

The background of the cover is a photograph of a railway track curving through a lush green forest. The tracks are made of metal rails on wooden sleepers, and the surrounding vegetation is dense and vibrant. The sky is overcast. The text is overlaid on a purple and pink color scheme.

VESTUM

Interim report

January–September 2022

Vestum AB (publ)

Q3

Continued solid demand

July – September 2022

- Net sales amounted to SEK 1,797 (292) million
- Operating profit before depreciation attributable to acquired surplus value (EBITA) amounted to SEK 203 (27) million
- Operating profit (EBIT) amounted to SEK 124 (15) million
- Earnings per share²⁾ before and after dilution amounted to SEK 0.20 (0.02)
- Cash flow from operating activities amounted to SEK 35 (-20) million
- Two acquisitions, MDT Markvaruhuset AB and Isodrän AB, was agreed but not yet completed during the period
- Vestum's financial targets regarding growth and capital structure were revised during the period

January – September 2022

- Net sales amounted to SEK 4,904 (328) million
- Operating profit before depreciation attributable to acquired surplus value (EBITA) amounted to SEK 474 (28) million
- Operating profit (EBIT) amounted to SEK 253 (15) million
- Earnings per share²⁾ before and after dilution amounted to SEK 0.28 (0.02)
- Cash flow from operating activities amounted to SEK 210 (-21) million
- Vestum has completed 20 acquisitions during the period with a total annual revenue of SEK 1,688 million

1,797

Net sales, Jul-Sep 2022 in SEK million

203

EBITA, Jul-Sep 2022 in SEK million

11.3 %

EBITA margin, Jul-Sep 2022

Vestum in summary

SEK million (unless otherwise stated)	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 months	Jan-Dec 2021
Net sales	1,797	292	4,904	328	5,892	1,316
EBITA	203	27	474	28	546	100
EBITA margin, % ¹⁾	11.3	9.4	9.7	8.6	9.3	7.6
Adjusted EBITA ¹⁾	185	31	472	37	551	116
Adjusted EBITA margin, % ¹⁾	10.3	10.7	9.6	11.2	9.4	8.8
EBITA per share, SEK ¹⁾	0.55	0.11	1.30	0.20	1.53	0.53
Earnings per share, SEK ²⁾	0.20	0.02	0.28	0.02	0.28	0.01
Operating profit (EBIT)	124	15	253	15	283	45
Cash flow from operating activities	35	-20	210	-21	222	-10

1) See pages 26–28 for definitions and reconciliation of alternative performance measures

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

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



Comments from the CEO

Vestum continued to deliver stable growth and profitability in the third quarter. Net sales for the quarter amounted to SEK 1,797 million (SEK 292 million) and EBITA amounted to SEK 203 million (SEK 27 million), corresponding to an EBITA margin of 11.3%. The increase in net sales in the third quarter amounted to SEK 1,505 million and was driven by acquired net sales, but the quarter also showed strong organic growth of 30%, corresponding to 6% of the total increase in net sales¹⁾. The organic growth was primarily driven by the Infrastructure segment, and especially our operations within the railway and public transport industries. Vestum currently has a broad offering of services within railway, where we have acquired several niche companies with leading market positions and where continued solid demand is expected. The previously announced process of moving our listing to Nasdaq Stockholm has entered its final phase.

Continued stability within all three segments

The third quarter's EBITA of SEK 203 million was primarily driven by stable demand and profitability within all three segments, but also by non-recurring effects including the revaluation of contingent considerations and costs for moving the listing, which positively affected the result by a total of SEK 18 million. So far this year, the process of moving the listing has affected the result negatively by SEK 4 million.

1) See pages 26–28 for definitions and reconciliation of alternative performance measures

“Strong organic growth”

Within the Infrastructure segment, volumes and earnings remain at solid levels and are basically identical to those for the second quarter, which means that the Infrastructure segment represents a bit more than 50% of the Group’s net sales and earnings with an EBITA margin of 11.1%. Within the Water and Services segments, the EBITA margin amounted to 12.1% and 10.1%, respectively. We are experiencing continued disruptions on the cost side due to high inflation and supply chain challenges, which have affected profitability to some extent. At the same time, we can see the strength of our decentralised business model where our local presence and extensive industry experience of our business leaders help contribute positively in the challenging environment we are still in.

Operating cash flow amounted to SEK 132 million, which represents a cash conversion rate of 50%. The level of tied-up working capital was relatively high during the quarter. Many of our businesses, which are entrepreneur-led companies, did not prioritise working capital optimisation before being owned by Vestum. Therefore, this is a clear area where there is potential for improvement, and we see solid opportunities to free up working capital over time and increase the Group’s cash flow generation. Seasonally, the second, third and fourth quarters are relatively stable when it comes to volume, while the first quarter is the weakest. This generally means that cash flow is at its strongest during the first quarter. Net debt in relation to pro-forma EBITDA

amounted to 2.8x at the end of the quarter, which is in line with the second quarter.

Vestum’s growth has led us to making certain organisational changes during the quarter in order to streamline operations. This in turn has led to certain staff reductions and shorter reporting lines within the Group.

Vestum has intentionally kept a low acquisition pace during the quarter. When processing potential acquisition candidates, we are currently primarily focused on add-on acquisitions and acquisitions that complement our existing portfolio.

During the quarter we have implemented VeNet, a communication platform for digital networking within Vestum. The purpose of VeNet is to create collaborations between the businesses, strengthen the Vestum community and increase the Group’s efficiency. With VeNet we can create positive synergies by collaborating within various areas, such as projects, sustainability issues, purchase agreements for cars, leasing and insurances.

Decentralised business model with exposure to civic infrastructure

We believe that our exposure to water infrastructure and other civic infrastructure, with solid investment demand regardless of the economic cycle, and our presence in six countries create conditions for contin-

ued stability. Coupled with our industry experience and decentralised business model, I am convinced that it is in these market conditions and tougher environment that we will prove ourselves as industry specialists. We now look forward to taking our next step as a Group and become listed on the main list of Nasdaq Stockholm.

