IMPORTANT NOTICE (FOR ELECTRONIC DELIVERY)
THIS PROSPECTUS IS AVAILABLE ONLY TO INVESTORS WHO ARE OUTSIDE THE UNITED STATES AS SET OUT BELOW

IMPORTANT: You must read the following before continuing. The following applies to the prospectus (the "Prospectus") relating to Volati AB (publ) (the "Company") following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Prospectus. Recipients of this electronic transmission who intend to subscribe for shares in the Company are reminded that any subscription may only be made on the basis of the information contained in the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from the Company or any of Carnegie Investment Bank AB (publ) and Nordea Bank AB (publ) (together, the "Joint Global Coordinators") as a result of such access.

THE COMPANY'S SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES, OR UNDER THE APPLICABLE SECURITIES LAWS OF CANADA, JAPAN, AUSTRALIA, HONG KONG, NEW ZEALAND, SINGAPORE OR SOUTH AFRICA. THE COMPANY'S SHARES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES, CANADA, JAPAN, AUSTRALIA, HONG KONG, NEW ZEALAND, SINGAPORE OR SOUTH AFRICA OR ANY JURISDICTION WHERE IT WOULD BE UNLAWFUL TO DO SO.

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT. THE PROSPECTUS IS NOT AN OFFER FOR SALE OF SECURITIES IN THE UNITED STATES. THE COMPANY DOES NOT INTEND TO REGISTER THE COMPANY'S SHARES AND/OR PART OF THE OFFERING IN THE UNITED STATES OR TO CONDUCT ANY OFFERING IN THE UNITED STATES. THE COMPANY'S SHARES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES.

THE Prospectus MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORIZED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE NEW SECURITIES DESCRIBED THEREIN.

Confirmation of your representation: In order to be eligible to view the Prospectus or make an investment decision with respect to the Company's shares: (i) you have understood and agree to the terms set out herein; (ii) you consent to delivery of such Prospectus by electronic transmission; and (iii) you, any customers you represent, and the electronic mail address you have given to us are not located in the United States, its territories and possessions, and if you are a resident in a Member State of the European Economic Area (the "EEA") other than Sweden, that you are a qualified investor, and if the United Kingdom, that you are a relevant person (as defined below).

You are reminded that the Prospectus has been delivered to you on the basis that you are a person into whose possession the Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver the Prospectus, electronically or otherwise, to any other person and in particular to any person in the United States or to any U.S. address. Failure to comply with this directive may result in a violation of the U.S. securities laws or the applicable laws of other jurisdictions.

Restrictions: Under no circumstances shall the Prospectus constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Company's shares in any jurisdiction in which such offer, solicitation or sale would be unlawful.

No public offering of the Company´s shares is made to any countries within the EEA other than Sweden. In other member states of the EEA which have implemented European Parliament and Council Directive 2003/71/EC (the "Prospectus Directive"), such offering may be made only under the exemption in the Prospectus Directive as well as every relevant implementation measure (including measures to implement European Parliament and Council Directive 2010/73/EU).

In any Member State of the EEA, other than Sweden, that has implemented the Prospectus Directive, this Prospectus is only distributed to, and is only directed at, investors in that EEA Member State who fulfil the criteria for exemption from the obligation to publish a prospectus, including qualified investors, within the meaning of the European Parliament and Council Directive 2003/71/EC (the "Prospectus Directive") as implemented in each such EEA Member State. The Company's securities have not been, and will not be, offered to the public in any Member State of the EEA that has implemented the Prospectus Directive, excluding Sweden.

The Prospectus is only distributed to, and is only directed at, and any investment or investment activity to which the Prospectus relates is available only to, persons in the United Kingdom who are "qualified investors" or otherwise in circumstances which do not require publication by the Company of a prospectus pursuant to section 85(1) of the UK Financial Services and Markets Act 2000. Any investment or investment activity to which the Prospectus relates is available only to, and will be engaged in only with persons who: (i) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order or (iii) other persons to whom such investment or investment activity may lawfully be made available (all such persons being together referred to as "relevant persons"). This Prospectus is directed only at relevant persons. Any person who is not a relevant person must not act or rely on this Prospectus or any of their contents. Any investment or investment activity to which this Prospectus relates is available only to relevant persons and will be engaged in only with relevant persons.

The Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and, consequently, none of the Company, the Joint Global Coordinators nor any of their respective affiliates accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

Invitation to subscribe for common shares and the admission to trading of common shares and preference shares in Volati AB (publ)

Joint Global Coordinators

Carnegie

Nordea

Retail Selling Agent

nordnet

volati.

Important information

In connection with the offering of common shares and the admission to trading on Nasdaq Stockholm of the common shares and the preference shares of Volati AB (publ), Volati AB (publ) has prepared a prospectus in Swedish (the "**Swedish Prospectus**") and this English translation thereof (the "**Prospectus**").

In this Prospectus, "**Volati**" or the "**Company**" refers to Volati AB (publ), company registration number 556555-4317, or the group in which Volati AB (publ) is the parent company, or companies in the group of Volati AB (publ) is the parent company, depending on the circumstances. The "**Group**" refers to the group in which Volati is the parent company. The "**Offering**" refers to an offering of common shares ("**Common Shares**") to the general public in Sweden and to institutional investors. "**Nordea**" refers to Nordea Bank AB (publ) and "**Carnegie**" refers to Carnegie Investment Bank AB (Nordea och Carnegie are together referred to as ("**Joint Global Coordinators**"). "**Preference Shares**" refers to the preference shares of the Company. "**Nordnet**" refers to Nordnet Bank AB.

The Swedish Prospectus has been approved and registered by the Swedish Financial Supervisory Authority (the "**SFSA**") in accordance with Chapter 2, Sections 25 and 26 of the Swedish Financial Instruments Trading Act (Sw. *lagen (1991:980) om handel med finansiella instrument*), and this is an English translation thereof. Approval and registration of the Swedish Prospectus do not, however, imply that the SFSA guarantees that the information in the Swedish Prospectus is accurate or complete. In the event of any discrepancies between this Prospectus and the Swedish Prospectus, the Swedish Prospectus shall prevail.

The Offering, the Common Shares and/or the Preference Shares have not and will not be registered under the U.S. Securities Act of 1933, as amended, or any other securities regulatory authority of any state within the United States of America (the "**United States**") and the Common Shares and/or the Preference Shares may not be subscribed for, offered, acquired or sold within the United States. The Company have not taken, and will not take, any actions to register any of its shares or any part of the Offering in the United States or to conduct a public offering in the United States or in any other jurisdiction other than Sweden. This Prospectus is not an offer to sell, or a solicitation to an offer to acquire or subscribe for any other securities than Common Shares. The Offering to subscribe for Common Shares is not made to persons resident in Australia, Canada, Hong Kong, Japan, New Zeeland, Singapore, South Africa, or the United States. Furthermore, the Offering is not made to persons whose participation would require additional prospectuses, registration or measures besides those required by Swedish law. Consequently, this Prospectus, the Swedish Prospectus, marketing materials or any other documents in respect of the Offering may not be distributed in or into any jurisdiction unless such distribution is made in accordance with any applicable laws and regulations. Every recipient of this Prospectus is required to inform themselves about, and to comply with, such restrictions, including not publishing or distributing the Prospectus in conflict with any applicable laws and regulations. Any failure to comply with the restrictions described may result in a violation of applicable securities regulations.

The publication of this Prospectus shall not be deemed to imply that the information in the Prospectus is accurate or applicable at any time other than on the date of the publication of this Prospectus, or that there have been no changes in Volati's business since this date, or that the information in this Prospectus will be correct at any other time after the date of the publication of this Prospectus. In the event new facts, factual errors or omission which may affect the assessment of the Common Shares described in this Prospectus are noticed after the SFSA's approval of the prospectus but prior to the close of the subscription period, a supplement will be published in accordance with the provisions on supplements to prospectuses under the Swedish Financial Instruments Trading Act. Certain risks apply when investments in shares are made, see the section "*Risk factors*" below. When investors make an investment decision, they must make an independent assessments of any legal, tax, business, financial or other consequence that a subscription or acquisition of Common Shares may result in and shall only rely on their own analysis or investigations of the Company and of the terms and conditions of the Offering. Each investor should, prior to a subscription for Common Shares, consult their own advisors. Nordea, Carnegie and Nordnet are acting for Volati and no one else in relation to the Offering.

Nordea, Carnegie and Nordnet will not be responsible to anyone other than the Company for providing protections afforded to their respective clients nor for providing advice in relation to the Offering or any other matter to which a reference is made in this Prospectus. Nordea, Carnegie and Nordnet accepts no responsibility whatsoever, expressed or implied, for the content in this Prospectus, including its accuracy, completeness or any verification of any statement made or purported to be made by the Company or Nordea or Carnegie, or on their behalf, in connection to Volati, the Common Shares, the Preference Shares or the Offering, and nothing in this Prospectus is, or shall be relied upon as, a promise or representation regarding the past or the future. In accordance herewith, Nordea, Carnegie and Nordnet disclaim, to the fullest extent permitted by applicable law, any and all liability that they might otherwise be found to have in respect of this Prospectus or any disclosure referred to in the above.

Disputes arising from the Offering or the contents in this Prospectus and/or the Swedish Prospectus and related legal matters shall be settled exclusively in accordance with Swedish law and by the Swedish courts, and the Stockholm District Court (Sw. Stockholms tingsrätt) shall be the court of first instance.

The Swedish Prospectus is available on the Company's website, www.volati.se, Nordea's website, www.nordea.se, Carnegie's website, www.carnegie.se and the SFSA's website, www.fi.se. The information on the Company's website is not incorporated in this Prospectus or the Swedish Prospectus and does not constitute a part of this Prospectus or the Swedish Prospectus.

Stabilisation

Nordea, acting as stabilisation manager, may in connection with the Offering and the listing on Nasdaq Stockholm conduct certain transactions aimed at maintaining the price of the Common Shares at a higher level than would otherwise be the case. The stabilisation measures aimed at supporting the price of the Common Shares can be taken from the first day of trading of the Common Shares on Nasdaq Stockholm, and over a subsequent period of not more than 30 calendar days. These stabilisation transactions can be carried out at a price that does not exceed the sale price set in the Offering. The stabilisation measures could raise the market price of the Common Shares to a level that is unsustainable in the long-term and that exceeds the market price that would otherwise prevail. The fact that stabilisation measures can be carried out does not necessarily mean that such measures will be carried out. Stabilisation, if undertaken, may be discontinued at any time without prior notice. Within a week from when the stabilisation period (30 calendar days) has expired, it will be announced whether stabilisation measures were initiated, and if so, the date on which these measures were taken, including the closing date for these measures, as well as the price interval within which the stabilisation transactions were carried out. When applicable, each occasion will be announced separately.

Forward-looking statements

The Prospectus contains forward-looking statements which reflects Volati's current view on future events and financial, operational and other development. Forward-looking statements can be identified by not exclusively relate to historical or present facts and events or by containing words such as as "may", "shall", "expect", "anticipate", "believes", "plans", "prepares", "estimates", "intends", "predict", "attempts", "could", or negotioations of such terms, or similar expressions or comparable terminology. These forward-looking statements are made as per the date of the Prospectus. Volati expressly disclaims any obligation or undertaking to update these forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances. Although Volati considers the expectations expressed in such forward-looking statements to be reasonable, there is no guarantee as regards the outcome or the correctness of the statements, Accordingly, prospective investors should not place undue reliance on these and other forward-looking statements.

Business and market data

In the section "*Risk factors*" there is a non-exhaustive description of risk factors which may cause the Company's result or development to differ materially from historical financial information or development or forward-looking statements. This Prospectus includes historical market data and industry trends. Certain information have been derived from reports prepared by third parties and Volati has strived to present such information accurately in this Prospectus. Even if the Company considers these sources to be reliable, no independent verification have been made, and the accuracy or completeness of the information cannot be guaranteed. Business and market data are inherently subject to uncertainty and do not necessarily reflect actual market conditions. The value of comparisons of statistics for different markets may be limited for various reasons. Among such reasons are that markets may have been defined differently and that information may have been gathered by different methods and on the basis of different assumptions. Certain information in this Prospectus have been prepared by the Company, in some cases based on assumptions. Although the Company believes that the methods and assumptions are reasonable, the information has only to a limited extent been reviewed or verified against external sources. Against this background, the reader shall note that market statistics presented in the Prospectus are subject to uncertainty and its accuracy cannot be guaranteed. However, as far as the Company is aware and have been able to verify from information published by third parties, no facts have been omitted which would render the information provided inaccurate or misleading.

Presentation of financial information

Unless otherwise stated herein, no financial information in this Prospectus have been audited or reviewed by the Company's auditor. Financial information relating to the Company in this Prospectus, and that is not a part of the information that has been audited or reviewed by the Company's auditor as stated herein, has been collected from the Company's internal accounting and reporting system. Some of the key performance indicators presented in this Prospectus are so-called alternative performance measures, i.e. financial measures that are not measures defined under IFRS. A non-IFRS financial measure is defined as one that measures historical or future financial performance, financial position or cash flows but which excludes or includes amounts that would not be so adjusted in the most comparable IFRS measure. These non-IFRS measures should not be considered in isolation or as a substitute to performance measures derived in accordance with IFRS. In addition, such measures, as defined by the Group, may not be comparable to other similarly titled measures used by other companies.

The figures included in this Prospectus have, in some cases, been rounded off. Consequently, some tables do not add up correctly. This is the case when financial amounts are presented in thousands, millions or billions, and do primarily occur in "*Selected financial information*", "*Operating and financial review*" and "*Capital structure and other financial information*" below, and in historical financial information included in the Prospectus or incorporated by reference.

Contents

Summary of the Offering

Number of Common Shares offered
The Offering comprises 18,965,518 newly issued Common Shares.

Offering Price
SEK 58 per Common Share.

Key dates

Application period for the general public	21 November 2016–28 November 2016
Application period for institutional investors	21 November 2016–29 November 2016
Information regarding allotment	30 November 2016
Listing on Nasdaq Stockholm	30 November 2016
Settlement date	2 December 2016

Miscellaneous

Marketplace		Nasdaq Stockholm
Ticker symbol	Common Shares	VOLO
	Preference Shares	VOLO PREF
ISIN code	Common Shares	SE0009143662
	Preference Shares	SE0009143670

Financial calendar

Year-end report for January-December 2016	21 February 2017
Interim report January-March 2017	11 May 2017
Annual General Meeting 2017	18 May 2017
Interim report January-June 2017	17 August 2017
Interim report January-September 2017	9 November 2017
Year-end report for January-December 2017	22 February 2018

Summary

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "not applicable".

Section A – Introduction and warnings

A.1	*Introduction and warnings*	● This summary should be read as an introduction to this Prospectus. ● Any decision to invest in shares in the Company should be based on consideration of the Prospectus as a whole by the investor. ● Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor may, under the national legislation of the member states, have to bear the costs of translating the Prospectus before legal proceedings are being initiated. ● Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent with the other parts of the Prospectus or if it does not provide, together with the other parts of the Prospectus, key information to help investors when considering whether to invest in the Company.
A.2	*Consent for use of the Prospectus*	● Not applicable. Financial intermediaries are not entitled to use the Prospectus for subsequent trading or final placement of securities.

Section B – Issuer and any underwriters

B.1	*Legal and commercial name*	The Company's registered company name and commercial name is Volati AB (publ), corporate registration number 556555-4317. The Company's Common Shares and Preference Shares will be traded on Nasdaq Stockholm under the symbols VOLO and VOLO PREF respectively.
B.2	*Domicile, legal form, etc.*	The Company is domiciled in Stockholm municipality, Sweden, and its legal form is a Swedish public limited liability company. The Company was formed in Sweden and operates under Swedish legislation.
B.3	*Principal activities*	Volati primarily acquires companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and develops these with an emphasis on long-term value creation. Volati is an active owner that works closely with the business units' management while, at the same time, preserving the companies' independence and local entrepreneurship. By acting through the boards, contributing to strategy and inspiring change, Volati functions as a catalyst for development and expansion. Add-on acquisitions to existing business units can be carried out to support their strategies, improve market positions and enhance possibilities for development.
B.4a	*Trends*	A key factor in Volati's development is the acquisition of companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and their development with an emphasis on long-term value creation. Opportunities to continue acquiring companies that meet Volati's investment criteria are impacted, *inter alia*, by the number of potential acquisition targets for sale, competition from other potential company buyers, access to acquisition financing and level of interest rates. Demand for the products and services of Volati's business units is affected by the underlying market trends for the business units' market niches, which vary in size and are subject to different driving forces.

B.4a *Trends (cont'd)*

Key drivers of demand for the products and services of the business units in the Trading Business Area comprise activity levels for new construction, renovation and maintenance within the Nordic residential markets. Activity levels are driven, *inter alia*, by urbanisation, population growth and mobility in the housing market.

In the Industry Business Area, the business unit Tornum's main market comprises individual farmers and industrial customers in certain European countries. The East European market is primarily driven by an underlying investment need and the Western European market is driven by new environmental regulations and size rationalisations. Environmental factors are also significant to Corroventa's sale and lease of products and solutions primarily for dealing with water damage. Key customers mainly comprise Swedish and German insurance companies, and specialist construction environment companies, whose operations are impacted by climate change with a consequential increase in the number of floodings, for example. Ettikettoprintcom has its largest customer base in the Swedish food and tobacco industry. Trends such as shorter product life-cycles, driven by customers' increasingly frequent needs to change their products, are key demand drivers for Ettikettoprintcom's adhesive labels and labelling systems.

Demand for the products and services provided by the business units in the Consumer Business Area is driven by highly diverse parameters. Besikta Bilprovning's services are impacted by the number of newly registered vehicles and the size of the vehicle fleet in Sweden. Demand for NaturaMed Pharma's dietary supplements is driven by increased health consciousness and the demographic shift toward an older Nordic population, while me&i's sales are impacted by interest in the home-party sales-concept in and outside of Scandinavia.

B.5 *Description of the Group*

Volati AB (publ) is the parent company of a group that consists of three business areas, 13 business units and a total of 89, directly or indirectly, part or wholly owned subsidiaries (of which 56 are Swedish).

B.6 *Major shareholders*

The tables below present information concerning the largest holders of shares prior to the Offering (as at the date of this Prospectus) and after the Offering, respectively (provided there is full acceptance of the Offering and a fully exercised Overallotment Option) and with consideration to the Main Shareholders (except Karl Perlhagen) divesture of Common Shares to a minority shareholder in the Group as well as the Cornerstone Investors' commitments.

Largest shareholders in the Company prior to the Offering	No. of Common Shares	No. of Preference Shares	Total No. of shares	Capital %	Votes %
Karl Perlhagen	34,440,000	204,174[1]	34,644,174	56.66	57.72
Patrik Wahlén	19,391,782	8,929	19,400,711	31.73	32.48
Mårten Andersson	2,856,360	1,887	2,858,247	4.67	4.78
Mattias Björk	2,856,360	1,887	2,858,247	4.67	4.78
Other	–	1,386,897	1,386,897	2.27	0.23
Total	**59,544,502**	**1,603,774**	**61,148,276**	**100.00**	**100.00**

1) Through companies.

Largest shareholders in the Company after the Offering (based on full subscription in the Offering and a fully exercised Overallotment Option)	No. of Common Shares	No. of Preference Shares	Total No. of shares	Capital %	Votes %
Karl Perlhagen	34,440,000	204,174[1]	34,644,174	42.24	42.77
Patrik Wahlén	19,046,954	8,929	19,055,883	23.24	23.64
Didner & Gerge Fonder AB	4,310,344	–	4,310,344	5.26	5.35
The Fourth Swedish National Pension Fund (AP4)	3,448,275	–	3,448,275	4.20	4.28
Handelsbanken Fonder AB	2,586,206	–	2,586,206	3.15	3.21
Mårten Andersson	2,511,532	1,887	2,513,419	3.06	3.12
Mattias Björk	2,166,705	1,887	2,168,592	2.64	2.69
Peter Lindell[2]	1,724,137	31,765	1,755,902	2.14	2.14
Mats Andersson	1,379,311	–	1,379,311	1.68	1.71
Other	8,793,107	1,355,132	10,148,239	12.37	11.08
Total	**80,406,571**	**1,603,774**	**82,010,345**	**100.00**	**100.00**

1) Through companies
2) Privately and through controlled companies.

B.7 *Summary of financial information*

The financial information reported in the tables below has been derived from Volati's financial statements for the 2015, 2014 and 2013 financial years and for the 1 January 2016-30 September 2016 period. The Company's audited, consolidated financial statements for the financial years ending 31 December 2015, 2014 and 2013 respectively have been prepared in accordance with the International Financial Reporting Standards ("**IFRS**"), as adopted by the EU, and have been audited by Volati's auditors (as stated in the audit report which is included together with the reports). The Company's unaudited, consolidated interim report for the period January-September 2016 has been prepared in accordance with IAS 34, as adopted by the EU, and has been reviewed by Volati's auditors (as stated in the audit report which is included together with the reports). Except as expressly indicated herein, no information in this Prospectus has been audited or reviewed by the Company's auditor.

The financial information presented below for the last twelve months ("**LTM Sep 2016**") has been derived from Volati's reviewed but not audited consolidated interim report for the period January 2016-September 2016. LTM Sep 2016 has been derived from the financial information for the period Januari-September 2016 and the financial information for the period October-December 2015.

Consolidated income statement

SEK m	Jan–Sep 2016[1]	Jan–Sep 2015[1]	LTM Sep 2016[1]	2015[2]	2014[2]	2013[2]
Operating income						
Net sales	2,426.9	1,456.2	3,158.3	2,187.6	1,655.6	1,509.4
Operating costs						
Raw materials and supplies	–1,175.4	–579.3	–1,529.1	–933.1	–546.4	–548.9
Other external costs	–383.8	–307.5	–489.4	–413.0	–347.3	–273.9
Personnel costs	–570.1	–405.1	–747.0	–582.1	–512.9	–518.2
Depreciation/amortisation and impairment	–62.6	–37.1	–85.7	–60.2	–93.9	–39.3
Other operating income	5.6	16.7	7.3	18.4	3.3	2.9
Other operating costs	–8.1	–1.2	–10.2	–3.3	–3.2	–1.7
Realised profit from divestments	–	–	–	0.0	–	189.0
EBIT	**232.7**	**142.7**	**304.3**	**214.3**	**155.1**	**319.3**
Financial income and costs						
Financial income	15.6	16.0	22.2	22.6	3.9	5.5
Financial costs	–49.7	–53.1	–72.3	–75.6	–97.6	–57.8
Profit before tax	**198.5**	**105.6**	**254.3**	**161.3**	**61.4**	**267.0**
Tax	–43.5	–24.5	–54.4	–35.4	–5.8	–19.6
Profit related to discontinued operations	–	–	–	–	–	1.9
Net profit	**155.0**	**81.1**	**199.9**	**125.9**	**55.6**	**249.3**
Attributable to:						
Parent company's owners	151.6	57.3	187.0	92.7	14.3	223.7
Minority owners	3.4	23.8	12.9	33.3	41.2	25.6
Earnings per common share, SEK	1.78	0.89	2.29	1.37	0.35	5.54
Earnings per common share after dilution, SEK	1.77	0.89	2.28	1.37	0.35	5.54
No. of common shares[3]	59,544,502	40,400,000	59,544,502	40,400,000	40,400,000	40,400,000
No. of common shares after full dilution[3]	60,379,416	40,400,000	60,379,416	40,400,000	40,400,000	40,400,000

[1] Derived from Volati's reviewed but not audited, consolidated interim report for the period January–September 2016.

