

# VESTUM

INTERIM REPORT  
JANUARY-JUNE 2024

Vestum AB (publ)

# Q2





# ACQUISITION AGENDA RESUMED

## April–June 2024

- Net sales amounted to SEK 1,373 (1,534) million
- Operating profit before depreciation attributable to acquired surplus value (EBITA) amounted to SEK 136 (172) million
- Adjusted EBITA amounted to SEK 133 (178) million
- Operating profit (EBIT) amounted to SEK 60 (96) million
- Earnings per share<sup>2)</sup> before and after dilution amounted to SEK-0.01 (0.21)
- Cash flow from operating activities amounted to SEK 27 (78) million
- In April, Vestum completed the strategic review initiated in August 2023. In connection with this, the divestment of Plåtslagaren

G.H Johansson AB and of the WesC-business was completed

- In April 2024, Vestum redeemed its SEK 900 million bond, which was set to mature in October 2024, using bank financing and cash resources. In connection with this, Vestum has updated the existing credit facility by adding another lender, Svensk Exportkredit, and increased the credit facility framework from SEK 1,200 million to SEK 1,800 million.

## January–June 2024

- Net sales amounted to SEK 2,613 (2,811) million
- Operating profit before depreciation attributable to acquired surplus value (EBITA) amounted to SEK 222 (299) million

- Adjusted EBITA amounted to SEK 233 (297) million
- Operating profit (EBIT) amounted to SEK 70 (148) million
- Earnings per share<sup>2)</sup> before and after dilution amounted to SEK-0.10 (0.31)
- Cash flow from operating activities amounted to SEK 223 (210) million
- In January 2024, the divestment of Arctic Infra AB including subsidiaries, which was announced on December 2023, was completed

## Subsequent events

- On August 9, Vestum, through its subsidiary Pump Supplies Ltd, acquired PDAS Holdings Ltd, including its subsidiaries

## Vestum in summary

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
Net sales	1,373	1,534	2,613	2,811	5,563	5,762
EBITA <sup>1)</sup>	136	172	222	299	545	623
EBITA margin % <sup>1)</sup>	9.9	11.2	8.5	10.6	9.8	10.8
Adjusted EBITA <sup>1)</sup>	133	178	233	297	558	622
Adjusted EBITA margin % <sup>1)</sup>	9.7	11.6	8.9	10.5	10.0	10.8
EBITA per share before dilution, SEK <sup>1)</sup>	0.36	0.46	0.59	0.80	1.45	1.66
Earnings per share before/after dilution, SEK <sup>2)</sup>	-0.01	0.21	-0.10	0.31	-0.14	0.28
Operating profit (EBIT)	60	96	70	148	240	318
Cash flow from operating activities	27	78	223	210	646	634
Operating cash flow <sup>1)</sup>	118	174	328	339	813	824
Cash conversion % <sup>1)</sup>	62	77	100	83	107	98

1) See pages 22–23 for definitions and reconciliation of alternative performance measures

2) Attributable to remaining operations and Parent company's shareholders

9.7 %

Adjusted EBITA-margin  
April-June 2024

62 %

Cash conversion  
April-June 2024

2.7x

Financial net debt/  
EBITDA June 2024, R12

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

COMMENTS BY THE CEO

# STRONGEST SEGMENT DEVELOPMENT IN WATER

The second quarter has been characterised by a continued challenging market environment with lower volumes and profitability compared to the previous year. Organic growth amounted to -9%, but despite lower revenue we managed to reduce the financial net debt including contingent considerations by SEK 53 million to SEK 2,129 million. It is exciting that we are back in the acquisition market through the acquisition of PDAS, a UK market leader in wastewater pumping stations. The acquisition strengthens our already strong position in water infrastructure in the structurally growing UK market, while the Water segment approaches SEK 1 billion in revenue on a rolling 12-month basis. The acquisition was completed after the end of the quarter and will be consolidated into Vestum in the third quarter.

The Water segment continues to develop strongly, although we face tough reference figures as April-May 2023 was marked by extreme drought in the Nordics, which drove up volumes and profitability. Extreme weather was absent this quarter, but thanks to strong demand in the UK, the EBITA margin was strengthened from 22.2% to 23.7%. The segment is expected to develop steadily going forward.

In the Services segment, the weak property market has continued to negatively impact the segment's volumes and profitability, where primarily the product companies, which constitute 25% of the segment, have driven the weaker development. The segment's EBITA

margin amounted to 6.9% compared to 9.2% in the previous year. The product companies are more positive about the coming quarters, while the installation companies are relatively neutral with an expected return to growth in the latter part of the second half of the year.

The Infrastructure segment offers specialised work in selected parts of the infrastructure where the investment need is significant. Generally, the segment is positioned later in the economic cycle than Services and Water, and some companies face tough reference figures. Overall, this means that volumes have decreased for the first time since the economic downturn, which has also negatively impacted profitability. The segment generates an EBITA margin of 9.1% compared to 11.8% in the previous year. Like the first quarter, we have won several fine projects, and although the segment's weaker development in the quarter is expected to spill over into the second half of the year, we remain confident that the significant need for infrastructure investments will lead to stable growth going forward.

The cost efficiency measures communicated earlier this year have begun to show effect with reduced costs for central functions during the quarter. Furthermore, the work to strengthen cash flow has continued, and the operating cash flow amounted to SEK 118 million, corresponding to a cash conversion of 62%, which is admittedly weaker than the previous year driven by the volume decline. Over the past

twelve months, operating cash flow amounted to SEK 813 million, or a cash conversion of 107%. Free cash flow was affected by one-off costs of SEK 15 million from the refinancing process and amounted to SEK -29 million in the quarter.

## Acquisition agenda resumed

The improved capital structure, achieved in connection with the strategic review, has allowed us to lower the group's capital cost and enabled acquisitions. This led to our first acquisition in two years, which was completed after the end of the quarter within the Water segment. The acquired company, PDAS, is an excellent add-on acquisition to Vestum's largest company, Pump Supplies. There are concrete synergies on both the revenue and cost side, and through the acquisition, we demonstrate our strategy to grow the Water segment, both through high organic growth and acquisitions. The ambition is for Water to become Vestum's largest segment over time.

We financed the acquisition through our own cash and existing credit facilities, rather than issuing shares as in previous acquisitions. The financial net debt excluding contingent considerations in relation to EBITDA amounts to 2.7x in the second quarter, which is above our financial target of 2.5x. We expect leverage to remain at a level above our financial target for the rest of 2024, but we believe that from a capital allocation perspective, it is right to invest in growth within the rapidly growing Water segment.



## Market outlook

During the quarter, we have seen a generally positive trend shift in how our businesses view their future prospects. Vestum's main end-markets are driven by investments in construction and infrastructure, as well as climate change. These investments hit early in the economic cycle, which means that Vestum is affected before other sectors, but it also means that we return to growth earlier. At the same time, a part of Vestum is relatively independent of economic fluctuations as climate change and investments in water infrastructure are driving factors, which is reflected in the improved EBITA margin in the Water segment during the quarter.

We are humble about the short-term market development and expect a continued challenging market during the current quarter, but at the same time, our businesses are more optimistic about their market outlook now than earlier during the year.

**Simon Göthberg**  
CEO, Vestum AB (publ)

# ABOUT VESTUM

Vestum consists of more than 60 niche companies with 1,800 employees providing services and products to the infrastructure sector. We specialise in sustainable development and, through our robust presence in the United Kingdom and Scandinavia, have a strong position in the Northern European market.

We develop and acquire niche companies with proven business models, sustainable competitive advantages, and strong local presence within the segments of Water, Services, and Infrastructure. Vestum's business model is based on decentralised governance, strong industry and customer focus, and entrepreneurial drive. Our ambition is to grow and become the leading Northern European industrial group in providing specialised services and products for a sustainable infrastructure.

With a clear focus on business development and sustainability as driving forces, we are developing and constructing a climate-adapted, more sustainable, and vital infrastructure that meets the needs of tomorrow. Through long-term commitment and a commitment to acting responsibly throughout the value chain, Vestum contributes to sustainable development and long-term value creation.