Conny Ryk
Chief executive officer, Vestum AB (publ)

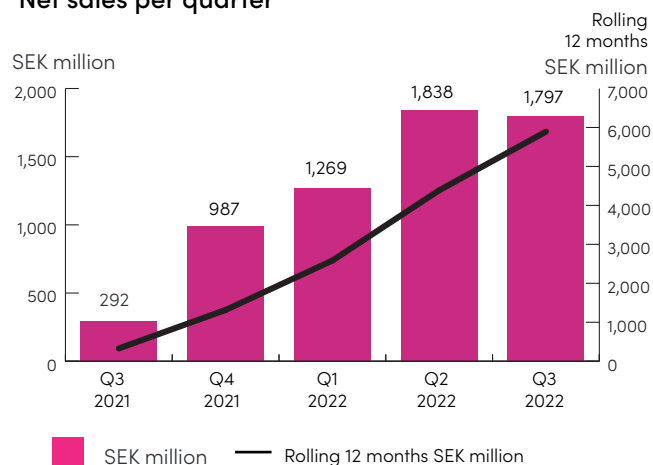
About Vestum

Vestum is an industrial group that provides services and products to civic infrastructure. We have the most prominent specialists on the market with extensive industry experience and strong local presence within our business areas. Vestum has over 2,300 employees in the Nordics, Germany and the UK.

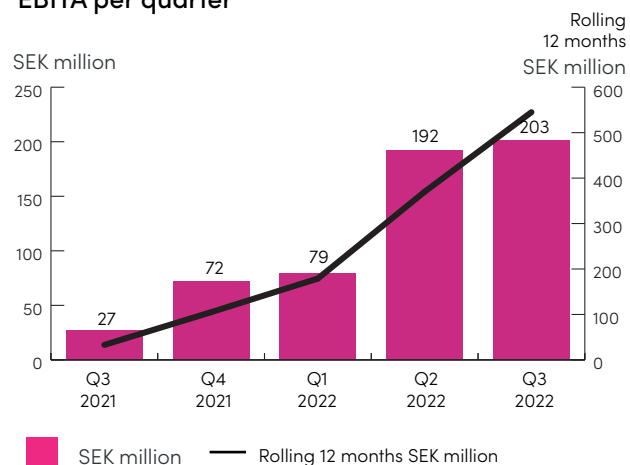
Vestum's organisation has extensive experience in starting, developing and acquiring businesses. Entrepreneurship is in our DNA and it is important that the entrepreneur's driving forces and customer focus permeate the entire organisation. Therefore, we believe that operational decisions should be made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

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

Net sales per quarter



EBITA per quarter



Financial targets

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

Growth

Vestum's target is to generate an average annual growth in EBITA per share of at least 15 percent.

Margins

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

Capital structure

Vestum's target is to have a financial net debt in relation to EBITDA of 2.5-3.5x.

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

Vestum views sustainability as an important issue. Through a long-term commitment, Vestum's operations can contribute to a sustainable society.

Vestum's first Sustainability Forum was conducted during the quarter. The Sustainability Forum is a network within Vestum's operations that provides support, knowledge sharing and an opportunity to exchange experiences and good examples. The Sustainability Council also conducted its first meeting during the quarter. The Sustainability Council consists of representatives from different parts of the company, who serve as ambassadors for Vestum's sustainability work. During the council's first meeting, the items of discussion included Vestum's sustainability strategy and long-term sustainability goals.

Vestum submits its sustainability report in connection with the annual report. The quarterly reports include central KPIs linked to issues we view as the most essential within sustainability. The intention is to gradually increase the extent of sustainability reporting in the quarterly reports. During the fourth quarter Vestum will finalise the Group's sustainability strategy, including its overall sustainability targets.

Sustainability issues are closely linked together, but in our reporting we have chosen to divide them into Environment, Social Responsibility and Governance.

Environment

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

Climate

Vestum aims to minimise and optimise its own use of resources. The goal is for our efforts to contribute to a decrease in climate emissions, energy consumption and the use of natural resources as well as minimising the amount of waste. During the quarter we have signed an agreement with Bixia, which is certified as a Good Environmental Choice and delivers fossil-free electricity that can be used by all our companies in Sweden. For our companies in other countries, we have signed an agreement with Eneas, which also delivers fossil-free and renewable electricity.

Focus area	Jul-Sep 2022	Target
Total energy usage	1,256 MWh	Target is set during 2022
Carbon dioxide equivalent (CO ₂ e)	21.1 ton	Target is set during 2022
Carbon dioxide emissions per SEK turnover	0.13 g/1 sek	Target is set during 2022
Proportion of fossil-free energy use (%) ¹⁾	45.9%	Target is set during 2022
Energy generated from solar cells (MWh)	42 MWh	Target is set during 2022

¹⁾Includes reaching 100% renewable, fossil-free energy on the premises of all our operations



EU Taxonomy regulation

During the third quarter, Vestum in collaboration with KPMG, have started to develop routines and working methods to report in accordance with EU's Taxonomy regulation. The process will continue during 2022.

Social Responsibility

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

Work environment

Vestum's companies had a total of 2,367 employees at the end of the period. It is our employees who provide the Group with its innovative thinking and competitiveness. The Group's vision is for all employees to be offered healthy and safe workplaces at all times, without accidents, injuries or discrimination, as well as a more even gender balance. As part of our work environment initiatives, we have implemented a reporting tool for incidents and accidents that is used throughout the Group. LTIFR (Lost Time Injury Frequency Rate) shows the number of reported work accidents that led to at least one day's medical leave per 1 million worked hours.

In order to be able to follow our work environment indicators over time when turnover and staff size fluctuate, we need to measure work environment indicators in relation to size. Therefore we measure LTIFR that is linked to the number of hours worked.

Focus area	Jul-Sep 2022	Target
Number of accidents leading to medical leave	16	Target is set during 2022
LTIFR	3.56	Target is set during 2022

Diversity and inclusion

By setting targets and implementing activities we contribute to an equal workplace and, in extension, a more equal society. The ability of a workplace to recruit and motivate workers and create loyalty depends largely on whether everyone see themselves as part of the team and have equal opportunities to develop. Our starting point is to make sure all employees feel welcome at our workplaces, so that we don't risk losing valuable skillsets. In the sectors where Vestum operates there is currently not enough women in operative and managerial positions, which we are actively trying to change.

Equality

Vestum supports diversity and equality at our workplaces. We are monitoring the gender distribution in both the Group as a whole as well as in management positions. Our recruitment process is a key aspect of our efforts to reach equality. Today Vestum is actively inclusive when recruiting for all positions in order to increase diversity in the workplace.

