




Logiwaste Annual Report 2019

Cover: Now you can download all our products as BIM objects. This makes it easy and simple for construction companies, local authorities, consultants, and architects to get started with vacuum waste collection and automated waste management at an early stage of their projects.

02



The results of our work towards a more sustainable society

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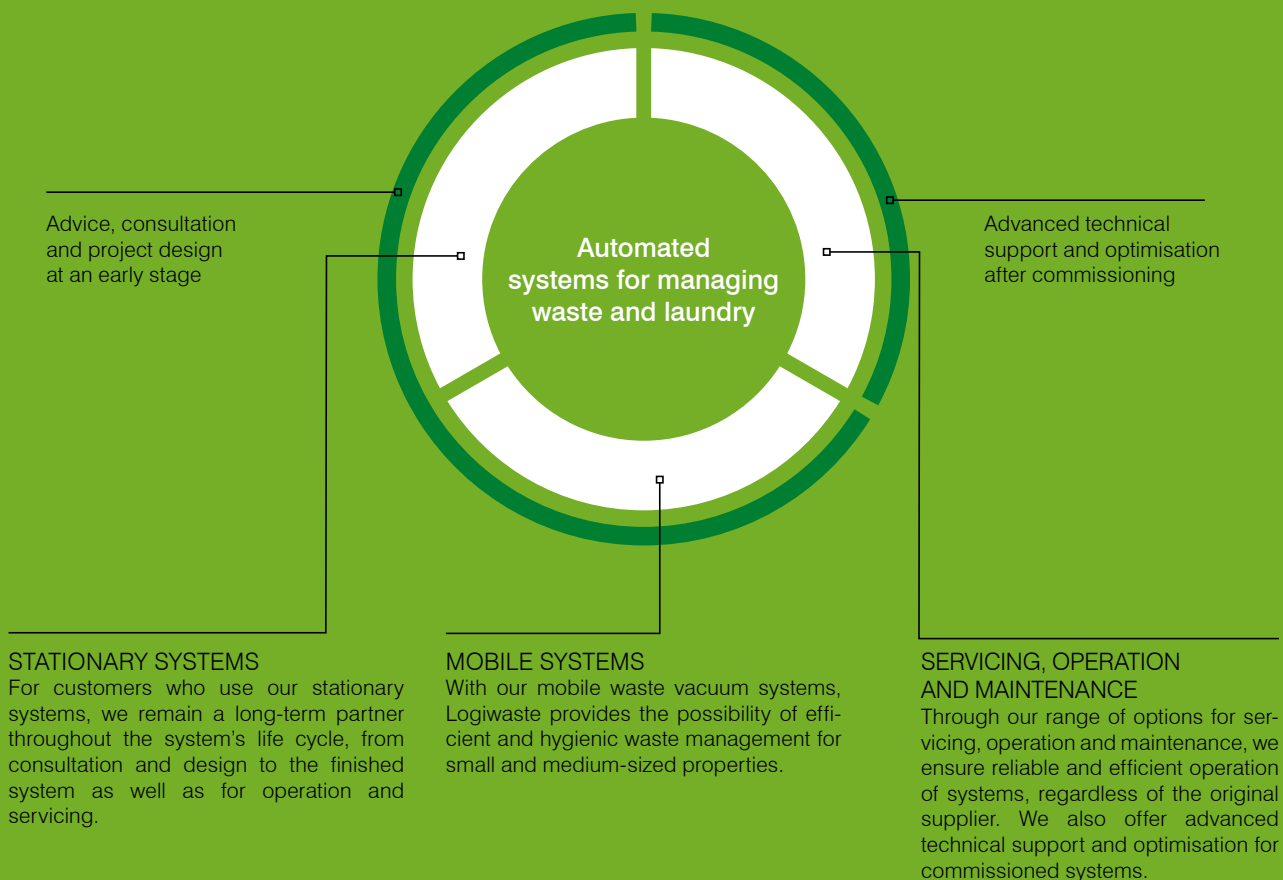
This is Logiwaste

Logiwaste has continued to cement the position as one of the leading players in Scandinavia for automated waste and laundry collection systems. In the last five years, our average annual growth has been around 34%. This means we're still one of the fastest growing environmental technology companies in Sweden.

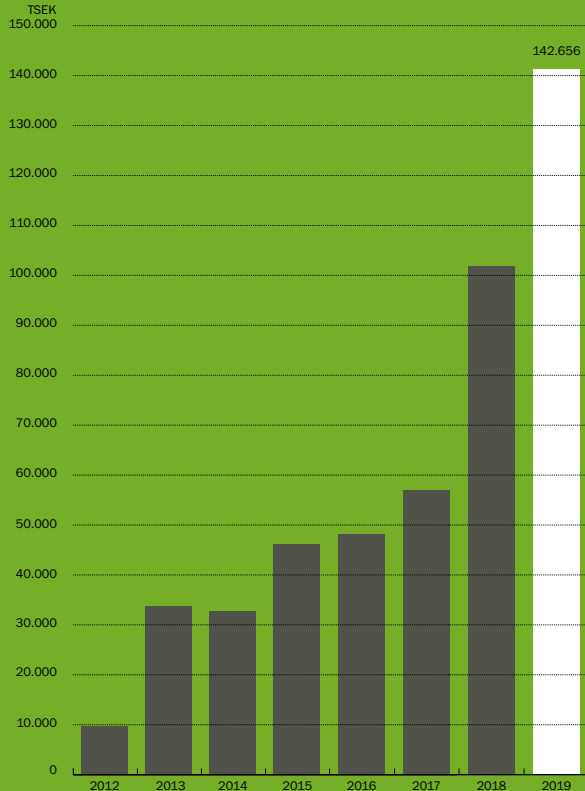
Our operations are divided between the following main business areas. Stationary systems for hospitals and residential areas, Mobile systems for new and existing apartments in housing cooperatives and rental properties, Operations and Servicing, Advice and consulting services.

Logiwaste has built up a deeper and wider skill base, which we now share with our customers through advice, consultation and a higher level of advanced technical support. One example is optimisation that complements each business area after the systems are installed and operational, as well as special technical solutions for customers with a specific question about the system's possibilities.

Our system has its use in most modern hospitals, care homes, residential areas and commercial properties across Scandinavia.



The year in review



NET TURNOVER

143 MSEK

PROFIT/LOSS AFTER FINANCIAL ITEMS

1.0 MSEK

PROFIT MARGIN

0.7 %

SOLIDITY

30.0 %

Selected events of the past year

Advanced laundry system

During the last year, Logiwaste launched and commissioned the next-generation laundry terminal at the Academic Hospital in Uppsala. The laundry is thrown via an inlet in the environmental area, it's then vacuumed up to the laundry terminal, and is collected in two laundry separators. Then the sacks are transported and divided automatically into laundry trolleys with the help of a belt conveyor. This has resulted in a very reliable, efficient and not least hygienic method of collection of laundry bags at the hospital.

Daniel Martinwall takes over as new CEO.

As part of an increase in the active ownership in the company, Daniel Martinwall has taken over as the new CEO of Logiwaste.

Commissioning of a new system for waste and laundry in a hospital in Siberia

This year, Logiwaste has commissioned its first system in Russia. In Krasnoyarsk, Siberia, the new hospital has installed a system for vacuum waste and laundry collection.

