

VESTUM

A photograph of a technician working in a server room. The technician is wearing a white safety helmet with two yellow lights on the sides and a high-visibility yellow safety vest over a dark shirt. They are seen from the back, looking at a server rack filled with orange cables. The background is slightly blurred, showing more server equipment and blue LED lighting.

Interim report

January-June 2022

Vestum AB (publ)

Q2

Strong demand and solid profitability

April – June 2022

- Net sales amounted to SEK 1,838 (36) million
- Adjusted EBITA amounted to SEK 202 (6) million, corresponding to an adjusted EBITA-margin of 11.0% (16.7%)
- Operating profit (EBIT) amounted to SEK 114 (0) million
- Earnings per share before and after dilution amounted to SEK 0.17 (-0.02)
- Cash flow from operating activities amounted to SEK 71 (1) million
- Operating cash flow amounted to SEK 122 (7) million, corresponding to a cash conversion of 48% (243%)
- Vestum has completed ten acquisitions during the second quarter

January – June 2022

- Net sales amounted to SEK 3,107 (36) million
- Adjusted EBITA amounted to SEK 287 (6) million, corresponding to an adjusted EBITA-margin of 9.2 % (15.7 %)
- Operating profit (EBIT) amounted to SEK 129 (-0) million
- Earnings per share before and after dilution amounted to SEK 0.08 (-0.02)
- Cash flow from operating activities amounted to SEK 176 (-1) million
- Vestum has completed 20 acquisitions during the period

Vestum in summary

SEK million (unless otherwise stated)	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 months	Jan-Dec 2021	Pro forma, rolling 12 months ²⁾
Net sales	1,838	36	3,107	36	4,387	1,316	6,843
EBITDA	256	3	385	2	543	161	981
EBITA	192	1	271	1	370	100	730
EBITA-margin, %	10.5	3.3	8.7	2.3	8.4	7.6	10.7
Adjusted EBITA ¹⁾	202	6	287	6	397	116	730
Adjusted EBITA-margin, % ¹⁾	11.0	16.7	9.2	15.7	9.1	8.8	10.7
EBITA per share, SEK ¹⁾	0.53	0.03	0.75	0.03	1.60	0.53	1.99
Adjusted EBITA per share, SEK ¹⁾	0.55	0.16	0.79	0.22	1.72	0.61	1.99
Earnings per share, SEK	0.17	-0.02	0.08	-0.02	0.15	0.03	-
Operating profit (EBIT)	114	0	129	-0	175	45	-
Cash flow from operating activities	71	1	176	-1	166	-10	-
Net debt in relation to pro forma EBITDA	-	-	-	-	2.8x	2.3x	2.8x

1) See page 23-25 for definitions and reconciliation of alternative key figures.

2) The pro forma figures include all acquisitions that were completed by the end of the period.
See also the section Pro forma accounting under Accounting principles.

1,838

Net sales, Apr-Jun 2022 in SEK million

202

Adjusted EBITA, Apr-Jun 2022 in SEK million

11.0 %

Adjusted EBITA margin, Apr-Jun 2022

This report is a translation of the Swedish original. In the event of discrepancies, the Swedish version shall prevail.



Comments from the CEO

The second quarter of the year delivered solid growth and stable profitability. Net sales for the quarter amounted to SEK 1,838 million and adjusted EBITA amounted to SEK 202 million, corresponding to an adjusted EBITA margin of 11.0%. Organic growth for all completed acquisitions up to and including the second quarter 2022 was 15.0% on an annual basis compared to the same period in the previous year. The previously announced process of moving our listing to Nasdaq Stockholm is proceeding according to plan and the formal auditing process has been initiated.

Strong demand and stable profitability in all three segments

Demand has remained strong within all our segments, especially within Infrastructure which represented more than 50% of the Group's net sales and earnings during the quarter. The Infrastructure segment delivers niched services and products to societal important infrastructure, which provide solid demand regardless of the economic environment. Within Services, both net sales and profitability have been solid with an EBITA margin of 12.5%. The Water segment experienced challenges during the start of the quarter, primarily in Germany, partly because of restrictions caused by the pandemic. The EBITA margin within Water reached 11.3%.

Strong demand and stable profitability in combination with positive cash flow led to a decrease in net debt in relation to pro forma EBITDA compared to the previous quarter, despite the fact that Vestum completed ten acquisitions during the second quarter.

“High organic growth and positive cash flow.”

Net debt at the end of the quarter amounted to 2.8x pro forma EBITDA, which is within the range of our financial target of 2.5-3.5x. Operating cash flow amounted to SEK 122 million, corresponding to a cash conversion of 48%. We see continued potential in freeing up capital, which is an ongoing process within the Group.

Our acquisition activity has been intense during the quarter with ten completed acquisitions, of which seven were in Sweden and three in Norway. The acquisitions will strengthen and advance Vestum’s position within our segments by adding know-how, an expanded customer base, geographic expansion and a stronger offering. A good example of this is the company Østcom, a Norwegian market leader within perimeter security which we acquired in April. Østcom is an excellent complement to our Swedish company Skandinaviska Områdesskydd, which operates within the same industry but in a different geographical market. Two of the acquisitions completed during the period were add-on acquisitions, which is an important part of Vestum’s value creation strategy.

Outlook

We see solid demand for our products and services. There are major investment needs in the infrastructure industry, while commercial properties have a significant need to maintain a high pace when it comes to improving energy efficiency and making adjustments to meet stricter environmental and accessibility requirements. It is clear that new construction is negatively impacted by the current market situation, but this is only a small part of Vestum’s operations. Challenges

remain at the supply chain level, but our decentralised business model in combination with having experienced and skilled co-workers allow us to maintain high customer satisfaction and solid profitability. It is in these times that we get to prove that our portfolio of companies and collective competence make a difference and that we, therefore, can deliver solid profitability over an economic cycle.

I can state with pride that we are a Group that generates a rolling 12-month pro forma net sales of SEK 6.8 billion and a pro forma EBITA of SEK 730 million, corresponding to a pro forma EBITA margin of 10.7%, making us one of the largest Nordic players within our industry.

We look back on a quarter where we have delivered high organic growth, stable profitability, positive cash flow and several successful acquisitions, in addition to a decreased net debt in relation to pro forma EBITDA. By using the collective expertise of our more than 2,000 employees and our experienced business leaders, we shall actively drive the transformation of our industry while continuing to deliver organic growth and profitability.



Conny Ryk
Chief executive officer, Vestum AB (publ)

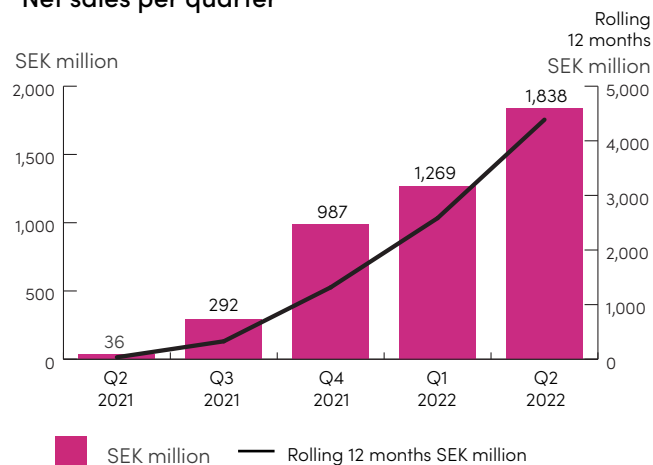
About Vestum

Vestum is an industrial group that provides services and products to societal important infrastructure. Our portfolio of leading specialists has strong local presence and extensive industry experience. Vestum has over 2,000 employees in the Nordics, Germany and the UK.

