



This year, a year of challenges, we have focused on the commercialization of our flower projects. We have established new ways of working, new channels of communication and has built new collaborations.

Ulf Hagman, CEO OptiFreeze



A Year of Challenges – and Commercialization

2020 has been a complex year for all of us. We have been facing many challenges due to the global pandemic. We have established new routines, new ways of working, new channels of communication and new collaborations.

This year has been a year of focus in flower projects commercialization at OptiFreeze. The year began with a lot of work with our cuttings. However, our projects and plans are also affected by Covid-19 similar to many other companies. Our travelling and customer trials have been affected by the restrictions due to the pandemic.

We have also intensified our research and development in methods and machines for fresh cut roses by utilizing our learnings from our previous food and cuttings projects.

New business model for the cut flower project

We changed our business model for cut flowers and cuttings in 2020. We are now offering a machine, a solution that has a specific recipe and know-how for treating cut flowers aiming to extend vase life and improve the quality of cut flowers. This process is called OptiBoost™. We now offer our customers to pay a royalty fee per treated stem.

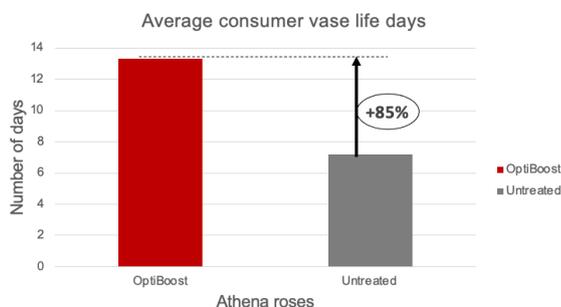
Trials in 2020 of Thousands of Roses Confirms the Efficacy

We have performed trials with thousands of roses during 2020. The results have shown us that we improve different quality parameters for flowers. The improvement varies from one week to another or from one batch to another. We have different levels of improvements for different varieties of roses. We have also noticed that the improvement depends on the conditions of the room where we keep the flowers, for instance light, temperature and humidity.

The most important outcome is that our treatment improves the quality of cut flowers in comparison to untreated ones. The percentage of improvement varies depending on the source, product handling, transportation, storage, season, etc.

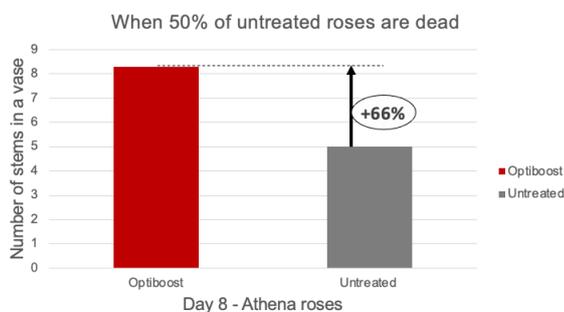
You have probably seen our videos at our website or social media where we compare OptiBoost treated roses with untreated ones. In addition to our visual materials, we are presenting our results in three ways:

Average consumer vase life



Perception of a bouquet

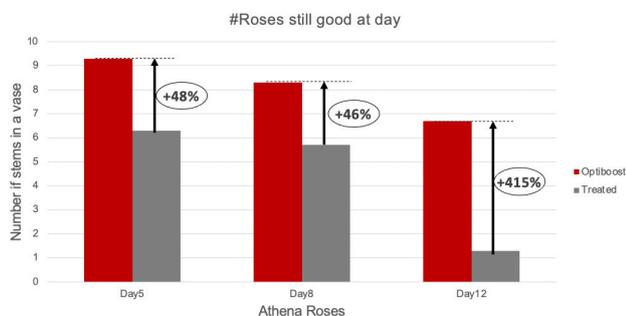
When 50% of the roses in an untreated rose bouquet are dead, how many stands in an OptiBoost™ treated bouquet?



How many roses are still good in a vase at a specific day?

How many roses are still good in a vase at a specific day, like day 5, day 8 or day 12?

We combine the numbers with a visual support, for example videos of roses.



For some varieties of roses, like Athena, the improvement is more consistent and higher than in other varieties. The displayed results are obtained from a customer trial during Q4 2020. These are preliminary findings and we start each trial with 10 stems per vase.

General Consumer Behavior Insights

Who benefits the most from the extended vase life?

Consumers

Why would consumers buy more flowers if the flowers last longer?

Only 2-3% of consumers buy flowers once per week. Rest of the consumers buy flowers less often. The consumers say that if the flowers vase life is longer, they would buy more often (see consumer survey results on November newsletter).

Strengthened Organization

Our organization has strengthened during 2020. We expanded our organization with five new employees in method & technical development and sales during 2020. In this newsletter, you will meet two of our new employees. Read the short interviews:



John Schmidt

Method Developer

Background

Msc molecular biology. Plant breeding. Plant physiology

Responsibilities/Projects at OptiFreeze

Developing recipes and executing trials with the aim of obtaining higher quality products.

Why did you choose to work at OptiFreeze?

Optifreeze consists of a small group of highly specialized and dedicated people which all share the same vision, and this was something I wanted to be a part of.

What is the most exciting thing(s) with your work?

I enjoy discussing new ideas, the challenge of putting those ideas into practice and seeing how this progress takes us further.



Fredrik Sundberg

Sales Project Manager

Background

27 years within the flower industry with a main focus on sales in all aspects of B2B, B2C, E-commerce and retail. Lived and worked for two years in Amsterdam (the worlds flower center) managing five different geographical markets. Managed a new business within the group to get cut flowers directly from growers to retail and pushed for a disruption of the market. Been a manager the last 20 years in many different areas such as Sales, Marketing and IT.

Responsibilities/Projects at OptiFreeze

Support the company to go commercial and to build up a global sales structure and eventually a sales organization.

Why did you choose to work at OptiFreeze?

The innovational and international environment and at the same time the current development phase of the company motivates me to be a part of building something great for the future. I also see that I have the possibility to influence and an allowance to be a part of the future growth.

What is the most exciting thing(s) with your work?

The diversity in the daily work. No day (so far) has been the same and I can share my customer understanding in everything from technical questions to commercial agreements.



We are excited and are looking forward to a successful 2021. I want to thank all our staff for their incredible work during this challenging year and our partners, customers and shareholders for being a part of our journey to a successful commercialization.

We wish you all a Merry Christmas and a Happy New Year!

Ulf Hagman, CEO Optifreeze