Complete control system organisation

During the past year, a complete internal control system organisation has been assembled. This facilitates advanced technical support and optimisation of installed equipment.

Launch of BIM objects at www.logiwaste.com

As part of increased transparency in the industry, and at the same time making technology available to the market, Logiwaste has made its product catalogue available in the form of BIM objects. This makes it easy for architects, designers and builders to now design vacuum waste transport into their new housing and hospital projects from an early stage in the planning process.

CEO Comments.

Thoughts on the past year.

The market for automated waste and laundry solutions is experiencing rapid improvement on all fronts, with the user in focus. Our customers are becoming more knowledgeable about the technology and the benefits of the collection systems that our industry offers to the market. We see it in more and more locations, more construction companies, hospitals, local authorities, consulting companies, architects, and plant contractors, to name a few. We have a shared responsibility with our competitors to bring quality systems to the market. This is in order to continue proving that our customers have chosen the right direction regarding AWCS technology to manage their waste, as well as also laundry within the healthcare industry.

We had strong growth in 2019, where our revenues amounted to SEK 143 million, which was an increase of 38% compared to the previous year. We continue to adhere to our stated policy of investing essentially all of our profits into the development of our offering. This means that the EBIT result for 2019 of 1.5 MSEK will fall roughly in line with our budget. The year, 2020 has started as I write this and we all know the effects of Covid19. It's difficult to predict what will happen this year, but we expect a temporary drop in revenues for 2020.

Our industry is also moving towards the future with more modern technology for system control. In 2019, we put together a complete internal software and automation department at the company to continue our focus on user-friendly and technologically stable systems, with the possibility of up-to-date remote monitoring and information processing.

We're investing heavily in our Service business area, where we've strengthened our organisation this year in terms of both management and skilled service technicians. We want to offer our customers a safe and sound handover of the project, with the possibility of continued operation and servicing. Where we can join in and support our customers for long-term, safe, and trouble-free operation of the system throughout its entire life cycle.

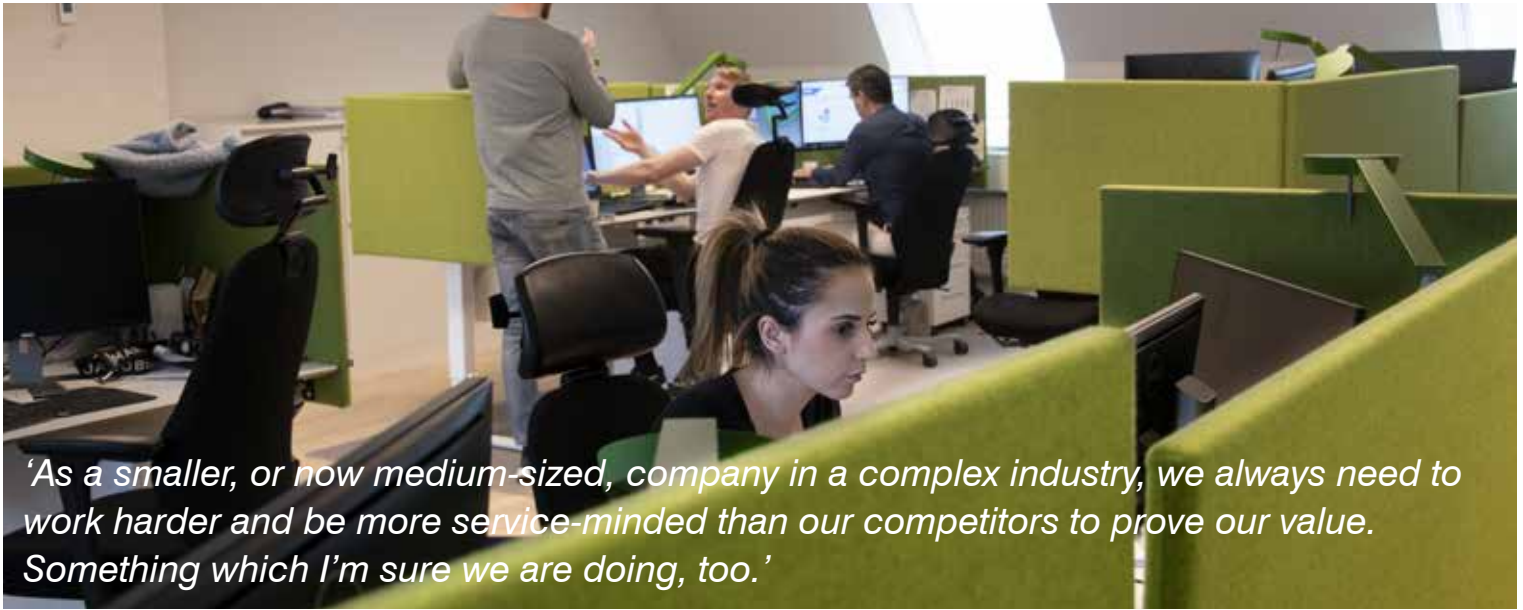
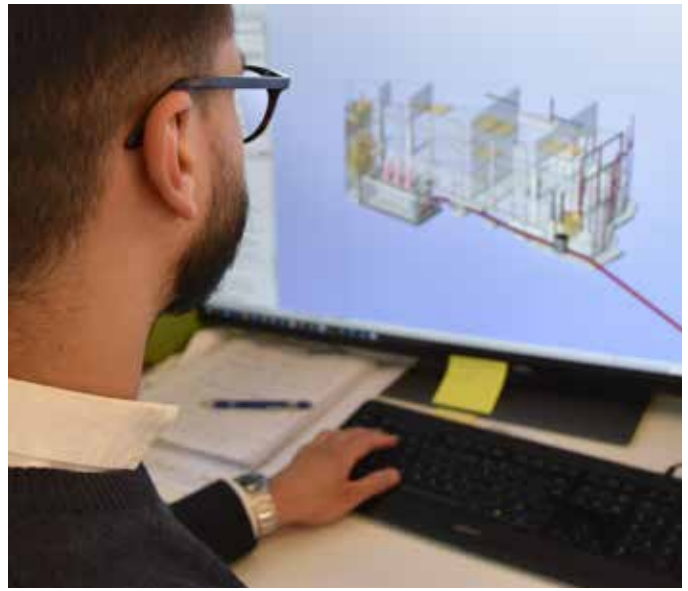
As a smaller, or now medium-sized, company in a complex industry, we always need to work harder and be more service-minded than our competitors to prove our value. Something which I'm sure we are doing, too. For this reason, we want to thank all of our customers who believe in us and have given us their trust to create their future, up-to-date automated waste management systems.



Next year, it will be 15 years since Logiwaste was founded, and the idea of an innovative, growing company with ambitions to be at the forefront of the industry's technological development began to take shape.

As CEO, I can confirm that those ambitions remain. We already have three patented products in our portfolio and we've chosen to listen to our customers for our development work, in order to meet their needs. Innovation for us is based on customers' ideas of what they wish were possible, and that's what drives us forward in our ambition to be a little bit better every day.

Daniel Martinwall
CEO, Logiwaste AB



'As a smaller, or now medium-sized, company in a complex industry, we always need to work harder and be more service-minded than our competitors to prove our value. Something which I'm sure we are doing, too.'

