

30 November 2021

LED iBond International A/S

Agern Allé 5A
2970 Hørsholm
Denmark

CVR 36041609

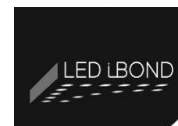
+45 7070 7855
info@ledibond.com
www.ledibond.com

INTERIM FINANCIAL REPORT

THIRD QUARTER AND FIRST NINE MONTHS OF 2021

FINANCIAL KEY FIGURES, Q3 AND Q1-Q3 2021

TDKK	Q3 2021	Q3 2020	Change	Q1-Q3 2021	Q1-Q3 2020	Change
Profit & Loss						
Revenue of goods sold	713	2,264	-1,551	5,008	4,636	372
Grants & Compensation	2,072	1,664	408	3,073	1,664	1,409
EBITDA	-421	-93	-328	-5,720	-5,409	-311
EBIT	-3,436	-2,768	-668	-14,797	-13,433	-1,364
Net Financial expenses	-158	-135	-23	-1,049	-694	-355
Profit/loss before tax	-3,594	-2,903	-691	-15,846	-17,586	1,740
Profit/loss	-2,803	-2,264	-539	-12,358	-13,717	1,359
Balance Sheet						
Total assets				95,637	69,843	25,794
Total equity				80,216	48,100	32,116
Net interest-bearing debt.				7,445	13,212	-5,767
Cash flow statement						
Cash flow from operating activity	-3,141	-2,833	-308	-8,011	-8,756	745
Cash flow from investing activity	-3,744	-1,680	-2,064	-12,133	-6,351	-5,782
Cash flow from financing activity	-4,055	150	-4,205	42,367	24,160	18,207
Change in cash and cash equivalents	-10,940	-4,363	-6,577	22,223	9,053	13,170



OPERATIONAL REVIEW, Q3 2021

Pipeline still growing, particularly within Vertical Farming

Overall, new business opportunities are continually identified and validated, in particular within vertical farming, where the sales pipeline is constantly growing, and the first installations have been successfully delivered. However, the COVID-19 pandemic and the global shortage of electronic components are slowing down execution and revenue generation.

Vertical farming

In a test facility, LED iBond firmly demonstrated during Q3 that its vertical farming solution provides best-in-class lighting coverage of lettuce and other microgreen cultures, securing consistent production yields and optimal growth control. In parallel, the company increased the volume of pending offers for international vertical farming projects with expected delivery in 2022.

Smart building market

In Q3, LED iBond continued to develop its business relationship with Nobia. Under the collaboration with Bluetop Solar Parking ApS, LED iBond also received orders for lighting equipment for the first three charging stations of Gridserve's "Electric Highway" in Britain. In the gas station segment, the widespread lack of third-party installers is slowing down the completion of orders.

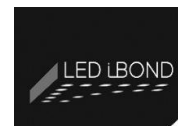
During the quarter, LED iBond welcomed B2, a leading Korean lighting management and architectural lighting company, as distribution partner in Korea. Using Tracy® and The Plane®, B2 has developed a range of innovative lighting solutions which are now being introduced to the Korean market.

Technology

In cooperation with sub-suppliers and potential customers, LED iBonds is preparing three demo-cases under the Energy Technology Development and Demonstration Program (EUDP), managed by the Danish Energy Agency. The demo-cases will showcase the benefits of integrating novel IoT sensor components and the Tracy concept.

Business conditions

LED iBond's commercial development is still impacted by the COVID-19 pandemic as travel restrictions limit sales activities. In addition, the global supply chain squeeze, especially within logistics and electronics components, including speciality LEDs, can potentially cause delays in LED iBond's product deliveries.



FINANCIAL REVIEW, Q3 2021

Revenue

In Q3, LED iBond generated revenues of TDKK 713, a drop of TDKK 1,551 or 68.5 % relative to Q3 of 2020, where revenues included sales to spin-offs of TDKK 1,695. Excluding revenue from spin-offs, LED iBonds core business delivered a year-over-year revenue increase in Q3 of 25.3 %. Accumulated for the first nine months of the year (Q1-Q3), revenues amounted to TDKK 5,008, compared to TDKK 4,636 in Q1-Q3 of 2020, an increase of TDKK 372 or 8.0 %.

Grants and Compensations

During Q3, LED iBond received grants of TDKK 2,072, compared to TDKK 1,664 in Q3 of last year, an increase of TDKK 408 or 24.5%. For Q1-Q3, the company received grants amounting to TDKK 3,073 in total, an increase of TDKK 1,409 or 84.7% over the same period of 2020.

