

Logiwaste Annual Report 2020





THE BUSINESS

This is Logiwaste	4
The year in summary	6
Selected ongoing projects	7
A few words from the CEO	8
Value-adding development	10
Technical development	11
With a new perspective on Servicing	12
Consulting services and technical support	14
Quality, environment, working environment and sustainability	15

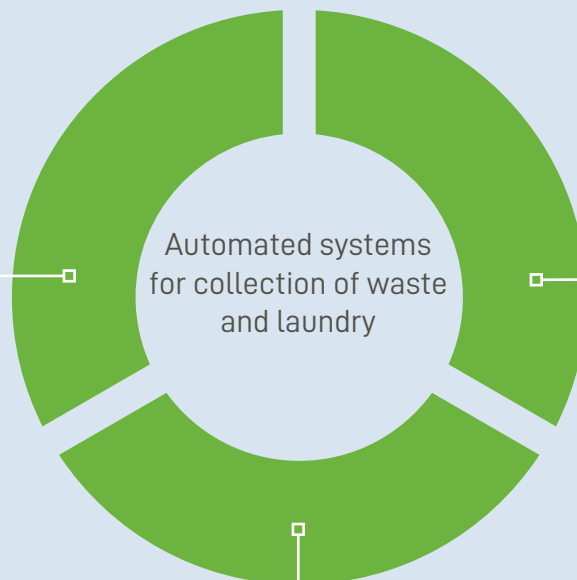
THE YEAR IN NUMBERS

Management report	17
Income statement and balance sheet	19
Notes	24
Audit report	32

This is Logiwaste

Logiwaste is well established in its position as one of the leading players in Scandinavia for automated waste and laundry collection systems. We are still one of the fastest growing environmental technology companies in Sweden. During 2020, Logiwaste was given an AAA rating by Bisnode, for the fifth year in a row (2016-2020).

Our operations are divided into three business areas. Projects, Products, and Services, which is mostly focused on hospitals and residential areas. We also offer advice and consulting services within all of our business areas.



Stationary and mobile waste vacuum system projects

Stationary systems for residential areas and hospitals, from early-stage advice to complete project design and commissioned systems. With our mobile waste vacuum systems, we offer you the possibility of efficient and hygienic waste management for both new and existing housing associations and rental properties.



Servicing, Operation and Maintenance

Through our range of options for servicing, operation and maintenance, we ensure reliable and efficient operation of our customers equipment, regardless of the original supplier. We also offer advanced technical support from our specialists and optimisation of commissioned facilities.

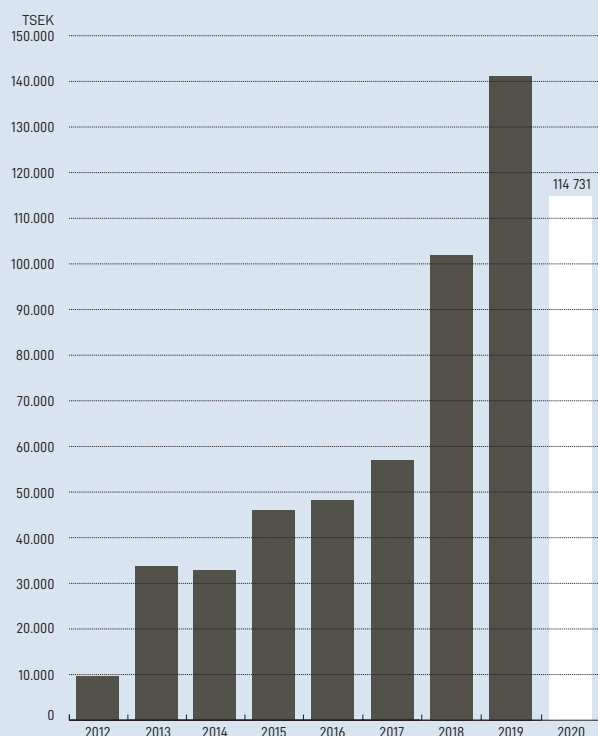


Products and software

With Logiwaste's state-of-the-art software platform, you can optimise the management and control of a waste vacuum systems. Logiwaste's product development is led by developments in society as well as by the needs of our customers. Via our own organisation, we provide continual software upgrades and updates in sync with the pace of change in technology and the world around us.



The year in summary



NET TURNOVER

114,7 MSEK

PROFIT/LOSS AFTER FINANCIAL ITEMS

1,3 MSEK

PROFIT MARGIN

1,1 %

SOLIDITY

30,2 %

Selected events from the past year

The next generation of control communications through 4G/5G.

This year, Logiwaste became the first company on the market where communication from terminals, inlets, and valves was managed via 4G/5G instead of underground cables.

Automation organisation

Fully developed automation organisation which, together with the electrical and control system group, broadens the competence out on the installation sites.

Patented Ni-Hard bends

Logiwaste's innovative Ni-Hard bends, that facilitate weldable pipe parts with their unique robustness, were patented this year.