[2] Derived from Volati's audited consolidated financial statements as of and for the financial years ending 31 December 2015, 2014 and 2013.

[3] Adjusted for a 10:1 share split completed in April 2015 and a 1:5 reverse share split carried out in September 2016.

B.7 *Summary of financial information (cont'd)*

Consolidated statement of comprehensive income

SEK m	Jan–Sep 2016¹⁾	Jan–Sep 2015¹⁾	LTM Sep 2016¹⁾	2015²⁾	2014²⁾	2013²⁾
Net income	**155.0**	**81.1**	**199.9**	**125.9**	**55.6**	**249.3**
Other comprehensive income						
Translation differences for the period	49.7	–20.6	36.5	–33.7	2.9	0.7
Other comprehensive income for the period	**49.7**	**-20.6**	**36.5**	**-33.7**	**2.9**	**0.7**
Total comprehensive income for the period	**204.7**	**60.5**	**236.4**	**92.2**	**58.5**	**250.0**
Total comprehensive income for the period attributable to:						
Parent company's owners	200.1	48.1	229.0	77.0	16.8	224.4
Minority owners	4.6	12.4	7.4	15.2	41.7	25.6

1) Derived from Volati's reviewed but not audited, consolidated interim report for the period January–September 2016.
2) Derived from Volati's audited consolidated financial statements as of and for the financial years ending 31 December 2015, 2014 and 2013.

Consolidated statement of financial position

SEK m	2016,30 Sep¹⁾	2015 30 Sep¹⁾	2015 31 Dec²⁾	2014 31 Dec²⁾	2013 31 Dec²⁾
ASSETS					
Non-current assets					
Intangible non-current assets	1,849.3	1,699.2	1,688.6	1,160.5	860.3
Tangible non-current assets	195.3	173.4	180.2	138.3	141.4
Financial non-current assets	4.1	13.5	13.3	7.5	8.1
Other non-current marketable securities	3.6	7.9	7.0	4.0	3.8
Deferred tax assets	47.7	23.6	32.8	21.2	16.1
Total non-current assets	**2,100.1**	**1,917.5**	**1,921.9**	**1,331.5**	**1,029.7**
Current assets					
Inventories	402.0	362.6	327.7	161.2	138.4
Accounts receivable	399.7	335.2	290.2	115.9	92.2
Tax assets	64.1	50.8	13.1	18.4	12.6
Other current assets	18.4	22.1	22.1	11.4	15.4
Prepaid expenses and accrued income	50.9	42.3	50.3	28.6	35.6
Assets attributable to discontinued operations	–	–	–	–	0.6
Current interest-bearing securities	–	0.7	–	–	–
Cash and cash equivalents	160.4	162.7	200.4	156.2	156.6
Total current assets	**1,095.4**	**976.5**	**903.8**	**491.7**	**451.4**
TOTAL ASSETS	**3,195.5**	**2,894.0**	**2,825.8**	**1,823.2**	**1,481.1**

1) Derived from Volati's reviewed but not audited, consolidated interim report for the period January–September 2016.
2) Derived from Volati's audited consolidated financial statements as of and for the financial years ending 31 December 2015, 2014 and 2013.

B.7

Summary of financial information (cont'd)

SEK m	2016 30 Sep¹⁾	2015 30 Sep¹⁾	2015 31 Dec²⁾	2014 31 Dec²⁾	2013 31 Dec²⁾
EQUITY AND LIABILITIES					
Share capital	7.6	5.3	5.3	5.1	5.1
Other capital contributions	828.1	829.1	828.1	–	–
Other reserves	34.6	–7.4	–13.9	1.8	–1.3
Retained earnings including net profit for the year	178.6	104.6	150.3	119.1	102.3
Non-controlling interests	12.9	131.0	81.1	73.4	47.3
Total equity	**1,061.9**	**1,062.6**	**1,050.9**	**199.4**	**153.4**
Liabilities					
Non-current interest-bearing liabilities	1,028.1	940.4	908.1	1,055.3	440.7
Provisions for pensions	2.1	77.7	1.8	2.0	2.3
Other provisions	5.3	4.7	4.9	4.6	5.8
Deferred tax liabilities	120.7	107.5	111.7	78.7	45.8
Other non-current non-interest-bearing liabilities	160.0	10.0	66.3	–	–
Total non-current liabilities	**1,316.2**	**1,140.4**	**1,092.8**	**1,140.6**	**494.6**
Current interest-bearing liabilities	70.6	84.4	132.6	164.8	496.9
Deferred income	69.9	51.6	45.9	27.8	29.7
Accounts payable	227.7	226.8	238.7	104.1	91.2
Tax liabilities	97.2	48.6	27.6	25.0	37.1
Other current liabilities	142.1	116.6	83.4	38.1	58.9
Derivatives	1.4	5.2	4.1	6.5	5.9
Accrued expenses and deferred income	208.6	157.8	149.9	116.9	112.0
Liabilities attributable to discontinued operations	–		–	–	1.4
Total current liabilities	**817.4**	**691.0**	**682.1**	**483.2**	**833.1**
Total liabilities	**2,133.6**	**1,831.4**	**1,774.9**	**1,623.8**	**1,327.7**
TOTAL EQUITY AND LIABILITIES	**3,195.5**	**2,894.0**	**2,825.8**	**1,823.2**	**1,481.1**

1) Derived from Volati's reviewed but not audited, consolidated interim report for the period January–September 2016.
2) Derived from Volati's audited consolidated financial statements as of and for the financial years ending 31 December 2015, 2014 and 2013.

Consolidated cash-flow statement

SEK m	Jan–Sep 2016¹⁾	Jan–Sep 2015¹⁾	LTM Sep 2016¹⁾	2015²⁾	2014²⁾	2013²⁾
Operating activities						
Profit after financial items	198.5	105.6	254.3	161.3	61.3	267.0
Adjustments for non-cash items	81.8	56.0	122.2	96.4	172.0	–115.8
Interest paid	–26.1	–37.2	–33.8	–45.0	–57.7	–24.1
Interest received	0.6	0.7	1.1	1.2	2.8	1.4
Income tax paid	–37.8	–22.2	–34.1	–18.5	–18.5	–32.8
Cash flow from operating activities before changes in working capital	**217.0**	**102.8**	**309.7**	**195.5**	**160.0**	**95.7**
Changes in working capital						
Change in inventories	–43.9	–14.9	–11.2	17.9	–11.2	4.6
Change in operating receivables	–74.6	–51.8	–39.2	–16.4	4.7	21.7
Change in operating liabilities	51.1	76.5	24.6	50.0	3.0	–18.2
Cash flow from changes in working capital	**–67.4**	**9.9**	**–25.8**	**51.4**	**–3.6**	**8.1**
Cash flows from operating activities	**149.6**	**112.7**	**283.9**	**247.0**	**156.4**	**103.8**

1) Derived from Volati's reviewed but not audited, consolidated interim report for the period January–September 2016.
2) Derived from Volati's audited consolidated financial statements as of and for the financial years ending 31 December 2015, 2014 and 2013.

B.7

Summary of financial information (cont'd)

SEK m	Jan–Sep 2016 1)	Jan–Sep 2015 1)	LTM sep 2016 1)	2015 2)	2014 2)	2013 2)
Investing activities						
Investments in tangible and intangible assets	–24.8	–55.0	–38.3	–68.5	–91.5	–46.6
Divested tangible and intangible assets	1.1	0.8	1.6	1.4	1.3	2.3
Investments in subsidiaries	–136.1	–601.5	–140.4	–605.8	–296.6	–209.1
Investments in financial non-current assets	–0.2	–3.0	–1.7	–4.5	–	–
Divested financial non-current assets	10.0	–	13.4	3.4	0.2	2.0
Divested subsidiaries	–	14.1	–	14.1	0.5	303.3
Cash flow from investing activities	**–150.0**	**–644.5**	**–165.5**	**–660.0**	**–386.2**	**51.9**
Financing activities						
Shareholders' contributions	0.5	12.9	0.5	12.9	–	2.0
Share issue	1.0	823.0	1.1	823.1	–	–
Redemption of pension liability	–	–	–77.6	–77.6	–	–
Dividend paid on common share	–24.5	–	–24.5	–	–11.0	–273.7
Dividend paid on preference share	–48.1	–32.0	–64.2	–48.1	–	–
Change in borrowings	20.3	–257.7	40.1	–237.9	240.3	251.5
Cash flow from financing activities	**–50.8**	**546.2**	**–124.6**	**472.4**	**229.3**	**–20.2**
Cash flow for the period	**–51.1**	**14.4**	**–6.2**	**59.3**	**–0.5**	**135.5**
Opening cash and cash equivalents	200.4	156.2	162.7	156.2	156.6	20.6
Exchange-rate differences in cash and cash equivalents	11.1	–7.8	3.8	–15.1	0.1	0.5
Closing cash and cash equivalents	**160.4**	**162.7**	**160.4**	**200.4**	**156.2**	**156.6**

1) Derived from Volati's reviewed but not audited, consolidated interim report for the period January–September 2016.

2) Derived from Volati's audited consolidated financial statements as of and for the financial years ending 31 December 2015, 2014 and 2013.

Material changes since 30 September 2016

- In conjunction with the restructuring of the ownership in me&i in October 2016, through which the Group's shareholding was increased from 60 percent to 65 percent, Volati 3 AB and Nyrell Four AB (shareholders in Volati A Holding AB) made conditional shareholders' contributions to Volati A Holding AB.
- In October 2016 the Group entered into an agreement to acquire Mats Andersson's minority shareholding of 18 percent in Volati Parts AB (the indirect holding company in the business area Trading, i.e. the business units Thomée, Habo, Bårebo Nordic, Sørbø, Industribeslag, Kellfri and Miljöcenter) for SEK 80m.
- In October 2016, the Group entered into an agreement regarding a minor add-on acquisition to the business unit Ettikettoprintcom.

B.8	*Selected key pro forma financial information*	The aim of the pro forma information is to present the impact that the acquisition of Lomond Industrier and the associated issue of preference shares could have had on Volati's consolidated income statement for the financial year ended 31 December 2015 if these actions had been completed on 1 January 2015. The pro forma information has been based on and prepared according to the principles that apply under International Financial Reporting Standards (IFRS). Volati's presentation of these unaudited pro forma financial statements is for illustrative purposes only and is intended to provide information and highlight facts and, by its very nature, describes a hypothetical situation and thus does not describe Volati's actual or anticipated financial position that would have applied had these adjusted transactions taken place at the date stated above. The pro forma information is based on: ● Volati's audited financial statements included in this Prospectus as of the financial year ended 31 December 2015, in which Lomond Industrier AB has been consolidated as of 17 August 2015, and ● information derived from Lomond Industrier's unaudited internal reporting as of and for the period 1 January 2015 to 16 August 2015 which has been prepared in accordance with IFRS. No pro forma adjustments were made for synergy effects or integration costs in the pro forma information. The conditions and assumptions made are, in all material aspects, as follows and as presented in the columns in the table below: 1. For the purposes of the pro forma information, the acquisition of Lomond Industrier, which took place on 17 August 2015, was assumed to have taken place prior to 1 January 2015, which is why the acquisition costs attributable to Lomond Industrier have not been charged to the pro forma information. Furthermore, Lomond Industrier's income statement for the full 2015 financial year has been consolidated with Volati, with the exception of the financial costs in Lomond Industrier, which have been eliminated in the pro forma information. 2. In connection with the acquisition, trademarks and customer relationships were assessed to have a limited useful life. This resulted is a pro forma adjustment of SEK 2.8m in amortisation expenses. 3. The financial costs in the group were assumed to be based on Volati's financial structure after the acquisition of Lomond Industrier and the issue of preference shares, whereby Volati assumed that the balance sheet prevailing at the end of August 2015 had prevailed for the entire pro forma accounting period, and that the financial costs for the corresponding period are based on this financial structure. The basic assumption is that as a result of the issue of preference shares totalling SEK 850m, which was used in part to finance the acquisition and to settle parts of the loan financing, interest expenses for the period have been adjusted to reflect this decrease in borrowing. Since a certain portion of the payment was settled using existing cash and cash equivalents, this had a negative impact on interest income. 4. Tax effects related to additional depreciation/amortisation and adjustment of net interest income have been adjusted in the pro forma information based on the Swedish corporate tax rate of 22%. The pro forma consolidated income statement includes the adjustments deemed necessary to provide a true and fair view, in all material respects, of the above transactions in accordance with International Financial Reporting Standards (IFRS), as applied in accordance with the company's accounting policies. The pro forma consolidated income statement is not intended to reflect the actual outcome of operations or the company's financial position as it would have been if the transactions had actually taken place on the stated dates. Nor is the pro forma consolidated income necessarily indicative of the operations' future earnings or financial position.

B.8 *Selected key pro forma financial information (cont'd)*

Income statement

SEK m	Volati AB Audited financial information in accordance with IFRS for the 1 January–31 December 2015 period	Lomond Industrier Unaudited financial information in accordance with IFRS for the 1 January–16 August 2015 period	Adjustments	Pro forma full-year 2015
Operating revenue				
Net sales	2,187.6	669.4	–	2,857.0
Operating costs				
Raw materials and supplies	–933.1	–473.8	–	–1,406.9
Other external costs	–413.0	–49.1	4.7[1]	–457.4
Personnel costs	–582.1	–85.0	–	–667.1
Depreciation/amortisation and impairment	–60.2	–4.9	–2.8[2]	–67.9
Other operating revenue	18.4	0.0	–	18.5
Other operating costs	–3.3	–0.6	–	–3.9
Capital gain/loss on divestments of subsidiaries	0.0	–	–	0.0
EBIT	**214.3**	**56.0**	**1.9**	**272.2**
Financial income and costs				
Financial income	22.6	2.9	–1.5[3]	24.0
Financial costs	–75.6	–9.4	18.7[3]	–66.3
Profit before tax	**161.3**	**49.5**	**19.0**	**229.8**
Tax	–35.4	–10.9	–3.5[4]	–49.7
Net profit	**125.9**	**38.7**	**15.5**	**180.1**
Attributable to:				
Parent company's owners	92.7	–	–	146.9
Non-controlling interests	33.2	–	–	33.2
Earnings per common share, SEK	0.27	–	–	0.41
Diluted earnings per common share, SEK	0.27	–	–	0.41
Closing No. of common shares at 31 December 2015	202,000,000	–	–	202,000,000
No. of common shares at reporting date (31 December 2015) after full dilution	202,000,000	–	–	202,000,000

1) Refer to item 1 above.
2) Refer to item 2 above.
3) Refer to item 3 above.
4) Refer to item 4 above.

B.9	*Profit forecast*	Not applicable. The Company does not provide profit forecasts.
B.10	*Qualifications in the audit report*	Not applicable. There are no qualifications in the audit reports.
B.11	*Insufficient working capital*	The board of Volati AB (publ) deems the existing working capital to be sufficient to meet the Group's present requirements for the coming 12-month period.

Section C – Securities

C.1	*Type of security offered for admission to trading*	Common Shares in Volati AB (publ) with the ISIN code: SE0009143662 and Preference Shares in Volati AB (publ) with the ISIN code: SE0009143670.
C.2	*Currency of issue*	The shares are denominated in Swedish kronor (SEK).
C.3	*Total number of shares issued in the Company*	As of the date of this Prospectus, the Company's registered share capital was SEK 7,643,534.50, divided into 59,544,502 Common Shares and 1,603,774 Preference Shares. The quotient value of the shares is SEK 0.125.
C.4	*Rights attached to the securities*	Each Common Share entitles the holder to one (1) vote and each Preference Share entitles the holder to one-tenth (1/10) of a vote at the general meeting. If the Company decides to issue new shares through a cash or offset issue, the shareholders as a main rule have preferential rights to subscribe for new shares of the same share class in relation to the number of shares the holder already owns (primary preferential rights). Shares not subscribed for on the basis of primary preferential rights shall be offered for subscription to all shareholders (subsidiary preferential rights). The Preference Shares have priority over the Common Shares to an annual dividend of SEK 40 per Preference Share (defined as a "Preference Dividend" in the Company's Articles of Association), with quarterly disbursements as of the date of the first disbursement. Dividends are subject to the approval of the general meeting. The record dates for dividends are 5 February, 5 May, 5 August and 5 November, or the bank day immediately prior, if the record date falls on a public holiday. Preference Shares otherwise entail no rights to dividends. If, during a quarter, the general meeting of the Company should resolve not to issue a dividend or issue a dividend that is less than the Preference Dividend, the Preference Shares shall entail a right to, in addition to future Preference Dividends, receive an amount evenly distributed over each Preference Share, corresponding to the difference between the amount that would have been paid out and the actual amount paid out. No dividends may be paid to holders of Common Shares until the holders of Preference Shares have received Preference Dividends in full. Following resolution by the general meeting, the Preference Shares may be redeemed, in part or in whole, at a set amount. All Common Shares entitle the holder to an equal share in Volati's assets, profits and any surpluses in the event of liquidation. In the event of the winding up of the Company, Preference Shares have priority over Common Shares to receive, from the Company's assets, an amount per Preference Share corresponding to the redemption amount applicable at that time, before any distribution to holders of Common Shares. Preference shares shall otherwise not confer any entitlement to any additional dividend.
C.5	*Restrictions on free transfer*	Not applicable. The shares are not subject to any restrictions on the right to be transferred.
C.6	*Admission to trading*	The board of Volati has applied for the Company's Common Shares and Preference Shares to be admitted to trading on Nasdaq Stockholm and, on 8 November 2016, Nasdaq Stockholm's Listing Committee decided to admit Volati's Common Shares and Preference Shares to trading on Nasdaq Stockholm subject to customary conditions, such as that the distribution requirement for the Company's Common Shares and Preference Shares be met not later than by the first day of trading. Trading is expected to commence on or about 30 November 2016.
C.7	*Dividend policy*	Volati's goal for Common Shares is to distribute approximately 10–30 percent of the Group's net earnings attributable to the parent company's owners. When assessing dividends, consideration is given to future acquisition potential, development potential in existing companies, the Group's financial position and other factors deemed to be significant by Volati's board of directors. Dividends on Preference Shares are to be issued at an annual amount of SEK 40.00 per Preference Share, through quarterly payments of SEK 10.00, in accordance with the articles of association.

Section D – Risks

D.1	*Main risks specific to the issuer and industry*	The main risks specific to the Company and its business include: **Macroeconomic factors** Demand for Volati's products and services is impacted to a great extent by macroeconomic factors that are beyond Volati's control. Factors in the global capital market and the economy as a whole, such as changes in disposable income, consumption, corporate investments, volatility and capital market sentiment, as well as inflation, affect the business and economic climate. A weakening of these conditions in all or some of the markets where the Group is active could entail material adverse effects on the Company's business, earnings and financial position. **Risks related to the acquisition and transfer of companies** A significant portion of Volati's strategy consists of growth by acquisition, which either complements or broadens the Group's existing holdings. There is a risk that Volati may not be able to identify suitable acquisition targets or implement acquisitions on acceptable terms. Corporate acquisitions are also attached to considerable risks in relation to the acquired company. The target company may be subjected to, for example, customer losses, regulatory difficulties or unforeseen fees following the completion of the acquisition. This may require additional capital contributions from Volati or failure to deliver the expected return. Integration costs may also turn out to be higher than expected or Volati may have paid more than what the acquired company is worth. Furthermore, there is a risk of expected synergies or optimisation effects failing to materialise or to be realised to the expected extent, which could have a negative impact on Volati's business, earnings and financial position. **Decentralised organisation** Volati applies a decentralised organisation model, which entails that the three business areas and the underlying 13 business units are to a great extent responsible for operations and pursuing activities autonomously. However, there is a risk that the organisational model may prove to be less suited to meeting potential future market challenges, and that Volati's competitiveness and market position may be weakened as a consequence. There is also a risk that deficiencies in the corporate governance of each of the 13 business units could lead to incomplete, unprofitable or erroneous business decisions. The organisational format could limit the Group's management of legal issues and regulatory compliance, and it could curtail the Company's opportunities to monitor and secure compliance with regulations, agreements and guidelines. These risks could have material negative consequences for the Company's business, earnings and financial position. **Operational risk** Several of Volati's business units are dependent on one or more places of business and/or distribution and warehouse facilities. If such a place of business or facility should be destroyed or closed for some reason, for example, due to storms, floods, other natural disasters, riots, work blockades and industrial actions, fire, sabotage, acts of terrorism or government interventions, or if operating equipment or inventory should be significantly damaged, the business unit concerned would probably have difficulties in distributing its products and/or services. **Political risks** Volati has business in 15 countries and, to varying extent, the political and societal development of these countries has an impact on the Group. A key component of the Group's operations and customer offering comprises the EU's internal market, meaning the common market and free movement of goods, services, capital and individuals within the EU. Changes in the internal market's method or operation, or turbulent political or societal conditions in Volati's markets, could adversely impact Volati's operations, earnings and financial position.

D.3	*Risks specific to the securities*	Any investment in securities is associated with risk. Such risks could cause the price of the Company's shares to decline in value and investors could lose all or part of the value of their investment. The main risks related to the Company's shares comprise the following: **Unforeseeable future share prices** Prior to the Offering, there was no public market for the Company's Common Shares. Accordingly, there is a risk that an active market for trading in the Common Shares will not develop and that the Offering Price under the Offering will not be representative of the market price of Volati's Common Shares following the share listing. The share price trends for the Common Shares and the Preference Shares will depend on a number of factors, some of which are company specific and others which are linked to the stock market or general interest-rate levels as a whole. These factors could increase share-price volatility. It is not possible for Volati to control all of the factors that could affect its share price and, accordingly, it is not certain that investors will recover all of their investment. **Future dividends on Common Shares and Preference Shares** In accordance with Volati's Articles of Association, Preference Shares are prioritised to receive dividends over Common Shares. Preference Shares have lower voting rights than Common Shares and therefore, holders of Preference Shares have limited influence in the Company. Holders of Common Shares are not obligated to vote for dividends. Consequently, there is a risk that the general meeting might not resolve in favour of distributing a dividend to Preference Shares. Furthermore, Volati mainly conducts its operations through its business units and the Company's capacity to generate cash to meet its obligations or pay any future dividends is dependent on receiving income and funds from the business units through dividends or intra-group loans. Future dividends are dependent on factors such as future cash flow, earnings and financial position. There are also numerous other risks that could adversely impact these factors, which could result in non-payment of dividends in the future. **Financing arrangements** In the future, the Company could take up new financing in the form of other preference shares, common shares or securities that are convertible into shares, bond loans or new loans from shareholders, which may include a priority right to the Group's cash flows or profits over Common Shares and/or Preference Shares. The Company generally coordinates large portions of its financial resources for the Group, by such means as a cash-pool arrangement and intercompany loans. If the Group fail to carry out intra-group transactions in general, including cash-pool arrangements in accordance with the arm's length principle, such transactions and cash-pool arrangements may be disadvantageous to a particular company. The above measures could have a material adverse impact on the market value of Common Shares and Preference Shares.

