VESTUM

ANNUAL REPORT 2024

SPECIALISTS FOR A SUSTAINABLE INFRASTRUCTURE

About this report

The Annual report for Vestum AB (publ), 556578-2496, consists of:

- **Board of Directors' Report** on pages 13-15, 17-26, 29-35, 37-52, and financial reports on pages 54-90.
- **The sustainability report** can be found on pages 37-52.
- **The auditors' certification report** can be found on pages 91-95.

Navigation in PDF
To navigate back to the table of contents, click on the arrow icon.

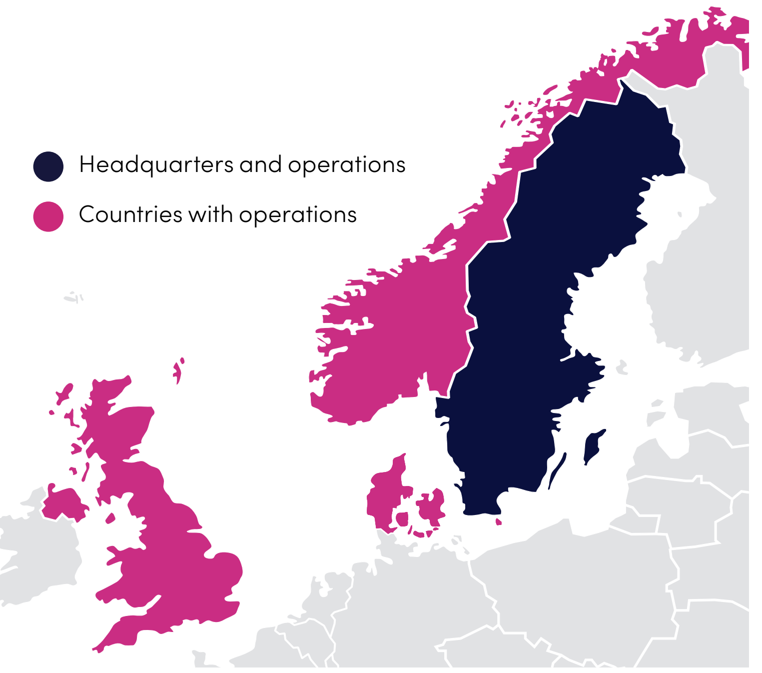
CONTENTS

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

1 OVERVIEW

VESTUM IN BRIEF

Vestum is an industrial group that provides services and products to the infrastructure sector. We have the most prominent specialists with extensive industry experience and strong positions in regional markets. With 1,500 employees, we operate in Scandinavia and the United Kingdom.



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

With a strong focus on business development and sustainability as a business driver, we develop and build a climate adapted, sustainable civic infrastructure, that meets tomorrow's needs. Through a long term commitment and endeavor to act responsibly through the entire value chain, Vestum contributes to a more sustainable development and long term value creation.

Vestum's share is traded on Nasdaq Stockholm, Mid Cap, with the shortname VESTUM.

Vision

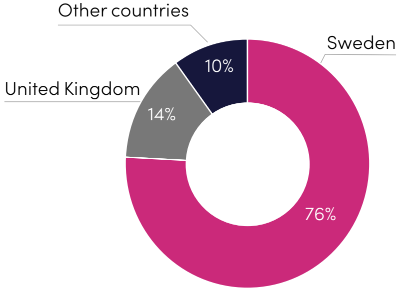
We are to be a leading group that actively works for a sustainable infrastructure.

Business idea

Vestum's business idea is to achieve profitable and sustainable growth by developing and acquiring niche companies with extensive experience in providing specialised services and products to civic infrastructure.

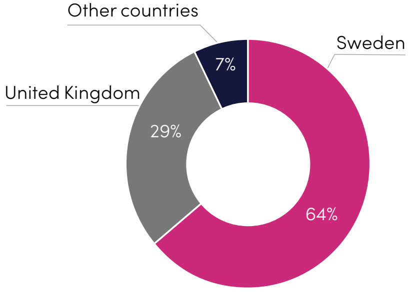
Net sales per geographic market

SEK 4,246 million



EBITA per georgraphic market

SEK 447 million



During 2024, operations have been conducted within three segments

Water
The Water segment offers specialised products that enhance water infrastructure and enable the optimisation of energy and water consumption.

Services
The Services segment offers specialised services and products for installation and maintenance in climate control, electricity, technical insulation, and suspended ceilings, which contributes to a reduction of energy consumption.

Infrastructure
The infrastructure segment offers specialised works within railway, water & sewage and other infrastructure. Through maintenance and service of railway, subway, as well as pedestrian and bicycle paths, transportation with reduced climate impact is enabled.

4,246
Net sales 2024
SEK million

447
EBITA 2024
SEK million

10.5%
EBITA-margin
2024

28
Average age
in years of
companies

NICHE PRODUCT COMPANIES – INCREASED IMPORTANCE WITHIN VESTUM

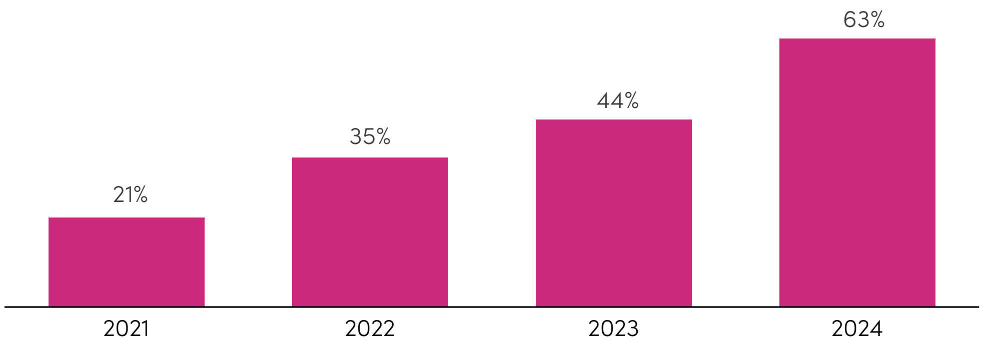
Vestum continues to increase the proportion of product companies within the group. As the demands on infrastructure increase, so does the degree of specialisation and niched products.

Vestum has a clear ambition to increase the proportion of product companies. Product companies are characterised by high specialisation within growing market niches, focusing on improving critical infrastructure through, among other things, the efficiency of energy and water consumption. An increased proportion of niche product companies with strong market positions generates higher profitability. Growth is driven both organically and through acquisitions. In 2024, the British company PDAS, which is a market leader in intelligent monitoring systems for water pump stations, was acquired. The acquisition further strengthens the group's position in the British market and has contributed to the increased importance of product companies. After the acquisition and after the divestments announced at the end of the year, the proportion of product companies constitutes 63 percent of the group's total EBITA.

Product companies generate an average EBITA margin of over 15 percent with an offering that includes, among other things, water pumps, water filters, irrigation systems, drilling equipment, containers, moisture protection, pipe systems, and fasteners.

The net sales of product companies consist of 20-30 percent of own products, while approximately 70-80 percent comes from external products.

Part of the Group's EBITA



Vestum's product companies

- The group currently has 12 product companies
- Profitability on average over 15%
- The offering consists of own products and value-creating distributors
- 60% of the products are exposed to water infrastructure
- Strong market position provides price leadership with high margins
- Product companies offer good opportunities for geographical expansion

”Product companies are crucial for building smart infrastructure”

VESTUM AS AN INVESTMENT

Vestum is an industrial group focused on strengthening and improving infrastructure in communities and for its residents. By developing and acquiring leading specialists, Vestum is well positioned for a long-term and profitable growth journey.

MEGATRENDS CREATE GROWING MARKETS

Global megatrends create a large and growing underlying market for infrastructure investments. Climate change, a growing population, urbanisation in growth regions, and increased electrification place significant demands on appropriate infrastructure. The strain on existing infrastructure, which is largely undersized, is increasing. This necessitates maintenance of existing infrastructure but primarily requires new infrastructure adapted to new conditions. High demands for safety and efficiency increase the demand for specialist knowledge.

Based on many years of experience, Vestum identifies selected market niches and technologies with high specialisation requirements. Vestum's group companies offer products and services that meet future needs.

DECENTRALISED OPERATIONAL ACTIVITIES

Vestum develops and acquires businesses with extensive experience in providing specialised products and services within infrastructure.

The acquired companies continue to be managed by the local leadership under their own company name, brand, and with a well-established culture. This local presence strengthens customer relationships and enables quick business decisions tailored to urgent needs. At the same time, as part of Vestum, the companies have access to the group's collective resources and network.

Vestum values the entrepreneurial spirit, which, together with a strong customer focus, is crucial for long-term growth. A full 80 percent of Vestum's EBITA comes from companies where the entrepreneurial spirit is drawn from within the organisation. The phase and current needs of each company are taken into account during internal succession or when making an external recruitment.

STRATEGY FOR PROFITABLE GROWTH WITHIN SELECTED NICHES

Vestum's strategy is to develop and acquire businesses within clearly defined market niches and technologies with high specialisation requirements. The companies that Vestum acquires should have a leading position within their niche to be able to be price leaders, which provides high profitability and strong cash flow. The importance of product companies for Vestum's growth and profitability is crucial and has steadily increased in recent years.

The latest acquisitions have focused on water infrastructure, but Vestum is always looking for market-leading companies within growing niches in infrastructure.

STRENGTHENED CAPITAL STRUCTURE FOR CONTINUED GROWTH

A strategic review resulted in the decision to streamline operations and focus on leading product and service companies within selected market niches and technologies in infrastructure. The chosen direction involves divestments of certain businesses, lower debt levels, and provides room for further acquisitions. Operational risks are reduced while profitability and cash flow improve. By redeeming bonds and renegotiating credit facilities, the capital structure has been strengthened, leading to significant interest savings.

Streamlining operations will improve both profitability and cash flow and aims to meet established return requirements and objectives.

2024 IN BRIEF

During 2024, Vestum has carried out several divestments to streamline operations and strengthen the company's capital structure.

Streamlining operations

During 2024, several divestments were made to focus on the group's core business. In 2024, Arctic Infra AB, Plåtslagaren G.H Johansson AB, and the WeSC business were divested. At the end of the year, a number of divestments within the Infrastructure segment were agreed upon and completed after the end of the year.

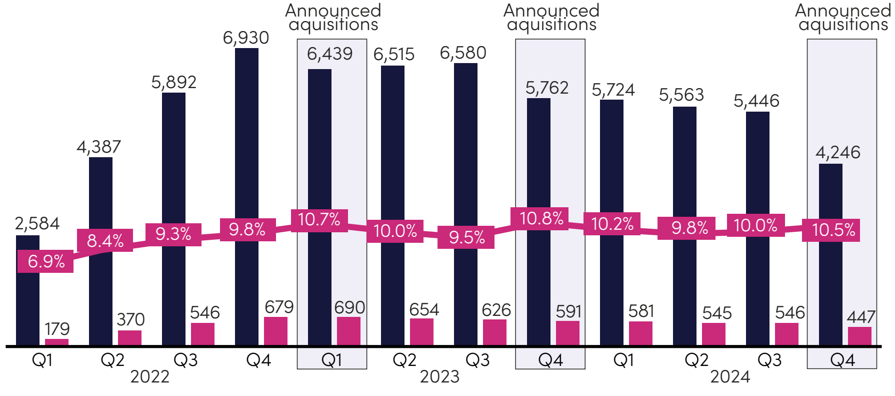
Strengthened position in the UK

During the third quarter, PDAS Holdings Ltd, including subsidiaries, was acquired. The company is a market leader in intelligent monitoring systems for water pump stations in the British market. Through the acquisition, Vestum strengthens its position in niched products in the UK, a region characterised by outdated and under-invested water infrastructure.

Lower debt levels and strengthened capital structure

During the year, Vestum has redeemed bonds, updated the existing credit facility with Danske Bank, SEB, and Swedbank, added a lender - Svensk Exportkredit, and increased the facility amount from SEK 1,200 million to SEK 1,800 million. The divestments carried out in 2024 lead to significantly lower debt levels while the capital structure is strengthened through interest savings, improved profitability, and stronger cash flow. Vestum has also communicated its intention to use proceeds from divestments to redeem all outstanding bonds totaling SEK 600 million. The redemption of the bonds was executed after the end of the year. Overall, these measures provide room for acquisitions within the group's core business.

Development per quarter



Note: The graph shows reported figures at each point in time

Vestum in summary

SEK million	2024	2023
Net sales	4,246	4,416
EBITA [1]	447	494
EBITA-margin, % [1]	10.5	11.2
Adjusted EBITA [1]	415	493
Adjusted EBITA-margin, % [1]	9.8	11.2
Adjusted EBITA per share, SEK [1]	1.10	1.31
Operating profit/loss (EBIT)	164	214
Profit/loss per share, SEK [2]	–0.14	–0.02
Financial net debt [1]	1,408	2,105
Financial net debt/EBITDA, times [1]	2.2	2.5 [3]
Cashflow from operating activities	377	463
Operating cashflow [1]	665	635
Cash conversion, % [1]	105	94

1) The alternative performance measure (APM) is an alternative performance measure according to ESMA's guidelines. For reconciliation of alternative APMs, see note 30 in the Group's notes.
2) Attributable to Parent company´s shareholders, before dilution.
3) Reported performance measure 2023

10.5%
EBITA-margin 2024

63%
EBITA share of product companies

2.2x
Financial net debt / EBITDA 2024

COMMENTS BY THE CEO

In 2024, we have taken further steps to establish ourselves with leading positions in growing niches and technologies in infrastructure. We have streamlined the business, reduced debt and improved the capital structure. During 2024, the financial net debt, including contingent considerations, decreased by 38% to SEK 1,427 million, driven by a combination of strong cash flow generation and divestments. Financial net debt in relation to EBITDA at the end of the year was 2.2x, which is within our financial target. The lower debt level allows us to invest in organic and acquisition-driven growth of high-margin leading companies in growing niches.

Strategic Focus

Vestum's strategic focus to increase the share of product companies has been successful in 2024. These businesses are characterised by scalable business models, strong market positions with price leadership and high margins. The share of product companies in the Group's EBITA increased during the year from 44% to 63%, and we expect this share to increase further in 2025. Existing product companies generated an average EBITA margin of 16% during the year, while EBITA in relation to average net working capital (E/NWC) amounted to 72%. New platform acquisitions will going forward be focused on market leaders in growing niches with high profitability and limited cyclicality.

To clarify Vestum's strategic focus, Vestum introduced a new Group structure as of 1 January 2025, where the Group is divided into three segments as follows.

Flow Technology
- Market-leading products that improve water infrastructure.
- The segment accounts for 44% of the group's results with an EBITA margin of 18%.

Niche Products
- Leading product companies within selected technology niches.
- The segment accounts for 19% of the group's results with an EBITA margin of 12%.

Solutions
- Specialised solutions for maintaining, developing, and streamlining properties and transport networks.
- The segment accounts for 38% of the group's results with an EBITA margin of 7%.

In 2025, each segment will have its own focus area. In Flow Technology, we will focus on both organic and acquisition-driven growth, and we expect to acquire additional platform companies to the segment, especially in the UK, which is one of Europe's most underinvested water infrastructure markets. We are leveraging our existing market-leading positions in the segment to attract additional quality companies, which are continuously affirmed as a successful recipe during meetings with potential acquisition candidates. We have a strong pipeline of candidates. In Niche Products, we aim to both increase the margin to 15% and invest in growth. In the Solutions segment, we are focused on improving profitability and returning to double-digit profitability as well as organic growth.

The decentralised business model is strong, where operational decisions are made in each business unit, while cash flows are centralised to optimise the Group's capital allocation. To accelerate growth, profitability, and cash flows in our businesses, we contribute with leadership, knowledge, experience, processes, and financial resources. Decentralised leadership works best when the portfolio consists of stable businesses with significant structural capital. The average size of a Vestum company amounts to SEK 121 million in net sales, while the companies have existed for an average of 28 years. We continuously work to strengthen the structural capital in *our businesses, with succession planning being a top priority. We have made significant progress in this work and maintain a high level of maturity.

We have created a clear cash flow culture in the Group and continuously work to improve cash flow. Incentive structures are partly based on KPIs linked to cash flow. For the full year 2024, operational cash flow improved from SEK 635 million to SEK 665 million, corresponding to a cash conversion of 105%. However, free cash flow in relation to adjusted EBITA decreased to 49%. This KPI should be above 60% and will increase in 2025, partly driven by the improved capital structure that was established when Vestum's last outstanding bond of SEK 600 million was redeemed on 3 March 2025. The improved capital structure leads to approximately SEK 70 million lower interest costs on an annual basis.

Strengthened Positioning

Vestum today consists of market-leading specialist companies in growing niches in the structurally growing infrastructure sector, driven by increased demand for infrastructure investments that meet new and increased requirements for accessibility, capacity and sustainability. The market situation is generally better than a year ago, but still uncertain, which contributes to humility regarding short-term developments. At the same time, Vestum's balance sheet is strengthened and today the indebtedness consists of full bank financing with significantly lower cost of debt. The existing platform has been streamlined through increased specialisation due to divestitures and operational development. Overall, our positioning has strengthened, and in 2025 we will continue to focus on cash flow and margins, but also allocate capital to growth through both organic initiatives and acquisitions.

Simon Göthberg

CEO,
Vestum AB (publ)

2 STRATEGY AND TARGETS

STRATEGY AND GOALS FOR SUSTAINABLE VALUE CREATION

Vestum develops and acquires entrepreneur-driven leading niche companies within selected market niches and technologies in infrastructure. Through commitment and responsibility, we contribute to sustainable development and long-term value creation.

Our vision is to become a leading group that actively promotes sustainable infrastructure. To achieve this, we have developed a business plan based on three main principles: a decentralised business model, a results-oriented organisation, and growth driven by acquisitions.

These three main principles, together with our core values, form the foundation of our strategy and permeate the entire organisation, our business model, and everything we do. They aim to help us achieve our goals and become the organisation we aspire to be.

Vestum's core values

Entrepreneurial mindset

We are primarily entrepreneurs, constantly seeking new opportunities for growth by being resourceful and creative.

Accountability

We believe in freedom with responsibility - and we trust that our colleagues carry out their tasks without micromanagement.

Courage

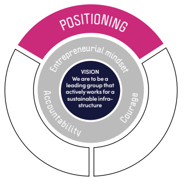
We dare to question things and are not afraid to make mistakes - we learn and grow from them.

Vestum's strategy

Vestum's strategy is to develop and acquire niche companies that provide products and services within selected market niches and technologies for infrastructure. The group currently consists of leading businesses driven by structural growth with stable earnings. By generating strong cash flow and reinvesting it both organically and through acquisitions, we aim to achieve high returns over the long term, thereby increasing the value of the Vestum Group.

By consolidating businesses within related or the same niches, we create conditions for business-driven collaborations concerning customers and offerings.

We formulate our strategy around three main priority areas: positioning, management, and growth.



POSITIONING
Global trends drive change

CLIMATE CHANGE

Global warming and extreme weather conditions put a greater strain on aging and underfunded infrastructure. This creates an increased need for maintenance and for new resilient and climate-adapted infrastructure that can handle both extreme weather conditions and stricter environmental requirements. Inadequate and outdated infrastructure systems drive the demand for urgent and rapid solutions, such as removing water with electric pumps during floods.

URBANISATION AND THE GREEN TRANSITION

Urbanisation and growing populations in developing regions increase the need for infrastructure and water supply. The demands for both expansion and capacity are rising. Urbanisation and the green transition drive the demand for electricity. The need to simultaneously reduce climate impact drives energy efficiency improvements. Digitalisation and the transition to a more electrified society, coupled with a lack of capacity in the main power grid also place new and increased demands on availability, capacity, and sustainability.

INCREASED FOCUS ON SUSTAINABILITY ISSUES

Global challenges such as climate change and the transition to a circular economy coupled with increased regulatory requirements and expectations from stakeholders create an increased focus on sustainability issues. Sustainability efforts must be integrated into companies' operations and business models, and companies' products and services must be adapted to increased demands to minimise impact on people and the environment.

DIGITALISATION AND NEW TECHNOLOGY

Digitalisation and new technology create opportunities for efficiency improvements. With rapidly increasing demand for electricity and new and changing usage patterns, it is crucial to create conditions for expanded electrification. Investments are required in both existing and new smart infrastructure that provide increased flexibility and resource efficiency. This reduces the negative impact on the environment while ensuring a secure energy supply.

Growing underlying market driven by megatrend
Global megatrends place significant demands on extensive investments in infrastructure, which are crucial for a well-functioning society and sustainable economic growth. The infrastructure market is enormous, and a large part of it in Vestum's main markets, Scandinavia and the UK, is currently outdated and undersized.

Vestum's Group companies, with the market's leading specialists, offer sustainable and resilient solutions within infrastructure and water supply. The demand for the Group's products and services is driven by urgent investments in energy efficiency as well as climate change. Inadequate and outdated infrastructure drives the demand for rapid solutions, creating opportunities for Vestum.

POSITIONING
Increasing need for infrastructure investments

Vestum focuses on selected growing market niches and technologies where specialised companies hold a leading position. In many areas, there are high demands to quickly develop resilient and accessible infrastructure with capacity for future needs.

Infrastructure, such as water and energy supply as well as roads and railways, is a central part of a country's societal development and prosperity. The global megatrends described, such as climate change, the green transition, and the shift to a more electrified world, create new needs and contribute to increased demand for investments in and maintenance of infrastructure.

The development of infrastructure is driven by structural growth

The need for infrastructure investments is growing to maintain a well-functioning society with conditions for sustainable economic growth. Vestum has identified large growing markets where infrastructure is characterised by capacity shortages, outdated systems, and underinvestment. At the same time, regulatory requirements for more sustainable solutions and demands from clients regarding quality, sustainability, and digitalisation are increasing. Higher demands lead to increased specialisation. Vestum's group companies are characterised by price leadership and high profitability, achieved through extensive experience and strong market positions. By operating in several segments, we ensure resilience against cyclical fluctuations. Vestum has identified water infrastructure as an area with the fastest growing need for modernisation and efficiency improvements, largely due to extreme weather conditions.

Growing public expenditures are not significantly affected by economic fluctuations

The undersized and underinvested infrastructure in Vestum's main markets means that the need for investments is large and urgent and is not significantly affected by economic fluctuations. The customers largely consist of government organisations and municipalities, but also property owners and construction contractors.

”The underinvested market in water infrastructure, particularly in the UK, will provide Vestum with significant growth opportunities, both organically and through additional platform acquisitions”

Investments in water infrastructure in selected markets

£104 bn

UK: Driven by the AMP-8 framework, regulatory investments in the UK will double from 2025 to 2030, increasing the demand for products and solutions for water transfer.

6%

Sweden/Norway: Expected annual growth rate (CAGR) 2023-2025 in investments in water supply and sewage in Sweden and Norway

£2,4 bn

UK: Estimated cost in the UK for floods in 2024-25 and 2025-26

200 yr

Global: The time it would take to replace the current water infrastructure at the current investment rate.

7.5%

Global: Global expected annual growth rate (CAGR) 2024-2029 in irrigation systems.

Sources: UN SDGs; Mordor Intelligence; VeidekkeMarket Forecast; SwecoPublic Insights report 2023. GOV.UK, autumn budget 2024.

MANAGEMENT

Decentralised organisation safeguards the entreprenurial spirit

For Vestum, entrepreneurial spirit and a strong customer focus are the foundation of successful business. We believe that these drivers develop best in a decentralised organisation.

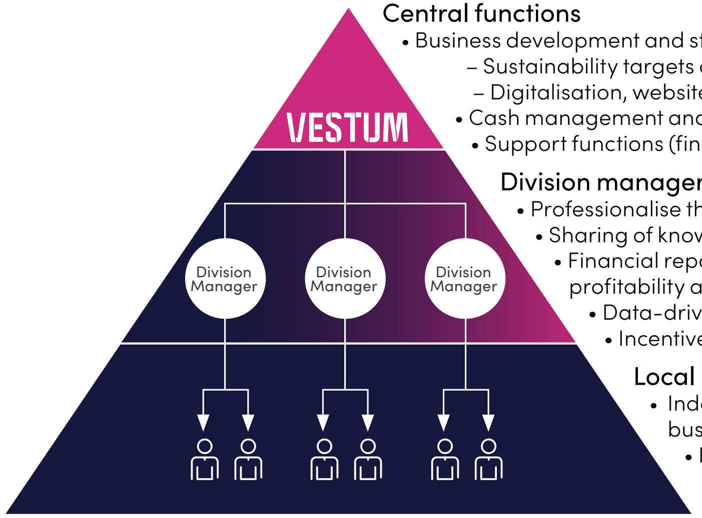
Vestum has solid experience in starting, running and acquiring businesses. The Group's ownership and development philosophy is based on maintaining local entrepreneurship.

The acquired companies continue to be managed by the local leadership under their own company names, brands, and cultures. We are convinced that local anchoring strengthens customer relationships and enables quick business decisions. At the same time, the local management is offered support from the Group's combined resources.

Companies managed with clear goals

Vestum manages its Group companies in a similar manner, but the set goals vary depending on the phase the company is in, and whether it is a product company or a service company. All companies are evaluated based on three parameters: organic growth, profitability, and cash flow. Three division managers are each responsible for a number of Group companies, and the board of each company consists of three members: the division manager, the local CEO, and an external representative.

By continuously bringing together the local management teams of the Group companies, opportunities are created to find synergies between the companies and to provide support in facing challenges. This can involve areas such as sharing customer networks, purchasing opportunities, or distribution channels, cross-selling, knowledge sharing in recruitment, leadership issues, or other knowledge transfer. The group companies establish three-year strategic plans, which increase focus on priority areas. Incentive programs for the local management teams are structured based on the set strategies and goal fulfillment.



Central functions
- Business development and strategic initiatives
  – Sustainability targets and measurement
  – Digitalisation, website package, data analytics and marketing
- Cash management and capital allocation
- Support functions (finance, legal, M&A)

Division managers
- Professionalise the processes in the companies
- Sharing of know-how, resources and best practice
- Financial reporting and KPI follow-up with focus on growth, profitability and cash flow optimisation
- Data-driven analytics
- Incentive based reimbursement model

Local
- Independent management to enable speedy business decisions and keep local knowledge
- Full P&L, balance sheet and cash flow responsibility, production and project calculations
- Acquired companies retain their name, brand and culture

"Vestum combines the strength of local entrepreneurship with the advantages of a decentralised organisation. By allowing acquired companies to retain their own identities, customer relationships are strengthened and quick decisions are enabled. At the same time, the local management teams receive support from the Group's resources, creating synergies and promoting growth, profitability, and cash flow"

GROWTH - Through business development

Vestum creates long-term sustainable value by developing and acquiring profitable niche companies within the infrastructure sector.

Business development

Business development is central to achieving the group's overall goals. Through continuous business development, conditions are created to achieve organic growth within existing operations. One way to create organic growth can be price increases and improved margins, which is mainly possible in the group's specialised and market-leading product companies. For other operations, growth can come from increased volumes, by expanding the customer base or broadening the business to related areas or regions. Vestum Group's companies operate in large markets, providing good opportunities to develop existing main markets.

Value-creating collaboration

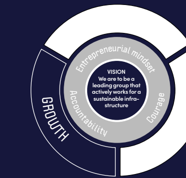
Vestum develops the group companies together with their management teams, building on a strong customer focus. We offer experience and expertise, processes, leadership, and financial resources, and work systematically to find new business opportunities through collaboration. The Group's collective resources are crucial for creating new business opportunities within existing operations. Product companies can, through cooperation, expand their products internationally, creating a solid platform for organic growth. Another way can be collaboration between product companies and service companies to increase market exposure for the products.

Financial focus and incentives

Through clear goals and a strong focus on cash flow growth, the group companies are educated on the importance of business development, where Vestum as an owner can contribute. Another way to focus on the overall goals is through incentive programs for the management teams of the group companies.

Several of the Group's companies have had to navigate recessions for many years, primarily protecting margins. Now, in many cases, new demands are being placed to shift focus to growth and investments.

”With a strong customer focus and systematic business development, we create a platform for organic growth and long-term success. By focusing on business development and collaboration, we create conditions for organic growth and strengthen our market position.”



GROWTH – Through acquisitions

Acquisitions are crucial for Vestum's growth. The main focus is on platform acquisitions that further strengthen our position and contribute to the ambition of becoming a leading group in sustainable infrastructure, as well as add-on acquisitions to existing operations.

The strategic review completed during the year and the divestments made to streamline operations now allow us to actively seek specialist companies within selected growing market niches and technologies. Vestum's focus is on cash flow growth through efficient capital allocation. The cash flow will be reinvested in businesses with limited cyclicality to reduce operational risks and ensure long-term growth with good returns.

Broad contact network and strong industry focus create competitive advantages

Vestum is an established player with extensive experience in the acquisition market. Since the Group was established in 2021, Vestum has completed a total of 53 acquisitions. Vestum’s broad contact network, combined with a strong industry focus within infrastructure, creates competitive advantages in the acquisition process.

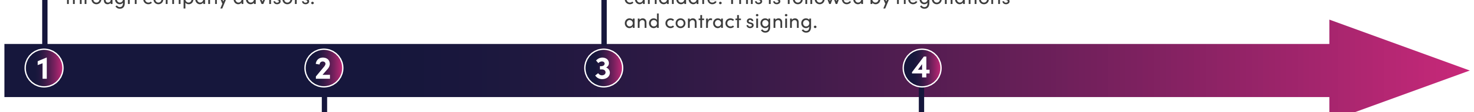
Approximately 85 percent of all Vestum’s completed acquisitions have been generated through direct contact with acquisition candidates, centrally or via group companies. As Vestum grows, the ability of the group companies to carry out their own add-on acquisitions to existing operations also increases, contributing to geographic expansion and broadening both the range of products and services as well as the customer base.

Acquisition model

Vestum´s acquisition model aims to identify, screen, analyse and acquire companies that meet Vestum´s key criteria for acquisition candidates. The acquisition model is based on four steps:

1. Identify. Vestum strives to continously hold discussions with interesting candidates both directly and through company advisors.

3. Implementation. In the implementation phase, Vestum goes through a commercial, legal and financial review of the acquisition candidate. This is followed by negotiations and contract signing.



