

# Logiwaste Annual Report 2021





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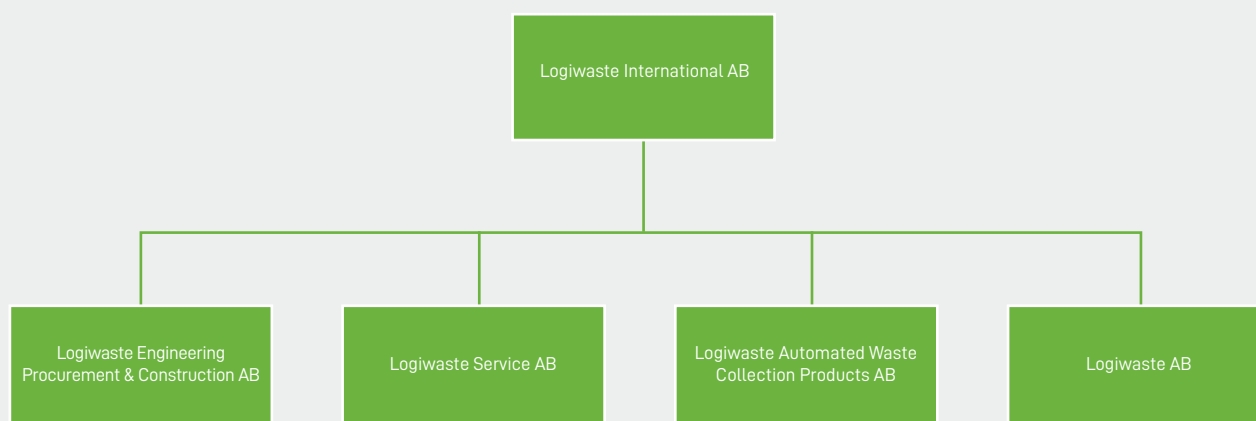
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# This is Logiwaste

The Logiwaste group is well established in its position as one of the leading actors in Scandinavia for automated waste and laundry collection systems. We remain one of the leading environmental technology groups in Sweden.

Operations have been divided during the year so that we can focus our business and our organisation with the aim of making life simpler for our customers. Projects, Servicing and Products are our core areas within which we also offer advice and consultancy services.



## Projects for stationary and mobile AWCS systems

Stationary systems for residential areas and hospitals. From early stage advice and complete design to operational systems. With our mobile waste vacuum system, we offer the possibility of effective and hygienic waste management for new and existing housing associations and rental properties.



## Products and software

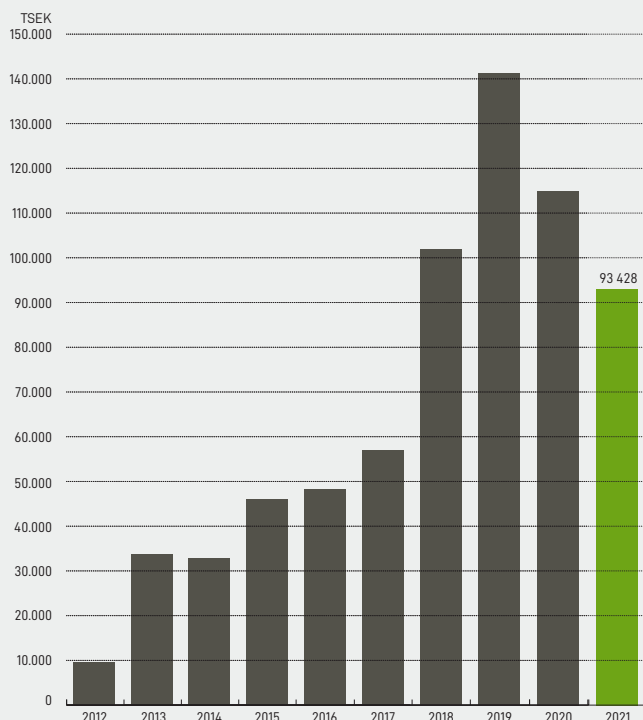
Logiwaste's state-of-the-art software platform optimises management and control of automated waste collection systems. Logiwaste's product development is driven by developments in society and the needs of our customers. Via our own organisation, we offer continual updates in line with the pace of change in technology and the world around us.



## Servicing, Operation and Maintenance

Through servicing, operation and maintenance, we ensure reliable and efficient operation, regardless of original supplier. We also offer advanced technical support and optimisation of plants that are already in operation.

# The year in summary



## NET TURNOVER

**93,4 MSEK**

## PROFIT/LOSS AFTER FINANCIAL ITEMS

**1,7 MSEK**

## PROFIT MARGIN

**2,8 %**

## SOLIDITY

**16,8 %**

## Selected events during the year

### From a company to a group

During the year, Logiwaste was reorganised from a company to a group.

### Advanced monitoring of mobile tanks

Possibility of camera surveillance inside a storage tank providing real time remote operational monitoring.

### Control system

New generation of user interface for control system launched.

### ISO-certification of all companies in the group

All five companies in the group were certified in November in accordance with the systems for ISO 9001:2015 for quality, ISO 14001:2015 for environmental management, and ISO 45001:2018 for working environment.

### Comprehensive Operation and Servicing in Oslo

During the year, we also started to offer our customers in Oslo support, operation and servicing, 365 days a year.

