CopenhagenSund
byberg**Logiwaste**
SkovdeLundStock
holmKrasnoyarsk
Annual Report
2018 AltaLørensk
ogStavangerVibo
rgHelsingborgTro
ndheimBeijingHe
rningOsloNorrtal
jeKungalv.

LOGIWASTE

02

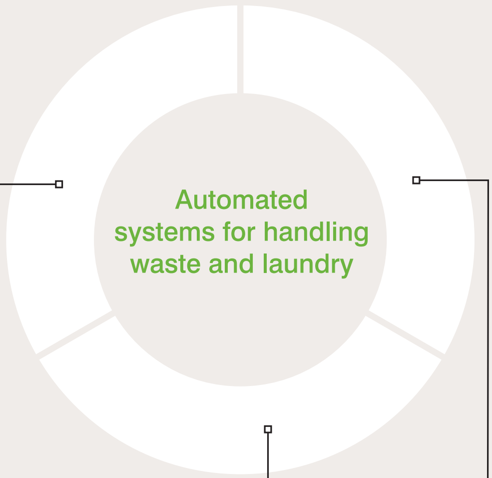
This year’s contributions to a more sustainable society

The year in numbers

This is Logiwaste

Logiwaste continues to cement our position as one of the leading actors in Scandinavia for automated waste and laundry collection systems. Over the last five years, the company has had an average annual growth rate of 25%, making us one of the fastest growing environmental technology companies in Sweden.

Our operations are divided into three business areas. Stationary systems, mobile systems, and services. Our systems are used in most modern hospitals, nursing homes, in residential areas and commercial properties across Scandinavia.



Stationary systems

We remain a partner for customers who use our stationary systems throughout the system's life cycle, from consultation and design to the completed system along with operation and servicing.

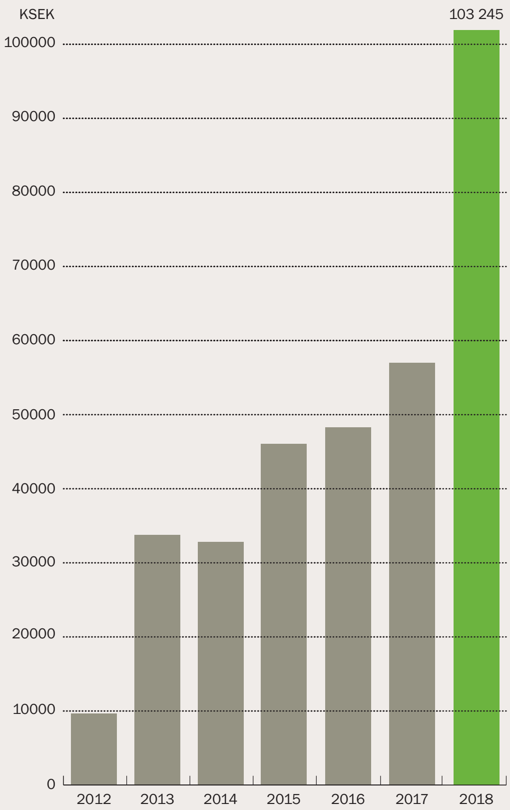
Mobile systems

With our mobile waste vacuum system, Logiwaste can offer efficient, hygienic waste management for small to medium-sized properties.

Service, operation and maintenance

Through our range of options for servicing, operation and maintenance, we ensure a reliable and efficient operation of facilities

The year in brief



NET TURNOVER
103 MSEK

EARNINGS AFTER FINANCIAL ITEMS
1.1 MSEK

PROFIT MARGIN:
1.0 %

EQUITY RATIO
33.4 %

2018

DECEMBER
New order for our waste and laundry vacuum systems for the new hospital in Ullandhaug in Stavanger, Norway.

NOVEMBER
Commissioning of two new systems in Trondheim: Lilleby area and Moholt.

NOVEMBER
New order for our waste vacuum system for the new residential area, Ulven, outside Oslo.

OCTOBER
Commissioning of our first installation in China. A system for two waste fractions for the insurance company, China Life.

OCTOBER
Commissioning of two new vacuum waste and laundry collection systems for VEA in Karmøy, Norway.

OCTOBER
New order for waste vacuum system and laundry handling for a new hospital in Siberia, Russia.

AUGUST
Service agreement with Trondheim Municipality. Responsible for the operation and service of all stationary and mobile waste vacuum systems within the municipality.

JUNE
Product launch: New laundry separator complements our laundry handling product portfolio.

APRIL
Product launch: Newly developed rubbish bin

FEBRUARY
Product launch: Newly developed, weldable NiHard bends for use in high-load pipe systems.

JANUARY
Commissioning: System with underground terminal that lifts to ground level during emptying for Östermalmshallen in Stockholm.

Ongoing installation work for the new Helsingborg Hospital

06

A word from the Chairman of the board

By developing our product portfolio, recruiting within key skill areas, building our support system and delivering large, as well as medium and small facilities, we have continued to strengthen our position as number two in Scandinavia.

Our strong growth provides us with a stable foundation to increase our efforts going forward, particularly in the area of product development, but also facilitates our recruitment efforts within specialised skill areas.

The group's income for the year totalled MSEK 103, an increase of 80 percent compared to the previous year. We continue to adhere to our policy of investing our profits to a large extent in the development of our offerings. This means that the EBIT result for 2018 of 1.3 MSEK will fall roughly in line with our budget.