2. Evaluation. Potential acquisitions are evaluated based on a number of parameters that help Vestum develop a deeper understanding of the business model, culture, risks, market position, competitive landscape, financial history and outlook as well as the continued commitment of key personnel. In connection with the evaluation, Vestum produces a value creation hypothesis about how Vestum can contribute to driving sustainable and profitable growth.

4. Follow-up. After the acquisition, a plan is established together with the acquired company on how the business will be integrated into the Vestum Group in the best possible way. The development process begins, focusing on governance, growth, profitability, and cash flow generation.

Acquisition criteria

- Specialised operations
- Company size
- High profitability
- Growing market niches
- Strong market position
- Strong structural capital
- Committed management
- Personaly chemistry

CASE: THE ACQUISITION PDAS

MARKET LEADER WITH A SCALABLE BUSINESS MODEL

PDAS was founded in 2014 and is a UK market leader in proactive maintenance and intelligent monitoring of wastewater pump stations.

PDAS specialises in the design, sale, installation, renovation, and maintenance of adoptable pump stations, packaged pump stations, and storm attenuation systems across the UK. A significant part of the offering consists of intelligent monitoring systems through remote telemetry and cloud-based technology for services and maintenance of pump stations, allowing pump specialists to monitor customers' systems in real-time to streamline maintenance work.

Profitability and growth
PDAS has successfully grown and established itself in three business areas that generate different revenue streams. ***Design*** delivers mechanical and electrical design solutions for pump stations. *Install* handles the delivery, installation, and commissioning of pump station equipment. ***Proactive*** offers routine maintenance and intelligent monitoring of pump stations. In 2024, the company had a turnover of SEK 212 million and an EBITA margin of 11%.

PDAS market position
PDAS is an add-on acquisition to Vestum's largest company, Pump Supplies, and creates significant organic growth opportunities throughout the UK. The acquisition was made possible thanks to the existing relationships between the companies. The operations complement each other geographically and customer-wise, while synergies have been realised in procurement. Overall, Pump Supplies' already market-leading position in water transfer in the UK market is strengthened.

212
Net sales 2024 (SEK million)

24
EBITA 2024 (SEK million)

11%
EBITA-margin 2024

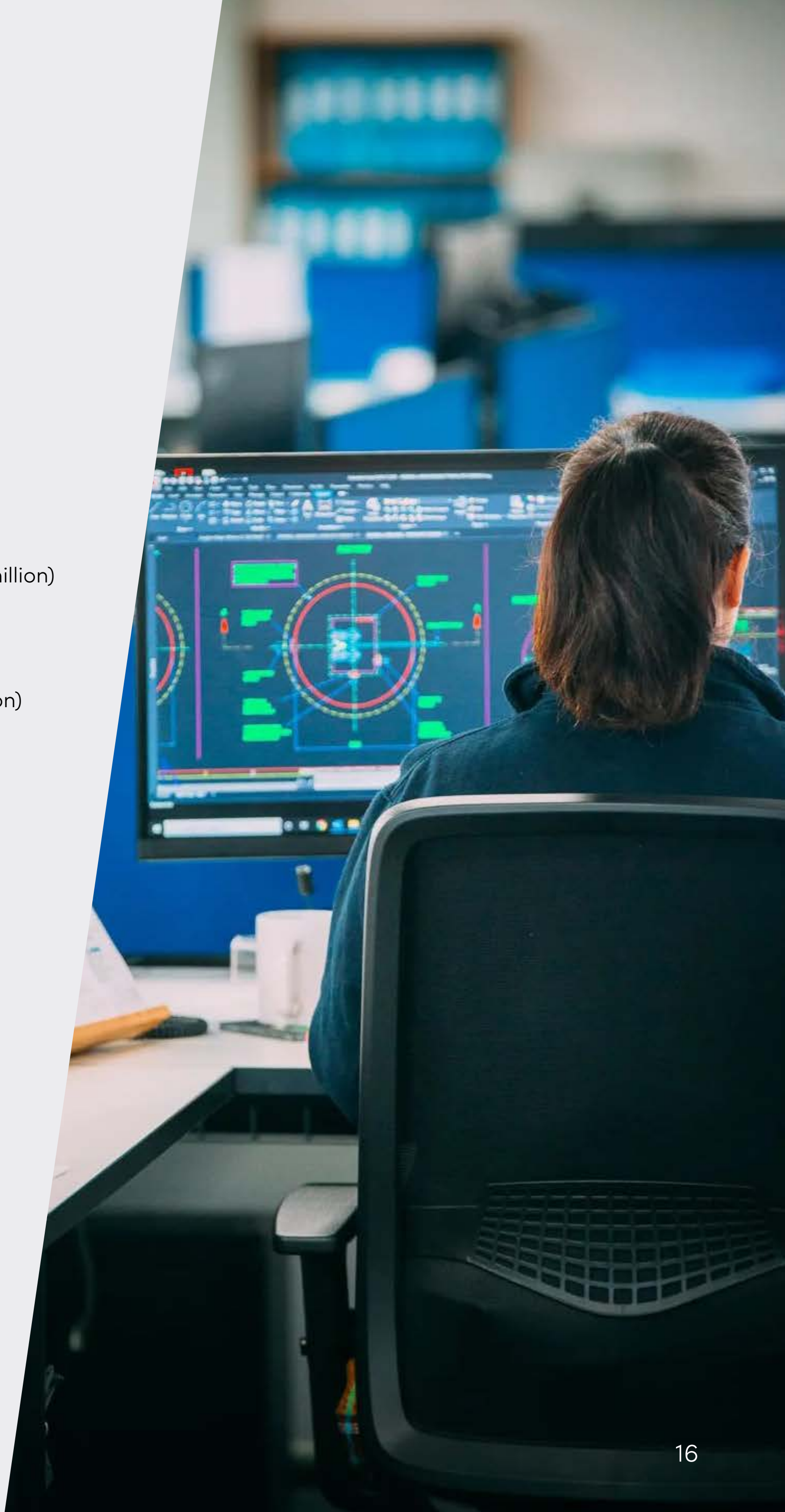
INTELLIGENT MONITORING AND SERVICE SOLUTIONS

Remote telemetry systems allow pump station experts to monitor pump stations without the need to visit the site. Potential problems with pump stations can often be identified before they become absolutely critical.

REMOTE TELEMETRY SYSTEM
Pump station monitoring via modern and secure cloud-based technology.

PDAS MONITORING SERVICE
Real-time condition monitoring by specialist pump engineers.

PROACTIVE MAINTENANCE
Expert pump station maintenance delivered by own engineers.



FINANCIAL TARGETS
Ambitious and with a clear direction

Vestum's overall aim is to create long-term and sustainable profitable growth by developing and acquiring profitable businesses with extensive experience in providing specialised services and products to the infrastructure sector.

Vestum's financial targets are based on the business plans of the group and its portfolio companies. These goals are to be achieved through, among other things, organic profit growth, increased cash flow generation, an optimised capital structure, and acquistion-driven growth adapted to market conditions.

The financial targets are based on the underlying assumptions that Vestum achieves organic growth corresponding to historical levels, that Vestum can carry out acquisitions in accordance with the acquisition strategy, and that the capital structure is strengthened, partly through profit growth with maintained margins and partly through more efficient cash flow, such as reducing the amount of tied-up working capital.

Dividend policy

Vestum's dividend policy is that all profits and available cash flows are to be reinvested entirely in the business or used for new acquisitions with the aim of continuing to drive our long-term growth.

Financial targets of Vestum

Profit growth

≥15%

EBITA per share

Vestum aims to achieve an average annual growth in EBITA per share of at least 15.0 percent in the medium term.

Profitability

≥12%

EBITA-margin

Vestum aims to achieve an EBITA margin of at least 12.0 percent in the medium term.

Capital structure

≤2.5x

Financial net debt in relation to EBITDA

Financial net debt in relation to EBITDA shall at most be 2.5x.

SUSTAINABILITY TARGETS

Sustainability is strategically important for Vestum and we have a long-term commitment to promote and contribute to a sustainable society.

Vestum's Board has decided on both long-term and short-term sustainability targets for the entire organisation. The purpose of these sustainability targets is to provide clarity to Vestum's stakeholders, both internal and external, regarding Vestum's sustainability efforts. The long-term targets extend to 2040 and focus on aspects that are deemed particularly important from a sustainability perspective based on Vestum's operations. The short-term sub-targets extend to the end of 2026.

Long-term sustainability targets:

Vestum's long-term sustainability targets extend to 2040 and are based on essential sustainability questions relevant to Vestum's operations. They emphasize Vestum's longterm commitment to sustainability.

Short-term sustainability targets:

The short-term targets cover the period until 2026 and serve as sub-targets to our long-term objectives. These short-term targets provide clear direction for our sustainability efforts.

We will review and adjust our targets to align with the new sustainability reporting guidelines during 2025.

Sustainability targets

Workplace environment

- By 2026, Vestum shall have established, through active measures and educational efforts, a group-wide structure and culture that ensures both accurate reporting of incidents and accidents and encourages individual employees to speak up if the work environment is perceived as unsafe.
- By 2040, Vestum shall eliminate serious work accidents.

Gender equality

- By 2026, Vestum shall have a minimum of 35% female managers and at least 15% female employees throughout the Group.
- By 2040, Vestum shall have an even gender distribution across all employees.

Skills recruitment

- By 2026, Vestum shall have provided at least 400 internship and apprenticeship positions.
- By 2040, Vestum shall have provided at least 1,800 internship and apprenticeship positions.

Climate

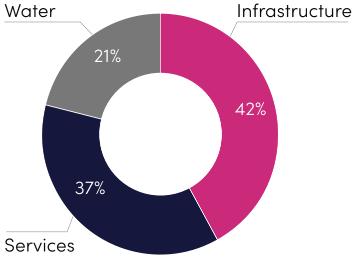
- By 2026, Vestum shall reduce CO_2e-emissions by 25% in scope 1, 2, and 3 by a total of 25% per unit of revenue to contribute to the goals of the Paris Agreement. Vestum's base year for measurement will be 2023.
- By 2040, Vestum shall achieve net-zero climate impact across scope 1, 2, and 3 emissions.

3 OPERATIONS

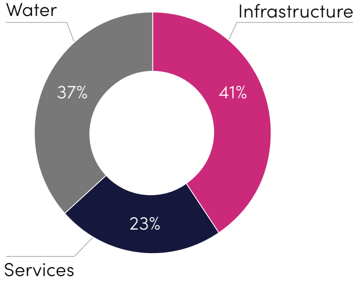
SEGMENT OVERVIEW

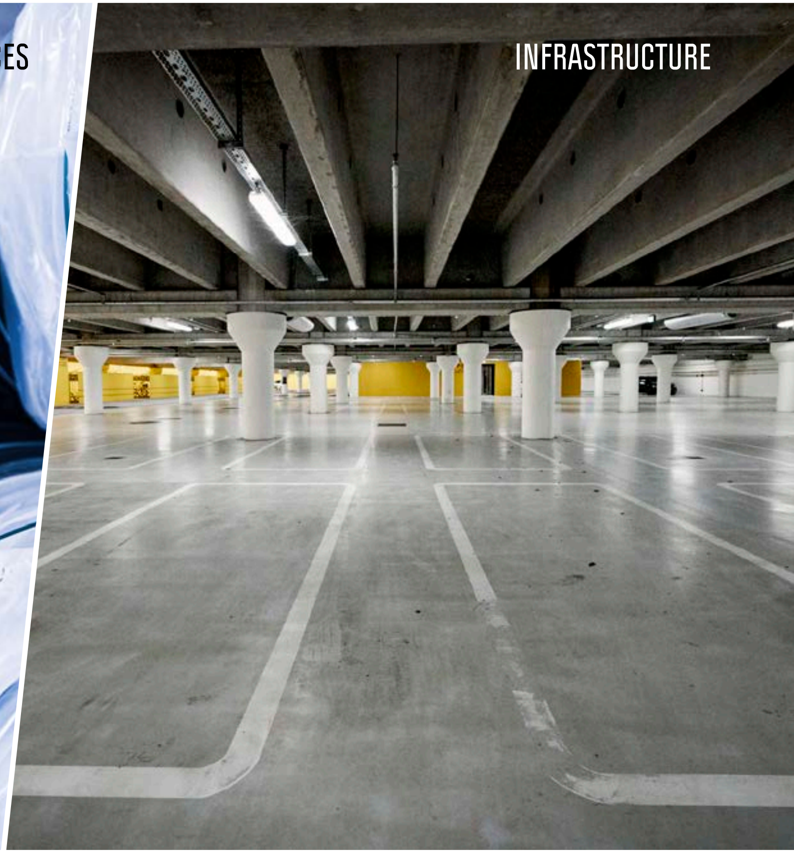
Vestum provides specialised products and services to growing niches within infrastructure. Our Group consists of specialised operations within the segments of Water, Services, and Infrastructure, boasting extensive industry experience and strong market positions.

Net sales, per segment
Percent



EBITA per segment
Percent





SEGMENT WATER

The Water segment offers specialised products that enhance water infrastructure and enable the optimisation of energy and water consumption.

The Water segment comprises market-leading niche companies focused on improving water infrastructure. These operations are characterised by structural growth and specialise in pump technology, irrigation systems, water filtration, and drilling equipment.

Customers include public authorities who require advanced pump systems to move water within sewage systems and provide water supply to various infrastructure facilities, property owners and HVAC operators requiring water distribution and sewage management, and industrial firms needing water filters, pumps, and irrigation systems for different applications.

A significant portion of the segment involves product sales of water pumps, drilling equipment, water filters, and irrigation systems. By offering pumps and irrigation systems that reduce customer's energy usage and water consumption, Vestum contributes to mitigating climate impact and fostering a more sustainable societal development.

>> **Read more** about Vestum's sustainability work in chapter 5.

Development in 2024

Throughout the year, the segment has demonstrated positive development, with strong demand for its products and services. The United Kingdom has generated the highest growth within the segment, both organically and through the acqusition of the British company PDAS. Although PDAS has lower profitability compared to the rest of the segment, the company is continuously improving its margins, primarily driven by strong growth in the profitable subscription business.

We see favourable market signals for the segment as a whole and expect continued positive development going forward in all markets.

Net sales for 2024 amounted to SEK 886 (737) million. Adjusted EBITA for the year reached SEK 169 (142) million, corresponding to an adjusted EBITA margin of 19.1 % (19.3 %).

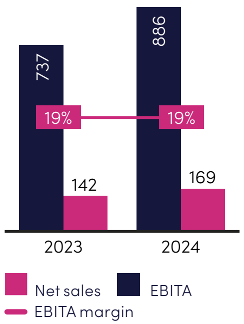
37%
Share of group EBITA

886
Net sales, SEK million

169
Adjusted EBITA, SEK million

19.1 %
Adjusted EBITA-margin

Segment development 2023–2024
SEK million



SEGMENT SERVICES

The Services segment offers specialised services and products for installation and maintenance in climate control, electricity, technical insulation, and suspended ceilings, which contributes to a reduction of energy consumption.

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

The product and service portfolio mainly consist of installation and maintenance in areas such as HVAC, electricity, suspended ceilings, climate control, and technical insulation, but also include product sale of fasteners, security doors, as well as glass and aluminium sections.

End customers are primarily private and public property owners in need of adaption to meet increased environmental and accessibility requirements, as well as energy efficiency measures.

By offering services and products that reduce customer energy consumption and climate impact, Vestum contributes to a more sustainable infrastructure.

>> **Read more** about Vestum's sustainability work in chapter 5.

Development in 2024

Throughout the year, market development has generally been weaker than the previous year, which is reflected in lower sales and margins for the full year. Uncertainties in the property market have impacted demand, although some regions are seeing increased activitiy. Customer losses related to bankruptcies in the market and fewer working days during the fourth quarter are also partially contributing factors to the slightly lower margin for the full year.

Looking at the product companies within the segment, the outlook is more positive with an expected increase in demand. For the installation companies, an accumulated deficit in the property sector and paused investments in both public and private real estate companies are expected to create increased demand in 2025.

The net sales for 2024 amounted to SEK 1,565 (1,777) million. Adjusted EBITA for the year amounted to SEK 104 (176) million, corresponding to an adjusted EBITA margin of 6.7 % (9.9 %).

23%
Share of group EBITA

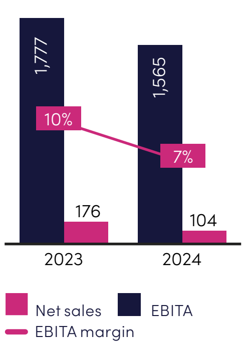
1,565
Net sales, SEK million

104
Adjusted EBITA, SEK million

6.7%
Adjusted EBITA-margin

Segment development 2023–2024

SEK million



SEGMENT INFRASTRUCTURE

The Infrastructure segment offers specialised works within railway, water & sewage, and other infrastructure. Through maintenance and service of railway, subway, as well as pedestrian and bicycle paths, transportation with reduced climate impact is enabled.

The segment is largely made up of specialists in areas such as maintainence work on railways, above and below ground, courtyard renovations, laying foundations, concrete renovations in garages and product sales of sewage treatment systems.

End customers are mainly public clients, but also private operators, who invest in and maintain various parts of infrastructure systems such as railways, subways, schools, hospitals, area security and water & sewage systems.

By offering service and maintenance of railways, subway systems, as well as pedestrian and bicycle paths that enable transportation with reduced climate impact, Vestum contributes to a more sustainable societal development

>> **Read more** about Vestum's sustainability work in chapter 5.

Development in 2024

The segment has been affected by a challenging market situation during the year, but overall the order situation is stable and, despite the prevailing market conditions leading to increased competition with pressured margins, the segment generated a strenghtened EBITA margin in both the third and fourth quarters. It is primarily the product companies within the segment that, due to an improved market situation and a favourable product mix, have contributed to increased profitability. During the fourth quarter, the product companies accounted for 50% of the segment's results. Looking ahead, investments in infrastructure are expected to benefit the segment and contribute to profitable growth.

Net sales for 2024 amounted to SEK 1,795 (1,901) million. Adjusted EBITA for the year amounted to SEK 188 (231) million, corresponding to an adjusted EBITA margin of 10.5% (12.2%).

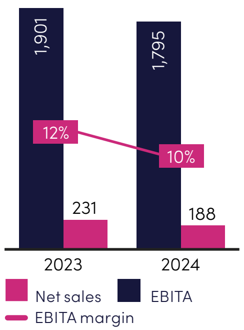
41%
Share of group EBITA

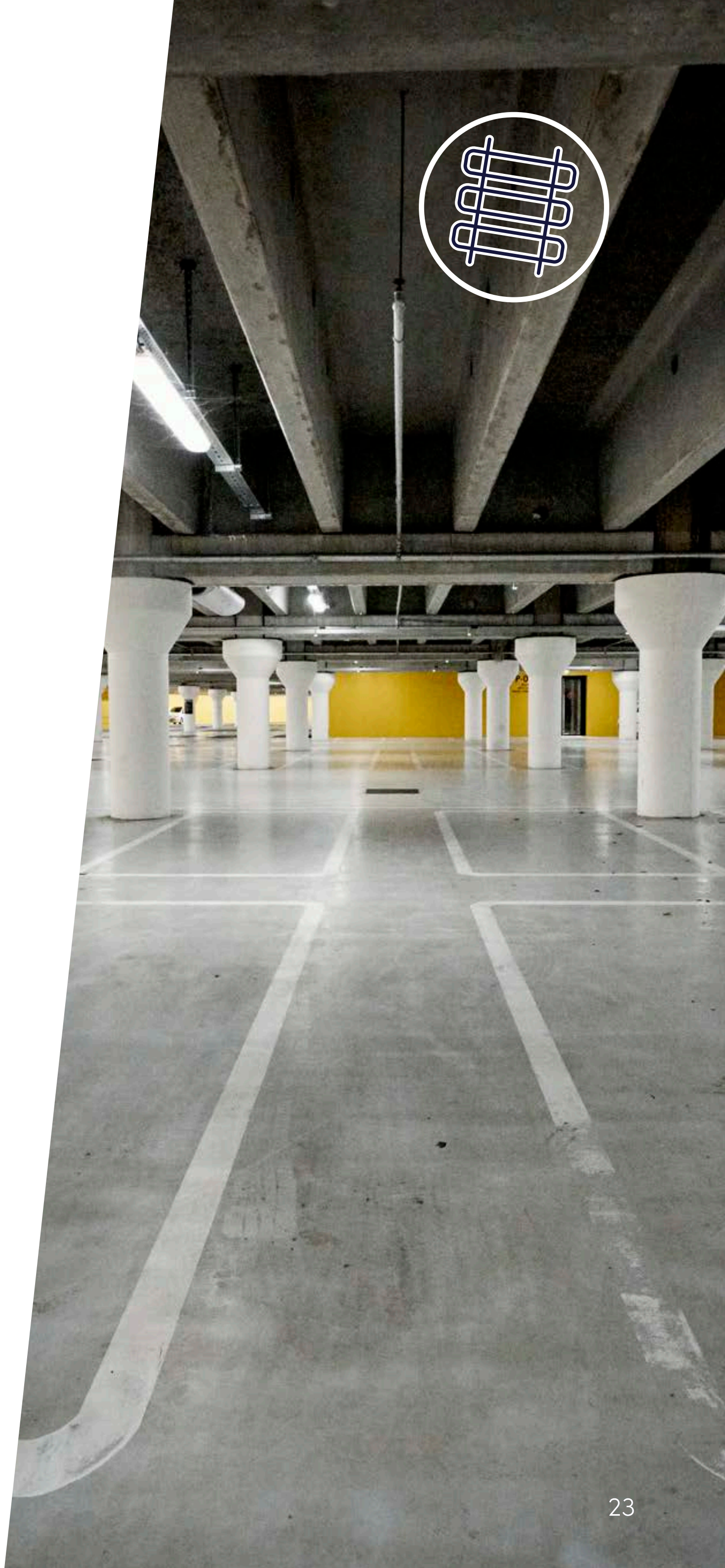
1,795
Net sales, SEK million

188
Adjusted EBITA, SEK million

10.5 %
Adjusted EBITA-margin

Segment development 2023–2024
SEK million





NEW GROUP STRUCTURE FOR STRATEGIC FOCUS

To clarify Vestum's strategic focus on selected market niches and technologies within infrastructure, Vestum has implemented a new Group Structure effective from January 1, 2025

Vestum's strategic review and subsequent actions aim to refine operations towards a higher degree of specialisation. The primary focus is on leading product and service companies within selected market niches and technologies.

By refining operations, debt is reduced while creating room for growth. To clarify the Group's focus, the Group will be divided into three segments effective January 1, 2025.

Flow Technology

Within Flow Technology, companies with market-leading products that improve water infrastructure are gathered. The segment's product offerings include pumps, filters, moisture protection, measurement technology, pipe systems, and other flow technology products.

The Flow Technology segment accounts for 44 percent of the Group's EBITA and contributes with margins of 18 percent.

Niche Products

Within Niche Products, Vestum has gathered leading product companies within selected technology niches. The companies within the segment primarily offer security-classified systems, containers and fasteners.

The Niche Products segment accounts for 19 percent of the Group's EBITA and contributes with margins of 12 percent.

Solutions

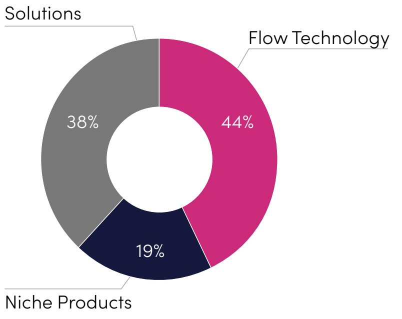
The Solutions segment offers specialised solutions to maintain, develop and streamline properties and transport networks. The companies within the segment provide, among other things, concrete structure renovation, solutions for waterproofing and technical insulation, as well as other installation services.

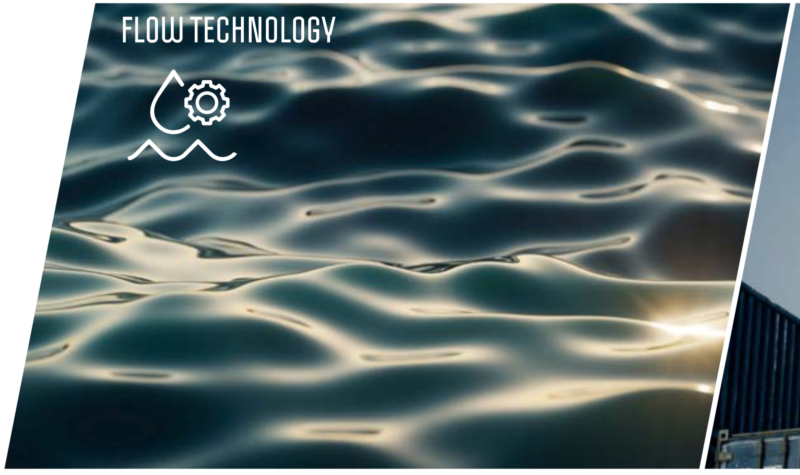
The Solutions segment accounts for 38 percent of the Group's EBITA and contributes with margins of 7 percent.

Strenghtening of the Group Management

As a further step in focusing on the core business, Vestum's Group Management will be expanded and strengthened from December 1, 2024, with Mattias Hellner, Head of Business Operations.

EBITA per segment
Percent





FINANCIAL DEVELOPMENT

Net sales
The Group's net sales for the remaining operations in 2024 amounted to SEK 4,246 (4,416) million. The decrease relates to acquired net sales of 2.8% as well as organic growth of -6.7%. Exchange rate effects had a positive effect on the period of SEK 4 million.

Earnings
Earnings before amortisation and write-down of acquired surplus value (EBITA) for the remaining operations for 2024 amounted to SEK 447 (494) million, corresponding to an EBITA margin of 10.5 % (11.2 %). Operating profit (EBIT) amounted to SEK 164 (214) million. EBITA per share amounted to in 2024 to SEK 1.19 (1.32), which corresponds to a decrease from 2023 with 9.9 %.

Net financial items amounted to SEK -193 (-178) million for the full year, of which interest cost for loan and leasing amounted to SEK 169 (226) million. The period's profit after tax for the remaining operations amounted to SEK -51 (-5) million, corresponding to a profit per share attributable to remaining operations and the Parent company's shareholders before and after dilution of SEK -0.14 (-0.02).

Extraordinary items that are adjusted in EBITA affected the year positively by SEK 33 (1) million. These consisted of revaluation of contingent consideration which affects the result positively with SEK 56 million, acquisition-related transaction costs of SEK 3 million and restructuring costs of SEK 20 million.

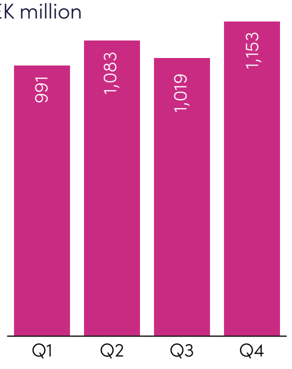
Cash flow
Cash flow from operating activities during the year 2024 amounted to SEK 377 (463) million, change in working capital amounted to SEK 77 (20) million and the operating cash flow amounted to SEK 665 (635) million, corresponding to a cash conversion of 105 % (94 %).

Investments
The Group's investments during the year 2024 excluding acquisitions amounted to SEK 44 (58) million. During 2024, one acquisition of subsidiaries has been completed with a total purchase price of SEK 218 (335) million. For further information, see note 15, notes for the Group. Paid contingent consideration amounted to SEK 144 (223) million.

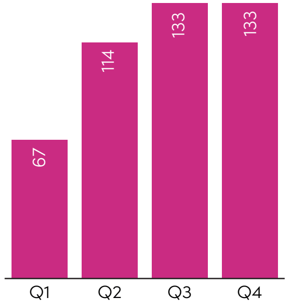
Financial position and liquidity
Equity at the end of 2024 amounted to SEK 3,930 (4,057) million. Equity in the Parent company amounted to SEK 4,254 (4,402) million.

The Group's cash and cash equivalents at the end of 2024 amounted to SEK 174 (345) million. The interest-bearing liabilities, including lease liabilities, amounted to SEK 2,141 (2,450) million. At the end of 2024, the Group had a financial net debt, defined as interest bearing liabilities less cash and cash equivalents, adjusted for announced but not yet completed divestments at the end of the year of SEK 1,408 (2,105) million. The financial net debt in relation to reported EBITDA was 2.2x. Total contingent consideration liability amounted to SEK 19 (207) million at the end of 2024. Total

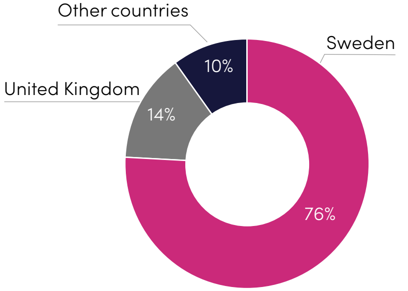
Net sales, 2024
SEK million



EBITA, 2024
SEK million



Net sales per geographic market
4 246 SEK million



liabilities amounted to SEK 3,697 (4,322) million as of December 31, 2024.

During the year, Vestum's secured bond of SEK 900 million, due in October 2024, was redeemed. In connection with this, Vestum updated its existing credit facility with Danske Bank, SEB and Swedbank by adding an additional lender, Svensk Exportkredit.

At the end of the year, Vestum had outstanding bonds of SEK 600 million under a framework of SEK 1,000 million with maturity 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 Non-current interest-bearing liabilities in the balance sheet and in note 23.

By the end of the year, Vestum had a credit facility framwork of SEK 1,800 million.

Staff

The number of full-time employees for the remaining operations as of December 31, 2024, amounted to 1,458 (1,442) people.

Allocation of profits

Proposal for decision on profit allocation. The following profits are available to the Annual General Meeting:

Amount in SEK	
Share premium reserve	4,462,823,182
Retained earnings	-192,929,690
Profit/loss for the year	-154,491,913
Total	**4,115,401,580**

The Board of Directors and the CEO propose that the available amount of SEK 4,115,401,580 be allocated as follows:

To be carried forward	**4,115,401,580**

3,930

Equity at the end of the year amounted to SEK 3,930 million.

2.2x

Financial net debt in relation to EBITDA

1,458

Number of full time employees at balance day, December 31, 2024

SHARE INFORMATION

Vestum's share is traded on Nasdaq Stockholm under the short name VESTUM. The closing price for Vestum's share at the end of 2024 was SEK 11.66. The price development for Vestum's share during 2024 amounted to 54.48%.

