



Vestum strengthens its position in technical insulation through the acquisition of a specialist group with sales of SEK 54m, EBITDA of SEK 12m and EBITA of SEK 10m

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Vestum AB (publ) ("**Vestum**") has agreed to acquire the LTI Group, which includes Lerums Tekniska Isolering LTI AB ("**LTI Group**"). The purchase price will partly be financed through payment in reverse, which will then be set off against 471,822 shares in Vestum through offset issues. This will result in a dilution of approximately 0.1%. In the fiscal year of 2021, the LTI Group generated sales of SEK 54m with an EBITDA of SEK 12m and EBITA of SEK 10m, corresponding to an EBITDA margin of 22 percent and EBITA margin of 18 percent.

About the LTI Group

The LTI Group has for over 20 years worked with technical insulation in the Gothenburg area with a focus on heating and ventilation pipes as well as hot and cold water pipes. Customers consist of pipe, ventilation and construction companies, property managers, housing companies and municipalities.

In the fiscal year of 2021, the LTI Group generated sales of SEK 54m with an EBITDA of SEK 12m and EBITA of SEK 10m, corresponding to an EBITDA margin of 22 percent and EBITA margin of 18 percent.

The Group has 37 employees and is headquartered in Lerum.

All figures referenced are in accordance with the IFRS standards applied by Vestum and are unaudited. The figures are, where applicable, rounded.

The LTI Group's financials are expected to be consolidated into Vestum from Q1 2022, provided that the indicative timetable for the completion of the acquisition can be followed.

Comments from Conny Ryk, CEO of Vestum:

Today we welcome the LTI Group to Vestum! The LTI Group is a highly profitable fast-growing insulation group located on the West Coast, which over the past three years has generated an average annual growth rate of 19% with an average EBITA margin of 17%. The Group is our third acquisition in technical insulation and our second in the Gothenburg area. We have identified clear synergies in both the short and medium term between the LTI Group and other insulation companies within Vestum and we believe that together with the LTI Group's founder and CEO, Mats Johansson, we can continue to develop the companies and consolidate the industry, says Conny Ryk, CEO of Vestum.

About the transaction

The purchase price will partly be financed through payment in reverse, which will then be set off against 471,822 shares in Vestum through offset issues. This will result in a dilution of approximately 0.1%. The subscription price has been determined via a ten-day volume-weighted average price ("VWAP") in Vestum's share during the period 20 January 2022 up to and including 2 February 2022. The seller has undertaken not to sell the subscribed shares for a period of 24 months ("lock-up").

The number of outstanding shares would increase in connection with the Transaction from the existing 356,672,752 to 357,144,574 shares.

The above information on dilution and number of shares is based on previously announced offset issues.

Completion of the acquisition

The transaction is expected to be completed within approximately two weeks. In connection with the completion of the transaction, the Board, backed by an authorization of the Annual General Meeting, will make a formal decision to issue the shares in the offset issue.

Adviser

Svalner provides financial advice and Cirio acts as legal adviser to Vestum in connection with the acquisition.

For additional information, please contact:

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About Vestum

Vestum is a Swedish acquisition-driven company focused on acquiring and developing specialist companies within the construction services and infrastructure industries. 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 additional information, please visit: www.vestum.se

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