We strive to offer a broad product portfolio that contains a good balance between large and small facilities, residences and hospitals as well as stationary and mobile systems. The deals signed in 2018 maintain the approximate mix we are striving for, possibly leaning slightly towards larger facilities at the end of 2018.

Our servicing business area has shown a strong increase in orders received this year. A number of important contracts have been signed, including a large deal in Trondheim, which further strengthens Logiwaste's position as a major service partner in Norway.

We continue to put our feelers out, testing the waters for business opportunities outside of Scandinavia. This year, Logiwaste has commissioned a new system in Beijing and has also signed a deal at the close of the year in Russia.

We are seeing a trend where our customers are asking for collaborative agreements. In these projects, Logiwaste and the customer jointly develop the project, an arrangement that offers our customers increased transparency and better control in terms of pricing and quality.

For Logiwaste, collaborative contracts often offer us a "cost plus" arrangement, which usually equates to a reduced margin for us. On the other hand, we are offered the benefit of reduced risk in connection with these projects. All things considered, we see an increased proportion of collaborative contracts in our portfolio in 2019 as a plus if this is the arrangement a customer requests.

Our recruitment rate remains high. To keep up with increased volume, we have brought in new staff for several locations in Sweden and Norway.

Logiwaste is an innovative growth company with an ambition to continue our growth and remain at the forefront of the industry's development. After strong growth over the last three years, it is only natural that 2019 and part of 2020 should be used to lay the foundation for our next stage of growth.

Daniel Martinwall
Chairman of the Board
Logiwaste AB

Stationary systems.

Decreased housing, stable healthcare sector, increasing market share.

This business area has shown steady development during the year, and we make the assessment that Logiwaste's market share has strengthened. A number of new projects have been signed during the year. A couple of the more notable projects are the new hospital at Ullandhaug in Stavanger and the residential area, Ulven, in Oslo.

In Sweden, we are starting to gain a more significant market share, which means in part, that we tend to follow the volume in housing construction. Sweden's housing market has declined from historically high levels, which suits us well, partly because our growth in Sweden in 2018 was a little higher than we aimed for. A slight slowdown can provide us with a little room to take a breath and strengthen our organisation, and in any case, we expect to be able to compensate partially for the reduced market volume by increasing our market share in Sweden by a few percentage points.

Market volumes in Norway and Denmark do not seem to be at historic highs as they have been in Sweden. Since, due to natural reasons, we established ourselves later and therefore lag behind in market share compared to Sweden, we believe that any decrease in market volume in these countries can be offset by an increased market share.

During the year, demand within the healthcare sector across all Scandinavian countries has been stable, and we believe that construction in the healthcare sector is considerably less vulnerable to cyclical fluctuations than housing construction. Given this trend, it is reassuring that Logiwaste's market share across all Scandinavian countries is significantly higher in the healthcare sector than in the housing sector.

Mobile systems.
Stable development according to plan.

During 2018, the mobile systems business area continued to develop according to plan. Overall, we see that the refurbishment of waste management systems in existing residential buildings is currently an important driver in the business area.

In terms of business, new contracts have been signed, our ongoing customer projects have moved forward and systematic product development proceeds as planned.

We continue on the path of providing a strong portfolio where smaller and medium-sized properties and residential areas are given an equal opportunity to install efficient, hygienic waste control systems as larger residential areas.

Orders received for the year were in line with forecasts with a number of system orders. Our success in Norway is particularly gratifying.

Our continued efforts this year in the systematic development of products for our mobile systems has resulted in the offering of a complete base package. For example, our screw container model programme has been expanded, and we have further developed the inlets to maximise air intake when emptying.

In 2019, we will continue our work to develop our product portfolio so we may offer solutions that address the range of needs our existing customers and new customers bring to us.

Service, operation and support.
Sweden develops according to plan, breakthrough in Norway.

During the year, we have seen strong, positive trends in demand and orders receiveds for our servicing, operation and support services, both for our stationary systems and mobile systems.

For example, during the year Logiwaste signed a significant servicing and maintenance agreement for all facilities of different brands, in Trondheim Municipality in Norway.

To keep up with increased volume in this business area, a number of recruitments have been carried out in both Sweden and Norway.

Internationalization.
Positioning for growth.

The demand for efficient, sustainable methods for collecting and handling waste continues to grow in a number of key countries. In order to gain an understanding of these markets and determine how to best proceed, Logiwaste has continued to carefully take on new business outside of Scandinavia. During 2018, we took on two international projects, one in central Beijing and one in northern Russia.

The systems in Beijing was commissioned in the summer of 2018 and now manages two waste fractions in a commercial building.

Under a contract signed in 2018, we will deliver a system to a hospital in northern Russia for the collection and handling of waste and laundry.

In order to better position ourselves for future export ventures, we will continue our test sales of tried and proven solutions for small and medium facilities to key countries within for example Europe and China.

Product development. Volume growth provides increased resources for product development.

Product development moves forward according to plan. Logiwaste now has a complete base range in operation with its customers. Therefore, during the year our development resources were largely able to be shifted over to our work on extended functionality and cost-effective production of our existing product portfolio.