Focus area	Jul-Sep 2022	Target
Proportion of women at Vestum	9.0 %	Target is set during 2022
Proportion of women in managerial positions at Vestum	13.1%	Target is set during 2022



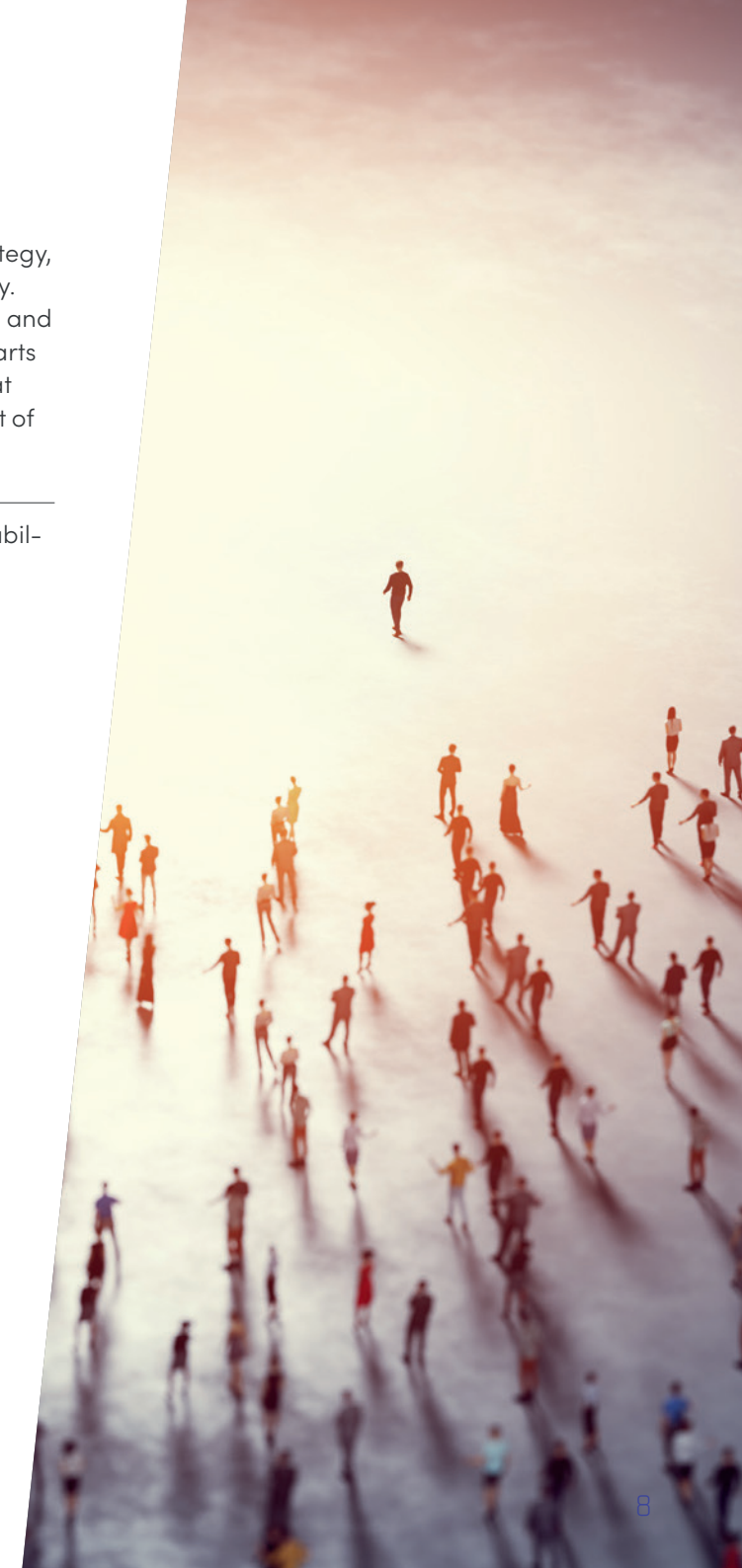
Internships

During the third quarter we have initiated a collaboration with Yrkesgymnasiet, which provides vocational high school educations within areas such as construction, electricity and industry. Vestum's companies can offer internships to give school students workplace experience while also taking part in the latest educational developments.

Governance

Governance for us is about having a sustainability strategy, policies, targets and activities that we monitor regularly. The process of establishing this governance is ongoing and will be implemented during 2022. By including large parts of our operations in the process, Vestum is ensuring that our sustainability work is deeply entrenched and a part of our business strategy.

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



The Vestum Group's Development

Net sales

The Group's net sales for the remaining operations for the third quarter amounted to SEK 1,797 (292) million. The growth from the same period last year consists of acquired net sales of SEK 1,418 million and organic growth of SEK 87 million. The organic growth corresponds to a growth in net sales of 30% and is driven primarily by high demand but also by price increases.

For the period January - September 2022, the Group's net sales for the remaining operations amounted to SEK 4,904 (328) million. The growth from the same period last year consists of acquired net sales of SEK 4,475 million and organic growth of SEK 101 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. Typically, the second, third and fourth quarters are relatively stable in terms of volume, while the first quarter is the weakest. This generally means that cash flow is at its strongest during the first quarter.

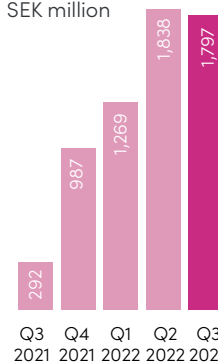
Earnings

Profit before amortisation and write-downs of acquired surplus value (EBITA) for the remaining operations for the third quarter amounted to SEK 203 (27) million which corresponds to an EBITA-margin of 11.3% (9.4%). Adjusted EBITA amounted to SEK 185 (31) million and operating profit (EBIT) amounted to SEK 124 (15) million.

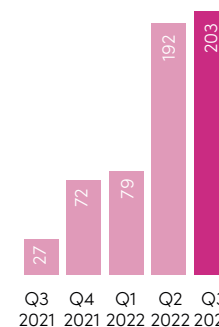
Extraordinary items that are adjusted in EBITA affected the quarter positively by SEK 18 (-4) million. These consisted of revaluation of contingent consideration which affects the result positively with SEK 25 million, costs related to preparation for change of listing of SEK 2 million, and restructuring costs of SEK 6 million.

Net financials for the third quarter amounted to SEK -43 (-7) million of which positive exchange rate changes amounted to SEK 6 (0) million. Interest costs for loans and leasing amounted to SEK 51 (7) million and interest income amounted to SEK 1 (0)

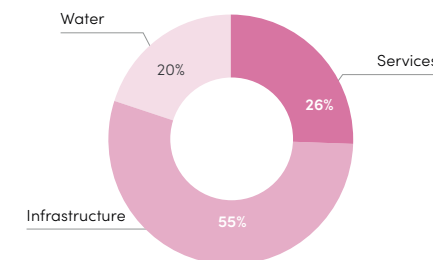
Net sales,
per quarter
SEK million



EBITA
per quarter
SEK million



Net sales
per segment, Q3 2022
Percent



million. The increase is explained by interest on bond loans, which were added during the fourth quarter of 2021. The period's profit after tax for the remaining operations amounted to SEK 73 (6) million, which corresponds to a profit per share attributable to remaining operations and the Parent company's shareholders before and after dilution of SEK 0.20 (0.02).

