



Press Release

March 4, 2022

Kollect on Demand Holding AB successfully disposes of bin collection business for approximately SEK 25 million.

Kollect on Demand Holding AB ("Kollect" or the "Company") today announces the successful disposal of its domestic and commercial bin collection business in Ireland ("Bin Collection Business") to Beauparc for an upfront cash payment of approximately SEK 25 million before transaction costs.

Background

The Bin Collection Business is a traditional waste collection business in one city, Waterford, Ireland. The business comprises of the domestic and commercial customers, routes, bins, trucks and employees (including drivers) involved in the business.

Apart from the BIGbin waste drop-off assets, the Bin Collection Business that has been disposed of included the remaining waste collection infrastructure and assets held by Kollect. Since it was a relatively mature business market, the Board was of the view that it was going to be difficult to grow the business further without making significant capital investments into new trucks, routes, bins, employees and customer acquisition.

As Kollect's strategy is to develop its online platform and not be a waste infrastructure business, the Board considered that this business was no longer core to the Company. It decided, therefore, to accept the offer of approx. SEK 25 million from Beauparc, paid at closing, March 4, 2022.

The disposal is, in effect, the last step in the Company's evolution into two separate businesses, each with its own business model; namely the Kollect online platform and the BIGbin waste drop-off business.

Beauparc is the largest waste company in Ireland with more than 360,000 domestic and commercial customers.

Use of proceeds

The Company intends to use the net proceeds to execute on its stated 2024 strategy of organic growth (through geographic expansion and the introduction of new products), supported by M&A; developing technology to improve customer service and relationships; and constantly improving cost effectiveness across the business.

A portion of the proceeds will also be used to make an early repayment towards the debt facility with InvoiceFair.

Financials

	FY2021	FY2021	FY2021
kSEK	KODHAB - Consolidated	KODHAB - Continuing Operations	Waterford Bin Business
Revenue	SEK 66,662	SEK 50,288	SEK 16,374
Cost of Sales	(SEK 42,264)	(SEK 34,823)	(SEK 7,441)
Gross Profit	SEK 24,398	SEK 15,466	SEK 8,932
Operating Expenses	(SEK 42,846)	(SEK 36,414)	(SEK 6,432)
Other Income	SEK 685	SEK 685	SEK 0
Profit/(Loss) for the period before tax	(SEK 17,763)	(SEK 20,263)	SEK 2,500

The above financials extract the direct costs associated with the Bin Collection Business from the full year consolidated accounts for 2021. Depreciation charges which are directly attributable to the Bin Collection Business are also extracted and included in the financial information for Waterford Bin Business.

Comment from John O'Connor, CEO:

"I am delighted that we have been able to achieve such a competitive price for our bin business, which sees the Company exit the traditional kerbside waste collections business. This is a key step in focusing Kollekt on growing our digital platform for booking waste collection and taking advantage of the significant growth opportunity which is in front of us online.

While Kollekt's overall revenue growth in 2021 was 44%, the Bin Collection Business revenues grew by approximately 20%. In the same period, the other areas of the business, including BIGbin, provided a combined annual growth rate of 55%. Similarly, in the trading update which was released for January 2022, we reported total revenue growth of 43% compared to January 2021. Within this, the Bin Collection Business grew by 13% for the domestic collections and 20% for commercial collections.

I am excited about the opportunities to rapidly expand our online platform business, as well as the many new sites which we will be rolling out this year for the BIGbin business.

I am also happy that our customers and employees in the bin business are moving to Beauparc, the leading waste collection company in Ireland, with whom we have solidified our relationship."

Investor Presentation

There will be an investor presentation on Zoom at 12pm CET Monday March 8, 2022. Please email IR@kollekt.ie for registration details.

For more information about Kollect:

John O'Connor, CEO

E-mail: IR@kollect.ie

Telephone: +353 871 218 907

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 via the online Kollect booking engine; and those who use BIGbin smart compactor bins for waste drop-off.

Waste collection services include domestic skip (container) hire, skip bag hire and junk removal such as furniture and other large objects.

For more information, visit www.kollect.ie.