Vestum's share is traded on Nasdaq Stockholm, Mid Cap, with the shortname VESTUM. See further information on page 20, Owners.

## Development per quarter



Note: Reported figures are not adjusted according to IFRS 5

<sup>1)</sup> The decrease in revenue in Q1 2023 and Q4 2023 is driven by divested operations.

## FINANCIAL TARGETS

Vestum's overall target is to create long-term profitable growth by acquiring and developing high-quality companies with good cash flows and strong market positions

### Profit Growth

Vestum's target in the medium term is to generate an average annual growth in EBITA per share of at least 15.0 percent.

### Profitability

Vestum's target in the medium term is to achieve an EBITA margin of at least 12.0 percent.

### Capital structure

The financial net debt in relation to EBITDA shall be maximum 2.5x.

### Dividend policy

Vestum's dividend policy is that all profits and available cash flows will be re-invested in the business and/or used for new acquisitions.

5,563

Net sales, R12, SEK million

558

Adjusted EBITA, R12, SEK million

813

Operational cash flow, R12, SEK million

2.7x

Financial net debt / EBITDA R12

107%

Cash conversion R12

27

Average age in years of companies in the Group

# VESTUM'S SUSTAINABILITY WORK

Vestum's quarterly reporting describes selected parts of the work being carried out to ensure Vestum achieves its short-term and long-term sustainability goals, as well as providing a picture of Vestum's progress.

## Internal sustainability reporting

During the second quarter, we continued our efforts to improve data quality in our sustainability reporting. To achieve this, it is important that our internal reporters understand the reporting process and the purpose of the metrics we use. To ensure this understanding, we organized a sustainability forum focused on quarterly reporting and the challenges that companies often face in this process. At the sustainability forum, we discussed specific, recurring challenges and methods to address them.

## Workplace environment

Work-related injuries have increased compared to the same period last year. During the second quarter of 2024, the Lost Time Injury Frequency Rate (LTIFR)<sup>1)</sup> amounted to 5.4. For the same quarter of the previous year, the LTIFR was 4.4. It should also be noted regarding the LTIFR measurement that, starting from this report, we calculate LTIFR based on 1,000,000 hours worked, instead of the 200,000 hours worked we previously used. This change aligns with ESRS, where 1,000,000 hours worked is used as the standard.

1) LTIFR (Lost Time Injury Frequency Rate) refers to the number of accidents that have resulted in at least one day of sick leave per 1,000,000 hours worked. Serious accidents are defined as work-related incidents that result in at least one day of sick leave.

2) Managers in the Vestum Group refer to employees at the group level with personnel or functional responsibilities, as well as the CEO and CFO of Vestum's operating companies.

## Skills recruitment

During the second quarter, we provided 16 internships and apprenticeships, compared to 37 internships and apprenticeships in the same quarter the previous year. This decrease is partly due to Vestum divesting certain companies that previously offered many internships and apprenticeships, and partly because Vestum's remaining companies have had fewer internships and apprenticeships than the previous year. Vestum has a short-term goal of providing 400 internships and apprenticeships between 2023 and 2026.

At the end of the period, Vestum has provided a total of 173 positions, which means we are aligned with our targets.

## Gender equality

The proportion of female managers within the group has decreased slightly compared to the gender distribution reported at the end of the same quarter last year. The gender distribution for Vestum's board and employees in the group remains unchanged compared to the same quarter the previous year.

## Gender equality

Gender distribution as of June 30, 2024



# SUSTAINABILITY TARGETS

## Climate

- By 2026, Vestum shall reduce CO<sub>2</sub>e-emissions by 25%
- By 2040, Vestum shall have net-zero climate impact

## Biodiversity

- By 2026, Vestum shall have mapped its impact on biodiversity
- By 2040, Vestum shall reach net-zero impact on biodiversity

## Work environment

- By 2026, Vestum shall establish a group-wide structure and culture that both ensures accurate reporting of incidents and accidents, and encourages individual employees to speak up if the workplace is perceived as unsafe
- By 2040, Vestum shall eliminate serious work accidents

## Gender equality

- By 2026, at least 35% of Vestum managers shall be female and at least 15% of total employees in the Group shall be female
- By 2040, Vestum shall have an even gender distribution

## Skills recruitment

- By 2026, Vestum shall have provided at least 400 internship and apprenticeship positions
- By 2040, Vestum shall have provided at least 1,000 internship and apprenticeship positions



# THE VESTUM GROUP'S DEVELOPMENT

Comments on the Vestum Group's development refer to the remaining operations unless otherwise is stated.

## Net sales

The Group's net sales for the second quarter amounted to SEK 1,373 (1,534) million, which is a decrease of 10.5 % compared to the same period last year. In April, Plåtslagaren G.H. Johansson AB was divested, which impacts the revenue by -1.5 %. The organic decrease of net sales was -9.1 %. Exchange rate effects had a positive impact of SEK 2 million.

For the period January-June 2024, the Group's net sales amounted to SEK 2,613 (2,811) million. The decrease relates to acquired and divested net sales of -0.6 % as well of organic growth of -6.6 %. Exchange rate effects had a positive impact on the period of SEK 3 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

Profit before amortisation and write-down of acquired surplus value (EBITA) for the second quarter amounted to SEK 136 (172) million, which corresponds to an EBITA margin of 9.9 % (11.2 %). Adjusted EBITA amounted to SEK 133 (178) million, which corresponds to an adjusted EBITA margin of 9.7 % (11.6 %). Operating profit (EBIT) amounted to SEK 60 (96) million.

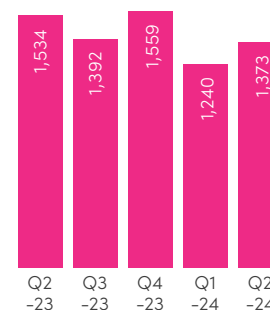
Extraordinary items that are adjusted in EBITA affected the quarter by SEK 3 (-6) million. These consisted of revaluation of contingent

consideration. Net financials for the second quarter amounted to SEK -51 (-2) million of which interest costs for loans and leasing amounted to SEK 44 (58) million. The quarter's net financials is affected by a one-off costs for the redemption of bonds of SEK 12 million. Other changes in the net financials are primarily explained by the exchange rate gain of SEK 40 million from the previous year, which occurred due to currency hedging in preparation for the repayment of a bond in July 2023. The period's profit for remaining operations amounted to SEK -5 (79) million, which corresponds to a profit per share attributable to remaining operations and the Parent company's shareholders before and after dilution of SEK -0.01 (0.21).

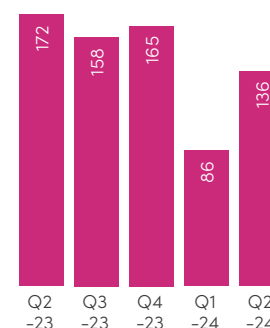
Profit before amortisation and write-down of acquired surplus value (EBITA) for January - June 2024 amounted to SEK 222 (299) million, which corresponds to an EBITA margin of 8.5 % (10.6 %). Adjusted EBITA amounted to SEK 233 (297) million and operating profit (EBIT) amounted to SEK 70 (148) million. Net financials amounted to SEK -99 (-10) million, of which interest costs for loans and leasing amounted to SEK 94 (116) million. The periods profit for remaining operations amounted to SEK -39 (118) million which corresponds to a profit per share attributable to remaining operations and the Parent company's shareholders before and after dilution of SEK -0.10 (0.31).

Extraordinary items that are adjusted in EBITA affected the period January - June negatively by SEK -11 (3) million. These consisted of revaluation of contingent consideration which affects the result positive by SEK 3 million and restructuring costs of SEK -14 million.

