

VESTUM

Interim report

January–March 2022

Vestum AB (publ)

Q1



High growth with solid cash flows

January – March 2022

- Net sales amounted to SEK 1,269 (-) million
- Adjusted EBITA amounted to SEK 85 (-0) million, corresponding to an adjusted EBITA margin of 6.7 % (- %)
- EBITA amounted to SEK 79 (-0) million, corresponding to an EBITA margin of 6.2 % (- %)
- EBITA per share before and after dilution amounted to SEK 0.22 (0.01)
- Operating profit (EBIT) amounted to SEK 15 (0) million
- Cash flow from operating activities amounted to SEK 104 (2) million
- Operating cash flow amounted to SEK 199 (6) million, corresponding to a cash conversion of 154% (- %)
- Vestum has completed 10 acquisitions during the first quarter
- Strengthened position internationally through acquisitions in Norway and Denmark
- Vestum has entered into a new agreement regarding a multicurrency revolving credit facility amounting to SEK 600 million with an accordion option of up to SEK 400 million

Vestum in summary

SEK million (unless otherwise stated)	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021	Pro forma, rolling 12 months ²
Net sales	1,269	-	2,584	1,316	5,941
EBITDA	129	-0	290	161	790
EBITA	79	-0	179	100	639
EBITA-margin, %	6.2	-	6.9	7.6	10.8
Adjusted EBITA ¹	85	-0	202	116	639
Adjusted EBITA-margin, % ¹	6.7	-	7.8	8.8	10.8
EBITA per share, SEK ³	0.22	0.01	0.67	0.53	1.79
Adjusted EBITA per share, SEK ³	0.24	0.01	0.75	0.61	1.80
Operating profit (EBIT)	15	-0	61	45	-
Cash flow from operating activities	104	2	92	-10	-
Net debt in relation to pro forma EBITDA	-	-	2.9x	2.3x	2.9x

1) Adjusted for acquisition-related transaction costs.

2) The pro forma figures include the ten acquisitions that were completed at period-end. See also the section Pro forma accounting under Accounting principles.

3) Calculated in relation to the number of shares before and after dilution at the end of the reporting period.

5,941

SEK million in pro forma net sales, rolling 12 months

639

SEK million in pro forma EBITA, rolling 12 months

10.8%

in pro forma EBITA margin, rolling 12 months

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



Comments from the CEO

Vestum continues to deliver high growth. In this and future quarterly reports, we will describe the Group's total sales and EBITA through pro forma figures. For the entire Group, rolling 12 months, pro forma sales amount to SEK 5,941 million and pro forma EBITA to SEK 639 million, corresponding to a pro forma EBITA margin of 10.8%. The organic growth for all companies completed up to and including the first quarter of 2022 was 12.4% on an annual basis compared to the same period last year. The process of changing the listing to Nasdaq Stockholm, as previously announced, has continued according to plan.

Investments in the organisation during a quarter with lower volumes due to seasonality

We have during the quarter built an organisation that is shaped to manage a high acquisition pace and further develop the portfolio companies. These increased costs have impacted profits, while the first quarter is also generally the weakest quarter financially for Vestum's subsidiaries due to seasonality. Our companies are exposed to the construction services and infrastructure industries, where the seasonal pattern is affected by weather conditions and

“Solid cash flow with a cash conversion of 154%.”

the number of working days. The first half of the quarter was also clearly affected by pandemic restrictions and other side effects. Russia's invasion of Ukraine has led to supply chain disruptions and higher raw material prices. Vestum has not identified any direct exposure to the Russian or Ukrainian markets.

Operating cash flow totalled SEK 199 million, which corresponds to a cash conversion of 154%.

In March 2022, we entered into a new agreement regarding a revolving credit facility. The facility amounts to SEK 600 million with an option to extend the facility by up to SEK 400 million. The additional funds will be used to strengthen liquidity for future acquisitions and investments in our companies. At the end of the quarter, net debt amounted to 2.9 times pro forma EBITDA, which is in line with our financial target.

We have increased the pace of our sustainability work during the quarter. This includes new collaborations aimed at facilitating and quality controlling sustainability reporting by the subsidiaries. Sustainability work is of strategic importance for Vestum and we are now expanding our sustainability reporting to take place on a quarterly basis. The intention is to gradually increase the scope of sustainability reporting in the quarterly reports.

Continued internationalisation

The internationalisation journey continued during the first quarter as we entered into agreements to make three acquisitions outside Sweden, of which two in Norway and one in Denmark. At the end of the quarter, 22% of the Group's sales are outside Sweden. The companies are located in Norway, Denmark, Finland, the United Kingdom and Germany. The acquisition model is the same regardless of geography. We also opened an office in Oslo during the quarter, and key people were recruited in functions such as M&A, Finance, HR and Operations.

Well-diversified Group in the segments Water, Services and Infrastructure

Our companies are experiencing solid demand with stable underlying growth. At the same time, we are experiencing continued challenges at the supplier level with increased raw material prices which is expected to also have some impact on margins in the second quarter, mainly in our operations outside Sweden.