Wider portfolio of mobile systems

Our product portfolio of mobile systems is now even wider. Sixteen different models of storage tanks in sizes from 1.7m³ to 22 m³ allow us to offer the most flexible mobile programs on the market.

Launch of new volume-limiting waste inlets - Model V

The new inlets, Model V, has been installed in residential areas around Sweden and Norway. The size of the inlets comes in 20, 40, and 60 litre options.

A selection of ongoing projects in 2020



Uppsala University Hospital
Hospital
Uppsala, Sweden



Ulven
Residential area
Oslo, Norway



Skåre area
Residential area
Lørenskog municipality, Norway



Kv. Klacken
Residential area
Solna, Sweden



Lilleby
Residential area
Trondheim, Norway



Helsingborg Hospital
Hospital
Helsingborg, Sweden



Folksam Fastigheter
Mobile system
Stockholm, Sweden



Regional Clinical Hospital
Hospital
Krasnoyarsk, Russia



Skövde Hospital
Hospital
Skövde, Sweden



Kungälv Hospital
Hospital
Kungälv, Sweden



Norrtälje Harbor
Residential area
Norrtälje, Sweden



Risvolla helse- og velferdssenter
Nursing home
Trondheim, Norway

A few words from the CEO. Thoughts on the past year.

2020 was our 15th year as an active player in this industry. This journey started in 2006 and began with five years of development and concepts. This was followed by a 10 year period of product launches, growth and internationalisation.

Now, when I look back at 2020, it was the beginning of a two-year period in which we chose to focus on our organisation and on more efficient processes for building a stable platform for the future. The focus now is on doing good work for our customers, improving the quality of our products and control systems, and taking our after-market and servicing offerings to a whole new level.

The year began with a pandemic that created huge uncertainty among society in general as well as in our markets. We quickly had to reset our operations to a completely new way of driving projects forward and meeting our customers. It's obviously been challenging for us, coming straight from a strong growth period with large delivery volumes ahead of us, with limited opportunities to carry out the work and borders being closed.

To give an idea of the year we've had, I've gone over some important areas below that we've focused on, and I want to start with the most important.

We create our culture together

Interest in applying for work at Logiwaste has continued to grow through the year. We're pleased that so many skilled people want to work here. Our ambition is to attract the best employees in the industry by being an innovative and attractive employer in a forward-looking industry.

People who thrive with us have a genuine interest in technology in common and are curious about the opportunities that we offer for continued development and learning about new technological areas. For experienced technicians, there are good opportunities for commercial development and taking successive steps towards business and customer responsibilities. All of our employees work with the most up-to-date software and IT tools on the market and we always strive to be at the forefront in order to challenge all of our young and skilful employees.

Our culture is all about high energy and a high tempo, which is needed in an innovative environmental technology company with advanced technical solutions that are constantly being developed. People that feel comfortable here always want to learn new things and are passionate about taking responsibility for completing their work assignments, as well as joining in and contributing towards building a sustainable society.

It always starts with the customer

We enjoy finding out our customers' opinions. I meet customers every day and there is so much collective knowledge out there



in the market and so many requests regarding the ways in which we can develop even further. 2020 was the year we started to get feedback from all the facilities we've commissioned and we're grateful for all of the ideas for improvements. This is an important part of our work, going forward, on quality and processes.

How can we be even better? The journey starts with quality at every level. People who own and manage systems want to achieve simplicity and a good overall economy. Users take greater responsibility for waste sorting when they're offered technical solutions that make it easy and convenient for them to 'do the right thing' and whenever we meet them, they also show a real environmental commitment.

Our ambition is to continually strengthen our quality and make things easier for system owners and users with modern, well-designed technical solutions.

Product Quality

Going into 2021, we have a complete portfolio of physical products. It has taken 10 years of continuous development from our skilful product development team to get there. The next step is now to continue the current work with a focus on product improvements, technical service life, and higher accessibility. From having been

a part of the development, we're now making it our ambition to be the leading player for technical development within our industry. During 2020, our technological organisation was working on the quality of our products, both for new installations as well as for upgrades to our customers' existing installations. We constantly measure the operational reliability of all the facilities that we have installed, and towards the end of the year, we began to see a clear, positive effect in the form of increased operational reliability and increased accessibility in operational systems.

The initial quality work simultaneously gave rise to a lot of new and exciting ideas about future developments, improvements, and functions that we will be highlighting in the coming year.

Being at the forefront of technology gives real customer value

We're proud that we were able to present a complete organisation for software development, automation and control electricians in 2020. At the end of the year we had 12 people working in this area.

The purpose of our efforts is to become future leaders within system technology solutions and software development and keep up with the fast pace of technical development in society. We are and will continue to be at the forefront of this area.

We have created the conditions for more efficient installations, as well as simpler surveillance and data collection for analyses of the system. A large amount of new functions also give our customers the possibility of simple yet optimised operation. We've also developed and commissioned brand new technical solutions which are unique in the industry, with wireless communication for terminals and inlets where all of the parts can communicate over the 4G/5G network. For our customers, this brings real value in the form of less costly installations, which is also more secure for the future in terms of forthcoming upgrades and control methods compared with buried cable systems for communication.

