

26 August 2021

LED iBond International A/S
Agern Allé 5A
2970 Hørsholm
Denmark

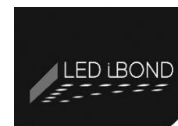
CVR 36041609

+45 7070 7855
info@ledibond.com
www.ledibond.com

INTERIM FINANCIAL REPORT SECOND QUARTER AND FIRST HALF OF 2021

FINANCIAL KEY FIGURES, Q2 AND H1 2021

TDKK	Q2 2021	Q2 2020	Change	H1 2021	H1 2020	Change
Profit & Loss						
Revenue of goods sold	1,134	354	780	4,295	2,372	1,923
Grants & Compensation	0	0	0	1,001	0	1,001
EBITDA	-3,912	-3,453	-459	-5,271	-5,316	45
EBIT	-6,942	-6,132	-810	-11,361	-10,665	-696
Net Financial expenses	-379	-3,778	3,399	-891	-4,018	3,127
Profit/loss before tax	-7,321	-9,910	2,589	-12,252	-14,683	2,431
Profit/loss	-5,708	-7,730	2,012	-9,554	-11,453	1,899
Balance Sheet						
Total assets				101,629	70,792	30,837
Total equity				80,351	50,364	29,987
Net interest-bearing debt.				11,605	13,061	-1,456
Cash flow statement						
Cash flow from operating activity	-4,691	-904	-3,787	-4,842	-5,923	1,081
Cash flow from investing activity	-3,549	-2,661	-888	-8,416	-4,670	-3,746
Cash flow from financing activity	47,327	17,610	29,717	46,422	24,010	22,412
Change in cash and cash equivalents	39,087	14,045	25,042	33,163	14,027	19,136



OPERATIONAL REVIEW, Q2 2021

Satisfactory pipeline growth but effects of the pandemic are slowing down all markets

LED iBond International's (LED iBond) sales pipeline is solid and grows at a steady pace. In particular, the company's vertical farming activities show momentum, attracting increasing interest from developers of both large and small indoor horticulture projects.

However, the widespread COVID-19 related slowdown still affects many global markets, delaying LED iBond's commercial development. For all business lines, smart buildings, UV-C disinfection and vertical farming alike, some sales processes are dragging out because potential customers are postponing their procurement processes on account of COVID-19 related business disruptions and general uncertainties.

Furthermore, some ongoing LED iBond projects with customers are delayed due to cross-border travel restrictions, intercontinental transportation bottlenecks, temporary reprioritisations and shortages of components such as steel and electronics parts. LED iBond foresees that these market challenges will persist for the remainder of 2021 and may extend into 2022.

Vertical farming

The vertical farming market is showing continued strong growth. In 2021, LED iBond has received a substantial number of requests for proposals for lighting solutions for indoor horticulture projects. Currently, the combined value of pending offers for vertical farming equipment amounts to tens of millions of DKK.

The company has agreed to deliver a small-scale vertical farming test facility in Q3 to demonstrate the superiority of LED iBond's vertical farming solution.

LED iBond foresees continued solid performance in the vertical farming market and will continue to invest in product development and build production and sales capacity in this area.

Smart building market

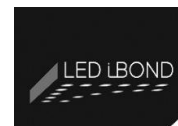
Lockdown restrictions, supply chain bottlenecks and general uncertainties are causing delays in many ongoing smart building projects with LED iBond participation in many smart building segments. For instance, an extensive elevator renovation project in Singapore has been paused since April 2020, awaiting the reopening of non-critical projects by the Singapore government.

However, several lighting renovation projects in the gas station segment have recently been resumed. The increased activity may be an early indication that the gas station segment has started recovering from the pandemic.

The EUDP development project for intelligent infrastructure solutions is progressing as planned.

UV-C disinfection market

LED iBond's disinfection systems and manufacturing facilities for airport security checkpoints are now fully developed and approved for international sales by Intertek, Sweden. However, the general



market slowdown is curbing airport investments. Consequently, the previously announced order for 50 disinfection systems has been postponed, and a new delivery date has not yet been agreed.

As LED iBond's UV-C disinfection technology can effectively supplement vaccines and other countermeasures for the COVID-19 pandemic, the company is reviewing the go-to-market plan and product portfolio for the UV-C disinfection business line.