Overall, Vestum is today a well-diversified Group consisting of niche companies in six countries with exposure to the construction services and infrastructure industries within the three segments Water, Services

and Infrastructure. During the first quarter, we delivered organic growth of 12.4% on an annual basis and a rolling 12-months pro forma EBITA margin of 10.8%. With solid international exposure, strong underlying demand in our markets and a decentralised business model, we look forward to continuing to deliver profitable growth, both organically and through acquisitions.



Conny Ryk
Chief executive officer, Vestum AB (publ)

About Vestum

Vestum is a Swedish acquisition-driven Group that acquires and develops niche companies within the segments Water, Services and Infrastructure. Our portfolio companies are characterised by proven business models, strong market positions and predictable cash flows.

Our ambition is to grow into the leading Nordic acquisition-driven Group with a distinct focus on niche companies within the construction services and infrastructure industries. We are continuously growing through acquisitions of well-managed and profitable companies within our focus areas where we can work together

with ambitious entrepreneurs and company managements to develop the companies in order to drive profitable growth and high customer satisfaction. We do this by jointly addressing issues concerning sustainability, strategy, processes and implementation.

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 goal 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 goal is to achieve an adjusted EBITA margin of at least 10.0 percent.

Capital structure

Vestum's goal 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

With the goal of acquiring and developing niche companies within the construction services and infrastructure industries, Vestum has a holistic perspective on sustainability that is integrated into our business model, investment strategy and investment criteria.

A sustainability strategy is being developed during 2022 that will contain overall sustainability goals, intermediate goals and activities as well as KPIs. During the first quarter Vestum's ESG Director, Sara Haasmak, started working in the Group. Sara has a background in land surveying with focus on sustainable infrastructure and experience from the real estate industry where she worked for 22 years with construction project management, business management and sustainability. She most recently came from ICA Fastigheter where she, as Head of Sustainability, created ICA Fastigheter's sustainability strategy.

During the first quarter a collaboration with Position Green was initiated to enable systematic work for the collection and presentation of sustainability data.

Vestum published a sustainability report in connection with the annual report 2021, available at Vestum.se. The interim reports, starting with the first quarter 2022, will also include key figures linked to what we consider as the most significant sustainability areas. The intention is to gradually increase the scope of sustainability reporting in the interim reports.

Climate

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

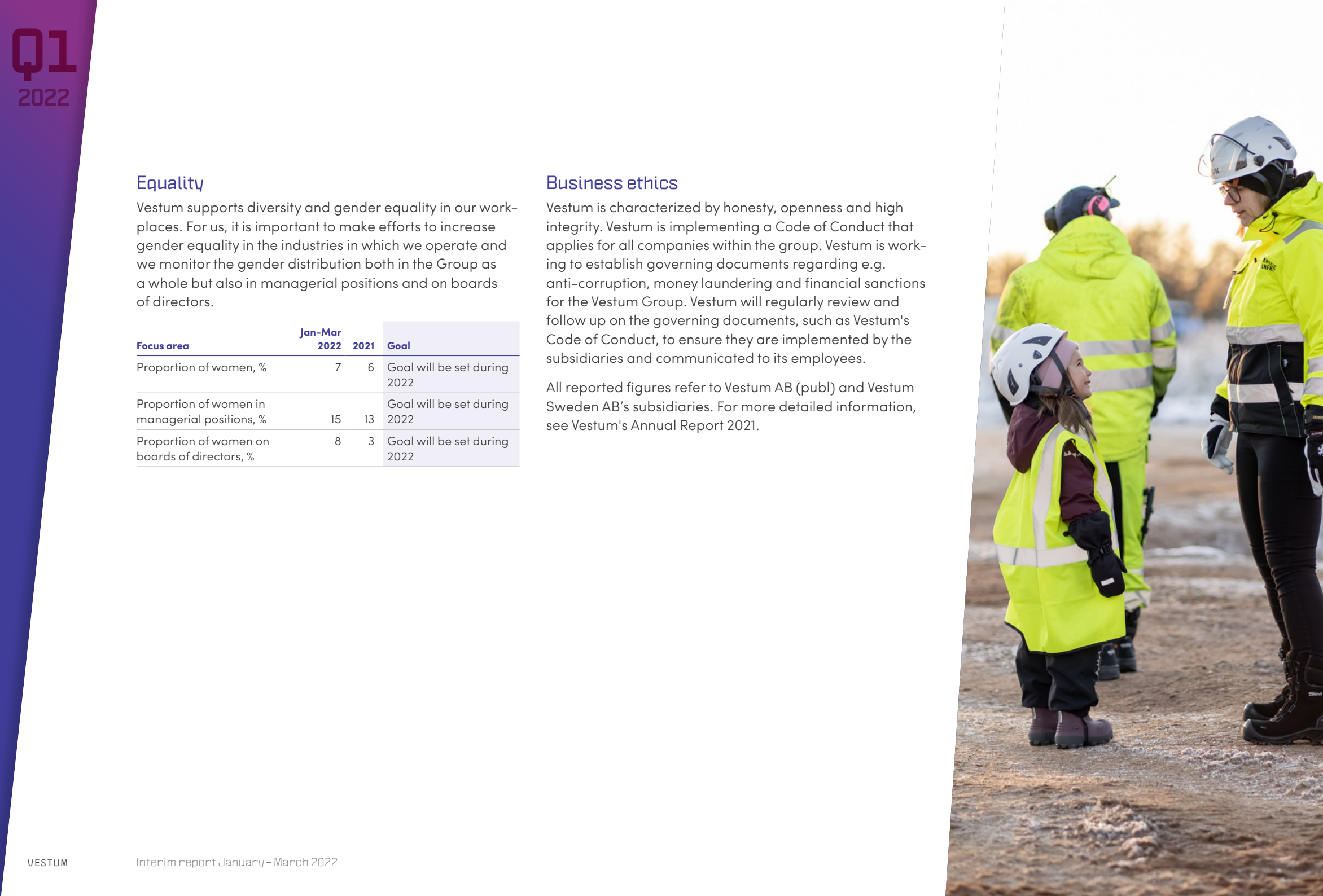
During 2022, Vestum will start to measure carbon dioxide emissions, set up goals for energy use and for share of fossil-free energy.