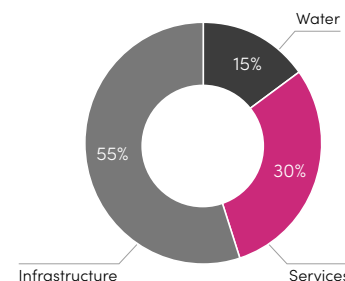
Net sales  
SEK million



EBITA  
SEK million



Net sales per segment,  
Q2 2024  
%



# SEGMENT WATER

The Water segment consists of market-leading niche companies focused on improving water infrastructure. The businesses are characterised by structural growth and specialise in pump technology, irrigation systems, water filters and drilling equipment.

## Our market

Customers in this segment include both public clients in need of water pumping for various infrastructure facilities such as sewage systems and water supply, property owners and HVAC (Heating, Ventilation, and Air Conditioning) operators in need of water distribution and wastewater management, and industrial companies requiring water filters, water pumps, and irrigation systems for various applications. A significant portion of the segment consists of product sales of water pumps, drilling equipment, water filters, and irrigation systems. By offering pumps and irrigation systems that reduce customers' energy consumption and water usage, Vestum contributes to reducing climate impact and promoting a more sustainable societal development.

## Development during the period

Net sales for the second quarter amounted to SEK 203 (217) million and net sales for the period January - June amounted to SEK 418 (393) million.

EBITA for the second quarter amounted to SEK 48 (48) million, corresponding to an EBITA margin of 23.7 % (22.2 %). EBITA for the period January - June amounted to SEK 91 (79) million, corresponding an EBITA margin of 21.7 % (20.0 %).

Sales were slightly lower than the reference period, which was characterized by extreme weather in the Nordics. The UK operations continued to perform strongly, and profitability for the segment as a whole during the period was solid, with an improved EBITA margin. The segment is expected to develop steadily moving forward.



### Net sales Q2

SEK million

203

### EBITA marginl Q2

%

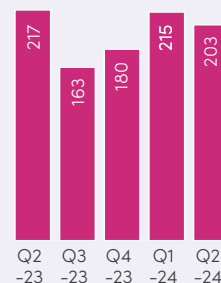
23.7

### Earnings development

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
Net sales	203	217	418	393	763	737
EBITA	48	48	91	79	155	142
EBITA margin %	23.7	22.2	21.7	20.0	20.3	19.3

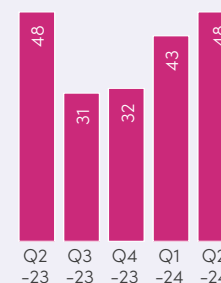
### Net sales per quarter

SEK million



### EBITA per quarter

SEK million





# SEGMENT SERVICES

The Services segment offers specialised services and products for primarily private and public property owners. The segment has a strong local presence in the Nordic region.

## Our market

The product and service offerings primarily consist of installation and maintenance in areas such as HVAC, electricity, ceiling systems, climate control, and technical insulation. The end customers are mainly private and municipal property owners in need of adaptation to meet increased environmental and accessibility requirements, as well as energy efficiency. By offering services and products that reduce customers' energy consumption and climate impact, Vestum contributes to sustainable societal development.

## Development during the period

Net sales for the second quarter amounted to SEK 414 (488) million and net sales for the period January - June amounted to SEK 829 (993) million.

EBITA for the second quarter amounted to SEK 29 (45) million, corresponding to an EBITA margin of 6.9 % (9.2 %). EBITA for the period January - June amounted to SEK 61 (86) million, corresponding an EBITA margin of 7.3 % (8.7 %).

Demand and profitability in the quarter were weaker than in the same period prior year, driven by a weaker market for the segment's operations, particularly for the product companies. However, the product companies have a more positive outlook for the upcoming quarters, while the installation companies remain relatively neutral about the outlook, with expected growth returning in the later part of the second half of the year.



### Net sales Q2

SEK million

414

### EBITA margin Q2

%

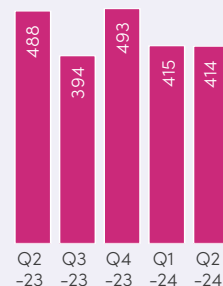
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### Earnings development

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
Net sales	414	488	829	993	1,715	1,880
EBITA	29	45	61	86	162	187
EBITA margin %	6.9	9.2	7.3	8.7	9.4	10.0

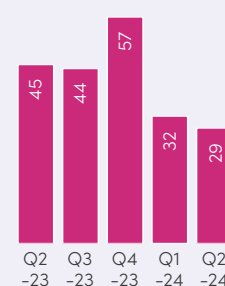
### Net sales per quarter

SEK million



### EBITA per quarter

SEK million







# SEGMENT INFRASTRUCTURE

The Infrastructure segment offers specialised work within railway, water & sewage and other infrastructure.

## Our market

The segment primarily consists of specialists performing railway services, courtyard renovations, foundation work, concrete renovations, as well as product sales of moisture protection and sewage treatment systems. The end customers are mainly public clients, but also private entities investing in and maintaining various parts of the infrastructure. The segment contributes to sustainable societal development through a wide range of services that for example enable transportation with reduced climate impact.

## Development during the period

Net sales for the second quarter amounted to SEK 756 (829) million and net sales for the period January - June amounted to SEK 1,366 (1,425) million.

EBITA for the second quarter amounted to SEK 69 (98) million, corresponding to an EBITA margin of 9.1% (11.8%). EBITA for the period January - June amounted to SEK 105 (160) million, corresponding an EBITA margin of 7.7% (11.2%).

Sales and profitability in Infrastructure were weaker compared to the same quarter last year, driven by tough comparables, a short-term challenging market environment, and to some extent, increased competition. Although the segment's weaker performance in the quarter is expected to carry over into the second half of the year, we remain confident that the significant need for infrastructure investments will lead to stable growth moving forward.



### Net sales Q2

SEK million

756

### EBITA margin Q2

%

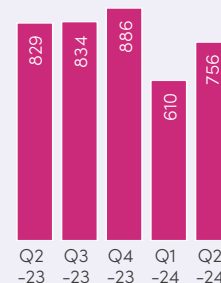
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### Earnings development

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
Net sales	756	829	1,366	1,425	3,085	3,144
EBITA	69	98	105	160	294	349
EBITA margin %	9.1	11.8	7.7	11.2	9.5	11.1

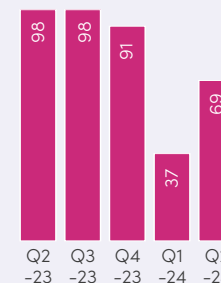
### Net sales per quarter

SEK million



### EBITA per quarter

SEK million



## Cash flow

Cash flow from operating activities during the second quarter amounted to SEK 27 (78) million, of which changes in working capital amounted to SEK -54 (-34) million. The operating cash flow amounted to SEK 118 (174) million, which corresponds to a cash conversion of 62 % (77 %). For the period January–June 2024, the cash flow from operating activities amounted to SEK 223 (210) million, changes in working capital amounted to SEK 24 (-33) million and the operating cash flow amounted to SEK 328 (339) million, which corresponds to a cash conversion of 100 % (83 %).

The Group's working capital varies over the quarters, mainly due to fluctuations in the items ongoing projects, accounts receivable and accounts payable. The change in working capital in the second quarter was primarily driven by reduced accounts payable which were offset by reduced accounts receivable.

## Investments

The Group's investments during the second quarter excluding acquisitions amounted to SEK 18 (18) million and SEK 25 (34) million for the period January–June 2024. Paid and re-valued contingent consideration for previous years acquisitions amounted to SEK 113 (99) million in the second quarter. Paid contingent consideration amounted to SEK 124 (132) million in January – June 2024.

## Financial position and liquidity

Equity at the end of the period amounted to SEK 3,926 (4,057) million. Equity in the parent company amounted to SEK 4,102 (4,402) million.

The Group's cash and cash equivalents at the end of the period amounted to SEK 252 (345) million.

The interest-bearing liabilities, inclusive leasing liabilities amounted to SEK 2,301 (2,450) million at the end of the period. By the end of the period, the Group had a financial net debt, defined as interest-bearing liabilities less cash and cash equivalents of SEK 2,049 (2,105) million. The financial net debt in relation to reported EBITDA was 2.7x.

