

## Company

SweTree Technologies is a plant and forest biotechnology company providing products and technologies to improve the productivity and performance properties of plants, wood and fiber for forestry, pulp & paper, packaging, hygiene, textile and other fiber related industries.

Our mission is to make specific improvements to trees and cellulose fibers, and to provide superior value to the forest and fiber industry by having an unsurpassed understanding of tree biology and biochemistry.

Our business idea is to realize the value of our knowledge and technologies by developing and commercializing our own innovative products, or, through exclusive collaborations, enabling industrial partners to improve the value of their products.

We perform research and development in Umeå, Uppsala and Stockholm, Sweden. In addition, an extremely strong research base has been secured through the agreement with Woodheads AB, which includes 46 of the most prominent Swedish researchers in their respective fields. These scientists have a broad competence, ranging from tree biology and biochemistry to pulp and paper chemistry. This ensures that SweTree Technologies business areas are grounded on a solid, scientific basis.

The company has three core business areas; Plant growth and vigor, Directed breeding and Fiber modification:

Plant growth and vigor - focusing on added value plant nutrition

Directed breeding - focusing on added value in the tree

Fiber modification - focusing on added value in wood fiber and fiber based materials

Outside of these core areas we will licence our technologies to strong partners, allowing us to attain an optimal mix of short and long term revenues. One example of such an area is agriculture.

### Company history

1999

SweTree Technologies was founded as a joint initiative between Teknikbrostiftelsen in Umeå, Sweden and the company Woodheads AB.

Woodheads AB was formed to handle the intellectual properties from 44 leading researchers at the Umeå Plant Science Center and the Royal Institute of Technology in Stockholm. The majority of these researchers were collaborating in the Populus EST and functional genomics program - a program that generated a large amount of commercially interesting innovations within plant and forest biotechnology.

The aim with SweTree Technologies was to assist the individual researchers with legal support to patent and commercialize their innovations. In return, SweTree Technologies received first right of refusal on the innovations. A selection process has been established, whereby discoveries are carefully selected, patented and developed. This constellation is unique in the world.

2001

The company received SEK 7 million in seed financing from Teknikbrostiftelsen (Now called Innovationsbron in Umeå).

2002

The company received SEK 15 million in funding from The Kempe Foundation.

2004

An option to use the D-amino acids patent in the agricultural field was sold to BASF.

A research collaboration was established with Mendel Biotechnology, Inc., to test the function of certain transcription factors in trees.

2005

Sveaskog AB, Bergvik Skog AB and Holmen AB joined as new investors and injected, together with The Kempe Foundations, an additional SEK 50 million into the company.

A research lab was opened in Uppsala, Sweden. A stronger focus on product development and commercial business opportunities began.

The Arginine project was taken over from Holmen AB and product development was initiated in collaboration with Sveaskog AB, Bergvik Skog AB and Holmen Skog AB.

BASF exercised the option to use the D-amino acid technology in the agriculture field.

A collaboration in the fiber modification field was started with an industrial partner in the packaging area.

2006

The first generation of commercially interesting tree genes from our internal gene mining program were identified, tested and patented. These led to more than 40 genes showing highly interesting phenotypes.

Two collaborations in the fiber modification field were started with industrial partners in the pulp & paper area.

A project to clone elite lines of Norway Spruce using the technology somatic embryogenesis was started. The project is partly funded by Vinnova. Our industrial collaborators are Sveaskog AB, Bergvik Skog AB and Holmen Skog AB.

2007

A second, more extensive research collaboration has been established with Mendel Biotechnology, Inc. to test 123 transcription factors in trees.

Our plant nutrition project was concluded with planned introduction of the product for the project collaborators during 2008.

A large number of poplar clones from North America was taken over from SLU and started to be tested in the field across Sweden.

A first collaboration research project to utilize our gene knowledge industrially was started.

We have had two industrial collaboration projects running in the fiber modification area during the year.

2008

A new share issue was closed in May where the present owners together with Stora Enso AB as a new owner invested 64 million SEK. Based on the investment an updated more ambitious business plan was begun to be implemented.

arGrow started to be used as a product and was used for the production 14 million plants in Swedish forest nurseries during the year. arGrow testing was also being planned for several other countries around the world.

The somatic embryogenesis project successfully solves several key technical problems to enable automation. Södra was added as project participant.

We have early positive results from the testing of our poplar clones at the different sites in Sweden. Several clones has grown better than the present standard OP 42. A first industrial collaboration project has been started.

A second collaboration research project to utilize our gene knowledge industrially was started.

We have had four industrial collaboration projects running in the fiber modification area during the year.