Earnings before amortisation and write-downs of acquired surplus value (EBITA) for the remaining operations for January - September 2022 amounted to SEK 474 (28) million, which corresponds to an EBITA-margin of 9.7% (8.6%). Adjusted EBITA amounted to SEK 472 (37) million and operating profit (EBIT) amounted to SEK 253 (15) million. Net financial items amounted to SEK -133 (-10) million of which interest costs for loan and leasing amounted to SEK 133 (8) million. The period's profit after tax for the remaining operations amounted to SEK 101 (4) million which corresponds to a profit per share attributable to remaining operations and the Parent Company's shareholders before and after dilution of SEK 0.28 (0.02).

Extraordinary items that are adjusted in EBITA affected the period January-September 2022 positively by SEK 2 (-9) million. These consisted of revaluation of contingent consideration which affects the result positively by SEK 22 million, acquisition-related transaction costs of SEK 11 million, costs related to preparation for change of listing of SEK 4 million and restructuring costs of SEK 6 million.

Segment development: Water

Within Water, we offer specialised services and products in water technology that focus on improving the water infrastructure.

Earnings development

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 months	Jan-Dec 2021
Net sales	351	-	1,065	-	1,276	211
EBITA	42	-	112	-	120	8
EBITA-margin	12.1%	-	10.5%	-	9.4%	3.8%

The quarter has shown solid demand for our products and services. The quarter has been affected by increased raw material prices that are passed on to customers with a certain delay, which in turn has put pressure on the margins to some extent.

Net sales for the third quarter amounted to SEK 351 (-) million, and for the period January - September 2022 net sales amounted to SEK 1,065 (-) million. The increase compared to prior year refers to acquired net sales.

EBITA for the third quarter amounted to SEK 42 (-) million, corresponding to an EBITA margin of 12.1% (-%). EBITA for the period January-September 2022 amounted to SEK 112 (-) million, corresponding to an EBITA margin of 10.5% (-%).



Segment development: Services

Within Services, we offer niche services and products to commercial properties.

Earnings development

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 months	Jan-Dec 2021
Net sales	464	125	1,376	129	1,647	400
EBITA	47	10	142	11	165	34
EBITA-margin	10.1%	8.3%	10.3%	8.4%	10.0%	8.5%

Demand for our services and products continues to be strong and we continue to actively work on meeting the challenges that arise as a result of rising raw material prices and disruptions in supply chains.

Net sales for the third quarter amounted to SEK 464 (125) million, and for the period January - September 2022 net sales amounted to SEK 1,376 (129) million. The increase compared with prior year is primarily driven by acquired net sales.

EBITA for the third quarter amounted to SEK 47 (10) million, corresponding to an EBITA margin of 10.1% (8.3%). EBITA for the period January - September 2022 amounted to SEK 142 (11) million, corresponding to an EBITA margin of 10.3% (8.4%).

Since prior year several acquisitions have been added to the segment and the acquisitions which made up the segment as of September 30, 2021 did not contribute to the segment's results during the entire period, hence the periods are not completely comparable.



Segment development: Infrastructure

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

Earnings development

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 months	Jan-Dec 2021
Net sales	983	167	2,464	199	2,969	704
EBITA	109	28	259	36	310	87
EBITA-margin	11.1%	16.6%	10.5%	18.2%	10.4%	12.4%

Demand has been strong and we have had high occupancy within the segment. The quarter has continued to be affected by increased fuel and raw material prices.

Net sales for the third quarter amounted to SEK 983 (167) million, and for the period January - September 2022 net sales amounted to SEK 2,464 (199) million. The increase compared with prior year is primarily driven by acquired net sales.

EBITA amounted to SEK 109 (28) million, corresponding to an EBITA margin of 11.1% (16.6%). EBITA for the period January - September 2022 amounted to SEK 259 (36) million, corresponding to an EBITA margin of 10.5% (18.2%).

Since prior year several acquisitions have been added to the segment and the acquisitions which made up the segment as of September 30, 2021 did not contribute to the segment's results during the entire period, hence the periods are not completely comparable.



Cash flow

Cash flow from operating activities during the third quarter amounted to SEK 35 (-20) million, of which changes in working capital amounted to SEK -126 (-57) million. The operating cash flow amounted to SEK 132 (-21) million, which corresponds to a cash conversion of 50% (-44%). For the period January - September 2022, cash flow from operating activities amounted to SEK 210 (-21) million, changes in working capital amounted to SEK -163 (-51) million and operating cash flow amounted to SEK 455 (-11) million, which corresponds to a cash conversion of 70% (-22%). 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 third quarter was mainly driven by increased accounts receivable.

Investments

The Group's investments during the third quarter excluding acquisitions amounted to SEK 9 (12) million, and SEK 34 (10) million for January - September 2022. During the quarter no acquisitions of subsidiaries have been completed. Total purchase price for the acquisition of subsidiaries for January - September 2022 amounted to 1,874 (1,002) million. For more information, see the section Acquisitions. Paid contingent consideration amounted to SEK 63 (0) million in the third quarter and SEK 143 (0) million for January - September 2022.

Financial position and liquidity

Equity at the end of the period amounted to SEK 4,312 (3,593) million. Equity in the Parent company amounted to SEK 4,116 (3,552) million.

The Group's cash and cash equivalents at the end of the period amounted to SEK 581 (1,518) million. The interest-bearing liabilities, including lease liabilities, amounted to SEK 3,368 (3,003) at the end of the period. At the end of the period, the Group had a net financial debt, defined as interest-bearing liabilities less cash and cash equivalents, of SEK 2,786 (1,486) million. The net financial debt in relation to pro forma EBITDA was 2.8x (2.3x). Contingent consideration by the end of the third quarter amounted to SEK 407 (465) million. Total liabilities amounted to SEK 5,715 (4,726) million as of September 30, 2022.

In March, Vestum entered into a credit facility agreement with Skandinaviska

Enskilda Bank AB (publ) and Swedbank AB (publ) as creditors, amounting to SEK 600 million. During the third quarter this facility was extended by SEK 300 million and Danske Bank A/S, Denmark, Swedish Branch, was added as a creditor. The total credit facility thus amounts to total SEK 900 million, of which Vestum has utilized SEK 203 million at the end of the period. Total available liquidity at the end of the period amounted to SEK 1,278 million.