A project is built up piece by piece, systematically. Project management, project design, product development and installation and, afterwards, operation and servicing are parts as well as processes which enable Logiwaste's effective project implementation.



Stationary systems.

Stronger market share in the healthcare sector.

This business area has shown steady development in 2019, and we believe that Logiwaste's market share has continued to strengthen. Through the year, we haven't experienced any reduction in activity in the housing market in Sweden or Norway. The Scandinavian market as a whole is still very active. Our view is that there is still potential for continued growth even in the event of a future market decline. We see that our stakeholders' knowledge is growing rapidly and that the proportion of projects in the industry that are choosing to use our technology is increasing.

A large number of systems have been installed in the past year. We see that more projects are requesting so-called 'open systems', where the customer is given the opportunity to combine third-party inlet points for their supplier's terminal installations. In 2019, Logiwaste developed a technical solution and a system definition that makes it possible to connect other manufacturers' inlet points to our Terminals.

Stationary systems thereby become an increasingly control system-driven business model with more complex issues both on the control system side, as well as on subsequent operation, servicing and maintenance

Building projects within the healthcare sector can be seen as less sensitive to cyclical fluctuations than construction of accommodation. The demand for systems for the healthcare sector has been stable in all the Scandinavian countries this year. Overall, we can now consider ourselves the market leader for systems for the healthcare sector, both technologically and market-wise.

The modularisation and standardisation of our systems has now reached the level where we've launched BIM

objects for the Logiwaste product portfolio, free for players on the market to use within the framework of their projects. These are now freely available to download from the Logiwaste website and use for architects, projectors, consultants. Through this transparency towards the market, we make it easy for players on the market to plan and design vacuum waste disposal systems at an early stage of their projects.

Logiwaste's goal is to push forward a standardised module-based product portfolio with a modern, open control system combined with a high level of service in the after-market. We also develop our consulting services step-by-step and are happy to take on assignments as advisors to clients or stakeholders who need the latest cutting-edge expertise in the field.



The illustration shows a part of the Ulven area outside Oslo where Logiwaste is installing a complete system for handling four fractions of waste for around 1000 homes.

Mobile systems. Stable development according to plan.

During the year, which was our first real year of delivery, the mobile system business area has continued to develop in line with expectations. New contracts have been signed and a lot of deliveries are being made ready for use. Of course, in this first real year, we've had our challenges with carrying out all the deliveries with small volumes and new commissioning, but in 2020 a lot of new commissioning is expected and we're seeing some growth in demand in this business area.

Product development is proceeding systematically, where the product portfolio is being developed and refined according to our customers' wishes, demands and feedback. Many good ideas and requests have come in from our customers, which we hope to be able to present within our range in the next 1-2 years.

Mobile systems are an important complement for all our customers in cases where a stationary system would not be optimal to install. With Logiwaste's mobile systems, a lot of housing cooperatives and rental properties can provide an opportunity for efficient and hygienic waste management in the same way as larger residential areas with stationary systems.

Our product portfolio of fully automatic monitorable mobile solutions is also completely independent of the vacuum truck contractor for waste collection. This gives our customers a good opportunity to open up their collection contractors to competition because all types of relevant vacuum truck models can empty our systems completely automatically.

Installation. Increased share of internal resources leads to more efficient installation

In 2019, we continued to recruit skilful installers/installation supervisors and also strengthened the organisation with internal electricians and automation engineers.

We're constantly working to develop our personnel's knowledge and expertise about our systems with the goal of becoming the market's best-skilled installation team. We'll therefore continue recruiting skilful employees to the Logiwaste installation team in 2020.

Servicing, operation and support. A stronger Servicing organisation and Offering to our customers.

Through the year, we began a lot of new service assignments in the Stockholm area, and as a result of this, the servicing organisation has been strengthened. A new business area manager for servicing and a number of skilled service technicians have been recruited. Our ambition is to develop our service offering for all customers who have either a stationary or a mobile system today, regardless of which supplier has delivered it. We have the expertise to service and maintain both our own equipment as well as our competitors', which we have been doing successfully for some years.

Our service offering also includes technical support for advanced control systems in waste vacuum systems. By investing in a complete internal control system group, we've now reached the technical level needed to help every customer in the industry, regardless of who supplied the equipment. We can already see that there's a strong demand for our services and our ambition is that users of AWCS systems in Scandinavia will be able to live a 'problem-free' life with their systems.



Installation and servicing are essential parts of Logiwaste's operations with the solid base of our years of experience and the knowledge of our employees. Above you can also see mobile systems installed in Trondheim (left) and Stockholm (right).



Product development.

The industry offers a lot of possibilities via continued product development.

It's taken more than 10 years to develop our entire product portfolio to become a complete offering of AWCS systems for Homes, Hospitals and other uses today.

In 2019, we insourced all of our software development and other electronic control competencies, and built up an organisation of our own with specialist competencies in this important product development area. Control systems are the single biggest development sector of the company, both historically as well as in the years to come.

During the year, we created arguably the industry's most reliable and automated product portfolio for advanced laundry terminal systems. A complete laundry management system in terminals for hospitals and nursing homes with belt conveyor-fed laundry separators, hoppers and feed conveyors has been developed.

In our continued pursuit of a tube system for a technical life exceeding 100 years, we've now obtained a patent for our solution for weldable NiHard bends. The bends significantly shorten the installation time compared to traditional non-weldable NiHard bends and can handle the ageing to which traditional solutions with NiHard and rubber gaskets are exposed.

Over twenty installations of our new patented low-built fraction changers have been carried out during the year and they will continue to be installed in the next year.

Logiwaste will present our new volume-limiting inlet during 2020, which will be an important new function towards more stable operation for the facilities that connect to this type of inlet.

**LOGIWASTE**

Big picture: Logiwaste's patented Ni-Hard pipes.

Picture on the right: System for handling laundry in the terminal at the Academic Hospital in Uppsala, where conveyor belt-fed laundry separators, load pockets and feed conveyors form a central part of the laundry management.





Internationalisation. Positioning for future efforts on selected markets.

Effective, hygienic and sustainable approaches to collecting and handling waste are increasingly appropriate for today's world. Increased knowledge and skills with our type of system for sustainable solutions outside Scandinavia gives us the opportunity to grow in a number of very interesting countries and regions, and we're preparing ourselves for these opportunities to expand.

With the commissioning of a system for the collection of waste and laundry for a hospital in northern Russia in 2019, we've now become established in five different countries with operational installations.

Through both ongoing and completed deliveries, we will continue to build knowledge and expertise where interesting markets and regions are under consideration. We're evaluating and submitting tenders in a number of new countries in 2020. We see a lot of potential in carefully following the development of these new markets. We'll continue systematically positioning ourselves for future export and expansion efforts.

Quality, Environment, Health & Safety and Sustainability.

Continual improvements.

In 2019, Logiwaste has continued to improve its processes in the pivotal areas of quality, environment and health & safety. We do this via the ISO 9001: 2015 quality systems, ISO 14001: 2015 for environmental management, and ISO 45001: 2018 for health and safety.

One new thing for 2019 is that Logiwaste raising the bar and starting to work interactively and in real time with corrective measures. All employees can make a record of any possibilities for improvement directly from any device wherever they are. This is logged with their respective head of department as well as being displayed on screens which are centrally located. This significantly streamlines and speeds up the process from an arising case to a completed action.