Focus area	Jan-Mar		Goal
	2022	2021	
Energy use (MWh)	3,353	871	Goal will be set during 2022

Work environment

At the end of 2021, Vestum's companies had a total of approximately 1,800 employees, 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 without accidents, injuries or discrimination and a more equal gender balance.

Focus area	Jan-Mar		Goal
	2022	2021	
Number of accidents	5	9	The goal is to have zero accidents at our workplaces.



Equality

Vestum supports diversity and gender equality in our workplaces. For us, it is important to make efforts to increase gender equality in the industries in which we operate and we monitor the gender distribution both in the Group as a whole but also in managerial positions and on boards of directors.

Focus area	Jan-Mar 2022	2021	Goal
Proportion of women, %	7	6	Goal will be set during 2022
Proportion of women in managerial positions, %	15	13	Goal will be set during 2022
Proportion of women on boards of directors, %	8	3	Goal will be set during 2022

Business ethics

Vestum is characterized by honesty, openness and high integrity. Vestum is implementing a Code of Conduct that applies for all companies within the group. Vestum is working to establish governing documents regarding e.g. anti-corruption, money laundering and financial sanctions for the Vestum Group. Vestum will regularly review and follow up on the governing documents, such as Vestum's Code of Conduct, to ensure they are implemented by the subsidiaries and communicated to its employees.

All reported figures refer to Vestum AB (publ) and Vestum Sweden AB's subsidiaries. For more detailed information, see Vestum's Annual Report 2021.

Q1
2022

The Vestum Group's Development

Significant events during the first quarter

During the first quarter 2022, Vestum completed ten acquisitions. Vestum has during the quarter entered into a new agreement regarding a multicurrency revolving credit facility. The facility amounts to SEK 600 million with an accordion option of up to SEK 400 million.

Net sales

The Group's Net sales for the remaining operations for the first quarter amounted to SEK 1,269 (0) million. The acquired Net sales amounted to SEK 129 million. The organic growth for all companies completed by the end of the quarter, defined as rolling 12 months net sales as of March 31, 2022, compared with rolling 12 months net sales as of March 31, 2021, was 12.4 %.

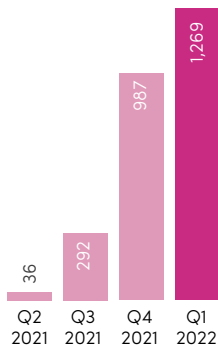
Seasonality

Vestum's activities are to some extent affected by seasonality due to wheather conditions and number of working days. The initial quarter of the year is generally weaker than the remaining quarters. The Group's diversified structure, with regard to both market offering and geographical presence, limits exposure to seasonality to some extent.

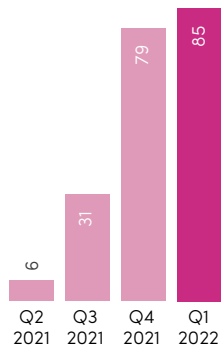
Earnings

Earnings before amortisation and write-downs of acquired surplus values (EBITA) for the remaining operations for the first quarter amounted to SEK 79 (-0) million. Adjusted EBITA, i.e. EBITA, adjusted for transaction costs attributable to completed acquisitions, amounted to SEK 85 (-0) million, which corresponds to an adjusted EBITA-margin of 6.7 % (-). Operating profit (EBIT) amounted to SEK 15 (-0) million. The Group's profit after tax for the first quarter amounted to SEK -34 (0) million.

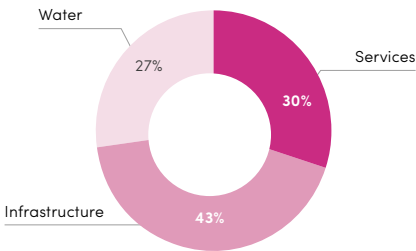
Net sales,
per quarter
SEK million



Adjusted EBITA
per quarter
SEK million



Net sales
per segment, Q1 2022
Percent



Acquisitions completed during 2022 affected operating income (EBIT) by SEK 12 (0) million. Net financial items for the quarter amounted to SEK -58 (-1) million, of which exchange rate changes amounted to SEK -17 (-) million. The Group's profit after tax amounted to SEK -34 (0) million which corresponds to earnings per share before dilution of SEK -0.10 (0.00).

Segment reporting

Vestum divides its operations into three segments: Water, Services and Infrastructure. Vestum has identified these three segments as complementary, both over a business cycle and seasonally. Vestum's goal is to maintain an even distribution between the segments at Group level and over time. The table to the right only includes the financial outcome for the periods in which each portfolio company was part of the Vestum Group.