# A selection of ongoing projects in 2021



Helsingborg Hospital  
Hospital  
Helsingborg, Sweden



Risvolla helse- og velferdssenter  
Nursing home  
Trondheim, Norway



Lilleby  
Residential area  
Trondheim, Norway



Ulven  
Residential area  
Oslo, Norway



Skövde Hospital  
Hospital  
Skövde, Sweden



Kungälv Hospital  
Hospital  
Kungälv, Sweden



Norrtälje Harbor  
Residential area  
Norrtälje, Sweden



Uppsala University Hospital  
Hospital  
Uppsala, Sweden



Regional Clinical Hospital  
Hospital  
Krasnoyarsk, Russia



Folksam Fastigheter  
Mobile system  
Stockholm, Sweden



Kv. Klacken  
Residential area  
Solna, Sweden



Skåre area  
Residential area  
Lørenskog municipality, Norway

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

2021 was our 16th year as an actor in our industry. This journey started in 2006 with five years of development and concepts. This was followed by a 10 year period of product launches and internationalisation.

At the start of the year, we reorganised ourselves as a new group with Logiwaste International as the new Parent Company. Logiwaste Engineering Procurement and Construction is our new business for projects. Logiwaste Service manages all our aftermarket, servicing, operation and technical support for our operational customers. Logiwaste Automated Waste Collection Systems is our product company, which will be focused entirely on technology in control systems and our physical products. Logiwaste AB is the former operational company, which will be more of a resource company for consultations and execution.

2021 has been characterised by implementing and completing company reorganisation in the subsidiary Logiwaste AB. The company reorganisation has been successful, with the creation of more effective processes, as well as a more lean and competent organisation that will constitute the basis and the platform for the future.

During the year, we have focused exclusively on doing a good job for our customers, improving the quality of our products and control systems, and taking our aftermarket and servicing operation to a whole new level.

The year continued to be affected by the ongoing pandemic, which created huge uncertainty in society in general as well as in our markets. The previous adaptation of our operations to a completely new way of managing projects and meeting our customers has functioned well. Coming straight from a strong growth period with large delivery volumes has obviously been challenging for us, with limited opportunities to carry out the work and borders being closed. Strategically, we have focused on adapting to reduced volumes, but raising the level of service and quality we provide to our customers with a more appropriate and streamlined organisation.

I have reviewed some important areas below on which we have focused, and I want to start with the most important.

## **We are Logiwaste! - An attractive employer**

Interest in applying to Logiwaste has continued to increase during the year. We are pleased that so many capable people would like to work with us. Our ambition is to attract the industry's best employees.

People who apply here want to be part of a dynamic team in a fast-growing, international company where every individual's input is important. Our culture is to share knowledge and experience and people who are self-motivating and want to learn a lot in a short time are those who do best here.

All our employees work with the most modern software and IT tools available on the market, and we endeavour to always be at the leading edge in order to challenge all the capable young people who work with us.

It feels particularly worthwhile that we are in a sector where we are collectively engaged in contributing to a more sustainable society.

## **Quality, Environment and Working Environment - A sustainable company**

We entered 2021 with what we regard as a complete physical product portfolio. It has taken 10 years of continuous development from our skilful product development team to get there. During the year we have continued according to schedule, with a focus on product improvements, technical service life and higher availability. From having been a part of the development, we are now making it our ambition to be the leading actor for technical development within our industry.

During 2021, we supplemented all new companies within the group with certificates within Quality ISO 9001, Environment ISO 14001 and Working Environment ISO 45001, as well as certification of our sustainability work.

## **Simplicity for the customer - our most important relationship**

A relationship is usually associated with direct personal relations, and it is obviously central when it comes to creating beneficial and lasting values together with our customers. At Logiwaste everything we do entails creating simplicity, clarity and transparency in all processes and procedures in connection with business relationships. For example, regarding our deliveries and commissions for our customers. I meet customers every day and there is a lot of knowledge out in the market. We maintain a continuous dialogue with our customers, where we find out what can be developed further. How can we do what we do even better? The owners and managers of the systems want to achieve simplicity and a satisfactory overall economy. The users take greater responsibility for waste sorting when they are offered technical solutions that make it easy



*From having been a part of the development, we are now making it our ambition to be the leading actor for technical development within our industry.*



and convenient for them to 'do the right thing'. This is entirely in line with the increasing environmental engagement in society as a whole. Our ambition is to continually strengthen our quality and make things easier for system owners and users through modern, well-designed technical solutions.

**Technological cutting edge - Real customer value**

Our organisation for software development, automation and control electronics is an initiative that has the aim of leading future system engineering solutions and software development. It is absolutely necessary that we keep up with the rapid technological development in society. We are, and will remain, at the technological cutting edge in this area.

We have created the conditions for more efficient installations, as well as simpler surveillance and data collection for analyses of the system. At the same time, a large number of new functions give our customers the possibility of simple yet optimised operation. We have 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 are also more secure for the future in terms of forthcoming upgrades and control methods compared with buried cable systems for communication.

**Aftermarket - an area where the best service must always be offered.**

Our aim is that our customers will also appreciate the modern waste management technology in the long-term. Each plant is associated with an operating cost to maintain a high level of availability. The goal is to provide as beneficial an overall economy as possible over time, in combination with the desired level of service.

We have continued to build a strong service team during 2021 so that our current and future customers are secure in the knowledge that we will solve their problems when they contact us. We want to be there for our customers and to help them with service life, overall cost, simplicity and environmental efficiency.

During the year, we have taken responsibility for operation and periodic servicing for a number of new customers. At the same time, we have built an organisation that is able to provide operation and servicing for both our own systems and also systems from other

suppliers. Everyone with a waste or laundry vacuum system can come to us for a complete offering for their system.

**To sum up**

What is my overall view of 2020? A year when the effects of the pandemic were at their height and we have used the year to streamline and develop our expertise and speed by means of more efficient procedures and processes in everything we do. We have improved our internal efficiency in a number of areas and simultaneously made extensive investments in expertise, software, hardware and technical equipment in order to further hone our offering to our customers.