Total contingent consideration liability amounted to SEK 80 (207) million at the end of the period. The current liability of the total contingent consideration liability amounted to SEK 65 million. For more information, see the section Acquisitions and divestments. Total liabilities amounted to SEK 3,926 (4,322) million as of June 30, 2024.

At the end of the quarter, Vestum had outstanding bonds of SEK 600 million due in April 2026 and with a variable interest rate of 3 months' STIBOR plus 637.5 basis points. The bonds are reported in the item Long-term and Short-term interest-bearing liabilities in the balance sheet.

During the quarter, Vestum has updated the existing credit facility by adding another lender, Svensk Exportkredit, and increased the credit facility framework from SEK 1,200 million to SEK 1,800 million.

## Staff

The number of full-time employees for the remaining operations as of June 30, 2024 amounted to 1,675 (1,833) people.

## Parent company

The Parent company's net sales during the second quarter amounted to SEK 5 (5) million. Operating profit amounted to SEK -12 (-18) million. Net financial items amounted to SEK -214 (12) million and consisted of interest costs of SEK 53 million and a write-down of shares in subsidiaries of SEK 153 million. Profit for the period amounted to SEK -226 (-7) million and the decrease was mainly due to increased interest expense and write-down of shares in subsidiaries.

For January – June 2024, net sales amounted to SEK 9 (9) million, operating profit amounted to SEK -33 (-35) million and net financial items amounted to SEK -267 (-21) million. Profit for January – June amounted to SEK -300 (-57) million.

The balance sheet total as of June 30, 2024, amounted to SEK 6,723 (7,586) million, of which equity amounted to SEK 4,102 (4,402) million. Cash and cash equivalents in the Parent company amounted to SEK 88 (230) million.

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
2022/2025	3,650,000	3,650,000	31.4	1 Jun 2025 – 31 Aug 2025	1,216,667
2023/2026	2,750,000	2,750,000	6.46	1 Dec 2026 – 31 Dec 2026	916,667

## Significant event after the end of the period

On August 9, Vestum, through its subsidiary Pump Supplies Ltd, acquired PDAS Holdings Ltd, including its subsidiaries.

## 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 2023, note 28.

## Incentive program

Vestum has three incentive programs corresponding to a total of 9,920,193 warrants. The warrant programs are aimed at senior executives and 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 an estimated market value calculated by an independent valuation institute.

# THE GROUP'S CONSOLIDATED INCOME STATEMENT IN SUMMARY

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
<b>Remaining operations</b>						
Net sales	1,373	1,534	2,613	2,811	5,563	5,762
<b>Total operating income</b>	<b>1,373</b>	<b>1,534</b>	<b>2,613</b>	<b>2,811</b>	<b>5,563</b>	<b>5,762</b>
Materials and purchased services	-702	-818	-1,347	-1,481	-2,938	-3,072
Other external costs	-122	-113	-227	-228	-481	-482
Personnel costs	-366	-373	-713	-709	-1,408	-1,403
Other operating income	9	4	19	23	43	47
Other operating expenses	-1	-7	-16	-11	-19	-14
<b>Total operating expenses and other operating income</b>	<b>-1,182</b>	<b>-1,307</b>	<b>-2,284</b>	<b>-2,404</b>	<b>-4,803</b>	<b>-4,924</b>
<b>EBITDA</b>	<b>190</b>	<b>227</b>	<b>329</b>	<b>407</b>	<b>760</b>	<b>838</b>
Depreciation excl. acquired surplus value.	-55	-55	-107	-108	-215	-215
<b>EBITA</b>	<b>136</b>	<b>172</b>	<b>222</b>	<b>299</b>	<b>545</b>	<b>623</b>
Amortisation attributable to acquired surplus value	-76	-76	-152	-151	-305	-304
<b>Operating profit (EBIT)</b>	<b>60</b>	<b>96</b>	<b>70</b>	<b>148</b>	<b>240</b>	<b>318</b>
Financial items net	-51	-2	-99	-10	-268	-179
<b>Earnings before tax</b>	<b>8</b>	<b>94</b>	<b>-29</b>	<b>138</b>	<b>-27</b>	<b>140</b>
Income tax	-13	-16	-11	-20	-27	-36
<b>Profit/loss for the period from continuing operations</b>	<b>-5</b>	<b>79</b>	<b>-39</b>	<b>118</b>	<b>-53</b>	<b>104</b>
Profit/loss from operations held for sale and divested operations	19	-31	-107	-62	-522	-476
<b>Profit/loss for the period</b>	<b>14</b>	<b>48</b>	<b>-147</b>	<b>56</b>	<b>-575</b>	<b>-373</b>

The income statement has been recalculated for all periods based on current accounting principles for the operations held for sale and divested operations. See page 18 for accounting principles and page 19 for the income statement in summary for the operations held for sale and divested operations.

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
<b>The profit/loss for the period attributable to:</b>						
Parent company shareholders	14	47	-148	55	-577	-374
Non-controlling interest	0	0	1	1	2	1
Average number of shares during the period, before dilution	375,809,468	375,809,468	375,809,468	374,134,702	375,809,468	374,978,968
Average number of shares during the period, after dilution	378,559,468	375,809,468	378,559,468	374,134,702	377,369,057	375,174,858
<b>The profit/loss per share for the period attributable to:</b>						
Remaining operations and the Parent company's shareholders, before dilution, SEK	-0.01	0.21	-0.10	0.31	-0.14	0.28
Remaining operations and the Parent company's shareholders, after dilution, SEK	-0.01	0.21	-0.10	0.31	-0.14	0.28
Parent company's shareholders, before dilution, SEK	0.04	0.13	-0.39	0.15	-1.54	-1.00
Parent company's shareholders, after dilution, SEK	0.04	0.13	-0.39	0.15	-1.53	-1.00



## Consolidated statement of comprehensive income in summary

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
Profit/loss for the period	14	48	-147	56	-575	-373
<b>Other comprehensive income</b>						
Exchange differences on translation of foreign operations	-11	67	17	50	-108	-76
Profit/loss on derivatives held for cash flow hedging	0	-	0	-	0	-
<b>Total other comprehensive income</b>	<b>-11</b>	<b>67</b>	<b>17</b>	<b>50</b>	<b>-108</b>	<b>-76</b>
<b>Total comprehensive income for the period</b>	<b>3</b>	<b>115</b>	<b>-130</b>	<b>106</b>	<b>-683</b>	<b>-448</b>
<b>Total comprehensive income for the period attributable to:</b>						
Parent company's shareholders	2	115	-131	105	-685	-449
Non-controlling interests	1	0	1	1	2	1
<b>Total comprehensive income attributable to Parent company's shareholders, originated from:</b>						
Remaining operations	2	119	-131	121	-672	-421
Operations held for sale and divested operations	1	-5	1	-15	-11	-27

# THE GROUP'S CONSOLIDATED BALANCE SHEET IN SUMMARY

SEK million	30 Jun 2024	30 Jun 2023	31 Dec 2023
<b>Assets</b>			
Intangible assets	5,350	6,317	5,522
Property, plant and equipment	227	277	236
Right of use assets	525	662	520
Financial assets	3	8	3
Deferred tax assets	6	20	6
Other non-current assets	2	2	2
<b>Total non-current assets</b>	<b>6,113</b>	<b>7,285</b>	<b>6,289</b>
Inventories	316	351	318
Accounts receivable	808	1,019	867
Contract assets	149	265	134
Other current assets	62	64	59
Prepaid expenses and accrued income	151	188	118
Cash and cash equivalents	252	607	345
Assets held for sale	0	639	249
<b>Total current assets</b>	<b>1,739</b>	<b>3,133</b>	<b>2,090</b>
<b>Total assets</b>	<b>7,852</b>	<b>10,418</b>	<b>8,379</b>