Trading volume

In 2024, the number of Vestum shares traded amounted to 148,593,448 according to availabe data from Modular Finance. On average, 592,005 shares were traded per trading day, corresponding to an average volume per trading day of SEK 5,438,335. The average turnover per trading day in relation to market capitalisation amounted to 0.16%.

Share capital and ownership structure

At the end of 2024, share capital in Vestum amounted to SEK 125,269,822.66 distributed over 375,809,468 registered shares. All shares in Vestum are of the same class and have the same voting rights. According to available ownership statistics from Modular Finance, Vestum had 12,371 known shareholders at the end of the year. The largest shareholder was Vestum's Board chairman Conny Ryk with a capital share of 17.83%.

Additional ownership statistics are shown in the table and diagram to the right.

Dividend policy

Vestum's dividend policy states that profits and available cash flows will be fully reinvested in the business and/or used for new acquisitions. The Board is therefore not recommending a dividend for 2024.

The ten largest shareholders as of December 31, 2024:

Name	Number of shares	Percentage
Conny Ryk	67,000,000	17.83%
Anders Rosenqvist	30,000,000	7.98%
Nordea Funds	24,002,267	6.39%
Per Åhlgren	23,046,923	6.13%
Handelsbanken Fonder	17,819,733	4.74%
Avanza Pension	14,419,136	3.84%
Simon Göthberg	13,807,746	3.67%
Olle Nykvist	13,600,000	3.62%
Olof Andersson	13,530,000	3.60%
Swedbank Försäkring	12,900,233	3.43%
Total holdings, the 10 largest shareholders	**236,799,364**	**63.00%**
Total holdings, remaining shareholders	**139,010,104**	**37.00%**
TOTAL	**375,809,468**	**100.0%**

Data compiled by Monitor. Sources: Modular Finance

Short facts about Vestum

- Traded on Nasdaq Stockholm's main market, Mid Cap
- Short name: VESTUM
- Sector: Industry
- ISIN: SE0017134125

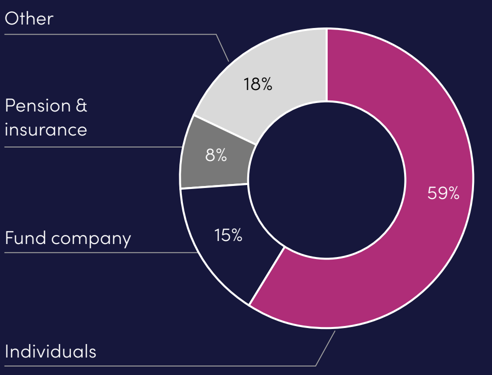
Analyses of Vestum

The following actors publish analyses of Vestum:

- Danske Bank
- Kepler Cheuvreux
- Carnegie
- ABG (commissioned research)

Distribution of ownership structure in Vestum

as of December 31, 2024:



4 MANAGEMENT AND CONTROL

CORPORATE GOVERNANCE REPORT

Vestum AB (publ) ("Vestum") is a Swedish limited company with its registred office in Stockholm, Sweden. Vestum´s share is listed on Nasdaq Stockholm.

Corporate governance within Vestum

Vestum strives to apply appropriate and efficient corporate governance processes to ensure that the business creates long-term value for shareholders. Vestum's corporate governance is based on both external and internal control instruments. The external control instruments that form the framework for Vestum's corporate governance include the Swedish Companies Act, the Annual Accounts Act, Nasdaq Stockholm's Rule Book for Issuers and the Swedish Corporate Governance Code (the "Code"). The Code is available at www.bolagsstyrning.se, where the Swedish model for corporate governance is also described. The internal control instruments include, but are not limited to, the articles of association adopted by the Annual General Meeting, the Board's rules of procedure and instructions for the Audit Committee and the Remuneration Committee, instructions for the CEO and governing documents adopted by Vestum's Board, such as Vestum's Code of Conduct.

This corporate governance report describes Vestum's corporate governance during the business year 2024. The corporate governance report has been reviewed by Vestum's auditor.

Share information

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

At the end of 2024, there were 375,809,468 shares. Shareholdings that, as of the end of 2024, represent at least one-tenth of the number of votes of all shares in Vestum consist of RYK GROUP AB (wholly owned by the Chairman of the Board, Conny Ryk) with just over 17.8 percent of the share capital and votes.

The 2024 Annual General Meeting authorised Vestum's Board to, on one or more occasions and with or without deviating from the shareholders pre-emptive rights, approve an increase in Vestum's share capital through a new issue of shares, warrants and/or convertibles. The authorisation is limited in such a way that the total number of shares issued or added through the exercise of the warrants or convertibles, may not exceed 10 percent of the total number of shares in the company. The Annual General Meeting also authorised Vestum's Board to decide on the acquisition and transfer of own shares in the company.

The 2025 Annual General Meeting may decide on corresponding authorisations.

Annual General meeting

Vestum's Annual General Meeting is held during the first six months of each year. The notice convening the Annual General Meeting is issued no earlier than six and no later than four weeks before the Annual General Meeting. The notice contains information on how shareholders or proxies must register in order to have the right to participate and vote at the Annual General Meeting, as well as a numbered agenda listing the matters to be dealt with at the Annual General Meeting, proposed profit distribution and the main content of other matters to be dealt with at the Annual General Meeting.

The Annual General Meeting for 2024 was held on May 17, 2024. The Annual General Meeting for 2025 is scheduled for May 8, 2025. Each Vestum shareholder who is entitled to vote may vote for the full number of shares owned and represented by the shareholder without limitation in the number of votes. Documents issued ahead of annual general meetings as well as minutes from annual general meetings are available on Vestum's website.

Nomination Committee

In accordance with the instructions adopted by Vestum's Annual General Meeting, Vestum's Nomination Committee shall consist of representatives for the three largest shareholders or groups of shareholders in terms of votes. The Nomination Committee will be convened by the Chairman of the Board. The Nomination Committee shall be constituted based on shareholder statistics from Euroclear Sweden AB as of the last banking day in September. If any of the three largest owners waives their right to appoint a member of the Nomination Committee, the next largest owner shall be given the opportunity to appoint a member. Instructions for the Nomination Committee are available on Vestum's website.

The Nomination Committee shall carry out the work required of the Nomination Committee according to the Code. The Nomination Committee ahead of the 2025 Annual General Meeting consists of Conny Ryk (appointed by RYK GROUP AB), Per Ericsson (appointed by Rosenqvist Gruppen AB) and Erik Mitteregger (appointed by GoMobile nu Aktiebolag). Per Ericsson is Chairman of the Nomination Committee. The Nomination Committee's documents ahead of the Annual General Meeting are available on Vestum's website.

Auditor

Auditors are elected at the Annual General Meeting. The 2024 Annual General Meeting re-elected registered auditing firm Öhrlings PricewaterhouseCoopers AB, with principal auditor Niklas Renström, as auditor until the next annual general meeting. Öhrlings PricewaterhouseCoopers AB has served as Vestum's auditor since 2016, while Niklas Renström has been the principal auditor since 2021.

Board of Directors

Vestum's Board of Directors has the ultimate responsibility for Vestum's organisation and administration. The members of the Board are elected annually by the Annual General Meeting for the period until the next general meeting. The nomination work is handled by the Nomination Committee. According to Vestum's articles of association, the Board must consist of a minimum of three and a maximum of seven members and a maximum of seven deputies.

At the 2024 Annual General Meeting, six board members and no deputies were elected: Conny Ryk (Chairman), Per Åhlgren, Anders Rosenqvist, Johan Heijbel, Helena Fagraeus Lundström, and Siri Hane. All were re-elected. The Board composition of Vestum meets the requirements regarding independent members.

The Board held 17 board meetings in 2024 (including board meetings per capsulam). There were no absences at any board meeting. Between the board meetings, there have been ongoing contacts between Vestum, the Chairman of the Board and other board members. The board members have continuously been provided with important information about Vestum and its operations.

Vestum's board has created an Audit Committee and a Remuneration Committee. The Audit Committee ensures the quality of Vestum's financial reporting and the effectiveness of Vestum's internal controls, while the Remuneration Committee has the task of following up, evaluating, and preparing guidelines for remuneration. The committee members are appointed at the constituent board meeting and for one year at a time. The work in the committees is regulated by the annually established committee instructions. The issues dealt with at the committees' meetings are recorded and a report is submitted at the subsequent board meeting.

The Audit Committee has consisted of Johan Heijbel (Chairman), Anders Rosenqvist and Siri Hane. The Audit Committee held six meetings during 2024. The Remuneration Committee has consisted of Conny Ryk (Chairman) and Helena Fagraeus Lundström. The Remuneration Committee held two meetings during 2024.

The board's work has been subject to systematic and structured evaluation in the manner prescribed by the Code. In addition, the board has continuously evaluated the work of the CEO and the issue has also been subject to annual consideration.

Vestum's Nomination Committee applies rule 4.1 of the Code as a diversity policy when preparing its proposal for the Board. The goal is to achieve a well-functioning board composition regarding diversity and breadth in terms of gender, nationality, age and industry experience. The current board composition is the result of the Nomination Committee's work ahead of the 2024 Annual General Meeting. The Nomination Committee believes that the Board has an appropriate composition and size and that it is characterised by versatility and breadth in terms of the members, competence and experience in areas that are strategically important for Vestum. Regarding gender distribution, the percentage of women on the board is 33 percent.

CEO and management team

Vestum's CEO is responsible for day-to-day operations. Simon Göthberg has been the CEO of Vestum since November 1, 2023. The CEO's responsibilities include ongoing investments, personnel, finance, and economic matters, as well as continuous interactions with Vestum's stakeholders and the financial market. The CEO reports to the Board. To support his work, the CEO has appointed a management team. As of the end of 2024, the management team, in addition to the CEO, included Olof Andersson (CFO), Olle Nykvist (General Counsel), and Mattias Hellner (Head of Business Operations).

Remuneration

The 2024 Annual General Meeting approved the following board fees.

Function	Fee
Chairman of the Board	SEK 1,000,000
Board member (not employed by Vestum)	SEK 250,000
Chairman of the Audit Committee	SEK 100,000
Member of the Audit Committee	SEK 50,000
Chairman of the Remuneration Committee	SEK 50,000
Member of the Remuneration Committee	SEK 25,000

The 2022 Annual General Meeting approved guidelines for remuneration to senior executives within Vestum. The guidelines can be found on p.32 below. Vestum's Board shall draw up proposals for new guidelines at least every four years to be approved at the annual general meeting.

Vestum's Board has produced a remuneration report to be presented at the 2025 Annual General Meeting, which describes how the guidelines for remuneration, which were adopted at the 2022 Annual General Meeting, have been applied in 2024. The remuneration report also provides information on remuneration to the CEO. The remuneration report is available on Vestum's website.

Internal control regarding financial reporting

This report is limited to internal control in relation to financial reporting, internally to Vestum's Board and externally in the form of interim reports, the year-end report and annual report.

Vestum's Board is responsible for internal control. Internal control and risk management form part of the Board's and the Group Management's governance and monitoring of operations and aim to ensure that they are conducted appropriately and efficiently, that financial reporting is reliable, and that laws, regulations and internal regulations are complied with.

Internal control and risk management are integrated into all Vestum's processes. Vestum's internal control and risk management regarding financial reporting is designed to manage risks in the processes related to the preparation of financial reports and to achieve a high level of reliability in external reporting.

Control environment

A good control environment is based on an organisation with clear decision-making paths, powers and responsibilities as well as a corporate culture with shared values and individual awareness of each person's role in maintaining good internal control.

Within Vestum there are governing documents and guidelines for the various steps of the business flow, from transaction management to accounting and preparation of financial reports, which make it clear who is responsible for a specific task. The governing documents and guidelines are updated when necessary, so that they always reflect applicable laws and the activities conducted by Vestum.

Evaluations take place continuously to ensure that the finance department has the required competence. When necessary, external expertise is used to shed light on issues such as accounting, taxes and internal control. The finance department receives support from the legal department regarding legal issues. If necessary, external expertise is also used regarding legal issues.

Risk assessment

Vestum's risk assessment is a dynamic process that aims to identify and evaluate significant risks that may affect the Group's ability to meet its goals. The risk assessment is made in the form of a self-evaluation and includes the establishment of action plans for managing identified risks. The Group Management is responsible for maintaining the routines and processes required to manage significant risks in day-to-day operations. The risk assessment regarding financial reporting is updated continuously under the direction of the CFO. The focus is on significant profit and loss items.

Control activities

Vestum has established a number of control activities to ensure that operations are conducted efficiently and appropriately and that the financial reporting provides a true and fair picture. The control activities include ongoing follow-ups of risk exposure, certification and approval routines, verifications, bank and account reconciliations, monthly follow-ups of income and balance sheet items at Group level and ongoing controls of Vestum's IT environment.

Information och communication

Information and communication are a prerequisite for Vestum to be able to exercise good internal governance and control and achieve set goals. Governing documents and guidelines are therefore important instruments for ensuring accurate and reliable accounting, reporting and disclosure.

Vestum has a whistle-blower function that can be used by both employees and external stakeholders. The whistle-blower function is available via Vestum's website and can be used anonymously.

Follow-up

Vestum's financial situation and strategy regarding its financial position is discussed at each ordinary Board meeting. Each quarterly report is reviewed by the Board regarding the accuracy and presentation of the financial information. The Board also follows up to ensure that there are control activities for selected risk areas and communicates significant issues to Group Management and the auditor.

Internal audit

Vestum's Board has made the assessment that Vestum does not need a formalised internal audit function to supplement existing processes and functions for internal governance and control. Follow-up is carried out by the Board and Group Management. The level of control is currently deemed sufficient to meet the company's needs. An annual assessment is made as to whether an internal audit function is considered necessary to maintain good control within Vestum.

Guidelines for executive remuneration

The guidelines cover salaries and other remunera-tionto the CEO and other persons in the Company's management (senior executives). The guidelines shall be applied for remuneration agreed upon, and changes made to existing agreements, after adoption of these guidelines at the AGM 2022. These guidelines do not apply to any remuneration decided or approved by the general meeting.

The guidelines' promotion of the Company's business strategy, long-term interests and sustainability

Vestum is a Swedish acquisition-driven group focused on acquiring and developing specialist companies within the segments Infrastructure, Services and Water. Vestum is actively looking for high-quality companies with proven business models, strong market positions and predictable cash flows where Vestum can be involved and contribute to continued positive development. For furtherinformation about the Company's business strategy, **>> see** *https://www.vestum.se/en/about-vestum/.*

A prerequisite for the successful implementation of the Company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the Company is able to recruit and retain qualified personnel with the right competence. To this end, it is necessary that the Company offers competitive remuneration. These guidelines enable the Company to offer the senior executives a competitive total remuneration.

The Company has established warrant-based incentive programs. The program includes, e.g., the group management. It has been resolved by the general meeting and is therefore excluded from these guidelines. The outcome of the incentive programs are related to the share price development. For further information about the Company's warrant-based incentive program,
>> see *https://www.vestum.se/en.*

Types of remuneration

Remuneration and other terms of employment shall be on market terms in order for the Company to be able to retain and recruit competent senior executives. The compensation may consist of a fixed cash salary, variable cash remuneration, pension benefits, insurance and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration. To the extent that a member of the Board of Directors performs work on behalf of the Company in addition to the board assignment, market term consultancy fees may be paid to such board member.

Fixed cash salary

The senior executives shall receive a fixed base salary in line with market terms and based on the individual's area of responsibility, competence and experience. The fixed cash salary shall be reviewed annually for each calendar year.

Variable cash remuneration

The senior executives shall be able to receive annual variable cash remuneration and such remuneration must be designed to promote the Company's long-term value creation. The variable remuneration shall be linked to predetermined and measurable criteria. The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one year. The variable cash remuneration may amount to a maximum of 25 per cent of the total fixed cash salary during the measurement period.

When the measurement period for meeting the criteria for payment of variable cash remuneration has ended, it shall be determined to what extent the criteria have been met. The Remuneration Committee is responsible for the assessment of variable cash remuneration to the CEO. The CEO is responsible for the assessment of other senior executives. For financial objectives, the evaluation shall be based on the latest financial information mad public by the Company.

Additional variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and only made on an individual basis, either for the purpose of recruiting or retaining executives, or as remuneration for extraordinary performance beyond the individual's ordinary tasks. Such remuneration may not exceed an amount corresponding to 25 percent of the fixed annual cash salary and may not be paid more than once each year per individual. Any resolution on such remuneration shall be made by the Board of Directors based on a proposal from the Remuneration Committee.

The Board of Directors shall have the possibility, under applicable law or contractual provisions, to in whole or in part reclaim variable remuneration paid on incorrect grounds.

Pension

For the CEO, pension benefits, including health insurance, shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary.

For other senior executives, pension benefits, including health insurance, shall be premium defined unless the senior executive concerned is subject to defined benefit pension under mandatory collective agreement provisions. Variable cash remuneration shall qualify for pension benefits to the extent required by mandatory collective agreement provisions. The pension premiums for premium defined pension shall amount to not more than 30 per cent of the fixed annual cash salary.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Other benefits

Other benefits may include e.g., life insurance, health insurance and wellness allowance. Such benefits may in total amount to a maximum of 10 per cent of the fixed annual cash salary.

Termination of employment

In the event of termination by the Company, the notice period is a maximum of twelve months for the CEO and a maximum of twelve months for other senior executives. Fixed cash salary during the notice period and severance pay, including any compensation for non-compete undertakings, may not in total exceed an amount equivalent to the fixed cash salary for 24 months for the CEO and twelve months for other senior executives. In the event of termination by the executive, the notice period may not exceed twelve months. No severance pay shall be paid in the event of termination by the executive.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the Company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a Remuneration Committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the AGM. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the Company. The members of the Remuneration Committee are independent of the Company and its executive management. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

RISKS AND RISK MANAGEMENT

General
There are several factors that affect, or could affect, Vestum's operations, earnings, or financial position. However, Vestum has a large number of revenue-generating portfolio companies. These companies operate in different European countries and are divided into three segments: Water, Services and Infrastructure. As a result, Vestum has a broad spectrum of customers and suppliers. One consequence of this broad spectrum is that business risks – on a general level – are limited. Below is an overall, non-exhaustive, presentation of the risks that have been identified in Vestum's operations and how these risks are managed.

Macroeconomic factors
Vestum, like other business operations, is affected by macroeconomic factors such as consumer spending, investments (both private and public), tariffs and other trade barriers, inflation and the strength of the capital market. Vestum closely monitors macroeconomic developments and adjusts its operations when deemed appropriate.

Geopolitical uncertainty
Russia's full-scale invasion of Ukraine has led to increasing geopolitical uncertainty. Vestum does not conduct any business in Russia or Ukraine but is indirectly affected by the war's impact on material prices and supply chains. Increased tariffs for markets where Vestum operates are not expected to have any material direct impact on the Group, but may indirectly affect Vestum's operations.

Business acquisitions
Business acquisitions are an important part of Vestum's operations. During the acquisition of a company, there is a risk that Vestum will incur costs that are not reimbursed by the seller. For example, Vestum may pay an excessive purchase price for the company being acquired. To manage this risk, Vestum conducts a thorough due diligence investigation of the companies acquired. The due diligence review – which is conducted with the support of external advisers – includes looking at financial and legal issues. Vestum also adapts the acquisition documentation to the outcome of the due diligence investigation, so that adequate contractual protection is obtained.

Financing
Vestum has external financing in the form of bank loans and bonds. Vestum is therefore affected by the climate of the financing market and a more cautious market may mean that Vestum finds it more difficult to finance, or refinance, its outstanding obligations. Vestum takes measures to ensure that the necessary financing can be obtained.

Customer concentration
Individual portfolio companies can to some extent be dependent on one or several customers to maintain their sales. However, the Vestum Group as a whole is not dependent on any individual customer. With regards to Vestum's public customers, it should be particularly noted that these consist of government agencies as well as municipalities and municipally owned companies.

Customer and supplier agreements
The customer and supplier agreements that exist within the Vestum Group vary in terms of contract length, pricing, guarantees, limitations of liability and scope. Some jobs are performed at a fixed price. Agreements with a fixed price can have significant negative consequences for the portfolio company's financial position and earnings if the cost of carrying out the work significantly exceeds the fixed price. To manage this risk, Vestum closely monitors the development of material prices and other costs. Vestum also strives for the portfolio companies to have contractual protection to be able to parry issues such as increased purchase prices. There are also customer and supplier agreements within the Vestum Group that are not formalised in writing but where the parties instead rely on oral agreements and common practice between the parties. The content of such agreements can be difficult to pin down if it turns out that the parties disagree about their agreement, which can lead to strained relationships and costly disputes.

Dependence on key people
Vestum is dependent on certain key people, both within the Group Management and in the subsidiaries. To attract and retain these key people, Vestum offers market-based salaries. Vestum also offers key people the opportunity to participate in incentive programs.

BOARD OF DIRECTORS

Conny Ryk

Chairman

Year of birth: 1983

Elected: Chairman since 2023

Committee work: Chair of the Remuneration Committee

Main education:
Upper secondary school (economics)

Work experience (selection):
Founder and CEO, Vestum
Founder and CEO, Sortera AB
Founder and CEO, RYK GROUP
Board member, Norsk Gjenvinning

Other assignment:
Board member, RYK GROUP

Holdings in Vestum (including related parties):
67,000,000 shares
630,176 warrants of series 2021/2025
1,015,961 warrants of series 2022/2025

Independence: Independent in relation to the company, its management and larger shareholders

Johan Heijbel

Board member

Year of birth: 1975

Elected: Board member since 2016

Committee work: Chair of the Audit Committee

Main education:
Independent courses in business administration and law

Work experience (selection):
CEO, Novestra
CFO, Qbranch

Other assignments:
CFO, Strax

Holdings in Vestum (including related parties):
435,435 shares

Independence: Independent in relation to the company, its management and larger shareholders

Per Åhlgren

Board member

Year of birth: 1960

Elected: Board member since 2019 (chairman 2019-2023)

Main education:
Master of Science (M.Sc.), Business administration

Work experience (selection):
Founder, Mangold Fondkommission
Founder, GoMobile nu

Other assignments:
Chairman, Mangold Fondkommission
Board member, GoMobile nu
Board member, Bong

Holdings in Vestum (including related parties):
23,046,923 shares

Independence: Independent in relation to the company, its management and larger shareholders

Anders Rosenqvist

Board member

Year of birth: 1968

Elected: Board member 2021

Committee work: Member of the Audit Committee

Main education:
Elementary school

Work experience (selection):
Founder, Rosenqvist Gruppen
Founder, Rosenqvist Entreprenad

Other assignments:
CEO and board member, Rosenqvist Gruppen

Holdings in Vestum (including related parties):
30,000,000 shares

Independence: Independent in relation to the company, its management and larger shareholders

Helena Fagraeus Lundström

Board member

Year of birth: 1981

Elected: Board member since 2021

Committee work: Member of the Remuneration Committee

Main education:
Master of Science (M.Sc.), Engineering Physics

Work experience (selection):
Chief Strategy Officer, Solkompaniet
Chief Sustainability & Strategy Officer, X Shore
Head of Via Summa, Summa Equity

Other assignments:
CEO, T.Loop AB
Board member, Renall AB

Holdings in Vestum (including related parties): -

Independence: Independent in relation to the company, its management and larger shareholders

Siri Hane

Board member

Year of birth: 1984

Elected: Board member since 2023

Committee work: Member of the Audit Committee

Main education:
Master of Science (M.Sc.), Business

Work experience (selection):
Director Business Insight, Enento Group
Head of Consumer, Collector Bank
CEO, Lendo

Other assignments:
CEO, VIEW Group Sverige
Board Member Duunitori Oy

Holdings in Vestum (including related parties): -

Independence: Independent in relation to the company, its management and larger shareholders

MANAGEMENT




Simon Göthberg

CEO

Year of birth: 1989

Main education:
Bachelor's Degree, Finance

Work experience (selection):
Deputy CEO & Head of M&A, Vestum
Private Equity, Helix Kapital
Investment Banking, Danske Bank

Other assignments: –

Holdings in Vestum (including related parties):
13,807,746 shares
84,485 warrants of series 2021/2025
135,959 warrants of series 2022/2025

Olof Andersson

CFO

Year of birth: 1981

Main education:
Master of Science (M.Sc.), Business & Economics

Work experience (selection):
CFO, Max Burgers
CFO, KVD
Vice President of FP&A, Klarna

Other assignments: –

Holdings in Vestum (including related parties):
13,530,000 shares
84,485 warrants of series 2021/2025
135,959 warrants of series 2022/2025

Olle Nykvist

General Counsel

Year of birth: 1984

Main education:
LL.M.

Work experience (selection):
Board member, Vestum
Partner/lawyer, Cirio Law Firm
Group Legal Counsel, Ericsson
Associate Judge, Svea Court of Appeal

Other assignments: Chair-man, Selma Legal AB
Chairman, Eida Systems AB

Holdings in Vestum (including related parties):
13,600,000 shares
84,485 warrants of series 2021/2025
135,959 warrants of series 2022/2025

Mattias Hellner

Head of Business Oparations

Year of birth: 1977

Main education:
Master of Science (M.Sc.), Industrial Engineering & Management. Doctor of Philosophy (Ph.D.) Supply & Operations Management

Work experience (selection):
Division manager, Vestum
CEO, Starke Arvid AB.
Several board assignments within the Indutrade group and in privately owned companies

Other assignments: Board member, Brålanda Industri AB

Holdings in Vestum (including related parties):
21,218 aktier
32,096 warrants of series 2022/2025
60,000 warrants of series 2023/2026

5 SUSTAINABILITY REPORT

SUSTAINABILITY AS CORE BUSINESS

Vestum's group companies consist of market leading specialists with extensive experience in providing services and products to critical infrastructure.

Vestum's subsidiaries operate in industries that are facing necessary and extensive transformations in the coming years, both by adapting their operations to reduce their own climate impact and by working on climate adaptations.

A significant part of Vestum's operations focuses on climate adaptations and energy-efficient measures as part of their core business. Examples of this include various types of insulation, installation of energy-efficient equipment and water-saving fixtures, as well as energy-efficient light sources, which help reduce energy consumption and climate impact. Within the group, we also have companies that lay railway tracks, enabling sustainable transportation.

Companies within the Water segment offer products and services that improve water infrastructure and enable the efficiency of energy and water consumption. The demand for our products is high, especially in the United Kingdom, where the water infrastructure is outdated and underinvested. Inadequate infrastructure drives the demand for quick solutions during extreme weather, such as removing water with electric pumps during floods.

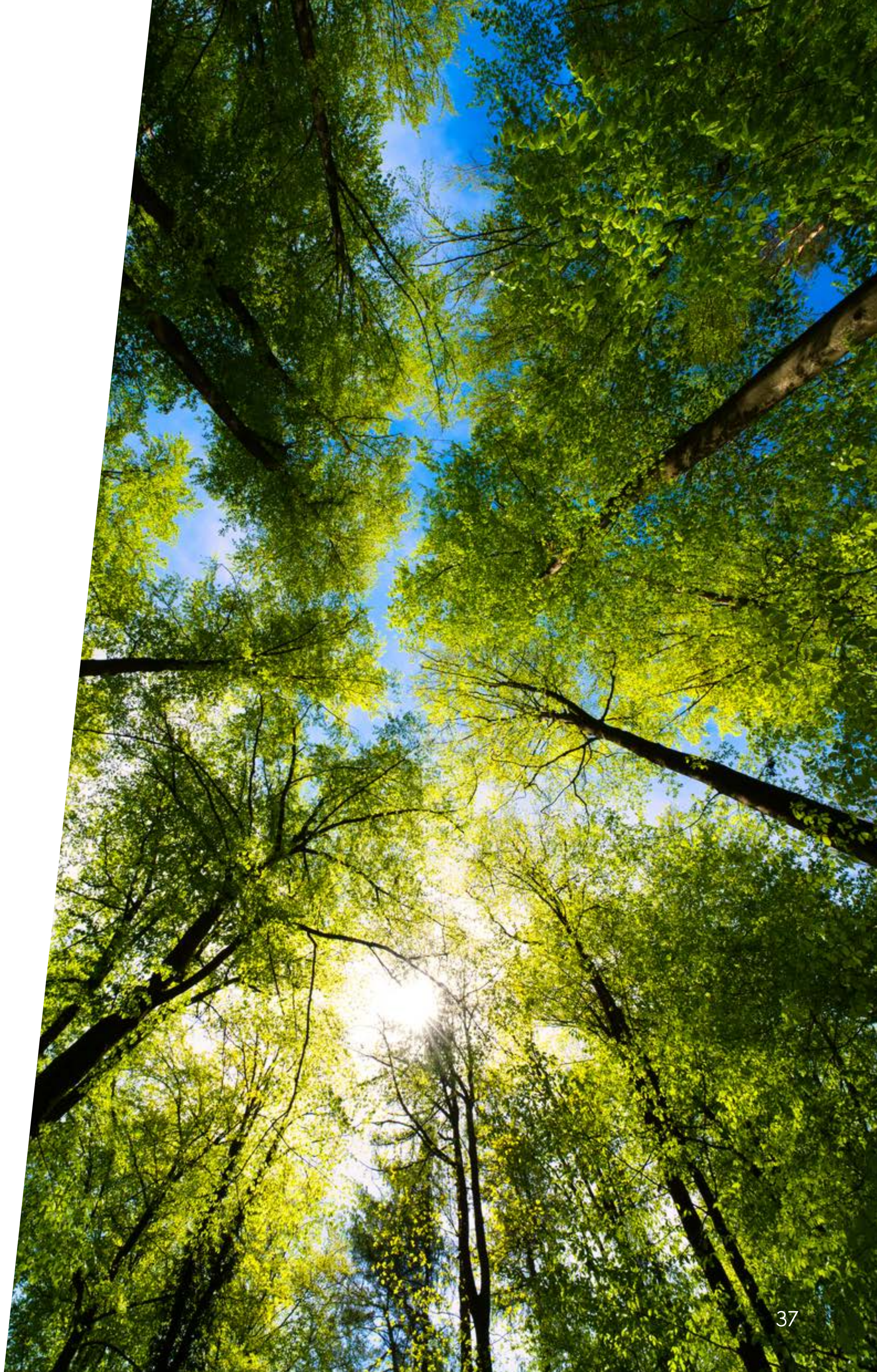
Vestum conducts active sustainability work while developing our business strategies to meet external demands. Vestum strives to be a leading force for a more sustainable future by proactively and effectively addressing these challenges. Through necessary adaptations and investments, we position ourselves to meet future demands and create long-term value for both our stakeholders and society at large.