Turnover was somewhat higher than budgeted, despite the impact of Covid-19, and I am expecting a lower turnover in the next few years. We also view 2022 as a year where we will continue to focus and ensure that our existing customers receive our utmost attention. The results are positive overall, but there is a lot of potential for improvement. In the long term, our investments will take effect and margins will gradually begin to rise. With the ever greater interest we are seeing in our solutions, it is not impossible that we might see the start of a growth period again in 2023-2025.

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

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

Daniel Martinwall  
CEO, Logiwaste AB

# Stationary systems, Digitalisation continuing

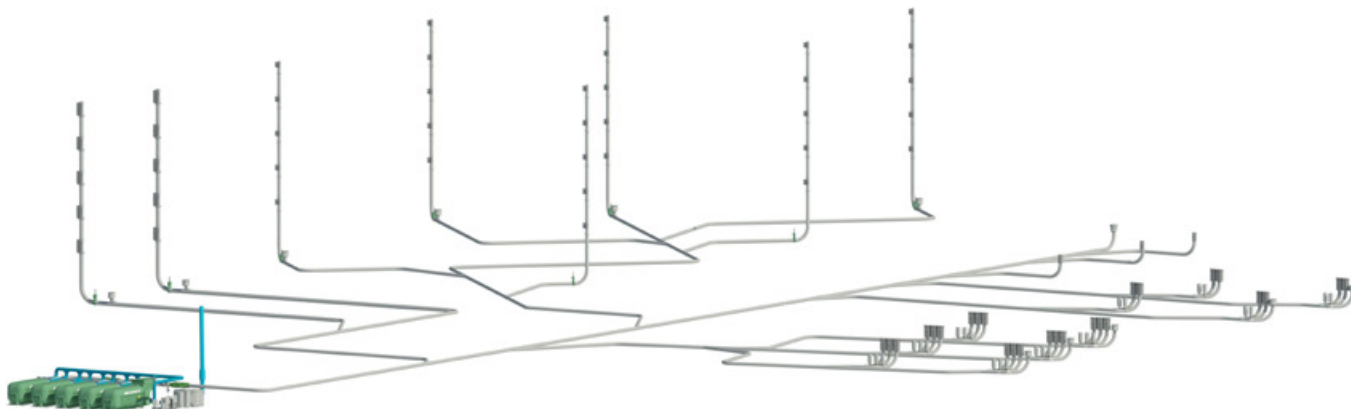
Logiwaste is at the cutting edge when it comes to utilising the potential of digitalisation and applying it in order to improve and become more efficient in our operations and our projects.

During the year, the bulk of our development department has been working on our stationary systems, which has included further development and improvement of products as well as software. The aim has been to implement multiple beneficial ideas and experiences in order to improve our design, ensure quality and enhance operational reliability.

During the year, the control system has undergone a major update with structural improvements that streamline the maintenance of the code base. This also includes powerful remote support tools to support the service technicians' work in the field, as well as a completely new graphic user interface.

Logiwaste is at the cutting edge when it comes to utilising the potential of digitalisation and applying it operationally, as well as integrating it in our projects. Our aim is to make things simple in our interaction with customers and other collaborative partners.

Sharing all our products as BIM objects in the most common CAD formats via our website makes it simpler for our customers to plan systems for stationary waste vacuum systems at an early stage in their projects. Even though those who download BIM objects do not have the technical depth required to design a complete installation, it is a simple way for them to gain an initial idea of positioning and the space requirements that are needed.



# Mobile systems, Development program implemented

Logiwaste mobile systems have undergone an extensive programme of further development. Customer requirements have been analysed based on functionality, operation and capacity. Product development and new innovations have taken the mobile product programme to the next level.

A significant change is the introduction of twin feed screws on large tanks, and a new control system, which together considerably increase the capacity. As the sole supplier, we can now offer storage tanks of up to 22 m<sup>3</sup>, which saves a lot of space in the tank bay compared with dividing the volume up into several tanks.

Camera surveillance inside storage tanks in combination with the new control system is a powerful tool to remotely monitor operation, rectify faults and support personnel on site.

Other innovative solutions that have been introduced during the year include the possibility of weighing the tanks, which makes it possible to call out the vacuum truck when it is needed instead of on set days of the week.

We have also developed the tanks' ability to handle non-permitted material - which simultaneously further extends the service life in connection with handling permitted material.

The result is that Logiwaste has further consolidated its position during the year in the area of mobile waste vacuum systems. As previously, Logiwaste's mobile systems operate completely independently of vacuum truck and can therefore be emptied by all common vacuum trucks on the market - a feature that is offered exclusively by us.



*Logiwaste control system enables real time monitoring from the inside of a mobile storage tank. This makes it easy for the operational personnel to identify any incidents that have arisen and simultaneously decide on the right action to take.*



# Consulting services and advice. Our staff make a difference in society

Our technology has an exciting future in a global market where we can make a difference and contribute to a long-term and more sustainable social development. In order to forcibly drive the company on towards the goals we have set, we need to attract the best employees in the industry.

Qualified advice and consultancy services is a central part of Logiwaste's offering. It is based on our employees' technical expertise, competence and the experience that we have built up during the 16 years that the company has existed.

We are continuing to develop our service offering within all our business areas, and we keep up-to-date with the latest technological developments within the field. Our technical specialist are ready to confront the challenges that development of the sustainable society of the future is facing.

Within our consultancy commissions, we help to produce solutions and documents within all design phases. We produce program documents, system documents, construction documents and as-built documents, and also conduct reviews when needed.

We often help our customers with consultation, where we formulate a technical solution with a design that fits into the prospective construction project or in an existing building in a feasible and user-friendly way.

Our consultancy initiatives also include examination of existing systems from other suppliers in order to produce documentation for an investment plan, with the aim of modernising older installations. Our automation and software team enable us to investigate the condition of the control system and present future needs.

