



**Light Science**  
Technologies Holdings



Light Science Technologies Holdings plc  
AIM: LST  
Results presentation  
April 2022

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# Introduction to Light Science Technologies Holdings

## Who we are

## Results

## Future plans



**Simon Deacon**  
Chief Executive Officer

An entrepreneur, dynamic individual with solid commercial awareness formed from over 25 years' experience.

Headed the acquisition of a portfolio of businesses across a diverse range of industries



**Andrew Hemsall**  
Chief Operating Officer

Broad strategic operational leadership experience, MBA qualified with strong business acumen and knowledge

Highly experienced individual having held several directorships within AIM quoted and Private Equity companies



**Jim Snooks**  
Chief Financial Officer /  
Company Secretary

Experienced Finance Director having held positions for SMEs through to multi-million-pound group companies, across a broad range of industry sectors

Strong background in supporting rapid-growth businesses and highly experienced in company acquisitions and disposals.

# Company overview

Light Science Technologies Holdings PLC operates two complementary businesses:



Contract Electronic Manufacturer (CEM) with a UK based facility,



The complete solution in CEA smart technology products, lighting products and a science laboratory.

## Our USP

**Key competitors do not offer a full end-to-end bespoke solution with patent pending products, or key insights and efficiencies as provided by LST.**

## Market Opportunities

Estimated total market of **£20.5bn\*** for the global grow lights market

Top 197 participants within the CEM market had a combined turnover of **£2.3 billion** in 2020<sup>^</sup>

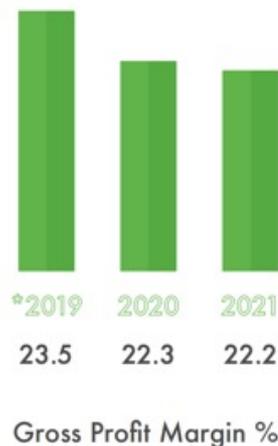
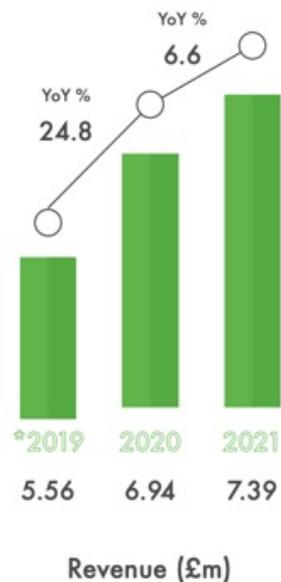
CAGR of **21.1%** to 2025\*

Growth up **11.12%** on 2019<sup>^</sup> for 2020

\* Report - Global Grow Lights Market (2020) -The base year for this report is 2019 and the forecast period is 2020 - 2025. 21.1% is for the light emitting diodes segment of the market. Mordor Intelligence.pdf

<sup>^</sup>As noted in a PwC Report (2021) and LSTHs LSEG Admission Document

# Financial Highlights



\* 2019 is based on the unaudited (for statutory purposes) Combined Statement of Comprehensive Income as laid out in the Company's Admission Document

## Successful Admission to AIM

- Placing raised gross proceeds of £5.0m to accelerate the Group's growth, primarily through its CEA operations

## Income Statement

- Sales growth of 6.1% for UK Circuits
- Gross Profit Margin 22.2%
- In line with expectations, the Group's loss before tax for FY2021 was £2.35m

## Balance Sheet

- Continued investment in CEM division to improve automation capabilities
- Further investment in CEA division, including state-of-the-art laboratory and an increase in development assets of £137k
- Cash and cash equivalents rose to £3.86m at the year end, and net cash was £1.35m

# Operational Highlights

## Developed CEA products and pipeline

- Supported by grants from UK Research and Innovation (“UKRI”) for indoor farm sensor product SensorGROW product and intelligent polytunnel solution
- Received sustainable award for nurturGROW luminaire range
- Commenced a contract potentially worth up to £13.84 million\* with Zenith Nurseries, a major UK salad grower
- Opened state-of-the-art in-house laboratory onsite in Derbyshire
  - To determine optimal growing formulae to maximise customers’ crop growing capability and productivity
  - Enabling the Company to replicate growers’ conditions and provide the optimal lighting and environment recipe to help clients grow more with less

## Strong performance at CEM division

- New orders from existing clients during the period - underpinning a strong forward order book
- Investment in plant & machinery to improve automation capabilities at the factory in Manchester

\* subject, inter alia, to certain milestones and conditions as more fully described in the Company’s announcement on 15 October 2021

# Post Period Key Highlights

- Strengthened the CEA team to further drive testing and sales capabilities
- All in one environment sensor, SensorGROW is on track to launch in H2 2022
- Combined forward order book and pipeline of £62m in the CEA division\*
- Forward order book of £4.4m in the CEM division
- Patentable automated growing system is on track for prototype in Q4 2022

\* Split as to FY22 order book and potential revenue from Zenith contract of £14.2m, and £47.8m of current project quotations