Logiwaste strives to create the minimum environmental impact from our activities. We obey environmental legislation and other applicable local, national and international laws and rules. We work actively to identify and analyse environmental aspects in each part of our business and we take the relevant measures. Environmental risks are analysed and an environmental plan is drawn up for each customer project, each one adapted to the specific situation.

Logiwaste works systematically to identify and prevent risks in the working environment in order to create a safe working environment for our employees and suppliers. In order to prevent workplace incidents and accidents, an environmental plan, working environment plan and risk analysis are established before starting each project.

The work on our 2019 sustainability report has been completed. Our sustainability reporting fulfils the requirements of the Hållbarhetslagen (Sustainability Reporting Act). Our work efforts are aimed at identifying and implementing improvements in the areas of environmental protection and sustainability.

The start of 2020 has had a major impact on the working environment due to Covid19, and Logiwaste has invested in far-reaching multimedia setups throughout the company to enable work and meetings without physically meeting. This has proved to be so effective that we're now continuing to develop in that direction with the aim of continuing to reduce our environmental footprint and promoting a more sustainable society with even more environmentally-conscious actions and behaviours.



A selection of our ongoing projects in 2019



Stavanger hospital, Ullandhaug Hospital
Stavanger, Norway



Ulven
Residential area
Oslo, Norway



The Skårer area
Residential area
Lørenskog municipality, Norway



The Klacken neighbourhood
Residential area
Solna, Sweden



Hagastaden
Residential area
Solna, Sweden



The new hospital area in Helsingborg Hospital
Helsingborg, Sweden



Folksam Properties
Mobile waste vacuum system
Stockholm, Sweden



Regional Clinical Hospital
Hospital
Krasnoyarsk, Russia



DNV-Gødstrup
Hospital
Herning, Denmark



Kungälv Hospital
Hospital
Kungälv, Sweden



Norrtälje Harbour
Residential area
Norrtälje, Sweden



Sundmolen
Residential area
Copenhagen, Denmark

2019

The year in numbers.

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Management report

The Board of Directors and CEO for Logiwaste AB, 556839-6245, hereby issue the annual report for 2019.

In general about the business

Group

The two group entities offer services, products and servicing for the environmentally efficient, cost-effective automated collection of waste and laundry. The Swedish parent company operates in Sweden, Norway and Denmark while the Norwegian subsidiary only operates in Norway.

The company is 100% owned by M Industrial Invest AB, 556651-0672, with its registered office in Sigtuna.

Parent company

The company offers services, products and servicing for the environmentally efficient, cost-effective automated collection of waste and laundry. The company operates in Sweden, Norway and Denmark.

Sustainability report

'The sustainability report summarises our sustainability work and is based on measures that have been planned and implemented within different segments. Our approach to sustainability is developed based on our current conditions, but we do strive to continuously develop our work in this area and broaden our commitment to sustainability. We use PURE ACT's platform as a tool for our sustainability work.'

Company's operations, results and financial trend

Group Amount in TSEK	2019	2018	2017	2016
Net turnover	142,656	103,245	57,434	48,596
Gross profit	9,673	9,874	8,337	8,240
Gross margin	6.8%	9.6%	14.5%	17.0%
Result after financial items	1,045	1,060	685	1,446
as % of net turnover	0.7%	1.0%	1.2%	3.0%
Total assets	64,267	55,624	48,863	37,289
Solidity	30.0%	33.4%	36.4%	40.8%

Key figure definitions, see note 27.

Parent company Amount in TSEK	2019	2018	2017	2016
Net turnover	142,690	103,208	57,293	46,758
Gross profit	9,673	9,849	7,895	7,882
Gross margin	6.8%	9.5%	13.8%	16.9%
Result after financial items	1,119	1,195	352	1,465
as % of net turnover	0.8%	1.2%	0.6%	3.1%
Total assets	63,940	56,662	49,492	36,588
Solidity	30.1%	32.5%	35.5%	41.6%

Management report

Key events during the financial year as well as after the end of the financial year

In August 2019, Daniel Martinwall became the new CEO of Logiwaste AB.

In December 2019, liquidation of the subsidiary, Logiwaste AS, commenced. Continued operations will be conducted through the company's branch, Logiwaste NUF.

In January 2020, the company's Chinese subsidiary was liquidated. In January 2020, the company received a patent for Ni-hard bends.

Predicted future trends along with substantial risks and uncertainty factors

Group

Future trends

The parent company showed a stable order backlog in 2019 and finished the year with a largely unchanged order position compared to the previous year. Favourable market conditions prevail and the outlook for 2020 is for continued stability. Internationalisation efforts continue and have shown that there is international demand as well.

Substantial risks and uncertainty factors

Currency risks

A large portion of sales transactions in the parent company are in NOK and DKK, while a substantial part of purchases are paid for in EUR. For our subsidiaries and branches in Norway, sales are only in NOK in the Norwegian market and purchases are made in EUR and SEK. No hedging is taking place.

Price risks

The most prevalent part of the group's sales are through long-term procurement agreements where the price level is fixed by a well-documented agreement, which is why the risk of price fluctuations is very small.

Credit risks/Counterparty risks

The major portion of the group's sales are to large well-consolidated customers, mainly within the public sector. Agreements reached generally have a payment plan where payment is made in pace with sunk costs. The parent company has a history of very small customer losses.

Liquidity risks

The parent company has well-established profitability and good financing with low or no outstanding debt. Even if the group's expansion requires more operating capital, the company can fund the operation such that liquidity can be kept at a very healthy level.

Interest rate risks

The group is not exposed to interest rate risks that could have a significant impact on financial results.

Parent company

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The parent company showed a stable order backlog in 2019 and finished the year with a largely unchanged order position compared to the previous year. Favourable market conditions prevail and the outlook for 2020 is for continued stability. Internationalisation efforts continue and have shown that there is international demand as well.

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Research and development

Group and parent company

During the year, the parent company has continued to invest in new products and solutions for mobile and stationary facilities. This includes the development of both software and hardware.

Foreign branches

The company has a Norwegian branch where a number of projects have been running since 2012.

Equity

	Share capital	Provisions fund for development costs	Depreciation development costs	Retained earnings incl. profit/loss for year	Total
Group					
Opening balance 01-01-2019	5,587,260	13,927,470	-2,127,200	1,184,213	18,571,743
Change in development fund		2,420,465	-2,168,314	-252,151	0
Year's revaluation difference				-51,896	-51,896
Profit/loss for year				749,142	749,142
Equity 31-12-2019	5,587,260	16,347,935	-4,295,514	1,629,308	19,268,989

Conditional repayments for shareholder contributions totalled SEK 1,032,942 (SEK 1,032,942)

	Share capital	Provisions fund for development costs	Depreciation development costs	Retained earnings incl. profit/loss for year	Total
Parent company					
Opening balance 01-01-2019	5,587,260	13,927,470	-2,127,200	145,983	17,533,513
Change in development fund		2,420,465	-2,168,314	-252,151	0
Profit/loss for year				1,095,720	1,095,720
Equity 31-12-2019	5,587,260	16,347,935	-4,295,514	989,552	18,629,233

Conditional repayments for shareholder contributions totalled SEK 1,032,942 (SEK 1,032,942)

Proposed distribution of earnings

The board of directors and CEO propose that unrestricted capital, SEK 989,552, is appropriated as follows:

	Amount in SEK
Retained earnings	989,552
Total	989,552

with regard to the group and parent company's result and general financial position, please refer to the subsequent income statement and balance sheet with annotations.