During the year, we have prepared

- A fully sealed pipe system with a long service life.
- A standard range of valve solutions.
- Modular inlet solutions with enhanced functionality such as volume limitation and weighing functions.
- Reduced costs in the support system and fitting components.
- Standardised and reliable laundry terminal solutions.

Quality, environment, working environment and sustainability.
Continuous improvements.

In 2018, Logiwaste has continued to improve its processes in the pivotal areas of quality, environment and working environment. Over the course of the year, we renewed our three certificates ISO 9001:2015 for quality, ISO 14001:2015 for environmental management and ISO 45001:2018 for the working environment.

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

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

The work for our 2018 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 environment and sustainability.

Installation.
Quicker, more efficient, safer.

In order to get the full effect of modularization, i.e. the same work steps are performed from one installation to the next, it is important to have continuity in the installation team. Therefore, this year Logiwaste has focused on building its own team of operational installation managers.

Our document management work was high in 2018 and continues at the same pace in 2019.

During the year, we have also turned our focus towards an examination of our supplier base and have deepened our cooperation with the remaining key suppliers.

This has resulted in, e.g.,
- Being two thirds of the way towards our goal of having a complete team of operational installation managers.
- Document management (installation instructions and building instructions, operation and maintenance manuals).
- Modularization and standardisation.
- Higher integration of our supplier base.

A selection of our ongoing projects in 2018


New hospital area in Helsingborg
Hospital
Helsingborg, Sweden


China Life
Commercial properties
Beijing, China


The Skårer area
Residential area
Lørenskog Municipality, Norway


DNV-Gødstrup
Hospital
Herning, Denmark


Hagastaden
Residential area
Solna, Sweden


Norrtälje Harbour
Residential area
Norrtälje, Sweden


Tesliåsen
Mobile waste vacuum system
Trondheim, Norway


Regional Clinical Hospital
Hospital
Krasnoyarsk, Russia


Sundmolen
Residential area
Copenhagen, Denmark


Regional hospital Viborg
Hospital, chute system
Viborg, Denmark


Fabriksparken
Residential area
Sundbyberg, Sweden


Alta Healthcare Centre
Hospital
Alta, Norway

2018

The year in numbers.

Management report

The Board of Directors and CEO for Logiwaste AB, 556839-6245, hereby issue the annual report for 2018.

In general about the business

The Group

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

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

Parent company

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

Sustainability report

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

Company's operations, results and financial position trend

The Group

Amount in TSEK	2018	2017	2016	2015
Net turnover	103,245	57,434	48,596	46,386
Gross profit	9,874	8,337	8,240	11,026
Gross margin	9.6%	14.5%	17.0%	23.8%
Result after financial items	1,060	685	1,446	528
as % of net turnover	1.0%	1.2%	3.0%	1.1%
Total assets	55,624	48,863	37,289	29,616
Equity/asset ratio %	33.4%	36.4%	40.8%	37.7%

Key figure definitions, see note 28.

Parent company

Amount in TSEK	2018	2017	2016	2015
Net turnover	103,208	57,293	46,758	45,740
Gross profit	9,849	7,895	7,882	11,828
Gross margin	9.5%	13.8%	16.9%	25.9%
Result after financial items	1,195	352	1,465	456
as % of net turnover	1.2%	0.6%	3.1%	1.0%
Total assets	56,662	49,492	36,588	28,918
Equity/asset ratio %	32.5%	35.5%	41.6%	38.7%

Management report

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

Internationalization efforts have resulted in the company's first order in Russia.

In January 2019, Mats Lindh entered as the new CEO for Logiwaste AB.

In March 2019, the company received a patent for its low-profile fraction switch.

Predicted future trends along with substantial risks and uncertainty factors

The Group

Future trends

The parent company showed a stable order backlog in 2018 and finished the year with a largely unchanged order position compared to the previous year. Favourable market conditions prevail and the outlook for 2019 is for continued stability. Internationalization efforts continue and have shown that there is international demand as well.

Substantial risks and uncertainty factors

Currency risks

A large portion of sales transactions in the parent company are in NOK and DKK, while a substantial part of purchases are paid for in EUR. For the subsidiary in Norway, sales are only in NOK in the Norwegian market and purchases are paid for in EUR and SEK. There is no hedging.

Price risks

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

Credit risks/Counterparty risks

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

Liquidity risks

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

Interest rate risks

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

Parent company

Future trends

The parent company showed a stable order backlog in 2018 and finished the year with a largely unchanged order position compared to the previous year. Favourable market conditions prevail and the outlook for 2019 is for continued stability. Internationalization efforts continue and have shown that there is international demand as well.

Substantial risks and uncertainty factors

Currency risks

A large portion of sales transactions in the parent company are in NOK and DKK, while a substantial portion of purchases are paid for in EUR. For the subsidiary in Norway, sales are only in NOK in the Norwegian market and purchases are paid for in EUR and SEK. There is no hedging.

Price risks

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

Credit risks/Counterparty risks

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

Liquidity risks

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

Interest rate risks

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

Research and development

Group and parent company

During the year, the parent company has continued to invest in new products and solutions along with a control system for mobile facilities.