CSRD

We continuously stay updated on the development of CSRD and follow current guidelines. We plan to start reporting according to the new guidelines from the reporting year 2025.

The new directive means that companies covered by it must report according to the European Sustainability Reporting Standards (ESRS), which include more reporting points than Vestum has previously reported on. To facilitate the transition to the new reporting standard, we have gradually implemented selected metrics from ESRS in internal reporting during 2024. In doing so, we have improved our reporting and increased the quality of the data our customers demand. By providing our customers with more data, our companies can increase their attractiveness and create more business opportunities.

In 2024, we expanded our internal quarterly reporting to include scope 1 and scope 2 emissions. By doing so, we have had the opportunity to improve the quality of our reporting and identify negative trends early.



Governance of sustainability work in the Vestum Group

Governing documents, monitoring and a clear organisational responsibility form the cornerstones of Vestum's Group-wide sustainability governance. Our goal is to work in a systematic and structured way to reach our long-term sustainability targets. Vestum has been a member of the UN Global Compact since 2022, which means that we follow the ten principles in the areas of human rights, labor law, environment, and anti-corruption, as well as the global sustainability development goals.

Vestum has a Group-wide code of conduct and a supplier code of conduct. The codes of conduct provide guidance on how to behave responsibly regarding environmental issues, human rights, diversity and non-discrimination, regulatory compliance, bribery, and conflicts of interest. The codes of conduct are communicated to all companies within the group.

The supplier code of conduct conveys the sustainability requirements we place on our suppliers, who in turn further convey the requirements to their subcontractors. It is of the utmost importance to Vestum that regulations are complied with and that business ethics within the Group are high. Vestum has a Group-wide whistleblower service that is administered by an external party, which gives anyone the opportunity to report any misconduct.

Vestum's companies have their own sustainability strategies, policies and work processes. These are integrated into the companies' operational management systems, several of which have been certified by third parties. Third-party review is becoming more common and contributes to a clearer structure, better communication, and promote continuous improvement. Several of Vestum's businesses have ISO certifications for environment (ISO 14001), quality (ISO 9001) and work environment (ISO 45001).

Governing documents

Vestum's Board has adopted the following Group-wide sustainability-related governing documents

- Code of conduct
- Supplier code of conduct
- Sustainability policy
- Anti-corruption policy
- AML & CTF policy
- Sanctions policy
- Competition policy

Integrating sustainability work into new acquisitions

One of Vestum's acquisition criteria is that the company shares our values regarding, among other things, long-term profitability, decentralised decision making, and sustainability. Upon acquisition, the company becomes part of Vestum's overall sustainability work, and a sustainability responsible is appointed to oversee the company's sustainability reporting.

Management of Vestum's sustainability work

Vestum's Board sets the overall sustainability strategy with clear objectives, follow-up measures and performance measurement.

Vestum's CEO has the overall responsibility for integrating sustainability work into Vestum's overall business strategy and ensuring the management of sustainability risks within the group.

Vestum's division managers, in their capacity as chairman of the board in Vestum's companies, are responsible for controlling sustainability risks, exploiting opportunities within sustainability work and carrying out sustainability follow-up.

Vestum's ESG Manager conducts Group-wide sustainability work and supports Vestum's companies in their sustainability work.

Vestum's sustainability risks

Vestum operates in industries with an increased risk of work-related accidents. We see that if our reputation for having a good work environment is damaged, there is a risk that we could have difficulties recruiting competent personnel. We continuously carry out preventive work and training to create a safe working environment for our employees.

A changing climate brings potential risks that could have a negative impact on Vestum. Physical risks linked to the climate include weather phenomena such as floods, drought and increased wind.

Changes in weather conditions can affect our companies' operations directly, but also indirectly through possible material and raw material shortages linked to natural disasters and other events in our supply chains.

We see that there is a transition risk linked to our business. As customers have higher expectations for sustainable operations, there is a risk that we will not have time to adjust our operations to meet our customers' requirements. This could mean that we lose important customers and business.

MATERIALITY ASSESSMENT

Vestum's work in the sustainability area is based on our materiality assessment and the expectations that our primary stakeholders have on us.

We maintain a continuous dialogue with our primary stakeholders to build and nurture strong, long-term relationships and to stay well-informed about their needs and expectations.

Our materiality assessment is based on active dialogue with our stakeholder groups. The sustainability matters identified through these conversations form the foundation for the group's overall sustainability work. This strategy enables a clear focus on the areas that are most relevant and important to our stakeholders and to our operations.

Update of Materiality Assessment and Reporting 2024

Following the divestments announced in the autumn of 2024, we have updated our materiality assessment to better reflect the new organisation. This updated assessment has been tailored to the remaining organisation, leading to some changes in the material areas. The most significant change is that biodiversity is no longer a focus area, as the companies with the greatest impact on biodiversity have been divested. We do not believe that any of the remaining companies in the group have a significant enough impact on biodiversity to make it a material matter for the entire group.

The materiality assessment is based on double materiality, which means that both consequential and financial materiality are considered. For a topic to be considered material for the group, we have chosen to use a threshold value of 16%. This means that an issue must affect or be affected by 16% of the group's total revenue to be considered material for the group. Before making the initial assessment of which topics are potentially material, we reviewed all companies and their value chains to identify if there was any impact significant enough to be considered material, even if it was affected by companies accounting for less than 16% of the group's total revenue. We could not identify any such impact in the value chain of any of the group's companies. The materiality assessment will be updated as needed and may change in the future.

The threshold value has been developed together with advisors from Position Green. If a topic can be linked to 16% of the group's total revenue, an assessment is made of the extent of the impact, where the impact occurs, who is affected, the likelihood of the impact occurring, and how easy or difficult it is to remedy the damage. This evaluation has been carried out using Position Green's tool for double materiality assessment. Topics that have an impact on human rights have a lower threshold value to be considered material.

We started reporting on selected metrics from ESRS as early as 2023 and began reporting on scope 1 and scope 2 emissions on a quarterly basis during 2024. Through these measures, we have both established a reporting routine for the new metrics and had the opportunity to identify challenges in the reporting process.

Materiality assesment

- Working conditions in the value chain
- Pollution
- Waste
- Corruption and bribery
- Protection of whistle-blowers
- Climate change mitigation
- Energy
- Health and safety
- Equal treatment and opportunities for all

Focus

Administer, fulfill and monitor

Vestum's primary stakeholders

Internal
- HR
- Sustainability
- Finance
- Procurement
- CEO and management group

External
- Customers
- Investors
- Municipalities
- Suppliers
- Nature

SHORT AND LONG-TERM TARGETS

Vestum has sustainability targets in five areas: workplace environment, gender equality, skills recruitment, climate and biodiversity.

The purpose of Vestum's sustainability targets is to provide clarity for stakeholders, both internal and external, regarding our sustainability work. The targets extend to 2040, with interim targets for 2026, and focus on areas that are deemed particularly important from a sustainability perspective based on Vestum's operations. We will review and adjust our targets to align with the new sustainability reporting guidelines during 2025.

Workplace environment

The framework for Vestum's operations includes jobs that are physically challenging or expose workers to other forms of increased risk. Work environment issues therefore have the highest priority within Vestum, and we operate based on a zero-accident vision within the group.

- By 2026, Vestum shall have established, through active measures and educational efforts, a group-wide structure and culture that ensures both accurate reporting of incidents and accidents and encourages individual employees to speak up if the work environment is perceived as unsafe.
- By 2040, Vestum shall eliminate serious work accidents.

Gender equality

Utilising all available talent and providing an equal and inclusive workplace are key components to Vestum's success. Vestum operates in sectors with a general need for increased gender equality, which Vestum wants to contribute to actively.

- By 2026, Vestum shall have a minimum of 35% female managers and at least 15% female employees throughout the group.
- By 2040, Vestum shall have an even gender distribution across all employees.

Skills recruitment

Vestum aims to contribute to social sustainability by providing internship and apprenticeship opportunities. In this way, Vestum can contribute to increased employment, livelihood, and diversity, while simultaneously reducing unemployment.

- By 2026, Vestum shall have provided at least 400 internship and apprenticeship positions.
- By 2040, Vestum shall have provided at least 1,800 internship and apprenticeship positions.

Climate

Climate change is one of the greatest challenges of our time, and Vestum operates in sectors that currently contribute significantly to climate emissions. Therefore, Vestum needs to take action to reduce its adverse climate impact.

- By 2026, Vestum shall reduce CO_2e-emissions by 25% in scope 1, 2, and 3 by a total of 25% per unit of revenue to contribute to the goals of the Paris Agreement. Vestum's base year for measurement will be 2023.
- By 2040, Vestum shall achieve net-zero climate impact across scope 1, 2, and 3 emissions.

VESTUM'S WORK WITH THE UN SUSTAINABLE DEVELOPMENT GOALS

Vestum is actively working on four of the UN sustainable development goals. The four goals that we are actively working on have a clear connection to our sustainability targets. We operate in a broad industry and therefore have a direct impact on another three targets.

Decent work and economic growth
8.5 Achieve full and productive employment and decent work for all women and men with equal pay for work of equal value
8.6 Substantially reduce the proportion of youth not in employment, education or training
8.8 Protect labor rights and promote safe and secure working environments for all workers

Gender equality
5.1 End all forms of discrimination against all women and girls
5.5 Ensure women's full and effective participation and equal opportunities for leadership and decision-making

Climate action
13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters

We also work with...

Clean water and sanitation
6.3 Improve water quality and wastewater treatment and increase reuse
6.4 Increase water-use efficiency and a safe water supply

Partnership for the goals
17.16 Strengthen domestic resource mobilisation

Industry innovation and infrastructure
9.1 Develop quality, reliable, sustainable and resilient infrastructure

OUTCOME FOR VESTUM'S SHORT-TIME GOALS

Vestum's short-term goals	Outcome 2024	UN Sustainable Development Goals
By 2026, Vestum shall have established, through active measures and educational efforts, a group-wide structure and culture that ensures both accurate reporting of incidents and accidents and encourages individual employees to speak up if the work environment is perceived as unsafe.	LTIFR[1] 11.1	8 Decent work and economic growth
By 2026, Vestum shall have a minimum of 35% female managers and at least 15% female employees throughout the company.	33% female managers 9% female employees throghout the company	5 Gender equality
By 2026, Vestum shall have provided at least 400 internship and apprenticeship positions.	200 internships and apprenticeship positions	8 Decent work and economic growth
By 2026, Vestum shall reduce CO_2e-emissions by 25% in scope 1, 2, and 3 by a total of 25% per unit of revenue.	Ton Co_2e Scope 1 4,350 Scope 2 641 Scope 3 69,430	13 Climate action

[1] LTIFR (Lost Time Injury Frequency Rate) refers to the number of accidents leading to absence per 1,000,000 hours worked.

BUSINESS ETHICS AND REGULATORY COMPLIANCE

Business ethics and regulatory compliance are important to maintain trust from customers, employees, the public and other stakeholders.

Business ethics and fair competition

Fair competition and reliability are essential for maintaining long-term relationships with customers. The use of unfair or illegal anti-competitive measures, collusion with unethical business partners and acting contrary to the best interests of the project or the company all constitute business risk and can damage our reputation. Vestum applies zero tolerance to bribery and there must never be any doubt over the business legitimacy of representation.

Acquisition model and Group-wide interest

Vestum's acquisition model with a focus on values and shared ownership strengthens the Group's common interest in business ethics and anti-corruption. Our stance on ethics and anti-corruption is outlined in Vestum's code of conduct and code of conduct for suppliers, which are applied throughout the Group.

Suppliers and subcontractors

The same requirements that Vestum places on its own operations are also applied to Vestum's suppliers and subcontractors. The supplier code of conduct emphasises the importance of maintaining business ethics and ensuring that products and services are procured under environmentally and socially responsible conditions.

Whistleblower service and reporting

Vestum's whistleblower service makes it possible to anonymously report any deviations from ethical principles and other irregularities. Those making a report are not required to present evidence to back up their suspicions, but are expected to act in good faith. All reports are thoroughly investigated before the appropriate action is taken. In 2024, we did not have any reported cases come in via the whistleblower service.

Data integrity and data management

Ensuring confidentiality and integrity is crucial when handling customer and personal data. Processing data in a correct, legal and fair way includes complying with the General Data Protection Regulation (GDPR). With an increased risk of data breaches, continuous work is carried out to maintain sufficient levels of protection.

CLIMATE AND ENVIRONMENT

Vestum's long-term target is to achieve net zero climate impact by 2040, while our short-term interim target is to reduce our CO_2e emissions by 25% per unit of revenue by 2026.

A first step to reduce our climate impact is to map where in the value chain our emissions occur. We use the Green House Gas Protocol (GHG Protocol) to calculate emissions.

As part of the emissions mapping, we implemented selected metrics from ESRS in the 2023 reporting. In 2024, we began reporting scope 1 and scope 2 on a quarterly basis. Through quarterly reporting, we have been able to identify misreporting and follow up on the reporting, making it easier to detect negative trends.

Reporting of Greenhouse Gas Emissions (GHG)

We have initially chosen to report on five categories within scope 3, considering where Vestum as a group has its greatest impact. We see that 93% of our emissions are generated within scope 3, and 93% of the emissions in scope 3 come from the category of purchased goods and services. The companies have, on average, reported 84% of the financial value of purchased goods and services, based on the purchases with the largest climate footprint.

Vestum's greatest climate impact occurs in our value chain, and during 2024, our emissions in scope 3 have increased. The largest increase has occurred in category 1, which is our purchased goods and services. This can be explained by the fact that we have increased the proportion of purchases reported and that we have obtained better quality on collected data. Many of our suppliers now have greater capabilities to provide supplier-specific data related to purchases compared to last year. We have seen that many suppliers still have a long way to go before they can deliver reliable data. The new data we have received from suppliers has, in some cases, shown a larger footprint compared to the average or expenditure-based data we used in 2023.

Just like Vestum, many of our suppliers will soon be covered by CSRD, and therefore we expect data quality to improve as suppliers obtain better climate data on their products and services. By working with our suppliers and setting requirements, we hope to obtain more high-quality data. For us, high quality means that the data comes from direct measurement or calculation of emissions from an Environmental Product Declaration (EPD).

During the year, there have been increases in the footprint related to the group's electricity consumption. The increase can be attributed to two factors: firstly, we had a 6% higher electricity consumption in 2024 compared to 2023, but the largest increase is linked to the fact that the average emission factor we used for most companies this year has a higher proportion of fossil origin in the electricity mix than the average emission factor we used last year. This is a result of a smaller amount of nuclear power in the average mix.

Waste

During the year, we have worked on identifying where we have challenges with our waste. We have noted that we can improve our waste management by sorting the waste into more fractions, which would increase the opportunities for recycling and reuse. During the year, emissions related to our waste have decreased by 84%, mainly due to fewer construction projects with large volumes of waste.

Waste hierarchy

We work to improve our waste management by following the principles of the waste hierarchy in our operations. To reduce the amount of waste, we start by limiting the purchase of materials for projects. The next step is to reuse materials as much as possible. After that, we focus on recycling materials, and what cannot be recycled is converted into energy through incineration. If the material is not suitable for energy recovery, it is handled as landfill.

Calculation according to the GHG Protocol

Vestum applies the GHG Protocol to quantify and report our emissions of greenhouse gases linked to our operations.

The framework of the GHG Protocol divides the impact into three different scopes, based on the degree of control the reporting company has over the emissions.

Scope 1 covers emissions where the company has direct and significant control opportunities, which include:

- Fugitive emissions
- Mobile combustion
- Stationary combustion

Scope 2 covers indirect emissions arising from the company's consumption of:

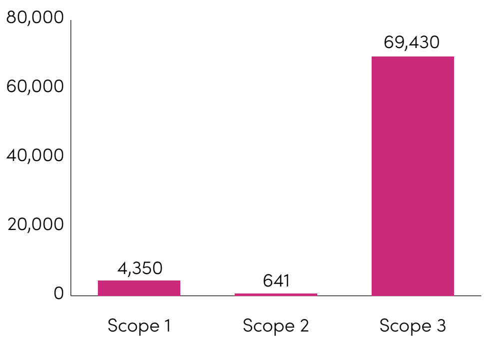
- Purchased electricity
- Purchased heating

Scope 3 covers the emissions that occur before and after our own operating processes in the value chain. Vestum initially focuses on five categories in Scope 3:

- Purchased goods and services
- Upstream transportation and distribution
- Waste generated in operations
- Upstream leased assets
- Fuel and energy-related emissions linked to reported data.

The categories in Scope 3 have been selected based on where in the value chain Vestum has the biggest impact.

Tonnes CO_2e scope 1, 2 and 3



Scope 1	2024	2023	Change (%)
Mobile combustion	3,989	3,877	2.9
Stationary combustion	361	355	1.6
Fugitive emissions	0	24	-100.0
Sum	**4,350**	**4,257**	**2.2**
Scope 2			
Purchased electricity (Market-based)	563	385	46.2
Purchased electricity (Location-based)	80	72	10.1
Purchased heating (Market-based)	78	90	-12.4
Purchased heating (Location-based)	43	0	-
Sum (Market-based)	**641**	**475**	**35.1**
Sum (Location-based)	**123**	**72**	**69.5**
Scope 3			
Purchased goods and services	64,467	57,436	12.2
Upstream transportation and distribution	3,698	3,725	-0.7
Fuel and energy-related emissions	1,129	1,007	12.1
Waste generated in operations	130	834	-84.4
Upstream leased assets	6	6	2.9
Sum	**69,430**	**63,007**	**10.2**
Sum scope 1, 2 och 3 (Market-based)	**74,422**	**67,738**	**9.9**
Sum scope 1,2 och 3 (Location-based)	**73,903**	**67,336**	**9.8**

The CO2e emissions for 2024 amounted to 194.95 tCO_2e/MEUR

The CO2e emissions for 2023 amounted to 176.05 tCO_2e/MEUR

Enablers and climate adaptation

Vestum's companies operate in industries that have a big impact on the climate. Many of our companies also carry out different types of work that enable climate-improving activities and climate adaptations.

Several of Vestum's companies have sustainability as a natural part of their core business and work as enablers. Some examples of this are companies working with railroad tracks, insulation, and energy efficiency improvements.

Climate adaptation involves preparing society for the challenges associated with a changing climate. Our companies implement various climate adaptation measures, such as installing water pumps to mitigate floods, irrigation systems to address drought, and ground reinforcement measures to mitigate risks of erosion or landslides.

Continued work

In 2025, we will focus on identifying areas where we can make the greatest difference, both in the short and long term. By prioritising these areas, we can maximise our positive impact and ensure that our efforts are effective and sustainable.

We will also review and adjust our targets to align with the new sustainability reporting guidelines, which strengthens our position in sustainability. Through systematic follow-up and development, we strive to make well-founded strategic decisions. We believe that an increased focus on sustainability will strengthen our companies and make them more competitive.

By integrating sustainability as a core principle, we aim to reduce our impact and position our companies as leaders in their industries, creating a stable foundation for a sustainable and future-proof business.

SOCIAL RESPONSIBILITY

In an industry with significant risks for workplace accidents, Vestum has made occupational safety a central part of the company's commitment.

A step towards achieving our long-term target of having no serious workplace accidents is to clearly emphasize the need for occupational safety training for our employees. Vestum, together with the Construction Industry Training Center, has therefore given all companies in the group the opportunity to undergo occupational safety training. These trainings are provided by Vestum at the group level. By improving risk awareness, implementing best practices, and promoting preventive measures, Vestum strives to reduce the number of workplace accidents and create a safe working environment where every employee can thrive and perform at their best.

At Vestum, we use the Lost Time Injury Frequency Rate (LTIFR) to report accidents. LTIFR shows reported work injuries that have led to at least one day of absence per 1,000,000 hours worked. During the year, the number of work-related injuries has increased compared to the previous year. We have had more reported accidents in 2024, which can be explained by better reporting as well as an actual increase in accidents. All accidents are carefully followed up, and the companies' boards continuously and actively work on workplace safety issues.

Several of our operations have comprehensive work environment processes, where health, well-being, and employee development are monitored. Some of our companies have also had their work environment efforts certified by third parties.

Vestum employs approximately 1,500 people, and for us, it is important to leverage the competence of each employee, ensuring that everyone feels engaged and essential to the business. We strongly believe that the key to this lies in offering equal opportunities for development to all employees, both at the company and group level

Diversity and Gender Equality

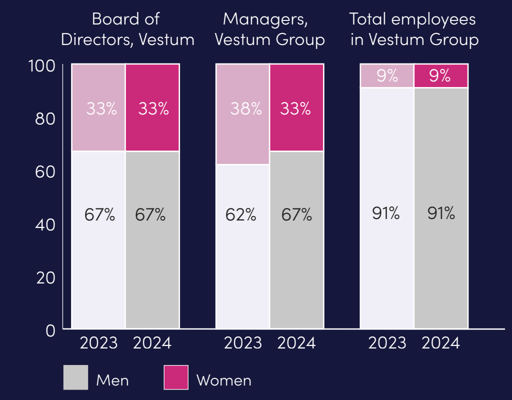
Vestum is committed to creating a more gender-equal workplace in industries where women have traditionally been underrepresented. We believe that a workplace characterised by equality and inclusion not only promotes innovation but also strengthens our competitiveness.

Despite the decrease in the proportion of women in leadership positions this year, partly due to the divestment of companies in 2024, we continue to work towards increasing the presence of women within the group. We are visible in schools and offer apprenticeships to attract more women to the industry. Our goal is to always include both female and male candidates in all recruitment processes.

In a male-dominated industry, it is particularly important to retain our female employees. One of the reasons women leave the construction industry is the lack of other women. By attracting female talent, we can create positive development and a work environment where everyone thrives and contributes to the company's success.

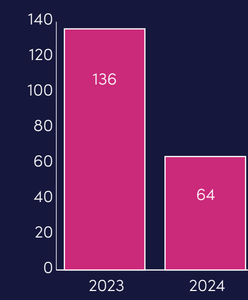
Gender equality

Gender distribution as of December 31, 2024



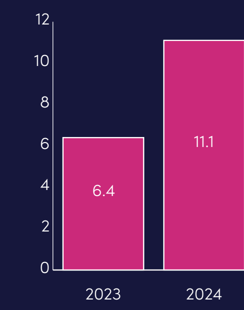
Skills recruitment

Internship and apprenticeship positions 2024 (accumulated 64 positions during the year)



Work environment, LTIFR

Serious accidents during 2024[2] (27 accidents)



1) Managers in the Vestum Group refers to employees at Group level with personnel or functional responsibilities as well as the CEO and CFO of Vestum's operating companies.
2) A serious accident refers to work-related accidents that lead to at least one day of medical leave.
3) LTIFR (Lost Time Injury Frequency Rate) refers to the number of accidents leading to absence per 1,000,000 hours worked.

EU TAXONOMY REGULATION

EU's Taxonomy Regulation is a classification system for sustainable economic activities, consisting of six environmental objectives. A business must substantially contribute to one objective while not significantly harming any of the other objectives to be considered environmentally sustainable.

Vestum shall report on and to what extent its activities are covered by and compatible with the taxonomy, thus being environmentally sustainable. Vestum has interpreted the requirements of the Taxonomy Regulation and associated delegated acts in accordance with current guidelines from the European Commission. Vestum's ambition is to increase the proportion of its operations that meet the taxonomy, initially by obtaining more information and data to substantiate compatibility.

Assessment of compliance with the taxonomy

Vestum delivers specialised services and products to commercial properties as well as civic infrastructure within water technology, land and construction, railways and other infrastructure. In addition, Vestum has a large fleet of vehicles and owns real estate. Vestum has identified seven economic activities in the delegated acts where the description of operations matches our operations. To be compliant, the respective economic activity must meet technical screening criteria for whether it makes a substantial contribution to at least one of the environmental objectives while at the same time not harming any of the other environmental objectives. The activities must also be carried out in line with so-called minimum safeguards. An assessment regarding minimum safeguards was carried out at Group level.

An economic activity can make a substantial contribution to more than one environmental objective. Vestum's assessment is that our operations only contribute to climate change mitigation. As Vestum owns companies across several industries, the collection of data has been carried out in different ways for the various economic activities. Information has been collected by reviewing invoices and account analyses, as well as orders and project files.

From 2023, the number of environmental objectives has expanded from two to six. Vestum has assessed that we do not substantially contribute to any of the added environmental objectives since there is insufficient evidence to substantiate that the contribution is substantial.

Vestum's assessment has been limited by a lack of supporting evidence for assessing whether the economic activities meet the technical screening criteria, especially regarding not causing any significant harm. Vestum often serves as a subcontractor on projects where it is not yet common practice to carry out climate risk assessments and environmental impact assessments. When it comes to major infrastructure projects such as the construction of railways, subways, bicycle lanes and footpaths, those types of assessments are already being conducted and thus we have been able to assess compliance regarding the economic activities "6.13 Infrastructure for personal mobility, cycle logistics" and "6.14 Infrastructure for rail transport".

Minimum safeguards

Minimum safeguards are procedures implemented to ensure that the operation and its value chain are conducted in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the ILO's eight conventions.

Vestum supports the UN's principles for human rights and is a member of the UN's Global Compact and follows its ten principles in the areas of human rights, labour, environment and anti-corruption. We have governing documents and processes to ensure that the company acts according to business ethics guidelines. Vestum's Group-wide code of conduct and code of conduct for suppliers clarify Vestum's position regarding business ethics and human rights. Vestum also has policies for fair competition and anti-corruption. Vestum has internal governing documents regarding the handling of taxes to ensure that we handle tax matters in a correct manner. Tax issues are also included in an annual risk assessment that forms the basis of our internal control.

Activities	Alignment assessments	Substantial Contribution	Do No Significant Harm
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	Vestum's car fleet consists of electric cars, hybrid cars and conventional cars that use different fuels such as HVO, diesel and petrol. Some of the cars are alternatives to fossil-fuel transports and are therefore deemed to be aligned with the taxonomy by significantly contributing to mitigating climate change. We have not been able to assess compliance with the technical screening criteria, especially regarding not causing significant harm, as we lack certain required documentation such as types of tires.	We have not been able to assess whether our operations contribute significantly to any of the six environmental objectives according to the technical screening criteria because we lack data to support this.	We have been unable to ensure that we do not cause significant harm according to the technical screening criteria, as we lack the necessary basis for making this assessment. Climate risk analyses are conducted for minor projects and services. However, as a practice, these are typically performed only for major projects, in which we did not participate during 2024.
6.13 Infrastructure for personal mobility, cycle logistics 6.14 Infrastructure for rail transport	Within the Infrastructure segment, Vestum works on projects within in land and construction, railways and other infrastructure. Vestum's operations include building and maintaining railways, subways, footpaths and cycle lanes that provide alternatives to fossil-fuel transports and are therefore judged to be aligned with the taxonomy by significantly contributing to mitigating climate change.	In 2024, Vestum participated in construction projects to create sidewalks/cycle lanes and pedestrian areas, installations for electric charging and hydrogen refuelling, as well as the construction of subway tracks. These economic activities are thus deemed to significantly contribute to mitigating climate change.	The projects are often large and comprehensive and usually include environmental impact assessments and climate risk assessments. For the projects that Vestum participated in during 2024, environmental impact assessments were carried out, including climate risk assessments, from which we assess that the turnover from these projects is compliant with the taxonomy.
7.3 Installation, maintenance and repair of energy efficiency equipment 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings 7.6 Installation, maintenance and repair of renewable energy technologies	Vestum offers services and products for renovation, conversion, and extension primarily for commercial properties. This includes the installation, maintenance, and repair of energy-efficient equipment such as insulation, replacing older lighting with new LED lighting, and techniques for measuring energy performance. These activities are therefore considered to be covered by the taxonomy to significantly contribute to the mitigation of climate change. We have not been able to assess compliance with the technical screening criteria regarding not causing significant harm as we lack the necessary data. Our clients do not conduct climate risk analyses as it often involves smaller contracts and renovations.	In 2024, Vestum has worked on various energy efficiency projects. These economic activities are considered to significantly contribute to the mitigation of climate change.	We have not been able to ensure that we do not cause significant harm according to the technical review criteria, as we lack the basis to make this assessment. Climate risk analyses are rarely performed for smaller projects and services. This is typically done only for larger projects, which we have not participated in during 2024.

Accounting principles

For the financial year 2024, Vestum will report the proportion of economic activities that are eligible and aligned with the taxonomy based on three KPIs: proportion of turnover, capital expenditure (CapEx) and operating expenditure (OpEx). Vestum's interpretations of the KPI definitions are based on the taxonomy's publications. Double counting in the KPIs is limited by the fact that Vestum only reports the scope and compatibility with an environmental objective and that the calculations are based on consolidated financial data for the entire Group.

Proportion of turnover

Proportion of net turnover derived from products or services associated with economic activities described in the taxonomy.

The numerator includes turnover from products and services associated with taxonomy activities. The denominator consists of net sales for the Group. See the Group's income statement, net sales.

Capital expenditure (CAPEX)

Proportion of capital expenditure related to assets or processes associated with economic activities described in the taxonomy.

The numerator in the calculation for capital expenditure refers to self-owned real estate and leasing of vehicles and real estate, where accounting is done according to IFRS 16 Leases. The vehicle fleet and leasing of properties are reported as right-of-use assets according to IFRS 16 and self-owned properties as tangible fixed assets. The investments included in the numerator refer to new purchases and business acquisitions, which are reported in Note 9, Leasing and in Note 14, Property, plant and equipment. Denominators include new purchases and business acquisitions of all asset classes of right-of-use assets and all asset classes of tangible fixed assets.

Operating expenditure (OPEX)

Proportion of operating expenditures relating to assets or processes associated with economic activities described in the taxonomy.

The numerator includes operating costs relating to assets or processes associated with taxonomy activities. The denominator includes direct costs that are not recorded as assets and that relate to building renovations, short-term leases, maintenance and repair, and all other direct expenses related to the daily maintenance of tangible fixed assets that are required to ensure the ongoing and efficient functioning of these assets.