Section E – The Offering

E.1	*Total net proceeds and issue costs*	Subject to the completion of the Offering and a fully exersised Overallotment Option, 20,862,069 Common Shares will be issued, which will raise a maximum of about SEK 1,210m for Volati before expenses of the issue. In addition, the Main Shareholders (except Karl Perlhagen) has undertaken to sell 1,379,311 Common Shares to a minority shareholder in the Group in connection with the minority shareholder's divesture of his minority shareholding in the parent company of the business unit Trading to the Group. No new Preference Shares will be issued in connection with the Offering. The total expenses of the issue and offer for the Company are expected to amount to approximately SEK 63m.
E.2a	*Reasons for and use of the issue proceeds*	To enable growth to continue to be driven by acquisitions and to capitalise on the acquisition opportunities identified by Volati and its business units, the board of Volati intends to decide on a new issue of Common Shares. The Company expects to receive gross proceeds amounting to a maximum of approximately SEK 1,210m (including a fully exercised Overallotment Option) from the new issue, which will be used to finance additional acquisitions in future years. In terms of capital structure, part of the proceeds will be used to repay existing loans. The board believes that listing the Common Shares and Preference Shares on Nasdaq Stockholm will benefit Volati's continued expansion and development, since listing provides broader access to the Swedish and international capital markets than at present as only the Preference Shares are currently listed on Nasdaq First North Premier.

E.3	*Terms and conditions of the Offering*	**General** The Offering comprises 18,965,518 newly issued Common Shares offered by Volati, divided into two parts: ● the offer to the general public in Sweden, and ● the offer to institutional investors. **Application** ***The offer to the general public*** Applications to subscribe for Common Shares under the Offering can be submitted from 21 November to 28 November 2016. Applications to subscribe for Common Shares from the general public must comprise a minimum of 200 Common Shares and a maximum of 20,000 Common Shares. ***The institutional offer*** Applications to subscribe for Common Shares from institutional investors must be submitted to the Joint Global Coordinators no later than 5:00 p.m. CET on 29 November 2016. The application shall be submitted to the Joint Global Coordinators in accordance with specific instructions. If the application period for institutional investors is shortened, a press release will be published prior to the end of the application period. **Offering Price** The Offering Price has been set by the Company's board of directors, in consultation with the Main Shareholders and the Joint Global Coordinators, to be SEK 58 per Common Share based on the discussions preceeding the undertakings made by the Cornerstone Investors as well as contacts with certain institutional investors and is therefore based on demand and the general market conditions. **Allotment and payment** The decision on allotment of Common Shares will be made by Volati's board of directors after consultation with the Main Shareholders and the Joint Global Coordinators. ***The offer to the general public*** The allotment does not depend on when the application is submitted during the application period. In the event of oversubscription, allotment may be made with a lower number than the application requests, at which allotment wholly or partly may take place by random selection. After allotment of Common Shares has taken place, a contract note will be distributed on or about 30 November 2016. Those who have not been allotted Common Shares will not be notified. ***The offer to instutitional investors*** The decision on allotment of Common Shares will be made by Volati's board of directors after consultation with the Main Shareholders and the Joint Global Coordinators. Insitutional investors who are considered long-term investors in Volati may be prioritised. Allotment will take place on a fully discretionary basis and allotment is not guaranteed. Institutional investors are expected to receive information regarding allotment in a particular order on or about 30 November 2016, which after contract notes will be distributed. Full payment for allotted Common Shares must be made in cash no later than 2 december 2016, in accordance with instructions on the distributed contract note. ***Insufficent or incorrect payment*** Note that if sufficient funds are not available on the bank account or the securities depository account/investment savings account, allotted Common Shares may be transferred to another party. The party who initially received allotment of Common Shares may be liable for the difference in the event the selling price upon such sale is less than the Offering Price.

E.3	*Terms and conditions of the Offering (cont'd)*	**Terms and conditions for completion of the Offering** The Offering is conditional upon that Volati and the Joint Global Coordinators enter into an agreement on the placing of Common Shares, which is expected to take place on or about 29 November 2016, that certain terms and conditions in the agreement are fulfilled and that the agreement is not terminated. If the conditions are not fulfilled or if the agreement is terminated, the Offering can be cancelled. If the Offering is cancelled, it will be published in a press release no later than 2 December 2016 and submitted applications will be disregarded and any paid consideration will be repaid.
E.4	*Material interests for the offering*	Nordea and Carnegie are acting as financial advisors in connection with the Offering. Moreover, Nordea and Carnegie have provided the Company with advice in conjunction with the structuring and planning of the Offering, and the planned listing of Volati's Common Shares and Preference Shares on Nasdaq Stockholm, and have been remunerated for this advice. From time to time, Nordea and/or Carnegie have provided and will continue to provide services, in the ordinary course of business and in connection with other transactions, to the Company and to related-parties of the Company, for which Nordea and/or Carnegie have received and can expect to receive fees and other remuneration. At the date of this Prospectus, Nordea is the main external bank and lender to the Company. The Company's legal advisors have also provided, at intervals, and may in the future provide, the Company with legal advice within the framework of their ordinary business activities and in connection with other transactions.
E.5	*Selling shareholders and lock-up agreements*	The Main Shareholders, shareholding board members and senior executives in the Company have made lock-up undertakings and have committed, with some reservations and exceptions, to the Joint Global Coordinators that for a period of 360 days from the first day of trading in the Company's Common Shares on Nasdaq Stockholm, not to reduce their shareholdings in Volati. Among the exceptions are divestments that take place in the scope of or in connection with the Offering and divestments to another board member or senior executive in the Company. In addition, the Company has undertaken, with some reservations and exceptions, to the Joint Global Coordinators that for a period of 180 days from the first trading day on Nasdaq Stockholm, not to increase the share capital through the issue of shares. Among the exceptions are shares issued in connection with the payment of the acquisition payment in connection with acquisitions and warrants issued in connection with incentive programmes. Following the expiration of the lock-up periods, the shares may be offered for sale, which may affect the market price of the shares.
E.6	*Dilution*	Given full acceptance of the Offering and a fully exercised Overallotment Option, the total number of shares in Volati will increase from 61,148,276 shares to 82,010,345 shares and the number of votes will increase from 59,704,879.4 to 80,566,948.4, which corresponds to an increase of approximately 34.1 percent in the number of shares and approximately 34.9 percent in the number of votes, corresponding to dilution effect of approximately 25.4 percent in the number of shares and approximately 25.9 percent in the number of votes.
E.7	*Expenses charged to investors*	Not applicable. No commission will be charged.

Risk factors

The following are some potentially material risks for Volati and the Group's operations and future development. These risk factors are not ranked according to probability, significance or potential impact on the business, earnings or financial position of the Company and the Group. This specification of risk factors is not exhaustive, but solely contains examples of such risk factors that investors should take into consideration together with the other information in this Prospectus. Consequently, other risk factors that are presently unknown or which are not considered to be material at this juncture could have a material impact on the business, earnings or financial position of the Company and the Group. If any of these risks were to be realised, these could have a significant impact on the value of an investment in Volati. Investors are therefore encouraged to exercise their own judgement of the significance of the following stated and other potential risk factors for the business and future development of the Company and the Group.

Risks related to the Company, industry and market

Market-related risks

Macroeconomic factors

Volati's business units are active in a range of different industries. Volati is dependent on the success of and the demand for the products and services that are produced and provided by the business units, which are in turn dependent on factors such as functionality, price and general market demand. This demand is in turn impacted to a great extent by macroeconomic factors that are beyond Volati's control, and demand for the Group's products and services may be significantly lower during an economic downturn. Conditions in the global capital market and the economy as a whole have an impact on the Group's business, earnings and financial position. Factors such as consumption, corporate investments, volatility and capital market sentiment, as well as inflation, affect the business and economic climate. A weakening of these conditions in all or some of the markets where the Group is active could entail material adverse effects on the Company's business, earnings and financial position.

Market competition

All of Volati's business units operate within industries with significant competition from national and, in several cases, international players. In several cases, the business units are competing with players that can offer a more complete range of products or services, better access to financing and/or have greater financial, technological, marketing and/or personnel resources. Each business unit's future competitive situation depends on such factors as its ability to meet existing and future market needs. There is a risk that the Group might not successfully develop and/or deliver new competitive products and services, or that costly capital expenditures, restructurings and/or price reductions may need to be implemented to adapt operations to the competitive situation. Increased competition from either existing or new players and/or a weakened capacity of the business units to meet the demand for their goods and services and/or the loss of one or more key customer contracts could have a material adverse impact on the respective business unit's business, earnings and financial position, which could result in material adverse consequences for the Company's business, earnings and financial position.

Risks related to changes in technology

To remain competitive, the Group's different business units must continue to launch new products and services, and increase and improve the functionality and quality of existing products or services. There is a risk that the Group's business units will be unable to implement new technologies or adapt their product offering and business model in time to be able to capitalise on new or existing technologies. Every such failure could have a material negative impact on the relevant business unit's business, earnings and financial position, which in turn could have a negative impact on Volati's earnings and financial position.

The costs associated with keeping up with product and technological development could be significant and be impacted by unforeseeable factors fully or partially beyond the Company's control. This means that the level and timing of future operating costs and capital requirements for keeping up with product and technological development could deviate significantly from current estimates. The inability to finance or the decision not to finance such costs may have a material adverse impact on the business and earnings of the relevant business unit, which may in turn have a negative effect on Volati's earnings and financial position.

Weather fluctuations

Corroventa's business is highly dependent on the climate and weather. The demand for Corroventa's products and services is on the rise as a consequence of the increase in water damage that follows extensive precipitation or floods. The degree of precipitation varies from season to season during the year, and from year to year. The absence of high precipitation levels and floods could negatively impact the demand for Corroventa's products and services, which would impact the Group's business, earnings and financial position.

Risks related to market conditions
The Group and business units operate with differing activities in different markets. However, in common for a number of the business units, is that they have distinct business models adapted to the prevailing conditions in the markets where the business units operate. For example, NaturaMed Pharma bases its business model on offering products through mail order and e-commerce, while Thomée's business model is based on acting as a wholesaler to offer products manufactured by its suppliers.

Competitors may be superior at exploiting such market conditions. Several factors could also cause shifts in these market conditions, and competitors of the Company's business units may be better at adapting their business models to such shifts.

For example, the Company may be subjected to new or increased competition when either national or international general e-commerce retailers establish themselves and direct their customer offering at the markets of the Company's business units, or when existing competitors capture additional market share by focusing on online sales or developing e-commerce solutions that are superior and more effective than those developed by the respective business unit, which could adversely impact NaturaMed Pharma's business model for example.

Another example is a shift in the balance of the value chain between producers, distributors and end customers, in the markets where the Company's business units are active. For instance, manufacturers and suppliers could change their strategy and circumvent wholesalers and other retailers by selling their products directly to end customers. Consumer-oriented retailers could also expand their customer offering toward the wholesaler-market, B2B market, which could adversely affect Thomée's business model for example.

Similar changes in market conditions, such as new distribution channels or advanced value chains, could have material negative consequences for the Group's business, earnings and financial position.

Strategic and operational risks

Risks related to the acquisition and transfer of companies
A significant portion of Volati's strategy consists of growth by acquisition, which either complements or broadens the Group's existing holdings. Since 2004, the Group has completed 22 acquisitions, of which 18 had a debt-free cash-free enterprise value exceeding SEK 10m. There is a risk that Volati may not be able to identify suitable acquisition targets or complete acquisitions on acceptable terms. In addition, the implementation of corporate acquisitions is usually an exhaustive and complicated process that actualises significant costs for items such as financing, as well as financial, legal and other consultants. A considerable portion of such costs are charged to the Group even in the event that an acquisition – for different reasons – is not completed and no value is transferred to the Company. This could adversely impact the development of the Group's business, earnings and financial position.

Corporate acquisitions are also associated with considerable risks in relation to the acquired company. Although prior to every investment, Volati conducts, to a varying extent, a financial, legal and organisational review of the target company, there is a risk that potential problems and future losses may not be discovered through such a review. The target company may be subjected to, for example, customer losses, regulatory difficulties or unforeseen fees following the completion of the acquisition. This may require additional capital contributions from Volati or failure to deliver the expected return. Integration costs may also turn out to be higher than expected or Volati may have paid more than what the acquired object is worth. It is unlikely that Volati could obtain compensation from the seller for such costs. Consequently, such events could not only have an adverse impact on the relevant company's business, earnings and financial position, but on Volati's business, financial position and earnings. Furthermore, there is a risk of expected synergies or optimisation effects defaulting or failing to materialise or to be realised to the expected extent, which could have a negative impact on the Group's business, earnings and financial position.

In connection with any divestments, Volati typically provides customary guarantees to the acquiring party with regard to the legal and financial position, and development of the divested company. Consequently, there is a risk that the Group may be required to compensate the acquiring party for costs and losses arising from the divested company, which could have a material adverse impact on the Group's earnings and financial position.

Risks related to corporate development
Another key component of the Company's strategy is Volati's strategy for corporate development. The basic concept for developing business units and subsidiaries is to retain a high degree of local entrepreneurial spirit in the companies, and to supplement it with leadership, expertise, processes and financial resources.

An occasional key aspect of corporate development in conjunction with acquisitions may be new recruitments to replace the former company owners, since the former owners have been considerably involved with business. There is a risk that these new recruitments do not succeed or are not realised.

Volati's capacity to implement this strategy and develop companies is dependent on several factors. If Volati fails in one or more of these factors, there is a risk that Volati will not succeed with the development of one or more business units. These risks could have material negative consequences for the Group's business, earnings and financial position.

Financial development regarding business units' business
The Group has invested significant amounts in the development of products and services. If the companies' products/services are not in demand or are not otherwise competitive, or if the implemented research and development investments do not demonstrate the intended functionality, this may result in the need to recognise impairment in the business units – as well as additional development expenditure. This could have an adverse impact on the business

units' business, financial position and earnings, which could have a material adverse effect on the Group's business, earnings and financial position.

Group companies implement, to various extents, investments in tangible and intangible assets, such as IT systems. If such investments do not work out according to plan, such as when an investment is made on a machine of considerable value and it does not function as expected or lacks the intended capacity, or cannot implement the planned actions, or customers do not demand the products it can produce, it may have an adverse impact om the business unit's business, financial position and earnings, which could have a material adverse impact on the Group's business, earnings and financial position.

The reporting of ownership within each business area in the Group's balance sheet includes, to a varying degree, goodwill values and other intangible assets. At 31 December 2015, the Group's intangible assets totalled SEK 1,688.6m, of which goodwill was SEK 1,365.3m. If the business units do not develop according to plan, there could be a risk of the present value of future cash flows being lower than the carrying amount, which could result in a need to impair the goodwill of particular business areas or other intangible assets within the Group. Such a situation could also arise in the event of a significant rise in the applicable discount rate. These risks could have material negative consequences for the Group's business, earnings and financial position.

Capacity to recruit and retain personnel

Volati has an organisation of limited size. Volati's future success depends on factors including its ability to retain and continue to motivate these employees, as well as being able to recruit, retain and develop other qualified senior executives and key employees. If key individuals were to leave the Group and suitable successors cannot be recruited, this could have a material adverse effect on the Group's business, earnings and financial position.

Decentralised organisation

Volati applies a decentralised organisation, which entails that the three business areas and the underlying 13 business units are to a great extent responsible for operations and pursuing activities autonomously. Group management directs, controls and monitors operations within the Group, primarily by appointing business area managers, as well as a managing director and board for a number of business units, and by continuously monitoring developments through customary board work and monthly reporting.

Corporate governance in a decentralised organisation such as Volati's imposes stringent requirements on financial reporting and monitoring procedures. The Company and all of its business units use the same intra-group reporting system. The board of directors is of the opinion that a decentralised organisation has historically been advantageous for the Group. However, there is a risk that the organisational model may prove to be less suited to meeting potential future market challenges, and that Volati's competitiveness and market position may be weakened as a consequence. There is also a risk that deficiencies in the corporate governance of each of the 13 business units could result in incomplete, unprofitable or erroneous business decisions. The organisational format could limit the Group's management of legal issues and regulatory compliance, and it could curtail the Company's opportunities to monitor and secure compliance with regulations, agreements and guidelines. These risks could have material negative consequences for the Group's business, earnings and financial position.

Operational risk

All business operations in the Group's business units are associated with the risk of incurring losses due to deficient procedures, that irregularities and/or other internal or external events could cause disruptions or damage the business. Deficiencies in operational security could have a material negative impact on the Group's business, earnings and financial position.

Several of the Group's business units are dependent on one or more places of business and/or distribution and warehouse facilities. If such a place of business or facility should be destroyed or closed for some reason, for example, due to storms, floods, other natural disasters, riots, work blockades and industrial actions, fire, sabotage, acts of terrorism or government interventions, or if operating equipment or inventory should be significantly damaged, the business unit concerned would probably have difficulties in distributing its products and/or services.

The Besikta Bilprovning business unit operates in the vehicle inspection industry. Vehicular inspection activities in the Swedish market require accreditation for vehicle inspection by Swedac. The accreditation process imposes stringent requirements on any company wishing to conduct vehicle inspections and Swedac regularly performs independent reviews of the competence and work procedures of the vehicle inspection companies that are accredited. An operational deficiency at Besikta Bilprovning could result in the inability to retain accreditation at one or more of Besikta Bilprovning's inspection stations.

These risks could have material negative consequences for the Group's business, earnings and financial position.

Disputes

There is a risk of the Group being involved in future disputes. The outcome of such potential disputes may lead to expenses, adversely affect Volati's reputation and interfere with the senior managements focus on other activites. If Volati would be held responsible in a dispute, this could have a material negative impact on the Company's business, earnings and financial position.

Inadequate internal controls

If the Company's corporate governance procedures and internal controls are not implemented or applied efficiently there is a risk that the Company's and its business units' capacity to deliver reliable financial information and efficiently prevent fraud or other illicit exploitation of the Group and its resources are adversely affected.

Regardless of the policies, guidelines and instructions (management of the execution of power of attorney and authorisation rules) that the Group has issued, in the event of any attempts at fraud, the Group is essentially at the mercy of human factors and the honesty and vigilance of individual employees. Insufficient and inefficient corporate governance or internal controls and fraud attempts directed at the Group could result in damage such as erroneous costs, which could result in material negative effects for the Group's business, earnings and financial position.

If the Group fail to establish and maintain a sufficient and efficient governance and internal control, the Group may be subject to erroneous costs or other damage which could have material negative effects for the Group's business, earnings and financial position.

Structural changes and geographical expansion

Volati's continuous measures tooptimise the structure and productivity and its business units market position through e.g. expansions may result in costs for Volati. Any future changes, such as closures and start-ups of production facilities, could also entail a deterioration of relationships with employees, suppliers and customers, and any unforeseen transition problems or production interruptions could increase the cost of the process. There is also a risk of the expected advantages of an investment in a structural change or geographic expansion failing to actualise, which could have a material adverse impact on the Group's business, earnings and financial position.

There is also the risk of Volati's competitors or customers initiating or participating in major structural changes, where one or more companies merge to establish larger units. Such larger units typically have superior bargaining positions, improved access to financing and greater financial, technological, marketing and personnel resources. Competitors of Volati's business units could consequently strengthen their respective market positions to the detriment of the Group. In the event of major structural changes among the Group's customers, there is the risk of Volati's business units being pressured to lower prices or otherwise change their terms and conditions, resulting in reduced margins. Consequently, there is a risk that structural changes among competitors and the customers of business units could have a material negative impact on the Group's business, earnings and financial position.

Supplier risks

The capacity of business units to manufacture, sell and deliver products and services is dependent on the contractually agreed accessibility, production capacity, quality assurance and deliveries of external suppliers. Incorrect, delayed or non-deliveries from suppliers of various types could entail that a business unit's deliveries are, in turn, delayed or must be cancelled, or incomplete or incorrect. In some cases, the business units have no written agreements with suppliers and their business is relationship-based, which means that it could be difficult to demand what was agreed upon or that previous agreements are changed. This could adversely impact the business unit and, in the long term, the Group's business, earnings and financial position.

Although the Group is of the opinion that all of the suppliers are quite replaceable, if a supplier should have problems delivering, it could take time to find and negotiate with alternative suppliers. The terms and conditions for such alternative suppliers could also be less favourable than current solutions. Consequently, delivery problems would risk causing disruptions for the business unit concerned, which would probably impact the business unit's and, in the long term, the Group's business, earnings and financial position.

Decline in reputation

A positive reputation is crucial to the Group and its operations and earnings capacity. If Volati or any business unit, any of its senior executives or board members implements any corrective measure in conflict with the values that Volati represents, or if any business unit's services or products fail to live up to the market's expectations, there is a risk of damage to the reputations of Volati and the business unit concerned.

The business units sometimes collaborate with external players to provide a customer offering. If these external players should be negligent in the context of such collaborations or, for any reason, fail to deliver an expected or agreed-upon service or product to the business unit's customers in connection with such an offering, the business unit's reputation could be harmed.

Declines in reputation could have an adverse impact on the business unit and, in the long term, the Group's business, earnings and financial position.

Environmental risk

The Group owns a number of properties and it is not unusual for properties to be included when the Group carries out an acquisition. This entails a risk of contaminated properties existing or coming into the Group's ownership.

According to the Swedish Environmental Code, the party that operates a business that has contributed to contamination is responsible for remediation. If the business's proprietor is unable to perform or pay for remediation of a contaminated property, the responsible party is the party that acquired the property, and who at the time of the acquisition was aware of or should have discovered the contamination.

This means that under certain conditions, claims could be made against the Group for ground decontamination or reclamation relating to the presence or suspicion of contamination in soil, catchment areas or groundwater. Existing or previously operated businesses at the properties could thus cause environmental risks that could result in a material negative impact on the Group.

The Group pursues environmentally hazardous operations that are subject to reporting obligations, as well as operations that do not fall under environmentally hazardous operations subject to reporting or permits under the Swedish Environmental Code, but which nevertheless could cause contamination. The Group's facilities also handle inflammable goods that could ignite from incorrect handling, and which could entail the risk of fire and explosion, or health risks as a consequence.