SEK million	30 Jun 2024	30 Jun 2023	31 Dec 2023
<b>Equity and liabilities</b>			
Equity attributable to owners of the company	3,923	4,606	4,053
Non-controlling interests	4	3	3
<b>Total equity</b>	<b>3,926</b>	<b>4,609</b>	<b>4,057</b>
Non-current provisions	16	19	21
Non-current interest-bearing liabilities	1,767	2,848	590
Non-current lease liabilities	387	488	392
Deferred tax liabilities	477	561	512
Other non-current liabilities	15	64	61
<b>Total non-current liabilities</b>	<b>2,662</b>	<b>3,980</b>	<b>1,575</b>
Current provisions	2	1	2
Current interest-bearing liabilities	0	3	1,334
Current lease liabilities	146	174	135
Accounts payable	414	559	430
Contract liabilities	59	91	81
Other current liabilities	306	372	358
Accrued expenses and deferred income	337	339	293
Liabilities that are directly related to assets held for sale	0	290	114
<b>Total current liabilities</b>	<b>1,264</b>	<b>1,830</b>	<b>2,747</b>
<b>Total liabilities</b>	<b>3,926</b>	<b>5,809</b>	<b>4,322</b>
<b>Total equity and liabilities</b>	<b>7,852</b>	<b>10,418</b>	<b>8,379</b>

# 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 period			
<b>Opening balance as of 1 January 2023</b>	123	4,335	53	-136	3	<b>4,377</b>	
Profit/loss for the period	-	-	-	56	1	<b>56</b>	
Other comprehensive income for the period	-	-	50	-	-	<b>50</b>	
Transfer to other reserves	-	-	-	-	-	<b>0</b>	
<b>Total comprehensive income</b>	-	-	<b>50</b>	<b>56</b>	<b>1</b>	<b>106</b>	
Total transactions with owners	3	122	-	-	-	<b>125</b>	
<b>Closing balance as of December 2023</b>	<b>125</b>	<b>4,458</b>	<b>103</b>	<b>-80</b>	<b>3</b>	<b>4,609</b>	
<b>Opening balance as of 1 January 2024</b>	<b>125</b>	<b>4,460</b>	<b>-23</b>	<b>-509</b>	<b>3</b>	<b>4,057</b>	
Profit/loss for the period	-	-	-	-148	1	<b>-147</b>	
Other comprehensive income for the period	-	-	17	-	-	<b>17</b>	
Transfer to other reserves	-	-	0	0	-	<b>-</b>	
Cash flow hedges net of tax	-	-	0	-	-	<b>0</b>	
<b>Total comprehensive income</b>	-	-	<b>17</b>	<b>-148</b>	<b>1</b>	<b>-130</b>	
Total transactions with owners	-	-	-	-	-1	<b>-1</b>	
<b>Closing balance as of June 30, 2024</b>	<b>125</b>	<b>4,460</b>	<b>-6</b>	<b>-657</b>	<b>4</b>	<b>3,926</b>	



# THE GROUP'S CASH FLOW STATEMENT IN SUMMARY

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
Earnings before tax	8	94	-29	138	-27	140
Adjustment for non-cash items	116	94	246	174	603	531
Income tax paid	-43	-76	-18	-68	-41	-90
<b>Cash flow from operating activities before changes in working capital</b>	<b>81</b>	<b>113</b>	<b>199</b>	<b>244</b>	<b>536</b>	<b>581</b>
<b>Changes in working capital</b>						
Change in inventories	17	30	5	1	28	25
Change in operating receivables	-144	-192	-1	-145	99	-46
Change in operating liabilities	72	128	20	111	-17	74
<b>Cash flow from changes in working capital</b>	<b>-54</b>	<b>-34</b>	<b>24</b>	<b>-33</b>	<b>111</b>	<b>54</b>
<b>Cash flow from operating activities</b>	<b>27</b>	<b>78</b>	<b>223</b>	<b>210</b>	<b>646</b>	<b>634</b>
Purchase and sale of intangible assets	0	-3	0	-3	-3	-6
Purchase of a property, plant and equipment	-18	-15	-24	-32	-55	-62
Purchase of subsidiaries and activities	-113	-99	-124	-256	-216	-348
Divestment of subsidiaries and activities	70	-	69	-1	441	371
Proceeds from other financial assets net	0	-1	0	0	0	-1
<b>Cash flow from investing activities</b>	<b>-61</b>	<b>-117</b>	<b>-81</b>	<b>-292</b>	<b>166</b>	<b>-45</b>
Net change in borrowings	-137	247	-167	247	-1,130	-716
Repayments of lease liabilities	-38	-34	-75	-73	-147	-146
Proceeds from capital increase	-1	1	-1	1	1	2
Changes in other non-current liabilities	0	0	0	0	0	0
<b>Cash flow from financing activities</b>	<b>-175</b>	<b>213</b>	<b>-242</b>	<b>174</b>	<b>-1,276</b>	<b>-860</b>
<b>Net cash flow from continuing operations</b>	<b>-210</b>	<b>174</b>	<b>-100</b>	<b>92</b>	<b>-463</b>	<b>-271</b>
Cash flow from operations held for sale and divested operations	-	-11	2	-34	49	13
<b>Net cash flow for the period</b>	<b>-210</b>	<b>163</b>	<b>-98</b>	<b>58</b>	<b>-414</b>	<b>-258</b>

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
Cash and cash equivalents at the beginning of the period	457	502	345	608	607	608
Cash flow from the period	-210	163	-98	58	-414	-258
Exchange rate difference in cash and cash equivalents	5	6	5	3	2	-
Cash and cash equivalents from operations held for sale	-	-63	-	-63	57	-6
<b>Cash and cash equivalents at the period end</b>	<b>252</b>	<b>607</b>	<b>252</b>	<b>607</b>	<b>252</b>	<b>345</b>
<b>Cash flow regarding interest</b>						
Interest paid	-51	-51	-94	-98	-188	-193
Interest received	2	3	6	5	14	14

The cash flow statement has been recalculated for all periods based on current accounting principle for operations held for sale. See page 18 for accounting principles and page 20 for a summarized cash flow statement for the operations held for sale and divested operations.

# SEGMENT REPORTING

Vestum divides its operations into three segments: Water, Services and Infrastructure. These three segments complement each other, both over a business cycle and seasonally.

The tables below only include the financial outcome for the periods in which each port-

folio company was part of the Vestum Group. The segments have been recalculated in accordance to IFRS 5, to describe the continuing operations.

Cost for Group functions refers to group management, IT, legal, M&A and group finance functions. Costs related to operating group

functions, such as division managers and business control, have been distributed to each segment.

All segment's have revenue recognition at a point in time, and over time.

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
<i>Net sales per geographic market</i>						
Sweden	1,143	1,284	2,150	2,364	4,693	4,907
Other countries	230	250	462	447	870	855
<b>Total net sales</b>	<b>1,373</b>	<b>1,534</b>	<b>2,613</b>	<b>2,811</b>	<b>5,564</b>	<b>5,762</b>

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
<i>Net sales per segment</i>						
Water	203	217	418	393	763	737
Services	414	488	829	993	1,715	1,880
Infrastructure	756	829	1,366	1,425	3,085	3,144
<b>Total net sales</b>	<b>1,373</b>	<b>1,534</b>	<b>2,613</b>	<b>2,811</b>	<b>5,563</b>	<b>5,762</b>

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
<i>EBITA per segment</i>						
Water	48	48	91	79	155	142
Services	29	45	61	86	162	187
Infrastructure	69	98	105	160	294	349
Group functions	-13	-14	-24	-29	-52	-56
<b>Adjusted EBITA</b>	<b>133</b>	<b>178</b>	<b>233</b>	<b>297</b>	<b>558</b>	<b>622</b>
Adjustments	3	-6	-11	3	-13	1
<b>EBITA</b>	<b>136</b>	<b>172</b>	<b>222</b>	<b>299</b>	<b>545</b>	<b>623</b>
Amortisation attributable to acquired surplus value	-76	-76	-152	-151	-305	-304
<b>Operating profit (EBIT)</b>	<b>60</b>	<b>96</b>	<b>70</b>	<b>148</b>	<b>240</b>	<b>318</b>
Financial items net	-51	-2	-99	-10	-268	-179
<b>Earnings before tax</b>	<b>8</b>	<b>94</b>	<b>-28</b>	<b>138</b>	<b>-27</b>	<b>140</b>

