

OptiFreeze AB

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www.optifreeze.se**Status Update**

OptiFreeze has entered a new phase during this year. There have been changes in the organization, focus areas and customer status. A lot of focus is given to the OptiDry and the OptiFlower segments to get on the market with our unique technology and to reach breakeven results.

OptiFlower

OptiFreeze started to get the worth of hard and dedicated work during last year with the first sales agreement. We have received our first order from a multinational company within the OptiFlower segment. A milestone is reached in bringing the company forward and achieving the company's goals! Our main focus is now to produce an OptiCept™ line aiming to deliver in January 2019 and to land a cooperation agreement with our customer within the OptiFlower segment before the end of 2018. Both parties' intention is to make the OptiFreeze technology and machines the standard used technique in the flower and plant propagation industry.

Meanwhile, our team has been working on method development for more products from OptiFreeze premises for the same customer who are compensating our work monthly. In addition to this work, we are discussing with another flower company to continue development work initially from Lund where the customer partially compensates our work and takes the project to the next stage. We are discussing with all major players in the flower and plant propagation industry within the Optiflower segment.

OptiDry

In the beginning of summer 2018, OptiFreeze signed a test agreement and LOI with one of the largest distributors of dried herbs and spices in Europe. The first trials were performed in early July, immediately following the agreements. From the first trials, positive results and many learnings are gathered, which lead us to perform second trials. Currently, the OptiFreeze team are performing the second trials on the supplier's premises. The aim of the trials is to show the proof of concept to the customer with different seasonal products, to understand the capacity needs and to learn how to integrate our system on customers' existing process lines.

OptiFreeze has another customer in the OptiDry segment. This customer is interested in applying our technology on dried vegetables and herbs, aiming to reduce energy consumption during drying. In this segment, the challenge is that the products are seasonal and not available all the time. The customer's request is to see the method and system working with many different kinds of products. The product range is very wide and requires different handling during the treatment. We are currently discussing how to continue with different kinds of products. One of the solutions might be that we have different treatment chambers for different kinds of products. More information will be shared when more results are gathered.

Lund, October 4, 2018

Eda Demir Westman, CEO