Water

Water includes niche companies focused on improving the service industry for water infrastructure. The companies are characterized by structural growth and can for example be specialized in pump technology and aftermarket services in the water and wastewater industry.

Services

Services includes niche companies that serve the construction industry with various services with a special focus on maintenance and renovation work. Most often, these companies act as subcontractors and are, for example, specialized in plumbing, cooling, suspended ceilings, electricity, assembly work, floors, facades, and more.

Infrastructure

Infrastructure includes niche companies that carry out work in land & civil engineering, railroad, and other infrastructure. The market is driven by large infrastructure investments and extensive maintenance needs and is often characterized by locally strong players.

Group functions¹

Group functions refer to group management, IT, legal, M&A and group finance functions. Vestum estimates that the cost of these functions in the medium term will amount to approximately 6-8 % of the underlying EBITA. During the current year, however, the cost is estimated to be above this level as Vestum has invested in building an organization that can both handle a high acquisition rate and develop Vestum's portfolio companies.

¹) Refers to group management, IT, legal, M&A, and group finance functions. On April 21, 2022, Vestum presented preliminary results for the first quarter in which central costs of SEK 20 million were included. These costs of SEK 20 million include, in addition to group functions described above, also SEK 6 million regarding Vestum's operational functions (country- and division managers, business control, HR and sustainability), which are distributed to each segment in the segment reporting.

SEK million	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Net sales per segment				
Water	338	-	549	211
Services	383	-	783	400
Infrastructure	547	-	1,251	704
Total net sales	1,269	-	2,584	1,316

SEK million	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
EBITA per segment				
Water	27	-	35	8
Services	29	-	63	34
Infrastructure	43	-	130	87
Group functions ¹	-14	-	-28	-14
Adjusted EBITA	85	-	200	116
Transaction costs related to acquisitions	-7	-	-22	-16
EBITA	79	-	178	100
Amortisation attributable to acquired surplus values	-64	-	-119	-55
Operating profit (EBIT)	15	-	59	45

Distribution of net sales per market	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Sweden	987	0	2,130	1,143
Norway	98	0	156	58
Other countries	184	0	298	114
Total Net sales	1,269	0	2,584	1,316

Pro forma, rolling 12 months

The table below illustrates pro forma for acquisitions completed during the end of the period. Pro forma EBITDA and EBITA have been affected by actual costs for Group functions of total SEK 42 million, of which SEK 20 million was generated during the first quarter of 2022.

SEK million (unless otherwise stated)	Pro forma, rolling 12 months	Pro forma, rolling 12 months, last quarter
Net sales	5,941	4,595
EBITDA	790	643
EBITA	639	499
EBITA-margin, %	10.8	10.9
Actual costs for group functions that affect EBITDA and EBITA	42	22

Estimated effect, rolling 12 months, acquisitions completed after the end of the quarter

The table below illustrates the estimated effect, rolling 12 months, for acquisitions completed after the period end, and acquisitions that have been agreed but not completed.

SEK million	Completed after the end of the period	Yet to be completed
Net sales ¹	526	11
EBITA ¹	65	1

1) On April 21, 2022, Vestum presented preliminary results for the first quarter in which Vestum's estimated sales and adjusted EBITA amounted to approximately SEK 6 billion and SEK 670 million. The preliminary results included all acquisitions announced at the time of publication. Since the publication of the preliminary result, additional acquisitions have been announced.

Cash flow

Cash flow from operating activities amounted to SEK 104 (2) million, of which changes in working capital amounted to SEK 88 (4) million. The Group's working capital varies over the quarters, mainly due to fluctuations in the items ongoing projects, accounts receivable and accounts payable. The operating cash flow amounted to SEK 199 (6) million, which corresponds to a cash conversion of 154%.

Investments

The Group's investments during the fourth quarter excluding acquisitions amounted to SEK 18 (2) million. The total purchase price for the acquisition of subsidiaries amounted to SEK 1,113 (0) million during the first quarter. For more information, see the section Acquisitions.

Financial position and liquidity

The Group's cash and cash equivalents at the end of the period amounted to SEK 978 (6) million. At the end of the period, the Group had a net financial debt of SEK 2 310 million. The net financial debt in relation to pro forma rolling 12 months EBITDA was 2.9x. Total liabilities amounted SEK 5,260 (46) million as of March 31, 2022. The interest-bearing liabilities, including lease liabilities, amounted to SEK 3,288 (0) million as of March 31, 2022. Equity at the end of the period amounted to SEK 3,931 (-9) million. Equity in the Parent company amounted to SEK 3,898 (14) million.

Vestum has during the quarter entered into a new agreement regarding a multi-currency revolving credit facility. The facility amounts to SEK 600 million with an accordion option of up to SEK 400 million. Utilized amount at the end of the period amounted to SEK 106 million. Available cash and cash equivalents at the end of the period amounted to SEK 1,472 million.