Turnover

Economic activities (1)[1]		Absolute turnover (SEKm)	Proportion of turnover (%)	Substantial contribution criteria (%): Climate change mitigation (%)	Climate change adaption (%)	Water and marine resources (%)	Circular economy (%)	Pollution (%)	Biodiversity and ecosystems (%)	DNSH criteria (“Do Not Significant Harm”) (Y/N): Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and eco-systems (Y/N)	Minimum safeguards (Y/N)	Taxonomy aligned proportion of turnover, year 2024	Taxonomy aligned proportion of turnover, year 2023	Category (enabling activity or) (E)	Category (transitional activity) (T)
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Infrastructure for personal mobility, cycle logistics	6.13	2	0%	100%						Y	Y	Y	Y	Y	Y	Y	0%	2%	E	
Infrastructure for rail transport	6.14	384	9%	100%						Y	Y	Y	Y	Y	Y	Y	9%	3%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**386**	**9%**														**9%**	**4%**		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Installation, maintenance and repair of energy efficiency equipment	7.3	233	5%																	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	3	0%																	
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	73	2%																	
Installation, maintenance and repair of renewable energy technologies	7.6	-	-																	
Total (A.1 + A.2)[4]		**694**	**16%**																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities (B)		3,552	87%																	
Total (A + B)		**4,246**	**100%**																	

In 2023, the absolute turnover amounted to SEK 5,762 million, not adjusted for discontinued operations according to IFRS 5, of which 4 percent was taxonomy-eligible.

CAPEX

				Substantial contribution criteria (%)						DNSH criteria ("Do Not Significant Harm") (Y/N)										
Economic activities (1)[1]		Absolute CapEx (SEKm)	Proportion of CapEx (%)	Climate change mitigation (%)	Climate change adaptation(%)	Water and marine resource (%)	Circular economy(%)	Pollution (%)	Biodiversity and ecosystems (%)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and eco-systems (Y/N)	Minimum safeguards (Y/N)	Taxonomy-aligned proportion of CapEx, year 2024	Taxonomy aligned proportion of CapEx, year 2023	Category (enabling activity) (E)	Category (transitional activity) (T)
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0**	**0%**														**0%**	**0%**		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	70	35%																	
Acquisition and ownership of buildings	7.7	63	32%																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																				
Total (A.1 + A.2)[2]		**133**	**67%**																	
B.TAXONOMY-NON-EGIBLE ACTIVITIES																				
CapEx of Taxonomy-noneligible activities (B)		65	33%																	
Total (A + B)		**198**	**100%**																	

In 2023, the absolute capital expenditures amounted to SEK 259 million, not adjusted for discontinued operations according to IFRS 5, of which 0 percent was taxonomy-eligible.

OPEX

Economic activities (1)[1]		Absolute OpEx (3) (SEKm)	Proportion of OpEx (%)	Substantial contribution criteria (%)						DNSH criteria ("Do Not Significant Harm") (Y/N)										
				Climate change mitigation (%)	Climate change adaptation (%)	Water and marine resources (%)	Circular economy(%)	Pollution (%)	Biodiversity and ecosystems (%)	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards (Y/N)	Taxonomy aligned proportion of OpEx, year 2024	Taxonomy aligned proportion of OpEx, year 2023	Category (enabling activity (E)	Category (transitional activity) (T)
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
Infrastructure for rail transport	6.14	4	25%							Y	Y	Y	Y	Y	Y	Y	25%	0%	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**4**	**25%**														25%	0%	E	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Infrastructure for personal mobility, cycle logistics	6.13	-	-																	
Infrastructure for rail transport	6.14	-	-																	
Installation, maintenance and repair of energy efficiency equipment	7.3	0	0%																	
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	-	-																	
Installation, maintenance and repair of renewable energy technologies	7.6	-	-																	
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0	0%																	
Total (A.1 + A.2)[2]		**4**	**25%**																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy-noneligible activities (B)		11	75%																	
Total (A + B)		**15**	**100%**																	

In 2023, the absolute operating expenses amounted to SEK 19 million, not adjusted for discontinued operations according to IFRS 5, of which 0 percent was taxonomy-eligible.

6 FINANCIAL STATEMENTS AND NOTES

CONSOLIDATED INCOME STATEMENT

SEK million	Note	2024	2023
Remaining operations			
Operating income			
Net sales	5, 6	4,246	4,416
Other operating income		80	41
Total operating income		**4,327**	**4,457**
Operating expenses			
Material and purchased services		–2,145	–2,260
Other external costs	7	–368	–374
Personnel costs	8	–1,153	–1,135
Other operating expenses	15	–28	–14
Total operating expenses		**–3,695**	**–3,784**
EBITDA		**632**	**673**
Depreciation excl. acquired surplus values	9, 14	–185	–180
EBITA		**447**	**494**
Amortisation attributable to acquired surplus values	13	–283	–280
Operating profit (EBIT)		**164**	**214**
Financial income	11	25	153
Financial costs	9, 11	–219	–331
Total financial items		**–193**	**–178**
Earnings before tax		**–29**	**36**
Income tax	10	–22	–41
Profit/loss for the year from remaining operations		**–51**	**–5**
Profit/loss from divested operations	12	–144	–368
Profit/loss for the year		**–195**	**–373**

SEK million	Note	2024	2023
The profit/loss for the year attributable to:			
Parent company shareholders		–197	–374
Non-controlling interest		2	1
Average number of shares during the year, before dilution	22	375,809,468	374,978,968
Average number of shares during the year, after dilution	22	378,559,468	375,174,858
The profit/loss per share for the year attributable to:			
Remaining operations and the Parent company's shareholders, before dilution, SEK	22	–0.14	–0.02
Remaining operations and the Parent company's shareholders, after dilution, SEK	22	–0.14	–0.02
Parent company's shareholders, before dilution, SEK		–0.52	–1.00
Parent company's shareholders, after dilution, SEK		–0.52	–1.00

Consolidated statement of comprehensive income

SEK million	Note	2024	2023
Profit/loss for the year		–195	–373
Other comprehensive income			
Items that could later be reclassified to the income statement			
Exchange differences on translation of foreign operations		69	–76
Profit/loss on derivatives held for cash flow hedging		0	–
Other comprehensive income for the year		**69**	**–76**
Total comprehensive income for the year		**–126**	**–448**
Total comprehensive income for the year attributable to:			
Parent company's shareholders		–128	–449
Non-controlling interest		2	1
Total comprehensive income attributable to Parent company's shareholders, originated from:			
Remaining operations		18	–80
Divested operations		–144	–368

CONSOLIDATED BALANCE SHEET

SEK million	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets	13	5,019	5,522
Property, plant and equipment	14	189	236
Right of use assets	9	476	520
Financial assets	16	3	3
Deferred tax assets	10	11	6
Other non-current assets		4	2
Total non-current assets		**5,702**	**6,289**
Current assets			
Inventories	18	330	318
Accounts receivable	16, 17	624	867
Contract assets	5	71	134
Other current assets	16	27	59
Prepaid expenses and accrued income	19	87	118
Cash and cash equivalents	16, 20	174	345
Assets held for sale	12	610	249
Total current assets		**1,924**	**2,090**
TOTAL ASSETS		**7,626**	**8,379**

SEK million	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity			
Share capital	21	125	125
Share premium reserve		4,460	4,460
Reserves		46	–23
Retained earnings including profit/loss for the year		–723	–509
Equity attributable to the Parent company's shareholders		**3,907**	**4,053**
Non-controlling interest		22	3
Total equity		**3,930**	**4,057**
Liabilities			
Non-current provisions	24	15	21
Non-current interest-bearing liabilities	16, 23	1,654	590
Non-current lease liabilities	9	359	392
Deferred tax liabilities	10	450	512
Other non-current liabilities	16	15	61
Total non-current liabilities		**2,493**	**1,575**
Current provisions	24	2	2
Current interest-bearing liabilities	16, 23	1	1,334
Current lease liabilities	9	127	135
Accounts payable	16	311	430
Current tax liabilities		–2	7
Contract liabilities	5	40	81
Other current liabilities	16	173	351
Accrued expenses and deferred income	25	266	293
Liabilities related to assets held for sale	12	286	114
Total current liabilities		**1,204**	**2,747**
Total liabilities		**3,697**	**4,322**
TOTAL EQUITY AND LIABILITIES		**7,626**	**8,379**

For information on the Group's pledged assets and contingent liabilities, see Note 26.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK million	Equity attributable to the Parent company's shareholders					
	Share capital	Share premium reserve	Reserves	Retained earnings incl. profit/loss for the year	Non-controlling interests	Total equity
Opening balance as of January 1, 2023	**123**	**4,335**	**53**	**–136**	**3**	**4,377**
Profit/loss for the year	–	–	–	–374	1	**-373**
Other comprehensive income for the year	–	–	–76	–	–	**-76**
Transfer to other reseves	–	–	0	0	–	**-**
Total comprehensive income	**-**	**-**	**-76**	**-374**	**1**	**-448**
Transactions with owners						
Share issue	3	123	–	–	–	**126**
Issue costs	–	0	–	–	–	**0**
Incentive program 2023/2026	–	2	–	–	–	**2**
Shares attributable to non-controlling interests arising from the acquisition of subsidiaries	–	–	–	–	–1	**-1**
Total transactions with owners	**3**	**125**	**-**	**-**	**-1**	**128**
Closing balance as of December 31, 2023	**125**	**4,460**	**-23**	**-509**	**3**	**4,057**
Opening balance as of January 1, 2024	**125**	**4,460**	**-23**	**-509**	**3**	**4,057**
Profit/loss for the year	–	–	–	–197	2	**-195**
Other comprehensive income for the year	–	–	69	–	–	**69**
Transfer to other reserves	–	–	0	0	–	**-**
Cash flow hedges net of tax	–	–	0	–	–	**0**
Total comprehensive income	**-**	**-**	**69**	**-197**	**2**	**-126**
Transactions with owners						
Share issue	–	–	–	–	–	**-**
Issue costs	–	–	–	–	–	**-**
Shares attributable to non-controlling interests originated from the acquisition of subsidiaries	–	–	–	–18	17	**-1**
Total transactions with owners	**-**	**-**	**-**	**-18**	**17**	**-1**
Closing balance as of December 31, 2024	**125**	**4,460**	**46**	**-723**	**22**	**3,930**

CONSOLIDATED CASH FLOW STATEMENT

SEK million	Note	2024	2023
Operating activities			
Earnings before tax		–29	36
Adjustment for non-cash items	28	403	479
Income tax paid		–74	–73
Cash flow before changes in working capital		**300**	**442**
Changes in working capital			
Change in inventories		–10	25
Change in operating receivables		112	–30
Change in operating liabilities		–24	25
Changes in working capital		**77**	**20**
Cash flow from operating activities		**377**	**463**
Investing activities			
Purchase and sale of intangible assets	13	–3	–6
Purchase of property, plant and equipment	14	–41	–52
Acquisition of subsidiaries and activities	15	–298	–348
Divestment of subsidiaries and activities	12	68	362
Proceeds from other financial assets net		–2	0
Cash flow from investing activities		**–275**	**–45**

SEK million	Note	2024	2023
Financing activities			
Net change in borrowings	23	–286	–716
Repayments of lease liabilities	9, 23	–129	–118
Proceeds from capital increase		–1	2
Changes in other non-current liabilities		0	0
Cash flow from financing activities		**–416**	**–832**
Cash flow from remaining operations		**–315**	**–414**
Cash flow from divested operations	12	136	156
Cash flow for the year		**–179**	**–258**
Cash and cash equivalents at the beginning of the year		345	608
Cash flow for the year		–179	–258
Exchange rate difference in cash and cash equivalents		8	0
Cash and cash equivalents from divested operations		0	–6
Cash and cash equivalents at the year end	**20**	**174**	**345**
Cash flow regarding interest			
Interest paid		–162	–193
Interest received		7	14

NOTES FOR THE GROUP

Note 1 General information

Vestum AB (publ) and its subsidiaries (the Group) is an industrial group that provides services and products to civic infrastructure. Vestum AB (publ), corporate registration number 556578-2496, is based in Stockholm. The head office and principal place of business is located at Kungsgatan 26, 111 35 Stockholm, Sweden. The consolidated financial statements for the year ended December 31, 2024 (including comparative figures) were approved for issuance by the Board on March 26, 2025.

The Group's annual report on earnings, other comprehensive income and statement of financial position, as well as the Parent company's income statement and balance sheet, will be subject to approval at the Annual General Meeting to be held on May 8, 2025.

Note 2 Summary of key accounting principles

This note contains a summary of the key accounting principles that were applied during the preparation of these consolidated financial statements. These principles have been applied consistently for all years presented, unless otherwise stated. The consolidated financial statements include Vestum AB and its subsidiaries. All amounts are reported in millions of SEK (SEK million) unless otherwise stated. The information in parentheses refers to the previous year. Rounding can occur in tables and statements, which means that the stated total amounts are not always an exact sum of the rounded sub-amounts.

Basis of preparation of the financial statements

Compliance with IFRS

The consolidated accounts for Vestum AB have been prepared in accordance with the Swedish Annual Accounts Act RFR 1, Supplementary Accounting Rules for Groups, as well as International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretations Committee (IFRS IC) as adopted by the EU.

Acquisition value method

The consolidated financial statements have been prepared in accordance with the acquisition value method, except for:

- certain financial assets and liabilities, valued at fair value, and
- assets held for sale - valued at fair value less costs to sell.

New standards and interpretations with application 2025 or later

Several new standards and interpretations enter into force for financial years beginning after 1 January 2025 and have not been applied in the preparation of this financial report. These new standards and interpretations are not expected to have a significant impact on the Group's financial statements in the current or future periods, nor on future transactions.

Consolidated financial statements

Subsidiaries

Subsidiaries are those companies (including structured entities) over which the Group has a controlling influence. The Group has a controlling influence over a company when it is exposed to or is entitled to a variable return from its holding in the company and is able to affect the return by exerting its controlling influence in the company. Subsidiaries are included in the consolidated financial statements as from the date on which the controlling influence is transferred to the Group. They are excluded from the consolidated financial statements as from the date on which the controlling influence ceases.

The acquisition method is used for the reporting of the Group's business acquisitions (see Note 15). Intra-group transactions, balance sheet items and unrealised gains and losses on transactions between Group companies are eliminated. Intra-group losses can be an indication of write-downs that must be included in the consolidated accounts. The accounting principles for subsidiaries have in such cases been changed to ensure a consistent application of the Group's principles.

Discontinued operations

A discontinued operation is a significant operation or a significant portfolio of operations that have been disposed. The Group's income statement and cash flow statement for the year and the comparative year have been recalculated and include the year's discontinued operations on separate lines, Result from discontinued operations in the income statement and Cash flow from discontinued operations in the cash flow statement. Comparative figures for the balance sheet have not been recalculated. Furthermore, the balance sheet for discontinued operations that are not completed as of the balance sheet date is reported as assets held for sale and liabilities directly related to assets held for sale. The reporting of discontinued operations is in accordance with IFRS 5.

Segment reporting

The Group's operations are managed and reported primarily according to segment. Segments are consolidated according to the same principles as the Group as a whole. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The performance measures that are monitored refer to net sales and EBITA. The chief operating decision maker is responsible for allocating resources and assessing the operating segments' results. In the Group, this function is held by the CEO.

Foreign currency translation

Functional currency and reporting currency

Items included in the financial statements for the various units in the Group are valued in the currency used in the economic environment in which each company mainly operates (functional currency). In the consolidated accounts, Swedish kronor (SEK) is used, which is the Parent company's functional currency and the Group's reporting currency.

Transactions and balance sheet items

Transactions in foreign currencies are translated into the functional currency according to the exchange rates that apply on the date of transaction or the date when the items are revalued. Exchange rate gains and losses that arise from the payment of such transactions and from monetary assets and liabilities that are translated from foreign currency at the exchange rate on the balance sheet date are reported in the income statement.

Exchange rate gains and losses relating to loans and cash and cash equivalents are reported in the income statement as financial income or costs. All other exchange rate gains and losses are reported under operating income in the income statement.

Translation differences for non-monetary financial assets and liabilities, such as shares that are valued at fair value via the income statement, are reported in the income statement as part of fair value gains/losses.

Group companies

Earnings and financial position for all Group companies (none of which have a high-inflation currency as functional currency) that have a different functional currency than the reporting currency are translated into the Group's reporting currency as follows:

- assets and liabilities for each of the balance sheets are translated at the exchange rate on the balance sheet date;
- revenues and costs for each of the income statements are translated at the average exchange rate (if this average exchange rate is a reasonable approximation of the cumulative effect of the exchange rates that apply on the transaction date, otherwise revenues and costs are translated at the exchange rate on the transaction date), and
- all exchange rate differences that arise are reported under other comprehensive income.

Goodwill and fair value adjustments that arise in connection with the acquisition of a foreign business are treated as assets and liabilities within that business and are translated at the exchange rate on the balance sheet date.

Revenue recognition

The Group has diversified business operations. Revenue recognition differs depending on the type of business but is based on the principle that the Group reports revenue when it has fulfilled a performance commitment, which is when a promised product or service is delivered to the customer and the customer takes control of the product and service. Control of a performance commitment can be transferred over time or at a set time. Revenue consists of the amount that the Group expects to receive as compensation for the transferred goods or services.

Sales of products

The Group's sales of products include products for commercial properties and water infrastructure and include both framework agreements and individual agreements. The Group's customer base consists of the private sector, the public sector and consumers. In the case of a framework agreement, the agreement with the customer consists of the call-off agreement in combination with the framework agreement. The Group's performance commitments consist of providing the products specified in the agreements. Each product usually constitutes a separate performance commitment that is fulfilled when control is transferred to the customer. For product sales, the control is transferred at a point in time that usually correlates with the time of delivery. If the agreement includes special delivery terms, control passes to the customer in connection with the risk being transferred in accordance with these terms. The transaction price generally consists of a fixed price per quantity sold. Variable parts of the transaction price only occur to a negligible extent. The total transaction price is estimated at the value that the Group expects the company to accrue at the conclusion of the agreement. Invoicing is usually performed upon delivery and is normally due for payment within 30-90 days.

Revenue from service assignments

The Group generates revenue from service assignments related to installations, maintenance and various other services. Both framework agreements and individual contracts are used. Revenue for these services is reported over time.

When the Group reports revenue on service assignments, a forecast is made in which the Group assesses the degree of completion of each individual project, which is gradually recognised in the income statement based on costs incurred in the project. Revenue from service operations is recognised when the services are provided by referring to the degree of completion of the assignment as of the balance sheet date in the same way as for projects as described below.

If the agreement is ongoing and based on price per hour, revenue is reported to the extent that the Group has the right to invoice the customer. Customers are invoiced monthly.

Revenue from projects and ongoing assignments

The Group's revenues from projects and ongoing assignments mainly refer to construction contracts or as a subcontractor in construction contracts. When the outcome can be assessed in a reliable manner, revenues and attributable costs for an assignment are reported according to the degree of completion of the contract on the balance sheet date. The contracted revenue is valued at the fair value of the compensation that has been received or will be received. The Group's agreements usually contain a combination of products and services that are highly dependent or closely linked to each other, and thus these agreements are considered to include a single performance commitment.

When the Group is unable to calculate the outcome of an assignment in a reliable manner, income is reported only to the extent that assignment costs that have been incurred can be recovered. Assignment costs are reported in the period in which they arise.

At all times when it is probable that the total assignment costs will exceed the total commission revenue, the feared loss is reported immediately in the result.

The degree of completion of a project is assessed by the project manager by comparing accrued costs to date with the total estimated costs for the contract. Only those costs that correspond to work carried out are included in costs to date.

The gross amount to be paid by customers for assignments is reported under the item "Contract assets" regarding all ongoing assignments where assignment costs and reported profits (after deductions for reported losses) exceed the invoiced amounts. Liabilities to customers for assignments are reported under the item "Contract liabilities" regarding all ongoing assignments for which invoiced amounts exceed assignment costs plus reported gains.

If the agreement is based on price per hour on an ongoing basis, the revenue is reported to the extent that the Group has the right to invoice the customer. Customers are billed monthly.

Revenue from leasing

The Group generates revenue from leasing, mainly of containers, scaffolding and water pumps. The Group's leasing agreements are covered by IFRS 16. The revenue is reported linearly over the term of the agreement.

Interests and dividends

Interest income and interest expense are reported using the effective interest method. Dividends are reported at the time when the right to receive payment is established.

Current and deferred income tax

The tax expense for the period comprises current tax calculated on the basis of the taxable profit for the period according to current tax rates adjusted for changes in deferred tax assets and liabilities that relate to temporary differences and unused deficits.

The current tax expense is calculated on the basis of the tax rules that are applicable on the balance sheet date or practically applicable in the countries where the Parent company and its subsidiaries operate and generate taxable income. Management regularly evaluates the claims made in tax returns regarding situations where applicable tax rules are subject to interpretation and assesses whether it is probable that tax authorities will accept an uncertain tax treatment. The Group values its reported taxes either based on the most probable amount or the expected value, depending on which method best predicts the outcome of the uncertainty.

Deferred tax is reported on all temporary differences that arise between the tax value of assets and liabilities and their reported values in the consolidated accounts. However, deferred tax liabilities are not reported if they arise as a result of the initial recognition of goodwill.

Deferred tax is also not reported if it arises as a result of a transaction that constitutes the first recognition of an asset or liability that is not a business acquisition and which, at the time of the transaction, does not affect the reported or taxable result. Deferred income tax is calculated using tax rates (and laws) that have been enacted or announced on the balance sheet date and that are expected to apply when the relevant deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are reported to the extent that it is probable that future taxable surpluses will be available, against which the temporary differences can be utilised.

Deferred taxes relating to temporary differences regarding holdings in subsidiaries are not reported as the Parent company can control the time of reversal of the temporary differences and it is not considered probable that such a reversal will take place in the foreseeable future.

Deferred tax assets and liabilities are reported net when there is a legal right of set-off for current tax assets and liabilities and when the deferred tax assets and liabilities relate to taxes debited by one and the same tax authority and refer to either the same tax subject or different tax subjects, where there is an intention to regulate balances through net payments.

Current and deferred tax are reported in the income statement, except when the tax refers to items that are reported under other comprehensive income or directly under equity. In such cases, the tax is also reported under other comprehensive income and equity.

Leasing

According to IFRS 16, a lessee reports a right-of-use asset that represents a right to use the underlying asset and a leasing liability that represents an obligation to pay leasing fees. Each lease payment is divided into interest and amortisation of the lease liability. The interest is reported as a financial cost in the income statement distributed over the leasing period so that each period is charged with an amount corresponding to a fixed interest rate on the underlying leasing liability. The right-of-use asset is valued at acquisition value, which corresponds to the value of the lease liability, plus any initial direct costs, plus commitments for e.g. dismantling, removal or restoration after the end of the lease. The main rule is that the right-of-use asset is amortised on a straight-line basis over the term of the contract or the period of time that the lessee is deemed to use the asset if an extension option exists. The Group has decided to apply the concessions for short-term leasing agreements and low-value assets. This means that agreements with a term shorter than 12 months and leases of low value (assets with a value below approx. SEK 45,000 in new condition) will not be included in the calculation of the right-of-use asset or lease liability but will continue to be reported on a straight-line basis over the lease term. Examples of low value assets are computers, printers and copiers. The leasing liability is initially valued at the present value of future leasing fees. Leasing fees shall be discounted using the leasing agreement's implicit interest rate, if this interest rate can be easily determined, but the most common method is for the Group to use incremental borrowing rates. Future leasing fees that are calculated at present value mainly consist of fixed fees and variable leasing fees that depend on an index. Leasing liabilities maturing within 12 months are classified as current liabilities and liabilities maturing beyond 12 months are classified as long-term liabilities. When determining the term of the leasing contract, extension options are taken into account if it is probable that they will be exercised.

Business combinations

The acquisition method is used when reporting the Group's business combinations, regardless of whether the acquisition consists of equity interests or other assets. The purchase price for the acquisition of a subsidiary consists of the fair values of

- transferred assets
- liabilities that the Group incurs to previous owners
- shares issued by the Group
- assets or liabilities that result from an agreement on contingent consideration
- previous equity in the acquired company

Identifiable assets acquired, liabilities assumed and contingent liabilities assumed in a business combination are valued, with a few exceptions, initially at fair value as of the acquisition date.

Acquisition-related costs are reported when they arise. Goodwill refers to the amount by which

- transferred remuneration,
- any non-controlling interest in the acquired company, and
- the fair value at the time of acquisition of the previous equity ratio in the acquired company, (if the business combination was completed gradually) exceeds the fair value of identifiable acquired net assets. If the amount is below the fair value of the acquired net assets, in the event of an acquisition at a low price, the difference is reported directly in the income statement.

Contingent consideration is classified as either equity or financial liability. Amounts classified as financial liabilities are revalued at fair value each period. Any gains and losses from revaluation are reported in the income statement.

Impairment losses on non-financial assets

Goodwill and intangible assets that have an indefinite useful life or intangible assets that are not ready for use are not amortised but are tested annually, or if there is an indication of a decrease in value, regarding any need for impairment. Assets that are written off are assessed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and its value in use. When assessing impairment, assets are grouped based on the lowest levels at which there are largely independent cash flows (cash-generating units). For assets (other than goodwill) that have previously been written down, an assessment is made on each balance sheet date as to whether a reversal should be made.

Cash and cash equivalents

Cash and cash equivalents in the statement of cash flow include cash and bank balances, other short-term investments and utilised overdraft facilities. Other short-term investments are classified as cash and cash equivalents when they mature within three months from the date of acquisition, can easily be converted into cash at a known amount and are exposed to an insignificant risk of value fluctuations. Overdraft facilities are reported in the balance sheet as loan liabilities under current liabilities.

Accounts receivable

Accounts receivable are financial instruments that consist of amounts to be paid by customers for goods and services sold in the day-to-day operations. If payment is expected within a year or earlier, they are classified as current assets. If not, they are reported as fixed assets. Accounts receivable are initially reported at fair value and thereafter at accrued acquisition value using the effective interest method, less any credit provision.

Inventories

Raw materials and supplies, work in progress and finished goods

Inventories are reported at the lower of acquisition value and net realisable value. The acquisition value consists of direct cost of goods, direct salary and attributable indirect manufacturing costs (based on normal manufacturing capacity). The acquisition value of individual items in the inventory is distributed on the basis of weighted average costs. The acquisition value of merchandise is determined after discounts are deducted. The net realisable value is the estimated sales price in the day-to-day operations, less applicable variable sales costs.

Fixed assets (or disposal groups) held for sale and discontinued operations

Fixed assets (or disposal groups) are classified as assets held for sale when their carrying amount will mainly be recovered through a sale transaction and a sale is considered highly probable. They are reported at the lower of carrying amount and fair value less costs to sell. However, deferred tax assets, assets attributable to employee benefits, financial assets, investment properties and contractual rights in insurance contracts are exempt from this valuation requirement.

The Group reports a loss due to a decrease in value for each first or subsequent write-down of the asset (or disposal group) to the corresponding fair value after the deduction of sale costs. A gain is reported for each subsequent increase in the fair value after the deduction of sale costs, but not to an amount higher than the accumulated value of impairment losses previously reported. A gain or loss that has not previously been reported when a fixed asset (or disposal group) is sold, must be reported as of the date when the asset or disposal group is removed from the statement of financial position.

Fixed assets (including those that are part of a disposal group) are not written off as long as they are classified as held for sale. Interest and other costs attributable to the liabilities in a disposal group held for sale are reported on an ongoing basis.

Fixed assets held for sale and assets in a disposal group held for sale are reported separately from other assets on the balance sheet. The liabilities attributable to a disposal group held for sale are presented separately from other liabilities on the balance sheet.

A discontinued operation is a part of a company that has either been divested or is classified as being held for sale and which constitutes an independent significant line of business or an operation conducted within a geographical area, is part of a single coordinated plan to divest an independent significant line of business or an activity conducted within a geographical area or is a subsidiary acquired solely for the purpose of being sold. The earnings from discontinued operations is reported separately in the income statement.

Investments and other financial assets

Classification

The Group classifies its financial assets in the following categories:
financial assets that are reported at fair value via the income statement, and financial assets that are reported at accrued acquisition value.

The classification of investments in debt instruments depends on the Group's business model for managing financial assets and the contractual terms for the assets' cash flows.

For investments in equity instruments that are not held for trading, the reporting depends on whether the Group, at the time of the instrument's acquisition, has made an irrevocable choice to report the equity instrument at fair value via other comprehensive income.

The Group only reclassifies debt instruments in cases where the Group's business model for the instruments changes.

Recognition in and removal from the balance sheet

Purchases and sales of financial assets are reported on the transaction day, the date on which the Group commits to buy or sell the asset. Financial assets are removed from the balance sheet when the right to receive cash flows from the instrument has expired or has been transferred and the Group has transferred virtually all risks and benefits associated with ownership.

Valuation

Financial assets are initially valued at fair value plus, in cases where the asset is not reported at fair value via the income statement, transaction costs directly attributable to the purchase. Transaction costs attributable to financial assets that are reported at fair value via the income statement are recognised directly in the income statement.

Investments in debt instruments

Subsequent valuation of investments in debt instruments depends on the Group's business model for managing the asset and the type of cash flows the asset gives rise to. The Group classifies its investments in debt instruments at accrued acquisition value. Assets held for the purpose of collecting contractual cash flows and where these cash flows only consist of capital amounts and interest, are reported at accrued acquisition value. Interest income from such financial assets is reported as financial income using the effective interest method. Gains and losses that arise due to derecognition from the balance sheet are reported directly under other gains and losses together with the exchange rate result. Impairment losses are reported on a separate line in the income statement.

Investments in equity instruments
The Group values all equity instruments at fair value.

Changes in the fair value of financial assets that are reported at fair value via the income statement are reported under financial income or costs in the income statement.

Derivatives and hedge accounting
Derivatives are recognised in the balance sheet and measured at fair value. The derivative instruments consist of interest rate derivatives, and the Group applies hedge accounting in the form of cash flow hedges, where the Group can match the effects of hedged items and hedging instruments in the same period, providing a more accurate picture of the company's financial position and performance. The effective portion of the change in fair value of a derivative instrument that is identified as a cash flow hedge and that meets the conditions for hedge accounting is recognised through other comprehensive income in the hedging reserve within equity. The ineffective portion of the change in value is immediately recognised in the income statement as other income or other expenses.

Impairment losses
The Group applies the simplified method for calculating expected credit losses. The method uses the expected losses for the entire term of the receivable as a starting point for accounts receivable and contract assets.

