

QUARTERLY REPORT 1 January – 30 September 2019

Information about Kollect on Demand (Ireland) Ltd.

Kollect on Demand (Ireland) Ltd. (the "Company") operates within the non-hazardous solid waste collection industry in Ireland and the United Kingdom, covering the collection of non-hazardous solid waste from households and businesses. Non-hazardous solid waste consists of primarily two types of waste – municipal solid waste (trash or garbage) and industrial waste (a wide variety of non-hazardous materials resulting from the production of goods and products). Primary activities of the industry include collection of municipal solid waste, industrial and commercial waste, construction and demolition waste, operating waste transfer facilities and collection recyclable materials by public and private operators.

Financial information for the period 1 January – 30 September 2019

- Net turnover amounted to SEK 26,930,837 during the period January-September 2019, which is an increase of SEK 9,513,797 compared to the same period 2018. The increase was due to a stronger focus on marketing activities with the purpose to increase the customer base in all business areas.
- Cost of sales increased during the period January-September 2019, and amounted to SEK 16,343,293, an increase of SEK 3,616,084 for the same period 2018, where cost of sales was SEK 12,727,209. Increase in costs was primarily due to increase and acquisition of new customers.
- Administration and marketing costs increased substantially during the period January-September 2019 to SEK 14,806,822, which equals an increase of SEK 8,329,903 from the year before. The costs linked to the Company's business starting up in the United Kingdom in September 2019 as well as increased marketing activities.
- The operating result during the period January-September amounted to SEK -4,219,277 in 2019, compared to a loss of SEK -1,787,088 for 2018. The increase in losses are due to the Company's growth strategy which comes with increased costs for customer acquisitions and market expansion.
- Total assets amounted to SEK 11,645,330, which equals an increase of SEK 6,887,295, in comparison to September 2018, when total assets amounted to SEK 4,758,036. The increase in assets are mainly attributable to an improved cash and cash equivalents position due to increases in sales in combination with factoring solutions. Moreover, current assets increased following a capital injection in August where the Company got roughly SEK 2,729,000. The Company's non-current assets, notably property, plant and equipment increased due to investments in BiGbins.
- Total liabilities amounted to SEK 17,690,048 in September 2019, which correspond to an increase of SEK 11,339,525 from September 2018. The increase is coming from trade and other payables in current liabilities, which increased from SEK 3,712,114 to SEK 11,871,537.
- Shareholders' equity amounted to SEK -6,044,718, as a result of the periods net loss. The balanced loss was SEK -7,761,509. Total equity in September 2018 amounted to SEK -1,592,487.
- Cash flow from operating activities amounted to SEK -4,089,711 for the period January-September 2019. During the same period 2018, cash flow from operating activities was SEK -1,352,266. The negative development during the period was primarily driven by the net loss. Also, financial items, trade and other receivables and payables have contributed to the decrease of the cash flow.
- Cash flow from investing activities during the period January-September 2019, amounted to SEK -2,033,698, which equals a decrease of SEK 1,825,021 compared to the same period 2018. The development is due to investments in property, plant and equipment.
- Cash flow from financing activities increased from SEK 2,098,019 during the period January-September 2018, to SEK 7,579,402 the same period 2019. The Company raised capital through a convertible debt instrument during October 2019 of SEK 2,729,000, which together with changes in invoice discounting, improved the cash flow development over the period.

Significant events during period 1 January – 30 September 2019

On 13 August 2019, John O'Connor founded the Company by contributing 7,071 shares in Kollect on Demand (Ireland) Ltd. to the Company, corresponding to 55.85 per cent of the total amount of shares in Kollect on Demand (Ireland) Ltd. The Company was registered with the Swedish Companies Registration Office (Sw. Bolagsverket) on 29 August 2019.

In August 2019, Kollect on Demand (Ireland) Ltd. entered into loan agreements with certain Irish investors for a total amount of EUR 250 000.

Significant events after 30 September 2019

On 7 November 2019, the Company took over all responsibilities and liabilities and replaced Kollect on Demand (Ireland) Ltd. as the debtor.

