

A large, stylized orange silhouette of a squirrel's head and tail, positioned on the left side of the cover, partially overlapping the dark blue background.

Kollect on Demand Holding AB

INTERIM REPORT

JANUARY – MARCH 2022

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About Kollect

Founded in Waterford, Ireland, Kollect is an innovator and disruptor in the waste industry listed on the Nasdaq First North Growth Market (symbol: KOLL).

Mangold Fondkommission AB is the Company's acting Certified Adviser (Tel. + 46 8 5030 1550, CA@mangold.se, www.mangold.se).

The Company services two types of customers: those who arrange to have waste collected (bins, skips and skip bags or junk removal) via the online Kollect booking engine; and those who use BIGbin smart compactor bins for waste drop-off.

The services include domestic door-to-door bin collection, commercial bin collection, skip (container) hire, skip bags and junk removal such as furniture and other large objects.

For more information, visit www.kollect.ie.



Kollect reports quarterly revenues of SEK 13.4 million for continuing operations, up 42% on Q1 2021 and gross profit up 28% for continuing operations for the same comparative period.

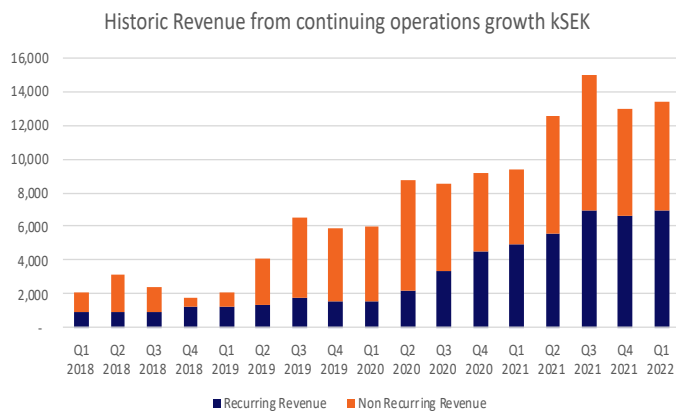
Waterford, Ireland – May 16, 2022, Kollect On Demand Holding AB (publ) (“Kollect” or the “Company”) (Nasdaq: KOLL), is pleased to publish its Interim Report for Q1 2022.

Highlights from the quarter

- Revenue for continuing operations in Q1 2022 was SEK 13.4 million, up 42% on Q1 2021 revenue of SEK 9.4 million, and up 4% compared to Q4 2021 revenues of SEK 12.9 million.
- Recurring revenue from continuing operations of SEK 7.0 million in Q1 2022 was up 51% compared to SEK 4.6 million in Q1 2021, and was up 6% compared to SEK 6.6 million in Q4 2021.
- Gross profit from continuing operations in Q1 2022 amounted to SEK 4.0 million, up 28% compared to SEK 3.1 million in Q1 2021, and was flat compared to SEK 4.0 million in Q4 2021.
- Gross margin from continuing operations for Q1 2022 was 30%, compared to 34% in Q1 2021 and 31% in Q4 2021.
- The Company showed an EBIDTA profit of SEK 18.9 million during the quarter, though this was attributable to the disposal of the Waterford Bin Business which was a one-off transaction. At an operational level, the operational EBITDA loss was in line with Q4 2021 at SEK 4.6 million.
- The Company successfully disposed of its Bin Collection Business (including domestic and commercial bins) to Beuparc on 4 March 2022 for approximately SEK 25 million, which was paid at closing.
- The cash balance at the end of the quarter was SEK 22.9 million compared to SEK 6.9 million in Q1 2021.

CEO Comments

“Once again, I’m pleased to report that the Company has maintained our track record of consistent revenue growth, up 42% year-on-year (see Figure 1 below) in Q1 2022. This growth was particularly pleasing given the challenging economic conditions worldwide and that the Company undertook a material transaction in the disposal of its bin business during the quarter.