It has been noted that responsibility could be placed on the business unit, Habo, for historic contamination at properties that are included in the database of potentially polluted areas known as EBH-stödet, maintained by the county administrative boards. A special environmental insurance has been obtained for this purpose, and the former owner of Habo has submitted supplementary guarantees. There is a risk that responsibility for decontamination or remediation may be imposed on Habo, which, in whole or in part, might not fall within the scope of the insurance coverage or guarantees.

Should the Group be charged for the cost for ground decontamination or reclamation, this could have an adverse impact on the Group's business, earnings and financial position.

Risk of cyber-attacks and failure in information reporting systems and data processing

The Company and its business units use the same intra-group reporting system. Volati is dependent on this technical system for collecting, processing and communicating information securely as well as to monitor the business units' operational and financial performance efficiently. Serious errors, losses of information or longer periods of downtime in the reporting system may result in problems for the Company's ability to exercise control over the business units and to report accurate information internally in the Group as well as externally to the market. Disruptions or errors in internal or external IT systems which are critical to the operations of the Company's business units, such as Besikta's connection to the Swedish Transport Agency's IT system, may also have a material negative impact on the business units' ability to produce goods or services. Futhermore, information security risks have generally increased in recent years because of the profileration of new technologies and the increased sophistication of cyber-attacks. Cyber-attacks on Volati's reporting systems, or its business units' or external providers' other IT systems, may disrupt the Group's business as well as result in the disclosure of confidential or proprietary information or trade sectrets. If information on, for example, Volati's financial development or customer data are wrongfully disclosed, distributed or otherwise used in breach of laws and regulations regarding the disclosure of information to the market or data protection laws and regulations the Company could face both legal liability and damage to its reputation. Insufficient reliability, functionality, and continuent development of the Group's reporting system or other internal or external IT systems critical to the business of the Group may thus, if Volati is not successful in managing or mitigating the consequenses thereof, have a material negative effect on the Company's business, earnings and financial position.

Regulatory risks

Competition and anti-trust regulation issues

To the extent that the Group is deemed to have acted in conflict with applicable competition and anti-trust regulations, it could result in fees and other sanctions for the parties involved, for example, in the event that a business unit in some context is deemed as abusing its position of dominance or participating in illicit anti-competitive collaborations.

In conjunction with acquisitions and divestments, the Company cooperates with counterparties and their advisors to perform analyses and report on issues pertaining to competition law and other change-of-ownership issues to competition authorities and other relevant government authorities. If the event that such an analysis is inadequate and/or the competition authorities or other authority calls into question the transactions, analyses and/or reports, this could result in fees for the parties involved and, in certain cases, the invalidation of implemented transactions.

The outcome of competition law rulings and other proceedings could have material adverse consequences on the Group's business, earnings and financial position.

Tax-related risks

Volati pursues its operations through business units located in a number of countries and is impacted by the applicable tax regulations at any time in these countries. These include corporate tax, property tax, value-added tax, regulations pertaining to the tax-free disposal of shares, other governmental and municipal duties and interest deductions and subsidies. The Group's tax situation is also impacted by whether its intra-group transactions are deemed to be priced at market rates.

The Group comprises slightly more than 90 companies that, from time to time, are subject to tax, VAT or customs related reviews or audits. Such standard reviews or audits are usually ongoing, at any time, for one or more of the Group companies. For example, at the date of this Prospectus, Besikta Bilprovning was subject to a tax audit regarding income tax, VAT and payroll tax for 2015. In some cases, these reviews could be ongoing for a protracted period of time, and this generally entails that tax or tariff increases cannot be ruled out until the case is concluded. Another example is Habo's ongoing audit by the Norwegian customs authority, which has remained dormant for one-and-a-half years.

There are minority shareholders in some of the Group's Swedish companies. It is Volati's understanding that these minority shareholders acquired their shares at market terms. However, the tax authorities concerned may have a different view and deem that the transactions were not at market terms, which could entail a risk of tax on fringe benefits being imposed, and result in the levying of payroll taxes and tax penalties.

Volati pursues operations in accordance with its interpretations of tax legislation, tax agreements and the requirements of the tax authorities concerned. The tax authorities of the countries concerned may perform assessments and issue rulings that deviate from Volati's understanding or interpretation of the aforementioned laws, agreements and regulations. This, and the aforementioned audits and reviews could result in one of the Group companies being required to pay additional taxes, particularly with regard to its financing, intra-group provisions and the manner in which the operations were historically conducted abroad prior to Volati's ownership. This could have an adverse impact on the Group's business, earnings and financial position.

Amended tax regulations

Tax regulation is subject to constant change and a review is currently underway on issues such as the rules on interest-deduction limitation. At present, it is uncertain how a future proposal on limitation regulations might be formulated and when these regulations may come into force.

The adoption of the proposal could, depending on Volati's existing capital structure at such a date, have an adverse impact on the Group's business, financial position and earnings.

Other changes in the regulatory framework that governs the corporate tax and other taxes and duties, could also impact the conditions of the Group's business and thus impact its earnings. Such decisions or changes, could, potentially with retroactive effect, to a significant extent adversely impact the Group's earnings and financial position.

Changed accounting rules
Volati's business is affected by the accounting rules applied from time to time in Sweden, including, for example, IFRS and other multinational accounting rules. Consequently, the Group's future reporting, financial statements and internal controls could be impacted by and require adjustment to comply with the amended accounting rules or an amended application of such rules. This could cause uncertainty about the Group's reporting, financial statements and internal controls, and could impact the Company's reported earnings, balance sheet and equity, which could have a material adverse impact on the Company's business, earnings and financial position.

For example, the International Accounting Standards Board has adopted a new accounting standard for the reporting of leasing agreements, IFRS 16 Leases. IFRS 16 will, provided that it is approved by the EU, come into force for the Company in the financial year commencing 1 January 2019. In accordance with current regulations, lease payments are recognised as an operating expense included under external costs. Briefly, IFRS 16 entails that operating leases with a maturity period of longer than one year are instead to be recognised as assets in the balance sheet based on a discounted present value of future payments. Corresponding amounts are to be recognised as debts. Profit or loss will be charged with depreciation through the asset's useful life, which normally corresponds to the leasing agreements duration and interest expenses.

IFRS 16 will have a material impact on the Company's accounting. Effected payments for operating leases for the 2015 financial year totalled SEK 65.3m. At 30 September 2016, the undiscounted amount pertaining to payment obligations for operating leases was SEK 382.7m.

Dependent on law, permits and resolutions
A limited number of the Group's business units, such as Besikta Bilprovning and NaturaMed Pharma, conduct business under the supervision of various authorities.

On the day of this Prospectus, to the best of the knowledge of Volati's board of directors, all businesses within the Group are operating in accordance with applicable laws, rules and administrative requirements and regulations. To the best of the knowledge of the board of directors, the Group holds all the requisite permits for conducting its operations. If the Group's interpretation of governmental regulations should prove to be incorrect, or if the Company is in breach of such regulations due to deficiencies in its operations or due to amendments in such regulations, which may occasionally occur on short notice, there is a risk that the Group's existing permits may be withdrawn, limited or not renewed, which could result in the Group incurring fines or other administrative sanctions and negative publicity, which, in turn, could have a material adverse impact on the Company's business, earnings and financial position.

Volati's operations, particularly within the business units Tornum and Corroventa, are conducted in several different jurisdictions and consequently, are subject to the local regulations and laws applicable within each jurisdiction, as well as to overall international regulations. If the regulations were to be amended, primarily with regard to customs and export regulations, other trade barriers, such as price and currency controls, or other public guidelines in the countries where the companies are active, or if such companies are not deemed to fulfil the applicable requirements in accordance with such regulations, this could have an adverse impact on the respective business unit's business, earnings and financial position, which could also have negative consequences for the Group's business, earnings and financial position.

To a great extent, Tornum's customers finance their purchases with the aid of various EU-related subsidy programmes. These subsidy programmes are, as a rule, administered by the relevant authority or body in the purchaser's home country. The administrative processes for handling the payment of subsidies vary in efficiency and in some cases, the processing time is considerable and/or unforeseeable. If the financing of these subsidy programmes should be changed or discontinued in general, thus weakening the financing capacity of Tornum's customers, or if the payment processes should be deficient or otherwise be prolonged, this could have an adverse impact on Tornum's business, earnings and financial position, which could also entail adverse consequences for the Group's business, earnings and financial position.

Altered legal conditions
The Group's operations are regulated by laws, rules and regulations, at both a national and an EU level.

NaturaMed Pharma offers naturopathic medicine, herbal medicinal products and dietary supplements through mail order and e-commerce. These are products that by nature, are subject to comprehensive legislation, regarding aspects such as product labelling, effect/health claims and product content. In addition, NaturaMed Pharma's business model is based on mail order and e-commerce, which makes the company subject to amended regulations (such as the Personal Data Protection Act) or market trends in these areas (for example, reduced customer potential due to mass subscription to what is known as the NIX registry).

In Norway, proposals on certain amendments of the Marketing Act (Markedsføringsloven) are under consideration, which, if they come into force, could entail stricter regulation on telemarketing. As stated above, a change in a law that impacts customer potential could impact NaturaMed Pharma.

Another example is Besikta Bilprovning, which operates in a deregulated market, and amended or new regulations governing Swedish motor-vehicle inspection operations could have an adverse impact on the Group's operations, earnings and financial position. The EU has adopted what is referred to as inspection packages aimed at harmonising the road-safety controls of vehicles and stipulates requirements such as minimum intervals that every country must adhere to. The EU regulations are to be incorporated into Swedish law by no later than 20 May 2017. The Swedish government is processing the issue of how to implement the inspection package in Sweden. As a part of the implementation process, the Swedish Transport Agency has proposed that Sweden adjust the inspection intervals and enact the longest-permitted period between vehicle inspections in accordance with EU regulations. Several referral bodies have criticised the Swedish Transport Agency's proposal and the Swedish parliament's Traffic Committee has expressed that Sweden should not adapt the interval between inspections to the minimum requirement under the EU regulations. However, any amendments to the inspection regulations toward less frequent inspection intervals could have an adverse impact on Besikta Bilprovning's operations, earnings and financial position, which could also entail negative consequences for the Company's operations, financial position and earnings. Furthermore, the demand for Besikta Bilprovning's products and services are to a certain extent dependent on the continued political will to implement environmental and safety controls on vehicles. There is a risk that this political will may change due to, for example, new EU directives or amendments to Swedish laws and regulations for example, which could have a material adverse impact on the Group's business, earnings and financial position.

The German environmental authority, Umweltbundesamt (UBA), is considering a proposal to ban certain types of drying (known as sandwich-construction). Germany is Corroventa's most important market and a significant share of Corroventa's existing business in Germany would be impacted by such a decision. There is a risk that Corroventa will not have corresponding replacement products to cover this, in the event that the proposed ban should be adopted and come into force. This could have a material adverse impact on the Group's business, earnings and financial position.

Additional laws, directives or ordinances, or their new interpretations, which concern Volati's business, could be introduced from time to time, which could result in increased administrative costs for the Group and ultimately impact shareholder returns, or in Volati being forced to implement changes to its legal structure, or in a service or product offering being required to be changed or discontinued. This could result in cost increases or other unfavourable consequences, such as a deteriorated tax situation or reduced sales revenues, for the Company and its shareholders. Such risks could have negative consequences on the Group's business, earnings and financial position.

Political risks

The Group's business is exposed to general political and societal risks comprising potential government intervention and regulations or potential inflation or deflation in the countries where it has business (primarily Sweden).

The Group has businesses in 15 countries and the political and societal development of these countries have an impact on the Group to varying extents. For example, a considerable share of me&i's production takes place in Turkey and the capacity to operate in Turkey is impacted by the political developments of the country and region. Tornum is not only active in Ukraine and Russia, but also in Romania and Poland, where new political leadership has or might change agricultural conditions (which indirectly impact Tornum).

In light of the turbulent relationship between Ukraine, Russia and the EU, there are political and societal risks (and consequently related financial risks) pertaining to Tornum's business in Ukraine and Russia. Continued and increased tensions between Russia and other countries could have significant political consequences that may take the form of additional sanctions (economic or other sanctions) issued by the EU, the US, Russia or other country, or Russia could, as a response to sanctions or other actions, enact measures against foreign investors and companies. Such political consequences are difficult to foresee and could adversely impact the long-term development of the Group's business, earnings and financial position.

A key component of the Group's business and customer offering comprises the EU's internal market, meaning the common market and free movement of goods, services, capital and individuals within the EU. Changes in the internal market's method or operation, such as due to the UK's referendum to leave the EU, could adversely impact the Group's business, earnings and financial position in the long term.

Product liability, product recall and project liability

Some of the business units manufacture products that, if used incorrectly, could cause personal injury or damage to a customer's property. For example, Thomée, Habo, Bårebo Nordic, Sørbø and Industribeslag sell products such as tools and components, Kellfri sell machinery, carriages, tractors and accessories for agroforestry, and NaturaMed Pharma sells dietary supplements, herbal medicinal products and health products. In terms of Ettikettoprintcom's products and services, the consequences of an error could be significant due to the extensive distribution of the products that include Ettikettoprintcom's labels (such as consumer products). The business units could subsequently be exposed to product liability and subjected to requirements on product recall in the event that the use of the relevant company's products cause, allegedly cause or are suspected of potentially causing harm to individuals or property. Volati does not have any control of how the products are actually used, and end customers may use them in a manner that causes personal injury or damage to property. There is a risk that faults in the Group's products or the actual usage of the products could result in product liabilities, which in turn could result in significant financial obligations and negative publicity, which could have an adverse impact on the Company's earnings and financial position. Although Volati is well-covered by customary liability and product liability insurance, there is a risk that Volati's insurance coverage may be limited due to, for example, limitations of amounts and excess requirements.

Tornum (and to a certain extent Ettikettoprintcom) deliver projects, which entails project liability. The companies deliver in accordance with standard industry terms and conditions that may be associated with supplier liabilities. Such project liabilities entail overall liability – including parts that are delivered by parties other than the business unit. In cases where such projects are not completed, the business unit could be held liable, which could have material negative consequences for the Group's business, earnings and financial position.

Intellectual property rights

The business unit's intellectual property rights comprise registered patents and patent applications, registered brands and brand applications, registered designs and domain names. The Group's business is not deemed to be directly dependent on any individual intellectual property rights. However, there is a risk that competitors may, in various ways, call into question or circumvent the Group's protection of industrial property, which could adversely impact the Group's or the relevant business unit's business.

There is a risk that, as a result of the launch of new products or in conjunction with the establishment of new geographic markets, Volati may infringe on or be accused of infringing on third-party intellectual property rights. In such cases, Volati could be implicated in disputes concerning these intellectual property rights.

The same could be true if a third party should infringe, or be accused of infringing on Volati's intellectual property rights. It is usually difficult to foresee the outcome of such disputes, and the costs could be significant – including cases where the outcome is favourable to Volati – and considerable personnel resources may be need to be allocated for the process. In the event that Volati's protection of these intellectual property rights are insufficient or if Volati infringes on a third party's intellectual property rights, or if a third party infringes on Volati's intellectual property rights, it could adversely impact the Group's business, earnings and financial position.

Financial risks

Credit risks

Credit risk entails exposure to losses in cases where a counterparty cannot honour its financial obligations to the Group. If these counterparties cannot fulfil their financial obligations to the Group, it could have an adverse impact on the Company's business, earnings and financial position. The Group's accounts receivable totalled SEK 399.7m at 30 September 2016.

Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its payment obligations when they are due without a significant increase in the cost of obtaining the funds. Volati's available liquidity totalled SEK 160.4m at 30 September 2016. In addition, Volati has (at 30 September 2016) unutilised credit facilities totalling SEK 50.0m and an unutilised portion of overdraft facilities totalling SEK 200.0m. As an effect of the Offering, the Group will receive new financing from Nordea, during which Volati's available credit will total approximately SEK 750m, which is expected to be unutilised at the date the financial arrangement comes into force. Should the Company's sources of financing prove to be insufficient, this could have a material negative impact on the Group's business, earnings and financial position.

Refinancing risk and financial obligations in credit agreements

Volati is dependent on obtaining financing through creditors. The Company's financing needs comprise operating activities and preparedness for possible future investments. The availability of financing depends on factors such as the general availability of risk-bearing capital and the Group's credit rating.

Since November 2014, the Group has an agreement with Nordea Bank AB (publ) through Volati Treasury AB for a credit facility ("**Current Credit Agreement**") of SEK 1.15 billion at 30 September 2016, of which SEK 200m comprises an overdraft facility, SEK 400m comprises non-current loans that are not amortised and SEK 550m is a revolving credit facility. At September 30, 2016, the outstanding loan amount was SEK 955.5m. The Current Credit Agreement expires on 31 March 2020. The Current Credit Agreement comprises standard covenants, including financial covenants to achieve certain financial key metrics with respect to senior net debt in relation to EBITDA, the furnishing of financial and other information, as well as other obligations that include limitations with respect to entering into new loans (with certain exceptions), negative clauses with respect to the issue of collateral and guarantees (with certain exceptions), as well as restrictions with respect to acquisitions and divestments. The agreement comprises standard termination clauses. As security for borrowers' liabilities under the Current Credit Agreement, borrowers and other Group companies have deposited collateral for certain principal assets.

At 25 October 2016, the Company entered into a credit facility agreement with Nordea regarding a SEK 750m credit facility ("**Credit Facility Agreement**"), which should refinance and replace the Current Credit Agreement. The Credit Facility Agreement comprises similar or relatively less restrictive terms and conditions, covenants and termination clauses, compared with the content of the Current Credit Agreement. For example, the Company is allowed to raise another debt if it is not secured and ranked as pari passu with the Credit Facility Agreement. The Credit Facility Agreement also includes what is known as an owner clause, which entails that the loan can be called in for immediate repayment to Nordea if the Company's shares cease to be listed on Nasdaq Stockholm or if a party, who owned a shareholding of less than 30 percent of the votes and capital in the Company at the time the Credit Facility Agreement was entered into, acquires shares controlling 30 percent or more of the votes and capital. No collateral is pledged by the Company or other Group companies as security for the Company's liabilities under the Credit Facility Agreement. On the other hand, the Company has entered a suretyship for other Group companies with respect to these companies' other liabilities to Nordea or associated companies. The Credit Facility Agreement comes into force after, and on the condition that, the Listing described in this Prospectus is completed, and the other terms and conditions of the Credit Facility Agreement fulfilled. In conjunction with the Credit Facility Agreement coming into force, the Company is entitled to request payment pursuant to the Credit Facility Agreement in order to refinance the Current Credit Agreement, thus ending the validity of the Current Credit Agreement at this juncture.

If the Group's performance were to deviate from the existing strategic focus, it cannot be ruled out that a situation may arise whereby the Company will need to acquire capital. If in such a situation, the Company fails to acquire sufficient new capital on favourable terms and conditions, or any capital at all, this could have an adverse impact on the Company's operating activities and its potential to fulfil its obligations under the Credit Facility Agreement or otherwise, which could have a material negative impact on the Company's earnings and financial position. The Company is otherwise dependent on other Group companies, and if the financial results of the Group as a whole decline, or if surety is utilised by Nordea as part of the Company meeting the significant liabilities of other Group companies, this could have an adverse impact on the company's potential to fulfil the Credit Facility Agreement's stipulated financial covenants, payment obligations (including both principal and accrued interest), and the Company's other obligations pursuant to the Credit Facility Agreement.

Interest-rate risk

Interest-rate risk refers to the risk that changes in interest rates will affect Volati's interest expenses. In the longer term, changes in interest rates have a material effect on Volati's earnings and cash flow. The Group's total interest expenses for loans for 2015 financial year was SEK 34.3m and the average interest rate on bank loans at 31 December 2015 was 2.5 percent. Should the prevailing interest-rate levels change and/or the Company fail to pay interest in the future, the Company's business, earnings and financial position could consequently be adversely impacted.

Risks related to currency risks

Currency risk is defined as changes in exchange rates that have an impact on the Company's earnings and which occur in conjunction with transactions in foreign currency, which arise when the Group conducts purchases and sales in foreign currency, and when assets and liabilities are held in foreign currencies. When consolidating foreign subsidiaries, the currency of each country is translated into Swedish kronor, which could have a negative impact on the Group's financial position. A considerable portion of the purchasing is from suppliers located in countries with a different currency, while many sales to customers are in a different currency. Accordingly, future currency fluctuations could adversely impact the Group's earnings and financial position.

Risks related to the Offering and the Company's shares

Dependence on other group companies

Volati's earnings are significantly impacted by the performance of the business units. Factors that may adversely impact the business units' business, earnings and financial position could thus adversely impact the Company's business, earnings and financial position. The future performance of business units and/or changes in business-environment factors could have a material negative impact on the business, earnings and financial position of the business units, which could have a material negative impact on Volati's earnings and financial position, and thereby the prevailing market price for the Company's Shares.

Unforeseeable future share prices

Share ownership is inevitably associated with risk and risk-taking. Since an investment in shares may increase or decrease in value, there is a risk that investors will not recover their investment. The price of the Company's Common Shares may decline below the subscription price, so that a person who chooses to buy Common Shares in the Offering may consequently experience a loss when selling the Common Shares at a later date. The price of the Company's Preference Shares could subsequently decline. Prior to the Offering, there was no public market for the Company's Common Shares. Accordingly, there is a risk that an active market for trading in the Common Shares will not develop and that the Issue Price under the Offering will not be representative of the market price of Volati's Common Shares following the share listing on Nasdaq Stockholm. The share price trend will depend on a number of factors, some of which are company specific and others which are linked to the stock market or general interest-rate levels as a whole. These factors could increase share-price volatility. The liquidity of both Common Shares and Preference Shares will probably be relatively low, which could entail difficulties for shareholders to change their holdings, and price fluctuations for both Common Shares and Preference Shares could be exaggerated. The liquidity of Common Shares can be expected to be impacted by the proportion (approximately 28 percent) of Common Shares that will enter public ownership following the Offering (including the Overallotment Option). It is impossible for Volati to control all of the factors that could affect its share price, which is why every decision to invest in the Offering or in Common Shares or Preference Shares should be preceded by a thorough analysis.

Future sales and issues of the company's shares

The Selling Shareholders as well as the Company's board members and senior executives have pledged to the Joint Global Coordinators not to reduce their holdings of the Volati's Common Shares for a period of 360 days, commencing from the first day of trading in the company's Common Shares on Nasdaq Stockholm. However, the Joint Global Coordinators could, at their own discretion, relinquish this obligation.