There's one area where we will never be finished

When a facility is commissioned, it's operational reliability in the short and long term which is most important for users to appreciate this modern waste management technology. Each facility is associated with an operating cost to maintain a high level of accessibility. The goal is to provide as good overall economy as possible over time in combination with the desired level of service.

In 2020, we built a strong service team to give our current and future customers security in the knowledge that we will solve their problems when they reach out to us. We want to be there for our customers and to help them with service life, total cost, simplicity and environmental efficiency.

Through the year, we've taken responsibility for operations and periodic servicing for several of our new customers. At the same

time, we've built an organisation that's able to provide operations and servicing for both our own systems and also systems made by other suppliers. Everyone with a waste or laundry vacuum system can come to us for a complete offering.

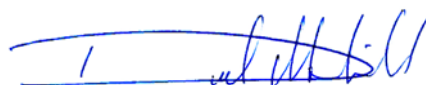
In summary

What is my overall view of 2020? It was intensive and it helped us to develop in a challenging time, with a lot of new colleagues with new input, new knowledge and new experiences. We've installed a large number of new operational systems in Norway and Sweden despite all the challenges that the pandemic brought. We've delivered stationary systems for both hospitals and homes, and we've commissioned our intelligent mobile systems for homes. We've improved our internal efficiency in a number of areas and, at the same time, made extensive investments in skills, software, hardware and technical equipment in order to make us even more efficient.

Turnover was still good despite the impact of Covid-19, but it was also an active choice to focus more on delivering orders already received than bringing new business into the company. We also see 2021 as a year where we'll continue to focus and ensure that our existing customers receive the utmost attention.

The results have been positive but there is still a lot of potential for improvement. We're working hard on internal improvements and quality work, as well as building an organisation of amazing employees. In the long term, our investments will take effect and margins will gradually begin to rise. In the coming years, our work will continue on developing and modernising our technologies in pace with the development of society.

The guiding principle is that Logiwaste should be a part of leading the world around us towards a sustainable society.



Daniel Martinwall
CEO, Logiwaste AB

Customer value steers our future development

Value-creating innovations steer Logiwaste's product and system development

Innovation and quality are key words for us. Our improvements in waste vacuum technology are steered by the things that give our customers real value in terms of user-friendliness, environment, hygiene, safety and of course, economy. Logiwaste should be involved in and be a part of leading the world around us towards a sustainable society. For that reason, we would like to tell you about some innovations that were launched in 2020.

Dynamic terminals - a concept we launched that is supported by our control system. It enables our customers to halve the transport costs to and from a terminal in combination with an automated solution for container switching at the terminal. It's not only a significant economic improvement but also a contribution towards reduced environmental impact with reduced traffic in the area.

Ni-Hard bends - give a technical service life of over 100 years for systems of up to 5000 homes. The technology is patented and allows for simple installation, in that the pipes can be welded in the same way as normal standardised pipe bends. It saves installation costs and reduces the risk of future leaks inside the systems.

Volume-limiting inlets - give reduced operating costs for the system through minimising the possibility of user fault by making it more difficult for the user to dispose of waste that could cause blockages in the system. This leads to improved accessibility in the system and lower operating costs.

WeTrace - Software-based search tool for data collected from the control system, which shortens the analysis work in, for example, optimisation work on energy consumption. It also enables troubleshooting of, for example, unknown user faults where all data can be accurately derived and analysed through all parts of the system.

Carbon filter - Logiwaste has developed a carbon and particulate filter that is used to filter out the particles and gases formed in the system efficiently while collecting the waste. The filter cabinet is placed in the out-going air flow. Up to 99.6% of the molecules of gases and particles from the system can be prevented from being released via the exhaust air. Disturbing odours from the out-going air can thereby be prevented from spreading around the immediate area.



The image shows a modern residential building with a mix of red and dark grey brickwork. It features several balconies with black metal railings and wooden handrails. Some balconies have potted plants. At the ground level, there are two stainless steel waste management units, a black trash bin, and a small illuminated sign. The building is set on a paved area with a stone staircase leading to an upper level.

Technical development: Communication in the systems via 4G/5G

During the year, Logiwaste launched a significant technical advance with the first operational waste vacuum system in a residential area where all signal communication is handled via 4G/5G technology. This means that all system components between terminals, valves and inlets around the residential area are controlled wirelessly via 4G/5G.

Traditional buried cables always carry a risk of surface movement, ageing of materials, damp, or purely mechanical damage when they're placed into the ground. Wireless technology offers a number of advantages in addition to minimising the risks from cables

by simplifying upgrades and future improvements of the system as the technology itself develops. Wireless communication also allows for cost-effective installation, lower material costs, and it facilitates further expansion of systems as the residential area gradually develops.

Future developments will move towards wireless communication in residential areas, as well as integrated communication in hospital systems and in public buildings' internal networks, with all the benefits it offers to owners of the systems.

With a new perspective on Servicing.