Logiwaste offers qualified advice and consultancy services within all of the company's business areas from investigation and advice to finished plant, which can subsequently also entail operation and service.



# Service and aftermarket

The organisation for aftermarket, i.e. servicing, operation and support has continued to develop the portfolio of services offered during 2021, with the guiding principle that customers should be given the opportunity to adapt agreements and orders according to their needs in any given situation.

During the year, the number of customers that have selected to hand over full responsibility for problem-free operation has increased. At the same time, several customers that already have their own operational organisation have decided to expand operational advice with our technical support and expertise. In the latter case, there has been an increase in the number of orders executed remotely. Logiwaste's aftermarket department has performed servicing, operation and corrective maintenance, and continued to implement more modernisations of existing waste and laundry vacuum systems. Several customers have plants provided by different suppliers that require renovation or modernisation. During 2021, we have taken on renovations of everything from large waste vacuums for district networks to small chutes in hospitals.

Despite aftermarket commissions often entailing jobs with short lead times, a long-term perspective is fundamental. A proactive approach is incorporated in all deliveries, regardless of the nature of the assignment. The aim is that customers will want to build a long-term relationship with Logiwaste thanks to a problem-free collaboration. The past year has continued to provide clear answers as to how this is achieved - through continuous technical and administrative improvements, which take place with transparency and close dialogue with customers.

Our service offering is targeted at all customers that have a stationary or mobile waste vacuum plant, regardless of previous supplier of the installation. 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 detailed knowledge of their own facility. The subsequent offer normally takes into account the

factors relevant to the system such as age, condition, use, system support, development plans, stocking requirement for spare parts, for example. Collaborating with Logiwaste Service means that our customers are offered beneficial insight into and, control over their own systems. Customers rely on Logiwaste because they know we are good at what we do.

During the year, the aftermarket organisation has been strengthened with additional technicians and currently consists of service manager, operational technicians, service technicians, experienced labour management, as well as technical project management, which together deliver the expertise to maintain all parts of a waste vacuum system. Aftermarket works closely with a unique team of control electricians, automation engineers and software technicians with knowledge and experience to maintain and modernise installations of other makes too.

The everyday work has continued to develop in line with the major steps that have been taken in technological development. During the past year, a number of contracted customers have followed the updates offered for control systems, which streamline and improve the service offering. Analysis of the data collected via control systems is becoming increasingly important and useful, thanks to more powerful tools for analysis and collocation. Modern search tools linked to the platform enable us to conduct analyses, troubleshooting and keep statistics of all the millions of signals a system produces every 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. This has become reality to an increasing extent during the year, and issues can often be resolved without technicians needing to be on site. 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 plants. Perhaps most importantly, it gives our customers a lot of transparency and control over their costs and long-term investments.

# Environment, Sustainability, Working Environment and Quality

In November, all the group's companies underwent a recertification of all ISO certificates with excellent results. After the recertification, the companies are jointly included in the same certificate for the systems for ISO 9001:2015 for quality, ISO 14001:2015 for environmental management, and ISO 45001:2018 for working environment.

Sustainability and consideration of our **environment** is as natural as it is a business critical component for Logiwaste, and affects the company both internally and externally. It constitutes the basis for the systems and solutions that we supply and is an obvious part of our business. We are actively engaged in identifying and analysing environmental aspects in every part of the business and implementing relevant measures. We comply with environmental legislation and other applicable local, national and international laws and rules.

This work has included production of a **sustainability report** during the year. The sustainability report is based on completed and planned activities within environmental, social and economic areas. It is prepared in accordance with the provisions in chapter 6 of the Swedish Annual Accounts Act. Our sustainability plan has been produced based on our current conditions. However, we are endeavouring to continuously develop the work, widen our responsibility and reduce our environmental footprint.

During 2021, Covid-19 has continued to impact on our everyday lives in the office and at workplaces out in the field. The work of ensuring a safe and secure **working environment** for our staff is ongoing. The routines and procedures introduced during 2020 in relation to working environment and hygiene as a result of the Covid situation have functioned well. A high level of awareness among the employees in combination with regular updates and information for those affected. We have adapted to the restrictions that travel between different regions and countries has entailed, and develop-

ped beneficial and effective procedures regarding information on current rules in order to manage this.

Physical meetings with customers and stakeholders have been kept to a minimum this year too, which has benefited the digital arena. The changes introduced during 2020 have turned out to function very well in both communication and interaction with others, and in work relations in general. The even higher degree of digitalisation and focus on more efficient processes that this has entailed has in many respects made us even more efficient in our way of working.

Within the framework of **quality management**, Logiwaste has previously prepared a complete portfolio of products for both mobile and stationary waste vacuums. During the year, the development department's work has consequently been largely focused on further developing and improving existing key components with respect to functionality, operational reliability, serviceability and production processes.

Further, the processes regarding sales work, agreements and contract management have been fundamentally reworked, enhancing clarity and transparency in communication and relations with our customers. This has simultaneously led to increased internal efficiency in implementation. To a large extent it concerns acting correctly from the outset, and in this context the new processes have played a crucial role in our work going forward.



*The Global Goals represent the most ambitious agenda for sustainable development that the world's countries have ever adopted. Resolving the climate crisis is one of four objectives. As a part of our sustainability reporting, we have analysed our external opportunities to maximise the positive effects of our sustainability work, and decided to prioritise the materiality areas/global goals: sustainable industry, innovation and infrastructure (SDG 9), sustainable cities and communities (SDG 11), sustainable production and consumption (SDG 12).*

## **The year in figures**

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The Board of Directors for the Logiwaste group issues the following annual financial statements and consolidated financial statements for the financial year 2021.