Staff

The number of full-time employees as of March 31, 2022, amounted to 2,054 (0) 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. Each warrant entitles the holder to subscribe for one (1) share in Vestum AB (publ) at a subscription price of SEK 70.90 per share during the period January 1, 2025 to March 31, 2025. Upon full exercise of all warrants, the number of shares in Vestum AB (publ) will increase by 3,520,193 and the share capital of SEK 1,161,663 (at the current quote price of SEK 0.33/share), which should mean a dilution effect of 0.97 % of the votes and the share capital as of March 31, 2022.

Parent company

The Parent company's net sales amounted to SEK 7 (0) million. Operating profit amounted to SEK -13 (0) million. Net financial items amounted to SEK 1 (-1) million. Loss for the period amounted to SEK -10 (-1) million. The balance sheet total as of March 31, 2022, was SEK 5,724 (39) million, of which shareholder equity amounted to SEK 3,898 (14) million. Cash and cash equivalents in the Parent Company amounted to SEK 613 (1) million.

Significant events after the end of the quarter

Since the end of the quarter, Vestum has completed eight acquisitions before publication of this report. One additional acquisition has been agreed but not yet completed.

Acquisitions

Vestum has started the year with a continued high acquisition rate. During the period January to March 2022, 16 acquisitions have been agreed of which ten were completed. At the time of this report, 19 acquisitions have been agreed, of which 18 was completed.

Acquisitions completed during the period

During the period January to March 2022, Vestum completed ten acquisitions. In all cases, 100 percent of the shares were acquired. Total purchase price for the acquisition of subsidiaries amounted to SEK 1,113 million, of which SEK 347 million has been paid with equity shares and remaining with cash equivalents. Equity interests are calculated based on a volume weighted average share price over 10 days for the Vestum share.

Closed at the end of the period	Segment	Completed	Annual net sales pro forma	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
			1,105	271

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 645 million, of which SEK 66 million hence 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 474 million, of which SEK 48 million refers to acquisitions completed in 2022. During the period, contingent consideration of SEK 40 million was paid. Revaluation of contingent consideration had a net impact on the period of SEK 0 (0) million, which is reported in Other operating income and Other operating expenses. 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 7 million have been charged to the Group's earnings during the period. These are reported under Other operating expenses in the income statement. The goodwill of SEK 606 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 March 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	Impact on cash and cash equivalents
Intangible assets	353	Total purchase price 1,113
Other non-current assets	25	Conditional purchase price -48
Other current assets	295	Settlement in shares -347
Cash and cash equivalents	73	Exchange rate adjustment -3
Non-current liabilities	-2	Cash and cash equivalents in acquired units -73
Deferred tax liabilities	-82	
Current liabilities	-155	Impact on cash and cash equivalents 642
Non-controlling interests	-	Paid contingent consideration 40
Net assets and liabilities	506	Total impact on cash and cash equivalents 682
Goodwill	606	
Total purchase price	1,113	
		Impact on the income statement, Jan-March 2022
		Net sales 129
		EBITA 18
		Operating profit (EBIT) 12
		Impact on the income statement if the acquisitions had been part of the Group on January 1, 2022
		Net sales 278
		EBITA 30
		Operating profit (EBIT) 19

Acquisitions completed after the end of the period

Vestum has completed eight acquisitions since the end of the first quarter. The acquisitions were completed during April and May and consolidated from the same months. In all cases, 100 percent of the shares were acquired. In accordance with agreements on contingent considerations, the Group must pay cash compensation linked to future earnings. The maximum non-discounted amount that may be paid to the previous owners amounts to SEK 67 million, where the entire amount refers to acquisitions completed after the first quarter of 2022.

Completed after the end of the period	Segment	Completed	Estimated annual Net sales	Number of employees
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
			526	175

Acquisitions that have been agreed but not yet completed

Vestum has entered into agreements of one acquisition which is expected to be completed after the publication of this report. In all cases, 100 percent of the shares will be acquired.

Yet to be completed	Segment	Completed	Estimated annual Net sales	Number of employees
Rockcon AB	Infrastructure	June	11	2
			11	2

The Group's consolidated income statement in summary

SEK million	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Remaining operations				
Net sales	1,269	-	2,584	1,316
Other operating income	6	-	6	0
Total operating income	1,275	-	2,591	1,316
Materials and purchased services	-679	-	-1,341	-662
Other external costs	-119	-0	-246	-128
Personnel costs	-341	-	-691	-349
Other operating expenses	-7	-	-23	-16
Total operating expenses	-1,146	-0	-2,300	-1,155
EBITDA	129	-0	290	161
Depreciation excl. acquired surplus values	-50	-0	-111	-61
EBITA	79	-0	179	100
Amortisation attributable to acquired surplus values	-64	-	-119	-55
Operating profit (EBIT)	15	-0	61	45
Financial items net	-58	-1	-94	-37
Earnings before tax	-43	-1	-33	9
Income tax	6	-	-0	-6
Profit/loss for the year from continuing operations	-37	-1	-33	2
Profit/loss from operations held for sale	3	1	7	4
Profit/loss for the year	-34	0	-28	6

SEK million	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
The profit/loss for the period attributable to:				
Parent company shareholders	-34	0	-29	5
Non-controlling interests	0	-	1	1
Average number of shares during the period, before and after dilution (in thousands of shares) ¹	356,564	38,707	267,207	188,831
Number of shares issued at the end of the period	360,603,422	38,706,576	360,603,422	351,907,509
Profit/loss attributable to remaining operations and the Parent Company's shareholders per share before and after dilution, SEK	-0.10	-0.02	-0.13	0.01

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

Consolidated statement of comprehensive income in summary

SEK million	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Profit for the period	-34	0	-28	6
Other comprehensive income				
Exchange differences on translation of foreign operations	16	0	41	25
Total comprehensive income for the period	-18²	0	13	31

2) The total comprehensive income is distributed to the Parent company's shareholders and continuing operations of SEK -21 million, the Parent company's shareholders and operations held for sale of SEK 3 million, and comprehensive income to non-controlling interests of SEK 0 million.