Foreign branches

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

Equity

	Share capital	Unregistered share capital	Provisions fund for development costs	Depreciation development costs	Retained earnings incl. profit/loss for year	Total
The Group						
Opening balance 01-01-2018	4,920,600	666,660	9,211,859	-725,586	3,713,594	17,787,127
New shares issued	666,660	-666,660				0
Change in development fund			4,715,611	-1,401,614	-3,313,997	0
Year's translation difference					31,702	31,702
Profit for year					752,914	752,914
Equity 31-12-2018	**5,587,260**	**0**	**13,927,470**	**-2,127,200**	**-1,184,213**	**18,571,743**

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

	Share capital	Unregistered share capital	Provisions fund for development costs	Depreciation development costs	Retained earnings incl. profit/loss for year	Total
Parent company						
Opening balance 01-01-2018	4,920,600	666,660	9,211,859	-725,586	2,572,172	16,645,705
New shares issued	666,660	-666,660				0
						0
Change in development fund			4,715,611	-1,401,614	-3,313,997	0
Profit for year					887,808	887,808
Equity 31-12-2018	**5,587,260**	**0**	**13,927,470**	**-2,127,200**	**145,983**	**17,533,513**

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

Proposed distribution of earnings

The board of directors and CEO propose that unrestricted capital, SEK 145,983, is appropriated as follows:

	Amount in SEK
Retained earnings	145,983
Total	**145,983**

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

Consolidated income statement

Amount in SEK	Note	01-01-2018 31-12-2018	01-01-2017 31-12-2017
Net turnover	2	103,245,102	57,433,521
Cost of sales	3.4	-93,370,758	-49,095,797
Gross profit		**9,874,344**	**8,337,724**
Sales costs	3.5	-3,021,476	-3,386,291
Administration costs	3,4,5,6	5,522,348	-3,888,750
Other operating costs	7	-	-29,334
Operating results		**1,330,520**	**1,033,349**
Earnings from financial items			
Interest income and similar result items		7,610	866
Interest expenses and similar result items	8	-278,007	-349,230
Profit after financial items		**1,060,123**	**684,985**
Results before tax		**1,060,123**	**684,985**
Tax	10,11	-307,209	-106,396
Profit for year		**752,914**	**578,589**
Attributable to the parent company's shareholders		752,914	578,589

Consolidated balance sheet

Amount in SEK	Note	31-12-2018	31-12-2017
ASSETS			
Non-current assets			
Intangible assets			
Capitalized development cost	12	15,973,495	13,313,331
Concessions, patents, licences, trademarks			
and similar rights	13	0	0
		15,973,495	**13,313,331**
Tangible assets			
Inventories, tools and installations	14	1,562,577	1,650,567
		1,562,577	**1,650,567**
Financial assets			
Other long-term receivables	16	5,000	5,000
		5,000	**5,000**
Total non-current assets		**17,541,072**	**14,968,898**
Current assets			
Stock-in-trade etc.			
Raw materials and consumables		624,716	252,643
		624,716	**252,643**
Current recivables			
Accounts receivables		19,638,774	13,393,292
Tax assets		0	390,432
Generated but not invoiced income	17	11,617,541	14,878,698
Other receivables		316,228	163,710
Deferred expenses and accrued income	18	3,904,233	2,647,154
		35,476,776	**31,473,286**
Cash and bank balances		1,981,431	2,167,699
		1,981,431	**2,167,699**
Total current assets		**38,082,923**	**33,893,628**
TOTAL ASSETS		**55,623,995**	**48,862,526**

Consolidated balance sheet

Amount in SEK	Note	31-12-2018	31-12-2017
EQUITY AND LIABILITIES			
Equity			
Share capital		5,587,261	4,920,600
Unregistered share capital		0	666,660
Fund for development costs		11,800,270	8,486,273
Retained earnings		1,184,212	3,713,594
		18,571,743	**17,787,127**
Equity attributable to the parent company's shareholders		18,571,743	17,787,127
Total equity		**18,571,743**	**17,787,127**
Provisions			
Deferred tax liabilities	20	254,314	254,314
		254,314	**254,314**
Non-current liabilities			
Liabilities to the credit entities	21	2,399,998	0
		2,399,998	**0**
Current liabilities			
Invoiced but ungenerated income	22	7,116,234	2,480,393
Bank advances	23	1,234,499	0
Liabilities to the credit entities	21	1,066,668	0
Trade payables		15,831,139	7,169,115
Liabilities to group entities		3,020	10,003,967
Tax liabilities		2,217	0
Other current liabilities		2,380,421	2,492,213
Accrued expenses and deferred income	24	6,763,742	8,675,397
		34,397,940	**30,821,085**
TOTAL EQUITY AND LIABILITIES		**55,623,995**	**48,862,526**

Consolidated cash flow statement

Amount in SEK	Note	31-12-2018	31-12-2017
Current operations			
Profit after financial items		1,060,123	684,985
Adjustments for items that are not included in the cash flow etc.	26	2,750,056	1,516,490
Paid income tax		-307,209	-106,396
Cash flow from operating activities before changes in working capital		**3,502,970**	**2,095,079**
Changes in working capital			
Increase (-) /Decrease (+) of stock-in-trade		-372,073	-66,684
Increase (-) /Decrease (+) of operating receivables		-4,003,490	-8,864,187
Increase (-) /Decrease (+) of operating liabilities		3,576,855	9,011,549
		-798,708	**80,678**
Cash flow from operating activities		**2,704,262**	**2,175,757**
Investment activities			
Acquisition of intangible assets		-4,739,413	-5,679,208
Acquisition of tangible assets		-551,115	-1,332,167
		-5,290,528	**-7,011,375**
Financing activities			
New shares issued		0	1,999,980
Loans from creditors		4,000,000	0
Repayment of debt		-1 600 002	0
		2,399,998	**1,999,980**
Cash flow for the year		**-186,268**	**-2,835,638**
Cash and cash equivalents at beginning of the year		2,167,699	5,003,337
Exchange rate difference in liquid assets		0	0
Cash and cash equivalents at end of the year		1,981,431	2,167,699