Kollect on Demand Holding AB (publ) held an extraordinary general meeting on 13 November 2019. The company resolved on carrying out a directed issue of 395, 276 shares in the company, directed to minority owners in Kollect on Demand (Ireland) Ltd. in exchange for shares in Kollect on Demand (Ireland) Ltd. representing the remaining 44.15 per cent (issue in kind). Through this share-for-share transaction, Kollect on Demand (Ireland) Ltd. became a wholly-owned subsidiary to the Company.

Income statement for Kollekt on Demand (Ireland) Ltd.

SEK	2019 1 January - 30 September	2018 1 January - 30 September
Revenue	26,930,837	17,417,040
Cost of sales	-16,343,293	-12,727,209
Gross profit	10,587,545	4,689,831
Operating expenses	-14,806,822	-6,476,919
Other operating income	-	-
Other operating expenses	-	-
Operating loss	-4,219,277	-1,787,088
Financial costs	-408,582	-18,842
Earnings before tax	-4,627,860	-1,805,930
Tax expense		
Net loss	-4,627,860	-1,805,930

Balance sheet for Kollekt on Demand (Ireland) Ltd.

SEK	2019 30 September	2018 30 September
ASSETS		
Non-current assets		
Intangible assets	455,719	436,765
Property, plant and equipment	5,632,484	3,303,021
Total non-current assets	6,088,203	3,739,786
Current assets		
Trade and other receivables	3,107,298	439,472
Cash and cash equivalents	2,449,830	578,777
Total current assets	5,557,128	1,018,250
TOTAL ASSETS	11,645,330	4,758,036
SHAREHOLDERS' EQUITY & LIABILITIES		
Current liabilities		
Trade and other payables	11,871,537	3,712,114
Non-current liabilities		
Long term liabilities	5,818,511	2,638,408
Capital reserves		
Called up share capital presented as equity	1,366	1,307
Share premium account	1,715,425	1,646,008
Retained earnings	-7,761,509	-3,239,803
Total shareholders' equity	-6,044,718	-1,592,487
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	11,645,330	4,758,036

Changes in shareholders' equity for Kollect on Demand (Ireland) Ltd.

SEK	Share capital	Share premium account	Retained earnings	Total	Total shareholders' equity
Jan – Sep 2019	1,366	1,715,425	-7,761,509	-6,044,718	-6,044,718
Jan – Sep 2018	1,307	1,646,008	-3,239,803	- 1,592,487	- 1,592,487

Cash flow statement for Kollect on Demand (Ireland) Ltd.

SEK	2019 1 January 30 September	2018 1 January 30 September
Cash flow from operating activities		
Company loss after tax	-4,627,860	-1,294,190
Adjusted for:		
Finance costs	408,582	18,838
Depreciation	529,168	447,527
Amortisation	167,750	118,120
Movement in trade and other receivables	-2,180,138	769,778
Movement in trade and other payables	1,612,786	-1,412,338
Net cash flow from operating activities	-4,089,711	- 1,352,266
Cash flows from investing activities		
Payment for intangible assets	-	-202,915
Payment for property, plant and equipment	-2,033,698	-5,762
Net cash flow from financing activities	-2,033,698	-208,677
Cash flow from financing activities		
Proceeds from issue of share capital	-	-
Movement in finance leases	-60,953	841,724
Movement in bank loans	-59,083	-90,002
Movement in other loans	2,567,959	460,601
Movement in invoice discounting	5,540,062	904,535
Movement in overdrafts	-	-
Interest paid	-408,582	-18,838
Net cash flow financing activities	7,579,402	2,098,019
Net increase/(decrease) in cash and cash equivalents	1,455,993	537,076
Cash and cash equivalents at the beginning of the year	956,599	38,350
Cash and cash equivalents at the end of the year	2,412,591	575,425

Audit review

This report has not been subject to review or audit by the company's auditor.

Assurance

The management assures that this report provides a true and fair overview of the Company's operations for the period.

Stockholm on the 15 november 2019

Robbie Skuse

John Hegarty

John O'Connor