The Group's consolidated balance sheet in summary

SEK million	31 Mar 2022	31 Mar 2021	31 Dec 2021
Assets			
Intangible assets	5,754	0	4,813
Property, plant and equipment	287	-	271
Right of use assets	642	-	486
Financial assets	8	-	7
Other non-current assets	2	-	2
Total non-current assets	6,694	0	5,580
Inventories	316	0	197
Accounts receivable	757	0	680
Contract assets	172	-	116
Other current assets	54	1	50
Prepaid expenses and accrued income	149	0	133
Cash and cash equivalents	978	6	1,518
Assets held for sale	71	30	45
Total current assets	2,497	37	2,738
Total assets	9,190	37	8,318

SEK million	31 Mar 2022	31 Mar 2021	31 Dec 2021
Equity and liabilities			
Equity attributable to owners of the company	3,929	-9	3,591
Non-controlling interests	2	-	2
Total equity	3,931	-9	3,593
Non-current provisions	9	-	7
Non-current interest-bearing liabilities	2,639	-	2,510
Non-current lease liabilities	480	-	362
Deferred tax liabilities	529	-	454
Other non-current liabilities	160	-	334
Total non-current liabilities	3,818	-	3,667
Current provisions	1	-	1
Current interest-bearing liabilities	13	-	12
Current lease liabilities	155	-	119
Accounts payable	449	1	322
Contract liabilities	70	-	68
Other current liabilities	421	25	315
Prepayment and deferred income	301	1	209
Liabilities relating to assets held for sale	31	21	13
Total current liabilities	1,442	46	1,059
Total liabilities	5,260	46	4,726
Total equity and liabilities	9,190	37	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 year	-	-	-	0	-	0
Other comprehensive income for the year	-	-	0	-	-	0
Total comprehensive income	0	0	0	0	0	0
Total Transactions with owners	-	-	-	-	-	-
Closing balance as of March 31, 2021	13	274	-14	-281	0	-9
Opening balance as of April 1, 2021	13	274	-14	-281	-	-9
Profit/loss for the year	-	-	-	5	1	6
Other comprehensive income for the year	-	-	25	-	-	25
Total comprehensive income	0	0	25	5	1	31
Total Transactions with owners	104	3,465	-	-	1	3,571
Closing balance as of December 31, 2021	117	3,739	11	-276	2	3,593
Opening balance as of January 1, 2022	117	3,739	11	-276	2	3,593
Profit/loss for the year	-	-	-	-34	0	-34
Other comprehensive income for the year	-	-	16	-	-	16
Total comprehensive income	0	0	16	-34	0	-18
Total Transactions with owners	3	353	-	-	-1	356
Closing balance as of March 31, 2022	120	4,092	27	-310	2	3,931

The Group's cash flow analysis in summary

SEK million	Jan-Mar 2022	Jan-Mar 2021	Rolling, 12 months	Jan-Dec 2021
Earnings before tax	-43	0	-33	9
Adjustment for other non-cash items	121	-2	238	115
Income tax paid	-63	-0	-68	-5
Changes in working capital	88	4	-44	-128
Cash flow from operating activities	104	2	92	-10
Purchase and sale of intangible assets	-0	2	-35	-33
Purchase of property, plant and equipment	-18	-	-60	-42
Purchase of subsidiaries and activities	-755	0	-3,265	-2,510
Proceeds from other financial assets net	1	-	2	1
Other	0	-	0	-0
Cash flow from investing activities	-772	2	-3,358	-2,584
Proceeds from borrowings	96	-	1,622	1,526
Repayments of lease liabilities	-34	-0	-71	-37
Proceeds from capital increase	11	-0	2,299	2,288
Changes in other non-current liabilities	-2	-0	2	3
Cash flow from financing activities	71	-1	3,853	3,780
Net cash flow from continuing operations	-596	4	587	1,187
Net cash flow from operations held for sale	-16	-	-65	-49
Net cash flow for the period	-612	4	522	1,138
Cash and cash equivalents at the beginning of the period	1,518	2	6	2
Cash flow for the period	-612	4	522	1,138
Exchange rate adjustments on cash and cash equivalents	2	0	3	1
Cash and cash equivalents and overdrafts from purchase/sale of subsidiaries	73	-	450	377
Cash and cash equivalents at the period end	978	6	978	1,518