In 2020, Logiwaste established a modern and complete organisation for servicing, operation and support. We offer a portfolio of services that provides a complete, tailored service to our various customers based on the degree of personal effort they want to carry out.

We have customers who have completely handed over all responsibility for completely hassle-free operation to us, as well as customers who have their own organisation for all operations and servicing. In the latter situation, they can choose to only take advantage of our technical support and expertise.

We help our contracted customers with everything from advice, technical support, periodic servicing, preventive and troubleshooting maintenance to readiness for operation and modernisation of existing waste vacuum systems. A lot of our customers have facilities made by other suppliers on the market that are starting to age and we are carrying out more and more updates and modernisation work on these facilities.

Organisation and skills

Our team has been created to be able to deliver a safe and comprehensive service offering. Logiwaste's organisation for servicing currently consists of a Service Manager, service technicians, experienced supervisors and technical project management who have the collective skills to maintain all parts of a waste vacuum system. Within the organisation, we have a unique team of control electricians, automation engineers and software technicians with knowledge and experience to also maintain and modernise facilities from other brands. In 2020, Logiwaste established a complete servicing function where we can now offer more and more customers a complete service.

All customers - all manufacturers

Our service offering is aimed at all customers who have a stationary or mobile waste vacuum system, regardless of the previous supplier of the system. Work on a facility from another brand begins with a careful evaluation of what the system requires in terms of actions. Each service offer, regardless of system, is based on factors such as usage, age, condition, control system solution, and more. Normally, we begin our work with a detailed analysis

of the system where we offer our advice to the customer so that they can choose what amount of work they want us to carry out. In this way, we ensure that individual components and the facility itself are being given maintenance at the best possible time for the level of financial security our customers want.

Meeting Logiwaste for the first time

When initiating new servicing and operational commitments, we always present a technical investigation which then results in a concrete technical proposal and service offer for the customer. This gives our customers a detailed knowledge of their own facility which they often have not had previously. The subsequent offer normally takes into account the relevant factors of the system such as age, condition, use, system support, development plans, need for spare parts stock, for example. Collaborating with Logiwaste Service means that our customers are offered excellent insights and control over their own systems. Customers rely on Logiwaste because they know we are good at what we do.

Welcome to the future

Our service offering includes technical support for advanced control systems. Logiwaste's software is built on a future-proof platform. Modern search tools connected to the platform allow us to perform analyses, to troubleshoot and to record statistics on the millions of signals a system produces each year. The new technology is also implementable in systems from other manufacturers and we believe that this is the future of remote access with complete, intelligent information. It will create savings on various future costs for our customers and simplify things for users of the systems. Our belief is that a data-driven approach lays the foundation for long-lasting systems through intelligent, preventive maintenance with fewer errors, short lead times and a good overview of the facilities. Perhaps most importantly, it gives our customers a lot of transparency and control over their costs and long-term investments.

07:23 Service in valve room



10:53 Investigation of opportunities for improvement of existing terminal



13:42 Remotely monitored operation of AWCS system



16:47 Service of waste inlet in residential areas



Consultancy services, advice and technical support

Logiwaste contributes to our customers' projects with specialist knowledge. We are here to provide support, from start to finish.

As developers and suppliers of complete waste vacuum systems, we have the market's most in-depth and up-to-date expertise on solutions and possibilities in our field. We also have knowledge of the solutions to come in the future.

During the year, we saw an increasing demand for assignments of an advisory nature where our customers are in need of technical advice through consultancy. It could be questions such as 'Can we install a system in our existing building and how would it affect us?', or 'Can we upgrade our old system to handle more waste fractions?'. A lot of questions are also about replacing obsolete control systems and the effect it has on the system as a whole.

Logiwaste offers qualified advice and consulting services in all of the company's business areas. In each area, we have a team of technical specialists who can cover all the needs that may arise within the framework of a waste vacuum project, from investigation and advice to the finished facility and subsequent operation and servicing.

Within the area of waste vacuum projects, services such as system design and project design continued to be in high demand during 2020. Development has gone in the direction of an increased need for our customers to bring in waste vacuum expertise early in the process in the form of technical advice and investigations in order

to get the right input for a future project implementation. During the year, Logiwaste was procured as the primary technical consultant for waste vacuum systems by commissioning organisations in both Norway and Sweden. More and more people are discovering that the most in-depth and up-to-date expertise for waste vacuum systems is naturally to be found among companies that also supply these systems. It's a complex technology, and giving advice about it requires extensive experience. At the same time, waste vacuum technology is experiencing rapid development and people with projects to be carried out in the long term want to be sure that they're getting the latest, future-proof technology.

Product and software-related services such as control, modernisation and optimisation of waste vacuum systems are a growing area. Logiwaste has a strong service offering where we can help our customers to upgrade and modernise existing waste vacuum systems and thereby give 'new life' to older systems. With Logiwaste's software platform, older systems can keep pace with technical developments. Some examples of advantages are the possibility of increased control of the facility's status, optimising energy use and, to an increasing extent, analysing and solving emerging problems remotely via remote control. In principle, these upgrades always start with an advisory assignment in order to produce a technical and financial basis for decision making.