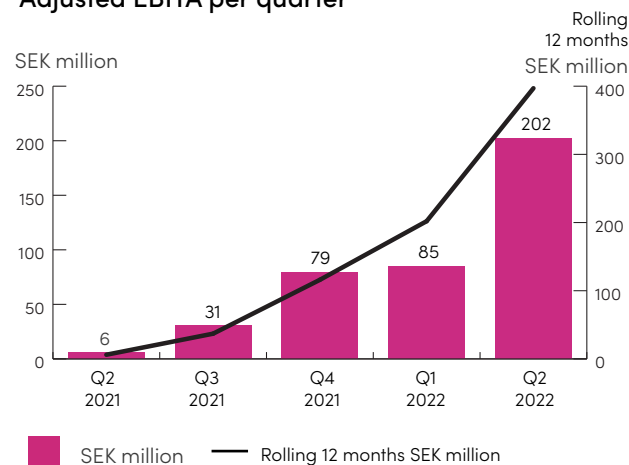
Vestum's organisation has extensive experience in starting, developing and acquiring businesses. Entrepreneurship is in our DNA and it is important that the entrepreneur's driving forces and customer focus permeate the entire organisation. Therefore, we believe that operational decisions should be made in the operating unit rather than at group level. At the same time, we work closely with our entrepreneurs where experienced representatives from Vestum can participate in making strategic decisions in order to optimise the time for financial, commercial and operational development.

Our ambition is to grow to become the leading Nordic industrial group with a distinct focus on niched services and products to societal important infrastructure. We do this by developing and acquiring well-managed and profitable businesses where, together with ambitious entrepreneurs and company management, we can work for continued development and sustainable profitable growth.

Net sales per quarter



Adjusted EBITA per quarter



Financial targets

Vestum's overall goal is to create long-term profitable growth by acquiring and developing high-quality companies with proven business models, strong market positions and solid cash flows. Vestum's current financial targets are as follows:

Growth

Vestum's target is to achieve an adjusted EBITA of at least SEK 3 billion by the end of 2025, driven by acquisitions in combination with organic growth.

Margins

Vestum's target is to achieve an adjusted EBITA margin of at least 10.0 percent.

Capital structure

Vestum's target is to have a financial net debt to adjusted EBITDA ratio of 2.5-3.5x averaged over the past four quarters.

Dividend policy

All of Vestum's profits and available cash flows will be reinvested in the business and/or used for new acquisitions.

Vestum's contribution to sustainable growth

In Vestum, sustainability is integrated into our business model, investment strategy and investment criteria.

During the second quarter, the work to develop a sustainability strategy that will contain overall sustainability goals, intermediate goals and activities as well as key figures has continued. During the period, every portfolio company has been given information and education regarding the new reporting tool Position Green, and reported key figures.

Vestum publishes a sustainability report in connection with its annual report, which is available at vestum.se. The quarterly reports include central key figures linked to issues we view as the most essential within sustainability. The intention is to gradually increase the extent of sustainability reporting in the quarterly reports. In the report for the first quarter, figures were reported only for Vestum Sweden. In the report for the second quarter, figures are reported for all companies in all countries. Therefore, the first quarter figures have not been included for reference.

Environment

The environmental area encompasses several important issues, including climate issues that involve reducing the climate impact and adapting to a world that has already been affected by climate change.

Climate

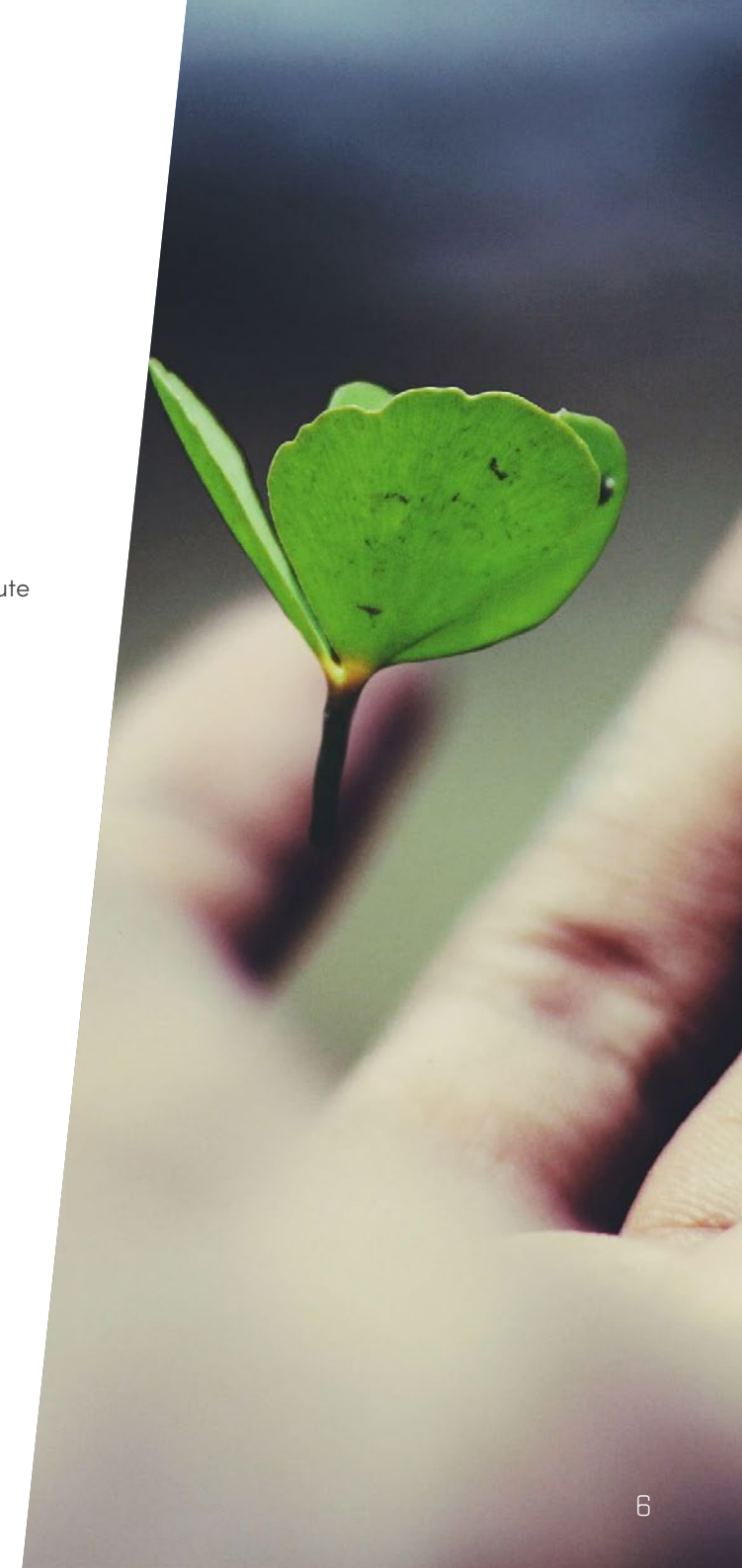
Vestum aims to minimise and optimise its own use of resources. The goal is that our activities should contribute to minimising climate emissions, reducing energy consumption, reducing the use of natural resources and minimising the amount of waste.

Focus area	Apr-Jun 2022	Goal
Total energy usage	1,493 MWh	Target is set during 2022
Carbon dioxide equivalent (CO2e)	98.5 ton	Target is set during 2022
Carbon dioxide emissions per SEK turnover	0.5 g/1 SEK	Target is set during 2022
Proportion of fossil-free energy use (%) ¹⁾	39.2%	Target is set during 2022
Energy generated from solar cells (kWh)	8,627 kWh	Target is set during 2022

1) Including to reach a 100% renewable, fossil free energy at the premises of all our companies.

EU Taxonomy

During the second quarter the process of developing routines and working methods for reporting according to the EU Taxonomy has been initiated in collaboration with KPMG. The process will continue during the rest of 2022.



Social issues

Social sustainability issues include issues of human rights, work environment and equality.

Employee survey

Vestum conducted an employee survey during June 2022 for group-level employees in cooperation with A Great Place To Work. All employees were asked to respond to statements regarding credibility, fairness, respect, pride and camaraderie. As a final question, the employees were also asked whether they view their workplace as a very good workplace overall.