Key figures

SEK million (unless otherwise stated)	Jan-Mar 2022	Jan-Mar 2021	Rolling, 12 months	Jan-Dec 2021	Pro forma, rolling 12 months
Net sales	1,269	-	2,584	1,316	5,941
EBITDA*	129	-0	290	161	790
EBITA*	79	-0	179	100	639
Operating (EBIT)	15	-0	61	45	-
EBITDA margin %*	10.2	-	11.2	12.2	13.3
EBITA margin %*	6.2	-	6.9	7.6	10.8
EBIT margin %	1.2	-	2.3	3.4	-
Adjusted EBITDA*	136	-0	313	177	790
Adjusted EBITA*	85	-0	202	116	639
Adjusted EBITDA margin %*	10.7	-	12.1	13.4	13.3
Adjusted EBITA margin %*	6.7	-	7.8	8.8	10.8
Net debt*	2,310	-	2,310	1,486	2,310
Net debt in relation to pro forma EBITDA, x*	N/A	N/A	2.9x	2.3x	2.9x
Number of employees at end of period *	2,064	0	2,064	1,764	
Average number of shares during the period, thousands	356,564	38,707	267,207	188,831	-
EBITA per share, SEK*	0.22	0.01	0.67	0.53	-
Adjusted EBITA per share, SEK*	0.24	0.01	0.75	0.61	-
Operating cash flow	199	6	163	-42	-
Cash conversion, %	154	-	56	-26	-

* The key performance indicator (KPI) is an alternative KPI according to ESMA's guidelines. For reconciliation of alternative KPIs, see page 20.

N/A: The KPIA cannot be calculated fairly.

The Parent company's statement of income in summary

SEK million	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Net sales	7	-0	14	7
Other operating income	0	-	0	0
Total operating income	7	0	14	7
Other external expenses	-8	-0	-22	-15
Personnel costs	-12	-	-18	-6
Other operating expenses	-	-	-0	-0
Depreciation	-0	-0	-0	-0
Total operating expenses	-20	-0	-39	-21
Operating profit/loss	-13	0	-28	-15
Financial items net	1	-1	-24	-26
Earnings before tax	-12	-1	-52	-41
Income tax	2	-	10	8
Profit/loss for the period	-10	-1	-41	-32

The Parent company report on comprehensive income in summary

SEK million	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Profit/loss for the year and total comprehensive income for the year	-10	-1	-41	-32

The Parent company's balance sheet in summary

SEK million	31 Mar 2022	31 Mar 2021	31 Dec 2021
Assets			
Intangible assets	0	0	0
Property, plant and equipment	2	0	2
Financial assets	5,206	32	1,113
Non-current intercompany receivables	127	0	3,067
Total non-current assets	5,335	32	4,183
Current intercompany receivables	62	6	123
Other current receivables	1	0	1
Prepaid expenses and accrued income	1	0	1
Cash and cash equivalents	613	1	1,244
Total current assets	676	8	684
Total assets	6,012	39	6,051
Equity and liabilities			
Equity attributable to owners of the company	3,898	14	3,552
Total equity	3,898	14	3,552
Non-current interest-bearing liabilities	1,481	0	1,479
Other non-current liabilities	111	0	299
Total non-current liabilities	1,592	0	1,779
Current intercompany liabilities	294	0	143
Accounts payable	5	1	4
Accrued expenses and deferred income	208	23	60
Other current liabilities	13	1	14
Total current liabilities	521	25	546
Total liabilities	2,113	25	2,138
Total equity and liabilities	6,012	39	6,051

Key figures

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 for acquisition-related transaction costs. These mainly consist of costs for due diligence and issue of equity in acquisitions.	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.

Key figure	Definition	Purpose
Adjusted EBITA	Refers to EBITA adjusted for acquisition-related transaction costs. These mainly consist of costs for due diligence and issue of equity in acquisitions.	Adjusted EBITA is used by company 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 in acquired companies	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.
Cash conversion	Operating cash flow as a percentage of EBITDA.	Cash conversion is used to monitor cash generation from the operating activities.

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

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	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021	Pro forma 12 months
<i>Earnings measures</i>					
(A) Net sales	1,269	-	2,584	1,316	5,941
Other operating income	6	-	6	0	-
Operating expenses	-1,146	-0	-2,300	-1,155	-5,151
(B) EBITDA	129	-0	290	161	790
Depreciation excl. acquired surplus values	-50	-0	-111	-61	-151
(C) EBITA	79	-0	179	100	639
Acquisition-related transaction costs	7	-	22	16	-
Revaluation of contingent consideration	-	-	-	-	-
(D) Adjusted EBITDA	136	-0	313	177	790
(E) Adjusted EBITA	85	-0	202	116	639
(B/A) EBITDA-margin	10.2%	-	11.2%	12.2%	13.3%
(D/A) Adjusted EBITDA-marginal	10.7%	-	12.1%	13.4%	13.3%
(C/A) EBITA-margin	6.2%	-	6.9%	7.6%	10.8%
(E/A) Adjusted EBITA-marginal	6.7%	-	7.8%	8.8%	10.8%

SEK million	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
<i>Balance measures</i>				
Non-current interest-bearing liabilities	2,639	-	2,639	2,510
Current interest-bearing liabilities	13	-	13	12
Lease liabilities	635	-	635	481
Cash and cash equivalents	978	6	978	1,518
(F) Financial net debt	2,310	-	2,310	1,485
(G) Pro forma EBITDA	N/A	N/A	790	643
(F/G) Financial net debt in relation to pro forma EBITDA	N/A	N/A	2.9x	2.3x
<i>Cash conversion</i>				
(B) EBITDA	129	-0	290	161
Net investment in intangible assets and property, plant and equipment	-18	2	-83	-75
Change in working capital	88	4	-44	-128
(H) Operating cash flow	199	6	163	-42
(H/B) Cash conversion	154%	-	56%	-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, 2021, 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.