Quality, environment, working environment and sustainability.

2020 was essentially dominated by Covid-19 and the challenges it brought with it to the workplace. It has affected both the office environment as well as out in the field with our installations. A lot has changed and we've adapted our way of working and running projects, given the new conditions.

We have ensured that we have a safe and secure working environment where information, knowledge and awareness of the risks of Covid-19 have formed the basis. New procedures for hygiene and extensive investment in effective communication solutions for every workstation for remote meetings, both internally and externally, have yielded good results.

The big change obviously concerns how we meet our customers and other contacts. Travel has become more difficult and has thus been reduced to just the most necessary. Customer meetings have almost always only taken place remotely via video communication. This has had the positive effect of our climate footprint from travel being reduced, at the same time as working hours have been made more efficient when less time has been spent traveling.

Logiwaste strives to create the minimum environmental impact from our activities. We adhere to environmental legislation and other applicable local, national and international laws and regulations. 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 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.

In 2020, work has continued on improving processes in the areas of quality, environment and working environment, which are central to our business. We do this via the systems, ISO 9001: 2015 for quality, ISO 14001: 2015 for environmental management, and ISO 45001: 2018 for the working environment.

The work on our 2020 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.

We attach great importance to corrective measures and the processes we have connected with them. It's an effective way to continuously bring in input for improvements from our customers, suppliers, staff and other stakeholders. Through this we achieve a faster pace of improvement and, in the long run, also higher overall quality in everything we do. Our role is to create solutions that our customers appreciate so much that the market grows even faster. If we manage to do this, we'll be involved in making a strong contribution towards a more sustainable society in the long-term.

2020 The year in numbers.

Management report	17
Income statement and balance sheet	20
Notes	24
Audit report	32

Management report

The Board of Directors and managing director for Logiwaste AB, 556839-6245, hereby issue the annual accounts for 2020.

In general about the business

The Company

The company offers services, products and servicing for the environmentally efficient, cost-effective automated collection of waste and laundry. The company is active in Sweden, Norway and Denmark. The company is based in Upplands Väsby Municipality, Stockholm County.

Since March 2021, the company is a wholly-owned subsidiary of Logiwaste International AB, 556948-9510, which is a part of a group where M Industrial Invest AB, company reg no. 556651-6072, is the parent company.

The parent company carries out consolidated financial statement.

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

Amount in TSEK	2020	2019	2018	2017
Net turnover	114 731	142 690	103 208	57 293
Gross profit	13 341	9 673	9 849	7 895
Gross margin	11,6%	6,8%	9,5%	13,8%
Result after financial items	1 264	1 119	1 195	352
as % of net turnover	1,1%	0,8%	1,2%	0,6%
Total assets	66 315	63 940	56 662	49 492
Solidity	30,2%	30,1%	32,5%	35,5%

Key figure definitions, see note 26.

Management report

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

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

In March 2021, the subsidiary, Logiwaste AS, was liquidated. Continued operations will be conducted through the company's branch, Logiwaste NUF.

In March 2021, a new group structure was created, with Logiwaste International AB, 556948-9510, as the parent company and four subsidiaries:

- Logiwaste Engineering Procurement & Construction AB 559167-7439
- Logiwaste Automated Waste Collection Products AB, 559188-9851
- Logiwaste Service AB, 559257-9998
- Logiwaste AB, 556839-6245, which began reconstruction as a company on 09-03-2021

Predicted future development plus significant risks and uncertainty factors

Future development

The company showed a stable order backlog in 2020 and finished the year with a largely unchanged order situation compared to the previous year. Favourable market conditions prevail and the outlook for 2021 is for continued stability.

Substantial risks and uncertainty factors

Currency risks

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

Price risks

The largest proportion of sales are through long-term procurement agreements where the price level is fixed through a well-documented contract, which is why the risk of price fluctuations is very small.

Credit risks/Counterparty risks

The majority of 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 costs incurred. The company has a history of very small customer losses.

Liquidity risks

The company's profitability is well-established and financing is good with low or no outstanding debt. Even if the 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.

Research and development

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

Foreign branch

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
Opening balance 01-01-2020	5 587 260	16 347 935	-4 295 514	989 552	18 629 233
					0
					0
Change in development fund		6 349 747	-2 416 891	-3 932 856	0
Profit/loss for year				1 314 021	1 314 021
Equity 31-12-2020	5 587 260	22 697 682	-6 712 405	-1 629 283	19 943 254

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

Proposed distribution of earnings

The board of directors and CEO propose that unrestricted capital, SEK - 1 629 283, is appropriated as follows:

