, Heliospectra is part of an international consortium which constitutes a part of the EDEN Initiative, a research programme developed by the German aerospace centre, DLR Institute of Space Systems (ISS). EDEN ISS' primary objective is to develop, integrate and demonstrate various crop cultivation technologies and operating processes for safe food production on board the International Space Station and for future manned space expeditions.

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



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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.

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