
Annual letter from the CEO

Today, 21 December 2022, John O'Connor issues a letter looking back on 2022 and ahead to 2023

Dear Investor,

As the end of 2022 approaches, I take the opportunity in writing my annual letter to investors as the time to reflect on what has been a transformational year for the business.

In the summer, we welcomed Mary and Andy to the Board and we have already seen the positive impact that they have had on the business operationally, and are thankful to have their experience to guide and support the Company in the future. I am also thankful for the years of hard work from their predecessors Johnny, Maoiliosa and Stefan.

Despite macroeconomic headwinds which have impacted the growth of many companies, I was delighted that in our most recently published report for Q3 2022, we had been able to show year to date growth of 32% compared to the same period in the prior year.

To have delivered the growth, whilst at the same time reducing operating expenses (down 28% in Q3 2022 compared to Q2 2022) as the business right-sizes for our future expansion has been challenging, but rewarding. I also believe that this has us well positioned going into 2023.

We have changed the business following the disposal of the Waterford Bin business in Q1 2022, which was a significant transaction for the business, returning proceeds of approximately 25MSEK, for what was ~25% of our 2021 revenue.

The disposal of the bin business has enabled us to focus the Kollect platform, both the front end and the back end, during the year. For the front end, we recently delivered the new e-commerce website solution which we believe holds us up as best in class; not just as a leaders in our industry, but compared to any company which operates online.

The investment which we have made in our ERP and the back-end infrastructure also means that we were well-positioned to announce the launch of several new home services. These services complement our existing business model of operating in industries with a fragmented supply side and low digital maturity. The new services also open up new customers and new providers who we can onboard to the platform. Whilst we are still in the early stages of this new offering, I'm confident about the size of the opportunity in front of us.

I am also excited about the opportunity in the BIGbin vertical which has also performed well this year as we are up to 42 sites, but we believe there are up to 300 potential sites in Ireland alone. The orders for new bins and parts which we have placed this year will start to support the growth next year and I am looking forward to our growth on new sites next year.

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Finally, I'd like to thank our customers, suppliers, investors and our employees for all your support this year and wish you all Seasonal Greetings and the very best for 2023.

Regards,

John O' Connor, CEO.

Attachments

[Annual letter from the CEO](#)