FINANCIAL OUTLOOK REVISION

The executive management and Board of Directors remain convinced of the market opportunities of LED iBond in the coming years, which exceed the current revenue guidance of DKK 100 million. However, in view of the current market situation, the company has revised its financial outlook as follows:

- Positive cash flow from operations in 2022
(a one-year delay relative to the previous outlook),
- Revenue of DKK 70 million in 2022
(a reduction of DKK 30 million relative to the previous outlook for 2022),
- Long-term EBITDA-margin above 30 %
(unchanged)

The revised revenue outlook for 2022 assumes that the company successfully delivers 2-3 large customer projects in addition to the budgeted baseline sales activities for the year.

FINANCIAL REVIEW, Q2 2021

Revenue

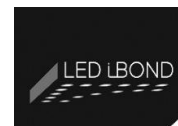
In Q2, the company generated a revenue of TDKK 1,134, compared to TDKK 354 in Q2 of last year, an increase of TDKK 780 or 220.3 %. For the first half of 2021, revenue amounted to TDKK 4,295, compared to TDKK 2,372 in the previous H1, an increase of TDKK 1,923 or 81,1 %

Grants and Compensation.

During Q2, LED iBond did not receive any grants. For the first half of the year as a whole, total grants amounted to TDKK 1,001

Expenses

Total expenses amounted to TDKK 1,421 in Q2, compared to TDKK 1,474 in the year-earlier period, an expense reduction of TDKK 53 or 3.6 %. The decrease in expenses is mainly due to a reduction in administrative expenses. For H1, total expenses amounted to TDKK 2,795, compared to TDKK 2,666 in H1 of 2020, an increase of TDKK 129 or 4,8 %, which is mainly due to higher administrative expenses in Q1 of 2021.



Profit & loss

The Q2 operating loss, EBIT, came to TDKK 6,942 against TDKK 6,132 in the previous Q2, an increase of TDKK 810 or 13.2 %. This increase is mainly caused by an increase in staff cost of TDKK 786 and an increase in depreciation of TDKK 351. For H1, EBIT came to a loss of TDKK 11,361 against a loss of TDKK 10,665 in H1 of 2020, an increase of TDKK 696, mainly driven by higher staff cost.

Total financial expenses amounted to TDKK 379 in Q2 against TDKK 3,778 in the year-earlier Q2. This difference reflects the IPO expenses in 2020, which amounted to TDKK 3,459.

The result before tax for Q2 came in at a loss of TDKK 7,321 against TDKK 9,910 in Q2 of 2020, the difference again to be explained by the IPO-related expenses last year.

In H1, total financial expenses amounted to TDKK 891 against TDKK 4,018 in the year earlier H1, mainly due to the IPO expenses.

The H1 result before tax was a loss of TDKK 12,252 against a loss of TDKK 14,683 in H1 of the year before.

Capital increase

In Q2, the company completed a rights issue to raise additional capital for new commercial opportunities. 62 % oversubscribed, the capital increase was completed in April 2021.

Cash flow and investments

The total cash flow for Q2 was an inflow of TDKK 39,087, against an inflow of TDKK 14,045 in Q2 of 2020. The total cash flow for H1 of 2021 shows an inflow of TDKK 33,163 against a total inflow of TDKK 14,027 in the year-earlier H1.

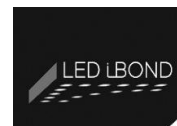
In Q2, cash flows from operations amounted to an outflow of TDKK 4,691 against an outflow of TDKK 904 in Q2 of 2020. For H1, the total outflow amounted to TDKK 4,842 against an outflow of TDKK 5,923 in the same period of 2020.

Q2 cash flows from investments amounted to an outflow of TDKK 3,549 against TDKK 2,661 in Q2 of 2020. The increased outflow is mainly due to higher investments in IPR. For H1, cash flows from investments show an outflow of TDKK 8,416 against TDKK 4,060 in the same period of 2020, an increase of TDKK 4,356 due to a conversion of debt of TDKK 2,020 to equity in LED Aviation A/S and higher investments in IPR.

Cash flows from financing in Q2 show an inflow of TDKK 47,327 against an inflow of TDKK 17,610 in the year-earlier quarter, due to the company's capital raise in April of 2021. For H1, cash flows from financing show an inflow of TDKK 46,422 against TDKK 24,010 in the same period of 2020. The increased inflow is explained by the capital raise in April 2021.

Equity and net cash

At 30 June 2021, the company's equity amounted to TDKK 83,010 against TDKK 44,193 at 31 December 2020. This difference mainly relates to the proceeds from the capital raise in April 2021. On 30 June 2021, net cash amounted to TDKK 43,023, compared to TDKK 9,861 on 31 December 2020.