The above was consolidated and generated a so-called Trust Index, which shows the trust that the employees experience. To become A Great Place to Work certified, you must have a Trust Index™ of at least 70 (on a scale of 0-100). Vestum received a Trust Index score of 90. 100% of employees viewed Vestum as a very good workplace overall.

The survey showed that our employees view the organisation itself and collaboration with colleagues as our most important strengths.

Vestum also measured employee Net Promoter Score (eNPS), a measure to see how willing employees are to recommend their workplace to friends and acquaintances. What is considered a good score varies significantly between different industries, countries and cultures, but a guideline can be that anything over 0 is considered good, over +20 is very good and over +50 is exceptional. Vestum's score is 71.

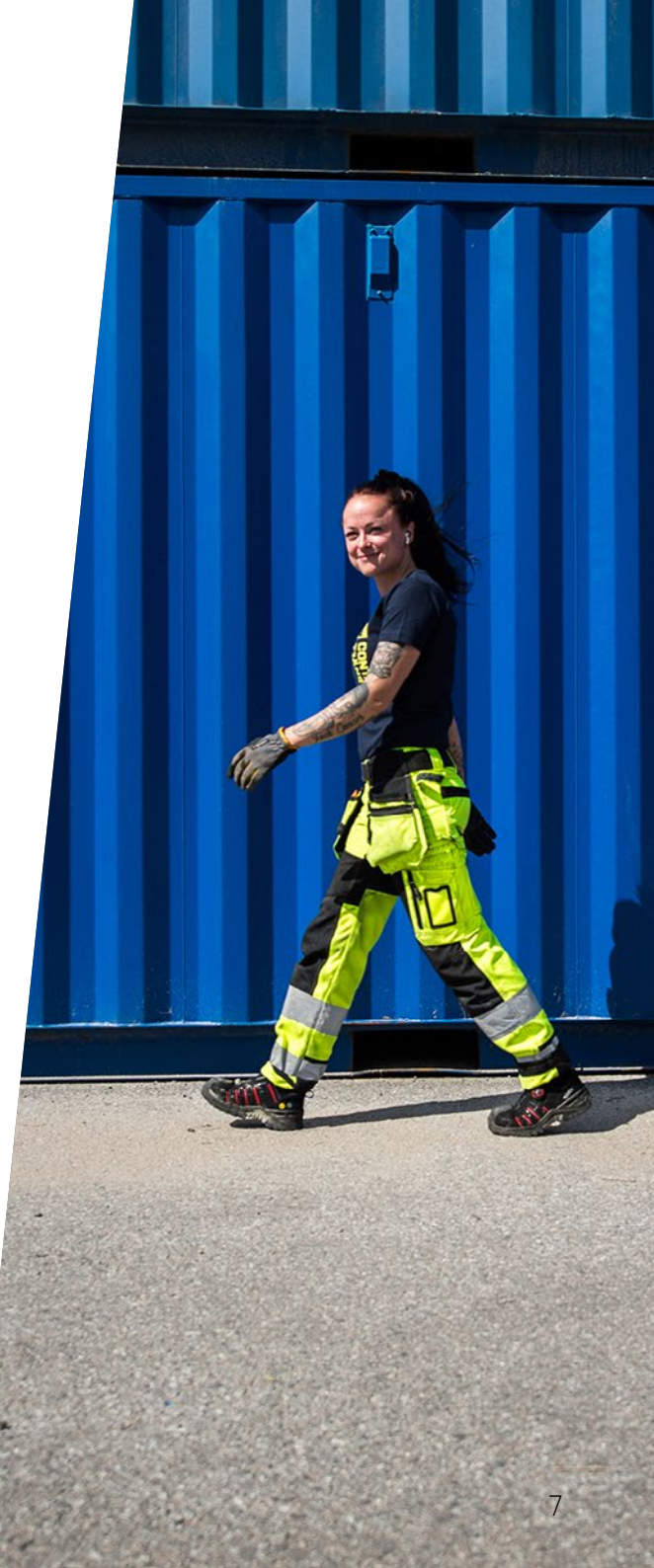
Work environment

Vestum had a total of about 2,340 employees at the end of the period, all of whom contribute to the Group's innovative thinking and competitiveness. The Group's vision is for all employees to be offered healthy and safe workplaces at all times, without accidents, injuries or discrimination, as well as a more even gender balance. LTIFR (Lost Time Injury Frequency Rate) shows the number of reported work accidents that led to at least one day's medical leave. For Vestum it is important to decrease the number of workplace accidents, and in order to be able to follow our work environment indicators over time when turnover and staff size fluctuate, we need to measure work environment indicators in relation to size. Therefore we measure LTIFR that is linked to the number of hours worked.

Focus area	Jan-Apr 2022	Goal
Number of accidents leading to medical leave	13	Target is set during 2022
LTIFR	3.23	Target is set during 2022

Diversity and inclusion

Diversity and inclusion are important issues for Vestum. By setting targets and implementing activities we contribute to an equal workplace and society. The ability of a workplace to recruit and motivate workers and create loyalty depends largely on whether everyone see themselves as part of the team and have equal opportunities to develop. Our starting point is to make sure all employees feel welcome at our workplaces, so that we don't risk losing valuable skills. In the sectors where Vestum operate, there is currently a severe lack of women in operative and managerial positions, which we are working towards changing.



Equality

Vestum supports diversity and equality at our workplaces together with our partners. For us it is important to strive towards increased equality in the industries we operate in, and we are following the development of gender distribution in both the Group as a whole as well as in management positions. Our recruitment process is a key aspect of our efforts to reach equality. Today Vestum is actively inclusive when recruiting for all positions in order to increase diversity in the workplace.

Focus area	Apr-Jun 2022	2021	Target
Proportion of women at Vestum	8.3%	7.7%	Target is set during 2022
Proportion of women in managerial positions at Vestum	8.7%	-	Target is set during 2022

Governance

Within governance, we strive to have a sustainability strategy, policies, targets and activities that we monitor regularly. This will be finalised during 2022.

Business ethics

Vestum is characterised by honesty, openness and high integrity. Vestum has a code of conduct that applies to all companies within the Group as well as a code of conduct that applies to the Group's suppliers. In addition, Vestum has Group-wide governing documents regarding issues such as anti-corruption, money laundering and economic sanctions. Vestum will continuously be monitoring that the governing documents are complied with and implemented throughout the Group.

For more detailed information, see Vestum's Annual Report 2021.



The Vestum Group's Development

Significant events during the second quarter

During the second quarter of 2022, Vestum completed ten acquisitions.

Net sales

The Group's net sales for the remaining operations for the second quarter amounted to SEK 1,838 (36) million. The growth from the same period last year is mostly acquisition-related. Organic growth, defined as pro forma, 12-month rolling net sales compared to the corresponding period last year, amounted to 15.0% for the period, driven primarily by high demand but also by price increases.

For the period January - June 2022, the Group's net sales for the remaining operations amounted to SEK 3,107 (36) million.

Seasonality

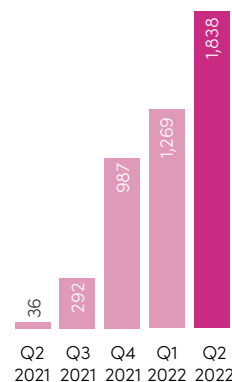
Vestum's activities are affected by seasonality due to weather conditions and number of working days. The Group's diversified structure, regarding both market offering and geographical presence, limits exposure to seasonality to some extent.

Earnings

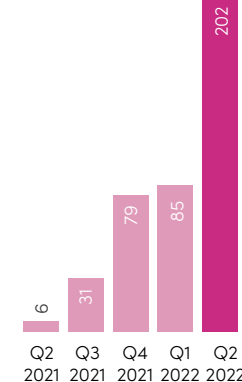
Earnings before amortisation and write-downs of acquired surplus values (EBITA) for the remaining operations for the second quarter amounted to SEK 192 (1) million. Adjusted EBITA amounted to SEK 202 (6) million which corresponds to an adjusted EBITA-margin of 11.0% (16.7%). Operating profit (EBIT) amounted to SEK 114 (0) million.