Consolidated income statement

Amount in SEK	Note	01-01-2019 31-12-2019	01-01-2018 31-12-2018
Net turnover	2	142,655,728	103,245,102
Cost of sales	3.4	-132,983,160	-93,370,758
Gross profit		9,672,568	9,874,344
Sales costs	3.5	-3,171,251	-3,021,476
Administration costs	3,4,5,6	-5,043,005	-5,522,348
Operating results		1,458,312	1,330,520
Earnings from financial items			
Interest income and similar result items		1,054	7,610
Interest expenses and similar result items	7	-413,603	-278,007
Profit after financial items		1,045,763	1,060,123
Results before tax		1,045,763	1,060,123
Tax	9,10	-296,621	-307,209
Profit for year		749,142	752,914
Attributable to the parent company's shareholders		749,142	752,914

Consolidated balance sheet

Amount in SEK	Note	31-12-2019	31-12-2018
ASSETS			
Non-current assets			
Intangible assets			
Capitalized development cost and similar work	11	15,417,704	15,973,495
Concessions, patents, licences, trademarks and similar rights	12	142,745	0
		15,560,449	15,973,495
Tangible assets			
Inventories, tools and installations	13	1,880,844	1,562,577
		1,880,844	1,562,577
Financial assets			
Other long-term receivables	15	14,747	5,000
		14,747	5,000
Total non-current assets		17,456,040	17,541,072
Current assets			
Stocks etc.			
Raw materials and consumables		1,567,566	624,716
		1,567,566	624,716
Current rcivables			
Accounts receivable		27,884,451	19,638,774
Generated but not invoiced income	16	10,548,976	11,617,541
Other receivables		961,745	316,228
Deferred expenses and accrued income	17	4,463,722	3,904,233
		43,858,894	35,476,776
Cash and bank balances		1,384,772	1,981,431
		1,384,772	1,981,431
Total current assets		46,811,232	38,082,923
TOTAL ASSETS		64,267,272	55,623,995

Consolidated balance sheet

Amount in SEK	Note	31-12-2019	31-12-2018
EQUITY AND LIABILITIES			
Equity			
Share capital		5,587,261	5,587,261
Fund for development costs		12,052,421	11,800,270
Retained earnings		1,629,307	1,184,212
		19,268,989	18,571,743
Equity attributable to the parent company's shareholders		19,268,989	18,571,743
Total equity		19,268,989	18,571,743
Provisions			
Deferred tax liabilities	19	177,760	254,314
		177,760	254,314
Non-current liabilities			
Liabilities to credit entities	20	1,333,330	2,399,998
		1,333,330	2,399,998
Current liabilities			
Invoiced but ungenerated income	21	5,928,767	7,116,234
Bank advances	22	5,650,544	1,234,499
Liabilities to credit entities	20	1,066,668	1,066,668
Trade payables		12,820,152	15,831,139
Liabilities to group entities		3,074,307	3,020
Tax liabilities		0	2,217
Other current liabilities		5,381,145	2,380,421
Accrued expenses and deferred income	23	9,565,610	6,763,742
		43,487,193	34,397,940
TOTAL EQUITY AND LIABILITIES		64,267,272	55,623,995

Consolidated cash flow statement

Amount in SEK	Note	31-12-2019	31-12-2018
Current operations			
Profit after financial items		1,045,763	1,060,123
Adjustments for items that are not included in the cash flow etc.	25	3,277,657	2,750,056
Paid income tax		-356,186	-307,209
Cash flow from operating activities before changes in working capital		3,967,234	3,502,970
Changes in working capital			
Increase (-) /Decrease (+) of stock-in-trade		-942,850	-372,073
Increase (-) /Decrease (+) of operating receivables		-8,353,056	-4,003,490
Increase (+) /Decrease (-) of operating liabilities		9,119,756	3,576,855
		-176,150	-798,708
Cash-flow from operating activities		3,791,084	2,704,262
Investment activities			
Acquisition of intangible assets		-2,461,685	-4,739,413
Acquisition of tangible assets		-849,643	-551,115
Acquisition of financial assets		-9,747	
		-3,321,075	-5,290,528
Financing activities			
Loans from creditors		0	4,000,000
Repayment of debt		1,066,668	-1,600,002
		1,066,668	2,399,998
Cash flow for the year		-596,659	-186,268
Cash and cash equivalents at the beginning of year		1,981,431	2,167,699
Cash and cash equivalents at the end of year		1,384,772	1,981,431

Parent company income statement

Amount in SEK	Note	01-01-2019 31-12-2019	01-01-2018 31-12-2018
Net turnover	2	142,689,915	103,208,191
Cost of sales	3.4	-133,006,372	-93,358,841
Gross profit		9,683,543	9,849,350
Sales costs	3.5	-3,147,301	-2,975,340
Administration costs	3,4,5,6	-4,983,346	-5,408,645
Operating results		1,552,896	1,465,365
Earnings from financial items			
Earnings from financial assets		-22,269	0
Interest income and similar result items		841	7,660
Interest expenses and similar result items	7	-412,633	-278,008
Profit after financial items		1,118,835	1,195,017
End-of-year adjustments	8	347,972	0
Profit before tax		1,466,807	1,195,017
Tax	9,10	-371,087	-307,209
Profit for year		1,095,720	887,808

Parent company balance sheet

Amount in SEK	Note	31-12-2019	31-12-2018
ASSETS			
Non current assets			
Intangible assets			
Capitalized development cost	11	15,417,704	15,973,495
Concessions, patents, licences, trademarks and similar rights	12	142,745	0
		15,560,449	15,973,495
Tangible assets			
Inventories, tools and installations	13	1,880,844	1,562,577
		1,880,844	1,562,577
Financial assets			
Shares in group companies	14	226,239	248,508
Other long-term receivables	15	14,747	5,000
		240,986	253,508
Total non-current assets		17,682,279	17,789,580
Current assets			
Stocks etc.			
Raw materials and consumables		1,567,566	624,716
		1,567,566	624,716
Current receivables			
Accounts receivable		27,726,838	18,560,178
Group company receivables		546,168	2,819,366
Current tax assets		29,062	0
Generated but not invoiced income	16	10,548,976	10,956,504
Other receivables		309,664	301,417
Deferred expenses and accrued income	17	4,463,722	3,904,233
		43,624,430	36,541,698
Cash and bank balances			
		1,066,082	1,706,359
		1,066,082	1,706,359
Total current assets		46,258,078	38,872,773
TOTAL ASSETS		63,940,357	56,662,353