The annual financial statements have been prepared in Swedish kronor, SEK. Unless specifically indicated otherwise, all amounts are reported in full Swedish kronor (SEK). Information in brackets refers to the previous year.

#### Information about business activities

The company constitutes a group together with four subsidiaries and offers advice services, products and servicing for the environmentally-efficient, cost-effective, automated collection of waste and laundry. The company operates in Sweden, Norway and Denmark and is focused on both residential areas and healthcare facilities.

The company is a wholly-owned subsidiary of M Industrial Invest AB, 556651-0672, which is the parent company. Both Logiwaste International AB and the parent company draw up consolidated financial statements.

The company has its registered office in Upplands Väsby.

#### Key events during the financial year

During the year, the company has administered four subsidiaries with operations within automated waste management. At the start of the year, the four companies below were acquired for the newly constituted group:

Logiwaste Engineering Procurement & Construction AB 559167-7439  
Logiwaste Service AB, 559257-9998  
Logiwaste Automated Waste Collection Products AB, 559188-9851  
Logiwaste AB, 556839-6245

#### Predicted future development and significant risks and uncertainty factors

The group is expected to concentrate its efforts on marketing and to reduce its turnover during 2022, with the focus on providing its customers with a better service and stable product quality prioritised above volume growth.

The company is expected to reduce its market share for the year, however, the prospects are positive, with the market looking positive and expectations for 2022 remaining stable, and with the group as a whole constituting a more lean and streamlined organisation for the future.

#### Substantial risks and uncertainty factors

##### Currency risks

The group has a significant proportion of sales in SEK and NOK, while a substantial proportion of purchases are made in EUR. No hedging takes place.

##### Price risks

As sales take place through participation in procurements where the price level is set through a well-documented contract, there is a very low risk of price fluctuations.

#### Credit risks/Counterparty risks

The vast majority of sales are to large, well-consolidated customers, mainly within the public sector. Agreements reached generally include a payment plan where payment is made as costs are incurred. The company has a history of very minor customer losses.

#### Liquidity risks

The group is essentially profitable and has excellent financing with no external liabilities to credit institutions. Even though expansion requires increasing working capital, the company can finance the operation in such a way that liquidity can be kept at a proportionate 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 group has continued to invest in new products and solutions for mobile and stationary waste vacuum facilities in its own development and product company. This includes the development of both software and hardware.

#### Foreign branches

Three of the subsidiaries have branches registered in Norway.

#### Sustainability information

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 has been developed based on our current conditions, however, our aim is to continuously develop our work and broaden our responsibility. We use PURE ACT's platform as a tool for our sustainability work.

#### Company's operations, result and financial trend

Amount in TSEK	2021
Net turnover	93 428
Result after financial items	1 726
Solidity	16,8

# Group Income Statement

Amount in SEK	Note	01-01-2021 31-12-2021	01-01-2020 31-12-2020
Net turnover	2	93 427 625	114 731 190
Cost of sales	3	-83 588 061	-101 390 428
<b>Gross profit</b>		<b>9 839 564</b>	<b>13 340 762</b>
Sales cost	4	-4 335 830	-3 597 774
Administration cost	5,6	-11 455 169	-7 760 315
Other operating expenses	7	-9 682 556	
Other operating income	8	18 227 489	
<b>Operating results</b>		<b>2 593 499</b>	<b>1 982 673</b>
<b>Earnings from financial assets</b>			
Earnings from financial assets		-18 062	-333 694
Results from other securities and receivables that are fixed assets		498	
Interest income and similar result items		12 905	3 096
Interest expense and similar result items		-863 096	-388 436
<b>Profit after financial items</b>		<b>1 725 743</b>	<b>1 263 639</b>
End-of-year adjustments		0	606 000
<b>Profit before tax</b>		<b>1 725 743</b>	<b>1 869 639</b>
Tax	9	-898 558	-555 618
Deferred tax		-294 168	
<b>Profit for year</b>		<b>533 017</b>	<b>1 314 021</b>
<b>Attributable to the parent company's share holders</b>		<b>533 017</b>	<b>1 314 021</b>

# Group Balance Sheet

Amount in SEK	Note	31-12-2021	31-12-2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Capitalized development cost and similar work	10	6 695 775	18 431 161
Concessions, patents, licences, trademarks and similar rights	11	74 276	108 464
		<b>6 770 051</b>	<b>18 539 625</b>
<b>Tangible assets</b>			
Inventories, tools and installations	12	3 881 518	1 645 814
		<b>3 881 518</b>	<b>1 645 814</b>
<b>Financial assets</b>			
Shares in group companies			111 850
Other long-term receivables		617 868	14 747
		<b>617 868</b>	<b>126 597</b>
<b>Total non-current assets</b>		<b>11 269 437</b>	<b>20 312 036</b>
<b>Current assets</b>			
<b>Stocks etc.</b>			
Raw materials and consumables		1 929 365	930 367
		<b>1 929 365</b>	<b>930 367</b>
<b>Current receivables</b>			
Accounts receivable		13 926 374	31 674 305
Group company receivables			212 474
Current tax assets			58 854
Generated but not invoiced income	13	1 829 913	3 804 424
Other receivables		5 461 288	325 667
Deferred expenses and accrued income	14	3 526 282	8 979 499
		<b>24 743 857</b>	<b>45 055 223</b>
Cash and bank balances	15	23 833 193	76 479
<b>Total current assets</b>		<b>50 506 415</b>	<b>46 062 069</b>
<b>TOTAL ASSETS</b>		<b>61 775 852</b>	<b>66 374 105</b>