Net financials for the second quarter amounted to SEK -32 (-2) million of which positive exchange rate changes amounted to SEK 15 (-) million. SEK 42 (2) million refers to interest costs for loans and leasing. The period's profit after tax for the remaining operations amounted to SEK 65 (-1) million, which corresponds to a profit per share before and after dilution of SEK 0.17 (-0.02).

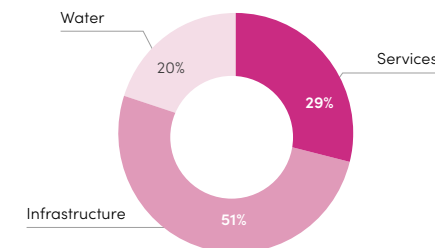
Net sales,
per quarter
SEK million



Adjusted EBITA
per quarter
SEK million



Net sales
per segment, Q2 2022
Percent



Earnings before amortisation and write-downs of acquired surplus values (EBITA) for the remaining operations for January - June 2022 amounted to SEK 271 (1) million. Adjusted EBITA amounted to SEK 287 (6) million which corresponds to an adjusted EBITA-margin of 9.2% (15.7%). Operating profit (EBIT) amounted to SEK 129 (0) million and net financial items amounted to SEK -90 (-3) million. The period's profit after tax for the remaining operations amounted to SEK 29 (-1) million which corresponds to a profit per share before and after dilution of SEK 0.08 (-0.02).

Segment development: Water

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 months	Jan-Dec 2021
Net sales	375	-	714	-	925	211
EBITA	42	-	69	-	77	8
EBITA-margin	11.3%	-	9.7%	-	8.4%	3.8%

Within Water, we offer niche services and products in water technology that focus on improving the service sector for water infrastructure.

Net sales for the second quarter amounted to SEK 375 (-) million and EBITA amounted to SEK 42 (-) million, corresponding to an EBITA margin of 11.3% (-%).

Net sales for the period January - June 2022 amounted to SEK 714 (-) million and EBITA amounted to SEK 69 (-) million, corresponding to an EBITA margin of 9.7% (-%).

The quarter has shown solid demand for our products and services. The quarter has been affected by increased raw material prices that are passed on to customers with a certain delay, which therefore puts pressure on the margins. All countries have performed strongly with the exception of Germany, which had difficulty executing its projects at the expected pace, mostly due to the covid-related restrictions and repercussions. Customer demand remain at solid levels.



Segment development: Services

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 months	Jan-Dec 2021
Net sales	529	4	912	4	1,309	400
EBITA	66	1	95	1	129	34
EBITA-margin	12.5%	12.5%	10.5%	12.5%	9.8%	8.5%

Within Services, we offer niche services and products to the renovation, conversion and extension sector.

Net sales for the second quarter amounted to SEK 529 (4) million and EBITA amounted to SEK 66 (1) million, corresponding to an EBITA margin of 12.5% (12.5%).

Net sales for the period January - June 2022 amounted to SEK 912 (4) million and EBITA amounted to SEK 95 (1) million, corresponding to an EBITA margin of 10.5% (12.5%).

Demand for our services and products continues to be strong and we are actively working on meeting the challenges that arise as a result of rising raw material prices and disruptions in supply chains. During the quarter, our offering within electrical installation and door systems was strengthened through completed acquisitions.



Segment development: Infrastructure

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 months	Jan-Dec 2021
Net sales	934	32	1,481	32	2,153	704
EBITA	107	9	150	9	229	87
EBITA-margin	11.5%	26.6%	10.1%	26.6%	10.6%	12.4%

Within Infrastructure, we offer niche work in land & civil engineering, railways and other infrastructure.

Net sales for the second quarter amounted to SEK 934 (32) million and EBITA amounted to SEK 107 (9) million, corresponding to an EBITA margin of 11.5% (26.6%).

Net sales for the period January - June 2022 amounted to SEK 1,481 (32) million and EBITA amounted to SEK 150 (9) million, corresponding to an EBITA margin of 10.1% (26.6%).

Demand has been strong during the quarter. The quarter has continued to be affected by increased fuel and raw material prices and several land and infrastructure projects have been started. During the quarter, four new companies were acquired in the segment, which further strengthen our position within advanced land and concrete works. In addition to these, two add-on acquisitions were also completed, enabling greater geographic coverage and stronger market positions.



Pro forma, rolling 12 months

The table below illustrates pro forma for acquisitions completed by the end of the period.

SEK million (unless otherwise stated)	Pro forma, rolling 12 months
Net sales	6,843
EBITDA	981
EBITA	730
EBITA-margin, %	10.7
Actual costs for group functions that affect pro forma EBITDA and EBITA	63

Cash flow

Cash flow from operating activities during the second quarter amounted to SEK 71 (1) million, of which changes in working capital amounted to SEK -126 (4) million. The operating cash flow amounted to SEK 122 (7) million, which corresponds to a cash conversion of 48% (243%). For the period January - June 2022, cash flow from operating activities amounted to SEK 176 (-1) million, changes in working capital amounted to SEK -38 (6) million and operating cash flow amounted to SEK 322 (10) million, which corresponds to a cash conversion of 84% (418%). The Group's working capital varies over the quarters, mainly due to fluctuations in the items ongoing projects, accounts receivable and accounts payable. Working capital tie-up during the second quarter was driven primarily by high activity during the latter part of the quarter (May and June). This applied in particular to the Infrastructure segment.

Investments

The Group's investments during the second quarter excluding acquisitions amounted to SEK 7 (0) million, and SEK 25 (0) million for January - June 2022. Total purchase price for the acquisition of subsidiaries amounted to SEK 761 (1,043) million and for January - June 2022, to 1,874 (1,043) million. For more information, see the section Acquisitions. Paid contingent consideration amounted to SEK 40 (0) million in the second quarter and SEK 80 (0) million for the first half of 2022.

Financial position and liquidity

The Group's cash and cash equivalents at the end of the period amounted to SEK 634 (200) million. At the end of the period, the Group had a net financial debt of SEK 2,740 (477) million. The net financial debt in relation to pro forma rolling 12 months EBITDA was 2.8x (2.8x). Total liabilities amounted to SEK 5,722 (954) million as of June 30, 2022. The interest-bearing liabilities, including lease liabilities, amounted to SEK 3,375 (676) million as of June 30, 2022. Equity at the end of the period amounted to SEK 4,231 (663) million. Equity in the Parent company amounted to SEK till 4,108 (679) million.

Vestum has utilized SEK 204 million of the issuer's credit facility at the end of the period. Available cash and cash equivalents at the end of the period amounted to SEK 1,030 million.

Staff

The number of full-time employees as of June 30, 2022, amounted to 2,340 (303) people.

Incentive program

During the Extraordinary General Meeting in Vestum AB (publ) at December 17, 2021, it was decided to establish a warrant-based incentive program by issuing a maximum of 3,520,193 warrants, to key people in the Group and the portfolio companies. The warrants have been transferred on market terms at a price that was established based on a estimated market value calculated by an independent valuation institute. The payment of the incentive program starting in the first quarter of 2022, has been booked against equity and increases equity by SEK 11,475,831. At the annual general meeting in May 23, 2022, it was decided to introduce another incentive program by issuing a maximum of 3,650,000 warrants. See further information in section Significant events after the end of the quarter. As of June 30, 2022, there is no dilution effect in equity.

Outstanding program	Number of options	Corresponding number of shares	Redemption rate per option (SEK)	Redemption period	Maximum increase in share capital (SEK)
2021/2025	3,520,193	3,520,193	70.9	1 Jan 2025 - 31 Mar 2025	1,161,664

Parent company

The Parent company's net sales during the second quarter amounted to SEK 3 (-0) million. Operating profit amounted to SEK -17 (-8) million. Net financial items amounted to SEK -17 (-2) million and mostly contained of interest in loan. Loss for the period amounted to SEK -27 (-10) million. For the first year half of 2022, net sales amounted to SEK 11 (-0) million, operating profit amounted to SEK -30 (-8) million and net financial items amounted to SEK -16 (-2) million. Loss for January - June 2022 amounted to SEK -37 (-11) million.