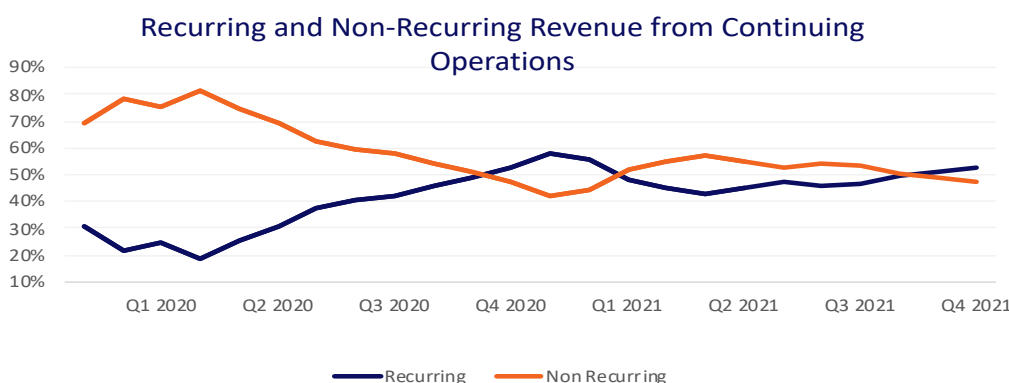
The disposal was for approximately 25 MSEK for a business vertical with 25% of 2021 revenues and was sold to Beuparc in the most significant transaction since our IPO, with the divestment of our waste collection business and assets. This disposal means that the Company has exited the traditional kerbside collection business and now has two clear business areas: the Kollect digital platform for booking waste collection services and the BIGbin waste drop-off business. I am pleased that we were able to complete this disposal which has strengthened the balance

sheet without dilutive effects and also allows management to focus on our main areas of growth in the platform business and the BIGbin waste drop off.

The digital platform is the fastest growing part of the business and the focus is offering junk collection services, container (skip) and skip bag hire. We have also introduced a new service for commercial customers in the quarter, which is grab hire (i.e., a truck that lifts and removes construction waste using an hydraulic arm and can take large quantities.)

In this quarter, we continued to maintain tight cost control and strong gross margins, while executing on our strategy with a focus on increasing recurring revenue (see Figure 2 below). The removal of the recurring revenues from the Bin Collection Business means that non-recurring revenues are now a larger proportion of revenues from continuing operations. The disposal has also allowed us to remove costs that related to the Bin Collection Business (such as customer service) and with our continued focus on investing in technology across the platform and BIGbin business I’m confident that the business will continue to drive efficiencies.

As reported in the last quarterly report, the Company commenced an investment in the e-commerce platform, which will be completed by Q3 2022. The investment was made to support our future growth in an efficient manner and to ensure we remain as market leaders with a best in class e-commerce solution. The aim is to make the customer experience as seamless as possible on the front end and streamline and automate interactions with our suppliers on the other side of the platform. In addition to the operational benefits of the new systems, they also allow for better reporting tools with real-time information.

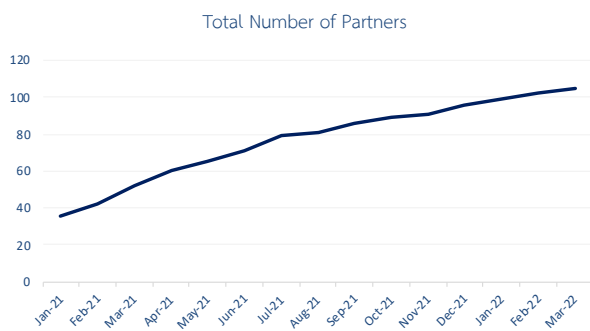


The investment in an e-commerce solution is running simultaneously with the redevelopment of the BIGbin technology stack. The investment in BIGbin technology will underpin the growth of the waste drop-off vertical as well as allowing the Company to introduce innovative new pricing and improve customer engagement. In the quarter, the Company invested a combined 850,000 SEK in the e-commerce and BIGbin projects.

We are also constantly increasing the number of partners on the Platform with whom we place orders for our customers (please see Figure 3 below).

The investment in the Company's two businesses will stand well in the future and these steps are indicative of the long term thinking that the Company takes.

The Company is also going to stop posting monthly trading updates which were initially reintroduced in 2020 in response to the Coronavirus pandemic, but have continued to this point. The removal of these reports will allow management to relentlessly focus on the day-to-day management and growth of the business. Whilst I recognise that this will reduce the information which the Company shares with its investors, I believe it will free up management time and focus, encourage long term thinking and ultimately benefit the Company.