Expenses

Total expenses amounted to TDKK 1,436 in Q3, compared to TDKK 1,145 in the year-earlier period, an increase of TDKK 291 or 25.4 %. This increase is mainly due to one-off expenses (consultancy and legal fees). For Q1-Q3, total expenses amounted to TDKK 4,230, compared to TDKK 3,811 in Q1-Q3 of 2020, an increase of TDKK 419 or 11.0 %, which is mainly due to higher administrative expenses in Q1 and Q3 of 2021.

Profit & loss

The Q3 operating loss, EBIT, amounted to TDKK 3,436 against TDKK 2,768 in the previous Q3, an increase of TDKK 668 or 24.1 %. This increase is mainly caused by an increase in expenses of TDKK 291 and an increase in depreciations of TDKK 340. For Q1-Q3, EBIT came to a loss of TDKK 14,797 against a loss of TDKK 13,433 in Q1-Q3 of 2020, an increase of TDKK 1,364, mainly driven by higher staff cost and higher depreciations.

Total financial expenses amounted to TDKK 158 in Q3 against TDKK 135 in the year earlier Q3.

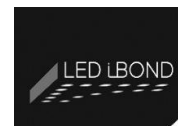
The result before tax for Q3 came in at a loss of TDKK 3,594 against TDKK 2,903 in Q3 of 2020, the difference to be explained by higher staff cost and higher depreciations.

For Q1-Q3, total financial expenses amounted to TDKK 1,049 against TDKK 4,153 in the year earlier comparison period, which was dominated by one-off IPO-related expenses.

The Q1-Q3 result before tax was a loss of TDKK 15,846 against a loss of TDKK 17,586 in Q1-Q3 of the year before.

Cash flow and investments

The total cash flow for Q3 was an outflow of TDKK 10,940, against an outflow of TDKK 4,363 in Q3 of 2020. The total cash flow for Q1-Q3 of 2021 shows an inflow of TDKK 22,223 against a total inflow of TDKK 9,053 in the year-earlier Q1-Q3.



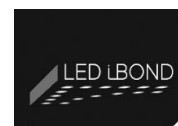
In Q3, cash flows from operations amounted to an outflow of TDKK 3,141 against an outflow of TDKK 2,833 in Q3 of 2020. For Q1-Q3, the total outflow amounted to TDKK 8,011 against an outflow of TDKK 8,756 in the same period of 2020.

Q3 cash flows from investments amounted to an outflow of TDKK 3,744 against TDKK 1,680 in Q3 of 2020. The increased outflow is mainly due to higher investments in IPR. For Q1-Q3, cash flows from investments show an outflow of TDKK 12,133 against TDKK 6,351 in the same period of 2020, an increase of TDKK 5,782 due to an investment in equity of TDKK 2,420 and higher investments in IPR.

Cash flows from financing in Q3 show an outflow of TDKK 4,055 against an inflow of TDKK 150 in the year-earlier quarter. This difference is mainly due to loan repayments. For Q1-Q3, cash flows from financing show an inflow of TDKK 42,367 against TDKK 24,160 in the same period of 2020. The increased inflow is explained by the capital raise in April 2021.

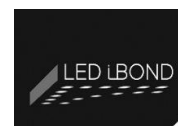
Equity and net cash

On 30 September 2021, the company's equity amounted to TDKK 80,216 against TDKK 44,193 at 31 December 2020. This difference mainly relates to the proceeds from the capital raise in April 2021. On 30 September 2021, net cash amounted to TDKK 32,084, compared to TDKK 9,861 on 31 December 2020.



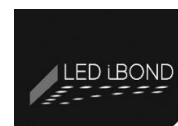
INCOME STATEMENT

TDKK	Note	Q3 2021	Q3 2020	Q1-Q3 2021	Q1-Q3 2020
Net revenue		713	2,266	5,008	4,636
Grants and compensations		2,072	1,664	3,073	1,664
Cost of sales		-472	-1,446	-3,784	-3,074
Other external expenses	2	-1,436	-1,145	-4,230	-3,811
GROSS PROFIT/LOSS		877	1,337	67	-585
Staff costs		-1,298	-1,430	-5,787	-4,824
Depreciations, amortisation, impairment		-3015	-2,675	-9,077	-8,024
OPERATING PROFIT/LOSS		-3,436	-2,768	-14,797	-13,433
Other financial expenses		-158	-135	-1,049	-4,153
PROFIT/LOSS BEFORE TAX		-3,594	-2,903	-15,846	-17,586
Tax on profit/loss for the period	3	791	639	3,488	3,869
PROFIT/LOSS FOR THE PERIOD		-2,803	-2,264	-12,358	-13,717
PROPOSED DISTRIBUTION OF PROFIT/LOSS					
Retained profit		-2,803	-2,264	-12,358	-13,717
Result per share		-0,18	-0,18	-0,85	-1,41
Diluted result per share		-0,18	-0,18	-0,85	-1,41
Average amount of shares		15,864,825	12,691,860	14,511,649	9,718,275