## THE PARENT COMPANY'S INCOME STATEMENT

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
Net sales	5	5	9	9	17	17
<b>Total operating income</b>	<b>5</b>	<b>5</b>	<b>9</b>	<b>9</b>	<b>17</b>	<b>17</b>
Other external expenses	-7	-7	-12	-16	-29	-33
Personnel costs	-9	-13	-18	-25	-38	-45
Other operating income	0	0	0	0	0	0
Other operating expenses	0	-3	-12	-3	-12	-3
Depreciation	0	-1	-1	-1	-2	-2
<b>Total operating expenses and other operating income</b>	<b>-17</b>	<b>-23</b>	<b>-42</b>	<b>-44</b>	<b>-81</b>	<b>-83</b>
<b>Operating profit/loss</b>	<b>-12</b>	<b>-18</b>	<b>-33</b>	<b>-35</b>	<b>-64</b>	<b>-66</b>
Financial items net	-214	12	-267	-21	-415	-170
Appropriations	0	0	0	0	278	278
<b>Earnings before tax</b>	<b>-226</b>	<b>-7</b>	<b>-300</b>	<b>-57</b>	<b>-201</b>	<b>42</b>
Income tax	0	0	0	0	-33	-33
<b>Profit/loss for the period</b>	<b>-226</b>	<b>-7</b>	<b>-300</b>	<b>-57</b>	<b>-235</b>	<b>9</b>

### The Parent company report on comprehensive income in summary

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
<b>Profit/loss for the period and total comprehensive income for the period</b>	<b>-226</b>	<b>-7</b>	<b>-300</b>	<b>-57</b>	<b>-235</b>	<b>9</b>

## THE PARENT COMPANY'S BALANCE SHEET

SEK million	30 Jun 2024	30 Jun 2023	31 Dec 2023
<b>Assets</b>			
Intangible assets	4	2	2
Tangible assets	2	7	6
Financial assets	5,931	5,961	6,043
Non-current intercompany liabilities	693	180	734
<b>Total non-current assets</b>	<b>6,630</b>	<b>6,150</b>	<b>6,785</b>
Current intercompany receivables	558	55	565
Other current receivables	-557	4	1
Prepaid expenses and accrued income	5	5	5
Cash and cash equivalents	88	490	230
<b>Total current assets</b>	<b>93</b>	<b>554</b>	<b>801</b>
<b>Total assets</b>	<b>6,723</b>	<b>6,704</b>	<b>7,586</b>
<b>Equity and liabilities</b>			
Equity attributable to owners of the company	4,102	4,334	4,402
<b>Total equity</b>	<b>4,102</b>	<b>4,334</b>	<b>4,402</b>
Untaxed reserves	99	46	99
Non-current interest-bearing liabilities	1,767	1,737	590
Other non-current liabilities	4	25	20
<b>Total non-current liabilities</b>	<b>1,772</b>	<b>1,762</b>	<b>610</b>
Current intercompany liabilities	709	379	978
Current interest-bearing liabilities	0	0	1,334
Accounts payable	2	5	4
Other current liabilities	22	151	126
Accrued expenses and deferred income	18	27	33
<b>Total current liabilities</b>	<b>751</b>	<b>562</b>	<b>2,475</b>
<b>Total liabilities</b>	<b>2,523</b>	<b>2,324</b>	<b>3,085</b>
<b>Total equity and liabilities</b>	<b>6,723</b>	<b>6,704</b>	<b>7,586</b>



# 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 Board (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 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 2023.

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, 2024, 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.

### IFRS 5 – Divested operations and operations under divestment

During the first quarter 2024, the divestment of Arctic Infra AB, including subsidiaries (Infrastructure) were completed. In 2023, two strategic divestments were executed and an agreement was made regarding the sale of the WeSC-brand which was divested and completed in April, 2024. The income statement and cash flow statement for the companies are reported as operations held for sale and divested operations in accordance with IFRS 5. The balance sheet for these companies is reported as Assets held for sale and Liabilities that are directly related to assets held for sale, in accordance with IFRS 5.

Due to the above, Vestum has recalculated the comparative figures for 2023 regarding the income statement and cash flow statement. The balance sheet is not recalculated but reflects the businesses that were held for sale at respective balance sheet date.

## 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, counter-party and credit risks.

The Group's interest-bearing liabilities are to some extent exposed to floating interest rates. Increased policy interest rates affect Vestum's floating interest rates. Vestum strives to, at all times, have a structured and efficient management of financial risks in accordance with the Group's finance policy.

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 2023.

## FINANCIAL ASSETS AND LIABILITIES

Contingent consideration that is valued at fair value in the balance sheet amounts to SEK 80 (207) million and is classified in level 3 according to the fair value hierarchy. The section Acquisitions and divestments presents how fair value is determined. Revaluation of the contingent consideration recorded in operating profit had an effect on the quarter result of SEK 3 (0) million. 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 3 (3) million. Financial assets/liabilities related to derivatives that

are measured at fair value in the balance sheet are classified as Level 2 in the fair value hierarchy. The derivative instruments amount to SEK 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.

## ACQUISITIONS AND DIVESTMENTS

### Acquisitions completed during the period

On August 9, Vestum, through its subsidiary Pump Supplies Ltd, acquired 100 percent of the shares in PDAS Holdings Ltd, including its subsidiaries.

Closed by the end of period	Segment	Completed	Annual net sales (SEKm)	Number of employees
PDAS Holdings Ltd	Water	August	210	63
<b>Total</b>			<b>210</b>	<b>63</b>

### Contingent considerations

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 118 million. 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 80 million. During 2024, contingent consideration of SEK 124 million was paid. Paid and revalued contingent

consideration had an impact of SEK 3 (11) million on the period's result, which is reported in Other operating income and Other operating expenses in the income statement. The current part of the liability amounts to SEK 65 million and the likely timing for settlement is the third quarter of 2024 and the second quarter of 2025. The fair value of the contingent consideration is at level 3 in the fair value hierarchy. Contingent consideration liability are reported as Other current liabilities and Other non-current liabilities in the balance sheet.

### Change in contingent consideration liability

SEK million	30 Jun 2024	30 Jun 2023	31 Dec 2023
<b>Opening balance</b>	207	399	399
Acquisitions during period	-	75	75
Paid contingent consideration	-124	-132	-223
Revaluation via operating profit	-3	-11	-11
Exchange rate difference	0	0	0
Departs: Operations held for sale	-	-33	-33
<b>Closing balance at period end</b>	<b>80</b>	<b>298</b>	<b>207</b>

### Divested operations and operations under divestment

During the first quarter of 2024 the divestment of Arctic Infra AB, including subsidiaries (Infrastructure), was completed which was announced during the fourth quarter of 2023. Received cash payment for Arctic Infra AB amounted to SEK 20 million. The sale resulted in a loss of SEK 131 million.

During the quarter, divestment of the WeSC-brand has also been completed. Received cash payment amounted to SEK 3 million. The sale resulted in a profit of SEK 4 million.

The income statement and cash flow state-

ment for Arctic Infra AB and WeSC-brand, are reported as divested operations in accordance with IFRS 5.

During the quarter, Plåtslagaren G.H. Johansson AB was divested. The divestment has not led to any restatement of historical figures according to IFRS 5 and is therefore not reported in the income statement and cash flow table below. Plåtslagaren had an annual net sales of SEK 103 million and 37 employees. The selling price amounted to SEK 85 million, and the profit amounted to SEK 15 million.