Moreover, the Company has pledged to the Joint Global Coordinators not to increase its share capital by means of the issue of Common Shares or Preference Shares, or other similar financial instruments (except in connection with acquisitions by transfer or issue of Common Shares or Preference Shares) for a period of 180 days commencing from the first day of trading on the Nasdaq Stockholm. However, the Joint Global Coordinators could, at their own discretion, relinquish this obligation.

If the Joint Global Coordinators were to relinquish any of the above obligations or if the obligations were to expire, the sales of large volumes or new issues of the Company's Common Shares and/or Preference Shares before and after the expiry of the actual lock up-period could potentially have an adverse impact on the market value of the shares.

Shareholders with significant influence

Following the implementation of the Offering and if the Offering is fully subscribed and the Overallotment Option is fully exercised, Karl Perlhagen and Patrik Wahlén will own and control approximately 42.2 percent and approximately 23.3 percent of the shares respectively, and approximately 42.8 percent and approximately 23.6 percent of the votes in the Company. Consequently, Karl Perlhagen and Patrik Wahlén will hold significant influence in the Company, even following completion of the Offering. Karl Perlhagen's and/or Patrik Wahlén's interests may differ from the interests of other shareholders and their influence could thus have a material adverse impact on the market value of shares.

New issue of additional shares

The Company may issue additional new shares or securities which can be converted to shares in the future. Such issues may have a material negative impact on the price of the Company's Common Shares and/or Preference Shares and could cause the earnings per share and net asset value per share to decline. In accordance with the Swedish Companies Act, shareholders have preferential rights to subscribe to new shares *pro rata* in relation to their current shareholdings (except for shares that are to be paid for with a non-cash consideration) unless the annual general meeting resolves otherwise. In accordance with the Swedish Companies Act, a resolution must be passed to relinquish the existing preferential rights of shareholders, with the support of shareholders with a minimum of two-thirds of both the votes cast and the shares represented at the annual general meeting. New share issues may take place that do not observe the existing shareholders' preferential rights to the new shares, for example in the case of future acquisitions or share-related incentive programs. This could result in the dilution of existing shareholders' holdings.

The 2016 Annual General Meeting also resolved on the authorisation of the board of directors to make decisions on the repurchase shares of the Company's share class, which are listed on Nasdaq Stockholm at any time. The trading of Common Shares and Preference Shares (or if the Offering is not completed, then only Preference Shares) on Nasdaq Stockholm will provide the Company's board of directors with the opportunity to acquire and divest their personal holdings in order to achieve flexibility with respect to equity and therewith, the optimisation of the Company's capital structure. If the Company's board of directors chooses not to exercise this authority, it could have an impact on the liquidity and market price of the Company's shares.

Financing arrangements

In the future, the Group may take up new financing in the form of other preference shares, common shares or securities that are convertible to shares, bond loans or new loans from shareholders that may include a priority right to the Group's cash flows or profits over Common Shares and/or Preference Shares. This could occur in conjunction with a change in the Group's capital structure, which could adversely impact the market value of shares.

Volati generally coordinates large portions of its financial resources for the general benefit of the Group, by such means as a cash-pool arrangement and intercompany loans. If the Company fail to carry out intra-group transactions in general, including cash-pool arrangements, in accordance with the arm's length principle, such transactions and cash-pool arrangements may be disadvantageous to a particular company (as well as favour a company that is not directly or indirectly wholly owned by Volati over a company that is directly or indirectly wholly owned by Volati). This could have a material adverse impact on the market value of Common Shares and Preference Shares.

Future dividends on shares

If the general meeting would resolve in favour of a future dividend, shareholders are entitled to receive said dividends. Swedish law limits what the board of directors and the Company may propose or announce as dividends to specific funds that are available for this purpose under the law. Furthermore, Volati mainly conducts its business through its business units and the Company's capacity to generate cash to meet its obligations or pay any future dividends is dependent on receiving income and funds from the business units through dividends or intra-group loans. . In addition thereto, Volati's Articles of Association contains a provision which could restrict distribution to the Common Shares, in the event the quota (the preference share quota) of (a) the aggregate sum of all outstanding Preference Shares (calculated with SEK 575 per Preference Share) divided by (b) the Group's reported EBITDA for the last twelve months, exceeds five (5). As per 30 September 2016 this preference share quota amounted to 2.36. Distribution to Common Shares is also restricted, pursuant to the Articles of Association, in the event the Company has not, in accordance with its Articles of Assocation, duly paid out distribution to the Preference Shares.

Subscribers of shares in the Offering are entitled to a dividend (if such is decided) as of the date on which the subscriber is included in the share register managed by Euroclear. The shares held on the record date approved by the annual general meeting or the board of directors will qualify to receive dividends. Future dividends and the size of such potential dividends depend on the Company's future earnings, financial position, cash flows, working capital needs and other factors. There are also numerous other risks that could have a negative impact on the Company's business, which could mean that the Company's future earnings do not allow the payment of dividends in the future.

Future dividends on Preference Shares

In accordance with Volati's Articles of Association, Preference Shares are prioritised to receive dividends over Common Shares. Under Swedish law, the annual general meeting passes resolutions on dividends through a simple majority vote, where the owners of Preference Shares have limited influence, since each Preference Share is entitled to one-tenth (1/10) of a vote, while each Common Share is entitled to one (1) vote. This means that, if the Offering is subscribed for in full and the Overallotment Option is fully exercised, all of the Preference Shares will correspond to a voting share of approximately 0.2 percent. Holders of Common Shares are not obligated to vote for dividends. Consequently, there is a risk that Volati's annual general meeting might not resolve in favour of dividends on Preference Shares. Furthermore, dividends may only be paid if Volati holds distributable funds and on the condition that such a decision is justifiable with respect to the requirements imposed by the nature, scope and risks of the business on the amount of equity, as well as Volati's consolidation needs, liquidity and financial position. Future dividends and the scope of the dividends are thus essentially dependent on factors such as Volati's future business and earnings. There are also numerous other risks that could have a negative impact on Volati's profits, and it cannot be guaranteed that the Company will be able to present results that will make it possible to pay for dividends on Preference Shares in the future.

The commitments from the Cornerstone Investors are not secured

The Cornerstone investors have agreed to subscribe for Common Shares in the Offering at a total amount of SEK 700m which corresponds to 12,068,962 Common Shares. Based on full subscription in the Offering and that the Overallotment option is fully exercised, the commitment corresponds to approximately 58 percent of the total number of Common Shares included in the Offering and approximately 15 percent of the total number of Common Shares in the Company after the Offering. The Cornerstone Investors' commitments are not secured by a bank guarantee, blocked funds or similar arrangements. Hence, there is a risk that the Cornerstone Investors will not be able to fulfil their commitments. The Cornerstone Investors' commitments are furthermore associated with certaing conditions. In the event that any of the Cornerstone Investors do not meet its commitments or if any of the conditions are not fulfilled, it could have a negative effect on the completion of the Offering.

Shareholders in other jurisdictions prevented from participating in any future issues of shares with preferential rights

If the Company issues new shares by way of rights issues, as a general rule, existing shareholders have preferential rights to subscribe for new shares in proportion to their shareholdings at the date of the issue. Shareholders in certain other countries may, however, be subject to limitations that prevent them from participating in such rights issues, or that otherwise make participation difficult or limited. For example, shareholders in the US may be unable to exercise any preferential rights to subscribe for new shares unless the shares and the subscription rights are registered in accordance with the US Securities Act of 1933, as amended and no exemption from the registration requirements under the Securities Act is applicable. Shareholders in other jurisdictions outside Sweden may be similarly affected if the subscription rights or the new shares being offered have not been registered with, or approved by, the relevant authorities in such jurisdictions. The Company is under no obligation to apply for registration in accordance with the US Securities Act of 1933, as amended, or apply for any equivalent approval in accordance with the legislations of other jurisdictions outside Sweden, with respect to any subscription rights and shares, and such practices may be both impractical and costly in the future. To the extent that shareholders in jurisdictions outside Sweden are prevented from exercising their preferential rights to subscribe for new shares, their holdings could be diluted or reduced in value in the event of any future rights issues.

Invitation to subscribe for Common Shares in Volati AB (publ)

To promote the Company's continued development and growth, Volati's board of directors has decided to pursue a capital raise of approximately SEK 1,100m. Volati's board of directors has also applied for the Company's Common Shares and Preference Shares to be admitted for trading on Nasdaq Stockholm. The Listing on Nasdaq Stockholm is expected to support Volati's development and continued growth on the basis of, for example, improved access to the capital market and a diversified base of new Swedish and international institutional shareholders.

The board of directors of Volati intends to, by virtue of the authorisation resolved upon by the extraordinary general meeting on 15 September 2016, resolve on a new issue of 18,965,518 Common Shares in accordance with the terms and conditions of this Prospectus (the "**Offering**"). Based on full subscription, the Offering comprises approximately 23.7 percent of the shares and approximately 24.1 percent of the votes in the Company. By means of the new issue, Volati will raise additional capital of approximately SEK 1,100m before issue costs. Entitlement to subscribe for the Common Shares will accrue to the general public in Sweden, and institutional investors in Sweden and abroad. No new Preference Shares will be issued in connection with the Offering. To cover a potential overallotment in connection with the Offering, the Company has also granted an option (the "**Overallotment Option**") to the Joint Global Coordinators, to subscribe for an additional 1,896,551 Common Shares corresponding to up to 10 percent of the highest number of Common Shares in the Offering, or up to approximately 2.3 percent of the total number of shares in the Company.

Didner & Gerge Fonder AB, the Fourth Swedish National Pension Fund (AP4), Handelsbanken Fonder AB and Peter Lindell, privately and through controlled companies, (the "**Cornerstone Investors**") have committed to acquire Common Shares in the Offering for a total amount of SEK 700m, corresponding to 12,068,962 Common Shares. Assuming full subscription to the Offering and that the Overallotment Option is exercised in full, the commitments correspond to approximately 58 percent of the total number of Common Shares in the Offering and approximately 15 percent of the total number of Common Shares in the Company after the completion of the Offering.

Common Shares are offered at a price of SEK 58 per Common Share (the "**Offering Price**"). The Offering Price was determined by the Company's board of directors, in consultation with the Main Shareholders and the Joint Global Coordinators, based on the discussions preceeding the commitments made by the Cornerstone Investors as well as contacts with certain institutional investors, and is thus based on demand and the general market conditions.

Assuming full subscription to the Offering and that the Overallotment Option is exercised in full, the value of the Offering will be approximately SEK 1,210m, which in its entirety will accrue to the Company. If the Offering is fully subscribed, the total number of shares in Volati will increase from 61,148,276 shares to 82,010,345 shares, of which 80,406,571 will be Common Shares and 1,603,774 Preference Shares, and the number of votes will increase from 59,704,879.4 to 80,566,948.4. This corresponds to an increase of approximately 34.1 percent in the number of shares and 34.9 percent in the number of votes, corresponding to dilution of approximately 25.4 percent in the number of shares and approximately 25.9 percent in the number of votes. The total issue costs for the capital raise, including the Offering, are expected to amount to approximately SEK 63m.

Stockholm, 18 November 2016

Volati AB (publ)
The board of directors

Background and reasons

Volati was founded by Karl Perlhagen and Patrik Wahlén in 2003 with the business concept of acquiring companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and developing these with an emphasis on long-term value creation. Volati has since grown substantially both organically and through the 22 acquisitions that have been completed since 2004. Volati is an industrial group comprising 13 business units organised into three business areas: Trading, Industry and Consumer. The Group has in total some 40 operating companies in 15 countries, with Sweden accounting for the largest share of net sales. During the period 2005–2015, Volati's EBITA grew at a CAGR of 38 percent and the Company reported net sales of SEK 3,158m and an EBITA excl. non-recurring items of SEK 344m in the third quarter of 2016, on a last-twelve-months basis.[1]

Growth by acquisitions is central in Volati's business concept. Acquisitions comprise either companies that form new separate business units, known as platform acquisitions, or add-on acquisitions to existing business units. Volati primarily sources, and has historically invested in, companies with proven business models, leading market positions and strong cash flows. In the past few years, the rate of completed acquisitions has accelerated and, in June 2015, Volati raised approximately SEK 850m through a Preference Share issue to finance additional acquisitions. During the 18-month period ended 30 September 2016, Volati completed six acquisitions, of which five were add-on acquisitions and one was a platform acquisition that laid the foundation for the Trading Business Area. To enable further acquisition-driven growth and to capitalise on the acquisition opportunities identified by Volati and its business units, Volati's board of directors intends to resolve on a new share issue of the Common Shares. Based on full subscription in the Offering and a fully excercised Overallotment Option the Company will receive gross proceeds amounting to a maximum of approximately SEK 1,210m from the share issue, which will be used to finance additional acquisitions in the coming years. From a capital structure perspective, the Company will initially use the issue proceeds to reduce the utilisation of credit facilities, to subsequently increase this utilisation in conjunction with acquisitions. The Main Shareholders (excluding Karl Perlhagen) have also committed to sell 1,379,311 Common Shares to a minority owner in the Group. In conjunction with this, the minority owner has committed to sell the existing minority holding in the Parent Company within the Group's Trading business area to the Group.

The board is of the opinion that listing the Common Share and the Preference Share on Nasdaq Stockholm will benefit Volati's continued expansion and development, since listing both the Common Share and the Preference Share provides improved access to the Swedish and international capital markets than previously as only the Preference Share currently is listed on Nasdaq First North Premier.

In other respects, reference should be made to the full particulars of this Prospectus, which has been prepared in accordance with the Swedish Financial Instruments Trading Act (1991:980) by the board of directors of the Company in connection with the application for listing the Company's shares on Nasdaq Stockholm and the Offering submitted in conjunction with this application.

The board of directors of Volati is responsible for the contents of this Prospectus. Information regarding the members of the board of directors of the Company is provided in the section "Board of directors, senior executives and auditors". The board of directors in Volati hereby assures that the board has taken all reasonable precautionary measures to ensure that, as far as the board of directs is aware, the information in this Prospectus complies with the facts and that nothing has been omitted that could affect the Prospectus import.

Stockholm, 18 November 2016

Volati AB (publ)
The board of directors

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1) Net sales and EBITA excl. non-recurring items in the third quarter 2016, on a last-twelve-month basis, are dervied from Volati's reviewed but not audited consolidated interim report for the period January-September 2016

Message from Volati's founders

Join us in building Volati to the next level!

We are now listing our growing industrial group, Volati, on the stock exchange. Given our proven business model – of acquiring well-managed companies, developing them for the long-term and using strong cash flows to implement additional acquisitions – raising additional capital is a natural progression to be able to leverage identified opportunities and thereby generate solid value growth for Volati's shareholders.

We love building companies. This is true for both Volati and the businesses we acquire. Similar to the manner in which our first acquisition, the grain-management systems supplier Tornum, has grown under our ownership from a successful but primarily Swedish operation into an international group with quadrupled net sales, Volati has also developed, from the two of us each with our own computer in a business centre, into a group with more than a thousand employees and net sales of SEK 3,158m for the last twelwe months by the third quarter 2016, and Volati is now standing at the entrance to the stock exchange.

Today, Volati has a cost-efficient organisation that evaluates some one hundred potential acquisition targets each year and in the 18 months preceding 30 September 2016, Volati completed six acquisitions. The organisation supports proficient company-management teams operating within the business units to promote the organic development of our operations and to methodically search for complementary acquisitions.

Finding the right employees and delegating responsibilities has proven to be highly successful. Volati has an elaborate model for identifying and "schooling" new talents in its operations. This was also our approach when forming the central team at Volati and when we appointed Mårten Andersson as the CEO two-and-a-half years ago.

Our model is tried and proven, and above all, scalable. We acquire well-functioning companies and develop them into something better. We pursue acquisitions and corporate development without an exit perspective, which generates sustainable value growth and generates strong cash flows. These cash flows serve as the tools that facilitate new acquisitions.

In 2015, we raised capital by listing Preference Shares on Nasdaq First North, and we completed the acquisition of Lomond Industrier. We are now taking the next step by listing the common shares on the Nasdaq Stockholm and thereby inviting new investors to own common shares in Volati. For us, as the founders, this is but a milestone on the journey. From our platform on the board, we wish to continue contributing toward strong development, primarily through identifying and facilitating new acquisitions.

When evaluating acquisitions, we use the motto, "It's better to turn down a good deal than risk making a bad one." We intend to stay true to this approach, even as we are now about to put new capital to work. Another principle is our view of the choice between value creation and dividends. Volati's goal is to provide a 20 percent return on equity. With this goal in mind, it is natural to reinvest the profits generated through the operations, instead of prioritising dividends. Consequently, our goal is to distribute 10–30 percent of net earnings attributable to the parent company owners.

We strongly believe in the opportunities that Volati is offering and with the exception of the shares that are to be offered to an existing minority owner of the Group in conjunction with this owner's increased ownership in the Group, as the founders, we will not be divesting any shares as we now open up the possibility of becoming an owner of common shares in Volati. Volati accounts for a significant share of both of our capital and we regard Volati as the best alternative for receiving a solid return moving forward.

Join us in building Volati to the next level!

Karl Perlhagen, founder and chairman of the board of Volati

Patrik Wahlén, founder and board member of Volati

Message from the CEO

Volati is a Swedish industrial group with 13 stable and profitable business units in various sectors and operations in 15 countries. Our ownership perspective is long-term and our business model is clear: We acquire well-managed companies and support their continued development, with an emphasis on entrepreneurship. We now wish to conduct a new share issue and broaden the shareholder base to create opportunities for additional companies to grow under the ownership of Volati.

Our vision is to be recognised as the best owner of medium-sized companies. This entails that we provide the long-term conditions conducive to change and support change in the areas where Volati has considerable expertise and experience. It is a model that has proven to be successful. At the close of the third quarter 2016, Volati reported net sales for the January-September 2016 period totalling approximately SEK 2,427m and an EBITA of approximately SEK 246m from operations in the Group's three business areas: Trading, Industry and Consumer. Cash flow from operating activities for the same period, which is crucial to the generation of new acquisition opportunities, was approximately SEK 204m.

Since we have a long-term approach to ownership and no plans to divest, Volati and the companies' management can plan ahead based on the direction that we assess will maximise value creation and be the most long-term sustainable for the businesses, instead of risking a maximisation strategy based on a short-term approach. We find that this promotes both innovation and efficiency. It also creates a stable foundation for the companies' relationships, both internally between the management and employees, and externally, with customers and partners.

We acquire well-managed companies with stable cash flows and the potential to gradually grow with the support that Volati can provide. At the same time, we are distinct in that it is the companies themselves that must drive development. Accordingly, having the right people in our operations is a cornerstone for Volati's success and we provide support by appointing and developing competent management groups and boards and by attracting new young talents to the companies.

With Volati as an owner, companies have access to an effective toolbox of expertise and processes. Knowledge transfer within the Group is paramount and we have established an efficient structure to leverage existing experiences and provide training to increase competence in areas such as expansion into new markets, pricing strategies and e-commerce. Volati's financial resources also enables us to support companies with key investments to create conditions conducive to growth and increased profitability.

I have had the benefit of being a part of Volati's journey since 2013, when I, in connection with Volati's acquisition of the business, assumed the position of CEO of Besikta Bilprovning. Since 2014, I have been the CEO of and shareholder in Volati. It is tremendously exciting and stimulating to work with our motivated and knowledgeable company management teams, the strong team at Volati that supports existing companies, and with the identification and acquisition of new businesses.

Today, Volati is an established player in the acquisitions market and we often meet owners who prefer us when they are looking to divest their businesses. That, to us, is the best endorsement we could receive. At the same time, we are persistently selective in our acquisition process: we acquire only tried and tested companies at what we deem to be reasonable valuations and can thus limit our risk exposure.

The journey now continues and our direction is clear: Volati will continue generating value through profitable companies with solid cash flows and a capacity for continuous development. Welcome as a new owner of common shares in Volati!

Mårten Andersson, CEO

Market overview

Trends and drivers of Volati's market niches

Volati is an industrial group comprising 13 business units, organised into three business areas: Trading, Industry and Consumer. The Group has some 40 operating companies in 15 countries, with Sweden accounting for the largest share of net sales. Acquisitions are a central feature of Volati's strategy. Volati mainly acquires companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and develops these with an emphasis on long-term value creation. Volati's corporate-development

Business area	**Trading**					
Business unit	THOMEE	habo	Bårebo Nordic	Industribeslag as SØRBØ PROFF	Miljöcenter	Kellfri Lantbrukets varuhus
Percentage of business area's net sales¹⁾ LTM Sep 2016	39	26	8	10	3	14
Products and services	Wholesaler and distributor of building materials and tools	Develops and sells builders' hardware for interior design and safety applications	Develops and sells hardware and construction consumables	Comprehensive offering for the Norwegian window and door industries	Develops and sells products for weed and pest control, fertilisation, composting and plant protection	Develops and sells agricultural and forestry equipment, including lawn equipment and forestry vehicles, with a focus on value for money
Customers	Retailers in the DIY market and professional builders' merchants. Examples of customers include Beijer, Byggmax and XL-Bygg	Retailers in the DIY market and building material resellers. Examples of customers include Ahlsell, Byggmakker and Jem & fix	Conducts primarily internal sales to Thomée and Habo, who in turn sell to retailers in the DIY market and building material resellers	Window and door manufacturers, as well as glaziers, builders and craftsmen. Examples of customers include Gilje Tre, Lian Trevarefabrikk and Løken Trevare	Distributors in retails, the building materials sector, garden sector, and via wholesalers and distributors. Examples of customers include Ahlsell, Bauhaus and Coop	Small-scale agroforestry farmers and private individuals with farms
Primary markets	Sweden	Nordic region (excluding Iceland)	Nordic region, primarily Sweden	Norway	Nordic region, primarily Sweden, and selected European countries	Primarily Nordic region (excluding Iceland), but also Poland and the UK
Examples of competitors	Ahlsell and subsidiaries of B&B Tools, such as Grunda and Luna	Bröderna Miller, Grunda, PN Beslag and Smedbo	ESSVE, Fastening, Gelia, Gunnebo Fastening and V/S/B	Gunnar Eiklid, Optimera and Proffpartner	Bayer, Eurome, MEFA and Weibulls	Nordfarm, Trejon, Bonnet and P. Lindberg
Primary market drivers	Residential housing construction, renovation and maintenance – driven, inter alia, by urbanisation, population growth and movement in the housing market	Residential housing construction, renovation and maintenance – driven, inter alia, by urbanisation, population growth and movement in the housing market	Residential housing construction, renovation and maintenance – driven, inter alia, by urbanisation, population growth and movement in the housing market	Residential housing construction, renovation and maintenance, as well as trends in energy optimisation	Growing interest in gardening and increased demand for sustainable and environmentally friendly products for gardening, as well as alternative methods of pest control	Investments in agroforestry equipment, the number of players who operate small-scale agroforestry farming, and changes in raw-material prices

1) The business units' percentage of their business area's net sales (LTM Sep 2016) have been derived from the Company's internal accounting and reporting system and have not been review or audited by the Company's audtors. The business area Trading includes intra-group sales

strategy is based on retaining the entrepreneurial spirit of companies and, in addition, adding leadership, expertise, processes and financial resources.