Staff

The number of full-time employees as of September 30, 2022, amounted to 2,367 (1,764) people.

Incentive program

During the Extraordinary General Meeting in Vestum AB (publ) at December 17, 2021, it was decided to establish a warrant-based incentive program by issuing a maximum of 3,520,193 warrants, to key people in the Group and the portfolio companies. The warrants have been transferred on market terms at a price that was established based on an estimated market value calculated by an independent valuation institute. The payment of the incentive program starting in the first quarter of 2022, has been recorded against equity and increases equity by SEK 11,475,831.

At the annual general meeting in May 23, 2022, it was decided to introduce another incentive program by issuing a maximum of 3,650,000 warrants, to key people in the Group and the portfolio companies. The warrants have been transferred on market terms at a price that was established based on an estimated market value calculated by an independent valuation institute. The payment of the incentive program starting in the second quarter of 2022, has been recorded against equity and increases equity by SEK 8,103,000. As of September 30, 2022 the incentive programs do not have a diluting effect on equity.

Outstanding program	Number of options	Corresponding number of shares	Redemption rate per option (SEK)	Redemption period	Maximum increase in share capital (SEK)
2021/2025	3,520,193	3,520,193	70.9	1 Jan 2025 - 31 Mar 2025	1,161,664
2022/2025	3,650,000	3,650,000	31.4	1 Jun 2025 - 31 Aug 2025	1,216,667

Parent company

The Parent company's net sales during the third quarter amounted to SEK 6 (-0) million. Operating profit amounted to SEK 12 (-0) million. Net financial items amounted to SEK -21 (-5) million and consisted mostly of interest on loans. Profit for the period amounted to SEK 0 (-6) million. During the period, revaluation of contingent consideration affected the result positively by SEK 25 million.

For January - September 2022, net sales amounted to SEK 16 (-0) million, operating profit amounted to SEK -18 (-8) million and net financial items amounted to SEK -37 (-8) million. Loss for January - September 2022 amounted to SEK -37 (-16) million.

The balance sheet total as of September 30, 2022, amounted to SEK 6,475 (5,552) million, of which equity amounted to SEK 4,116 (3,552) million. Cash and cash equivalents in the Parent Company amounted to SEK 414 (1,244) million.

Significant events after the end of the period

No significant events after the end of the period.

Q3 2022

Acquisitions

During the period January – September 2022, 22 acquisitions were agreed, of which 20 were completed. In all cases, 100 percent of the shares were acquired. Total purchase price for the acquisition of subsidiaries amounted to SEK 1,874 million, of which SEK 585 million has been paid with equity shares, and the remaining part has or will be paid with cash and cash equivalents. Equity interests are calculated based on a volume weighted average share price over ten days for the Vestum share. A total of 15,737,515 shares have been issued to settle these commitments.

Acquisitions completed during the period

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

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

Contingent considerations

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 628 million, of which SEK 141 million refers to acquisitions made during 2022. The likely outcome of the contingent consideration is based on the Group's forecast of future development and earnings in each entity. Total contingent consideration liability amounts to SEK 407 million, of which SEK 98 million refers to acquisitions completed in 2022. During the period, contingent consideration of SEK 143 million was paid. Paid and revalued contingent consideration had a positive net impact of SEK 22 (0) million on the period's result, which is reported in Other operating income and Other operating expenses in the income statement. The fair value of the contingent consideration is at level 3 in the fair value hierarchy. Contingent consideration payments are reported in Other current liabilities and Other long-term liabilities in the balance sheet.

Change in contingent consideration liability

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Opening balance	465	0	0
Acquisitions during period	104	216	467
Paid contingent consideration	-143	-	-
Revaluation of contingent consideration, via operating profit	-22	-	-
Exchange rate difference	2	-	-2
Closing balance at period end	407	216	465

Effects of acquisitions completed at period-end

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

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

Impact on cash and cash equivalents

Total purchase price	1,874
Conditional purchase price	-104
Settlement in shares	-585
Exchange rate adjustment	-
Cash and cash equivalents in acquired units	-117

Impact on cash and cash equivalents

Paid contingent consideration	143
-------------------------------	-----

Total impact on cash and cash equivalents

	1,211
--	--------------

Impact on the income statement, Jan-Sep 2022

Net sales	962
EBITA	127
Operating profit (EBIT)	80
Profit/loss for the period	58

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

Net sales	1,372
EBITA	166
Operating profit (EBIT)	160
Profit/loss for the period	131

Acquisitions that have been agreed but not yet completed

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

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

The Group's consolidated income statement in summary

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 2021 12 months	Jan-Dec 2021
Remaining operations						
Net sales	1,797	292	4,904	328	5,892	1,316
Total operating income	1,797	292	4,904	328	5,892	1,316
Materials and purchased services	-1,017	-139	-2,676	-156	-3,181	-662
Other external costs	-134	-33	-408	-36	-500	-128
Personnel costs	-401	-69	-1,186	-79	-1,457	-349
Other operating income	34	1	48	1	47	0
Other operating expenses	-12	-3	-30	-8	-38	-16
Total operating expenses and other operating income	-1,530	-244	-4,252	-278	-5,129	-1,155
EBITDA	267	48	652	50	763	161
Depreciation excl. acquired surplus value	-65	-20	-178	-22	-217	-61
EBITA	203	27	474	28	546	100
Amortisation attributable to acquired surplus value	-80	-12	-221	-13	-263	-55
Operating profit (EBIT)	124	15	253	15	283	45
Financial items net	-43	-7	-133	-10	-160	-37
Earnings before tax	80	8	120	5	123	9
Income tax	-7	-2	-19	-1	-24	-6
Profit/loss for the period from continuing operations	73	6	101	4	99	2
Profit/loss from operations held for sale	2	5	4	7	0	4
Profit/loss for the period	75	12	105	11	99	6

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 2021 12 months	Jan-Dec 2021
The profit/loss for the period attributable to:						
Parent company shareholders	74	11	104	10	99	5
Non-controlling interests	0	1	1	1	1	1
Average number of shares during the period ^{1) 2)}	367,645,024	260,425,997	363,451,674	139,233,893	356,533,735	188,831,121
Number of shares issued at the end of the period ¹⁾	367,645,024	272,685,045	367,645,024	272,685,045	367,645,024	351,907,509
Profit/loss attributable to remaining operations and the Parent company's shareholders per share ²⁾ , SEK	0.20	0.02	0.28	0.02	0.28	0.01
Profit/loss attributable to Parent company's shareholders per share ²⁾ , SEK	0.20	0.04	0.29	0.08	0.28	0.03