To calculate expected credit losses, accounts receivable and contract assets are grouped based on credit risk characteristics and number of days of delay. The contract assets are attributable to work that has not yet been invoiced and have essentially the same risk characteristics as work invoiced for the same type of contract. The Group therefore considers the loss levels for accounts receivable to be a reasonable estimate of the loss levels for contract assets.

Historical losses are then adjusted to take into account current and forward-looking information on macroeconomic factors that may affect customers' ability to pay the claim.

The historical loss level is therefore adjusted based on expected changes in these factors.

Property, plant and equipment
Property, plant and equipment are reported at acquisition value less depreciation. The acquisition value includes expenses that can be directly attributed to the acquisition of the asset.

Additional expenses are added to the asset's carrying amount or are reported as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the asset will benefit the Group and the asset's acquisition value can be measured reliably. The carrying amount of the replaced part is removed from the balance sheet. All other forms of repairs and maintenance are reported as costs in the income statement during the period in which they arise.

The straight-line method of depreciation is used to allocate acquisition value or revalued amounts, less the estimated residual value, over the estimated useful life. For costs of leasehold improvements or certain fixed assets held under financial leasing agreements, depreciation is calculated over the shorter of the useful life or leasing period. The periods of use are as follows:

• Buildings	25–40 years
• Machinery, vehicles and other technical facilities	10–15 years
• Equipment, tools and installations	3–10 years

The assets' residual values and useful lives are examined at the end of each reporting period and adjusted if necessary.

The carrying amount of an asset is immediately written down to its recoverable amount if the carrying amount of the asset exceeds its estimated recoverable amount.

Profits and losses on disposals are determined through a comparison between sales revenue and the asset's carrying amount and are reported net in the income statement.

Intangible assets
Goodwill
Goodwill is calculated according to the principles for business acquisitions. Goodwill arising from a business acquisition is included in intangible assets. Goodwill is not amortised, but is tested for impairment annually or more frequently if events or changes in circumstances indicate a possible impairment. Goodwill is reported at acquisition value less accumulated write-downs. When selling a unit, the carrying amount of goodwill is included in the resulting profit/loss.

In order to test the need for impairment, goodwill acquired in a business acquisition is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from synergies from the acquisition. Each unit or group of units that have been allocated goodwill corresponds to the lowest level in the Group at which the goodwill in question is monitored through internal management, which for Vestum is the operating segment level (Note 13).

Trademarks and customer contracts
Trademarks and customer contracts acquired through a business acquisition are reported at fair value on the acquisition date.

The customer contracts have a definable useful life and are reported at acquisition value less accumulated amortisation and write-downs. Trademarks have an indefinite useful life and are not amortised but are tested for impairment annually.

In-house software development
Software maintenance costs are reported when incurred. Development costs that are directly attributable to the development and testing of identifiable and unique software products controlled by the Group are reported as intangible assets when the following criteria are met:

- it is technically possible to complete the software so that it can be used,
- the company's intention is to complete the software and to use or sell it,
- the conditions are in place for the software to be used or sold,
- it can be shown how the software generates probable future financial benefits,
- there are adequate technical, financial and other resources available to complete the development and to use or sell the software, and
- the costs that are attributable to the software during its development can be reliably calculated.

Directly attributable costs that are balanced as part of the software include costs for employees and a reasonable share of indirect costs.

Balanced development costs are reported as intangible assets and are amortised from the time the asset is ready for use.

Amortisation methods and useful lives
The Group amortises intangible assets with a definable useful life on a straight-line basis over the following periods:

• IT development and software	5–10 years
• Customer contracts	5–10 years

Accounts payable and other liabilities
Accounts payable are obligations to pay for goods or services that have been acquired from suppliers in the day-to-day operations.

Accounts payable and other liabilities are classified as current liabilities if they fall due within 12 months (or during a normal business cycle if this is longer). If not, they are recognised as long-term liabilities. The liabilities are initially reported at fair value and thereafter at accrued acquisition value using the effective interest method.

Borrowings
Borrowings are initially reported at fair value, net after transaction costs. Borrowings are then reported at accrued acquisition value and any difference between the amount received (net after transaction costs) and the repayment amount is reported in the income statement distributed over the loan period, using the effective interest method.

Borrowings are removed from the balance sheet when the obligations have been settled, canceled or otherwise terminated. The difference between the carrying amount of a financial liability (or part of a financial liability) that has been extinguished or transferred to another party and the compensation paid, including transferred assets that are not cash or assumed liabilities, is reported in the income statement.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer payment of the debt for at least 12 months after the end of the reporting period.

Provisions
Provisions for guarantees are recognised when the Group has a legal or informal obligation as a result of previous events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been calculated in a reliable manner. No provisions are made for future operating losses.

If there are a number of similar commitments, the probability that an outflow of resources will be required in the regulation is assessed as a whole for this whole group of commitments. A provision is recognised even if the probability of an outflow regarding a certain item in this group of commitments is low.

The provisions are valued at the present value of the amount that is expected to be required to settle the obligation. A discount rate before tax is used, which reflects a current market assessment of the time-dependent value of money and the risks associated with the provision. The increase in the provision due to the passage of time is recognised as interest costs.

Remuneration to employees

Short-term remuneration to employees

Liabilities for salaries and benefits, including non-monetary benefits and paid absences, which are expected to be settled within 12 months after the end of the financial year, are reported as current liabilities at the undiscounted amount that is expected to be paid when the debts are settled. The cost is reported as the services are performed by the employees. The liability is reported in the balance sheet as a liability regarding remuneration to employees.

Remuneration after termination of employment

The Group companies only have defined contribution pension plans.

For defined contribution pension plans, the Group pays contributions to publicly or privately administered pension schemes on a mandatory, contractual or voluntary basis. The Group has no additional payment obligations once the fees have been paid. The fees are reported as personnel costs when they fall due for payment. Prepaid fees are reported as an asset to the extent that cash repayments or a reduction of future payments can benefit the Group.

Compensation in the event of termination

Termination compensation is paid when an employee's employment is terminated by the Group before the normal retirement date or when an employee accepts voluntary resignation in exchange for such compensation. The Group reports termination compensation at the earliest of the following times: (a) when the Group no longer has the possibility to withdraw the offer of compensation; and (b) when the company recognises expenses for a restructuring that is within the scope of IAS 37 and that involves the payment of severance pay. In the event that the company has submitted an offer to encourage voluntary resignation, termination compensation is calculated based on the number of employees who are expected to accept the offer. Benefits that fall due more than 12 months after the end of the reporting period are discounted to present value.

Share capital

Ordinary shares are classified as equity. Transaction costs that can be directly attributed to the issue of new shares or options are reported, net after tax, under equity as a deduction from the issue proceeds.

Dividends

Dividends to the Parent company's shareholders are reported as a liability in the consolidated financial statements in the period in which the dividend is approved by the Parent company's shareholders.

Earnings per share

Earnings per share before dilution

Earnings per share before dilution are calculated by dividing:

- earnings attributable to the remaining operations of the Parent company's shareholders
- with a weighted average number of outstanding ordinary shares during the period, excluding repurchased shares held as treasury shares by the Parent company (Note 22).

Earnings per *share* after dilution

To calculate earnings per share after dilution, the amounts used to calculate earnings per share before dilution are adjusted by taking into account:

- the weighted average of the additional ordinary shares that would have been outstanding in a conversion of all potential ordinary shares.

Note 3 Financial risk management

Financial risk management

Financing and financial risks are managed in accordance with guidelines established by Vestum's Board of Directors. The Group's finance function is responsible for making sure that financing, liquidity and financial risks are centralised in the Parent Company. The main types of financial risks affecting Vestum are market risk (interest rate risk and currency risk), credit risk and liquidity risk.

Market risk

The Group is exposed to market risk through currency risk and interest rate risk as a result of both operating activities and investing activities. The market risk is mainly attributable to the development of interest rates for short- and long-term borrowing as well as current discount rates.

i) Currency risk

Currency risk refers to the risk that unfavorable exchange rate changes will affect the Group's earnings and equity positively or negatively measured in SEK:

- Transaction exposure arises as a result of the Group having incoming and outgoing payments in currencies other than its functional currency.
- Translation exposure arises as a result of the Group's currency exposure from net assets in the Group's foreign operations.

Vestum has limited transaction exposure as the group's subsidiaries mainly have purchases and sales in their functional currency. A change in the value of the functional currency against other currencies thus does not have any material impact on the individual companies' results after tax. Sales are made in SEK, NOK, GBP, and DKK. There is some exposure to imported goods. In connection with larger transactions, Vestum may use derivative instruments to manage currency risk.

Translation exposure exists for the parts of the group's equity that consist of net assets in foreign subsidiaries when translating to SEK. The Group has a number of holdings in foreign operations whose net assets and results are exposed to exchange rate fluctuations. Currency exposure arising from net assets and results in the group's foreign operations is managed to some extent through borrowing in the relevant foreign currencies. The group's results are most sensitive to changes in GBP/SEK. A change in the average exchange rate of all currencies against the Swedish krona by 10% would have an effect of SEK 33 (45) million on the group's equity.

(ii) Interest rate risk

The Group's interest rate risk arises through long- and short-term borrowing. Borrowing with variable interest rates exposes the Group to interest rate risk regarding cash flow. In 2024, the Group's borrowing at variable interest rates was in SEK and GBP. The Group's average interest rate amounted to 7.1% during the financial year 2024. The Group's borrowing amounted to SEK 1,654 million as of the balance sheet date, see Note 16. A change in the interest rate situation by +/- 0.5 percentage points would have an impact on the year's earnings of +/- SEK 8 million.

To protect the Group's financial stability and ensure predictable cash flows, the Group occasionally hedges part of the interest rate risk regarding future cash flows. Through derivative instruments, a portion of existing loans amounting to SEK 100 million is locked into fixed interest rates, which partially reduces exposure to fluctuations in market interest rates.

Credit risk

Credit risk is the risk that Vestum's counterparties do not fulfil their contractual obligations. The Group is exposed to this risk partly through various financial instruments, such as accounts receivables or advance payments, and partly through its placement of surplus liquidity. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets on December 31, see Note 16 for the compilation of financial assets.

Vestum applies the simplified method in IFRS 9 for the recognition of expected credit losses over the remaining term for all trade receivables.

The Group continuously monitors cancelled payments from customers and other counterparties, identified individually or in groups, and incorporates this information into its credit risk controls.

If external credit ratings and/or reports regarding customers and other counterparties are available at a reasonable cost, these are obtained and used. The Group's policy is to only do business with creditworthy counterparties.

All financial assets that have not been written down or were due for payment on December 31 are deemed to have a high credit quality. Given the short period of time that trade receivables are exposed to credit risk, the effects of these factors during the reporting period have not been considered significant.

Regarding trade receivables and contractual assets, the Group is not exposed to any significant credit risks in respect to any individual counterparty or group of counterparties with similar characteristics. Trade receivables consist of a large number of customers in different industries and geographical areas. Based on historical information about customers' cancelled payments, trade receivables that have not fallen due for payment or been written down are deemed to have a good credit quality. On December 31, the Group had certain trade receivables that were not settled at the agreed maturity date but that are not considered doubtful. The credit risk for cash and cash equivalents is considered negligible, as the counterparties are well-known banks with high credit ratings.

Liquidity risk

The Group uses prudent liquidity management to ensure that sufficient cash is available to meet the needs of day-to-day operations. Liquidity needs are managed by monitoring planned loan payments for long-term financial liabilities as well as forecasted payments and disbursements in day-to-day operations.

Management monitors rolling forecasts for the Group's liquidity reserve (including unutilised credit facilities) and cash and cash equivalents based on expected cash flows. Long-term liquidity needs for a period of 360 days are identified monthly, and the three following quarters are analysed on a quarterly basis. The Group also monitors balance sheet-based liquidity measures against internal and external requirements to determine the safety margin or any deficits, and ensures access to external financing. This analysis shows that available loan facilities are expected to be sufficient during this period. The financing of long-term liquidity needs is secured by an appropriate amount of approved credit facilities.

The Group has, as of December 31, a credit facility with a framework of SEK 1,800 million, of which Vestum had utilised SEK 1,058 million by the end of the period.

The Group had, as of December 31, a bond loan of serie 2023/2026 amounting to SEK 600 million with an interest rate of STIBOR plus 637.5 basis points. Vestum has redeemed all outstanding bonds after the end of the year.

Capital risk

According to the terms of the credit facility, the Group is obligated to meet the following financial loan covenants at the end of each annual and quarterly period:

- The ratio of EBITDA after contractual adjustments and net financial debt must not exceed 3.25, and
- The ratio of EBITDA after contractual adjustments to adjusted net financial items and amortisation must not fall below 1.5.

The bond loan is held by Vestum AB and is subject to financial covenants, in the form of an "Incurrence test," which only needs to be met in cases where the loan is to be increased or for certain types of payments.

The Group has met the loan covenants throughout the entire period. There are no indications that Vestum AB (publ) would have difficulties meeting the covenants when they are next tested as of the interim reporting date on March 31, 2025.

The table below analyses the Group's financial liabilities, broken down by the time remaining on the balance sheet date until the contractual maturity date. The amounts stated in the table are the contractual, undiscounted cash flows.

Contractual maturities for financial liabilities

	Maturity analysis						
As of 31 December 2024	**< 6 months**	**6-12 months**	**1-2 years**	**2-5 years**	**5 years >**	**Total contractual cash flows**	**Carrying amount receivables/liabilities**
Accounts payable	310,826,087	–	–	–	–	**310,826,087**	310,826,087
Liabilities to credit institutions	–	208,450,495	851,849,505	–	–	**1,060,300,000**	1,058,275,109
Bond loan	–	–	619,125,000	–	–	**619,125,000**	595,500,000
Contingent consideration	4,154,250	–	6,154,250	8,308,500	–	**18,617,000**	18,617,000
Lease liability	72,343,308	62,983,368	101,134,418	169,257,159	161,804,800	**567,523,052**	526,299,033
Total financial liabilities	**387,323,645**	**271,433,863**	**1,578,263,173**	**177,565,659**	**161,804,800**	**2,576,391,139**	**2,509,517,229**

Note 4 Significant estimates and assessments for accounting principles

Estimates and assessments are evaluated on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are considered reasonable under current conditions.

Significant assessments by Group management

The Group makes estimates and assessments about the future. The estimates for accounting purposes that result from these will, by definition, rarely correspond to the actual result. The estimates and assessments that involve a significant risk of significant adjustments in the reported values of assets and liabilities during the next financial year are outlined below.

Impairment losses on non-financial assets and goodwill

To assess the need for impairment, Group management calculates the recoverable amount for each asset or cash-generating unit based on expected future cash flows and using an appropriate interest rate in order to discount the cash flow. Uncertainties involve assumptions about future operating profit and the determination of an appropriate discount rate.

At the balance sheet date of December 31, 2024 goodwill amounted to SEK 3,316 (3,498) million. For more information about the impairment test, see Note 13.

Business acquisitions and valuation at fair value

When calculating fair values, Group management uses valuation techniques for the specific assets and liabilities acquired in a business acquisition. In particular the fair value of contingent consideration depends on the outcome of several variables, including the acquired company's future profitability.

Group management uses valuation techniques when calculating the fair value of financial instruments (in cases where there are no prices on active markets) and for non-financial assets. This involves making estimates and assumptions that are consistent with how market participants would price the instrument.

Group management bases its assumptions as much as possible on observable data, but these are not always available. In such cases, Group management uses the best information available. An estimated fair value may differ from the actual price that could be achieved in a transaction on commercial terms on the balance sheet date.

Contingent consideration is included under Other liabilities on the balance sheet, and as of December 31, 2024, it was valued at SEK 19 (207) million. For more information about contingent consideration and acquisitions, see Note 15.

Revenue from projects

Reported revenue and associated contract assets from clients reflect the Group Management's best estimate of the outcome and the degree of completion for each contract. In the case of more complex contracts, there is considerable uncertainty in assessing the costs of completion and profitability. The Group reports revenues for projects over time in line with the degree of completion, which is measured by expenses incurred in relation to total expected expenses at any given time. The Group has a well-developed process for monitoring the degree of completion and the expected total costs per project. This process assesses the risk that a project may result in a loss.

At the balance sheet date December 31, 2024, receivables for construction contracts were recognised in the balance sheet at SEK 71 (134) million and liabilities recognised at SEK 40 (81) million. For more information on construction contracts, see Note 5.

Note 5 Revenue distribution

Revenues distributed by revenue category

	2024			
	Water	Services	Infra	Total
Ongoing assignments	81	559	264	**904**
Product sales	438	401	377	**1,216**
Projects	104	561	974	**1,639**
Service assignments	9	43	51	**102**
Leasing	254	0	130	**384**
Total net sales	**886**	**1,565**	**1,795**	**4,246**

	2023			
	Water	Services	Infra	Total
Ongoing assignments	12	598	293	**902**
Product sales	489	432	378	**1,299**
Projects	38	673	1,027	**1,739**
Service assignments	2	74	65	**140**
Leasing	196	0	137	**334**
Total net sales	**737**	**1,777**	**1,901**	**4,416**

Revenue category	Description
Ongoing assignments	Income from ongoing assignments with a total income of <1 SEKm. Exists in all segments. The income is recognised over time.
Product sales	Sales of products. Exists in all segments and includes, for example, products for commercial properties and water infrastructure. The income is recognised at a point in time.
Projects	Income from projects with a total project income of >1 SEKm. Exists in all segments. The income is recognised over time.
Service assignments	Agreements from ongoing service contracts and framework agreements. Exits in all segments. The income is recognised over time.
Leasing	Income from leasing activities is included within the Water and Infrastructure segments and refers to, for example, water pumps, containers and weather protection. The income is recognised over time.

Revenues by customer type

	2024			
	Water	Services	Infra	Total
Private sector	697	1,398	1,201	**3,297**
Public sector	172	79	503	**754**
Consumer	17	85	92	**195**
Total net sales	**886**	**1,565**	**1,795**	**4,246**

	2023			
	Water	Services	Infra	Total
Private sector	618	1,679	1,355	**3,652**
Public sector	105	49	505	**659**
Consumer	14	49	40	**103**
Total net sales	**737**	**1,777**	**1,901**	**4,416**

Revenues by customer type refers to the invoiced customer. Vestum is mainly a subcontractor in the supply chain where the end customer is often in the public sector. There is no customer that accounts for more than ten percent of the turnover.

Revenues by geographical markets

	2024			
	Water	Services	Infra	Total
Sweden	41	1,534	1,676	**3,252**
United Kingdom	579	0	0	**579**
Other countries	266	29	120	**415**
Total net sales	**886**	**1,565**	**1,795**	**4,246**

	2023			
	Water	Services	Infra	Total
Sweden	36	1,739	1,786	**3,561**
United Kingdom	407	0	0	**407**
Other countries	295	38	115	**448**
Total net sales	**737**	**1,777**	**1,901**	**4,416**

Contract assets and contact liabilities

	31 Dec 2024	31 Dec 2023
Contract assets – claims on customers	71	134
Contract liabilities – liabilities to customers	-40	-81
Total contract assets	**30**	**53**

The majority of the contractual debts in 2024 will be returned as income in 2025.

Contract assets primarily relate to the group's right to compensation for work performed but not invoiced at the balance sheet date regarding project and service agreements. The contract assets are transferred to accounts receivable when the right to invoice exists.

Contractual liabilities primarily refer to advances received from customers for future project and service assignments, for which revenue is reported over time.

Note 6 Segment reporting

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

The tables below only include the financial outcome for the periods in which each portfolio company was part of the Vestum Group. The segments has 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. See note 5 for revenues by geographical markets.

	2024	2023
Net sales per segment		
Water	886	737
Services	1,565	1,777
Infrastructure	1,795	1,901
Total net sales	**4,246**	**4,416**
EBITA per segment		
Water	169	142
Services	104	176
Infrastructure	188	231
Group functions	-47	-56
Adjusted EBITA	**415**	**493**
Adjustments	33	1
EBITA	**447**	**494**
Amortisation attributable to acquired surplus values	-283	-280
Operating profit (EBIT)	**164**	**214**
Financial items net	-193	-178
Earnings before tax	**-29**	**36**

Note 7 Remuneration to auditor

	2024	2023
PwC		
Audit assignment	-6	-5
Audit services in addition to the audit assignment	0	0
Tax advice	0	0
Other services	0	0
Total	**-6**	**-5**
Other auditing companies		
Audit assignment	-3	-2
Audit services in addition to the audit assignment	0	0
Tax advice	0	0
Other services	0	0
Total	**-3**	**-2**
Total cost of remuneration to auditor	**-9**	**-8**

Note 8 Remuneration to employees, etc

Salaries, other remuneration and social security contributions	2024 Salaries and other remuneration	*Of which variable portion*	Social security contributions	*Of which pension costs*
Board members, CEO, and other senior executives[1]	-64	*-6*	-30	*-10*
Other employees	-750	*-18*	-269	*-48*
Total	**-814**	***-24***	**-299**	***-58***

Salaries, other remuneration and social security contributions	2023 Salaries and other remuneration	*Of which variable portion*	Social security contributions	*Of which pension costs*
Board members, CEO, and other senior executives[1]	-57	*-3*	-28	*-9*
Other employees	-739	*-14*	-288	*-58*
Total	**-796**	***-17***	**-315**	***-68***

1) Includes salaries and remuneration to the board, group management and managing directors in the group's subsidiaries

Gender distribution within the group (incl. subsidiaries) of Board of directors and other senior executives	2024 No. at balance sheet date	*Of which, men*	2023 No. at balance sheet date	*Of which, men*
Board members	83	*74*	62	*57*
CEO and other senior executives	47	*44*	44	*42*
Total	**130**	***118***	**106**	***99***

Average number of employees, and geographical distribution	2024 Average no. of employees	*of which, men*	2023 Average no. of employees	*Of which, men*
Sweden	1,168	*1,062*	1,156	*1,131*
Norway	125	*120*	122	*116*
Denmark	23	*20*	18	*16*
United Kingdom	121	*108*	79	*74*
Total	**1,436**	***1,309***	**1,374**	***1,338***

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.

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. All warrants have been transferred to employees.

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. All warrants have been transferred to employees.

During the Extraordinary General Meeting in November 1, 2023, it was decided to establish a warrant-based incentive program by issuing a maximum of 3,800,000 warrants. Of these, 2,750,000 warrants have been transferred to employees.

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 June 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

Note 9 Leasing

The following amounts related to leasing agreements are reported in the balance sheet:

Right-of-use assets	Land and buildings	Cars	Machinery and equipment	Other	Total
As of January 1, 2023	**680**	**153**	**72**	**34**	**940**
Acquisitions	63	53	20	6	**142**
Acquisition of businesses	17	0	–	–	**17**
Revaluation	-63	–	–	–	**-63**
Divestments and disposals	-16	-32	-5	-3	**-57**
Departs: Discountinued operations	-120	-56	-3	-29	**-207**
Translation differences	-2	0	0	0	**-2**
As of January 1, 2024	**559**	**119**	**84**	**8**	**770**
Acquisitions	51	51	7	3	**112**
Acquisition of businesses	10	7	–	–	**17**
Divestments and disposals	-16	-15	-8	-1	**-40**
Departs: Discountinued operations	-33	-20	-31	-1	**-85**
Translation differences	2	0	0	0	**2**
As of December 31, 2024	**573**	**142**	**53**	**9**	**776**
Accumulated depreciation					
As of January 1, 2023	**-108**	**-55**	**-25**	**-12**	**-200**
Depreciation during the year	-91	-40	-23	-1	**-155**
Divestments and disposals	16	32	5	3	**57**
Departs: Discountinued operations	26	13	1	8	**48**
Translation differences	0	0	0	0	**0**
As of January 1, 2024	**-156**	**-50**	**-42**	**-2**	**-250**
Depreciation during the year	-77	-40	-14	-1	**-132**
Divestments and disposals	16	15	8	1	**40**
Departs: Discountinued operations	15	8	20	1	**43**
Translation differences	-1	0	0	0	**-1**
As of December 31, 2024	**-202**	**-68**	**-29**	**-2**	**-301**
Carrying amount at 31 December 2023	**404**	**68**	**42**	**6**	**520**
Carrying amount at 31 December 2024	**371**	**74**	**24**	**7**	**476**

Lease liabilities	2024	2023
Current	127	135
Non-current	359	392
Total	**486**	**526**

For maturity analysis for lease liabilities, see Note 3.

The following amounts are reported in the income statement related to leasing agreements	2024	2023
Depreciation charge for right-of- use assets	-132	-127
Interest expense on lease liabilities	-19	-20
Short-term lease and low-value asset lease expense	-24	-22
Gains and losses on ended contracts	–	–

The total cash flow related to leases for 2024 amounts to SEK -129 (-118) million.

The Group's leasing agreements
The Group's leasing agreements are mainly attributable to leases for properties such as office premises and warehouses, as well as vehicles and machinery used in the Group's operational activities.

The Group is exposed to possible future payments of variable leases which are based on an index. These are not included in the lease liability until the index adjustment occurs and then the lease liability is revalued and adjusted against the right of use.

Leasing agreements for buildings often contain extension options or automatic renewal if the agreement is not terminated. When determining the leasing period, extension options are taken into account and the extension options that will be used with reasonable certainty are included in the leasing period. For all leasing agreements, a regular individual assessment is made of the current leasing period.

Lease payments are distributed between amortisation of the debt and interest. The interest is reported in the income statement over the leasing period in a way that results in a fixed interest rate for the reported leasing liability. The right-of-use assets are valued at acquisition value, which corresponds to the amount the lease liability was originally valued at. Rights of use assets are written off on a straight-line basis over the period of use, which is the same as the lease period.

Note 10 Taxes

The table below outlines the significant differences between the calculated tax in Sweden based on an effective tax rate at 20.6% and the reported tax.

	2024	2023
Earnings before tax	-29	36
Tax according to current tax rate 20.6%	6	-7
Effect of other (foreign) tax rates	-6	-1
Adjustment acquired companies	–	0
Adjustment divested companies	–	-26
Non-taxable income	14	14
Non-deductible expenses	-58	-11
Utilised loss carryforward for the year, not previously recognised as an asset	-2	-9
Adjustment of tax prior year	23	–
Other	0	-1
Reported tax in the income statement	**-22**	**-41**

Tax cost divided into sub-items:

	2024	2023
Current tax		
Profit/loss for the year	-57	-76
Adjustment of previous years	-16	-9
Total current tax	**-72**	**-85**
Deferred tax		
Untaxed reserves	-4	-13
Temporary difference, Customer relations	57	54
Temporary difference, Fixed assets	-8	0
Temporary difference, Acquisition costs	1	0
Temporary difference, Leasing IFRS 16	1	4
Other temporary differences	0	1
Tax loss carryforward	4	-3
Total deferred tax	**51**	**43**
Reported tax in the income statement	**-22**	**-41**

Deferred tax assets/liabilities

	31 Dec 2024		31 Dec 2023	
	Deferred tax assets	Deferred tax liability	Deferred tax assets	Deferred tax liability
Customer relations	–	188	–	240
Trademarks	–	169	–	181
Machinery	0	15	0	3
Pension obligations	0	–	0	–
Provisions	1	–	2	11
Leasing in accordance with IFRS 16	5	–	4	–
Transaction costs in connection with acquisitions	1	-5	–	-4
Untaxed reserves	–	83	–	82
Unutilised tax loss carryforward	4	–	–	0
Tax assets/liabilities	**11**	**450**	**6**	**512**

Changes in deferred tax assets/liabilities

2024	Opening balance	Reported in income statement	Via acquisitions	Via divesments	Via reclas-sification	Transla-tion difference	Closing balance
Customer relations	240	-56	9	-10	–	4	188
Trademarks	181	-2	6	-15	–	-2	169
Machinery	2	8	0	–	11	-6	15
Pension obligations	0	–	–	–	–	–	0
Provisions	10	1	–	–	-11	0	-1
Leasing in accordance with IFRS 16	-4	-1	–	–	–	–	-5
Transaction costs in connection with acquisitions	-4	-1	–	–	–	-1	-6
Untaxed reserves	82	4	–	-2	–	–	83
Unutilised tax loss carryforward	0	-4	–	0	–	0	-4
Total	**505**	**-51**	**16**	**-27**	**-**	**-5**	**439**

Note 11 Net financial items

	2024	2023
Interest income	7	11
Exchange rate gains	18	97
Other financial income	0	45
Total financial income	**25**	**153**
Interest costs	-150	-206
Interest costs for leasing liabilities	-19	-20
Exchange rate losses	-21	-48
Other financing costs	-29	-57
Total financial expenses	**-219**	**-331**
Total financial items – net	**-193**	**-178**

Note 12 Divested operations

In November 2024, Vestum entered into agreement to divest 100% of the shares in Infracon Sverige AB, Hanell Entreprenad i Gävle AB, Marbit AB, and FlexiRail AB within the Infrastructure segment and to discontinue Mälardalens Spår och Anläggning AB. The divestments were completed in January and February 2025. Assets and liabilities related to these operations are reported as assets held for sale and liabilities directly related to assets held for sale.

In 2024, the divestment of Arctic Infra AB including subsidiaries (Infrastructure), Plåtslagaren G.H. Johansson AB (Services), and the WeSC operations was completed.

The result and cash flow for the discontinued operations for 2024, as well as comparative figures, are reported as discontinued operations in accordance with IFRS 5. The result and cash flow below for the discontinued operations refer to the period up to the point of divestment.