Parent company income statement

Amount in SEK	Note	01-01-2018 31-12-2018	01-01-2017 31-12-2017
Net turnover	2	103,208,191	57,293,208
Cost of sales	3,4	-93,358,841	-49,397,938
Gross profit		**9,849,350**	**7,895,270**
Sales costs	3,5	-2,975,340	-3,353,899
Administration costs	3,4,5,6	-5,408,645	-3,811,027
Other operating incomes		0	0
Other operating costs	7	0	-29,334
Operating results		**1,465,365**	**701,010**
Earnings from financial items			
Interest income and similar result items		7,660	98
Interest expenses and similar result items	8	-278,008	-348,664
Profit after financial items		**1,195,017**	**352,444**
End-of-year adjustments	9	0	0
Profit before tax		**1,195,017**	**352,444**
Tax	10,11	-307,209	-106,396
Profit for year		**887,808**	**246,048**

Parent company balance sheet

Amount in SEK	Note	31-12-2018	31-12-2017
ASSETS			
Non-current assets			
Intangible assets			
Capitalized development costs	12	15,973,495	13,313,331
Concessions, patents, licences, trademarks			
and similar rights	13	0	0
		15,973,495	**13,313,331**
Tangible assets			
Inventories, tools and installations	14	1,562,577	1,650,567
		1,562,577	**1,650,567**
Financial assets			
Shares in group companies	15	248,508	248,508
Other long-term receivables	16	5,000	5,000
		253,508	**253,508**
Total non-current assets		**17,789,580**	**15,217,406**
Current assets			
Stock-in-trade etc.			
Raw materials and consumables		624,716	252,643
		624,716	**252,643**
Current receivables			
Accounts receivables		18,560,178	13,162,437
Group company receivables		2,819,366	2,343,708
Current tax assets		0	445,228
Generated but not invoiced income	17	10,956,504	13,530,559
Other receivables		301,417	150,623
Deferred expenses and accrued income	18	3,904,233	2,647,154
		36,541,698	**32,279,709**
Cash and bank balances		1,706,359	1,742,302
		1,706,359	**1,742,302**
Total current assets		**38,872,773**	**34,274,654**
TOTAL ASSETS		**56,662,353**	**49,492,060**

Parent company balance sheet

Amount in SEK	Note	31-12-2018	31-12-2017
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	19	5,587,260	4,920,600
Unregistered share capital		0	666,660
Fund for development costs		11,800,270	8,486,273
		17,387,530	**14,073,533**
Unrestricted equity			
Retained earnings		-741,825	2,326,125
Profit for year		887,808	246,048
		145,983	**2,572,173**
Total equity		**17,533,513**	**16,645,706**
Untaxed reserves			
Accumulated excess depreciations		202,000	202,000
Tax allocation reserves		953,972	953,972
		1,155,972	**1,155,972**
Non-current liabilities			
Liabilities to credit entities	21	2,399,998	0
		2,399,998	**0**
Current liabilities			
Invoiced but ungenerated income	22	7,116,234	2,480,393
Bank advances	23	1,234,499	0
Liabilities to credit entities	21	1,066,668	0
Trade payables		16,479,165	7,123,970
Current tax liabilities		30,502	0
Liabilities to group entities		3,020	10,003,020
Other short-term liabilities		2,915,918	2,808,221
Accrued expenses and deferred income	24	6,726,864	9,274,778
		35,572,870	**31,690,382**
TOTAL EQUITY AND LIABILITIES		**56,662,353**	**49,492,060**

Parent company cash flow statement

Amount in SEK	Note	31-12-2018	31-12-2017
Current operations			
Profit after financial items		1,195,017	352,444
Adjustments for items that are not included in the cash flow etc.	26	2,718,354	1,532,643
Paid tax		-307,209	-106,396
Cash flow from operating activities before changes in working capital		**3,606,162**	**1,778,691**
Changes in working capital			
Increase (-) /Decrease (+) of stock-in-trade		-372,073	-66,683
Increase (-) /Decrease (+) of operating receivables		-2,282,334	-6,578,164
Increase (-) /Decrease (+) of operating liabilities		-398,335	10,239,036
		-3,052,742	**3,594,189**
Cash flow from operating activities		**553,420**	**5,372,880**
Investment activities			
Acquisition of subsidiaries		0	-136,658
Acquisition of intangible assets		-4,739,413	-5,679,208
Acquisition of tangible assets		-551,115	-1,332,167
		-5,290,528	**-7,148,033**
Financing activities			
New shares issued		0	1,999,980
Outstanding loans		4,000,000	0
Repayment of debt		-533,334	0
		3,466,666	**1,999,980**
Cash flow for the year		**-1,270,442**	**224,827**
Cash and cash equivalents at beginning of the year		**1,742,302**	**1,517,475**
Cash and cash equivalents at end of the year		**471,860**	**1,742,302**

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) with updates in BFNAR 2016:9.