COMPREHENSIVE INCOME

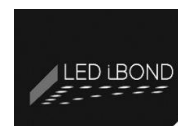
TDKK	Q3 2021	Q3 2020	Q1-Q3 2021	Q1-Q3 2020
Profit/loss for the period	-2,803	-2,264	-12,358	-13,717
Other comprehensive income	0	0	0	0
Comprehensive income in total	-2,803	-2,264	-12,358	-13,717
Distribution of comprehensive income				
Retained profit/loss	-2,803	-2,264	-12,358	-13,717



BALANCE SHEET

Assets

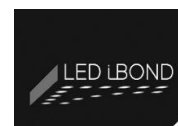
TDKK	Note	30 Sept. 2021	31 Dec. 2020
Completed development projects		29,063	26,614
Software		0	6
Patents and other rights		3,613	3,696
Intangible fixed assets		32,676	30,316
Production plant and machinery		4,024	5,821
Other plants, fixtures and furniture		174	20
Tangible fixed assets		4,198	5,841
Equity in associated enterprises		3,562	890
Deposits		272	268
Financial fixed assets		3,834	1,158
Total fixed assets		40,708	37,315
Stocks		3,764	4,084
Inventories in total		3,764	4,084
Accounts receivable		2,350	1,993
Deferred tax assets		11,346	9,848
Tax receivables		4,054	2,061
Other receivables		439	548
Accrued expenses		892	655
Current assets		19,081	15,105
Cash		32,084	9,861
Total current assets		54,929	29,051
Total assets		95,637	66,365



BALANCE SHEET

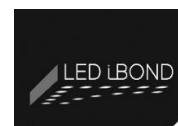
Liabilities

TDKK	Note	30 Sept. 2021	31 Dec. 2020
Share capital		794	635
Reserve for development expenditures		22,668	20,759
Results brought forward		56,754	22,799
Equity in total		80,216	44,193
Loan		5,449	7,427
Other debt		969	2,485
Long-term liabilities		6,418	9,912
Short-term part of long-term liabilities		1,996	4,518
Bank debt		0	2
Accounts payable		1,962	3,696
Other debt		5,045	4,044
Short-term liabilities		9,003	12,261
Total liabilities		15,421	22,172
Total liabilities and equity		95,637	66,365



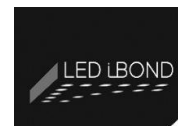
EQUITY

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	-12,358	-12,358
Transferred to reserve for development expenditures	0	0	1,909	-1,909	0
Equity, 30 Sept. 2021	794	0	22,668	56,754	80,216



CASH FLOW STATEMENT

TDKK	Q3 2021	Q3 2020	Q1-Q3 2021	Q1-Q3 2020
EBITDA	-421	-93	-5,720	-5,407
Financial cost	-158	-135	-1,049	-4,153
Cash flow from P&L	-579	-228	-6,769	-9,560
Changes in receivables	-236	-3,521	-432	-2,758
Changes in stocks	-476	287	320	56
Changes in other receivables	-99	-107	-88	-100
Changes in accrued expenses	118	59	-256	-109
Changes in payables	-1,869	677	-786	1,373
Changes in working capital	-2,562	-2,605	-1,242	-1,538
Tax receivable disbursed	0	0	0	2,342
Cash flow from operations	-3,141	-2,833	-8,011	-8,756
Investment in IPR	-3,274	-1,541	-9,538	-5,575
Investments in fixtures and furniture	-70	-0	-172	-9
Investments in equipment	0	-139	-3	-142
Equity investments	-400	0	-2,420	-625
Cash flow from investments	-3,744	-1,680	-12,133	-6,351
Cash capital increase	0	0	159	235
Changes in share premium account	0	0	48,223	28,925
Loan proceeds	0	150	0	6,550
Loan repayments	-4,055	0	-6,015	-11,550
Cash flow from financing	-4,055	150	42,367	24,160
Change in cash	-10,940	-4,363	22,223	9,053
Cash beginning of period	43,019	19,772	9,861	6,356
Cash end of period	32,079	15,409	32,084	15,409



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	Q3 2021	Q3 2020	Q1-Q3 2021	Q1-Q3 2020
Premises	296	269	815	840
Development & patents	-50	0	1	292
Travel	8	31	79	176
Sales & Marketing	265	207	682	770
Administration	917	638	2,653	1,733
Other expenses in total	1,436	1,145	4,230	3,811

3. Tax

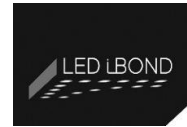
The tax income recognized in the income statement for the third quarter of 2021, is calculated based on the result before tax, and an estimated effective tax rate for the year 2021 on 22%.

The company's expected tax loss for the third 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 recognized.

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.