1) Number of shares is adjusted based on reverse split 2021 2) Before and after dilution

Consolidated statement of comprehensive income in summary

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 2021 12 months	Jan-Dec 2021
Profit/loss for the period	75	12	105	11	99	6
Other comprehensive income						
Exchange differences on translation of foreign operations	-1	0	14	0	39	25
Total comprehensive income for the period	73	12	118	11	138	31
Total comprehensive income for the period attributable to:						
Parent company's shareholders	73	11	117	10	137	30
Non-controlling interests	0	1	1	1	1	1
Total comprehensive income attributable to Parent company's shareholders, originated from:						
Remaining operations	72	6	115	4	138	27
Operations held for sale	2	5	4	7	0	4

The Group's consolidated balance sheet in summary

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Assets			
Intangible assets	6,272	1,797	4,813
Property, plant and equipment	300	153	271
Right of use assets	663	321	486
Financial assets	8	5	7
Deferred tax assets	41	-	-
Other non-current assets	2	0	2
Total non-current assets	7,286	2,277	5,580
Inventories	397	32	197
Accounts receivable	1,141	287	680
Contract assets	301	-	116
Other current assets	94	79	50
Prepaid expenses and accrued income	160	84	133
Cash and cash equivalents	581	183	1,518
Assets held for sale	66	75	45
Total current assets	2,740	741	2,738
Total assets	10,027	3,018	8,318

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Equity and liabilities			
Equity attributable to owners of the company	4,310	1,041	3,591
Non-controlling interests	2	1	2
Total equity	4,312	1,042	3,593
Non-current provisions	9	5	7
Non-current interest-bearing liabilities	2,704	734	2,510
Non-current lease liabilities	486	248	362
Deferred tax liabilities	570	157	454
Other non-current liabilities	162	142	334
Total non-current liabilities	3,930	1,285	3,667
Current provisions	4	-	1
Current interest-bearing liabilities	4	152	12
Current lease liabilities	174	68	119
Accounts payable	619	194	322
Contract liabilities	167	-	68
Other current liabilities	482	111	315
Accrued expenses and deferred income	318	126	209
Liabilities relating to assets held for sale	17	40	13
Total current liabilities	1,785	690	1,059
Total liabilities	5,715	1,976	4,726
Total equity and liabilities	10,027	3,018	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 period			
Opening balance as of January 1, 2021	13	274	-14	-281	-	-9	
Profit/loss for the period	-	-	-	10	1	11	
Other comprehensive income for the period	-	-	0	-	-	0	
Total comprehensive income	-	-	0	10	1	11	
Total transactions with owners	78	962	-	-	0	1,040	
Closing balance as of September 30, 2021	91	1,235	-14	-271	1	1,042	
Opening balance as of October 1, 2021	91	1,235	-14	-271	1	1,042	
Profit/loss for the period	-	-	-	-5	0	-5	
Other comprehensive income for the period	-	-	25	-	-	25	
Total comprehensive income	-	-	25	-5	0	20	
Total transactions with owners	26	2,503	-	-	1	2,530	
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 period	-	-	-	104	1	105	
Other comprehensive income for the period	-	-	14	-	-	14	
Total comprehensive income	-	-	14	104	1	118	
Total transactions with owners	5	596	-	-	-1	601	
Closing balance as of September 30, 2022	123	4,335	25	-172	2	4,312	

The Group's cash flow statement in summary

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 months	Jan-Dec 2021
Earnings before tax	80	8	120	5	123	9
Adjustment for non-cash items	121	34	377	32	460	115
Income tax paid	-41	-6	-123	-7	-121	-5
Changes in working capital	-126	-57	-163	-51	-240	-128
Cash flow from operating activities	35	-20	210	-21	222	-10
Purchase and sale of intangible assets	0	-2	0	-0	-33	-33
Purchase of property, plant and equipment	-9	-10	-34	-10	-66	-42
Purchase of subsidiaries and activities ¹⁾	-63	-360	-1,211	-877	-2,467	-2,133
Proceeds from other financial assets net	0	0	1	0	2	1
Other	0	0	1	0	0	-0
Cash flow from investing activities	-72	-371	-1,243	-886	-2,564	-2,207
Proceeds from borrowings	1	381	203	848	881	1,526
Repayments of lease liabilities	-44	-12	-120	-14	-143	-37
Proceeds from capital increase	9	-0	20	300	2,008	2,288
Changes in other non-current liabilities	-0	-1	-4	-1	0	3
Cash flow from financing activities	-34	368	98	1,133	2,745	3,780
Net cash flow from continuing operations	-72	-24	-934	226	403	1,563
Net cash flow from operations held for sale	19	7	-4	-45	-8	-49
Net cash flow for the period	-53	-16	-938	181	396	1,515
Cash and cash equivalents at the beginning of the period	634	200	1,518	2	183	2
Cash flow for the period	-53	-16	-938	181	396	1,515
Exchange rate difference in cash and cash equivalents	1	0	2	0	2	1
Cash and cash equivalents at the period end	581	183	581	183	581	1,518
Cash flow regarding interest						
Interest paid	-37	-5	-102	-8	-112	-17
Interest received	1	0	1	0	0	0

¹⁾ Cash and cash equivalents from purchase of subsidiaries. see Acquisitions, page 15

Segment reporting

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

The tables below only include the financial outcome for the periods in which each portfolio company was part of the Vestum Group.

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 months	Jan-Dec 2021
<i>Net sales per geographic market</i>						
Sweden	1,442	292	3,905	328	4,721	1,143
Norway	147	-	380	-	438	58
Other countries	208	-	619	-	733	114
Total net sales	1,797	292	4,904	328	5,892	1,316

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 months	Jan-Dec 2021
<i>Net sales per segment</i>						
Water	351	-	1,065	-	1,276	211
Services	464	125	1,376	129	1,647	400
Infrastructure	983	167	2,464	199	2,969	704
Total net sales	1,797	292	4,904	328	5,892	1,316

Cost for Group functions refers to group management, IT, legal, M&A and group finance functions. Costs related to operating group functions (country- and division managers, business control, HR and sustainability) have been distributed to each segment.