Demand for the products and services of Volati's business units is affected by the underlying market trends for the business units' market niches, which vary in size and are subject to different market drivers. Volati's main geographic focus is the Nordic countries, primarily Sweden. A brief description of the main market niches of Volati's 13 business units is provided below.

Industry			Consumer		
TORNUM	CorroVenta	ettikettoprintcom LABELING SYSTEMS	BESIKTA BILPROVNING	NaturaMed PHARMA	me&i IN IT FOR THE FUN.
41	31	28	61	20	19
Develops and manufactures grain-handling systems for the agriculture and the industrial market	Sale and lease of products and solutions for dealing with water damage, moisture, odours and radon	Supplier of adhesive labels and labelling machines	Vehicle inspections and package solutions with additional safety checks and advice	Direct supplier of OTC supplements, pharmaceutical and health products to consumers	Women's and children's clothing marketed through home-parties and online
Private agricultural customers, as well as cooperative and industrial customers, which include Lantmännen and the Charoen Pokphand Group	Damage restoration, insurance solutions and construction companies, and environment companies. Examples of customers include Anticimex, Belfor, ISS and Polygon	Broad customer base, largest segment is the food and tobacco industry. Examples of customers include Kiviks Musteri and Swedish Match	Private individuals and companies. Examples of corporate customers include DSV, TIP Trailer Services and PNO	Private individuals, primarily aged 40–75	Primarily women aged 30–50, with children aged 0–12
Europe	Europe, with the largest operations in Sweden and Germany	Sweden	Primarily southern Sweden	Sweden, Norway and Finland	Primarily Finland, but also Sweden, Norway, Germany and the UK
Buhler, Cimbria and Riela	Aerial, Munters and Trotec	National and local companies Examples of competitors include LariTryck, Nordvalls and Skanem	AB Svensk Bilprovning and Opus	EFI, Norvital, Vesterålens Naturprodukter and VitaeLab	House of Lola, Nosh Organics and Pomp De Lux
The market in Eastern Europe is primarily driven by an underlying investment need and the Western European market is driven by new environmental regulations	Climate changes with, for example, an increasing number of floods over time	Short product lifecycles, driven by customers' increasingly frequent needs to change their products	Newly registered vehicles, and size and age structure of the vehicle fleet	Increased health consciousness and the demographic shift towards an older population	Consumer purchasing power and increased penetration of the home-party sales concepts in existing markets

Transaction market

A key factor in Volati's development is acquiring companies with proven business models, leading market positions and strong cash flows at reasonable valuations, in order to develop them with an emphasis on long-term value creation. Opportunities to continue acquiring companies that meet Volati's investment criteria are impacted, *inter alia*, by the number of potential acquisition targets for sale, competition from other potential buyers, access to acquisition financing and interest rates.

Potential acquisition targets

Based on information from the database Retriever as of 30 September 2016, Volati believes that there were approximately 4,400 companies within Volati's target group in Sweden alone. These include companies of varying size and in a wide range of industries[1]. Volati has a well-established and functioning process for identifying which of these companies that should be evaluated more thoroughly and targets are identified via several different sources. Volati holds bilateral discussions with company owners through its relationships and networks, and is also contacted directly by owners. The Company also has a well-established network of advisors and other parties who contact Volati regularly regarding sales mandates. Volati's business units continuously analyse their respective markets to identify add-on acquisitions. Refer also to the "*Business overview – The acquisition process*" section on page 39.

Competition

Competition regarding potential acquisition targets of interest to Volati primarily comes from the four following groups: (1) other industrial groups, (2) investment companies, (3) private equity companies, and (4) industrial companies making add-on acquisitions. Volati believes that the strategies, particularly those of the industrial groups, and to a certain extent investment companies, are close to Volati's strategy, since they acquire companies with long-term ownership ambitions. Private equity companies often have a shorter time horizon in terms of the investment periods for their portfolio companies. Industrial companies generally include all companies that intend to do some type of add-on acquisition to their core operations.

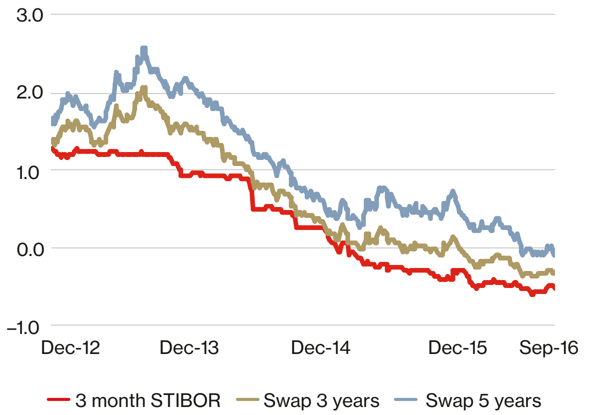
Volati believes they have a competitive advantage in having a broad target group of potential acquisitions. Volati's acquisition model is based on making small-scale add-on acquisitions, often in competition with industrial groups and industrial companies, combined with larger platform acquisitions in existing or completely new industries, typically competing with small private equity companies. By being diversified regarding size and industry this model enables Volati to continue to acquire companies at reasonable valuations even though certain industries from time to time have a low amount of acquisition targets for sale or high competition among potential buyers.

Access to acquisition financing

Volati believes that access to acquisition financing is favourable and that the current low financing costs are positive for the trends in the transaction market. Intense competition among financing providers to lend money has decreased loan margins and reduced the number of covenants, which is to the advantage of borrowers looking for financing in connection with transactions. According to Almi's loan indicator survey, half of bank branches said that their loans to companies had increased in the third quarter of 2016 compared to the second quarter of the same year.[2] In the same survey, slightly more than three out of four bank managers believed that lending to companies will increase over the next year.

The interventions by central banks in recent years, alongside bond-buying stimulus packages by the European Central Bank and the Riksbank, Sweden's central bank, have pushed interest rates down to record-low levels, which has contributed to a generally low interest-rate scenario and lower overall borrowing costs for borrowers. The graph below shows the trend in three-month STIBOR and SEK swap rates over three years and five years. These market interest rates are currently at historically low levels.[3]

Development of swap interest rates and STIBOR (December 2012 to September 2016)



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[1] Companies with most recently reported sales of SEK 10-2,000m and an EBITDA of SEK 0-200m.
[2] Almi, "Loan indicator Q3, 2016".
[3] Bloomberg, October 2016.

Business overview

Volati in brief

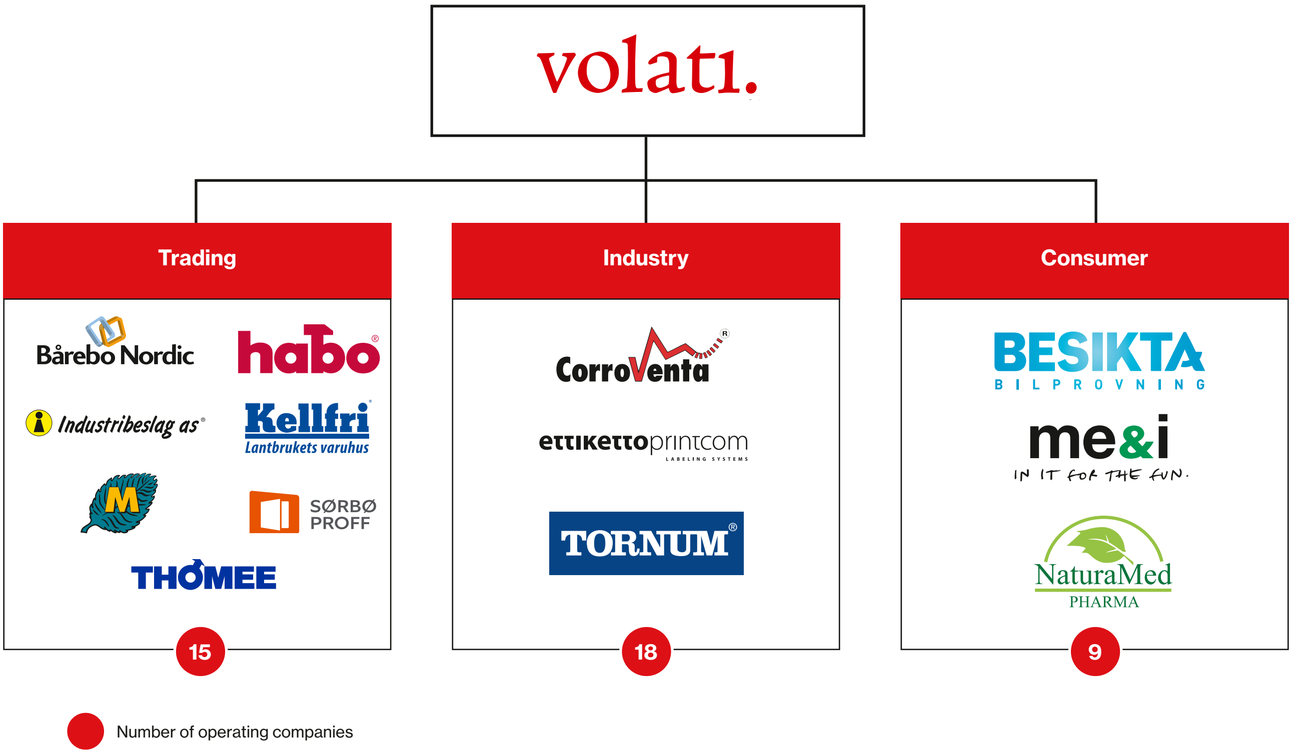
Volati is an industrial group comprising 13 business units organised into three business areas: Trading, Industry and Consumer. The Group has some 40 operating companies in 15 countries, with Sweden accounting for the largest share of net sales. Of the Group's total EBITA for the last twelve months ended 30 September 2016, 33 percent was attributable to the Trading business area, 36 percent to the Industry business area and 32 percent to the Consumer business area.

Acquisitions are central in Volati's strategy. Volati primarily acquires companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and develops these with an emphasis on long-term value creation. Volati's business development strategy is based on retaining the companies' local entrepreneurship and in addition adding leadership, expertise, processes and financial resources.

Volati has a flexible organisation that facilitates fast decision-making and a decentralised governance model that entails day-to-day decision-making at the operational level with limited involvement from Volati. This decentralised business model is a key success factor, as it encourages a high level of entrepreneurship in the business units, creates a clear framework of responsibilities and allows for Volati's continued growth with limited central resources.

The combination of organic growth with Volati's acquisition strategy has enabled the Group to achieve historically strong growth. During the period 2005–2015, Volati's EBITA grew at a compound annual growth rate ("CAGR") of 38 percent.

Organisational structure



Key strengths and competitive advantages

Volati considers its operations to have the following key strengths and competitive advantages:

Strong underlying businesses

Volati's focus on acquiring companies with proven business models, leading market positions and strong cash flows has established Volati as a diversified industrial group with high quality business units. The Group's diversification in terms of operational areas in combination with the low level of concurrent risks in the business units reduces the Volati Group risk. Several of the business units are deemed to be relatively non-cyclical. For example, Corroventa, whose demand for dehumidifiers is dependent on the extent of flooding in Europe to a certain degree, and thus has limited exposure to market cycles, is exposed to different business-related risks than for example Besikta Bilprovning, which continuously generates income from regulated vehicle inspections regardless of the state of the economy. This has contributed to Volati's high profitability, even during periods of weak macroeconomic trends. All business units have reported positive operating profit for each individual year during the period of Volati's ownership.

As Volati's operations are well-managed, asset light and demonstrate solid profitability, they generate strong cash flows that can be used for new acquisitions. Focusing on companies with strong cash flows is also central to Volati's acquisition strategy. During the last twelve months ended 30 September 2016, Volati's cash conversion was 84 percent.

History of successful acquisitions

With a total of 22 completed acquisitions since 2004, Volati is an experienced and established player in the M&A market. Volati's experience and focus on long-term value creation, in combination with Volati's flexible organisational structure that enables fast decision-making are deemed important competitive advantages when Volati acquires businesses. Volati has been a preferred buyer in several processes due to the sellers' recognition of Volati as a long-term owner with a decentralised operating model. Additionally, Volati deems itself to be a trusted and flexible counterparty. In combination with a disciplined and structured acquisition strategy, this has enabled Volati to acquire companies at reasonable valuations, regardless of the market conditions. Volati has historically acquired companies at an average EV/EBITDA multiple of 4.7¹⁾.

The extensive acquisition experience has also enabled Volati to handle complex transactions, for example companies where a management transition is needed. In such situations, Volati has been able to leverage the advantage of its extensive network to recruit new competent management and its capacity to make quick decisions, which is facilitated by an active and engaged board of directors. Volati also considers the capacity to undertake complex transactions a competitive advantage that has positively contributed to Volati's ability to acquire companies at reasonable valuations.

Volati's business units' internal abilities to manage and complete acquisitions have increased as the business units have grown larger, which has enabled the business units to manage acquisitions relatively autonomously. Consequently, Volati believes its operations can grow going forward through a combination of complementary acquisitions in existing markets and add-on acquisitions in other geographic markets. In addition, Volati continuously evaluate larger acquisitions that could form independent business units.

Scalable business model

Volati's operating model is based on decentralised governance of its business units, which entails that day-to-day decisions are made at the operational level within the operating companies, with limited involvement from Volati. Volati believes its decentralised operating model is a key success factor that provides the following advantages:

- It generates a high degree of entrepreneurship within the business units, enabling efficient and well-informed decision-making.
- It supports a distinct framework of responsibilities that enables Volati to follow up and realise the strategic and financial objectives of each business unit.
- It facilitates Volati's continued growth with limited central resources. Since the business units continuously grow, both organically and through acquisitions, the business units and business areas generate expertise with the capacity to, *inter alia*, pursue acquisitions and realise synergies. During the 18-month period ended 30 September 2016, Volati completed six acquisitions, of which five were add-on acquisitions and one was a platform acquisition.

The decentralised operating model allows Volati to focus on the business units' strategic issues, while supporting them in areas where Volati possesses specialised expertise. With its extensive experience as an active and long-term owner of companies, Volati contributes through continuous communication with the management of each business unit and through board work in several business units. Centrally, Volati also actively supports the development of the companies, primarily within four focus areas:

- **Strategy:** Volati actively assists in the creation of strategic plans together with the management of each business unit, and supports the management in the realisation of these plans.
- **HR:** Volati's network allows for the appointment of a competent management team and board of directors in the business units. Volati subsequently continuously strengthens the management's competence through training initiatives, for example through the initiative "Volati Academy". Volati also contributes by adding new competencies to the business units' management teams through the initiative "Volati Management Programme."
- **Knowledge:** When business units need to implement change processes, which not necessarily were identified by the business unit, Volati supports these efforts through, for example, training programmes, tools and the exchange of best practices. This involves areas such as

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1) Includes acquisitions completed from 2004 and onwards with an enterprise value, including earn-out payments, exceeding SEK 10m, which comprise 17 of the total of 22 completed acquisitions. The acquisition of ClearCar has been excluded, due to the company's negative EBITDA at the time of the acquisition. EBITDA is based on the most recent historical figures available at the respective acquisition date, which have either been sourced from the company's reported full-year earnings or its earnings for the last twelve-month period in accordance with the internal reporting. However, last twelve-month figures were only used for the calculation of two of the acquisition multiples.

purchasing, pricing and internationalisation. Knowledge is also continuously transferred between the business units through various collaboration initiatives.
- **Financial capacity:** Volati contributes with efficient capital allocation between the business units by distributing capital where it is most needed. All significant investment decisions are made in consultation with, and must be approved by, Volati. When necessary, the business units are also supported by capital injections in conjunction with strategic initiatives, such examples include major investments or geographical expansions.

For a detailed description of Volati's organisation and decentralised operating model, please refer to the section "*Organisation and governance*" on page 41.

Attractive financial profile

Volati has a strong financial track record, driven by growing and profitable business units in combination with value-adding acquisitions. Overall, this has resulted in strong earnings growth and cash conversion, as well as high return on equity:
- **EBITA growth:** During the period 2011-2015 Volati's EBITA grew at a CAGR of 27 percent, primarily driven by value-adding acquisitions, but also through strong organic growth. During the period 1 January 2011-30 September 2016, Volati demonstrated an average Organic EBITA growth of 10.8 percent.[1] Volati's historical total EBITA growth has thus exceeded Volati's historically communicated financial target of an annual EBITA growth of more than 15 percent.
- **Cash conversion:** A key criteria for Volati when acquiring companies is that the business is cash generative, which has resulted in Volati's historically strong cash conversion. During the period 2011-2015, Volati's average cash conversion was 92 percent.
- **Return on equity:** Volati's strong track record of earnings growth in combination with reasonable levels of indebtedness has resulted in high return on equity. During the period 2011-2015 Volati's average return on equity amounted to 42 percent[2], which thus exceeded Volati's historically communicated financial target of an annual return on equity of more than 20 percent.
- **Net debt/adjusted EBITDA[3]:** Volati's ability to generate strong cash flows has enabled a reasonable level of leverage. During the period 2011-2015 Volati recorded an average Net debt/adjusted EBITDA ratio of 2.4[4], which is within Volati's historically communicated financial target of a Net debt/adjusted EBITDA ratio between 2.0-3.5.

Experienced management team and board of directors

Volati is governed by an experienced management team with complementary experiences, where the CEO and CFO have strong personal commitments through large holdings in Volati. Mårten Andersson assumed the position of CEO in May 2014 and was previously the CEO of the vehicle inspection company, Besikta Bilprovning, since Volati's acquisition of Besikta in 2013. Mårten Andersson also has relevant previous experience from positions such as CEO of Försäkringsbolaget Skandia. Mattias Björk assumed the position of CFO in 2009 and has equivalent previous experience in companies such as Modern Times Group MTG, Kinnevik and Modern Finance Group (previously Invik & Co. AB). Andersson and Björk each own approximately 5 percent of the Common Shares in Volati. Pär Warnström assumed the position of Head of Business Development at Volati in 2013 and has previous experience in companies such as Occam Associates and General Electric. Voria Fattahi assumed the position of Investment Director at Volati in 2015 and has previous experience in companies such as Kinnevik, Apax Partners and JP Morgan. In addition, the Group's senior executives comprise the heads of business areas, Mårten Sundberg (Trading) and Nicklas Margård (Consumer).

The management is supported by a committed and active board of directors with relevant and diverse backgrounds. The board of directors includes Volati's founders, Karl Perlhagen (chairman of the board) and Patrik Wahlén – whom are the majority shareholders in Volati and own approximately 58 percent and 33 percent of the Common Shares in Volati, respectively. In addition, the board comprises three independent members: Björn Garat since 2015 and Louise Nicolin and Christina Tillman since 2016. Volati's active board of directors facilitates fast decision-making – a central concept of Volati's governance and a major competitive advantage, when it comes to acquisition processes, for example.

Business concept, vision and goals

Business concept

Volati is a Swedish industrial group that primarily generates value by acquiring companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and further develops these companies with an emphasis on long-term value creation.

Vision

Volati's vision is to be regarded as Sweden's best owner of medium-sized companies.

Goals

Volati's overriding objective is to generate long-term growth in value.

Financial targets

Volati's board of directors has adopted the following financial targets, which should be considered in their entirety. The below financial targets are contingent on the completion of the Offering and the previous financial targets are to be found in Volati's 2015 annual report.
- **EBITA growth:** Volati's target is to reach an Adjusted EBITA[1] of SEK 700m no later than the end of 2019, imply-

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[1] Average Organic EBITA growth has been calculated as the average of Organic EBITA growth during the periods 2011, 2012, 2013, 2014, 2015 and 1 January-30 September 2016.

[2] The average return on equity was affected positively by the capital gain from the divestment of TeamOlmed in 2013, amounting to SEK 189m. Adjusted for this, the average return on equity was 26 percent during the period 2011-2015.

[3] Calculated in accordance with Volati's historical and newly adopted financial targets, implying the net debt at the end of the period in relation to adjusted EBITDA for the period (where net debt and adjusted EBITDA are calculated in accordance with the definition included in the financial covenants in the Company's financing arrangements with Nordea). This is presented in the Company's financial reports.

[4] Average Net debt/adjusted EBTIDA has been calculated as the average of Net debt/adjusted EBITDA during the periods 2011, 2012, 2013, 2014, 2015.

ing just over a doubling of Adjusted EBITA for the last twelve-month period as per 30 September 2016. The average annual Organic EBITA growth shall amount to 5 percent.

- **Cash conversion:** Volati's objective is to achieve an annual cash conversion of at least 85 percent.
- **Return on adjusted equity:** Volati's long-term objective is to achieve a return on adjusted equity of at least 20 percent.
- **Capital structure:** Volati's long-term objective is that Net debt/adjusted EBITDA[2] should not exceed 3.0 times.
- **Dividend policy:** Volati's objective for dividend on Common Shares is to distribute approximately 10–30 percent of the Group's net profit attributable to parent company's owners. When deciding on dividends, future acquisition possibilities, development potential in existing companies, the Company's financial position and other factors deemed to be of importance by Volati's board of directors will be taken into consideration. Dividends on Preference Shares are to be issued at an annual amount of SEK 40.00 per Preference Share, through quarterly payments of SEK 10.00, in accordance with the Articles of Association.

The financial objectives are guidelines and are not, and should not be regarded as, forecasts or estimates of Volati's future earnings. The financial targets are based on a number of assumptions concerning Volati's operations and the industry and macroeconomic environment in which Volati operates. As a result of the above and other factors, including, but not limited to, those described in the section "*Factors affecting earnings and cash flow*" on page 64, Volati's actual earnings may deviate from the above targets.

Strategy

Business development strategy

Volati's model for business development is to maintain companies' local entrepreneurship to a high degree, while adding support for development and expansion. With a strong emphasis on decentralisation, each business unit has separate strategies, while several strategic themes are general for the entire business area. All business units should strive to achieve their individual strategic and financial targets, with the overall aim of Volati fulfilling the Group's financial targets.

Trading

Volati intends to focus on the following strategic initiatives for the Trading business area:

- M&A growth
  - Identify and complete add-on acquisitions to support the business units in expanding the product offering or in penetrations of new markets.
  - Identify and complete acquisitions with a potential for synergies in areas such as supply chain and central functions.
- Build leading brands:
  - Build additional leading brands, either organically or through M&A, within building consumables and hardware, home and garden, as well as agroforestry.
  - Accelerate the roll-out of the "FAST" brand fastening range in the Nordic region.
- Strengthen the B2C offering:
  - Increase online sales through cross-selling between the Kellfri and Lantbutiken platforms, by providing each companies' product range on both websites.
  - Leverage the business area's strong supply chain capabilities and extensive B2B product offering to create a competitive offering also towards consumers to other business units.
- Drive further business unit integration:
  - Capitalise on opportunities to achieve further synergies by integrating the most recently completed acquisitions (Miljöcenter and Lantbutiken).
  - Integrate Sørbø and Industribeslag.