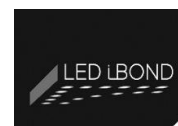


Number of Shares

On 30 June 2021, the number of outstanding shares in LED iBond International A/S was 15,864,825 against 12,691,860 on 31 December 2020

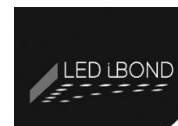
Financial calendar

- Interim report Q3 2021 30 November 2021



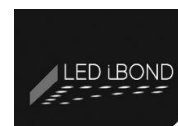
INCOME STATEMENT

TDKK	Note	Q2 2021	Q2 2020	H1 2021	H1 2020
Net revenue		1,134	354	4,295	2,372
Grants and compensations		0	0	1,001	0
Cost of sales		-892	-386	-3,312	-1,628
Other external expenses	2	-1,421	-1,474	-2,795	-2,666
GROSS PROFIT/LOSS		-1,179	-1,506	-810	-1,922
Staff costs		-2,733	-1,947	-4,489	-3,394
Depreciations, amortisation, impairment		-3030	-2,679	-6,062	-5,349
OPERATING PROFIT/LOSS		-6,942	-6,132	-11,361	-10,665
Other financial expenses		-379	-3,778	-891	-4,018
PROFIT/LOSS BEFORE TAX		-7,321	-9,910	-12,252	-14,683
Tax on profit/loss for the period	3	1,613	2,180	2,698	3,230
PROFIT/LOSS FOR THE PERIOD		-5,708	-7,730	-9,554	-11,453
PROPOSED DISTRIBUTION OF PROFIT/LOSS					
Retained profit		-5,708	-7,730	-9,554	-11,453
Result per share		-0,38	-0,86	-0,69	-1,40
Diluted result per share		-0,38	-0,86	-0,69	-1,40
Average amount of shares		14,948,191	8,938,372	13,821,025	8,206,840



COMPREHENSIVE INCOME

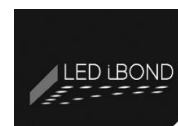
TDKK	Q2 2021	Q2 2020	H1 2021	H1 2020
Profit/loss for the period	-5,708	-7,730	-9,554	-11,453
Other comprehensive income	0	0	0	0
Comprehensive income in total	-5,708	-7,730	-9,554	-11,453
Distribution of comprehensive income				
Retained profit/loss	-5,708	-7,730	-9,554	-11,453



BALANCE SHEET

Assets

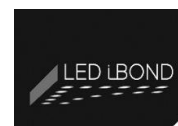
TDKK	Note	30 June 2021	31 Dec. 2020
Completed development projects		28,175	26,614
Software		0	6
Patents and other rights		3,583	3,696
Intangible fixed assets		31,758	30,316
Production plant and machinery		4,624	5,821
Other plants, fixtures and furniture		110	20
Tangible fixed assets		4,734	5,841
Equity in associated enterprises		3,162	890
Deposits		272	268
Financial fixed assets		3,434	1,158
Total fixed assets		39,926	37,315
Stocks		3,288	4,084
Inventories in total		3,288	4,084
Accounts receivable		2,114	1,993
Deferred tax assets		9,848	9,848
Tax receivables		4,720	2,061
Other receivables		340	548
Accrued expenses		1,029	655
Current assets		18,051	15,105
Cash		43,023	9,861
Total current assets		64,362	29,051
Total assets		104,288	66,365



BALANCE SHEET

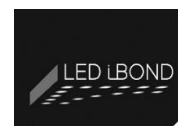
Liabilities

TDKK	Note	30 June 2021	31 Dec. 2020
Share capital		794	635
Share premium account	4	48,223	0
Reserve for development expenditures		20,759	20,759
Results brought forward		13,234	22,799
Equity in total		83,010	44,193
Loan		6,009	7,427
Other debt		864	2,485
Long-term liabilities		6,873	9,912
Short-term part of long-term liabilities		5,597	4,518
Bank debt		0	2
Accounts payable		3,250	3,696
Other debt		5,558	4,044
Short-term liabilities		14,405	12,261
Total liabilities		21,278	22,172
Total liabilities and equity		104,288	66,365