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

Valuation principles etc.
Assets, provisions and liabilities have been valuated at acquisition cost unless otherwise stated.

Intangible assets
Expenditure for research and development
When accounting expenditure for development, the capitalization 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 complete the intangible fixed asset such that it can be used or sold.
- The intention is to complete the intangible fixed asset and to use or sell it.
- Conditions prevail to use or sell 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.

	The Group year	Parent company year
The following depreciation periods are applied		
Internally generated intangible assets		
Capital 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

Depreciations
Depreciations are made linearly over the asset's calculated useful life.
Depreciations are reported as costs in the profit and loss report.

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

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

After initial recognition, the minimum lease payments for interest and amortization 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 [lease term].

Operating lease agreements
Leasing expenses under operating lease agreements, 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 profit and loss report 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, in the future, use tax loss carry forward. The valuation is based on how the reported value for corresponding assets or liabilities are expected to be recovered or settled.
The amounts are based on the tax rates and tax rules that are decided upon before the balance sheet date and have not yet been calculated.

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

Consolidated accounts

Subsidiaries
Subsidiaries are companies in which the parent company, directly or indirectly, holds more than 50% of the number of votes or has controlling influence in some other way. Controlling influence

means a right to establish the company's financial and operations strategies for the purpose of obtaining financial benefit. The accounting of business combinations is built on the single entity view. This means that the acquisition analysis is drawn up at the point in time that the acquiring party achieves a controlling influence. From this time onwards, the acquiring party and the acquired entity are seen as a single accounting entity. The application of the single entity view also means that all assets (including goodwill) and liabilities as well as income and expenses are wholly taken into account even for part-owned subsidiaries.

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

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

Stock-in-trade
Stock-in-trade has been valuated at the lower of its acquisition cost and its net realizable value on the balance sheet date. Net realizable value here refers to the estimated sales price for goods sold less sales expenses. The valuation method selected means that obsolete stock-in-trade has 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

	01-01-2018 31-12-2018	01-01-2017 31-12-2017
The Group		
Net turnover per business segment		
Construction contracts	102,326,925	56,975,446
Service contracts	1,402,153	457,630
	103,729,078	**57,433,076**
Turnover per geographical market		
Sweden	45,395,778	27,598,496
Norway	37,365,507	10,997,392
Denmark	20,781,761	15,604,863
China	-143,574	3,232,325
Russia	329,606	0
	103,729,078	**57,433,076**
Parent company		
Net turnover per business segment		
Construction contracts	102,294,195	56,835,578
Service contracts	1,402,153	457,630
	103,696,348	**57,293,208**
Turnover per geographical market		
Sweden	45,395,778	27,598,946
Norway	37,332,777	10,857,078
Denmark	20,781,761	15,604,863
China	-143,574	3,232,325
Russia	329,606	
	103,696,348	**57,293,212**

Notes

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

Average number of employees	01-01-2018 31-12-2018	Of which are male	01-01-2017 31-12-2017	Of which are male
Parent company				
Sweden	25	24	21	21
Total	**25**	**24**	**21**	**21**
Subsidiaries				
Total subsidiaries	-	-	-	-
Group total	**25**	**24**	**21**	**21**

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

	01-01-2018 31-12-2018	01-01-2017 31-12-2017
Parent company		
Wages and other remunerations	12,614,506	10,894,188
Social contributions	5,076,287	5,008,819
(of which pension expenses) 1)	942,405	1,318,258
Subsidiaries		
(of which pension expenses)	-	-
The Group		
Wages and other remunerations	12,614,506	10,894,188
Social contributions	5,076,287	5,008,819
(of which pension expenses) 1)	942,405	1,318,258

1) Of the group's and parent company's pension expenses, SEK 218,844 (prev. year SEK 206,380) concerns the company's management with regard to 1 (1) person,

Note 4. Depreciation of tangible and intangible assets

	01-01-2018 31-12-2018	01-01-2017 31-12-2017
Group and parent company		
Depreciations as per plan broken down per asset		
Capital expenditures for research and development, and similar	-2,079,249	-1,116,447
Concessions, patents, licences, trademarks	0	-23,750
Inventories, tools and installations	-411,043	-392,446
	-2,490,292	**-1,532,643**
Depreciations as per plan broken down per function:		
- Cost of sold products	-2,104,916	-1,231,741
- Sales costs	-25,667	0
- Administration costs	359,709	-300,902
	-2,490,292	**-1,532,643**

Notes

Note 5. Operating leasing - lessee

	01-01-2018 31-12-2018	01-01-2017 31-12-2017
Group and parent company		
Year's costs for operating lease agreements	993,127	885,457
Agreed future minimum leasing costs for		
non-terminable contracts due for payment		
Within one year	858,455	774,084
Between one and five years	558,379	1,163,390
	1,416,834	**1,937,474**

Note 6. Fees and cost reimbursement to auditor

	01-01-2018 31-12-2018	01-01-2017 31-12-2017
The Group		
Adsum Revisorer & Företagskonsulter AB		
Audit fees	126,755	77,574
Collegium revisjon AS		
Audit fees	60,554	29,956
Consultation	5,885	0
	193,194	**107,530**
Parent company		
Adsum Revisorer & Företagskonsulter AB		
Audit fees	126,755	77,574
Collegium revisjon AS		
Audit fees	33,269	0
Consultation	5,885	
	165,909	**77,574**