Events in the Quarter

Trading in the period

The Company continued to operate normally throughout Q1 2022 as the strict COVID-19 restrictions in our markets had been lifted for the most part until early to mid-December, when Governments reimposed restrictions due to the onset of the Omicron variant.

Recurring revenues were up 51% on Q1 2021 which reflected the strong work of the commercial team during the year. Recurring revenue was also up 6% compared to Q4 2021 though, reflecting the continued retention of customers, despite the challenging macro-economic climate.

Non-recurring revenues increased by 33% versus prior year, driven by domestic skip collection and domestic junk removal which was up 1% compared to Q4 2021. This was pleasing in spite of the inflationary pressures which households have been exposed to since the start of the year.

During the Quarter, the Company continued to focus on maintaining gross margins and achieved a gross margin of 30% from its continuing operations, which was in line with the gross margin in Q4 2021 of 31%. This outcome was largely attributable to the revenue mix.

Key Figures

Revenue from continuing operations for Q1 2022 was up 42% compared with Q1 2021 and up 6% compared with Q4 2021. In operational currency terms, however, revenue increased by 38% compared to the prior year.

Gross Profit from continuing operations was up 28% in Q1 2022 compared to Q1 2021 as a result of revenue growth and consistently strong gross margins. In operational currency terms, Gross Profit increased by 1% compared to Q4 2021.

The Company was EBITDA profitable during the period, when including the disposal of the Waterford Bin Business. At an operational level, the EBITDA loss was flat with Q4 2021 at SEK 4.6million.

Costs

Total costs in the first quarter of 2022 included material one-off transaction costs which were related to the disposal of the Waterford Bin Collection business. Total costs increased by 32% in Q1 2022, against an increase of 42% in revenue from continuing operations for the same period in the prior year. Total costs were down however compared to Q4 2021 by 12%, compared to an increase in revenue from continuing operations of 6%. Whilst there were one-off expenses in Q1 2022 as outlined above, there was also a one-off FX charge in Q4 2021 which should also be considered in the comparison.

The Company continued to invest in its sales and marketing through digital and social channels. The Company also utilised more traditional marketing with the launch of branded taxis in cities and towns across Ireland.

Other costs also increased in the beginning of the quarter compared to the same time last year in the Waterford Bin Collection business. Increased fuel costs were a contributing factor.



Finance costs reduced year-on-year due the Company using proceeds from the TO1 warrant programme to repay the more expensive debt and a bullet repayment being made against the Company's term loan which was financed through the SBCI and Invoicefair. The Company has paid down nearly SEK 5 million of an initial SEK 7.5million term loan initially received in June 2021 and will be completely paid off in June 2023.

Waste Drop Off

During the Quarter, BIGbin Waste Technology Limited ("BIGbin") launched new sites across Ireland, bringing the total number of operational sites up to 38, although one location was closed temporarily and the camp site location will be opening up as the summer season comes closer.

In September 2021, BIGbin placed an order for an additional 10 new compactor bins with the most up-to-date technology installed in the. These were rolled out for during the quarter. In the first Quarter of 2022, the Company also placed an order for a further 10 bins to be rolled out in Q2 and Q3 2022.

The Company also continued to invest in the BIGbin technology project which allows the Company to introduce innovative new pricing models and improved engagement with customers. By doing so, we hope to encourage online rather than in-store purchases.

Sustainability

Under the "Irish Tech goes Carbon Neutral" programme, launched by the Government of Ireland, all collections made by Kollekt are carbon neutral. The total number of kilometres of travel that were offset during the Quarter was 246,000 kms.

Disposal of Waterford Bin Business

On 4 March 2022, the Company announced that it had successfully disposed of the Bin Collection business in Waterford for an upfront consideration of SEK 25 million, which was paid at closing. As Kollekt's strategy is to develop its online platform and not to be a waste infrastructure business, the Board considered that this business was no longer core to the Company. The disposal was, in effect, the last step in the Company's evolution into two separate businesses, each with its own business model; namely the Kollekt online platform and the BIGbin waste drop off business.

Irish Government COVID-10 employment support payments

The Company continues in discussion with the Revenue Commissioners regarding eligibility for Government employment support payments during Q2 and Q3 2020. While it is possible that the Revenue Commissioners will rule that Kollekt was ineligible for some or all of these payments and seek repayment, the Company believes that it was eligible and is making its case.