	Amount in SEK
Retained earnings	-1 629 283
Total	-1 629 283

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

Income statement

Amount in SEK	Note	01-01-2020 31-12-2020	01-01-2019 31-12-2019
Net turnover	2	114 731 190	142 689 915
Cost of sales	3,4	-101 390 428	-133 006 372
Gross profit		13 340 762	9 683 543
Sales costs	3,5	-3 597 774	-3 147 301
Administration costs	3,4,5,6	-7 760 315	-4 983 346
Operating results		1 982 673	1 552 896
Earnings from financial items			
Earnings from financial assets		-333 694	-22 269
Interest income and similar result items		3 096	841
Interest expenses and similar result items	7	-388 436	-412 633
Profit after financial items		1 263 639	1 118 835
End-of-year adjustments	8	606 000	347 972
Profit before tax		1 869 639	1 466 807
Tax	9,10	-555 618	-371 087
Profit for year		1 314 021	1 095 720

Balance sheet

Amount in SEK	Note	31-12-2020	31-12-2019
ASSETS			
Non current assets			
Intangible assets			
Capitalized development cost and similar work	11	18 431 161	15 417 704
Concessions, patents, licences, trademarks and similar rights	12	108 464	142 745
		18 539 625	15 560 449
Tangible assets			
Inventories, tools and installations	13	1 645 814	1 880 844
		1 645 814	1 880 844
Financial assets			
Shares in group companies	14	111 850	226 239
Other long-term receivables	15	14 747	14 747
		126 597	240 986
Total non-current assets		20 312 036	17 682 279
Current assets			
Stocks etc.			
Raw materials and consumables		930 367	1 567 566
		930 367	1 567 566
Current receivables			
Accounts receivable		31 674 305	27 726 838
Group company receivables		212 474	546 168
Current tax assets		58 854	29 062
Generated but not invoiced income	16	3 804 424	10 548 976
Other receivables		325 667	309 664
Deferred expenses and accrued income	17	8 979 499	4 463 722
		45 055 223	43 624 430
Cash and bank balances		76 479	1 066 082
		76 479	1 066 082
Total current assets		46 062 069	46 258 078
TOTAL ASSETS		66 374 105	63 940 357

Balance sheet

Amount in SEK	Note	31-12-2020	31-12-2019
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	18	5 587 260	5 587 260
Fund for development costs		15 985 277	12 052 421
		21 572 537	17 639 681
Unrestricted capital			
Retained earnings		-2 943 303	-106 167
Profit for year		1 314 021	1 095 720
		-1 629 282	989 553
Total equity		19 943 255	18 629 234
Untaxed reserves			
Accumulated excess depreciations		202 000	202 000
Tax allocation reserves		0	606 000
		202 000	808 000
Non-current liabilities			
Liabilities to credit entities	19	266 662	1 333 330
		266 662	1 333 330
Current liabilities			
Invoiced but ungenerated income	20	5 600 219	5 928 767
Bank advances	21	11 716 743	5 650 544
Liabilities to credit entities	19	1 066 668	1 066 668
Trade payables		7 799 440	12 785 954
Current tax liabilities		0	0
Liabilities to group entities		17 137	3 074 307
Other short-term liabilities		7 931 213	5 136 033
Accrued expenses and deferred income	22	11 830 768	9 527 520
		45 962 188	43 169 793
TOTAL EQUITY AND LIABILITIES		66 374 105	63 940 357

Cash flow statement

Amount in SEK	Note	31-12-2020	31-12-2019
Current operations			
Profit after financial items		1 263 639	1 118 835
Adjustments for items that are not included in the cash flow etc.	24	4 440 101	3 406 108
Paid tax		-585 410	-430 652
Cash flow from operating activities before changes in working capital		5 118 330	4 094 291
Changes in working capital			
Increase (-) /Decrease (+) of stock-in-trade		637 199	-942 850
Increase (-) /Decrease (+) of operating receivables		-1 734 695	-7 053 670
Increase (+) /Decrease (-) of operating liabilities		-3 273 804	3 211 380
		-4 371 300	-4 785 140
Cash flow from operating activities		747 030	-690 849
Investment activities			
Acquisition of intangible assets		-6 349 747	-2 461 685
Acquisition of tangible assets		-386 416	-849 643
Acquisition of financial assets		0	12 522
		-6 736 163	-3 298 806
Financing activities			
Repayment of debt		-1 066 668	-1 066 668
		-1 066 668	-1 066 668
Cash flow for the year		-7 055 801	-5 056 323
Cash and cash equivalents at the beginning of year		-4 584 463	471 860
Cash and cash equivalents at the end of year		-11 640 264	-4 584 463

Notes

Note 1. Accounting principles

Amounts are given in SEK unless otherwise mentioned.

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).

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 fixed asset and to use or sell it.
- Conditions exist for using or selling the intangible fixed asset.
- It is probable that the intangible fixed 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 fixed asset.
- The expenditure that is attributable to the intangible fixed 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.

	year	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 operational 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 operational leasing contract is a leasing contract that is not a financial leasing contract.

Financial leasing contracts

Rights and obligations under financial leasing contracts are reported as assets and liabilities in the balance sheet. On initial recognition, the asset and liability are valued at whichever 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].

Operational leasing contracts

Leasing expenses under operational leasing contracts, 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.