New presentation form for the income statement and balance sheet

Due to the company's change in operations, Vestum has changed its presentation for the income statement and balance sheet. The new form of presentation has led to certain reclassifications, however those do not have a significant impact on the financial statements. Vestum reports the result from WeSC's operations separately in the income statement in accordance with IFRS 5 regarding discontinued operations. Also, certain fixed assets are reported as assets held for sale. The comparative figures for 2021 have been recalculated in terms of income statement, balance sheet and certain Alternative Key Figures. See the following section on IFRS 5 below.

IFRS 5

The Board of Directors has made a decision regarding the divestment of the operations conducted within the framework of the WeSC brand. The Board's assessment is that a divestment is likely to take place within twelve months and therefore the result from this operation is reported separately in the income statement in accordance with IFRS 5 regarding discontinued operations. Assets and liabilities attributable to the business are reported as assets held for sale.

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 April 1, 2021 – March 31, 2022, as if the acquisitions which took place before March 31, 2022, as described above, were completed on April 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 those existing leasing agreements are expected to have over the coming twelve-month period would also apply to the pro forma period, i.e. April 1, 2021–March 31, 2022.

Risks and uncertainties

Vestum's main risk factors consist of market risks such as changes in the general market situation 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. Vestum also refers to the company description published on its website for supplementary information on risks and uncertainties.

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 companies. Vestum continues to monitor the development.

Vestum's operations were affected by the Covid-19 pandemi in the first quarter in 2022, mainly by increased sick leave. Vestum is closely following the development of the pandemic.

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.

Financial assets and liabilities

Financial assets in the balance sheet

	2022-03-31			2021-03-31		
	Amortised cost	Fair value via income statement	Total	Amortised cost	Fair value via income statement	Total
Non-current securities holdings	-	8	8	-	-	-
Accounts receivable	757	-	757	0	-	0
Current receivables (portion of)	4	-	4	0	-	0
Cash and cash equivalents	978	-	978	6	-	6
Total financial assets	1,738	8	1,746	6	-	6

Financial liabilities in the balance sheet

	2022-03-31			2021-03-31		
	Amortised cost	Fair value via income statement	Total	Amortised cost	Fair value via income statement	Total
Long-term borrowing	2,643	-	2,643	-	-	-
Short-term borrowing	13	-	13	-	-	-
Accounts payable	449	-	449	1	-	1
Contingent consideration	-	474	474	-	-	-
Total financial liabilities	3,106	474	3,580	1	-	1

Fair value

The fair value of financial instruments is determined on the basis of a fair value hierarchy. The different levels are defined as follows:

- Level 1 Fair value according to quoted prices in active markets for identical assets or liabilities.
- Level 2 Fair value determined on the basis of either directly or indirectly observable market data not included in level 1.
- Level 3 Fair value determined on the basis of input data that is not observable on the market.

Contingent consideration that is valued at fair value in the balance sheet is classified in level 3 according to the fair value hierarchy. Non-current securities holdings that are valued at fair value in the balance sheet are classified in level 1 according to the fair value hierarchy.

WeSC

The WeSC brand's operations have continued to develop positively with a sales during the first quarter amounting to SEK 45 (13) million. The increase in sales is attributable to the North American market. The earnings for the first quarter 2022 amounted to SEK 3 (1) million.

In connection with changing the operations from clothing brand to an acquisition-driven Group focusing on specialist companies in construction services and infrastructure, 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 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 this 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	Jan-Mar 2022	Jan-Mar 2021	Rolling 12 months	Jan-Dec 2021
Total sales from operations held for sale	45	13	130	98
Total costs from operations held for sale	-42	-12	-124	-94
Tax attributable to operations held for sale	0	0	0	0
Profit/loss from operations held for sale	3	1	7	4

Owners

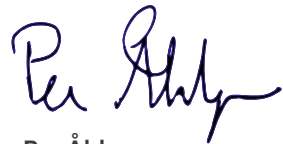
The ten largest shareholders as of March 31, 2022, according to Monitor.

Name	Number of shares	Share of total
Conny Ryk	56,400,000	16%
Anders Rosenqvist	29,686,350	8%
Per-Arne Åhlgren	22,001,661	6%
Handelsbanken Fonder	19,605,789	5%
Swedbank Försäkring	18,754,826	5%
Avanza Pension	16,761,642	5%
Olle Nykvist	13,577,586	4%
Olof Andersson	13,500,000	4%
Erkan Sen	13,500,000	4%
Simon Göthberg	13,500,000	4%
Total for the 10 largest shareholders based on no. of shares	217,287,854	60%
Total number of shares, other shareholders	146,814,708	40%
Total number of outstanding shares at the end of the period	360,603,422	100%

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.

2022-05-19



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 May 19, 2022 at 07:30 CET.

Upcoming reports

The interim report for the second quarter of 2022 will be published on August 26, 2022.

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

Annual General meeting will be held on May 23, 2022.

For more information, contact:

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CEO

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VESTUM