# Global trends driving The CEA revolution



COP26/ Brexit / Ukraine /  
COVID Uncertainty



Water  
shortages



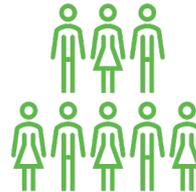
Government  
policy



Dietary shift away  
from processed foods

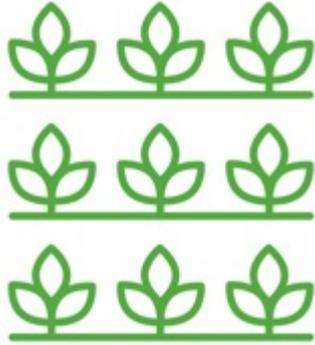


Climate change



Growing  
population

# Across all CEA environments



**Vertical farms**



**Glasshouses**



**Polytunnels**

Revenue\*

£780.51 bn

£4,026.1 bn

£2,412.27 bn

CAGR (2021-28)^

18.4%

8.0%

9.6%

**Fully integrated technology solutions = 36% growth^**

\*^Based on Europe Indoor Farming market analysis from 2017 to 2028 - Grand View Research report. The revenue data shown is based on 2020 data. Figures converted from USD to GBP at 0.7465 - Source Xe.com (12 Nov 2021)

# Our patentable smart technology products & services

We work with growers to create the ideal growing recipe which reduces energy, cost and achieves maximum yield.

## Light

**Sustainable lighting**  
products



## Science

Growth & Science  
**laboratory**



## Technologies

**Technology**  
products



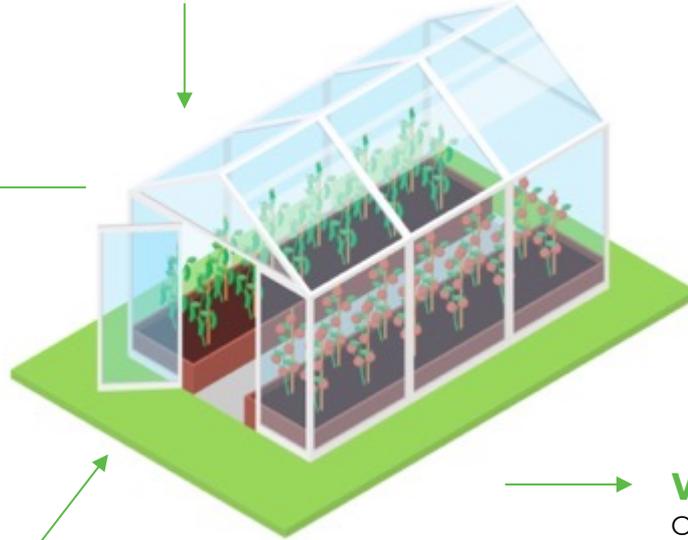
**Grow more with less – the “Bespoke solution”**

# Our product - smart monitoring technologies

**Light**  
Realtime measurement and control

**Air**  
Air speed  
Humidity  
CO<sub>2</sub>  
Temperature

**Sensor**  
Plant performance data  
monitoring key growth  
areas



**AI Data**

**Water**  
Oxygen saturation  
PH of water  
7x nutrients



## **Our inhouse laboratory**

Analysis and development  
Lab tests with AI

**Sensor, big data and AI technology under development**

Based on the directors' own research carried out of the products offered by competitors which they consider key in comparison to the Group.

# Commencement of contract potentially worth up to £13.84 million\*

## What is the project

The project involves a consortium (Light Science Technologies Ltd and Zenith Nurseries) developing an automated growing system using our lighting and sensors tech.

## What will it do

Brings the companies lighting and sensor technology to the controlled environment technology market for growers in polytunnel and glasshouse environments.

This is expected to be the **first retrofittable, all-in-one lighting-sensing-automation rig providing year-round harvests** for the grower across multiple plant varieties.



## Potential UK market

4,000 industrial growers, producing over 300 types of field-scale and protected vegetable and salad crops, and tree and berry fruits

## What will it solve

Help growers by providing a possible solution to labour shortages and reduce the need for import substitution by extending the harvest window.

\* subject, inter alia, to certain milestones and conditions as more fully described in the Company's announcement on 15 October 2021

# Our recurring revenue model

## Building long term partnerships



Light products and upgrades



Replacement contracts between 4 -6 years frequency over 20+ year period



Growth, Science & Research laboratory



Recurring trials and partnerships



Technology products and upgrades



Business intelligence and data software licensing on subscription contracts



Full turnkey solution for CEA



Replacement contracts over 20 years+

'A new industrial revolution powered by millions of sustainable innovations is essential and is indeed already beginning.

We will all share in the benefits: affordable clean energy, healthy air and enough food to sustain us all.'

Sir David Attenborough at COP26

Helping growers grow more with less



Food security issues highlight why we need to **rethink how we grow**

**Technology reduces energy** and makes **growing smarter**

Better intelligence **reduces waste and increases yields**

Thank you

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