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

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 months	Jan-Dec 2021
<i>EBITA per segment</i>						
Water	42	-	112	-	120	8
Services	47	10	142	11	165	34
Infrastructure	109	28	259	36	310	87
Group functions	-14	-7	-41	-10	-45	-14
Adjusted EBITA	185	31	472	37	551	116
Adjustments	18	-4	2	-9	-5	-16
EBITA	203	27	474	28	546	100
Amortisation attributable to acquired surplus value	-80	-12	-221	-13	-263	-55
Operating profit (EBIT)	124	15	253	15	283	45
Financial items net	-43	-7	-133	-10	-160	-37
Earnings before tax	80	8	120	5	123	9

The Parent company's income statement in summary

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 months	Jan-Dec 2021
Net sales	6	-0	16	-0	23	7
Total operating income	6	-0	16	-0	23	7
Other external expenses	-5	-4	-19	-6	-27	-15
Personnel costs	-11	-1	-34	-2	-38	-6
Other operating income	25	0	25	0	25	0
Other operating expenses	-2	5	-6	-0	-6	-0
Depreciation	-0	-0	-0	-0	-1	-0
Total operating expenses and other operating income	7	-0	-34	-8	-47	-21
Operating profit/loss	12	-0	-18	-8	-24	-15
Financial items net	-21	-5	-37	-8	-55	-26
Earnings before tax	-9	-6	-54	-16	-79	-41
Income tax	9	-	17	-	25	8
Profit/loss for the period	0	-6	-37	-16	-53	-32

The Parent company report on comprehensive income in summary

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 months	Jan-Dec 2021
Profit/loss for the period and total comprehensive income for the period	0	-6	-37	-16	-53	-32

The Parent company's balance sheet in summary

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Assets			
Intangible assets	0	0	0
Property, plant and equipment	2	2	2
Financial assets	5,748	2,048	1,105
Deferred tax asset	25	0	8
Non-current intercompany receivables	219	0	3,067
Total non-current assets	5,995	2,050	4,183
Current intercompany receivables	50	101	123
Other current receivables	4	3	1
Prepaid expenses and accrued income	12	9	1
Cash and cash equivalents	414	22	1,244
Total current assets	480	136	1,369
Total assets	6,475	2,186	5,552
Equity and liabilities			
Equity attributable to owners of the company	4,116	1,038	3,552
Total equity	4,116	1,038	3,552
Non-current interest-bearing liabilities	1,581	721	1,479
Other non-current liabilities	101	140	299
Total non-current liabilities	1,682	861	1,779
Current interest-bearing liabilities	0	140	0
Current intercompany liabilities	472	58	143
Accounts payable	8	5	4
Other current liabilities	173	82	60
Accrued expenses and deferred income	23	2	14
Total current liabilities	676	287	221
Total liabilities	2,358	1,148	2,000
Total equity and liabilities	6,475	2,186	5,552

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 valid as of January 1, 2022, and which were adopted by the EU. The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and RFR 1, Supplementary Accounting Rules for Groups. The interim report for the Parent Company has been prepared in accordance with the Annual Accounts Act and RFR 2, Accounting for Legal Entities. The interim report uses the same accounting principles and valuation methods as were used in the annual report for 2021.

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

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

Risks and uncertainties

Vestum's main risk factors consist of market risks such as changes in the macro economic environment and/or the current competitive situation. In addition, the Group is exposed to operational risks such as project, customer and quality risks. The Group is also exposed to financial risks such as currency, interest rate, counterparty and credit risks.

Vestum has not identified any direct exposure to the Russian or Ukrainian markets. The consequences of the conflict on energy and raw material prices, material distribution and delivery security, may have a negative impact on the Group's possibility to conduct its business and thus have a negative impact on Vestum's result and financial position.

During 2022, inflation has increased significantly on the markets where Vestum operates, which has led to higher prices on materials and labour. Vestum compensates

for the main part of these cost increases by increasing prices against customers which, however, takes effect with a certain delay.

The Group's interest-bearing liabilities are to some extent exposed to floating interest rates. Increasing inflation has led to higher interest rates, which affects Vestum to the extent it has 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.

Due to the changes in the risk factors described above, Vestum has evaluated the assumptions made regarding the valuation of assets and liabilities in the Group, and assesses that the changes of these assumptions do not have any significant impact.

The Parent company is affected by the above risks and uncertainties through its function as owner of the Group's subsidiaries. For more information on Vestum's risks and risk management please refer to the Annual report for 2021.

Related party transactions

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

Financial assets and liabilities

Contingent consideration that is valued at fair value in the balance sheet amounts to SEK 407 (465) million and is classified in level 3 according to the fair value hierarchy. The section Acquisitions presents how fair value is determined. Revaluation of the contingent consideration recorded in operating profit had a positive effect on the result of SEK 22 (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 8 (7) million. For assets and liabilities reported at amortized cost, the carrying value corresponds to its fair value since the interest rate is at par with current market interest rates, or because the item is short-term.

WeSC

The WeSC brand's operations have continued to develop positively with net sales in the first three quarters amounting to SEK 99 (86) million. The increase in net sales is attributable to the North American market. The earnings for January - September 2022 amounted to SEK 4 (7) million.

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

SEK million	Jul-Sep 2022	Jul-Sep 2022	Jan-Sep 2022	Jan-Sep 2022	Rolling 12 month	Jan-Dec 2021
Total net sales from operations held for sale	36	46	99	86	111	98
Total costs from operations held for sale	-34	-40	-96	-79	-111	-94
Tax attributable to operations held for sale	0	0	0	0	0	0
Profit/loss from operations held for sale	2	5	4	7	0	4

Owners

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

Name	Number of shares	Share of total
Conny Ryk	56,550,000	15%
Anders Rosenqvist	29,686,350	8%
Swedbank försäkring	26,784,254	7%
Per-Arne Åhlgren	22,893,444	6%
Handelsbanken Fonder	21,787,913	6%
Avanza Pension	14,699,798	4%
Futur Pension	13,811,299	4%
Olle Nykvist	13,577,586	4%
Olof Andersson	13,500,000	4%
Erkan Sen	13,500,000	4%
Total for the 10 largest shareholders based on no. of shares	226,790,644	62%
Total number of shares, other shareholders	140,854,380	38%
Total number of outstanding shares at the end of the period	367,645,024	100%