The balance sheet total as of June 30, 2022, was SEK 6,385 (1,157) million, of which equity amounted to SEK 4,108 (679) million. Cash and cash equivalents in the Parent Company amounted to SEK 356 (57) million.

Significant events after the end of the quarter

Since the end of June, Vestum has signed two more acquisitions, MDT Markvaruhuset AB and Isodrän AB, which have not yet been completed.

After the end of the period, Vestum has added another Nordic credit institution as a lender to the company's credit facility agreement and, in connection with this, expanded the facility by SEK 300 million. The total facility amounts to SEK 900 million with the possibility to expand the facility by SEK 100 million (facility accordion increase).

Since the end of the period, Vestum's warrant-based incentive program 2022/2025 was paid. A total of 3,650,000 warrants have been issued, which entitle the holder to subscribe for one (1) share in Vestum AB (publ) at a redemption rate per share of SEK 31.4 per share during the period June 1, 2025 to August 31, 2025. The warrants have been transferred on market terms at a price that was established based on an estimated market value calculated by an independent valuation institute.

Acquisitions

Vestum has started the year with a continued high acquisition rate. During the period January – June 2022, 20 acquisitions have been agreed and completed. At the time of this report, 22 acquisitions have been agreed, of which 20 were completed.

Acquisitions completed during the period

Closed by the end of the period (SEKm)	Segment	Completed	Est. annual net sales	Number of employees
Mobile Container Repair AB	Infrastructure	January	124	36
NA Altanglas AB	Services	January	51	14
Mälarmontage Glas & Metall AB	Services	January	30	11
KvalitetsMark R AB	Infrastructure	January	169	11
Västsvensk Byggskruv AB	Services	January	167	19
Galore i Uppsala AB	Services	February	89	44
Lerums Tekniska Isolering LTI AB	Services	February	54	37
Scanregn A/S	Water	February	97	18
KylKontroll Göteborg AB	Services	February	86	32
Marbit AB	Infrastructure	March	238	49
ABAX Dörrsystem AB	Services	April	72	19
Fibber A/S	Infrastructure	April	36	25
Kjellgrens EI i Tumba AB	Services	April	28	18
Spännbalkkonsult SBK AB	Infrastructure	April	95	24
Østcom A/S	Infrastructure	April	105	56
Pordrän AB	Infrastructure	April	78	10
Högsbo EI AB	Services	April	47	23
ABR Mark & Järnväg AB	Infrastructure	May	65	13
Rockcon AB	Infrastructure	June	11	2
Akershus Elektro A/S	Services	June	46	35
			1,688	496

During the period January – June 2022, Vestum completed 20 acquisitions. In all cases, 100 percent of the shares were acquired. Total purchase price for the acquisition of subsidiaries amounted to SEK 1,874 million, of which SEK 586 million has been paid with equity shares, and the remaining part with cash and cash equivalents. Equity interests are calculated based on a volume weighted average share price over ten days for the Vestum share.

In accordance with agreements on contingent considerations, the Group must pay cash compensation and/or with the issue of shares linked to future earnings. Equity interests are calculated based on a volume weighted average share price over 10 days for the Vestum share. The maximum non-discounted amount that may be paid to the previous owners amounts to SEK 664 million, of which SEK 131 million refers to acquisitions made during 2022. The likely outcome of the contingent consideration is based on the Group's forecast of future development and earnings in each entity. Total contingent consideration liability amounts to SEK 490 million, of which SEK 104 million refers to acquisitions completed in 2022. During the period, contingent consideration of SEK 80 million was paid. Paid contingent consideration had a net impact on the period of SEK -3 (0) million, which is reported in Other operating income and Other operating expenses in the income statement. The fair value of the contingent consideration is at level 3 in the fair value hierarchy. Contingent consideration payments are reported in Other current liabilities and Other long-term liabilities in the balance sheet.

Transaction costs for the acquisitions of SEK 11 million have been charged to the Group's earnings during the period January – June 2022. These are reported under Other operating expenses in the income statement. The goodwill of SEK 1,071 million that was generated by the acquisitions represents future financial benefits which are not individually identified and reported separately.

Effects of acquisitions completed at period-end

The acquisitions made during the period January to June 2022 have had the following effects on the Group's assets and liabilities. The effects are preliminary as the Group has not received final audited information from the acquired companies. Any adjustments in connection with the final PPA are not expected to have a significant impact on the Group's earnings or financial position. Equity interests are calculated based on a volume weighted average share price over 10 days for the Vestum share.

SEK million	Total
Intangible assets	588
Other non-current assets	47
Other current assets	443
Cash and cash equivalents	117
Non-current liabilities	-6
Deferred tax liabilities	-136
Current liabilities	-241
Non-controlling interests	-
Net assets and liabilities	803
Goodwill	1,071
Total purchase price	1,874

Impact on cash and cash equivalents	
Total purchase price	1,874
Conditional purchase price	-104
Settlement in shares	-585
Exchange rate adjustment	-
Cash and cash equivalents in acquired units	-117
Impact on cash and cash equivalents	1,068
Paid contingent consideration	80
Total impact on cash and cash equivalents	1,148

Impact on the income statement, Jan-Jun 2022

Net sales	586
EBITA	86
Operating profit (EBIT)	61
Profit/loss for the period	50

Impact on the income statement if the acquisitions had been part of the Group on January 1, 2022

Net sales	937
EBITA	115
Operating profit (EBIT)	114
Profit/loss for the period	100

Acquisitions that have been agreed but not yet completed

Vestum has entered into agreements of two acquisitions which are expected to be completed after the publication of this report. In each case, 100 percent of the shares will be acquired. The acquisitions are subject to customary closing conditions, including competition law approval.

Yet to be completed	Segment	Estimated annual net sales	Number of employees
MDT Markvaruhuset AB	Infrastructure	143	19
Isodrän AB	Infrastructure	75	13
		218	32

The Group's consolidated income statement in summary

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 months	Jan-Dec 2021
Remaining operations						
Net sales	1,838	36	3,107	36	4,387	1,316
Total operating income	1,838	36	3,107	36	4,387	1,316
Materials and purchased services	-979	-17	-1,659	-17	-2,303	-662
Other external costs	-156	-2	-275	-3	-401	-128
Personnel costs	-444	-9	-786	-9	-1,125	-349
Other operating income	8	0	14	0	14	0
Other operating expenses	-11	-5	-18	-5	-29	-16
Total operating expenses and operating income	-1,583	-34	-2,723	-34	-3,844	-1,155
EBITDA	256	3	385	2	543	161
Depreciation excl. acquired surplus values	-63	-1	-114	-1	-173	-61
EBITA	192	1	271	1	370	100
Amortisation attributable to acquired surplus values	-78	-1	-142	-1	-195	-55
Operating profit (EBIT)	114	0	129	-0	175	45
Financial items net	-32	-2	-90	-3	-124	-37
Earnings before tax	82	-2	40	-3	51	9
Income tax	-18	1	-12	1	-19	-6
Profit/loss for the year from continuing operations	65	-1	28	-2	32	2
Profit/loss from operations held for sale	-1	1	2	2	4	4
Profit/loss for the year	64	-1	30	-1	36	6

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 months	Jan-Dec 2021
The profit/loss for the period attributable to:						
Parent company shareholders	63	-1	29	-1	34	5
Non-controlling interests	1	-	1	-	2	1
Average number of shares during the period, before and after dilution ¹⁾	366,024,397	38,710,877	361,320,247	25,877,829	231,214,646	188,831,000
Number of shares issued at the end of the period	367,645,024	84,422,719	367,645,024	84,422,719	367,645,024	351,907,509
Profit/loss attributable to remaining operations and the Parent Company's shareholders per share before and after dilution, SEK	0.17	-0.02	0.08	-0.02	0.15	0.03

1) The average number of shares is adjusted based on the reverse split 2021.