# Group Balance Sheet

Amount in SEK	Note	31-12-2021	31-12-2020
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Equity attributable to equity holders of the Parent Company</b>			
Share capital		1 000 000	5 587 260
Other equity including this years profit		9 373 906	14 355 995
<b>Equity attributable to equity holders of the Parent Company</b>		<b>10 373 906</b>	<b>19 943 255</b>
<b>Total equity</b>		<b>10 373 906</b>	<b>19 943 255</b>
<b>Provisions</b>			
Deferred tax liabilities	16	342 042	
		<b>342 042</b>	
<b>Untaxed reserves</b>			
Accumulated excess depreciations			202 000
<b>Long-term liabilities</b>			
	<b>18</b>		
Long-term borrowings from Parent Company		10 000 000	
Long-term lease liabilities		1 049 985	266 662
		<b>11 049 985</b>	<b>266 662</b>
<b>Current liabilities</b>			
Trade payable		5 246 068	7 799 440
Bank advances			11 716 743
Liabilities to credit entities			1 066 668
Liabilities to group entities		363 915	17 137
Invoiced but ungenerated income	17	9 428 594	5 600 219
Tax liabilities		587 741	0
Other short-term liabilities		12 840 496	7 931 213
Accrued expenses and deferred income	19	11 543 105	11 830 768
		<b>40 009 919</b>	<b>45 962 188</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>61 775 852</b>	<b>66 374 105</b>

## Note 1 Accounting and valuation principles

### General information

The annual financial statement and consolidated financial statement have been drawn up in accordance with the Annual Accounts Act and BFNAR [the General Guidelines of the Swedish Accounting Standards Board] 2012:1 Annual financial statements and consolidated financial statements (K3).

The annual financial statement and consolidated financial statement were drawn up for the first time in accordance with BFNAR 2012:1 Annual financial statements and consolidated financial statements (K3). The transition has been carried out according to the regulations in K3. To enable meaningful comparison with previous years, all items in the income statement, balance sheet, cash flow statements and notes have been restated for the comparison year.

With the transition to BFNAR 2012:1 (K3) the following accounting principles have been changed in comparison with previous years: Transition has been made to income statement classified according to function.

Receivables and liabilities in foreign currency have been valued at the rate on the balance sheet date. Exchange gains and losses on current receivables and current liabilities are recognised in the operating profit/loss, whereas exchange gains and exchange losses on financial receivables and liabilities are recognised as financial items

### Income recognition

Income has been recognised at the fair value of amounts received or receivable and is reported if the Company is likely to benefit from the financial advantages and the income can be reliably estimated.

### Service assignments in progress

Revenue from assignments on an open account is recognised as revenue as the work is carried out and materials are supplied or consumed, which means that the assignments are subject to the percentage of completion method.

If it is not likely that payment will be received for amounts that have already been reported as revenue, the amount that will probably not be received is reported as a cost.

In the balance sheet, recognised income is compared with the amounts invoiced to the client during the same period. If the invoiced amounts exceed the recognised income, the difference constitutes a liability which is recognised as income invoiced but not accrued. If the income exceeds the invoiced amounts, the difference constitutes a receivable that is recognised as income accrued but not invoiced.

### Ongoing contract works and similar

Revenue from assignments on an open account is recognised as revenue as the work is carried out and materials are supplied or consumed, which means that the assignments are subject to the percentage of completion method.

If it is not likely that payment will be received for amounts that have already been reported as revenue, the amount that will probably not be received is reported as a cost.

In the balance sheet, recognised income is compared with the amounts invoiced to the client during the same period. If the invoiced amounts exceed the recognised income, the difference constitutes a liability which is recognised as income invoiced but not accrued.

If the income exceeds the invoiced amounts, the difference constitutes a receivable that is recognised as income accrued but not invoiced.

Income from fixed price assignments is recognised as income in accordance with the degree of completion of each assignment, the so-called "percentage of completion". The percentage of completion is determined primarily by comparing assignment costs incurred to total assignment costs.

When the outcome can be estimated reliably, income from assignments and expenses related to assignments is recognised in the income statement on the basis of the percentage of completion of the activities on the balance sheet date.

If the financial outcome of an assignment cannot be estimated reliably, income is recognised only at an amount that corresponds to the assignment expenses incurred that are likely to be reimbursed by the client. If it is probable that total assignment costs will exceed total income from an assignment, the feared loss is immediately recognised as an expense in the income statement.

In the balance sheet, recognised income is compared with the amounts invoiced to the client during the same period. If the invoiced amounts exceed the recognised income, the difference constitutes a liability which is recognised as income invoiced but not accrued. If the income exceeds the invoiced amounts, the difference constitutes a receivable that is recognised as income accrued but not invoiced.

### Consolidated financial statements

#### Consolidation method

The consolidated accounts were prepared using the acquisition method. This means that an acquired business' identifiable assets and liabilities are recognised at their market value in accordance with an acquisition analysis.

If the historical cost of the business exceeds the estimated market value of the expected net assets in accordance with the acquisition analysis, the difference is recognised as goodwill.

#### Subsidiaries

The consolidated financial statements include, in addition to the parent company, all companies in which the parent company holds, directly or indirectly, more than 50% of the voting rights or otherwise holds the controlling influence and thus has the right to design the company's financial and operational strategies in order to obtain economic benefits.

A subsidiary's income and expenses are recognized in the consolidated financial statements from the date of acquisition up to the time when the parent company no longer has a controlling influence over the subsidiary.

#### Transactions between group companies

Internal group receivables and liabilities and transactions between group companies and unrealised earnings are eliminated in full. Unrealised losses are also eliminated unless the transaction involves a need for impairment.

Changes in internal earnings over the financial year have been eliminated in the consolidated income statement.

# Notes

## Accounting principles for individual balance sheet items

### Intangible assets

The company recognises internally developed intangible assets in accordance with the capitalization model. This means that all expenditure that is for the development of an internally generated intangible assets is capitalised and amortised during the asset's estimated useful life, provided that the criteria in BFNAR [the General Guidelines of the Swedish Accounting Standards Board] 2012:1 have been fulfilled.