Industry

Volati intends to focus on the following strategic initiatives for the Industry business area:

- M&A growth
  - Continuously evaluate new platform acquisitions, as well as add-on acquisitions to support the existing business units' strategies.
- Geographic expansion
  - Focus on Tornum's ongoing expansion in Southeast Asia, while selectively evaluating geographic expansion opportunities in other markets.
  - Selectively evaluate geographic expansion opportunities within the core water damage restoration business for Corroventa.
- Product enhancement:
  - Continued focus on strengthening Tornum's market position within the industry segment.
  - Increase Ettikettoprintcom's presence within high-value product categories.
  - Continued focus on product development within Corroventa in order to maintain a leading position within the premium segment.
- Strengthen the collaboration within the business area:
  - Strengthen the collaboration between the business units in areas such as international expansion, lean manufacturing and HR.

Consumer

Volati intends to focus on the following strategic initiatives for the Consumer business area:

- M&A growth
  - Continuously evaluate new platform acquisitions, as well as add-on acquisitions to support the existing business units' strategies.
- Geographic expansion
  - Deepen Besikta Bilprovning's presence in Sweden by adding new stations in identified white spot areas.

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1) Adjusted EBITA is presented in the Company's reviewed but not audited consolidated interim report for the period January-September 2016, and is calculated as EBITA for the last twelve months period for the companies included in the Group at the reporting date, as if the companies had been owned for the last 12-month period and adjusted for non-recurring items such as transaction-related costs, restructuring costs, remeasurements of earn-outs, capital gains/losses on the sale of operations and non-recurring items. This is presented in the Company's financial reports.

2) Calculated in accordance with Volati's historical and newly adopted financial targets, implying net debt at the end of the period in relation to adjusted EBITDA for the period (where net debt and adjusted EBITDA are calculated in accordance with the definition included in financial covenants in the Company's financing arrangements with Nordea). This is presented in the Company's financial reports as the metric Net debt/adjusted EBITDA (Sw. *Nettoskuld/justerad EBITDA*).

  - Selectively evaluate geographic expansion opportunities for NaturaMed Pharma and me&i.
- Marketing and digitalisation:
  - Strengthen Besikta Bilprovning's customer loyalty through measures such as improved accessibility, strengthening the offering and improving the user-friendliness of the website.
  - Further develop NaturaMed Pharma's and me&i's online platforms to complement the business units' existing distribution channels.
  - Strengthen the collaboration between the business units in areas such as marketing by further utilising large customer databases, digitisation and e-commerce.
- Enhance customer offering and profitability:
  - Increase the profit per customer in Besikta Bilprovning by improving the operational efficiency and service offering as well as through pricing strategies by, for example, offering different prices during different time periods.
  - Continue utilising NaturaMed Pharma's extensive customer database to strengthen the customer offering and increase the profit per customer through bundling of products, new product launches and various pricing strategies.
  - Launch additional limited edition collections for me&i to facilitate an increased frequency of home parties.

Acquisition strategy

Growth by acquisition is central in Volati's business concept. Acquisitions comprise either companies that form new separate business units or add-on acquisitions to existing business units. Volati primarily targets, and has historically acquired, companies with proven business models, leading market positions and strong cash flows. Acquisitions have historically been made within the Nordic region, however add-on acquisitions may be completed in or outside of the Nordic region. Volati has historically acquired companies at an average EV/EBITDA multiple of 4.7[1].

Acquisition targets are sourced internally, and occasionally in collaboration with the business units, but Volati is also approached by advisors or directly by business owners that for example are faced with a generational transition. Volati has established a network of advisors who continuously present potential acquisition targets, and the share of interested sellers who initiate contact directly with the Company has increased in the past few years. Volati's business concept of preserving the companies' local entrepreneurship and further developing the companies with a long-term ownership perspective is considered a key factor for previous owners' willingness to divest to Volati. Volati has been the preferred buyer in numerous processes; for further information please refer to the section "*Volati's acquisition model*" on page 39.

The combination of Volati's extensive experience in completing acquisitions together with an active and engaged board of directors that facilitates fast internal decision making, for example with regards to risk assessment, has resulted in Volati's ability to manage complex situations in transactions, which has enabled the acquisition of companies at what Volati deems to be reasonable valuation multiples.

On average, Volati evaluates more than one hundred potential acquisitions each year. A majority of these are rejected at an early stage and a few are analysed further. The pace for completing acquisitions has been increasing in the past few years and Volati completed six acquisitions during the 18-month period ended 30 September 2016. Volati usually acquires all of the shares in the target company, and always a majority stake, with the aim of obtaining control. With regards to size of the target company, Volati divides acquisitions into two categories: *platform acquisitions*, which comprise new business units with a minimum EBITDA of SEK 20m, and *add-on acquisitions* which comprise acquisitions added to existing business units, which are not defined by size but rather are evaluated on the strategic merits and potential to generate value.

Volati operates in markets with favourable acquisition opportunities. According to the company database Retriever, at 30 September 2016, there were approximately 4,400 Swedish companies within Volati's target group, with net sales between SEK 10-2,000m and an EBITDA between SEK 0-200m. The numerous companies within this size range allow Volati to be scrupulous in its selection process while still being able to identify a large number of interesting acquisition targets.

Volati holds continuous dialogues regarding potential acquisition targets and had by 30 September 2016 identified 16 companies which a more active dialogue was held with. This is in line with the average number of companies which Volati normally holds a more or less active dialogue with. These targets are split between the three business areas. The list comprises both categories of acquisition targets, with the majority being add-on acquisitions.

For further information on Volati's acquisition and integration process, please see the section "*The acquisition process*" on page 39.

History

2003: Volati is founded

Volati was founded in 2003 by Karl Perlhagen, with previous experience from the pharmaceutical company Meda, and Patrik Wahlén, with a background in management consulting. Volati's business concept was based on acquiring and developing companies with proven business models.

2004: Tornum – the first acquisition

Volati's first acquisition was the provider of grain handling equipment Tornum in 2004. During the company evaluation, Volati identified significant growth opportunities in Eastern Europe. With a new CEO with previous experience from setting up international distribution, Tornum established new sales companies. The first office was opened in Finland, after which the expansion continued in Poland – an establishment that progressed well due to the recruitment of two key individuals from one of the competitors. The expansion subsequently continued in Hungary, Roma-

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[1] Includes acquisitions completed from 2004 and onwards with an enterprise value, including earn-out payments, exceeding SEK 10m, which comprise 17 of the total of 22 completed acquisitions. The acquisition of ClearCar has been excluded, due to the company's negative EBITDA at the time of the acquisition. EBITDA is based on the most recent historical figures available at the respective acquisition date, which have either been sourced from the company's reported full-year earnings or its earnings for the last twelve-month period in accordance with the internal reporting. However, last twelve-month figures were only used for the calculation of two of the acquisition multiples.

nia, Russia and Ukraine. Simultaneously, Volati continued to develop Tornum in Sweden. A new management group was appointed to manage the growth and from 2004 to 2008 Tornum's net sales tripled, primarily driven by exports.

2005–2010: Acquisition of Sveico, Kökskungen, GastroMax, Corroventa, Sandberg & Söner and Team Olmed, and the divestment of Sveico

Volati completed the next acquisition in 2005, which comprised the household appliance manufacturer Sveico. Shortly thereafter Kökskungen and GastroMax were acquired, after which the three companies were merged into Sveico.

In late 2006, Volati evaluated an acquisition of the dehumidification provider Corroventa, which had demonstrated strong profitability for several years and a potential for international expansion. Corroventa was acquired in March 2007. The geographical expansion was initiated, and with a favourable sales development in Europe, net sales increased by 30 percent during Volati's first year of ownership. Volati also invested in the research and development of new, unique products and product categories within dehumidifier technology, while the investments in Corroventa's rental fleet continued.

In 2008, Volati acquired Sandberg & Söner, a subcontractor specialised in large steel components with stringent quality requirements. In April 2009, Volati acquired Olmed Ortopediska, a company that customised orthopaedic aids with a focus on prostheses, orthopaedic shoes and accessories. Shortly thereafter Team Ortopedteknik, active within the same industry, was acquired. The two companies previously had a close relationship and shared a joint purchasing company. The companies were merged into TeamOlmed.

Following a structural change in the household-appliance market, Volati divested Sveico to Orthex in 2009.

2011–2014: Acquisition of Kellfri, Ettikettoprintcom, Besikta Bilprovning, me&i and NaturaMed Pharma, the divestment of TeamOlmed and the appointment of a new CEO

In 2011 Volati acquired Kellfri, a developer and supplier of agricultural and forestry equipment and accessories. Kellfri was traditionally a mail-order company, but as of 2014 its business concept has developed towards e-commerce. In 2011, Volati also acquired Ettikettoprintcom, one of the leading suppliers of adhesive labels and labelling systems in Sweden. Volati's sales exceeded SEK 1 billion for the first time in 2011.

In March 2013, Volati completed its largest transaction to date, when assuming operational responsibility and controlling interest in Besikta Bilprovning – one of the three vehicle inspection clusters created from AB Svensk Bilprovning. The business comprised 56 vehicle inspection stations with nearly 500 employees in Western and Southern Sweden, and was sold without any proper management, brand or IT system, which made the transaction both complex and demanding. Mainly driven by an industry consolidation, TeamOlmed was divested to the Islandic group Össur in October 2013. In late 2013, Volati acquired a majority stake in the designer and developer of clothing for children and women, me&i, whose business concept include direct sales through home parties and e-commerce. Volati entered as the principal owner, while the founders continued as partners and business operators.

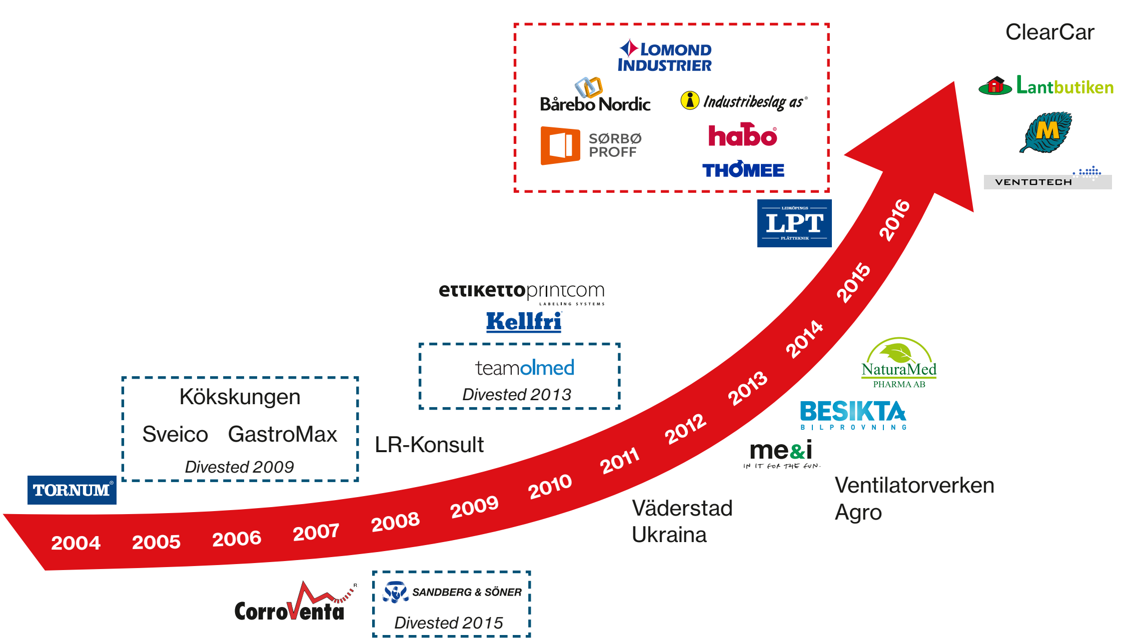
In June 2014, Volati acquired NaturaMed Pharma, a business providing dietary supplements, herbal medicines and health products that are delivered directly to the customers through subscription based solutions. NaturaMed Pharma's continued focus is, among other things, to develope concepts for e-commerce and implementing new pricing strategies.

Mårten Andersson, who had been employed at Volati since 2012, initially as CEO of Besikta Bilprovning, became CEO of Volati in 2014, succeeding Patrik Wahlén.

2015: Acquisition of Lomond Industrier, divestment of Sandberg & Söner and listing of the preference share

In early 2015, Volati divested Sandberg & Söner to a previous employee of Volati. Volati deemed that the company's full potential could be better achieved with another owner, mainly due to the gradual change and adaptation of Volati's operational focus toward somewhat larger companies.

Overview of historical transactions



In June 2015, Volati signed an agreement for its largest acquisition to date, Lomond Industrier, a group with strong brands in the building materials sector, which comprises the business units Bårebo Nordic, Habo, Industribeslag, Sørbø and Thomée. The business units are integrated through a shared logistics centre as well as centralised finance and IT systems.

Volati's preference share was listed on Nasdaq First North Premier in June 2015. In conjunction with the listing, Volati raised capital of approximately SEK 850m and gained some 3,500 new shareholders.

2016: Four acquisitions and structured into three business areas

Volati has completed four add-on acquisitions during 2016. In March 2016, Corroventa acquired Ventotech, a supplier of systems and expertise in controlled ventilation of closed spaces. The acquisition enabled Corroventa to strengthen its offering to construction companies. In April 2016, Besikta Bilprovning acquired ClearCar in an add-on acquisition that is expected to generate synergies between the companies by combining ClearCar's station network with Besikta Bilprovning's infrastructure, while achieving economies of scale in areas such as IT. The integration of the station network was completed in early July 2016. As part of the long-term strategy to extend existing business units operations into new market segments, such as through offerings to specialised home and garden retailers, Volati acquired Pagnol Gruppen AB in May 2016. Pagnol Gruppen comprised Miljöcenter and Bröderna Berglund, and formed the Miljöcenter business unit. In addition, Kellfri acquired Lantbutiken in July 2016. The acquisition enhances Kellfri's transition towards increased e-commerce sales, since Lantbutiken is a fast-growing e-commerce company with an extensive range of products within agriculture, forestry, construction and leisure.

In 2016, due to the growing number of companies in the Group, Volati organised its operations into three business areas: Trading, Industry and Consumer. The new structure enables continued acquisition-driven growth and provides Volati with enhanced prerequisites for retaining the local entrepreneurial expertise in the business units.

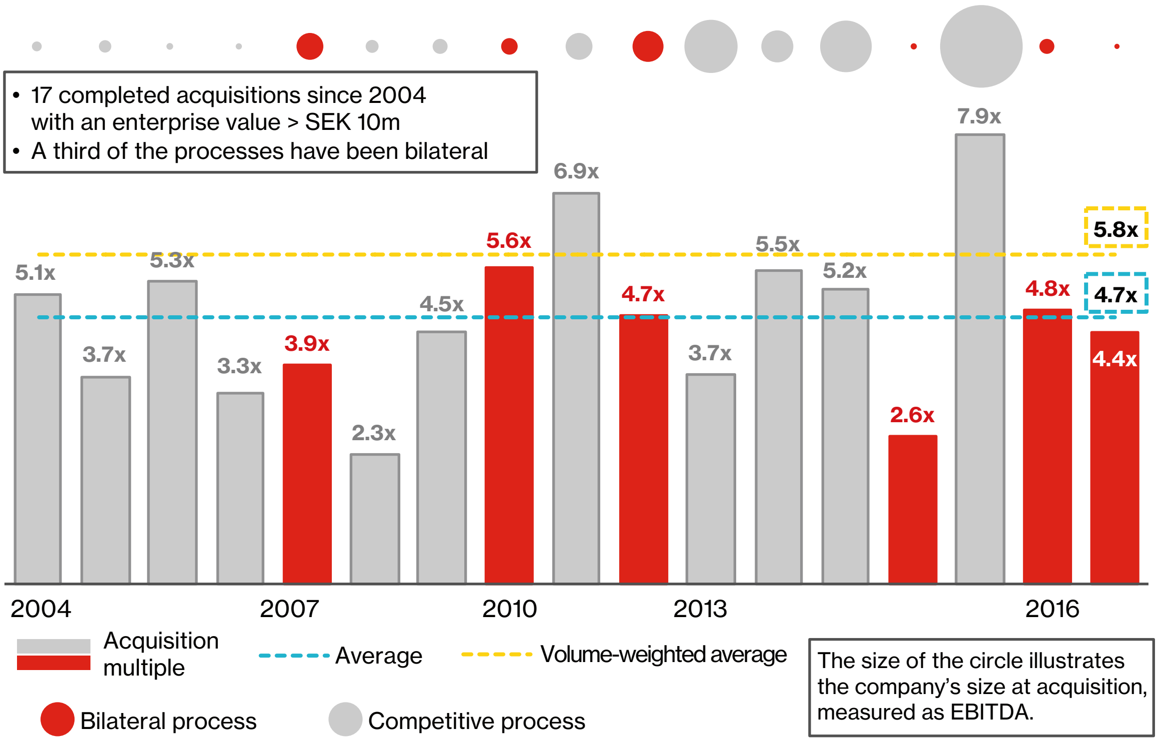
Volati has grown as an organisation over time, and today it has a stable platform for continued growth, organically and through acquisitions. As an active and engaged owner, Volati provides support for change, while emphasising the importance of avoiding top-down control of the business units and preserving their independence.

The acquisition process

Volati's acquisition model

Volati primarily acquires companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and develops these with an emphasis on long-term value creation. Volati uses the cash flows generated from the acquired companies to complete further acquisitions. To enable this, Volati has developed a structured acquisition process and a distinct acquisition model for analysing and evaluating acquisition targets. Volati is

Acquisition multiples since 2004 (EV/EBITDA)1)


- 17 completed acquisitions since 2004 with an enterprise value > SEK 10m
- A third of the processes have been bilateral

The size of the circle illustrates the company's size at acquisition, measured as EBITDA.

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1) Includes acquisitions completed from 2004 and onwards with an enterprise value, including earn-out payments, exceeding SEK 10m, which comprise 17 of the total of 22 completed acquisitions. The acquisition of ClearCar has been excluded, due to the company's negative EBITDA at the time of the acquisition. EBITDA is based on the most recent historical figures available at the respective acquisition date, which have either been sourced from the company's reported full-year earnings or its earnings for the last twelve-month period in accordance with the internal reporting. However, last twelve-month figures were only used for the calculation of two of the acquisition multiples.

generally selective in its evaluation of new acquisitions – its principle is to rather pass on a potentially attractive acquisition opportunity than to risk completing a poor one. With this principle as the foundation for the selection process, Volati conducts a full evaluation of potential targets involving a number of guiding acquisition criteria.

- The company should have a track record of solid earnings growth.
- The company should have strong cash flows.
- The company should have a proven business model. Consequently, Volati avoids start-up companies or companies in need of restructuring.
- The company should be market leading or have a strong market position within its niche.
- Volati acquires at least a majority stake in the target company, with the aim of obtaining control. Acquiring a majority stake allows Volati to operate through the boards, contribute in strategic decisions and act as a catalyst for development and expansion of the companies.
- For platform acquisitions, Volati primarily evaluate companies with a minimum EBITDA of SEK 20m. Add-on acquisitions are however not size-dependent, since their strategic fit instead is central to the evaluation.
- Platform acquisitions are completed within the Nordic region with a primary focus on the Swedish market, while add-on acquisitions may be pursued in other Nordic or European countries.

Companies that are acquired by Volati are developed through active corporate governance with an emphasis on the long-term value-creation and the preservation of the company's local entrepreneurship. The combination of Volati's acquisition experience together with its active and engaged board, allows for managing rapid acquisition processes, as well as complex transactions, which also is facilitated by Volati's focused due diligence process, which primarily is conducted in-house. Altogether, this implies that Volati usually is a preferred buyer in acquisition processes, which, when combined with a scrupulous and structured selection process, allows Volati to acquire companies at reasonable valuations. Historically, Volati has acquired companies at an average EV/EBITDA multiple of 4.7[1] and a volume-weighted average EV/EBITDA multiple of 5.8[1]. The difference between the average and the volume-weighted average EV/EBITDA multiple is largely attributable to the acquisition of Lomond Industrier in 2015, at an EV/EBITDA multiple of 7.9.

Acquisition process

Volati's extensive transaction experience has contributed to the creation of structured processes for completing acquisitions.

- **Sourcing of acquisition targets:** Volati's potential acquisition targets are identified through various sources. Volati has a continuous inflow of potential acquisition targets through its network. Acquisition processes initiated through the business units have increased with their growth as has their ability to provide support in acquisition processes. Volati also sources acquisition opportunities through a well-established network of advisors who contact Volati regularly regarding acquisition opportunities. Volati has strong relationships with a large number of advisory firms in Sweden, and also considers itself to be well-known among advisory firms in Finland and Norway. To secure a continuous inflow of acquisition opportunities, Volati conducts various marketing activities aimed at both business owners and advisors. Partly as a result of this, Volati is contacted directly by business owners seeking to initiate bilateral discussions regarding a divestment. Bilateral discussions with companies may also be initiated by Volati. Of the acquisitions that Volati completed with an enterprise value exceeding SEK 10m, which include 18 of the 22 acquisitions, six were acquired through bilateral processes. More than one hundred companies are evaluated annually and only the companies that meet Volati's acquisition criteria are further analysed.
- **Evaluation:** Following the initial sourcing process, some 20 companies are further evaluated internally, through which Volati obtains an in-depth understanding of factors such as the company's customer offering, market and competitive positioning, financial history and valuation. In conjunction with this, Volati also formulate an investment thesis in how to add value to the company through active ownership. Volati's management actively participates in this phase and jointly approves all non-binding offers with the board of directors prior to their submission.
- **Due diligence and deal execution:** In the final phase of the acquisition process, Volati conducts confirmatory commercial, financial and legal due-diligence on the acquisition target. The majority of this work is performed internally and advisors are selectively engaged – with the exception of legal advisors, who are always involved. Volati's board of directors is continuously informed about the process and takes the formal acquisition decision.
- **Integration:** Following the completion of an acquisition, Volati spends time with the company's management to jointly formulate a strategic and financial plan with clearly defined financial targets that the company's management is expected to deliver on. If necessary, a new management team is appointed, for example when acquiring companies that are undergoing a generation change. A new board of directors is commonly also appointed. Volati then works actively with the company by continuously monitoring the implementation of the strategic plan. This is accomplished not only through board work, but also through regular interaction with management and, for example, monthly reports.