Share Register

Name	Country	Holding(s)	Holding (%)	Votes (%)
JOHN, O'CONNOR	IRELAND	2,086,062	22%	22%
ENTREPRENEUR SUPPLIES LIMITED	IRELAND	1,489,880	16%	16%
JOHN PHILIP, HEGARTY	IRELAND	473,421	5%	5%
CLEARSTREAM BANKING S.A., W8IMY	LUXEMBOURG	450,600	5%	5%
ROBBIE WILLIAM, SKUSE	IRELAND	428,508	4%	4%
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION	SWEDEN	343,589	4%	4%
NÜTZMAN, JAN	SWEDEN	337,119	4%	4%
ASCHBERG, FRANK OLOF	DENMARK	240,000	3%	3%
ROBERT MICHAEL, O'KEEFFE	IRELAND	222,318	2%	2%
NORDNET PENSIONS FÖRSÄKRING AB	SWEDEN	218,762	2%	2%

Exchange Rate

The Company has also been impacted by exchange rates between the Swedish Krona and the Euro in the year from Q1 2021 to Q1 2022. For example, in operational currency terms, revenues for Q1 2022 are 42% higher than Q1 2021, while in SEK terms, revenues are 38% higher for the same period.

Since the Quarter End

In line with previous months, trading in April and early May 2022 has been satisfactory and shows year-on-year growth in line with projections.

Platform developments

Kollect continues to add new services to the platform and commercial app. The latest addition is a service called grab hire and is an alternative to container (skip) hire aimed at commercial customers, particularly in the construction industry.

B2B2C

The Company also announced a partnership with B&Q for Kollect junk services to be sold over the counter in-store and online through the B&Q website. B&Q is one of the leading DIY retailers with one of the most reputable brands in the industry. B&Q operates 8 megastores across Ireland and is part of the Kingfisher Group.

This partnership marks the start of an exciting new B2B2C sales channel for Kollect and an exciting use of Kollect's technology, which integrates directly with retail partners' point of sales systems.

Waste drop-off

Since the end of the Quarter, BIGbin has opened 2 new BIGbin locations in Dungarvan and Callan, as well as reopening a site which had been temporarily closed, bringing the total number of operational sites to 40 which compares favourably to 35 sites which were open at the end of Q1 2021.

BIGbin will continue to receive new compactor bins and open more locations during Q2 2022.

It is important to note that revenue from a new site ramps up over a period of at least 12 months to a level of revenue that is considered a sustainable level for that location going forward. It will take some quarters, therefore, to see the revenues from these new locations coming through the results.

For Further information, please contact:

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Recurring and non-recurring revenue breakdown

- Recurring revenue from continuing operations in Q1 2022 was up 51% on Q1 2021 and now accounts for 52% of the revenue in the Quarter, following the disposal of the waste collection business.
- Non-recurring revenue from continuing operations increased 33% for the same comparative period.
- In the operational currency, the variances for Recurring revenue and Non-recurring revenue are 44% and 29% respectively.

Revenue Breakdown (SEK '000s)	Q1 2022	Q1 2021	
Recurring	6,994	4,637	51%
Non-Recurring	6,397	4,772	33%
	13,361	9,410	42%
Total Revenue from Discontinued Operations	2,979	3,652	

Costs

- The Company incurred total operating expenses of SEK 12.5 million in Q1 2022, which compared to SEK 13.9 million in Q4 2021 and SEK 9.2 million in Q1 2021.
- Included in the expenses for the first quarter of 2022 were significant expenses related to the disposal of the Waterford Bin business which are one-off and shall not recur.
- The Company continued to invest in its digital marketing and advertising spend, though it continues to optimize these for higher margin verticals.



Financial Information

Accounting policies

Kollect On Demand Holding AB (publ)'s consolidated financial statements as of and for the three month period ended 31 March 2022, have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

For Group, this Interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. All amounts in this report are presented in SEK, unless otherwise stated. Rounding differences may occur.

Discontinued Operations

As the Company sold its Waterford Bin Business during the Quarter, this report includes financial information which has been presented from continuing operations, thus excluding the revenues, costs of sale and any direct costs associated with this business.