Profit/loss attributable to divested operations, SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
Revenue	0	421	2	777	525	1,300
Costs	0	-451	0	-838	-569	-1,406
<b>Profit/loss before tax</b>	<b>0</b>	<b>-30</b>	<b>2</b>	<b>-61</b>	<b>-44</b>	<b>-106</b>
Income tax	0	-1	0	-1	-4	-5
<b>Profit/loss from divested operations</b>	<b>0</b>	<b>-31</b>	<b>2</b>	<b>-62</b>	<b>-48</b>	<b>-111</b>
Profit/loss from sales of operations	19	0	-109	0	-474	-365
<b>Total profit/loss from divested operations</b>	<b>19</b>	<b>-31</b>	<b>-107</b>	<b>-62</b>	<b>-522</b>	<b>-476</b>
<b>Attributable to:</b>						
Parent company shareholders	19	-31	-107	-62	-522	-476
Profit/loss attributable to Parent company's shareholders per share, before dilution, SEK	0.05	-0.08	-0.28	-0.17	-1.39	-1.27

Cash flow from divested operations SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
Cash flow from operating activities	0	-9	2	-16	88	70
Cash flow from investing activities	0	2	0	-2	-13	-15
Cash flow from financing activities	0	-5	0	-16	-26	-42
<b>Total cash flow from divested operations</b>	<b>0</b>	<b>-11</b>	<b>2</b>	<b>-34</b>	<b>49</b>	<b>13</b>

**Impact of the company portfolio on the balance sheet at the point of divestment  
SEK million**

Intangible assets	171
Property, plant and equipment	7
Right of use assets	22
Other non-current assets	0
Current operating assets	126
Cash and cash equivalents	63
<b>Total assets</b>	<b>390</b>
Non-current interest bearing liabilities	0
Deferred tax liabilities	-11
Non-current lease liabilities	-15
Other non-current liabilities	2
Current lease liabilities	-9
Current operating liabilities	-126
<b>Total liabilities</b>	<b>-159</b>
<b>Net assets</b>	<b>226</b>

Balance sheet attributable to operations held for sale SEK million	30 Jun 2024	30 Jun 2023	31 Dec 2023
Non-current assets	-	247	137
Current assets	-	392	111
Non-current liabilities	-	-69	-17
Current liabilities	-	-222	-96
<b>Net assets</b>	<b>-</b>	<b>349</b>	<b>135</b>

## OWNERS

The ten largest shareholders as of 30 June 2024, according to Monitor.

Name	Number of shares	Share of total
Conny Ryk	65,000,000	17%
Anders Rosenqvist	30,000,000	8%
Per-Arne Åhlgren	24,199,390	6%
Nordea Fonder	23,252,081	6%
Handelsbanken Fonder	22,583,959	6%
Swedbank Försäkring	14,942,862	4%
Avanza Pension	13,814,513	4%
Simon Göthberg	13,741,416	4%
Olle Nykvist	13,600,000	4%
Olof Andersson	13,530,000	4%
<b>Total for the 10 largest shareholders based on no. of shares</b>	<b>234,664,221</b>	<b>62%</b>
<b>Total number of shares, other shareholders</b>	<b>141,145,247</b>	<b>38%</b>
<b>Total number of outstanding shares at the end of the period</b>	<b>375,809,468</b>	<b>100%</b>



# PERFORMANCE MEASURES

SEK million (unless otherwise stated)	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
Net sales	1,373	1,534	2,613	2,811	5,563	5,762
EBITDA <sup>1)</sup>	190	227	329	407	760	838
EBITA <sup>1)</sup>	136	172	222	299	545	623
Operating profit/loss (EBIT)	60	96	70	148	240	318
EBITA margin % <sup>1)</sup>	9.9	11.2	8.5	10.6	9.8	10.8
EBIT margin %	4.4	6.3	2.7	5.3	4.3	5.5
Adjusted EBITDA <sup>1)</sup>	187	233	340	404	773	837
Adjusted EBITA <sup>1)</sup>	133	178	233	297	558	622
Adjusted EBITA margin % <sup>1)</sup>	9.7	11.6	8.9	10.5	10.0	10.8
Financial net debt <sup>1)</sup>	2,049	2,906	2,049	2,906	2,049	2,105
Financial net debt in relation to EBITDA <sup>1)</sup>	N/A	N/A	N/A	N/A	2.7x	2.5x
Financial net debt in relation to adjusted EBITDA <sup>1)</sup>	N/A	N/A	N/A	N/A	2.6x	2.5x
Number of employees at end of period <sup>1)</sup>	1,675	1,833	1,675	1,833	1,675	1,787
Number of shares issued at the end of the period	375,809,468	375,809,468	375,809,468	375,809,468	375,809,468	375,809,468
Average number of shares during the period, before dilution	375,809,468	375,809,468	375,809,468	374,134,702	375,809,468	374,978,968
Average number of shares during the period, after dilution	378,559,468	375,809,468	378,559,468	374,134,702	377,369,057	375,174,858
EBITA per share, before dilution, SEK <sup>1)</sup>	0.36	0.46	0.59	0.80	1.45	1.66
EBITA per share, after dilution, SEK <sup>1)</sup>	0.36	0.46	0.59	0.80	1.44	1.66
Adjusted EBITA per share, before dilution, SEK <sup>1)</sup>	0.35	0.47	0.62	0.79	1.49	1.66
Adjusted EBITA per share, after dilution, SEK <sup>1)</sup>	0.35	0.47	0.62	0.79	1.48	1.66
Earnings per share attributable to remaining operations and Parent company's shareholders, before dilution, SEK	-0.01	0.21	-0.10	0.31	-0.14	0.28
Earnings per share attributable to remaining operations and Parent company's shareholders, after dilution, SEK	-0.01	0.21	-0.10	0.31	-0.14	0.28
Earnings per share attributable to Parent company's shareholders, before dilution, SEK	0.04	0.13	-0.39	0.15	-1.54	-1.00
Earnings per share attributable to Parent company's shareholders, after dilution, SEK	0.04	0.13	-0.39	0.15	-1.53	-1.00
Operating cash flow <sup>1)</sup>	118	174	328	339	813	824
Cash conversion % <sup>1)</sup>	62	77	100	83	107	98
Free cash flow <sup>1)</sup>	-29	26	123	103	441	421
Free cash flow per share, before dilution, SEK <sup>1)</sup>	-0.08	0.07	0.33	0.27	1.17	1.12

<sup>1)</sup> The alternative performance measure (APM) is an alternative performance measure according to ESMA's guidelines. For reconciliation of APM's, see page 23

N/A: The performance measure cannot be calculated fairly

## DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES

Performance measure	Definition	Purpose
<b>EBITDA</b>	Earnings before taxes, financial items and depreciation of tangible and intangible fixed assets and consolidated surplus value.	EBITDA is used to measure profit/loss from operating activities, independent of depreciation.
<b>EBITA</b>	Operating profit before amortisation of consolidated surplus values.	EBITA is used to measure the underlying operating profit/loss before amortisation of consolidated surplus value from operating activities.
<b>EBITA margin</b>	EBITA as a percentage of net sales.	EBITA margin is used to put the underlying operating profit/loss before amortisation on consolidated surplus value in relation to net sales.
<b>Rolling 12 months (R12)</b>	Refers to the last twelve months from period end.	Rolling 12 months is used to evaluate the latest twelve-month period.
<b>Adjustment items</b>	Adjustment items refers to acquisition-related transaction costs, revaluation of contingent consideration, restructuring costs and one-time costs.	The performance measure is used when calculating adjusted EBITDA, adjusted EBITA and adjusted EBITA margin.
<b>Adjusted EBITDA</b>	Refers to EBITDA adjusted with adjustment items.	Adjusted EBITDA is used by management to measure the underlying earnings development.
<b>Adjusted EBITA</b>	Refers to EBITA adjusted with adjustment items.	Adjusted EBITA is used by management to measure the underlying earnings development.
<b>Adjusted EBITA margin</b>	Adjusted EBITA as a percentage of net sales.	Adjusted EBITA margin is used to put adjusted EBITA in relation to net sales.
<b>Financial net debt</b>	Non-current and current interest-bearing liabilities (including lease liabilities) less cash and cash equivalents.	The performance measure is used to show the size of the debt minus current cash (which in theory could be used to repay loans).