Profit/loss attributable to divested operations	2024	2023
Revenue	1,111	2,652
Costs	-1,058	-2,645
Earnings before tax	**53**	**7**
Tax for the period	-14	-10
Profit/loss from divested operations	**39**	**-3**
Gain/loss on sale of operation	-183	-365
Total profit/loss attributable to divested operations	**-144**	**-368**

Profit/loss attributable to divested operations	2024	2023
Attributable to:		
Parent company shareholders	-144	-368
Earnings per share before/after dilution attributable to Parent company's shareholders, SEK	-0.38	-0.98

Cash flow from divested operations	2024	2023
Cash flow from operating activities	166	194
Cash flow from investing activities	-5	-10
Cash flow from financing activities	-25	-28
Total cash flow from divested operations	**136**	**156**

Impact of the company portfolio on the balance sheet at the point of divestment	
Intangible assets	242
Property, plant and equipment	7
Right of use assets	25
Other non-current assets	0
Current operating assets	146
Cash and cash equivalents	59
Total assets	**480**
Non-current interest bearing liabilities	-
Deferred tax liabilities	-11
Non-current lease liabilities	-16
Other non-current liabilities	2
Current lease liabilities	-11
Current operating liabilities	-140
Total liabilities	**-176**
Net assets	**304**

Balance sheet attributable to operations held for sale	31 Dec 2024	31 Dec 2023
Non-current assets	407	137
Current assets	203	111
Non-current liabilities	-49	-17
Current liabilities	-237	-96
Net assets	**324**	**135**

Note 13 Intangible assets

Intangible assets	Goodwill	Trademarks	Other	Customer relations	Total
As of January 1, 2023	**3,825**	**946**	**17**	**1,851**	**6,637**
Acquisitions	–	–	2	–	**2**
Acquisition of business	216	28	–	62	**305**
Departs: Divested operations	-531	-74	-12	-134	**-751**
Translation differences	-12	-25	–	-55	**-92**
As of January 1, 2024	**3,498**	**875**	**7**	**1,724**	**6,102**
Acquisitions	–	–	6	–	**6**
Acquisition of business	123	26	–	38	**187**
Divestments and disposals	–	-1	–	–	**-1**
Departs: Divested operations	-334	-72	0	-123	**-529**
Translation differences	29	14	0	22	**64**
As of December 31, 2024	**3,316**	**842**	**13**	**1,661**	**5,832**
Accumulated depreciation					
As of January 1, 2023	–	**-25**	**-5**	**-334**	**-364**
Depreciation during the year	–	-16	-3	-284	**-302**
Departs: Divested operations	–	12	5	40	**58**
Translation differences	–	4	–	20	**24**
As of January 1, 2024	–	**-24**	**-2**	**-557**	**-584**
Depreciation during the year	–	-15	-2	-285	**-280**
Divestments and disposals	–	0	–	–	**0**
Departs: Divested operations	–	–	0	74	**52**
Translation differences	–	0	0	-1	**-2**
As of December 31, 2024	**-**	**-40**	**-4**	**-769**	**-814**
Carrying amount at 31 December 2023	**3,498**	**851**	**5**	**1,168**	**5,522**
Carrying amount at 31 December 2024	**3,316**	**802**	**9**	**892**	**5,019**

Impairment testing

The Group's goodwill and intangible assets with an indefinite useful life, in form of trademarks, have accured through the acquisition of subsidiaries. There is no predictable limit to the time period during which the Trademark is expected to generate net payments for the Group. Goodwill and trademarks are impairment tested at segment level. Vestum's operating segment is deemed to be a cash-generating unit, i.e. smallest identifiable group of assets which, when used continuously, gives rise to payments which are essentially independent of other assets or groups of assets. Goodwill and trademarks are tested for impairment annually or more frequently if events or changes in conditions indicate a possible decrease in value.

The impairment test consists of assessing whether the segment's recoverable amount is higher than the carrying amount. The recoverable amount has been calculated on the basis of the unit's value in use, which is the present value of the unit's expected future cash flows, without regard to any future business expansion and restructuring.

To determine value in use, management estimates expected future cash flows from each segment and determines a discount rate to be able to calculate the present value of these cash flows. Estimated future cash flows are based on assumptions about growth rate, EBITDA margin, working capital and investments. The growth rate after the forecast period amounts to 2%. Discount rates are determined individually for each segment and reflect current market assessments of the time value of money and asset-specific risk factors. The discount rate for the Services segment is 14.1 percent, for the Infra segment 16.8 percent and for the Water segment 16.1 percent.

The impairment test shows that the value-in-use exceeds the reported value of each segment, which is why there is no need for impairment.

Sensitivity analysis

A sensitivity analysis shows that the residual value of goodwill and trademarks for the Services and Infrastructure segments would continue to be defended if the discount rate increase by 1 percentage point, the annual growth rate or the EBITDA margin decrease by 1 percentage point. The same changes for the Water segment would generate an impairment requirement of approximately SEK 150 million per December 31, 2024. Vestum regulary performs impairment testing with current parameters, to evaluate whether a need for impairment exists.

	Goodwill		Trademarks	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Infrastructure	1,304	1,602	203	265
Services	1,001	1,039	205	214
Water	1,011	857	395	371
Total	**3,316**	**3,498**	**802**	**851**

Note 14 Property, plant and equipment

Property, plant & equipment	Land and buildings	Plant, machinery and cars	Equipment , tools and other fittings	Total
As of January 1, 2023	**29**	**123**	**199**	**351**
Acquisitions	4	34	61	**99**
Acquisition of business	–	1	–	**1**
Revaluation	8	28	-37	**0**
Divestments and disposals	-1	-17	-27	**-44**
Departs: Divested operations	-17	-47	-27	**-75**
Translation differences	0	1	-5	**-3**
As of January 1, 2024	**24**	**122**	**182**	**328**
Acquisitions	2	16	49	**67**
Acquisition of business	–	1	1	**2**
Divestments and disposals	-2	-15	-38	**-55**
Departs: Divested operations	0	-44	-15	**-59**
Translation differences	0	5	14	**19**
As of December 31, 2024	**24**	**85**	**193**	**302**

Accumulated Depreciation	Land and buildings	Plant, machinery and cars	Equipment , tools and other fittings	Total
As of January 1, 2023	**-4**	**-14**	**-28**	**-47**
Depreciation during the year	-3	-31	-29	**-63**
Revaluation	–	-2	2	**0**
Divestments and disposals	0	8	1	**9**
Departs: Divested operations	1	7	-4	**4**
Translation differences	0	-1	5	**4**
As of January 1, 2024	**-6**	**-33**	**-54**	**-92**
Depreciation during the year	-2	-21	-27	**-50**
Divestments and disposals	1	13	10	**24**
Departs: Divested operations	0	15	4	**19**
Translation differences	0	-3	-10	**-13**
As of December 31, 2024	**-8**	**-29**	**-76**	**-113**
Carrying amount at 31 December 2023	**18**	**90**	**128**	**236**
Carrying amount at 31 December 2024	**16**	**57**	**116**	**189**

Note 15 Business combinations

Vestum acquired and took over PDAS Holdings Ltd in 2024.

Acquired company	Segment	Country	Completed	Share of equity	Annual net sales	Number of employees
PDAS Holdings Ltd	Water	UK	August 2024	100%	210	63
Total					**210**	**63**

The acquisitions made in 2024 have the following effects on the Group's assets and liabilities. The effects are preliminary in all cases. Any adjustments in connection with the final acquisition analysis are not expected to have a significant impact on the Group's earnings or financial position.

Business combinations	**Total**
Intangible assets	63
Other fixed assets	2
Other current assets	65
Cash and cash equivalents	44
Non-current liabilities	–
Deferred tax liability	-16
Current liabilities	-63
Net assets	**95**
Goodwill	124
Purchase price	**218**
Purchase price	**-218**
Contingent consideration	20
Cash & cash equivalents in acquired companies	44
Impact on cash and cash equivalents	**-154**
Paid contingent consideration	-144
Total impact on cash and cash equivalents	**-298**

Impact on the income statement 2024	
Net sales	117
EBITA	15
EBIT	12
Profit/loss before tax	10

	Total
Impact on the income statement if the acquisitions had been part of the Group on January 1, 2024	
Net sales	212
EBITA	24
Operating profit (EBIT)	17
Profit loss for the period	14

Acquisition-related costs of SEK 3 (2) million are included in the item Other operating expenses in the consolidated income statement. The goodwill of SEK 124 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. According to agreements on contingent consideration, the Group must pay cash compensation combined with the issue of shares linked to future earnings. The maximum non-discounted amount that may be paid to those owners is SEK 40 million. The fair value of the contingent consideration is at level 3 in the fair value hierarchy. Contingent consideration payments are reported in the item Other current liabilities and Other long-term liabilities in the balance sheet and amounts to SEK 19 (207) million as of 31 December 2024. Below is a table that shows the change in reported contingent consideration:

Change in contingent consideration liability	**2024**	**2023**
As of January 1	**207**	**399**
Added due to acquisitions during the year	20	75
Paid contingent consideration	-144	-223
Revaluation of contingent consideration, via operating profit	-56	-11
Exchange rate difference	1	0
Departs: Divested operations and operations held for sale	-9	-33
As of December 31	**19**	**207**

Note 16 Financial assets and liabilities

The Accounting principles include a description of the categories of financial assets and liabilities that exist in the Group, as well as associated accounting principles. The carrying amounts of financial assets and liabilities are as follows:

Financial assets in the balance sheet

31 Dec 2024	Amortised cost	Fair value via income statement	Fair value via comprehensive income	Total
Non-current securities holdings	–	3	–	**3**
Accounts receivable	624	–	–	**624**
Current receivables (portion of)	9	–	–	**9**
Cash and cash equivalents	174	–	–	**174**
Total	**807**	**3**	**-**	**810**

Financial liabilities in the balance sheet

31 Dec 2024	Amortised cost	Fair value via income statement	Fair value via comprehensive income	Total
Long-term borrowing	1,654	–	–	**1,654**
Short-term borrowing	1	–	–	**1**
Accounts payable	311	–	–	**311**
Current liabilities (portion of)	29	–	–	**29**
Contingent consideration	–	19	–	**19**
Derivative instruments for hedging purposes	–	–	0	**0**
Total	**1,994**	**19**	**0**	**2,013**

Financial assets in the balance sheet

31 Dec 2023	Amortised cost	Fair value via income statement	Total
Non-current securities holdings	–	3	**3**
Accounts receivable	867	–	**867**
Current receivables (portion of)	10	–	**10**
Cash and cash equivalents	345	–	**345**
Total	**1,222**	**3**	**1,225**

Financial liabilities in the balance sheet

31 Dec 2023	Amortised cost	Fair value via income statement	Total
Long-term borrowing	590	–	**590**
Short-term borrowing	1,334	–	**1,334**
Accounts payable	430	–	**430**
Current liabilities (portion of)	15	–	**15**
Contingent consideration	–	207	**207**
Total	**2,370**	**207**	**2,577**

Fair value

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

Level 1 Fair value according to quoted prices in active markets for identical assets or liabilities.

Level 2 Fair value determined on the basis of either directly or indirectly observable market data not included in level 1.

Level 3 Fair value determined on the basis of input data that is not observable on the market.

Contingent consideration that is valued at fair value in the balance sheet is classified in level 3 according to the fair value hierarchy. The debt is valued on the basis of the probable outcome of the conditional purchase price, which is based on the group's forecasts of the future development of the result in each unit. The fair value valuation of the conditional purchase price has had an positive effect on the result of SEK 56 (11) million.

Long-term securities holdings valued at fair value in the balance sheet are classified in level 1 according to the fair value hierarchy. The fair value valuation of long-term securities holdings has affected the result by SEK 0 (0) million.

Financial assets/liabilities related to derivatives and measured at fair value in the balance sheet are classified as level 2 according to the fair value hierarchy. The derivative instruments amount to SEK 0 (-) million.

For assets and liabilities valued at amortised cost, the reported value is considered a good approximation of the fair value.

Note 17 Accounts receivable

	31 Dec 2024	31 Dec 2023
Accounts receivable, gross	635	897
Provision for doubtful receivables	-11	-30
Total accounts receivable, net	**624**	**867**

The age analysis of all accounts receivable is shown below:

	31 Dec 2024	31 Dec 2023
Not yet due	472	675
Overdue, 1-30 days	92	150
Overdue, 31-60 days	30	24
Overdue, 61-90 days	25	13
Overdue, more than 90 days	16	34
Expected credit losses	-11	-30
Accounts receivable, net	**624**	**867**

Allowance for doubtful receivables

	2024	2023
Opening balance	**30**	**39**
Receivables paid in full or in part during the year	-2	-3
Receivables written off during the year	-4	-2
Departs: divested operations	-20	-28
Provision for doubtful receivables	7	24
Closing balance	**11**	**30**

For information on credit risk linked to accounts receivable, see Note 3.

Note 18 Inventory

	31 Dec 2024	31 Dec 2023
Raw materials and other materials	46	97
Finished goods and goods for sale	291	227
Provision for obsolescence	-7	-6
Total	**330**	**318**

The amount of inventories recognised as an expense is included in cost of materials and amounted in 2024 to SEK 1,569 (2,060) million including the change in the provision for obsolescence of SEK 1 (3) million.

Note 19 Prepaid expenses and accrued income

	31 Dec 2024	31 Dec 2023
Prepaid rent	12	13
Prepaid insurance	7	8
Accrued income from agreements (ongoing projects)	38	62
Bonus from suppliers	9	13
Other	22	22
Total	**87**	**118**

Note 20 Cash and cash equivalents

Cash and cash equivalents, both in the balance sheet and in cash flow statements, consist of the following:

	31 Dec 2024	31 Dec 2023
Available bank balances	174	345
Total	**174**	**345**

Note 21 Share capital

SEK	Number of shares	Share capital	Quota value
As of January 1, 2024	**375,809,468**	**125,269,822**	**0.33**
Newly issued shares during the year – acquisitions	–	–	–
Newly issued shares during the year – contingent consideration	–	–	–
As of December 31, 2024	**375,809,468**	**125,269,822**	**0.33**

Note 22 Earnings per share

Earnings per share are calculated based on earnings after tax in relation to the number of outstanding shares at the end of the period.

	2024	2023
Weighted average number of outstanding ordinary shares before dilution	375,809,468	374,978,968
Weighted average number of outstanding ordinary shares after dilution	378,559,468	375,174,858
Profit/loss attributable to remaining operations and the Parent company's shareholders, SEK million	**-53**	**-6**
Earnings attributable to the Parent company's owner per share, before dilution, SEK	-0.14	-0.02
Earnings attributable to the Parent company's owner per share, after dilution, SEK	-0.14	-0.02

Note 23 Borrowing

	31 Dec 2024			31 Dec 2023		
	Short-term	Long-term	Total	Short-term	Long-term	Total
Secured loans						
Credit facility	1	1,058	**1,059**	440	–	**440**
Leasing	–	359	**359**	–	392	**392**
Total secured loans	**1**	**1,418**	**1,418**	**440**	**392**	**832**
Unsecured loans						
Accounts payable	311	–	**311**	430	–	**430**
Bond loan	–	596	**596**	894	590	**1,484**
Leasing	127	–	**127**	135	–	**135**
Other loans	–	–	**-**	–	–	**-**
Total unsecured loans	**438**	**596**	**1,033**	**1,459**	**590**	**2,049**
Total	**438**	**2,013**	**2,451**	**1,899**	**982**	**2,881**

During the year, the remaining part of Vestum's bond loan of series 2021/2024 of SEK 900 million was redeemed. In connection with this, Vestum updated the existing credit facility with Danske Bank, Skandinaviska Enskilda Banken, and Swedbank, by adding another lender, Svensk Exportkredit AB, including an increase in the facility space from SEK 1,200 million to SEK 1,800 million. The utilised amount at the end of the year amounts to SEK 1,058 million.

Vestum had outstanding bonds of series 2023/2026 totaling SEK 600 million at the end of the year, which bear a floating interest rate of 3-month STIBOR plus 637.5 basis points. Vestum has redeemed all outstanding bonds after the end of the year.

Security for financial leasing liabilities consists of the rights to the leased asset, which revert to the lessor in the event of non-payment.

For the group's borrowing, the reported value essentially corresponds to its fair value.

Note 24 Provisions

Refers to provisions for warranty commitments that Vestum has towards customers where the agreement includes guarantees for completed delivery.

	2024	2023
As of January, 1	22	24
Acquisition of subsidiaries	0	0
Divestment of subsidiaries	-6	–
Additional provisions	8	6
Amount utilised during the year	-1	-7
Reserved provisions	-6	0
As of December, 31	**17**	**22**
Of which:		
Non-current provisions	15	21
Current provisions	2	2
Total	***17***	***22***

Note 25 Accrued expenses and deferred income

	31 Dec 2024	31 Dec 2023
Personnel-related items	165	191
Accrued contractual costs (ongoing projects)	34	19
Accrued costs relating to day-to-day operations	2	7
Accrued audit fee	6	6
Accrued interest expense	12	26
Other	47	45
Total	**266**	**293**

Note 26 Pledged assets and contingent liabilities

	31 Dec 2024	31 Dec 2023
Pledged assets		
For own liabilities and provisions:		
Company mortgages	19	19
Assets with ownership retention	–	–
Shares in Group companies	1,058[1)]	440[1)]
Other pledged assets	–	–
Total	**1,077**	**459**

	31 Dec 2024	31 Dec 2023
Contingent liabilities		
Guarantees	1	1
Bank guarantee	–	5
Total	**1**	**6**

Pledged assets
Pledged assets shows what Vestum has pledged for the company's or Group's liabilities and/or obligations. These can be liabilities and provisions that are shown in the balance sheet, or obligations that are not reported in the balance sheet. The pledges assets can be linked to assets in the balance sheet or mortgages. Assets are stated at their carrying amount and mortgages at nominal value. Shares in group companies are stated to the amount of the liabilities that have been secured with shares in group companies. The group value of pledged shares in group companies exceeds the value of the outstanding liabilities that are secured.

1) Shares pledged for loans are as follows:

The Group
Vestum Sweden AB
Vestum Norway AS
Vestum UK Limited
Vestum Denmark ApS

Note 27 Transactions with related parties

The Vestum Group's related parties mainly consist of its subsidiaries.

The parent Company has a related party relationship with its subsidiaries, see Note 15 – Business combinations and Note 10 Shares in Group companies in the Parent Company.

All transactions between companies in the group have been eliminated in the consolidated accounts and have taken place on market terms.

No transactions or results have taken place between the company and related parties that have significantly affected the company's position.

No outstanding receivables or liabilities are available on the balance sheet date attributable to related parties.

Note 27 *Transactions with related parties, cont.*

Remuneration to senior executives
Senior executives include the Board, the CEO of Vestum and managers directly reporting to the CEO who are part of the management team, and remuneration to these amount to:

Remuneration 2024

SEK thousand	Basic salary incl. benefits/ board fees	Other remune-ration	Pension cost	Social security contribu-tions	Total
Conny Ryk, chairman	1,050	–	–	330	**1,380**
Per Åhlgren, board member	250	–	–	79	**329**
Johan Heijbel, board member	350	–	–	110	**460**
Anders Rosenqvist, board member	300	–	–	94	**394**
Helena Fagreaus, board member	275	–	–	86	**361**
Siri Hane, board member	300	–	–	94	**394**
Simon Göthberg, CEO	3,335	–	875	1,260	**5,471**
Other senior executives, 3 individuals	5,658	–	1,450	2,129	**9,237**

Remuneration 2023

SEK thousand	Basic salary incl. benefits/ board fees	Other remune-ration	Pension cost	Social security contribu-tions	Total
Conny Ryk, chairman, CEO part of the year	4,393		199	1,429	**6,021**
Per Åhlgren, board member, chairman part of the year	508			160	**668**
Johan Heijbel, board member	350			110	**460**
Anders Rosenqvist, board member	300			94	**394**
Helena Fagreaus, board member	275			86	**361**
Siri Hane, board member part of the year	182			57	**240**
Johannes Lien, board member part of the year	118			37	**154**
Simon Göthberg, CEO, deputy CEO part of the year	3,041		233	1,011	**4,285**
Erkan Sen, deputy CEO part of the year	102		27	38	**167**
Other senior executives, 3 individuals	6,484		1,584	2,422	**10,489**

Note 28 Non-Cash flow items

Adjustment for items that are not included in the cash flow for operating activities:

	2024	2023
Depreciations	468	459
Capital gain or loss on fixed assets	2	10
Provisions	-6	-1
Other	-60	11
Total	**403**	**479**

Note 29 Subsequent events

In January 2025, the divestment of 100% of the shares in Infracon Sverige AB was completed, and in February 2025, the divestments of 100% of the shares in Hanell Entreprenad i Gävle AB, Marbit AB, and FlexiRail AB were completed.

In connection with the divestments, all outstanding bonds of series 2023/2026 amounting to SEK 600 million were redeemed at the redemption price of 103.1875 percent of the total nominal amount together with accrued but unpaid interest.

Note 30 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 (R12)	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, restructuring costs and one-time costs.	The performance measure is used when calculating adjusted EBITA, adjusted EBITA margin.
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.
Financial net debt	Long-term and short-term interest-bearing liabilities (including lease liabilities) reduced by cash and cash equivalents, adjusted for announced but not completed divestments at the end of the year.	Net debt is used to clarify the size of the debt minus current cash and cash equivalents and cash from divestments (which in theory could be used to repay loans).

Performance measure	Definition	Purpose
Financial net debt in relation to EBITDA	Refers to financial net debt divided by 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.
Free cash flow	Cash flow from operating activities (including taxes and capital costs), reduced by investments in intangible and tangible fixed assets as well as amortisation of lease liabilities.	The key figure shows the cash flow that the group can use for dividends, acquisitions, buyback of shares and/or debt repayment
Free cash flow in relation to adjusted EBITA	Free cash flow divided by adjusted EBITA	The key figure is used to monitor how much of the group's profit is converted into free cash flow.
Per share	Selected key figures divided by a weighted average of the number of outstanding shares during the period.	Used to show the performance measures EBITA and Adjusted EBITA per share, as well as the cash flow measure Free cash flow per share.

Note 30 *Alternative performance measures, cont.*

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, se previous page.

SEK million	2024	2023
Earnings measures		
(A) Net sales	**4,246**	**4,416**
Operating expenses and other income	–3,614	–3,742
(B) EBITDA	**632**	**673**
Depreciation excl. acquired surplus values	–185	–180
(C) EBITA	**447**	**494**
(C/A) EBITA margin	**10.5%**	**11.2%**
Adjustments items:		
Acquisition-related transaction costs	3	2
Impact on profit/loss from contingent consideration	–56	–11
One-time costs	20	8
Total adjustments	**–33**	**–1**
(D) Adjusted EBITA	**415**	**493**
(D/A) Adjusted EBITA margin	**9.8%**	**11.2%**
(E) Average number of shares during the period, before dilution	375,809,468	374,978,968
(C/E) EBITA per share, SEK	**1.19**	**1.32**
Net sales growth		
Organic net sales growth	–296	N/A
Exchange rate effect	4	N/A
Nets sales from acquired companies	123	N/A
Net sales growth	**–169**	**N/A**

SEK million	2024	2023
Balance measures		
Non-current interest-bearing liabilities	1,654	590
Current interest-bearing liabilities	1	1,334
Lease liabilities	486	526
Cash and cash equivalents	–174	–345
Financial net debt exclusive effects from divestments	**1,966**	**2,105**
Effects from divestments	–558	N/A
(F) Financial net debt	**1,408**	**2,105**
(F/B) Financial net debt in relation to EBITDA, times	**2.2**	**2.5**[3]
Cash flow measures		
Operating cash flow		
(B) EBITDA	632	673
Change in working capital	77	20
Net investment in intangible assets and property, plant and equipment	–44	–58
(G) Operating cash flow	**665**	**635**
(G/B) Cash conversion	**105%**	**94%**
Free cash flow		
Cash flow from operating activities	377	463
Net investment in intangible assets and property, plant and equipment	–44	–58
Repayments of lease liabilities	–129	–118
(H) Free cash flow	**204**	**287**
(H/E) Free cash flow per share	**0.54**	**0.76**
(H/D) Free cash flow in relation to adjusted EBITA	**49%**	**58%**

N/A: The performance measure cannot be calculated fairly

3) Reported performance measure 2023

PARENT COMPANY INCOME STATEMENT

SEK million	Note	2024	2023
Operating income			
Net sales	3	20	17
Other operating income		0	0
Total operating income		**20**	**17**
Operating expenses			
Other external costs	4	–22	–33
Personnel costs	5	–36	–45
Other operating expenses		–16	–3
Depreciation of property, plant and equipment and intangible assets		–2	–2
Total operating expenses		**–75**	**–83**
Operating profit/loss		**–55**	**–66**
Impairment of shares and receivables in subsidiaries		–150	–65
Other interest income and similar income	7	59	83
Interest expense and similar expenses	7	–234	–189
Net financials items		**–325**	**–170**
Appropriations	8	249	278
Earnings before tax		**–130**	**42**
Income tax	9	–24	–33
Profit/loss for the year		**–154**	**9**

The Parent company report on comprehensive income

SEK million	Note	2024	2023
Profit/loss for the year and total comprehensive income for the year		**–154**	**9**

PARENT COMPANY BALANCE SHEET

SEK million	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets		3	2
Tangible assets		2	6
Financial assets	10	5,910	6,043
Non-current intercompany receiveables	11	782	734
Total non-current assets		**6,698**	**6,785**
Current assets			
Current receivables			
Current intercompany receiveables		328	565
Other current receivables		9	1
Prepaid expenses and accrued income		5	5
Total current receivables		**342**	**571**
Cash and cash equivalents	12	85	230
Total current assets		**427**	**801**
TOTAL ASSETS		**7,125**	**7,586**

SEK million	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	13	125	125
Reserves		13	13
Fund for development expenditure		0	1
Non-restricted equity			
Share premium reserve		4,463	4,463
Retained earnings		–193	–209
Profit/loss for the year		–154	9
Total equity		**4,254**	**4,402**
Untaxed reserves		**138**	**99**
Liabilities			
Non-current liabilities			
Non-current interest-bearing liabilities	15	1,654	590
Non-current intercompany liabilities		23	0
Other non-current liabilities		2	20
Total non-current liablities		**1,679**	**610**
Current liabilities			
Current interest-bearing liabilities	15	0	1,334
Current intercompany liabilities		1,028	978
Accounts payable		3	4
Other current liabilities		1	126
Accrued expenses and deferred income	16	23	33
Total current liabilities		**1,054**	**2,475**
Total liabilities		**2,733**	**3,085**
TOTAL EQUITY AND LIABILITIES		**7,125**	**7,586**

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	Restricted equity			Non-restricted equity			
SEK million	**Share capital**	**Fund for development expenditure**	**Reserves**	**Share premium reserve**	**Retained earnings**	**Profit/loss for the year**	**Total equity**
Opening balance as of January 1, 2023	**123**	**1**	**13**	**4,338**	**-321**	**112**	**4,266**
Reversal of previous year's earnings	–	–	–	–	112	–112	**0**
Profit/loss for the year	-	-	–	–	–	9	**9**
Change in funds for development expenditure	–	0	–	–	0	–	**0**
Transactions with owners							
Share issue	3	–	–	123	–	–	**125**
Issue costs	–	–	–	0	–	–	**0**
Incentive program	–	–	–	2	–	–	**2**
Total transactions with owners	**3**	**-**	**-**	**124**	**-**	**-**	**127**
Closing balance as of December 31, 2023	**125**	**1**	**13**	**4,463**	**-209**	**9**	**4,402**
Opening balance as of January 1, 2024	**125**	**1**	**13**	**4,463**	**-209**	**9**	**4,402**
Reversal of previous year's earnings	–	–	–	–	9	–9	**-**
Profit/loss for the year	–	–	–	–	–	–154	**-154**
Change in fund for development expenditure	–	0	–	–	0	–	**0**
Other adjustments	–	–	–	–	6	–	**6**
Transactions with owners							
Share issue	–	–	–	–	–	–	**-**
Issue costs	–	–	–	–	–	–	**-**
Incentive program	–	–	–	–	–	–	**-**
Total transactions with owners	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Closing balance December 31, 2024	**125**	**0**	**13**	**4,463**	**-193**	**-154**	**4,254**

PARENT COMPANY CASH FLOW STATEMENT

SEK million	Note	2024	2023
Operating activities			
Earnings before tax		-130	42
Adjustment for items that are not included in the cash flow	17	193	119
Paid taxes		-61	-30
Cash flow before changes in working capital		**1**	**131**
Changes in working capital			
Changes in current receivables		200	-104
Changes in current liabilities		74	522
Cash flow from operating activities		**275**	**549**
Investing activities			
Investment in intangible assets		0	-2
Investment in property, plant and equipment		2	0
Divestment of subsidiaries		3	–
Shareholder contributions		0	–
Paid contingent consideration		-89	-155
Cash flow from investing activities		**-85**	**-157**
Cash flow from financing activities			
Proceeds from borrowings		705	1,033
Repayment of borrowings		-975	-592
Repayment of borrowings, Group companies		-71	-1,048
Proceeds from capital increase		0	2
Cash flow from financing activities		**-341**	**-605**
Total cash flow for the year		-150	-213
Cash and cash equivalents at the beginning of the year		230	443
Cash and cash equivalents from mergers of subsidiaries		5	0
Cash and cash equivalents at the end of the year		**85**	**230**
Cash flow for the year from interest			
Interest paid		-162	-134
Interest received		7	9

NOTES FOR THE PARENT COMPANY

Note 1 General information

The parent company, Vestum AB (publ) corp.reg.no 556578-2496, is a limited company registered in Sweden with its registered office in Stockholm with the address Kungsgatan 26, 111 35 Stockholm.

Unless otherwise stated, all amounts are reported in millions of SEK (SEK million). Data in parentheses refer to comparison years.

Note 2 The Parent company's accounting and valuation principles

The Parent company's annual report has been prepared in accordance with the Annual Accounts Act and RFR 2 Accounting for Legal Entities. RFR 2 means that the Parent company, in the annual report for the legal entity, must apply all IFRS and statements approved by the EU as far as this is possible within the framework of the Annual Accounts Act and taking into account the connection between accounting and taxation. The recommendation states which exceptions and additions are to be made from IFRS.

The Parent company's annual report and financial reports are presented in the company's reporting currency, which is SEK.

For information on the Parent company's financial risk management as well as important estimates and assessments for accounting purposes, see Note 3 and Note 4, in the notes for the Group. The Parent company's accounting and valuation principles are in accordance with the Group's, except as stated below.

Presentation of the financial statements

The income statement and balance sheet are presented as required by the Annual Accounts Act. The report on changes in equity follows the Group's presentation format but shall include the columns specified in the Annual Accounts Act. Furthermore, it involves differences in terminology compared to the consolidated financial statements, primarily concerning financial income and expenses and equity.

Shares in subsidiaries

Shares in subsidiaries are reported at acquisition value after deductions for any write-downs. The acquisition value includes acquisition-related costs and any contingent consideration.

When there is an indication that shares in subsidiaries have decreased in value, a calculation of the recoverable amount is made. If this is lower than the carrying amount, a write-down is made. Impairment losses are reported in the items "Profit from shares in Group companies".

Group contribution

All group contributions made and received are recognised as appropriations.