Exchange Rates

The exchange rates used in this report are sourced from the European Central Bank. The primary operating currencies of the Group are Euro for Irish operating entities and GBP for the UK operating entity. Figures in this report are reported in SEK. Movements in exchange rates may be favourable or unfavourable for reporting purposes, but as SEK is not the operational currency for the Company, foreign exchange movements do not have a material impact on the operations of the business.

Auditor Review

The figures in this report have not been audited by the Company's auditor, unless otherwise stated.

Next report

The next interim report that will be published will be for Q2 2022 on Aug 8, 2022.

Annual General Meeting

The Annual General Meeting is scheduled for 20 June 2022.

Annual Report

The Annual Report is scheduled to be published on 30 May 2022. This will be available at [Kollect.ie/pages/investor](https://kollect.ie/pages/investor)

Financial Calendar

Annual Report	30 May 2022
Annual General Meeting	20 June 2022
Q2 2022 Report	8 August 2022
Q3 2022 Report	1 November 2022

Income Statement

SEK '000	Q1 2022	Q1 2021	2021
Revenue	13,361	9,410	50,290
COS	(9,330)	(6,224)	(32,750)
Gross Profit	4,030	3,185	17,540
Operating Expenses	(11,223)	(7,960)	(37,948)
Other Income	24,800	-	685
Other Expenses	-	-	-
Profit/(Loss) for the period from continuing operations	17,607	(4,774)	(19,723)
Discontinued Operations			
Profit for the period from discontinued operations	230	692	1,960
Profit/(loss) for the period before tax	17,837	(4,082)	(17,763)
Tax expense	0	0	0
Total Loss for the period	17,837	(4,032)	(17,763)
Number of shares outstanding at period close	9,531,422	5,885,610	9,531,422
Earnings per share at the end of period (SEK)	1.87	(0.69)	(1.48)
Number of shares outstanding after any dilution impact	9,531,422	9,578,415	9,531,422
Earnings per share after dilution impact of warrants (SEK)	1.87	(0.43)	(1.48)

Balance Sheet

SEK '000	Mar 2022	Mar 2021	Dec 2021
Fixed Assets	16,412	12,497	17,362
Trade and other receivables	9,085	5,646	6,562
Bank and Cash	22,889	6,916	8,608
Total Current Assets	31,974	12,562	15,170
Trade and other payables	19,485	30,245	20,427
Long Term Liabilities	3,668	2,359	4,708
Total Liabilities	23,153	32,604	25,135
Net Assets	25,234	(7,545)	7,397
Equity	25,234	(7,545)	7,397

Cash Flow

SEK '000	Q1 2022	Q1 2021	2021
Profit/(Loss) after Tax	17,837	(4,019)	(17,763)
Finance costs	277	682	2,062
Depreciation	696	491	1,806
FX impact	0	0	1,774
Amortization	58	40	156
Trade & Other receivables	(2,523)	(1,300)	(2,146)
Trade & other payables	4,759	1,066	1,987
Net Cash from Operating Activities	21,103	3,040	(12,125)
Payment for intangible assets	(853)	(24)	(1,420)
Payment for PPE	(3,986)	(99)	(4,012)
Net Cash Flows from Investing Activities	(4,840)	(123)	(5,432)
Proceeds from Issue of Share Capital	0	0	28,609
Movement in finance leases	(300)	177	0
Movement in bank loans	(2,071)	8,449	3,143
Movement in rolling finance facility	0	(49)	(4,700)
Interest paid	(277)	259	(3,226)
Net Cash Flows from Financing Activities	(2,648)	(662)	23,826
Differences relating to Foreign Exchange	665	(162)	(12)
Net increase/(decrease)	14,281	4,565	6,269
Opening Cash	8,608	2,351	2,351
Closing Cash	22,889	6,916	8,608

Statement of Changes in Equity

SEK '000s	Share Capital	Share Premium	Retained Earnings	Total Shareholders Equity
01-Jan-21	1,471	26,954	(31,637)	(3,211)
Total Group Loss			(4,019)	(4,019)
31-Mar-2021	1,471	26,954	(35,656)	(7,545)
01-Jan-22	2,382	49,121	(44,106)	7,397
Profit for period			17,837	17,837
31-Mar-2022	2,382	49,121	(26,269)	25,234