Performance measure	Definition	Purpose
<b>Financial net debt in relation to EBITDA</b>	Refers to financial net debt divided by EBITDA.	The performance measure can be used to assess the Group's financial leverage.
<b>Financial net debt in relation to adjusted EBITDA</b>	Refers to financial net debt divided by adjusted EBITDA.	The performance measure can be used to assess the Group's financial leverage.
<b>Net sales growth</b>	Refers to net sales growth for one period compared to the same period prior year.	The performance measure is used to follow up the development in net sales between two comparable periods.
<b>Organic net sales growth</b>	Refers to net sales growth, excluding exchange rate and acquisition effects, compared to same period prior year. Acquired companies are included in organic growth from the point they have comparison figures for the actual period.	The performance measure illustrates the underlying net sales development.
<b>Operating cash flow</b>	EBITDA reduced by net investment in intangible and tangible fixed assets and change in working capital.	The performance measure shows the cash flow from operations and is used when calculating cash conversion.
<b>Cash conversion</b>	Operating cash flow as a percentage of EBITDA.	Cash conversion is used to monitor cash generation from operations.
<b>Free cash flow</b>	Cash flow from operating activities (including taxes and capital costs), reduced by investments in intangible and tangible fixed assets as well as amortization of lease liabilities.	The key figure shows the cash flow that the group can use for dividends, acquisitions, and/or debt repayment.
<b>Per share</b>	Selected performance measures divided by a weighted average of outstanding shares during the period.	Used to display the earnings measures EBITA and Adjusted EBITA per share as well the cash flow measure Free cash flow per share.

## RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES

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. Recon-

ciliation of these measures is presented below. For definitions of performance measures, see previous page.

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
<b>Earnings measures</b>						
<b>(A) Net sales</b>	<b>1,373</b>	<b>1,534</b>	<b>2,613</b>	<b>2,811</b>	<b>5,563</b>	<b>5,762</b>
Operating expenses and other income	-1,182	-1,307	-2,284	-2,404	-4,803	-4,924
<b>(B) EBITDA</b>	<b>190</b>	<b>227</b>	<b>329</b>	<b>407</b>	<b>760</b>	<b>838</b>
Depreciation excl. acquired surplus values	-55	-55	-107	-108	-215	-215
<b>(C) EBITA</b>	<b>136</b>	<b>172</b>	<b>222</b>	<b>299</b>	<b>545</b>	<b>623</b>
<b>(C/A) EBITA margin</b>	<b>9.9%</b>	<b>11.2%</b>	<b>8.5%</b>	<b>10.6%</b>	<b>9.8%</b>	<b>10.8%</b>
<i>Adjustments items:</i>						
Acquisition-related transaction costs	0	0	0	2	0	2
Impact on profit/loss from contingent consideration	-3	0	-3	-11	-3	-11
One-time costs	0	6	15	6	17	8
<b>Total adjustments</b>	<b>-3</b>	<b>6</b>	<b>11</b>	<b>-3</b>	<b>13</b>	<b>-1</b>
<b>(D) Adjusted EBITDA</b>	<b>187</b>	<b>233</b>	<b>340</b>	<b>404</b>	<b>773</b>	<b>837</b>
<b>(E) Adjusted EBITA</b>	<b>133</b>	<b>178</b>	<b>233</b>	<b>297</b>	<b>558</b>	<b>622</b>
<b>(E/A) Adjusted EBITA margin</b>	<b>9.7%</b>	<b>11.6%</b>	<b>8.9%</b>	<b>10.5%</b>	<b>10.0%</b>	<b>10.8%</b>
(F) Average number of shares during the period, before dilution	375,809,468	375,809,468	375,809,468	374,134,702	375,809,468	374,978,968
<b>(C/F) EBITA per share, SEK</b>	<b>0.36</b>	<b>0.46</b>	<b>0.59</b>	<b>0.80</b>	<b>1.45</b>	<b>1.66</b>
<b>Net sales growth</b>						
Organic net sales growth	-140	N/A	-185	N/A	N/A	183
Exchange rate effect	2	N/A	3	N/A	N/A	7
Nets sales from acquired companies	-23	N/A	-16	N/A	N/A	409
<b>Net sales growth</b>	<b>-161</b>	<b>N/A</b>	<b>-199</b>	<b>N/A</b>	<b>N/A</b>	<b>600</b>

SEK million	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Rolling 12 months	Jan-Dec 2023
<b>Balance measures</b>						
Non-current interest-bearing liabilities	1,767	2,848	1,767	2,848	1,767	590
Current interest-bearing liabilities	-	3	-	3	-	1,334
Lease liabilities	533	662	533	662	533	526
Cash and cash equivalents	-252	-607	-252	-607	-252	-345
<b>(G) Financial net debt</b>	<b>2,049</b>	<b>2,906</b>	<b>2,049</b>	<b>2,906</b>	<b>2,049</b>	<b>2,105</b>
<b>(G/B) Financial net debt in relation to EBITDA, times</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>2.7</b>	<b>2.5</b>
<b>(G/D) Financial net debt in relation to adjusted EBITDA, times</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>2.6</b>	<b>2.5</b>
<b>Cash flow measures</b>						
<i>Operating cash flow</i>						
(B) EBITDA	190	227	329	407	760	838
Change in working capital	-54	-34	24	-33	111	54
Net investment in intangible assets and property, plant and equipment	-18	-18	-25	-34	-58	-68
<b>(H) Operating cash flow</b>	<b>118</b>	<b>174</b>	<b>328</b>	<b>339</b>	<b>813</b>	<b>824</b>
<b>(H/B) Cash conversion</b>	<b>62%</b>	<b>77%</b>	<b>100%</b>	<b>83%</b>	<b>107%</b>	<b>98%</b>
<i>Free cash flow</i>						
Cash flow from operating activities	27	78	223	210	646	634
Net investment in intangible assets and property, plant and equipment	-18	-18	-25	-34	-58	-68
Repayments of lease liabilities	-38	-34	-75	-73	-147	-146
<b>(I) Free cash flow</b>	<b>-29</b>	<b>26</b>	<b>123</b>	<b>103</b>	<b>441</b>	<b>421</b>
<b>(I/F) Free cash flow per share, SEK</b>	<b>-0.08</b>	<b>0.07</b>	<b>0.33</b>	<b>0.27</b>	<b>1.17</b>	<b>1.12</b>

N/A: The performance measure cannot be calculated fairly

# 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.

2024-08-15

**Conny Ryk**  
Board chairman

**Johan Heijbel**  
Board member

**Per Åhlgren**  
Board member

**Helena Fagraeus  
Lundström**  
Board member

**Siri Hane**  
Board member

**Anders Rosenqvist**  
Board member

**Simon Göthberg**  
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 15, 2024 at 07:00 CET



## UPCOMING REPORTS

Interim report for the third quarter 2024 will be published on October 25, 2024

Interim report for the fourth quarter 2024 will be published on February 13, 2025

## TELECONFERENCE

On August 15, 2024 at 11:00 AM CET Simon Göthberg, CEO and Olof Andersson, CFO will present the report and answer questions via a webcasted conference call. The presentation is held in English.

Webcasting of the presentation (opportunity for written questions):

<https://ir.financialhearings.com/vestum-q2-report-2024/register>

Teleconference (opportunity for oral questions):

<https://conference.financialhearings.com/teleconference/?id=50048447>

The presentation slides used will be available during the webcast and will be published on Vestum's website, <https://www.vestum.se/en/ir/financial-reports/>, before the start of the presentation.

## FOR MORE INFORMATION, CONTACT:

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Olof Andersson, CFO:

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### Company information

Org nr 556578-2496

Registered office: Stockholm

Vestum's share is traded under the short name VESTUM on Nasdaq Stockholm Main Market

# VESTUM