Performance measures

SEK million (unless otherwise stated)	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 months	Jan-Dec 2021
Net sales	1,797	292	4,904	328	5,892	1,316
EBITDA ¹⁾	267	48	652	50	763	161
EBITA ¹⁾	203	27	474	28	546	100
Operating profit/loss (EBIT)	124	15	253	15	283	45
EBITA margin % ¹⁾	11.3	9.4	9.7	8.6	9.3	7.6
EBIT margin %	6.9	5.3	5.2	4.6	4.8	3.4
Adjusted EBITA ¹⁾	185	31	472	37	551	116
Adjusted EBITA margin % ¹⁾	10.3	10.7	9.6	11.2	9.4	8.8
Financial net debt ¹⁾	2,786	1,018	2,786	1,018	2,786	1,486
Financial net debt in relation to pro forma EBITDA ¹⁾	2.8x	N/A	2.8x	N/A	2.8x	2.3x
Number of employees at end of period ¹⁾	2,367	837	2,367	837	2,367	1,764
Average number of shares during the period ²⁾	367,645,024	260,425,997	363,451,674	139,233,893	356,533,735	188,831,121
EBITA per share, SEK ¹⁾	0.55	0.11	1.30	0.20	1.53	0.53
Adjusted EBITA per share, SEK ¹⁾	0.50	0.12	1.30	0.26	1.55	0.61
Earnings per share attributable to remaining operations and Parent company's shareholders, SEK	0.20	0.02	0.28	0.02	0.28	0.01
Earnings per share attributable to Parent company's shareholders, SEK	0.20	0.04	0.29	0.08	0.28	0.03
Operating cash flow ¹⁾	132	-21	455	-11	424	-42
Cash conversion, % ¹⁾	50	-44	70	-22	56	-26

1) The alternative performance measure (APM) is an alternative performance measure according to ESMA's guidelines. For reconciliation of alternative APMs, see pages 27-28

2) Average number of shares is adjusted based on reverse split 2021

N/A: The APM cannot be calculated fairly

Definitions of alternative performance measures

Performance measure	Definition	Purpose
EBITDA	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.
EBITA	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.
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 value in relation to net sales.
Rolling 12 months	Refers to the last twelve months from period end.	Rolling 12 months is used to evaluate the latest twelve-month period.
Adjustment items	Adjustment items refers to acquisition-related transaction costs, revaluation of contingent consideration, cost related to the change of listing to Nasdaq Stockholm, and restructuring costs.	The performance measure is used when calculating adjusted EBITA, adjusted EBITA margin and pro forma EBITDA.
Adjusted EBITA	Refers to EBITA adjusted with adjustment items.	Adjusted EBITA is used by management to measure the underlying earnings development.
Adjusted EBITA margin	Adjusted EBITA as a percentage of net sales.	Adjusted EBITA margin is used to put adjusted EBITA in relation to net sales.
EBIT	Operating profit. Profit before tax on income for the period and financial items.	EBIT is used to measure the underlying operating profit/loss from operating activities.

Performance measure	Definition	Purpose
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 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).
Pro forma EBITDA	EBITDA as if all acquisitions were a part of the Group during the last twelve months, adjusted with adjustment items.	The performance measure is used to provide an indication of the Company's ability to pay its debt.
Financial net debt in relation to pro forma EBITDA	Refers to financial net debt divided by pro forma EBITDA.	The performance measure can be used to assess the Group's financial leverage.
Net sales growth	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.
Organic net sales growth	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.
Operating cash flow	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.
Cash conversion	Operating cash flow as a percentage of EBITDA.	Cash conversion is used to monitor cash generation from operations.

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

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 month	Jan-Dec 2021
Earnings measures						
(A) Net sales	1,797	292	4,904	328	5,892	1,316
Operating expenses and other operating income	-1,530	-244	-4,252	-278	-5,129	-1,155
(B) EBITDA	267	48	652	50	763	161
Depreciation excl. acquired surplus values	-65	-20	-178	-22	-217	-61
(C) EBITA	203	27	474	28	546	100
(C/A) EBITA margin	11.3%	9.4%	9.7%	8.6%	9.3%	7.6%
<i>Adjustments items</i>						
Acquisition-related transaction costs	0	4	11	9	18	16
Impact on profit/loss from contingent consideration	-25	-	-22	-	-22	0
Costs related to preparations for change of listing	2	-	4	-	4	-
Restructuring costs	6	-	6	-	6	-
Total adjustments	-18	4	-2	9	5	16
(D) Adjusted EBITDA	185	31	472	37	551	116
(D/A) Adjusted EBITA margin	10.3%	10.7%	9.6%	11.2%	9.4%	8.8%
(E) Average number of shares during the period ¹⁾	367,645,024	260,425,997	363,451,674	139,233,893	356,533,735	188,831,121
(C/E) EBITA per share	0.55	0.11	1.30	0.20	1.53	0.53
Net sales growth						
Organic net sales growth	87	-	101	-	101	-
Exchange rate effect	-	-	-	-	-	-
Net sales from acquired companies	1,418	292	4,475	328	5,462	1,316
Net sales growth	1,505	292	4,576	328	5,563	1,316

1) Average number of shares is adjusted based on reverse split 2021

Reconciliation of alternative performance measures cont.

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	Rolling 12 month	Jan-Dec 2021
Balance measures						
Non-current interest-bearing liabilities	2,704	734	2,704	734	2,704	2,510
Current interest-bearing liabilities	4	152	4	152	4	12
Lease liabilities	660	316	660	316	660	481
Cash and cash equivalents	-581	-183	-581	-183	-581	-1,518
(F) Financial net debt	2,786	1,018	2,786	1,018	2,786	1,486
(G) Pro forma EBITDA	983	N/A	983	N/A	983	643
(F/G) Financial net debt in relation to pro forma EBITDA	2.8x	N/A	2.8x	N/A	2.8x	2.3x
Cash conversion						
(B) EBITDA	267	48	652	50	763	161
Net investment in intangible assets and property, plant and equipment	-9	-12	-34	-10	-98	-75
Change in working capital	-126	-57	-163	-51	-240	-128
(H) Operating cash flow	132	-21	455	-11	424	-42
(H/B) Cash conversion	50%	-44%	70%	-22%	56%	-26%

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.

2022-11-22

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 November 22, 2022 at 07:00 CET.

Upcoming reports

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

The financial statements for 2022 will be published on April 6, 2023.

Interim report for the first quarter 2023 will be published on May 12, 2023.

The Annual General Meeting 2023 will be held in May 23, 2023.

Interim report for the second quarter 2023 will be published on August 18, 2023.

Interim report for the third quarter 2023 will be published on November 17, 2023.

For more information, contact:

Conny Ryk; CEO	conny.ryk@vestum.se
Olof Andersson; CFO:	olof.andersson@vestum.se
Olle Nykvist; Head of communications and IR:	olle.nykvist@vestum.se

Company address

Vestum AB (publ)
Riddargatan 10
114 35 Stockholm
Sweden

E-mail: info@vestum.se

Website: www.vestum.se

Company information

Org nr 556578-2496

Registered office: Stockholm

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

e-mail: ca@gwkapital.se

VESTUM