Consolidated statement of comprehensive income in summary

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 months	Jan-dec 2021
Profit/loss for the period	64	-1	30	-1	36	6
Other comprehensive income						
Exchange differences on translation of foreign operations	-1	0	15	-0	40	25
Total comprehensive income for the period	63²⁾	-1	45	-1	76	31

2) The total comprehensive income is distributed to the Parent company's shareholders and continuing operations of SEK 63 million, the Parent company's shareholders and operations held for sale of SEK -1 million, and comprehensive income to non-controlling interests of SEK 1 million.

Segment reporting

Vestum divides its operations into three segments: Water, Services and Infra-structure. Vestum has identified these three segments as complementary, both over a business cycle and seasonally.

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 month	Jan-Dec 2021
<i>Net sales per segment</i>						
Water	375	-	714	-	925	211
Services	529	4	912	4	1,309	400
Infrastructure	934	32	1,481	32	2,153	704
Total net sales	1,838	36	3,107	36	4,387	1,316

Distribution of net sales per market	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 month	Jan-Dec 2021
Sweden	1,476	36	2,463	36	3,571	1,143
Norway	135	-	233	-	291	58
Other countries	227	-	411	-	525	114
Total net sales	1,838	36	3,107	36	4,387	1,316

Vestum's goal is to maintain an even distribution between the segments at Group level and over time. The table below only includes the financial outcome for the periods in which each portfolio company was part of the Vestum Group.

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 month	Jan-Dec 2021
<i>EBITA per segment</i>						
Water	42	-	69	-	77	8
Services	66	1	95	1	129	34
Infrastructure	107	9	150	9	229	87
Group functions ¹	-14	-3	-28	-3	-39	-14
Adjusted EBITA	202	6	287	6	397	116
Adjustments	-10	-5	-16	-5	-27	-16
EBITA	192	1	271	1	370	100
Amortisation attributable to acquired surplus values	-78	-1	-142	-1	-195	-55
Operating profit (EBIT)	114	-0	129	-0	175	45

1) Refers to group management, IT, legal, M&A, and group finance functions. Costs related to operating functions (country and division managers, business control, HR, and sustainability), are distributed to each segment.

The Group's consolidated balance sheet in summary

SEK million	30 Jun 2022	30 Jun 2021	31 Dec 2021
Assets			
Intangible assets	6,353	873	4,813
Property, plant and equipment	303	80	271
Right of use assets	665	212	486
Financial assets	8	0	7
Deferred tax assets	27	-	-
Other non-current assets	2	0	2
Total non-current assets	7,359	1,165	5,580
Inventories	384	22	197
Accounts receivable	1,018	115	680
Contract assets	290	-	116
Other current assets	98	18	50
Prepaid expenses and accrued income	113	50	133
Cash and cash equivalents	634	200	1,518
Assets held for sale	58	47	45
Total current assets	2,595	451	2,738
Total assets	9,953	1,616	8,318

SEK million	30 Jun 2022	30 Jun 2021	31 Dec 2021
Equity and liabilities			
Equity attributable to owners of the company	4,229	663	3,591
Non-controlling interests	2	-	2
Total equity	4,231	663	3,593
Non-current provisions	9	1	7
Non-current interest-bearing liabilities	2,710	373	2,510
Non-current lease liabilities	491	176	362
Deferred tax liabilities	590	88	454
Other non-current liabilities	189	-	334
Total non-current liabilities	3,988	638	3,667
Current provisions	1	-	1
Current interest-bearing liabilities	6	95	12
Current lease liabilities	168	32	119
Accounts payable	549	66	322
Contract liabilities	125	-	68
Other current liabilities	538	25	315
Prepayment and deferred income	333	74	209
Liabilities relating to assets held for sale	15	23	13
Total current liabilities	1,735	315	1,059
Total liabilities	5,722	954	4,726
Total equity and liabilities	9,953	1,616	8,318

The Group's changes in equity in summary

SEK million	Equity attributable to the Parent company's shareholders					Non-controlling interests	Total equity
	Share capital	Share premium reserve	Reserves	Retained earnings incl. profit/loss for the year			
Opening balance as of January 1, 2021	13	274	-14	-281	-	-9	
Profit/loss for the period	-	-	-	0	-	0	
Other comprehensive income for the year	-	-	0	-	-	0	
Total comprehensive income	-	-	0	-	0	0	
Total transactions with owners	72	601	-	-	-	672	
Closing balance as of June 30, 2021	84	874	-14	-281	0	663	
Opening balance as of July 1, 2021	84	874	-14	-281	0	663	
Profit/loss for the period	-	-	-	6	1	7	
Other comprehensive income for the year	-	-	25	-	-	25	
Total comprehensive income	0	0	25	6	1	32	
Total transactions with owners	33	2,864	-	-	-	2,897	
Closing balance as of December 31, 2021	117	3,739	11	-276	1	3,592	
Opening balance as of January 1, 2022	117	3,739	11	-276	1	3,593	
Profit/loss for the period	-	-	-	29	1	30	
Other comprehensive income for the year	-	-	15	-	-	15	
Total comprehensive income	0	0	15	29	1	45	
Total transactions with owners	5	588	-	-	-1	593	
Closing balance as of June 30, 2022	123	4,327	26	-246	2	4,231	

The Group's cash flow statement in summary

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 months	Jan-Dec 2021
Earnings before tax	82	-2	40	-3	51	9
Adjustment for other non-cash items	134	-1	256	-3	373	115
Income tax paid	-19	-1	-82	-1	-86	-5
Changes in working capital	-126	4	-38	6	-172	-128
Cash flow from operating activities	71	1	176	-1	166	-10
Purchase and sale of intangible assets	0	-	0	2	-35	-33
Purchase of property, plant and equipment	-7	-0	-25	-0	-66	-42
Purchase of subsidiaries and activities	-510	-667	-1,265	-667	-3,108	-2,510
Proceeds from other financial assets net	0	-	1	-	2	1
Other	0	-0	1	0	0	-0
Cash flow from investing activities	-517	-667	-1,288	-665	-3,207	-2,584
Proceeds from borrowings	107	467	202	467	1,262	1,526
Repayments of lease liabilities	-42	-2	-76	-2	-112	-37
Proceeds from capital increase	0	300	11	300	1,999	2,288
Changes in other non-current liabilities	-2	0	-4	-0	-1	3
Cash flow from financing activities	61	765	132	765	3,147	3,780
Net cash flow from continuing operations	-384	99	-980	100	107	1,187
Net cash flow from operations held for sale	-6	-55	-22	-52	-19	-49
Net cash flow for the period	-390	44	-1,003	48	88	1,138
Cash and cash equivalents at the beginning of the period	978	6	1,518	2	200	2
Cash flow for the period	-390	44	-1,003	48	88	1,138
Exchange rate adjustments on cash and cash equivalents	3	-0	1	0	2	1
Cash and cash equivalents and overdrafts from purchase/sale of subsidiaries	45	149	117	149	345	377
Cash and cash equivalents at the period end	634	200	634	200	634	1,518
Cash flow regarding interest						
Interest paid	32	2	65	2	80	17
Interest received	0	-	0	-	0	0

The Parent company's income statement in summary

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 months	Jan-Dec 2021
Net sales	3	-0	11	-0	14	7
Total operating income	3	-0	11	-0	14	7
Other external expenses	-6	-2	-13	-3	-22	-15
Personnel costs	-11	-0	-22	-0	-18	-6
Other operating income	-0	-	-0	-	0	0
Other operating expenses	-3	-5	-4	-5	-0	-0
Depreciation	-0	-0	-0	-0	-0	-0
Total operating expenses and operating income	-20	-8	-39	-8	-40	-21
Operating profit/loss	-17	-8	-30	-8	-28	-15
Financial items net	-17	-2	-16	-2	-25	-26
Earnings before tax	-33	-10	-45	-11	-53	-41
Income tax	6	-	8	-	10	8
Profit/loss for the period	-27	-10	-37	-11	-42	-32