### Fixed assets

Intangible and tangible fixed assets are recognised at historical cost after a deduction for accumulated depreciation according to plan and any impairment.

Amortisation is on a straight-line basis over the expected useful life with any significant residual value being taken into consideration. The following depreciation percentages are applied:

#### Intangible fixed assets

Capitalised expenditure for development work	12.5-20%
Concessions, patents, licences, trademarks	20%

#### Tangible fixed assets

Equipment, tools, fixtures and fittings	20%
-----------------------------------------	-----

### Leases

A financial lease means that the rights and obligations are recognised as assets or liabilities in the balance sheet. The assets and liabilities are measured at the asset's fair value or the current value of the minimum leasing fees, whichever is the lower. Expenses that are directly attributable to the lease are added to the value of the asset. The leasing fees are divided into interest and repayment according to the effective interest rate method.

Variable fees are recognised as expenses in the period in which they are incurred. The leased asset is subject to depreciation on a straight-line basis over the leasing period.

### Stocks

Stock is valued at the lower of cost or net realisable value at the closing date. Net realisable value is considered to be the estimated selling price of the goods net of selling expenses. The selected valuation method means that obsolescence of stocks has been taken into account.

## Income taxes

### Current tax

Current tax means the income tax for the current financial year and the part of the income tax for previous financial years that has not yet been recognised. Current tax is calculated at the tax rates applying at the balance sheet date.

### Deferred tax

Deferred tax is the income tax that relates to future financial years as a result of previous events. It is recognised using the balance sheet method. According to this method, deferred tax liabilities and deferred tax assets are recognised on temporary differences arising between the book value of assets and liabilities and their value for tax purposes and for other tax deductions or deficits.

Deferred tax receivables are recognised net against deferred tax liabilities only if they can be paid at a net amount. Deferred tax is calculated on the basis of the current tax rate at the balance sheet date. Effects of changes in current tax rates are recognised in the period when the change was enacted. Deferred tax receivables are recognised as financial fixed assets and deferred tax liabilities are recognised as a provision.

Deferred tax receivables regarding tax loss carryforwards or other future tax deductions are recognised if it is likely that the deduction can be offset against future tax surpluses.

Deferred tax on untaxed reserves is recognised at group level.

### Payments to employees

Payments to employees means all forms of payments that the company makes to the employees. Short-term payments include salaries, paid holidays, paid absence, bonuses and payments after employment ceases (pensions). Short-term payments are recognised as an expense and a liability when there is a legal or constructive obligation to make a payment as a result of a past event and the amount can be reliably estimated.

### Group contributions

Group contributions received and paid are recognised as appropriations.

### Definitions of key indicators

#### Net sales

Main operating income, invoiced expenses, incidental income and income adjustments.

#### Profit/loss after financial items

Profit/loss after financial income and expenses, but before appropriations and taxes.

#### Equity ratio (%)

Adjusted equity (equity and untaxed reserves with a deduction for deferred taxes) as a percentage of the balance sheet total.

#### Profit margin

Profit before interest expenses/net sales.

### Estimates and assessments

The preparation of financial statements and application of accounting principles, is often based on management's estimates, assessments and assumptions, which are deemed reasonable at the time when they were made. Estimates and assessments are based on historical experience and a number of other factors that are considered reasonable under current circumstances. The result of these are then used to assess the carrying amounts of assets and liabilities that are not readily apparent from other sources. The actual outcome may differ from these estimates and assessments. Estimates and assumptions are regularly revised.

No significant sources of uncertainty in the estimates and assumptions on the balance sheet date are judged to entail a significant risk of substantial adjustment in the carrying amounts for assets and liabilities during the next financial year.

## Note 2 Turnover per business segment and geographic market Group

	2021
<b>Net turnover per business segment</b>	
Construction contract	85 527 852
Service contract	7 874 774
Other	25 000
	<b>93 427 626</b>
<b>Turnover per geographical market</b>	
Sweden	64 355 527
Norway	29 841 728
Russia	46 982
Denmark	-816 611
	<b>93 427 626</b>

## Note 3 Depreciation of tangible and intangible assets Group

Fixed assets are depreciated according to plan over the expected useful life, taking into account significant residual value

The following depreciation periods are applied:

<b>Intangible assets</b>	
Balanced expenditures for development and similar work	12,5-20 %
<b>Tangible assets</b>	
Cars	20%
Inventories and tools	20%

## Note 4 Employees, personnel costs and remuneration to board members Group

	2021
<b>Average number of employees</b>	
Female	3
Male	25
	<b>28</b>
Wages and other remunerations	16 334 783
	<b>16 334 783</b>
<b>Pension expenses</b>	
Social contributions	4 296 333
	5 354 116
<b>Total wages and other remunerations as well as social contributions, including pension expenses</b>	<b>21 688 899</b>
<b>Gender distribution among senior executives</b>	
Proportion of men on the board	100%
Proportion of men among other executives	100%

# Notes

## Note 5 Operating lease - lessee Group

Year's cost for operating lease agreements amounts to 2 214 776 (2 224 661) SEK of which 1 453 646 (1 363 650) is for premises.

Non-terminable contracts due for payment:

	2021
Within one year	1 540 197
Between one and five years	1 735 958
	<b>3 276 155</b>

## Note 6 Fees and cost reimbursement to auditor Group

Auditing work means auditing of the annual accounts and accounting records and management by the Board of Directors, other work incumbent on the company's auditor and advice or other assistance deriving from observation during auditing or during performance of that other work. Auditing work means auditing of the annual accounts and accounting records and management by the Board of Directors and the Chief Executive Officer, other work incumbent on the company's auditor and advice or other assistance deriving from observation during auditing or during performance of that other work.