Parent company balance sheet

Amount in SEK	Note	31-12-2019	31-12-2018
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	18	5,587,260	5,587,260
Fund for development costs		12,052,421	11,800,270
		17,639,681	17,387,530
Unrestricted capital			
Retained earnings		-106,167	-741,825
Profit for year		1,095,720	887,808
		989,553	145,983
Total equity		18,629,234	17,533,513
Untaxed reserves			
Accumulated excess depreciations		202,000	202,000
Tax allocation reserves		606,000	953,972
		808,000	1,155,972
Non-current liabilities			
Liabilities to credit entities	20	1,333,330	2,399,998
		1,333,330	2,399,998
Current liabilities			
Invoiced but ungenerated income	21	5,928,767	7,116,234
Bank advances	22	5,650,544	1,234,499
Liabilities to credit entities	20	1,066,668	1,066,668
Trade payables		12,785,954	16,479,165
Current tax liabilities		0	30,502
Liabilities to group entities		3,074,307	3,020
Other short-term liabilities		5,136,033	2,915,918
Accrued expenses and deferred income	23	9,527,520	6,726,864
		43,169,793	35,572,870
TOTAL EQUITY AND LIABILITIES		63,940,357	56,662,353

Parent company cash flow statement

Amount in SEK	Note	31-12-2019	31-12-2018
Current operations			
Profit after financial items		1,118,835	1,195,017
Adjustments for items that are not included in the cash flow etc.	25	3,406,108	2,718,354
Paid tax		-430,652	-307,209
Cash flow from operating activities before changes in working capital		4,094,291	3,606,162
Changes in working capital			
Increase (-) /Decrease (+) of stock-in-trade		-942,850	-372,073
Increase (-) /Decrease (+) of operating receivables		-7,053,670	-2,282,334
Increase (+) /Decrease (-) of operating liabilities		3,211,380	-398,335
		-4,785,140	-3,052,742
Cash flow from operating activities		-690,849	553,420
Investment activities			
Acquisition of intangible assets		-2,461,685	-4,739,413
Acquisition of tangible assets		-849,643	-551,115
Acquisition of financial assets		12,522	
		-3,298,806	-5,290,528
Financing activities			
Outstanding loans		0	4,000,000
Repayment of debt		-1,066,668	-533,334
		-1,066,668	3,466,666
Cash flow for the year		-5,056,323	-1,270,442
Cash and cash equivalents at the beginning of year		471,860	1,742,302
Cash and cash equivalents at the end of year		-4,584,463	471,860

Notes

Note 1. Accounting principles

The amount is given in SEK unless otherwise stated.

General accounting principles

The annual report has been established in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general recommendations BFNAR 2012:1 Annual accounts and consolidated accounts (K3) with updates in BFNAR 2016:9.

The parent company applies the same accounting principles as the group except in those circumstances given below in the section, Parent company accounting principles,

Valuation principles etc.

Assets, provisions and liabilities have been valued at acquisition cost unless otherwise stated.

Intangible assets

Expenditure for research and development

When accounting expenditure for development, the capitalisation model is applied. This means that expenditure that has been incurred in the development phase is reported as an asset when all the conditions below are met:

- It is technically feasible to prepare the intangible fixed asset such that it can be used or sold.
- The intention is to prepare the intangible asset and to use or sell it.
- Conditions exist for using or selling the intangible asset.
- It is probable that the intangible asset will generate future financial benefits.
- Necessary and adequate technical, financial and other resources exist to complete development and to use or sell the intangible asset.
- The expenditure that is attributable to the intangible asset can be calculated in a reliable manner.

Other intangible assets

Other intangible assets that have been acquired by the company are reported at acquisition cost minus accumulated depreciations and impairment losses.

Expenditure for internally generated goodwill and trademarks are reported in the profit and loss account as costs when they occur.

Depreciations

Depreciations are made linearly over the asset's calculated useful life. Depreciations are reported as costs in the income statement.

	Group year	Parent company year
The following depreciation periods are applied		
Internally generated intangible assets		
Balanced expenditures for development and similar work:		
Control system	8	8
Product development	5	5
Acquired intangible assets		
Control system	8	8
Product development	5	5

Leasing - lessee

All leasing contracts have been classified as financial or operating leasing contracts. A financial leasing contract is a leasing contract according to which all the risks and benefits associated with the ownership of an asset are, in substance, transferred from the lessor to the lessee. An operating leasing contract is a leasing contract that is not a leasing contract.

Financial leasing agreement

Rights and obligations under financial leasing agreement are reported as assets and liabilities in the balance sheet. On initial recognition, the asset and liability are valued at whatever is lower between the fair value and present value of the minimum lease payments. Expenditure that is directly attributable to acquisition cost and the establishment of the leasing contract are added to the amount that is reported as an asset.

After initial recognition, the minimum lease payments for interest and amortisation of liability are broken down as per the effective interest method. Variable fees are reported as costs in the financial year in which they arose.

The leased asset is written off over the useful life period [lease term].

Operating leasing agreement

Leasing expenses under operating leasing agreement, including increased first time rent but excluding expenses for services like insurance and maintenance, are reported as costs linearly over the lease term.

Tax

Tax on profit/loss for year in the income statement consist of current tax and deferred tax. Current tax is income tax for the current financial year that is considered as the year's taxable result and that part of previous financial year's income tax that has yet to be reported. Deferred tax is income tax on taxable earnings concerning future financial years as a consequence of previous transactions or events.

Deferred tax liabilities are reported for all taxable, temporary differences, however, not for temporary differences that stem from the first reporting of goodwill. Deferred tax assets are reported as deductible, temporary differences and for the possibility to use tax loss carry-forward in the future. The valuation is based on how the reported value for corresponding assets or liabilities are expected to be recovered or settled.

The amounts are based on the tax rates and tax rules that are decided upon before the balance sheet date and have not yet been calculated.

In the group balance sheet, untaxed reserves are broken down into deferred tax and equity.

Consolidated accounts

Subsidiaries

Subsidiaries are companies in which the parent company, directly or indirectly, holds more than 50% of the number of votes or has controlling influence in some other way. Controlling influence means a right to establish the company's financial and operations strategies for the purpose of obtaining financial benefit. The accounting of business combinations is built on the single entity view. This means that the acquisition analysis is drawn up at the point in time that the acquiring party achieves a controlling influence. From this time onwards, the acquiring party and the acquired

Notes

entity are seen as a single accounting entity. The application of the single entity view also means that all assets (including goodwill) and liabilities as well as income and expenses are wholly taken into account even for part-owned subsidiaries.

The acquisition value for the subsidiary is calculated as the total of the fair value on the acquisition date of assets surrendered with the addition of incurred and contingent liabilities as well as issued equity instruments, expenses that are directly attributable to the business combination as well as any contingent considerations. In the acquisition analysis, the fair value is established, with a few exceptions, on the acquisition date of acquired, identifiable assets and contingent liabilities as well as minority interest. Minority interest is valued at fair value on the acquisition date.

From the acquisition date onwards, consolidated accounts are included in the acquired company's income and expenses, identifiable assets and liabilities as well as any resultant goodwill or negative goodwill.

Stock-in-trade

Stocks have been valued at the lower of their acquisition cost and their net realisable value on the balance sheet date. Net realisable value here refers to the estimated sales price for goods sold minus sales expenses. The valuation method selected means that obsolete stocks have been taken into account.

Remuneration to employees

Remuneration to employees here refers to all forms of remuneration the company provides to its employees. Short-term remuneration consists of wages, paid holiday, paid leave, bonuses and remuneration after completion of employment (pension).

Short-term remuneration is reported as a cost and a liability when there is a legal or informal obligation to pay remuneration as a result of a previous event and a reliable estimate of the amount can be made.