The Parent company report on comprehensive income in summary

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 months	Jan-Dec 2021
Profit/loss for the year and total comprehensive income for the year	-27	-10	-37	-11	-42	-32

The Parent company's balance sheet in summary

SEK million	30 Jun 2022	30 Jun 2021	31 Dec 2021
Assets			
Intangible assets	0	0	0
Property, plant and equipment	2	0	2
Financial assets	5,647	1,055	1,105
Deferred tax asset	16	0	8
Non-current intercompany receivables	247	0	3,067
Total non-current assets	5,913	1,055	4,183
Current intercompany receivables	113	37	123
Other current receivables	1	2	1
Prepaid expenses and accrued income	1	5	1
Cash and cash equivalents	356	57	1,244
Total current assets	472	101	1,369
Total assets	6,385	1,157	5,552
Equity and liabilities			
Equity attributable to owners of the company	4,108	679	3,552
Total equity	4,108	679	3,552
Non-current interest-bearing liabilities	1,580	373	1,479
Other non-current liabilities	111	0	299
Total non-current liabilities	1,691	373	1,779
Current interest-bearing liabilities	0	93	0
Current intercompany liabilities	379	0	143
Accounts payable	2	4	4
Other current liabilities	189	3	60
Accrued expenses and deferred income	17	3	14
Total current liabilities	586	106	221
Total liabilities	2,277	479	2,000
Total equity and liabilities	6,385	1,157	5,552

Key figures

SEK million (unless otherwise stated)	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling, 12 months	Jan-Dec 2021	Pro forma, rolling 12 months
Net sales	1,838	36	3,107	36	4,387	1,316	6,843
EBITDA ¹	256	3	385	2	543	161	981
EBITA ¹	192	1	271	1	370	100	730
Operating profit/loss (EBIT)	114	0	129	-0	175	45	-
EBITDA margin % ¹	13.9	7.4	12.4	6.4	12.4	12.2	14.3
EBITA margin % ¹	10.5	3.3	8.7	2.3	8.4	7.6	10.7
EBIT margin %	6.2	0.1	4.2	-0.9	4.0	3.4	-
Adjusted EBITDA ¹	265	8	401	7	570	177	981
Adjusted EBITA ¹	202	6	287	6	397	116	730
Adjusted EBITDA margin % ¹	14.4	20.8	12.9	19.8	13.0	13.4	14.3
Adjusted EBITA margin % ¹	11.0	16.7	9.2	15.7	9.1	8.8	10.7
Financial net debt ¹	2,740	477	2,740	477	2,740	1,486	2,740
Financial net debt in relation to pro forma EBITDA ¹	N/A	N/A	N/A	N/A	2.8x	2.3x	2.8x
Number of employees at end of period ²⁾	2,340	303	2,340	303	2,340	1,764	-
Average number of shares during the period	366,024,397	38,710,877	361,320,247	25,877,829	231,214,646	188,831,000	-
EBITA per share, SEK ¹	0.53	0.03	0.75	0.03	1.60	0.53	1.99 ²
Adjusted EBITA per share, SEK ¹⁾	0.55	0.16	0.79	0.22	1.72	0.61	1.99 ²
Earnings per share, SEK ¹⁾	0.17	-0.02	0.08	-0.02	0.15	0.03	-
Operating cash flow	122	7	322	10	270	-42	-
Cash conversion, %	48	243	84	418	50	-26	-

1) The key performance indicator (KPI) is an alternative KPI according to ESMA's guidelines.
For reconciliation of alternative KPIs, see page 25.

2) Calculated in relation to the number of shares at the end of the reporting period.

N/A: The KPI cannot be calculated fairly.

Definitions of alternative key figures

Key figure	Definition	Purpose
EBITDA	Earnings before taxes, financial items and depreciation of tangible and intangible fixed assets and consolidated surplus values.	EBITDA is used to measure profit (loss) from operating activities, independent of depreciation.
EBITDA margin	EBITDA as a percentage of net sales.	EBITDA margin is used to put the underlying operating profit (loss), independent of depreciation, in relation to net sales.
Adjusted EBITDA	Refers to EBITDA adjusted with adjustment items. Adjustment items refers to acquisition-related transaction costs, revaluation of contingent consideration and cost related to the change of listing to Nasdaq Stockholm.	Adjusted EBITDA is used by company management to measure the underlying earnings development.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net sales.	Adjusted EBITDA margin is used to put adjusted EBITDA in relation to net sales.
EBITA	Operating profit before amortisation of consolidated surplus values.	EBITA is used to measure the underlying operating profit (loss) before amortisation of consolidated surplus values from operating activities.
EBITA margin	EBITA as a percentage of net sales.	EBITA margin is used to put the underlying operating profit (loss) before amortisation on consolidated surplus values in relation to net sales.
Earnings per share	Earnings per share refer to profit/loss attributable to remaining operations divided by average number of shares for the period.	The key figure is used to measure earnings per share

Key figure	Definition	Purpose
Adjusted EBITA	Refers to EBITA adjusted with adjustment items. Adjustment items refers to acquisition-related transaction costs, revaluation of contingent consideration and cost related to the change of listing to Nasdaq Stockholm.	Adjusted EBITA is used by management to measure the underlying earnings development.
Adjusted EBITA margin	Adjusted EBITA as a percentage of net sales.	Adjusted EBITA margin is used to put adjusted EBITA in relation to net sales.
EBIT	Operating profit. Profit before tax on income for the period and financial items.	EBIT is used to measure the underlying operating profit (loss) from operating activities.
EBIT margin	EBIT as a percentage of net sales.	EBIT margin is used to put the underlying operating profit (loss) in relation to net sales.
Financial net debt	Non-current and current interest-bearing liabilities (including leasing liabilities) less cash and cash equivalents.	Net debt is used to show the size of the debt minus current cash (which in theory could be used to repay loans).
Financial net debt in relation to pro forma EBITDA	Refers to financial net debt divided by pro forma EBITDA.	The key figure can be used to assess the Group's financial leverage.
Organic net sales growth	Refers to net sales growth in the acquired companies at fixed exchange rates and regardless of timing of the acquisition.	The key figure illustrates the underlying net sales development of the acquired companies regardless of timing of the acquisition.
Operating cash flow	EBITDA reduced with net investment in intangible and tangible fixed assets and change in working capital.	The key figure shows the cash flow from operations and is used when calculating the cash conversion.
Cash conversion	Operating cash flow as a percentage of EBITDA.	Cash conversion is used to monitor cash generation from operations.

Reconciliation of alternative key figures

Vestum presents a number of performance measures that are not defined in accordance with IFRS. The Company considers these measures to provide valuable supplementary information to investors and the management as they allow an evaluation of trends and performance. As not all companies calculate these measures in

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 months	Jan-Dec 2021	Pro forma 12 months
Earnings measures							
(A) Net sales	1,838	36	3,107	36	4,387	1,316	6,843
Other operating expenses and operating income	-1,583	-34	-2,723	-34	-3,843	-1,155	-
(B) EBITDA	256	3	385	2	543	161	981
Depreciation excl. acquired surplus values	-78	-1	-142	-1	-195	-55	-
(C) EBITA	192	1	271	1	370	100	730
Adjustments							
Acquisition-related transaction costs	4	5	11	5	22	16	-
Impact on profit/loss from contingent consideration	3	-	3	-	3	-	-
Costs related to preparations for change of listing	2	-	2	-	2	-	-
Total adjustments	10	5	16	5	27	16	-
(D) Adjusted EBITDA	265	8	401	7	570	177	981
(E) Adjusted EBITA	202	6	287	6	397	116	730
(B/A) EBITDA-margin	13.9%	7.4%	12.4%	6.4%	12.4%	12.2%	14.3%
(D/A) Adjusted EBITDA-margin	14.4%	20.8%	12.9%	19.8%	13.0%	13.4%	14.3%
(C/A) EBITA-margin	10.5%	3.3%	8.7%	2.3%	8.4%	7.6%	10.7%
(E/A) Adjusted EBITA-margin	11.0%	16.7%	9.2%	15.7%	9.1%	8.8%	10.7%

the same way, they are not always comparable with those used by other companies. These measures should therefore not be regarded as replacing measures that are defined in accordance with IFRS. Reconciliation of these measures is presented below. For definitions of key figures, see previous page.