Financial instruments

IFRS 9 is not applied in the Parent company. Instead, the Parent company applies the points specified in RFR 2 (IFRS 9 Financial Instruments, p.3-10). Financial instruments, such as derivative instruments, are valued based on acquisition cost. In subsequent periods, financial assets acquired with the intention of being held short-term will be reported in accordance with the lower of cost or market principle, at the lower of acquisition cost and net realisable value.

When calculating the net sales value of receivables that are recognised as current assets, the principles for impairment testing and loss risk provision in IFRS 9 shall be applied. For a receivable that is recognised at accrued acquisition value at Group level, this means the loss risk provision that is recognised in the Group in accordance with IFRS 9 must also be recognised in the Parent company.

Operational leasing

The Parent Company has chosen not to apply IFRS 16 Leasing Agreements, but has instead chosen to apply the exemption in RFR 2. All leasing agreements are reported as operating leases, regardless of whether the agreements are financial or operational. The leasing fee is reported as a cost on a straight-line basis over the leasing period.

Note 3 Net sales

	2024	2023
Management revenues	20	17
Other intercompany revenue	–	–
Net sales	**20**	**17**

Distribution of revenues	2024	2023
Sweden	20	16
Norway	0	1
Other countries	0	0
Net sales	**20**	**17**

Note 4 Remuneration to auditor

PwC	2024	2023
Audit assignment	-2	-2
Auditing activities in addition to the audit assignment	0	0
Tax advice	0	0
Other services	0	0
Total cost of remuneration to auditor	**-2**	**-2**

Note 5 Remuneration to employees, etc.

	2024			
Salaries, other remuneration and social security contributions	**Salaries and other remuneration**	***Of which variable portion***	**Social security contributions**	***Of which pension cost***
Board, CEO and other senior executives	-11	*0*	-6	*-3*
Other employees	-14	*0*	-8	*-3*
Total	**-25**	**0**	**-14**	***-6***

	2023			
Salaries, other remuneration and social security contributions	**Salaries and other remuneration**	***Of which variable portion***	**Social security contributions**	***Of which pension cost***
Board, CEO and other senior executives	-16	-	-7	*-2*
Other employees	-14	-	-9	*-3*
Total	**-29**	**-**	**-16**	***-5***

	2024		2023	
Average number of employees	**Average no. of employees**	***Of which, men***	**Average no. of employees**	***Of which, men***
Sweden	18	*11*	18	*10*

Note 6 Transactions with related parties

Of the Parent company's total sales, 100% (100%) refers to sales to other companies within the Group. Of the Parent company's total purchases, 0% (0%) refers to purchases from other Group companies.

More information regarding transactions with related parties is provided in Note 27 in the consolidated financial statements. Information on remuneration to company management and the Board of Directors can be found in Note 8 in the consolidated financial statements.

Note 7 Other interest income and similar income as well as interest expenses and similar expenses

	2024	2023
Interest income	5	9
Interest income, Group companies	47	31
Exchange rate gains	8	44
Total financial income	**59**	**83**
Interest expenses	-150	-151
Interest expenses, Group companies	-46	-26
Exchange rate losses	-14	-
Other financial costs	-26	-11
Total financial expenses	**-234**	**-189**
Total other interest income and similar income as well as interest expenses and similar expenses	**-175**	**-106**

Note 8 Appropriations

	2024	2023
Allocation to untaxed reserves	-39	-53
Group contributions received	327	560
Group contributions paid	-39	-229
Total appropriations	**249**	**278**

Note 9 Taxes

Recognised tax	**2024**	**2023**
Current tax		
Current tax expense	-24	-33
Total	**-24**	**-33**
Deferred tax		
Tax loss carryforward	-	-
Total	**-**	**-**
Recognised tax in the income statement	**-24**	**-33**

Reconciliation of effective tax	**2024**	**2023**
Earnings before tax	-130	42
Tax according to current tax rate (20.6%)	27	-9
Tax effect of:		
Non-deductible expenses	-45	-18
Non-taxable income	0	0
Offset of negative net interest income	-6	-6
Utilisation of tax loss carryforward	-	-
Utilisation of previous years' negative net interest	-	-
Change in deferred tax	-	-
Other tax adjustments	-	0
Recognised tax in the income statement	**-24**	**-33**

2024	**Deferred tax assets**	**Deferred tax liability**	**Via acquisitions**	**Closing balance**
Unutilised tax loss carryforward	-	-	-	-

2023	**Opening balance**	**Reported in income statement**	**Via acquisitions**	**Closing balance**
Unutilised tax loss carryforward	-	-	-	-

Note 10 Shares in Group companies

	31 Dec 2024	31 Dec 2023
Opening carrying amount	6,043	5,712
Acquisition of subsidiaries	–	–
Shareholder contribution	102	358
Sale of subsidiaries	-16	–
Adjustment of purchase price	-20	-11
Impairment	-198	-16
Closing carrying amount	**5,910**	**6,043**

Subsidiary	Share of capital and share of voting rights(%)	Corp.reg.no	Registered seat of operations	Book value 31 Dec 2024	Book value 31 Dec 2023
Vestum Denmark ApS	100	43044346	Frederiksvaerk, Denmark	175	175
Vestum Norway AS	100	928649660	Oslo, Norway	287	101
Vestum Sweden AB	100	559339-6962	Stockholm, Sweden	4,683	4,594
Vestum UK Limited	100	13830595	Gloucester, UK	766	-

Indirectly owned Name	Share of capital and share of voting rights(%)	Corp.reg.no	Registered seat of operations
Abax Dörrsystem AB	100	556547-1496	Huddinge, Sweden
ABR Mark & Järnväg AB	100	556965-9724	Lerum, Sweden
Akershus Elektro AS	100	976 527 569	Oslo, Norway
Allakustik Under(bara) Tak AB	100	556539-5786	Stockholm, Sweden
Allakustik Under(bara) Tak GBG AB	100	559026-3074	Stockholm, Sweden
Allakustik Under(bara) Tak SYD AB	70	559205-0727	Stockholm, Sweden
Alufasad Nordic AB	50	559128-8567	Vetlanda, Sweden
Campus AB	100	556551-7116	Vallentuna, Sweden
Conspect AB	100	559105-5982	Göteborg, Sweden
Containertjänst i Tyresö AB	100	556339-5143	Tyresö, Sweden
Ekmans Ståldörrar AB	100	556079-0254	Stockholm, Sweden
Elcentralen Nacka AB	100	559092-5151	Nacka, Sweden
F Forsman VVS AB	100	556881-8511	Huddinge, Sweden
Fibber AS	100	916 838 816	Oslo, Norway
Filtrena AB	100	556605-8243	Växjö, Sweden
FlexiRail AB	100	556816-4296	Nyköping, Sweden
Galore i Uppsala AB	100	556623-2772	Uppsala, Sweden
GGAL Group AB	100	559193-7775	Vetlanda, Sweden
Glamco Containerservice AB	100	556275-8614	Göteborg, Sweden
GW Asfalt och Trädgårdsanläggningar AB	100	556457-8663	Stockholm, Sweden
Hanell Entreprenad i Gävle AB	100	556886-8011	Gävle, Sweden
Högsbo EL AB	100	556503-9715	Göteborg, Sweden
InfraCon Maskin AB	100	559235-6538	Örebro, Sweden
InfraCon Sverige AB	100	559020-5869	Örebro, Sweden
Installera SW AB	100	556750-2561	Huddinge, Sweden
Isoleringsgrossisten i Göteborg AB	100	556910-0832	Göteborg, Sweden
JT Isolering AB	100	556810-4979	Kungälv, Sweden
Kjellgrens El i Tumba AB	100	556503-6794	Botkyrka, Sweden
KWA Isolerteknik AB	100	556976-9572	Göteborg, Sweden
Kylkontroll Göteborg AB	100	556494-2158	Göteborg, Sweden
Lakers Group AB	100	559308-7918	Stockholm, Sweden
Lakers Group UK Ltd	100	13142642	Port Talbot, UK
Lerums Tekniska Isolering LTI AB	100	556577-7231	Lerum, Sweden
Malte Rutberg Entreprenad AB	100	556563-1834	Sollentuna, Sweden
Marbit AB	100	556179-6151	Sundbyberg, Sweden

Note 10 *Shares in Group companies, cont.*

Indirectly owned Name	Share of capital and share of voting rights(%)	Corp.reg.no	Registered seat of operations
Markax AB	100	556811-7732	Gävle, Sweden
MCR Holding AB	100	559344-0117	Göteborg, Sweden
MDT Markvaruhuset AB	100	556718-1440	Skogås, Sweden
Mobile Container Repair AB	100	556236-1591	Göteborg, Sweden
MTB Mark & Trädgårdsbyggarna AB	80	556808-0385	Håbo, Sweden
NA Altanglas AB	100	556506-4358	Bromölla, Sweden
Naturlek AB	100	559171-6377	Sundbyberg, Sweden
Nolanders Byggservice	100	556878-3079	Gråbo, Sweden
Norsk Pumpeservice AS	100	934 814 185	Fetsund, Norway
NVM Akustik AB	85	559295-7574	Stockholm, Sweden
Oceanterminalen Fastighetsförvaltning AB	100	556446-8048	Göteborg, Sweden
Østcom AS	100	998 469 325	Kongsvinger, Norway
Paradox Security AB	100	556562-2494	Stockholm, Sweden
PDAS Holdings Ltd	100	12117804	Camberley, UK
PDAS Install Ltd	100	12117796	Camberley, UK
PDAS Proactive Ltd	100	12118019	Camberley, UK
PDAS Projects Ltd	100	13475082	Camberley, UK
PDAS Rental Ltd	100	12118007	Camberley, UK
Pordrän Sverige AB	100	556485-5780	Stockholm, Sweden
Precisio Mätkonsult AB	100	559136-1620	Sundbyberg, Sweden
Pump Design and Services Ltd	100	9075338	Camberley, UK
Pump Supplies Ltd	100	01628083	Gloucester, UK
Rosenqvist Entreprenad AB	100	556391-8720	Vallentuna, Sweden
Rönnmarks Undertak AB	100	556464-2253	Stockholm, Sweden
Sanera AB	100	556672-4646	Stockholm, Sweden
Spännbalkkonsult SBK AB	100	556233-9712	Göteborg, Sweden
Scanregn A/S	100	19611302	Grindsted, Denmark
Skandinaviska områdesskydd AB	100	556684-1853	Stockholm, Sweden
Skåne Montage AB	100	556202-8844	Malmö, Sweden
Sollentuna Isolerings Aktiebolag	100	556303-5335	Stockholm, Sweden
Swerör J Borg AB	100	556449-4564	Mark, Sweden

Indirectly owned Name	Share of capital and share of voting rights(%)	Corp.reg.no	Registered seat of operations
Takakustik i Stockholm AB	100	556481-3136	Stockholm, Sweden
Tannefors Glas AB	100	556696-9449	Linköping, Sweden
Teknik & Installationssamordning AB	100	559079-7220	Göteborg, Sweden
Universalisolering Fredriksson AB	100	556023-2802	Stockholm, Sweden
Vetri i Laholm AB	100	556049-4758	Vetlanda, Sweden
Vetri i Mariestad AB	100	556872-1301	Vetlanda, Sweden
Vetri i Mälardalen AB	100	556882-9724	Strängnäs, Sweden
VPP System AB	100	556346-5854	Vetlanda, Sweden
Västsvensk Byggskruv AB	100	556243-3440	Borås, Sweden
We Ar(e) Group AB	100	559198-1492	Stockholm, Sweden
Yesman AB	100	559157-0832	Göteborg, Sweden

Note 11 Receivables from Group companies

	31 Dec 2024	31 Dec 2023
Opening carrying amount	734	155
Loan issued	169	863
Amortisation	-116	-285
Exchange rate adjustment	-4	1
Closing carrying amount	**782**	**734**

Note 12 Cash and cash equivalents

	31 Dec 2024	31 Dec 2023
Available bank balances	85	230
Total	**85**	**230**

Note 13 Share capital

For information on share capital, see Group Note 21.

Note 14 Earnings per share

For information on earnings per share, see Group Note 22.

Note 15 Interest-bearing liabilities

	31 Dec 2024		31 Dec 2023	
	Short-term	Long-term	Short-term	Long-term
Bond loan	–	596	894	590
Credit facility	–	1,058	440	–
Total borrowing	**–**	**1,654**	**1,334**	**590**

For further information, see Group Note 23.

Note 16 Accrued expenses and deferred income

	31 Dec 2024	31 Dec 2023
Personnel-related items	8	6
Accrued audit fee	2	2
Accrued interest expense	12	26
Other	0	0
Total	**23**	**33**

Note 17 Non-Cash flow items

	2024	2023
Depreciations	4	2
Allocation to untaxed reserves	39	53
Impairment	150	65
Total	**193**	**119**

Note 18 Pledged assets and contingent liabilities

Pledged assets	31 Dec 2024	31 Dec 2023
Shares in Group companies[1]	1,058	440
Total	**1,058**	**440**

Contingent liabilities	31 Dec 2024	31 Dec 2023
Issued bank guarantee	–	5
Guarantees for Group companies	1	1
Total	**1**	**6**

1) Shares pledged for loans are as follows: Vestum Sweden AB, Vestum Norway AS, Vestum UK Limited, Vestum Denmark ApS. Shares in Group companies exceeds the value of the outstandning liabilities that are secured.

Note 19 Proposed appropriation of Parent company's earnings

The following retained earnings are available to the Annual General Meeting:

SEK	31 Dec 2024
Share premium reserve	4,462,823,182
Retained earnings	-192,929,690
Profit for the year	-154,491,913
Total	**4,115,401,580**

The Board of Directors and the CEO propose that available earnings of SEK 4,115,491,580 be distributed as follows:

To be carried forward:	4,115,401,580
Total	**4,115,401,580**

BOARD OF DIRECTORS AND CEO APPROVAL

The Board of Directors and the CEO hereby provide assurances that the consolidated accounts and the annual report give a true and fair view of the Parent company's and the Group's operations, position and results and describe the significant risks and uncertainties facing the Parent company and the companies included in the Group.

Stockholm, the day for our electronic signature.

Conny Ryk Chairman of the board	**Johan Heijbel** Board member	**Per Åhlgren** Board member
Anders Rosenqvist Board member	**Helena Fagraeus Lundström** Board member	**Siri Hane** Board member

Simon Göthberg
CEO

Stockholm, the day for our electronic signature
Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Authorised Public Accountant

AUDIT REPORT

To the general meeting in Vestum AB (publ), org.nr 556578-2496

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinion

We have performed an audit of the annual report and consolidated accounts for Vestum AB (publ) for the year 2024 with the exception of the corporate governance report on pages 29-35 and the sustainability report on pages 37-52. The company's annual report and consolidated report are included on pages 13-15, 17-26, 29-35, 37-52 and 54-90.

In our opinion, the annual report has been prepared in accordance with the Annual Accounts Act and gives a true and fair view in all material respects of the parent company's financial position as of 31 December 2024 and of its financial results and cash flow for the year in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view in all material respects of the group's financial position as of 31 December 2024 and of its financial results and cash flow for the year in accordance with IFRS Accounting standards as adopted by the EU, and the Annual Accounts Act. Our statements do not include the corporate governance report and the sustainability report on pages 29–35 and 37–52, respectively. The management report is compatible with the other parts of the annual report and consolidated accounts.

We therefore recommend that the general meeting approve the income statement and balance sheet for the parent company and the group.

Our statements in this report on the annual report and the consolidated accounts are consistent with the content of the supplementary report that has been submitted to the parent company's board in accordance with Article 11 of the auditors' regulation (537/2014).

Basis for opinion

We have performed the audit in accordance with International Standards on Auditing (ISA) and good auditing practice in Sweden. Our responsibilities under these standards are described in more detail in the Auditor's Responsibilities section. We are independent in relation to the parent company and the group in accordance with good accounting practice in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements. This includes that, based on our best knowledge and belief, no prohibited services referred to in Article 5.1 of the Auditor Regulation (537/2014) have been provided to the audited company or, where applicable, its parent company or its controlled company within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate as a basis for our statements.

Our audit approach

Scope of the audit

We designed our audit by determining the level of materiality and assessing the risk of material misstatement of the financial statements. We particularly considered the areas where the CEO and the board made subjective judgments, for example important accounting estimates that have been made based on assumptions and forecasts about future events, which are inherently uncertain. As with all audits, we have also taken into account the risk of the board and the CEO overriding the internal control, and considered, among other things, whether there is evidence of systematic deviations that have given rise to the risk of material inaccuracies as a result of irregularities.

We adapted our audit to carry out an appropriate review in order to express an opinion on the financial statements as a whole, taking into account the group's structure, accounting processes and controls and the industry in which the group operates.

Materiality

The scope of the audit was influenced by our assessment of materiality. An audit is designed to obtain reasonable assurance about whether the financial statements contain any material misstatements. Errors may occur as a result of irregularities or mistakes. They are considered material if, individually or together, they can reasonably be expected to influence the financial decisions that users make based on the financial statements.

Based on professional judgment, we determined certain quantitative materiality figures, including for the financial reporting as a whole. Using these and qualitative considerations, we determined the scope of the audit and the nature, timing and scope of our review procedures, as well as assessing the effect of individual and aggregate misstatements on the financial statements as a whole.

Key audit matters

Key audit matters for the audit are those areas which, according to our professional judgment, were the most significant for the audit of the annual accounts and consolidated accounts for the period in question. These areas were addressed in the context of the audit of, and in our opinion on, the annual accounts and the consolidated accounts as a whole, but we do not make separate statements on these areas.

Key audit matters	How our audit addressed the Key audit matter
Valuation of goodwill and other acquisition-related intangible assets We refer to note 1 for a description of essential accounting principles and to note 13 Intangible assets for a description of the year's impairment test. Goodwill and other acquisition-related assets including customer relations and brand amount to SEK 5 019 million as of December 31, 2024 and correspond to 66 percent of total assets. The main risk is that there is a need to write down the value related to these assets. Vestum annually prepares a test to assess the value of goodwill and other intangible assets and whether or not there is a need for impairment. The test is complex and dependent on management's expectations regarding essential parameters such as future development of sales, margins and discount rate (WACC). Vestum has an established process for testing the valuation, based on identified cash generating units (CGUs), which are deemed to be the group's three segments. The company's conclusion is that there was no need for impairment regarding the above-mentioned assets for 2024. However, as shown in the note, the valuation of the intangible assets related to the Water segment is particularly sensitive to changes regarding assumptions about future development.	When testing the need for impairment for goodwill, as well as other acquisition-related intangible assets, in order to ensure the valuation and accuracy, we have carried out, among other things, the following audit measures: • We have evaluated and tested the company's models, methodology and assumptions. • Through random sampling, we have tested, evaluated and challenged the information used in the calculations visavi the company's financial plan and, where possible, external information. We have then focused on assumed growth figures, the development of margins and discount rate per cash-generating unit. We have also followed the inherent quality of the company's process of establishing business plans and financial plans based on historical outcomes. • Control of the sensitivity of the valuation to negative changes in material parameters which, on an individual or collective basis, could lead to a need for impairment. • Assessment that the information given in the annual report is correct based on the conducted test of valuation, especially based on information about the sensitivity of the valuations. • Comparison of the information included in the annual report against the requirements of IAS 36 (Impairments). Based on our review, it is our conclusion that the company's valuation and disclosures comply with the requirements according to IAS 36 and that the assumptions underlying the valuation are considered reasonable.

Key audit matters	How our audit addressed the Key audit matter
Accounting of income and results in contracting projects We refer to note 1 for a description of essential accounting principles and to note 5 Distribution of income for a description of the company's accounting principles and nature of income. Total revenues in Vestum for 2024 amount to SEK 4 246 million, of which SEK 1 639 million refer to projects with a volume > SEK 1 million. The projects mainly consist of service projects on an ongoing basis, but also to some extent contract projects that are accounted for with the application of successive profit deductions. This means that reported revenues and costs in contracting projects are partly based on assumptions and assessments about future outcomes documented in the projects' end-state forecasts. The forecasts contain assessments of costs for eg labour, materials, subcontractors and warranty obligations. The latter may from time to time require updated assessments even for completed projects. Where applicable, assessments of requirements presented to the customer for eg amendment and additional works and lack of tender conditions. The elements of assumptions and assessments mean that final results may deviate from those currently reported. Given the large element of estimates and assessments, this is a particularly significant area for the audit.	When reviewing the income, in order to ensure above all the completeness, valuation and accuracy, we have carried out, among other things, the following audit measures: • We have carried out an analytical review of reported revenues and margins and evaluated the management's routines for following up the projects' financial results and also discussed the latter with the management of the local companies as well as the group. • On a random sample basis, we have reviewed revenues and the reported project costs that are the basis for determining the degree of processing. • We have also tested the mathematical accuracy of the calculation of the successive profit settlement. • We have discussed with the company the principles, methods and assumptions on which assessments are based, including those that form the basis of guarantee provisions for already completed projects. • For selected projects, we have carried out in-depth review measures including, for example, reading contract extracts and discussions with project managers and controllers regarding assessments, assumptions and estimates. • For selected disputes, we have also obtained statements from Vestum's legal expertise. • We have also held a dialogue with the company's management and the audit committee regarding assessments and the principles, methods and assumptions on which these are based. Overall, our view is that Vestum's assumptions and estimates are within an acceptable range. However, we have communicated that these are often difficult assessment questions and that final outcomes may deviate from the assumptions, estimates and assessments currently made.

Other information than the annual report and consolidated accounts

The other information consists of the remuneration report and pages 1-12, 16, 27-28, 36, 53 and 96 of this document, which also contain other information than the annual report and the consolidated accounts. The board and the CEO are responsible for this other information.

Our statement regarding the annual report and the consolidated accounts does not include this information and we do not make any assurance statement regarding this other information. In connection with our audit of the annual accounts and consolidated accounts, it is our responsibility to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts.

During this review, we also take into account the knowledge we have otherwise acquired during the audit and assess whether the information otherwise appears to contain material inaccuracies.

If, based on the work done on this information, we conclude that the other information contains a material misstatement, we are required to report this. We have nothing to report in that regard.

Responsibilities of the Board of Directors and the CEO

It is the board of directors and the managing director who are responsible for the preparation of the annual accounts and the consolidated accounts and that they give a true and fair view in accordance with the Annual Accounts Act and, as far as the consolidated accounts are concerned, in accordance with IFRS, as adopted by the EU, and the Annual Accounts Act. The board and the CEO are also responsible for the internal control they deem necessary to prepare an annual report and consolidated accounts that do not contain any material errors, whether these are due to irregularities or mistakes.

When preparing the annual report and the consolidated accounts, the board and the managing director are responsible for the assessment of the company's and the group's ability to continue operations. They disclose, when applicable, conditions that may affect the ability to continue operations and to use the going concern assumption. However, the assumption of continued operation is not applied if the board and the managing director intend to liquidate the company, cease operations or have no realistic alternative to doing any of this.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high degree of assurance, but is no guarantee that an audit performed in accordance with ISA and good auditing practice in Sweden will always detect a material misstatement if one exists. Misstatements may arise due to irregularities or mistakes and are considered material if individually or collectively they can reasonably be expected to influence the financial decisions that users make based on the annual report and consolidated accounts.

A further description of our responsibility for the audit of the annual report and consolidated accounts can be found on the Revisorsinspektionens website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The auditor's review of management and proposals for the disposition of the company's profit or loss

Opinion

In addition to our audit of the annual report and the consolidated accounts, we have also carried out an audit of the management of Vestum AB (publ) by the board and the managing director for the year 2024, as well as the proposal for dispositions regarding the company's profit or loss.

We recommend that the general meeting dispose of the profit according to the proposal in the management report and grant the members of the board and the managing director discharge from liability for the financial year.

Basis for opinion

We have performed the audit in accordance with good auditing practice in Sweden. Our responsibility according to this is described in more detail in the Auditor's responsibility section. We are independent in relation to the parent company and the group in accordance with good accounting practice in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate as a basis for our statements.

Responsibilities of the Board of Directors and the CEO

It is the board that is responsible for the proposal for dispositions regarding the company's profit or loss. In the case of a proposal for a dividend, this includes, among other things, an assessment of whether the dividend is justifiable taking into account the requirements that the company's and the group's nature of operations, scope and risks place on the size of the parent company's and the group's equity capital, consolidation needs, liquidity and position in general.

The board is responsible for the company's organization and the management of the company's affairs. This includes, among other things, continuously assessing the company's and the group's financial situation, and ensuring that the company's organization is designed so that the accounting, fund management and the company's financial affairs in general are controlled in a reassuring manner. The managing director must manage the day-to-day management in accordance with the board's guidelines and instructions and, among other things, take the measures necessary for the company's accounting to be completed in accordance with the law and for the fund management to be managed in a reassuring manner.

Auditor's responsibilities

Our goal regarding the audit of the administration, and thus our statement on freedom from liability, is to obtain audit evidence in order to be able to assess with a reasonable degree of certainty whether any board member or the managing director in any material respect:

- has taken any action or been guilty of any negligence that may give rise to liability for compensation against the company

- acted in any other way in violation of the Swedish Companies Act, the Annual Accounts Act or the articles of association.

Our goal regarding the audit of the proposal for dispositions of the company's profit or loss, and thus our statement on this, is to assess with a reasonable degree of certainty whether the proposal is compatible with the Swedish Companies Act.

Reasonable assurance is a high degree of assurance, but no guarantee that an audit carried out in accordance with good auditing practice in Sweden will always discover measures or omissions that may give rise to liability for compensation against the company, or that a proposal for dispositions of the company's profit or loss is not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration can be found on the Inspectorate's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

THE AUDITOR'S REVIEW OF THE ESEF REPORT

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also carried out an audit of whether the board and the managing director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) according to ch. 16. Section 4 a of the Act (2007:528) on the securities market for Vestum AB (publ) for the year 2024.

Our review and our statement refer only to the statutory requirement.

In our opinion, the Esef report has been prepared in a format which essentially enables uniform electronic reporting.

Basis for opinion

We have performed the review in accordance with FAR's recommendation RevR 18 The auditor's review of the Esef report. Our responsibility according to this recommendation is described in more detail in the Auditor's responsibility section. We are independent in relation to Vestum AB (publ) in accordance with good accounting practice in Sweden and have otherwise fulfilled our professional ethical responsibilities according to these requirements.

We believe that the evidence we have obtained is sufficient and appropriate as a basis for our statement.

Responsibilities of the Board of Directors and the CEO

It is the board and the managing director who are responsible for the Esef report being prepared in accordance with ch. 16. § 4 a of the Act (2007:528) on the securities market, and because there is such an internal control as the board and the managing director deem necessary to prepare the Esef report without material errors, whether these are due to irregularities or mistakes.

Auditor's responsibilities

Our task is to state with reasonable certainty whether the Esef report is, in all essentials, prepared in a format that meets the requirements in ch. 16. Section 4 a of the Act (2007:528) on the securities market, based on our review.

RevR 18 requires us to plan and perform our audit procedures to obtain reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high degree of assurance, but is no guarantee that an audit performed in accordance with RevR 18 and good auditing practice in Sweden will always detect a material misstatement if one exists. Misstatements may arise due to irregularities or mistakes and are considered material if individually or collectively they can reasonably be expected to influence the financial decisions users make based on the Esef report.

The audit firm applies the International Standard on Quality Management 1, which requires the firm to design, implement and manage a quality management system including guidelines or routines regarding compliance with professional ethical requirements, standards for professional practice and applicable requirements in laws and other statutes.

The review includes, through various measures, obtaining evidence that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual report and the consolidated accounts. The auditor chooses which measures are to be carried out, including by assessing the risks of material inaccuracies in the reporting, whether these are due to irregularities or mistakes. In this risk assessment, the auditor takes into account the parts of the internal control that are relevant to how the board and the CEO prepare the basis for the purpose of designing audit measures that are appropriate in the circumstances, but not for the purpose of making a statement about the effectiveness of the internal control . The audit also includes an evaluation of the appropriateness and reasonableness of the board's and CEO's assumptions.

The review measures mainly include validation that the Esef report has been prepared in a valid XHTML and a reconciliation that the Esef report is consistent with the audited annual report and consolidated accounts.

Furthermore, the review also includes an assessment of whether the group's profit and loss, balance sheet and equity statements, cash flow analysis and notes in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's review of the corporate governance report

It is the board that is responsible for the corporate governance report on pages 29-35 and that it is prepared in accordance with the Annual Accounts Act.

Our review has taken place in accordance with FAR's statement RevR 16 The auditor's review of the corporate governance report. This means that our review of the corporate governance report has a different focus and a significantly smaller scope compared to the scope of an audit according to International Standards on Auditing and good auditing practice in Sweden. We believe that this review provides us with a sufficient basis for our statements.

A corporate governance report has been prepared. Information in accordance with ch. 6 § 6, second paragraph, points 2–6 of the Annual Accounts Act and ch. 7 § 31 second paragraph of the same act are compatible with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

The auditor's opinion regarding the statutory sustainability report

The board is responsible for the sustainability report on pages 37–52 and for it being prepared in accordance with the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024.

Our review has taken place in accordance with FAR's statement RevR 12 The auditor's opinion on the statutory sustainability report. This means that our review of the sustainability report has a different focus and a significantly smaller scope compared to the scope of an audit according to International Standards on Auditing and good auditing practice in Sweden. We believe that this review provides us with a sufficient basis for our statement.

A sustainability report has been prepared.

Öhrlings PricewaterhouseCoopers AB, was appointed as Vestum AB (publ)'s auditor by the general meeting on 17 May 2024 and has been the company's auditor since 2016.

Stockholm on the date shown by our electronic signature

Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Financial calendar

The Annual General Meeting is held 8 May 2025

The interim report for the first quarter of 2025 will be published on 29 April 2025.

The interim report for the second quarter of 2025 will be published on 14 July 2025.

The interim report for the third quarter of 2025 will be published on 23 October 2025.

For more information, contact:

Olof Andersson
olof.andersson@vestum.se
Chief Financial Officer

Simon Göthberg
simon.gothberg@vestum.se
Chief Executive Officer

Company Information
Org nr 556578-2496
Registered office: Stockholm
Vestum's share is traded under the short name VESTUM on Nasdaq Stockholm Main Market

Production:
Vestum in cooperation with Anna Ulinder and Gylling Produktion AB.
Photos: Vestum in-house and iStock.

VESTUM

Company address
Vestum AB (publ)
Kungsgatan 26
111 35 Stockholm, Sweden

E-mail: info@vestum.se
Website: www.vestum.se