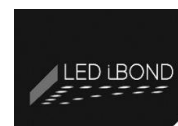
EQUITY

TDKK	Share capital	Share premium account	Reserve for development expenditure	Result brought forward	Total
Equity, 1 Jan. 2020	333	0	17,294	15,029	32,656
Capital increase	302	28,925	0	-67	29,160
Transferred from share premium account	0	-28,925	0	28,925	0
Profit or loss for the year brought forward	0	0	0	-17,623	-17,623
Transferred to reserve for development expenditures	0	0	0	0	0
Other comprehensive income	0	0	3,465	-3,465	0
Equity, 31 Dec. 2020	635	0	20,759	22,799	44,193
Equity, 1 Jan. 2021	635	0	20,759	22,799	44,193
Capital increase	159	56,955	0	0	57,113
Costs related to the listing on Nasdaq First North	0	-8,732	0	0	-8,732
Transferred from share premium account	0	-48,223	0	48,223	0
Profit or loss for the year brought forward	0	0	0	-9,564	-9,564
Transferred to reserve for development expenditures	0	0	327	-327	0
Equity, 30 June 2021	794	0	21,086	61,131	83,010



CASH FLOW STATEMENT

TDKK	Q2 2021	Q2 2020	H1 2021	H1 2020
EBITDA	-3,912	-2,842	-5,271	-5,316
Financial cost	-379	-3,778	-891	-4,016
Cash flow from P&L	-4291	-6,620	-6,162	-9,332
Changes in receivables	-166	597	-196	763
Changes in stocks	-286	-118	796	-231
Changes in other receivables	15	7	11	7
Changes in accrued expenses	-342	1,576	-374	-168
Changes in payables	379	1,312	1,083	696
Changes in working capital	-400	3,374	1,320	1,067
Tax receivable disbursed	0	2,342	0	2,342
Cash flow from operations	-4,691	-904	-4,842	-5,923
Investment in IPR	-3,513	-2,039	-6,291	-3,423
Investments in fixtures and furniture	-36	-9	-102	-9
Investments in equipment	0	0	-3	-3
Equity investments	0	-613	-2,020	-625
Cash flow from investments	-3,549	-2,661	-8,416	-4,060
Cash capital increase	159	235	159	235
Changes in share premium account	48,223	28,925	48,223	28,925
Loan proceeds	0	0	0	6,400
Loan repayments	-1,055	-11,550	-1,960	-11,550
Cash flow from financing	47,327	17,610	46,422	24,010
Change in cash	39,087	14,045	33,163	14,027
Cash beginning of period	3,938	6,338	9,858	6,356
Cash end of period	43,022	20,383	43,022	20,383



NOTES

1. Accounting policy

The Interim Financial Statement for LED iBond International A/S is presented as a condensed financial statement in accordance with IAS 34, "Presentation of Interim Financial Statements", approved by the EU and additional disclosure requirements for companies admitted for trading on Nasdaq First North Growth Market Denmark.

The used accounting policy is unchanged compared to the accounting policy used in the Annual Financial Report for 2020, However, the Interim Financial Statement must meet the disclosure requirements for companies listed on Nasdaq First North. Please refer to the Annual Report for 2020 for a more detailed description of the Accounting Policies used.

The Interim Financial Statement for LED iBond International A/S has neither been audited nor reviewed.

2. Total expenses

TDKK	Q2 2021	Q2 2020	H1 2021	H1 2020
Premises	274	297	519	571
Development & patents	0	192	51	292
Travel	21	5	71	145
Sales & Marketing	235	332	417	563
Administration	891	647	1,737	1,095
Other expenses in total	1,421	1,474	2,795	2,666

3. Tax

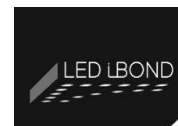
The tax income recognised in the income statement for the first quarter of 2021, is calculated based on the result before tax, and an estimated effective tax rate for the year 2021 on 22%.

The company's expected tax loss for the first quarter of 2021, is not expected to be used in full, in the joint taxation in which the company is included. Only an asset corresponding to the share that is expected to be used in joint taxation is recognised.

4. Related parties

The following parties have controlling influence on LED iBond International A/S

Name	Based	Basis for influence	Ownership
NLR Invest ApS	Kongens Lyngby	Parent company	21.28%
Laromini ApS	Kongens Lyngby	Parent company	17.39%
Green Technology Investment ApS	Kongens Lyngby	Parent company	12.50%



There have been no changes to agreements or the classification of transactions with related parties since 31 December 2020. There are no significant transactions with related parties in the first half of 2021.

5. Events after the closing date

After the closing date, LED iBond has acquired the rest of the shares in LED Viruskil A/S. LED iBond now owns 100% of the shares in LED Viruskil A/S.

In the beginning of August, LED iBond A/S received Grants amounting to TDKK 2,071.