Note 2. Turnover per business segment and geographic market

	01-01-2019 31-12-2019	01-01-2018 31-12-2018
Group		
Net turnover per business segment		
Construction contracts	138,916,960	102,326,925
Service contracts	3,738,768	1,402,153
	142,655,728	103,729,078
Turnover per geographical market		
Sweden	95,894,046	45,395,778
Norway	30,524,678	37,365,507
Denmark	7,557,568	20,781,761
China	22,071	-143,574
Russia	8,657,365	329,606
	142,655,728	103,729,078
Parent company		
Net turnover per business segment		
Construction contracts	138,951,147	102,294,195
Service contracts	3,738,768	1,402,153
	142,689,915	103,696,348
Turnover per geographical market		
Sweden	95,894,046	45,395,778
Norway	30,558,865	37,332,777
Denmark	7,557,568	20,781,761
China	22,071	-143,574
Russia	8,657,365	329,606
	142,689,915	103,696,348

Notes

Note 3. Employees, personnel costs and remuneration to board members

Average number of employees	01-01-2019 31-12-2019	Of which are male	01-01-2018 31-12-2018	Of which are male
Parent company				
Sweden	31	30	25	24
Total	31	30	25	24
Subsidiaries				
Total subsidiaries	-	-	-	-
Group total	31	30	25	24

Wages and other remuneration as well as social contributions, including pension expenses

	01-01-2019 31-12-2019	01-01-2018 31-12-2018
Parent company		
Wages and other remunerations	16,307,542	12,614,506
Social contributions	6,678,149	5,076,287
(of which pension expenses) 1)	1,475,268	942,405
Subsidiaries		
(of which pension expenses)	-	-
Group		
Wages and other remunerations	16,307,542	12,614,506
Social contributions	6,678,149	5,076,287
(of which pension expenses) 1)	1,475,268	942,405

1) Of the group and parent company's pension expenses, SEK 162,592 (prev. year SEK 218,844) concerns the company's management with regard to 1 (1) person,

Note 4. Depreciation of tangible and intangible assets

	01-01-2019 31-12-2019	01-01-2018 31-12-2018
Group and parent company		
Depreciations as per plan broken down per asset		
Capital expenditures for research & development etc	-2,846,537	-2,079,249
Concessions, patents, licences, trademarks	-28,193	0
Inventories, tools and installations	-531,376	-411,043
	-3,406,106	-2,490,292
Depreciations as per plan broken down per function:		
- Cost of sold products	-2,914,838	-2,104,916
- Sales costs	-40,107	-25,667
- Administration costs	-451,161	-359,709
	-3,406,106	-2,490,292

Notes

Note 5. Operating lease - lessee

	01-01-2019 31-12-2019	01-01-2018 31-12-2018
Group and parent company		
Year's costs for operating lease agreements	1,526,569	993,127
agreed future minimum leasing costs for non-terminable contracts due for payment		
Within one year	1,398,827	858,455
Between one and five years	1,194,803	558,379
	2,593,630	1,416,834

Note 6. Fees and cost reimbursement to auditor

	01-01-2019 31-12-2019	01-01-2018 31-12-2018
Group		
<i>Adsum Revisorer & Företagskonsulter AB</i>		
Audit fees	70,350	126,755
Consultation	2,700	0
<i>Collegium revisjon AS</i>		
Audit fees	96,377	60,554
Consultation	19,795	5,885
	189,222	193,194
Parent company		
<i>Adsum Revisorer & Företagskonsulter AB</i>		
Audit fees	70,350	126,755
Consultation	2,700	0
<i>Collegium revisjon AS</i>		
Audit fees	48,150	33,269
Consultation	19,795	5,885
	140,995	165,909

Note 7. Interest expenses and similar items

	01-01-2019 31-12-2019	01-01-2018 31-12-2018
Group		
Interest costs group companies	95,197	146,717
Interest costs, others	289,968	100,890
Other financial costs	28,438	30,400
	413,603	278,007
Parent company		
Interest costs group companies	95,197	146,717
Interest costs, others	289,726	100,891
Other financial costs	27,710	30,400
	412,633	278,008

Notes

Note 8. End-of-year adjustments

	01-01-2019 31-12-2019	01-01-2018 31-12-2018
Parent company		
Tax allocation reserves, year's provision	347,972	0
	347,972	0

Note 9. Tax on profit for year

	01-01-2019 31-12-2019	01-01-2018 31-12-2018
Group		
Current tax	-371,087	-307,209
Deferred tax	74,466	
	-296,621	-307,209
Parent company		
Current tax	-371,087	-307,209
	-371,087	-307,209

Note 10. Reconciliation effective tax

		01-01-2019 31-12-2019	01-01-2018 31-12-2018
Group			
Results before tax		1,045,763	1,060,123
Tax as per applicable tax rates parent company	21.4%	-223,793	-233,227
Effect of other tax rates for foreign subsidiaries/branches		-15,637	-29,676
Other non-deductible costs		-53,915	-43,565
Tax-free income		0	0
Standard tax rate		-3,275	-741
Reported effective tax		-296,621	-307,209
Parent company			
Results before tax		1,466,807	1,195,016
Tax as per applicable tax rates parent company	21.4%	-313,897	-262,904
Other non-deductible costs		-53,915	-43,565
Tax-free income		0	0
Standard tax rate		-3,275	-741
Reported effective tax		-371,087	-307,209

Notes

Note 11. Capitalized development cost

	31-12-2019	31-12-2018
Group and parent company		
Accumulated acquisition cost:		
- At start of year	19,624,909	14,885,496
- Year's investments and capitalisations	2,290,747	4,739,413
	21,915,656	19,624,909
Accumulated depreciations as per plan		
- At start of year	-3,651,414	-1,572,165
- Yearly depreciation as per plan	-2,846,538	-2,079,249
	-6,497,952	-3,651,414
Reported value at end of year	15,417,704	15,973,495

Note 12. Concessions, patents, licences, trademarks and similar rights

	31-12-2019	31-12-2018
Group and parent company		
Accumulated acquisition cost:		
- At start of year	285,000	285,000
- Year's investments and capitalisations	170,938	0
	455,938	285,000
Accumulated depreciations as per plan		
- At start of year	-285,000	-285,000
- Year's depreciation as per plan	-28,193	0
	-313,193	-285,000
Reported value at end of year	142,745	0

Note 13. Inventories, tools and installations

	31-12-2019	31-12-2018
Group and parent company		
Accumulated acquisition cost:		
- At start of year	2,953,000	2,703,271
- New acquisitions	849,643	551,115
- Sales/Retirements	0	-301,386
	3,802,643	2,953,000
Accumulated depreciations as per plan		
- At start of year	-1,390,424	-1,052,704
- Year's depreciation as per plan	-531,375	-411,043
- Sales/Retirements	0	73,324
	-1,921,799	-1,390,424
Reported value at end of year	1,880,844	1,562,577
Inventories that are held under financial leasing contracts are included with	None	None

Notes

Note 14. Shares in group companies

Parent company	31-12-2019	31-12-2018
Accumulated acquisition cost:		
- At start of year	248,508	248,508
- Acquisitions		
- Write-downs	-22,269	0
	226,239	248,508
Reported value at end of year	226,239	248,508

Spec. of parent company's holdings of fund units in group companies

Ownership stake is included that also corresponds to the portion of votes for the total amount of shares.