SEK million	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Rolling 12 months	Jan-Dec 2021
Balance measures						
Non-current interest-bearing liabilities	2,710	373	2,710	373	2,710	2,510
Current interest-bearing liabilities	6	95	6	95	6	12
Lease liabilities	658	208	658	208	658	481
Cash and cash equivalents	-634	-200	-634	-200	-634	-1,518
(F) Financial net debt	2,740	477	2,740	477	2,740	1,486
(G) Pro forma EBITDA	N/A	N/A	N/A	N/A	981	643
(F/G) Financial net debt in relation to pro forma EBITDA	N/A	N/A	N/A	N/A	2.8x	2.3x
Cash conversion						
(B) EBITDA	256	3	385	2	543	161
Net investment in intangible assets and property, plant and equipment	-7	0	-25	2	-101	-75
Change in working capital	-126	4	-38	6	-172	-128
(H) Operating cash flow	122	7	322	10	270	-42
(H/B) Cash conversion	48%	243%	84%	418%	50%	-26%

Additional information

Accounting principles

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Boards (IASB) and the interpretations provided by the IFRS Interpretations Committee (IFRIC) that have been adopted by the European Commission for use within the EU. The standards and interpretations applied are those valid as of January 1, 2022, and which were adopted by the EU. The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and RFR 1, Supplementary Accounting Rules for Groups. The interim report for the Parent Company has been prepared in accordance with the Annual Accounts Act and RFR 2, Accounting for Legal Entities. The interim report uses the same accounting principles and valuation methods as were used in the annual report for 2021.

Amounts in tables and calculations can be rounded, which means the stated total amounts are not always an exact sum of the rounded individual amounts.

From January 1, 2022, other standards, amendments and interpretations of existing standards that have not yet entered into force or been published by the IASB have also not been applied by the Group.

Pro forma accounting

Due to Vestum's rapid growth, the company has chosen to prepare a pro forma report. The purpose of the pro forma report is to provide an overview of the consolidated income statement and balance sheet for the period July 1, 2021 - June 30, 2022, as if the acquisitions which took place before June 30, 2022, as described above, were completed on July 1, 2021. The sole purpose of the pro forma report is to inform and highlight facts with the intention of describing a hypothetical situation. The pro forma financial information does not necessarily reflect the Group's actual results and/or financial position if the acquisitions had been made by the earlier date stated above, and such pro forma financial information should not be viewed as an indication of the Group's earnings trend or financial position for any future period. The pro forma information should be read together with all other information in this interim report.

The pro forma accounts have been prepared in accordance with Vestum's accounting principles. In preparing the pro forma information, an analysis has been made of the effects of differences in accounting principles between Vestum and the acquired companies.

The applicable parts of the acquired companies' financial information have been adapted to Vestum's accounting principles. This mainly applies to IFRS 16 – Leasing agreements and accrual of costs. In regards to IFRS 16, Vestum has analysed the acquired companies' leasing agreements as of the acquisition date and makes the assumption in the pro forma accounts that the effect of those existing leasing agreements are expected to have over the coming twelve-month period would also apply to the pro forma period, i.e. July 1, 2021–June 30, 2022.

Risks and uncertainties

Vestum's main risk factors consist of market risks such as changes in the macro economic environment and/or the current competitive situation. In addition, the Group is exposed to operational risks such as project, customer and quality risks. The Group is also exposed to financial risks such as currency, interest rate, counterparty and credit risks. The Group's interest bearing debt is exposed to variable interest rates. Vestum is striving to have a structured and efficient management of financial risks in accordance with the Group's finance policy.

Vestum has not identified any direct exposure to the Russian or Ukrainian markets. It is uncertain to what extent the conflict will come to influence the business climate in the future for Vestum's businesses.

The Parent company is affected by the above risks and uncertainties through its function as owner of the Group's subsidiaries.

For more information on Vestum's risks and risk management please refer to the Annual report for 2021.

Related party transactions

During the period, there were no transactions between Vestum and related parties that had a significant impact on the Company's financial position or earnings. For more information on related parties, refer to the annual report for 2021, note 28.

Financial assets and liabilities

Contingent consideration that is valued at fair value in the balance sheet amounts to SEK 490 (4) million and is classified in level 3 according to the fair value hierarchy. The section Acquisitions presents how fair value is determined. No revaluation of the contingent consideration presented in the annual accounts has been performed for 2021. Financial assets in the form of non-current securities holdings valued at fair value in the balance sheet are classified in level 1 according to the fair value hierarchy. The non-current securities holdings amount to SEK 8 (0) million. For assets and liabilities reported at amortized cost, the carrying value corresponds to its fair value since the interest rate is at par with current market interest rates, or because the item is short-term.

WeSC

The WeSC brand's operations have continued to develop positively with net sales in the first two quarters amounting to SEK 64 (41) million. The increase in net sales is attributable to the North American market. The earnings for the second quarter 2022 amounted to SEK 2 (2) million.

In connection with changing the operations, it was determined that the subsidiary WeSC is no longer part of the Group's core business. On the back of WeSC's positive development and the fact that the brand's operations are not part of the Group's core business, the Board has decided that the business will be divested. The Board's assessment is that a divestment can take place within the coming twelve months, and therefore the results from the business are reported separately in the income statement in accordance with IFRS 5 regarding discontinued operations. Furthermore, assets and liabilities attributable to the business are reported as assets held for sale and liabilities that are directly related to assets held for sale.

SEK million	Apr-Jun 2022	Apr-Jun 2022	Jan-Jun 2022	Jan-Jun 2022	Rolling 12 month	Jan-Dec 2021
Total net sales from operations held for sale	19	28	64	41	121	98
Total costs from operations held for sale	-20	-27	-61	-39	-117	-94
Tax attributable to operations held for sale	0	0	0	0	0	0
Profit/loss from operations held for sale	-1	1	2	2	4	4

Owners

The ten largest shareholders as of June 30, 2022, according to Monitor.

Namn	Antal aktier	Andel
Conny Ryk	56,550,000	15%
Anders Rosenqvist	29,686,350	8%
Swedbank försäkring	26,997,844	7%
Per-Arne Åhlgren	22,893,444 ¹⁾	6%
Handelsbanken Fonder	20,287,913	6%
Olle Nykvist	13,577,586	4%
Simon Göthberg	13,500,000	4%
Olof Andersson	13,500,000	4%
Erkan Sen	13,500,000	4%
Avanza Pension	13,377,728	4%
Total for the 10 largest shareholders based on no. of shares	223,870,865¹⁾	61%
Total number of shares, other shareholders	143,774,156	39%
Total number of outstanding shares at the end of the period	367,645,024	100%

1) Number of shares August 18, 2022

Board of Directors and CEO approval

The Board of Directors and the CEO ensure that the interim report gives a true and fair view of the Parent Company's and the Group's operations, position and results and describes the significant risks and uncertainties faced by the Parent Company and the companies that are part of the Group.

2022-08-26



Per Åhlgren
Board chairman



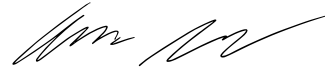
Johan Heijbel
Board member



Johannes Lien
Board member



**Helena Fagraeus
Lundström**
Board member



Olle Nykvist
Board member



Anders Rosenqvist
Board member



Conny Ryk
CEO

This report has not been subject to review by the company's auditors.

This information is information that Vestum AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation. The information was provided by the contact person below for publication on August 26, 2022 at 07:00 CET.

Upcoming reports

The interim report for the third quarter of 2022 will be published on November 22, 2022.

The year-end report for 2022 will be published on February 17, 2023.

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Registered office: Stockholm

Vestum's share is traded under the short name VESTUM on Nasdaq First North Growth Market,
the company's Certified Adviser is G&W Fondkommission: phone: +46 (0)8 503 000 50,

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