Stocks

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

	01-01-2020 31-12-2020	01-01-2019 31-12-2019
Net turnover per business segment		
Construction contracts	108 282 624	138 951 147
Service contracts	6 448 565	3 738 768
	114 731 189	142 689 915
Turnover per geographical market		
Sweden	84 112 031	95 894 046
Norway	27 289 334	30 558 865
Denmark	3 313 164	7 557 568
China	0	22 071
Russia	16 660	8 657 365
	114 731 189	142 689 915

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

Average number of employees	01-01-2020 31-12-2020	Of which are male	01-01-2019 31-12-2019	01-01-2018 31-12-2018
Sweden	27	25	31	25
Total	27	25	31	25

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

	01-01-2020 31-12-2020	01-01-2019 31-12-2019
Wages and other remunerations	15 130 171	16 307 542
Social contributions	5 596 929	6 678 149
(of which pension expenses) 1)	1 189 512	1 475 268

1) Of the company's pension expenses SEK 0 (prev. year SEK 162 592) concerns the company's management with regard to 1 (1) person,

Note 4. Depreciation of tangible and intangible assets

	01-01-2020 31-12-2020	01-01-2019 31-12-2019
Depreciations as per plan broken down per asset		
Capital expenditures for research & development etc	-3 336 290	-2 846 537
Concessions, patents, licences, trademarks	-34 281	-28 193
Inventories, tools and installations	-621 445	-531 376
	-3 992 016	-3 406 106
Depreciations as per plan broken down per function:		
- Cost of sold products	-3 413 951	-2 914 838
- Sales costs	-43 381	-40 107
- Administration costs	-534 684	-451 161
	-3 992 016	-3 406 106

Notes

Note 5. Operating lease - lessee

	01-01-2020 31-12-2020	01-01-2019 31-12-2019
Year's costs for operating lease agreements	2 224 661	1 526 569
agreed future minimum leasing costs for non-terminable contracts due for payment		
Within one year	1 679 026	1 398 827
Between one and five years	920 886	1 194 803
	2 599 912	2 593 630

Note 6. Fees and cost reimbursement to auditor

	01-01-2020 31-12-2020	01-01-2019 31-12-2019
Adsum Revisorer & Företagskonsulter AB		
Audit fees	57 150	70 350
Audit-related services	9 800	2 700
	66 950	73 050

Note 7. Interest expenses and similar items

	01-01-2020 31-12-2020	01-01-2019 31-12-2019
Interest costs group companies	52 345	95 197
Interest costs, others	311 985	289 726
Other financial costs	24 106	27 710
	388 436	412 633

Note 8. End-of-year adjustments

	01-01-2020 31-12-2020	01-01-2019 31-12-2019
Tax allocation reserves, year's provision	606 000	347 972
	606 000	347 972

Note 9. Tax on profit for year

	01-01-2020 31-12-2020	01-01-2019 31-12-2019
Current tax	-555 618	-371 087
	-555 618	-371 087

Note 10. Reconciliation effective tax

		01-01-2020 31-12-2020	01-01-2019 31-12-2019
Results before tax		1 869 639	1 466 807
Tax as per applicable tax rates	21,4%	-400 103	-313 897
Other non-deductible costs		-97 290	-53 915
Adjustment entry/item		-53 686	0
Standard tax rate		-4 539	-3 275
Reported effective tax		-555 618	-371 087

Note 11. Capitalized development cost

	31-12-2020	31-12-2019
Accumulated acquisition cost:		
- At start of year	21 915 656	19 624 909
- Year's investments and capitalisations	6 349 747	2 290 747
	28 265 403	21 915 656
Accumulated depreciations as per plan		
- At start of year	-6 497 952	-3 651 414
- Yearly depreciation as per plan	-3 336 290	-2 846 538
	-9 834 242	-6 497 952
Reported value at end of year	18 431 161	15 417 704

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

	31-12-2020	31-12-2019
Accumulated acquisition cost:		
- At start of year	455 938	285 000
- Year's investments and capitalisations	0	170 938
	455 938	455 938
Accumulated depreciations as per plan		
- At start of year	-313 193	-285 000
- Year's depreciation as per plan	-34 281	-28 193
	-347 474	-313 193
Reported value at end of year	108 464	142 745

Note 13. Inventories, tools and installations

	31-12-2020	31-12-2019
Accumulated acquisition cost:		
- At start of year	3 802 643	2 953 000
- New acquisitions	386 417	849 643
- Sales/Retirements	0	0
	4 189 060	3 802 643
Accumulated depreciations as per plan		
- At start of year	-1 921 799	-1 390 424
- Year's depreciation as per plan	-621 447	-531 375
- Sales/Retirements	0	0
	-2 543 246	-1 921 799
Reported value at end of year	1 645 814	1 880 844
Inventories that are held under financial leasing contracts are included with	None	None

Notes

Note 14. Shares in group companies

	31-12-2020	31-12-2019
Accumulated acquisition cost:		
- At start of year	226 239	248 508
- Acquisitions		
- Disposal	-114 389	
- Write-downs	0	-22 269
	111 850	226 239
Reported value at end of year	111 850	226 239

Spec. of 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.