	2021
<b>Adsum Revisorer &amp; Företagskonsulter AB</b>	
Audit fees	79 650
Audit-related services	0
	<b>79 650</b>
<b>Collegium Revisjon AS</b>	
Audit fees	117 700
	<b>117 700</b>

## Note 7 Other operating expenses Group

	2021
Retirements intangible assets	-9 109 664
Retirements inventory	-375 676
Capital loss cars	-100 651
Others	-96 564
	<b>-9 682 555</b>

## Note 8 Other operating income Group

	2021
Composition profit	18 097 883
Others	129 605
	<b>18 227 488</b>



## Note 9 Taxes Group

	2021
<b>Tax on profit for the year</b>	
Current tax	898 558
Changes in deferred tax regarding temporary differences	294 168
<b>Total</b>	<b>1 192 726</b>

Reconciliation effective tax		2021
	Procent	Belopp
Net profit before tax		1 725 743
Actual tax rate	20,6	-355 503
Adjusted taxes previous years		200 708
Not utilized deficit deduction		-743 763
<b>Reported effective tax</b>	<b>52,07</b>	<b>-898 558</b>

## Note 10 Capitalized development cost Group

	2021-12-31
Accumulated acquisition cost	28 265 403
Year´s investments and capitalisations	1 681 673
Sales/Retirements	-21 833 554
	<b>8 113 522</b>
Accumulated depreciations as per plan	-9 834 242
Sales/Retirements	12 723 890
Yearly depreciation as per plan	-4 307 395
<b>Closing accumulated depreciation</b>	<b>-1 417 747</b>
<b>Reported value at end of year</b>	<b>6 695 775</b>

## Note 11 Concessions, patents, licences, trademarks and similar rights Group

	2021-12-31
Accumulated acquisitions cost	455 938
	<b>455 938</b>
Accumulated depreciations as per plan	-347 474
Year´s depreciation as per plan	-34 188
<b>Closing accumulated depreciation</b>	<b>-381 662</b>
<b>Reported value at end of year</b>	<b>74 276</b>

# Notes

## Note 12 Inventories, tools and installations Group

	2021-12-31
Accumulated acquisition cost	6 087 891
New acquisitions	2 301 537
Sales/Retirements	-2 800 811
	<b>5 588 617</b>
Accumulated depreciations as per plan	-2 862 570
Sales/Retirements	2 214 694
Year's depreciation as per plan	-1 059 224
	<b>-1 707 100</b>
<b>Reported value at end of year</b>	<b>3 881 517</b>

## Note 13 Generated but not invoiced income Group

	2021-12-31
Generated value	22 892 059
Invoiced value	-21 062 147
	<b>1 829 912</b>

## Note 14 Deferred expenses and accrued income Group

	2021-12-31
Prepaid rent	344 270
Other deferred income	3 039 963
Other items	142 050
	<b>3 526 283</b>

## Note 15 Liabilities Group

	2021-12-31
<b>To credit entities</b>	
Floating charge	14 400 000
<b>On behalf of other</b>	
Blocked bank account	3 483 208

## Note 16 Deferred tax on temporary difference Group

	2021-12-31	
<b>Temporary difference</b>	<b>Deffered tax liability</b>	<b>Net</b>
Taxable temporary difference	342 042	342 042
	<b>342 042</b>	<b>342 042</b>

**Note 17 Invoiced but ungenerated income  
Group**

	2021-12-31
Generated value	21 692 334
Invoiced value	-31 120 925
	<b>-9 428 591</b>

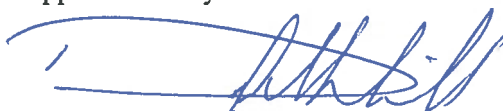
**Note 18 Pledge collateral and contingent liabilities  
Group**

	2021-12-31
Guarantee commitments	11 436 428
	<b>11 436 428</b>

**Note 19 Accrued expenses and deferred income  
Group**

	2021-12-31
Provisions project	8 542 056
Other items	1 154 337
Personnel-related items	1 846 711
	<b>11 543 105</b>

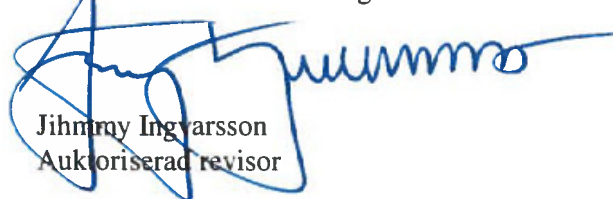
Upplands Väsby den 10 mars 2022



Daniel Martinwall

Vår revisionsberättelse har lämnats den 10 mars 2022

Adsum Revisorer & Företagskonsulter AB



Jimmy Ingvarsson  
Auktoriserad revisor



## Auditor's report

To the general meeting of the shareholders of Logiwaste International AB, corporate identity number 556948-9510

### Report on the annual accounts and consolidated accounts

#### *Opinions*

We have audited the annual accounts and consolidated accounts of Logiwaste International AB for the year 2021.

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 2021 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 my our opinions.

#### *Other Information than the annual accounts and consolidated accounts*

The annual accounts refers the financial year 2020 has not been audited and no audit of the comparative figures in the annual accounts for the financial year 2021 has thus been performed.

#### *Responsibilities of the Board of Directors*

The Board of Directors is 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 Director is also responsible for such internal control as it determines 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 is responsible for the assessment of the company's and the group'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 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 skepticism 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 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 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 of Logiwaste International AB for the year 2021 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 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*

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 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 skepticism 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 10<sup>th</sup> 2022

Adsum Revisorer & Företagskonsulter AB



Jimmy Ingvatsson

Authorized Public Accountant



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