Note 7. Other operating costs

	01-01-2018 31-12-2018	01-01-2017 31-12-2017
Group and parent company		
Exchange rate losses on receivables/liabilities relating to operations	0	29,334
	0	**29,334**

Note 8. Interest expenses and similar items

	01-01-2018 31-12-2018	01-01-2017 31-12-2017
The Group		
Interest costs group companies	146,717	307,458
Interest costs, others	100,890	41,772
Other financial costs	30,400	0
	278,007	**349,230**
Parent company		
Interest costs group companies	146,717	307,458
Interest costs, others	100,891	41,206
Other financial costs	30,400	0
	278,008	**348,664**

Notes

Note 9. End-of-year adjustments

Parent company	01-01-2018 31-12-2018	01-01-2017 31-12-2017
Difference between fiscal and reported depreciation:		
Inventories, tools and installations	0	0
Tax allocation reserves, year's provision	0	0
	0	**0**

Note 10. Tax on profit for year

	01-01-2018 31-12-2018	01-01-2017 31-12-2017
The Group		
Current tax	-307,209	-106,396
Deferred tax	0	0
	-307,209	**-106,396**
Parent company		
Current tax	-307,209	-106,396
	-307,209	**-106,396**

Note 11. Reconciliation effective tax

		01-01-2018 31-12-2018	01-01-2017 31-12-2017
The Group			
Results before tax		1,060,123	684,985
Tax as per applicable tax rates parent company	22%	-233,227	-150,697
Effect of other tax rates for foreign subsidiaries/branches		-29,676	73,158
Other non-deductible costs		-43,565	-28,869
Tax-free income			11
Standard tax rate		-741	0
Reported effective tax		**-307,209**	**-106,396**
Parent company			
Results before tax		1,195,016	352,444
Tax as per applicable tax rates parent company	22%	-262,904	-77,538
Other non-deductible costs		-43,565	-28,869
Tax-free income		0	11
Standard tax rate		-741	0
Reported effective tax		**-307,209**	**-106,396**

Notes

Note 12. Capitalized development cost

	31-12-2018	31-12-2017
Group and parent company		
Accumulated acquisition cost:		
- At start of year	14,885,496	9,206,288
- Year's investments and capitalizations	4,739,413	5,679,208
	19,624,909	**14,885,496**
Accumulated depreciations as per plan		
- At start of year	-1,572,165	-455,718
- Year's depreciation as per plan	-2,079,249	-1,116,447
	-3,651,414	**-1,572,165**
Reported value at end of year	**15,973,495**	**13,313,331**

Note 13. Concessions, patents, licences, trademarks and similar rights

	31-12-2018	31-12-2017
Group and parent company		
Accumulated acquisition cost:		
- At start of year	285,000	285,000
	285,000	**285,000**
Accumulated depreciations as per plan		
- At start of year	-285 000	-261,250
- Year's depreciation as per plan	0	-23,750
	-285 000	**-285 000**
Reported value at end of year	**0**	**0**

Note 14. Inventories, tools and installations

	31-12-2018	31-12-2017
Group and parent company		
Accumulated acquisition cost:		
- At start of year	2,703,271	1,371,104
- New purchases	551,115	1,332,167
- Sales/Retirements	-301,386	0
	2,953,000	**2,703,271**
Accumulated depreciations as per plan		
- At start of year	-1,052,704	-660,258
- Year's depreciation as per plan	-411,043	-392,446
- Sales/Retirements	73,324	0
	-1,390,424	**-1,052,704**
Reported value at end of year	**1,562,577**	**1,650,567**
Inventories that are held under financial leasing agreement are included with	None	None

Notes

Note 15. Shares in group companies

Parent company	31-12-2018	31-12-2017
Accumulated acquisition cost:		
- At start of year	248,508	111,850
- Acquisitions	0	136,658
	248,508	**248,508**
Reported value at end of year	**248,508**	**248,508**

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

The holding of capital is included that also corresponds to the portion of votes for the total number of shares.

Subsidiary/Org. no./Head office	Number of shares	as a %	31-12-2018 Reported Value	31-12-2017 Reported Value
Logiwaste AS, 915 016 324, Bergen, Norway	100,000	100	111,850	111,850
Logiwaste Environmental Technology (Beijing) Co., Ltd	1	100	136,658	136,658

Note 16. Other long-term receivables

	31-12-2018	31-12-2017
Group and parent company		
Accumulated acquisition cost:		
- At start of year	5,000	5,000
	5,000	**5,000**
Reported value at end of year	**5,000**	**5,000**

Note 17. Generated but not invoiced income

	31-12-2018	31-12-2017
Construction contracts		
The Group		
Generated value	98,171,217	149,403,108
Invoiced value	-86,553,676	-134,524,410
	11,617,541	**14,878,698**
Reported value at end of year	**11,617,541**	**14,878,698**
Parent company		
Generated value	90,050,774	135,611,092
Invoiced value	-79,094,270	-122,080,533
	10,956,504	**13,530,559**
Reported value at end of year	**10,956,504**	**13,530,559**