			31-12-2020	31-12-2019
			Reported Value	Reported Value
Subsidiary/Tax reg. no./Head office	Number of shares	as a %		
Logiwaste AS, 915 016 324, Bergen, Norway	100 000	100	111 850	111 850
Logiwaste Environmental Technology (Beijing) Co., Ltd	0	0	0	114 389

Note 15. Other long-term receivables

	31-12-2020	31-12-2019
Accumulated acquisition cost:		
- At start of year	14 747	5 000
- Included depositions	0	9 747
	14 747	14 747
Reported value at end of year	14 747	14 747

Note 16. Generated but not invoiced income

	31-12-2020	31-12-2019
Constructions contracts		
Generated value	89 156 213	76 879 181
Invoiced value	-85 351 787	-66 330 205
	3 804 426	10 548 976

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.

Note 17. Deferred expenses and accrued income

	31-12-2020	31-12-2019
Prepaid rents	334 912	341 100
Accrued income other	8 333 448	3 933 473
Other items	311 138	189 149
	8 979 498	4 463 722

Note 18. Number of shares and quota value

	31-12-2020	31-12-2019
Ordinary shares:		
Number of shares	558 726	558 726
Quota value	10	10

Note 19. Liabilities to credit entities

	31-12-2020	31-12-2019
Due within 12 months	1 066 668	1 066 668
Due within 12-48 months	266 662	1 333 330
	1 333 330	2 399 998

Note 20. Invoiced but ungenerated income

	31-12-2020	31-12-2019
Construction contracts		
Generated value	85 844 833	86 251 117
Invoiced value	-91 445 049	-92 179 884
	-5 600 216	-5 928 767

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.

Note 21. Bank advances

	31-12-2020	31-12-2019
Granted credit	12 000 000	9 000 000
Utilised credit	11 716 743	5 650 544

Notes

Note 22. Accrued costs and deferred income

	31-12-2020	31-12-2019
Personnel-related items	1 835 039	1 956 327
Provisions project	6 101 891	5 862 447
Other deferred income	170 000	176 094
Accrued project costs	0	0
Accrued interest costs	0	0
Other items	3 077 364	1 532 652
	11 184 294	9 527 520

Note 23. Pledged collateral and contingent liabilities

	31-12-2020	31-12-2019
Pledged collateral		
Chattel mortgages	14 400 000	12 500 000
	14 400 000	12 500 000

Contingent liabilities

The company has issued guarantee commitments totalling SEK 12 484 815.

Note 24. Other information for the cash flow statement

	31-12-2020	31-12-2019
Adjustment for items that are not included in the cash flow etc.		
Depreciations	4 325 712	3 406 108
Realization result	114 389	0
	4 440 101	3 406 108

Note 25. Group information

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 company belongs.

Of the company's interest costs, SEK 52 345 relates to interest paid to M Industrial Invest AB.

Note 26. Key ratio definitions

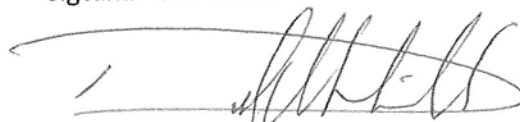
Gross margin %: Gross profit / Net turnover

Profit margin: Results after financial items / Net turnover

Balance sheet total: Total assets

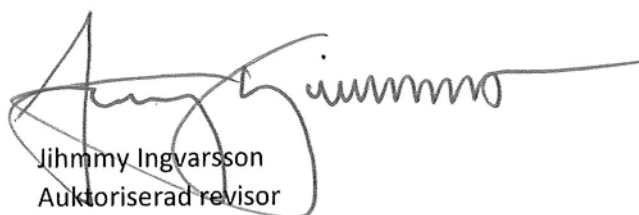
Solidity: (Total equity + 78,6% of untaxed reserves) / Total assets

Sigtuna 2021-06-30



Daniel Martinwall
Styrelseordförande

Min revisionsberättelse har lämnats 2021-06-30



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

Opinions

We have audited the annual accounts of Logiwaste AB for the year 2020.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of Logiwaste AB as of 31 December 2020 and its 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.

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

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 Logiwaste AB 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.

Other Information than the annual accounts

This document also contains other information than the annual accounts concern sustainability reporting. The Board of Directors are responsible for this other information.

Our opinion on the annual accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors

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

In preparing the annual accounts, The Board of Directors are responsible for the assessment of the company's ability to continue as a going concern. It discloses, 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 intend 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 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.

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, 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 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.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting in preparing the annual 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 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 or, if such disclosures are inadequate, to modify our opinion about the annual 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 the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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, we have also audited the administration of the Board of Directors of Logiwaste AB for the year 2020 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 member of the Board of Directors 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 Logiwaste AB 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

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 type of operations, size and risks place on the size of the company'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 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 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 June 30th 2021

Adsum Revisorer & Företagskonsulter AB

A handwritten signature in blue ink, appearing to read "Jihmmmy Ingvarsson", written over a blue rectangular stamp. The signature is stylized and extends to the right.

Jihmmmy Ingvarsson
Authorized Public Accountant