Subsidiary/Tax reg. no./Head office	Number of shares	as a %	31-12-2019 Reported Value	31-12-2018 Reported Value
Logiwaste AS, 915 016 324, Bergen, Norway	100,000	100	111,850	111,850
Logiwaste Environmental Technology (Beijing) Co., Ltd	1	100	114,389	136,658

Note 15. Other long-term receivables

Group and parent company	31-12-2018	31-12-2017
Accumulated acquisition cost:		
- At start of year	5,000	5,000
- Included depositions	9,747	0
	14,747	5,000
Reported value at end of year	14,747	5,000

Note 16. Generated but not invoiced income

	31-12-2019	31-12-2018
Constructions contracts		
Group		
Generated value	76,879,181	98,171,217
Invoiced value	-66,330,205	-86,553,676
	10,548,976	11,617,541
Reported value at end of year	10,548,976	11,617,541
Parent company		
Generated value	76,879,181	90,050,774
Invoiced value	-66,330,205	-79,094,270
	10,548,976	10,956,504
Reported value at end of year	10,548,976	10,956,504

Contract revenue from ongoing fixed-price contracts are reported with application of successive profit/loss recognition. The calculation is made on the basis of performed work at the end of the period in relation to the calculated work for the entire contract.

Notes

Note 17. Deferred expenses and accrued income

	31-12-2019	31-12-2018
Group and parent company		
Prepaid rents	341,100	167,406
Accrued income other	3,933,473	3,436,420
Other items	189,149	300,407
	4,463,722	3,904,233

Note 18. Number of shares and quota value

	31-12-2019	31-12-2018
Parent company		
Ordinary shares:		
Number of shares	558,726	558,726
Quota value	10	10

Note 19. Provisions for other taxes

	31-12-2019	31-12-2018
Group		
Deferred tax liabilities	177,760	254,314
	177,760	254,314

Note 20. Liabilities to credit entities

	31-12-2019	31-12-2018
Group and parent company		
Due within 12 months	1,066,668	1,066,668
Due within 12-48 months	1,333,330	2,399,998
	2,399,998	3,466,666

Note 21. Invoiced but ungenerated income

	31-12-2019	31-12-2018
Construction contracts		
Group		
Generated value	86,251,117	26,672,571
Invoiced value	-92,179,884	-33,788,805
	-5,928,767	-7,116,234
Parent company		
Generated value	86,251,117	26,672,571
Invoiced value	-92,179,884	-33,788,805
	-5,928,767	-7,116,234

Contract revenue from ongoing fixed-price contracts are reported with application of successive profit/loss recognition. The calculation is made on the basis of performed work at end of period in relation to the calculated work for the entire contract.

Notes

Note 22. Bank advances

	31-12-2019	31-12-2018
Group and parent company		
Granted credit	9,000,000	6,000,000
Utilised credit	5,650,544	1,234,499

Note 23. Accrued costs and deferred income

	31-12-2019	31-12-2018
Group		
Personnel-related items	1,956,327	2,004,981
Provisions project	5,862,447	2,550,000
Other deferred income	176,094	176,094
Accrued interest costs	0	146,717
Other items	1,570,742	1,885,950
	9,565,610	6,763,742
Parent company		
Personnel-related items	1,956,327	2,004,981
Provisions project	5,862,447	2,550,000
Other deferred income	176,094	176,094
Accrued project costs	0	1,559,451
Accrued interest costs	0	146,717
Other items	1,532,652	289,621
	9,527,520	6,726,864

Note 24. Pledged collateral and contingent liabilities

	31-12-2019	31-12-2018
Pledged collateral		
Group		
Chattel mortgages	12,500,000	10,000,000
	12,500,000	10,000,000
Contingent liabilities		
The group has issued guarantee commitments totalling SEK 18,016,507.		
Parent company		
Chattel mortgages	12,500,000	10,000,000
	12,500,000	10,000,000
Contingent liabilities		
The company has issued guarantee commitments totalling SEK 17,710,147.		

Notes

Note 25. Other information for the cash flow statement

	31-12-2019	31-12-2018
Adjustment for items that are not included in the cash flow etc.		
Group		
Depreciations	3,406,106	2,490,292
Translation differences	-76,554	0
Recalculation differences	-51,895	31,702
Retirements	0	228,062
	3,277,657	2,750,056
Parent company		
Depreciations	3,406,108	2,490,292
Retirements	0	228,062
	3,406,108	2,718,354

Note 26. Group information

The company is a wholly-owned subsidiary belonging to M Industrial AB, org. no. 556651-6072 with its head office in Sigtuna. The parent company establishes consolidated accounts in which the group is included.

Purchases and sales within the group

Of the group's total purchases and sales measured in SEK, 5.5% relates to purchases and 0% to sales to other companies within the whole group of companies to which the group belongs.

Of the parent company's total purchases and sales measured in SEK, 5.5% relates to purchases and 0% to sales to other companies within the whole group of companies to which the company belongs.

Of the group and parent company's interest costs, SEK 95,197 relates to interest paid to M Industrial Invest AB.

Note 27. Key ratio definitions

Gross margin %: Gross profit / Net turnover

Profit margin: Results after financial items / Net turnover

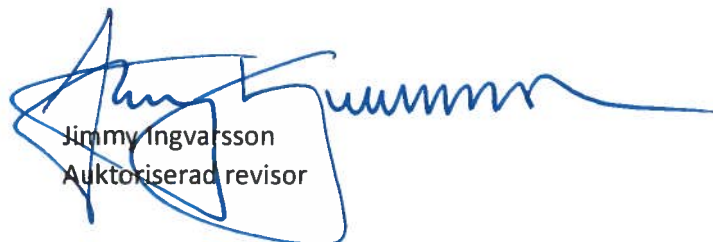
Solidity: (Total equity + 78% of untaxed reserves) / Total assets

Sigtuna 2020-03-10

A handwritten signature in blue ink, appearing to read 'Daniel Martinwall', written over a horizontal line.

Daniel Martinwall
Styrelseordförande

Min revisionsberättelse har lämnats 2020-03-11

A handwritten signature in blue ink, appearing to read 'Jimmy Ingvarsson', written over a horizontal line.

Jimmy Ingvarsson
Auktoriserad revisor

Auditor's report

To the general meeting of the shareholders of Logiwaste AB, corporate identity number 556839-6245

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Logiwaste AB for the financial year 2019.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2019 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Logiwaste AB for the financial year 2019 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

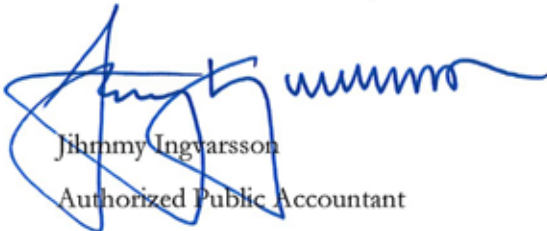
Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Västerås, March 11th 2020

Adsum Revisorer & Företagskonsulter AB

A handwritten signature in blue ink, appearing to read "Jimmy Ingvarsson", written over a large, stylized blue scribble that partially obscures the text below it.

Jimmy Ingvarsson
Authorized Public Accountant



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