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

Notes

Note 18. Deferred expenses and accrued income

	31-12-2018	31-12-2017
The Group		
Prepaid rents	167,406	157,653
Accrued income other	3,436,420	2,324,768
Other items	300,407	164,733
	3,904,233	**2,647,154**
Parent company		
Prepaid rents	167,406	157,653
Accrued income other	3,436,420	2,324,768
Other items	300,407	164,733
	3,904,233	**2,647,154**

Note 19. Number of shares and quota value

Parent company	31-12-2018	31-12-2017
Ordinary shares:		
Number of shares	558,726	384,060
Quota value	10	10

Note 20. Provisions for other taxes

	31-12-2018	31-12-2017
The Group		
Deferred tax liabilities	254,314	254,314
	254,314	**254,314**

Note 21. Liabilities to credit entities

	31-12-2018	31-12-2017
The Group		
Due within 12 months	1,066,668	0
Due within 12-48 months	2,399,998	0
	3,466,666	**0**
Parent company		
Due within 12 months	1,066,668	0
Due within 12-48 months	2,399,998	0
	3,466,666	**0**

Notes

Note 22. Invoiced but ungenerated income

	31-12-2018	31-12-2017
Construction contracts		
The Group		
Generated value	26,672,571	11,918,934
Invoiced value	-33,788,805	-14,399,327
	-7,116,234	**-2,480,393**
Parent company		
Generated value	26,672,571	11,918,934
Invoiced value	-33,788,805	-14,399,327
	-7,116,234	**-2,480,393**

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 23. Bank advances

	31-12-2018	31-12-2017
The Group		
Granted credit	6,000,000	1,500,000
Utilised credit	1,234,499	0
Parent company		
Granted credit	6,000,000	1,500,000
Utilised credit	1,234,499	0

Note 24. Accrued costs and deferred income

	31-12-2018	31-12-2017
The Group		
Personnel-related items	2,004,981	2,229,347
Provisions project	2,550,000	3,730,000
Other deferred income	176,094	170,000
Accrued interest costs	146,717	457,464
Other items	1,885,950	2,088,586
	6,763,742	**8,675,397**
Parent company		
Personnel-related items	2,004,981	2,229,347
Provisions project	2,550,000	3,730,000
Other deferred income	176,094	170,000
Accrued project costs	1,559,451	724,536
Accrued interest costs	146,717	457,464
Other items	289,621	1,963,431
	6,726,864	**9,274,778**

Notes

Note 25. Pledged collateral and contingent liabilities

	31-12-2018	31-12-2017
Pledged collateral		
The Group		
Chattel mortgages	10,000,000	7,500,000
	10,000,000	**7,500,000**
Contingent liabilities		
The group has issued guarantee commitments totalling SEK 14,616,779.		
Parent company		
Chattel mortgages	10,000,000	7,500,000
	10,000,000	**7,500,000**
Contingent liabilities		
The company has issued guarantee commitments totalling SEK 14,210,701.		

Note 26. Other information for the cash flow statement

	31-12-2018	31-12-2017
Adjustment for items that are not included in the cash flow etc.		
The Group		
Depreciations	2,490,292	1,532,643
Translation differences	31,702	0
Retirements	228,062	0
Unrealized exchange rate differences internal dealings	0	-16,153
	2,750,056	**1,516,490**
Parent company		
Depreciations	2,490,292	1,532,643
Retirements	228,062	0
	2,718,354	**1,532,643**

Note 27. Group information

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

Purchases and sales within the group
Of the group's total purchases and sales converted into Swedish Crowns, 4.4% of purchases and 0% of sales concerned other companies within the entire financial group that the corporate concern belongs to.
Of the parent company's total purchases and sales converted into Swedish Crowns, 4.4% of purchases and 0% of sales concerned other companies within the entire financial group that the company belongs to.
Of the group's and parent company's interest costs, SEK 146,717 concerns interest paid to M Industrial Invest AB.

Note 28. Key ratio definitions

Gross margin %: Gross profit / Net turnover
Profit margin: Results after financial items / Net turnover
Balance sheet total: Total assets
Equity ratio: (Total equity + 78% of untaxed reserves) / Total assets

Sigtuna 2019-04-22

Daniel Martinwall
Styrelseordförande

Mats Lindh
Verkställande direktör

Vår revisionsberättelse har lämnats 2019-04-23

Adsum Revisorer & Företagskonsulter AB

Jimmy Ingvarsson
Auktoriserad revisor

adsum

Auditor's report

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

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Logiwaste AB for the financial year 2018.

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 2018 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

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

Basis for Opinions

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

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

Responsibilities of the Board of Directors and the Managing Director

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

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

Auditor's responsibility

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

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

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

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

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of ABC AB for the financial year 2018 and the proposed appropriations of the company's profit or loss.

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

Basis for Opinions

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

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

Responsibilities of the Board of Directors and the Managing Director

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

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

Auditor's responsibility

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

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

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

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

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

Västerås, April 23rd 2019

Adsum Revisorer & Företagskonsulter AB

Jihmmy Ingvarsson

Authorized Public Accountant

LOGIWASTE

Logiwaste AB, Stora Wäsby, Gamla stallet, 194 37 Upplands Väsby, Sweden. Tel. +46 (0)8-736 00 96. www.logiwaste.se