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1) Includes acquisitions completed from 2004 and onwards with an enterprise value, including earn-out payments, exceeding SEK 10m, which comprise 17 of the total of 22 completed acquisitions. The acquisition of ClearCar has been excluded, due to the company's negative EBITDA at the time of the acquisition. EBITDA is based on the most recent historical figures available at the respective acquisition date, which have either been sourced from the company's reported full-year earnings or its earnings for the last twelve-month period in accordance with the internal reporting. However, last twelve-month figures were only used for the calculation of two of the acquisition multiples.

Transaction examples

	BESIKTA BILPROVNING	LOMOND INDUSTRIER	TORNUM®
Acquisition year	2013	2015	2004
Investment thesis	● Proven business model with historical long- term solid earnings ● Possibility of increasing sales through pricing strategies and cross selling of ancillary products / services ● Acquire at a potentially attractive valuation given lack of management and IT system	● Strong management team with a track record of creating value and synergies through M&A ● Solid platform for add-on acquisitions ● Growth trends in the underlying market ● Synergies between the business units	● Strong market position in Sweden ● Potential to drive growth through geographic expansion
Deal dynamics	● Complex privatisation process ● Significant regulatory hurdles (ownership assessment) ● Lacked own IT system and management team	● Competitive auction process ● Volati entered the process at a late stage	● Structured sales process ● Management transition risk; recruitment of new CEO
Add-on(s)	● ClearCar (2016)	● Miljöcenter (2016) ● Lantbutiken (2016)	● Väderstad-Verken (2011) ● Ventilatorverken Agro (2012) ● Lidköpings Plåtteknik (2015)
Volati operational value-add	● Appointed new management team ● Established and built the Besikta brand ● Invested in new IT system ● ClearCar add-on acquisition	● Strategic add-on acquisitions completed at attractive multiples through proprietary deal flow ● Created prerequisites for cost synergies through integrating Kellfri	● Appointed new management team ● Expanded into Eastern Europe ● Strengthened the position in the industry segment ● Increased sales ~4x while maintaining profitability

Organisation and governance

Volati is an industrial group comprising 13 business units organised into three business areas: Trading, Industry and Consumer. The group has some 40 operating companies in 15 countries, with Sweden accounting for the largest share of net sales. Refer to image, Organisational structure, under "*Volati in brief*" on page 33.

- **Trading:** The Trading business area comprises seven business units with some 15 operating companies in six countries. The business area focuses on three market segments: construction consumables and hardware, home and garden, and agriculture and forestry.
- **Industry:** The Industry business area comprises three business units with a total of 18 operating companies in 13 countries. The business area focuses on various B2B niches and is managed by a strong local entrepreneurship in combination with collaboration in selected areas, such as international expansion, lean manufacturing and HR. The business area head is responsible for coordinating Volati's central support function and for supporting in acquisition processes.
- **Consumer:** The Consumer business area comprises three business units with a total of nine operating companies in five countries. The business units focus on various B2C niches and are managed by strong local entrepreneurship in combination with collaboration in selected areas, such as database marketing, digitalisation and e-commerce. The business area head is responsible for coordinating Volati's central support function and for supporting in acquisition processes.

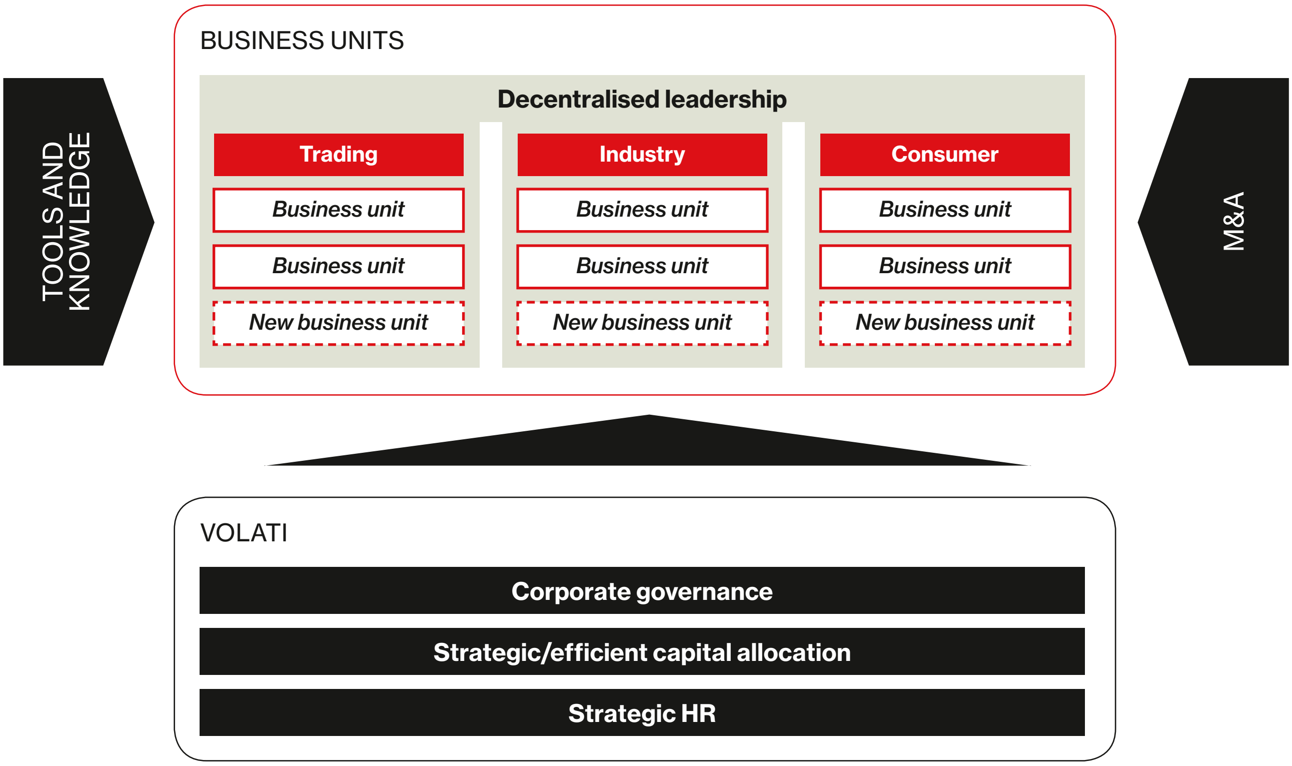
Volati's operational model

Volati's operating model based on a decentralised governance model entails that day-to-day decisions are made at the operational level within the operating companies, with limited involvement from the Group management. The Group's strategy and governance model is based on the vision to be the best owner of medium-sized companies, which is to be achieved by preserving the companies' independence while supporting and creating long-term conditions for value creation. This is mainly accomplished through six areas: decentralised leadership, corporate governance, strategic capital allocation, strategic HR, expertise and business tools, as well as support in connection with acquisitions. The figure "*Volati's operating model*" on page 42 is a schematic of Volati's operating model.

Decentralised leadership

Volati believes that decentralised leadership is a key success factor to a scalable business model that comprises several business units operating within a variety of industries. Strong emphasis on local entrepreneurship is required to enable efficient and informed decision making. In order

Volati's operating model



to secure value creation throughout Volati, a vision and a long-term strategy is developed for each business unit. The long-term strategy is broken down to action plans and clear financial metrics that are continuously monitored. The financial target for each business unit is focused on value creation and includes aspects such as growth, EBITA or EBITDA margins, cash conversion and return on capital employed or return on working capital.

A decentralised leadership entails considerable responsibility and confidence in the business units' management teams, not only to deliver results, but also as upholders of Volati's values. Results are ensured by the creation of clear incentives, such as being offered a stake in Volati and by creating and facilitating career possibilities for the Group's employees.

Corporate governance

To support and create long-term conditions for value creation in a decentralised operating model, Volati focuses on maintaining a high level of professional corporate governance within the Group. Among other measures, Volati appoints the appropriate management for each business unit and introduces a structured framework for following up the results for all the business units.

The board of directors for each business unit typically consists one or more individuals from Volati's group management, business area managers and external board members who contribute with specific industry and/or operational expertise. The board is convened in accordance with a carefully devised meeting strategy that aims to maximise the business units' long-term potential while safeguarding profitability in a short-term perspective. Four annual board meetings that deal with various topics are combined with monthly reports to follow up strategic and financial targets.

In addition to a well-established calendar of board meetings, Volati introduces a structured model for following up results that permeates the entire Group and each business unit. Monthly directors' reports and meetings are complemented by informal contacts between group management and business-unit management on a daily basis, continuous risk assessment of the business unit, and annual assessments of profitability, market outlook and long-term strategy.

Strategic and efficient capital allocation

Group management disposes of the business unit's liquidity and cash flow, through the connection, in principle, of all Group companies to an intra-group cash pool. Every company that is connected either has a claim or debt in the cash pool. The Group's liquidity is thus gathered under the control of the Group management to, for example, allow lending to another Group company in need of liquidity or to fund an acquisition. This results in a optimised utilisation of the Group's overall resources, with Group management in control of the Group's consolidated balance sheet, while avoiding the need for Group companies to obtain external financing to handle temporary peaks in liquidity requirements. Within its framework of capital allocation, investments in existing business units are divided into three categories:

- **Maintenance investments:** For example, new computers. The total annual amount is set by Volati through budgeting.
- **Periodic investments:** Investments to maintain current competitiveness. In addition to knowing the amount, Volati will also decide the timing of the investment.
- **Expansion investments:** For example, the internationalisation of operations. The business unit's management has

to present an action plan and the expected results. Prior to making a decision, Volati benchmarks the expected return from the expansion investment with alternative investments, including acquisitions of new business units and add-on acquisitions for existing business units.

Strategic HR

An area of strategic importance to Volati is the appointment and development of key individuals in the Group. The Group management supports the business units through such initiatives as follows:

- **Volati Academy:** A leadership programme that runs for about 18 months and is aimed at employees who hold a management position in a business unit. Volati Academy's participants meet every three months for a period of 18 months to attend external and internal lectures, primarily pertaining to issues of leadership, business administration and Volati's core values.
- **Volati Management Programme:** A 15-month training programme for 2 to 3 recently graduated talents with 1 to 3 years' relevant professional experience. The courses touch on subjects such as work tools, leadership, strategy and Volati's core values. Following the completion of the programme, participants are offered a position as a senior executive in one of Volati's business units.
- **Volati Management Meeting:** Annual three-day conference with all the members of the business unit's management and other representatives from the business unit. The conference includes workshops, discussion forums and external lecturers.

Knowledge and tools – Volati Knowledge

Volati seeks to develop and train its employees by providing suitable work tools, and encouraging and promoting the exchange of experiences and best practices. For this purpose, Volati has established the concept Volati Knowledge, which is aimed at utilising various tools to safeguard the Group's knowledge base in various areas and thereby improving business processes throughout the Group. Volati Knowledge encompasses areas such as sales, internationalisation, pricing, production and sourcing. The tools that are used within the framework of Volati Knowledge include workshops, online-courses, a network of external experts, online forums and an internet-based knowledge bank that provides examples of best practices, articles, databases, templates and other tools. Volati Knowledge is available to all of the Group's employees and a series of courses have been held at the business units within the framework of Volati Knowledge.

M&A

Volati has a long history of, and extensive experience in, acquiring companies, and continuously seeks to support and educate its business units in how to incorporate M&A in their business unit strategies and using it as a strategic enabler for expansion and development. Group management offers the business units its experience and support when it comes to add-on acquisitions, such as concerning the sourcing of potential acquisition targets and deal execution, including due diligence, negotiation and documentation.

Initiative within Volati Knowledge

CONTENT

- Efficient production
- Growth by acquisitions
- Working capital
- Business tools
- Pricing
- Sales force efficiency
- Internationalisation
- Digitalisation
- Puchasing

TOOLS

- Workshops
- Training
- Expert network
- Cross business unit forums
- Knowledge bank
- Diagnostics

Sustainability efforts

The board has together with the business units and external experts defined a minimum criteria by which the business units must comply with. Based on these minimum criteria, it is up to each business unit whether to implement even more stringent sustainability criteria in their own operations.

In the 2017 annual report and onwards, Volati will be submitting what is referred to as "sustainability reports". The sustainability reports will comprise non-financial information in specific areas of sustainability that will facilitate improved insight into the Group's development, position, earnings and the consequences of its activities. The areas that will be incorporated into the sustainability reports include the Company's efforts with environmental issues, social conditions, personnel issues, respect for human rights and counteracting corruption. In autumn 2016, as a part of the initiative, Volati conducted an assessment of the Group and specific sustainability aspects that Volati should prioritise through its sustainability efforts.

During an acquisition process, Volati reviews the target company in numerous aspects, including how the company manages company-specific risks and opportunities regarding corporate social responsibility within its operations. For example, Volati reviews how the companies work with codes of conduct and socio-environmental aspects within production, or when purchasing products from external manufacturers. Correspondingly, Volati ensures that these issues continue to be managed appropriately in each business unit. The principle is that the business should be based on corporate social responsibility and sound values in order to fit in with Volati.

Employees

As of 30 September 2016, Volati had 1,195 employees. There have been no material changes in the number of employees up to the date of this Prospectus. Volati is of the opinion that its relationships with employees and unions are satisfactory.

Trading

Introduction

The Trading business area comprises seven business units with some 15 operating companies in six countries. The business area focuses on three market segments: construction consumables and hardware, home and garden, and agriculture and forestry. Customers from the construction consumables and hardware sector include professional players, such as Beijer, Woody, XL-Bygg and stores with a DIY focus. The home and garden segment's products are distributed through chain stores such as Plantagen and Bauhaus, as well as through grocery stores. The agriculture and forestry segment mainly includes small-scale agroforestry customers, and products include agricultural equipment, as well as accessories.

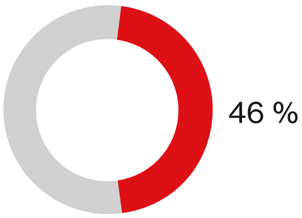
The business units within Trading have similar business models and customers, and are integrated through several functions and collaborations:

- Three business units share a logistics centre in Malmö, which enables economies of scope through synchronisation of deliveries, flexibility in staff scheduling and cost advantages through bulk purchasing.
- Most of the operations also share an IT system, which allows for standardised processes and the coordination of purchases, support and service.
- Finance and other administrative functions are centrally managed, which enables economies of scope.
- Several business units have an overlapping customer base, which enables cross-selling, collaboration between sales representatives and to some extent integrated customer solutions.

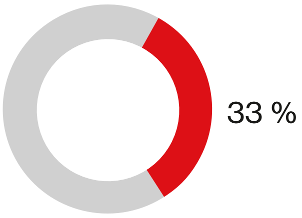
Financial overview Trading (1 October 2015–30 September 2016)

Net sales (SEK m)	1,445
EBITA (SEK m)	125
ROCE (%)	38

Share of the Group's total net sales

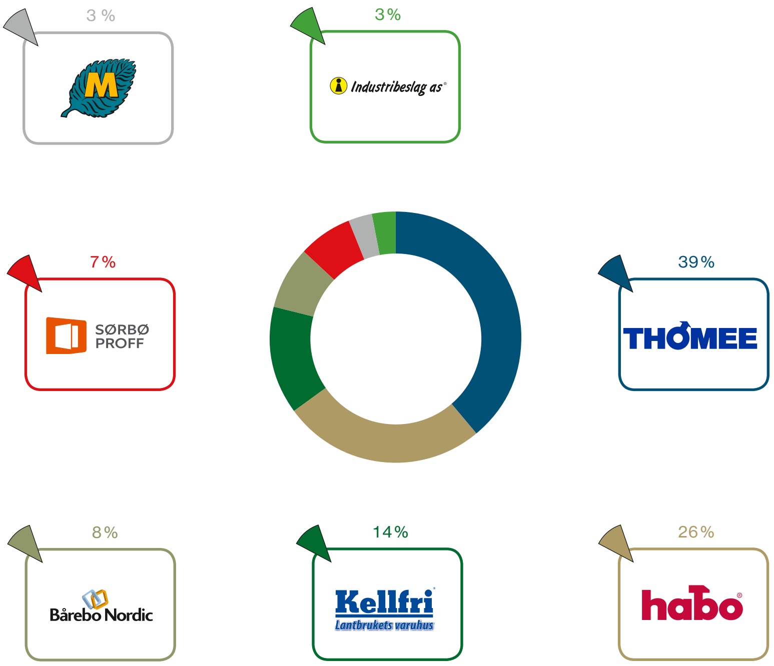


Share of the Group's total EBITA[1]



1) Excluding central costs and non-recurring items.

Net sales split Trading (1 October 2015–30 September 2016)[2]



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2) The business area Trading includes internal sales.

Thomée

Overview

Thomée is a wholesaler and distributor of building materials and tools, whose business concept is to optimise the flow of goods to resellers in the Nordic region. With an integrated IT system, Thomée's employees are able to submit quick notifications regarding stock balances, order balances or ongoing product campaigns regardless of their geographical location. Thomée was founded in 1892, has its head office in Malmö, Sweden, and approximately 30 employees. Thomée was acquired by Volati in 2015 as a part of Lomond Industrier.

Customers and customer offering

Thomée offers its customers a wide range of leading brands within building materials, consumables and tools for the groundwork, construction and maintenance of house and garden. The extensive product range is continuously updated according to customers' needs. Thomée also provides services such as product placements in stores and store concepts, which are offered to customers through the company's sales force, who continuously conduct a large number of customer visits. In addition, Thomée offers services that optimise its customers' working capital. Through agreements with freight forwarders, the company has a logistics network that transfers goods directly to stores from its logistics centre in Malmö.

Thomée's customers primarily comprise retailers in the DIY market and professional builders' merchants. The company's strong customer focus has contributed to long-term relationships with its key customers. Customers include Beijer, BIG Gruppen, Byggmax, Järnia, Woody Bygghandel and XL-Bygg. In total, the business unit's customers have some 2,000 point of sales, of which 900 are visited regularly by the company.

Purchase and suppliers

Thomée purchases ready-made products from leading manufacturers. Products and brands include ASSA ABLOY, ELFA, Hultafors and Fiskars, as well as the Group's proprietary brands (through Habo and Bårebo Nordic). Thomeé cooperates with approximately 350 suppliers regarding product sourcing.

Market and competitors

Thomée is primarily active on the Swedish market, where the company has a strong market position. The market is mainly driven by investments in new construction and the demand for renovation and maintenance within the residential market, which is fuelled by, for example, increased urbanisation, population growth and mobility on the housing market. Competitors to the company's customers mainly comprise industrial resellers and, to a certain extent, discount stores. Examples of direct competitors include Ahlsell and the B&B Tools' subsidiaries, such as Grunda and Luna.

Habo

Overview

Habo is a supplier of fittings in the Nordic region. The company develops and distributes products under the brand Habo. It was founded in 1921, has its head office in Habo and approximately 60 employees. Habo was acquired by Volati in 2015 as a part of Lomond Industrier.

Customers and customer offering

Habo's product range comprises a broad offering of interior and security fittings of which the majority consist of proprietary brands. By maintaining a strong focus on quality, Habo primarily caters to the premium market for fittings. The company also offers supplementary services for its customers, such as advice and product placements in stores. Habo's sales force conducts a large number of customer visits annually in order to continuously offer a high level of service.

Habo's customer base mainly consists of hardware and building materials resellers, as well as chains that focus on DIY customers. Due to Habo's focus on customer loyalty and service, the company has long-term relationships with its key customers. Examples of customers are Ahlsell, Beijer, Byggmakker, Coop, DT Group, Jem & Fix and XL-Bygg. The business unit's customers have a total of approximately 4,800 points of sales.

Production and suppliers

The majority of Habo's products are manufactured by certified suppliers in low cost countries and are delivered to Habo's logistics centre in Malmö. Habo has approximately 140 suppliers.

Market and competitors

Habo is primarily active within the Nordic region, where the company has a leading market position. The market for Habo's products is mainly driven by investments in new construction and the demand for renovation and maintenance within the residential market, which is fuelled by, for example, increased urbanisation, population growth and mobility on the housing market. Habo's competitors mainly comprise other manufacturers of fittings, such as Bröderna Miller, Grunda, PN Beslag and Smedbo.

Kellfri

Overview

Kellfri develops and sells affordable agricultural and forestry equipment to small-scale agroforestry customers. Kellfri was founded in 1990, has its head office and logistics centre in Skara, and has approximately 70 employees. Kellfri was acquired by Volati in 2011.

Customers and customer offering

Kellfri offers a large number of machines and appliances, such as agricultural equipment, forestry vehicles, and machines for snow and ice handling. The products are mainly sold directly to end customers by telephone or online, but are also sold through retailers. Online sales have been increasing over time and are expected to continue growing due to the acquisition of Lantbutiken, which has added approximately 10,000 products to the assortment. Kellfri's own product range includes more than 1,200 products, of which the vast majority is marketed under the proprietary brand, Kellfri.

Kellfri's customer base comprises some 50,000 customers and mainly consists of small-scale agroforestry farmers as well as hobby farmers. Sales to customers in Sweden, Denmark and Finland are mainly conducted through direct sales to end customers, while the company mainly supplies to resellers in Norway, Poland and the UK.

Production and suppliers
Product development, design and construction are mainly conducted by Kellfri in-house. Production is mainly outsourced to suppliers, primarily in China and Poland. Some of the assembling is conducted by Kellfri in Skara. A small part of the products are purchased as ready-made products from suppliers in China, Germany and Sweden.

Market and competitors
Kellfri is primarily active in the Nordic market (excluding Iceland), but also has sales in Poland and the UK. Sweden constitutes the largest market, where Kellfri has a strong market position and brand recognition. Kellfri's market is driven by investments in agroforestry equipment, the number of small-scale agroforestry farmers, and changes in raw-material prices, which affects customers' capacity to make investments. Kellfri's competitors consist of companies active within agroforestry machinery sales, with distribution primarily through resellers, such as Nordfarm and Trejon. Competitors also include minor companies that import goods from Asia that are sold directly to end customers, such as Bonnet and P. Lindberg.

Bårebo Nordic

Overview
Bårebo Nordic provides a wide assortment of building hardware components through proprietary brands to professional craftsmen and DIY customers. The company was previously a part of the Thomée group, but was spun off to focus on the development of proprietary brands. The company's head office is located in Malmö, and the company has approximately 15 employees. Bårebo Nordic was acquired by Volati in 2015 as a part of Lomond Industrier.

Customers and customer offering
Bårebo Nordic offers products through seven proprietary brands with a focus on ready-made store concepts and other concept solutions. The proprietary brand portfolio includes, for example, "FAST," which comprises a broad range of fasteners. A Space Management system is used to optimise the customers' assortment and increase the store profitability. With a strong focus on quality, Bårebo Nordic effectively challenges other established brands by offering a broad range of products within building hardware components.

The company's products are mainly distributed through Thomée and Habo, and other distributors in the Nordic and Baltic regions. End customers consist of professional craftsmen or DIY customers. Bårebo Nordic also collaborates closely with Thomée on marketing and sales.

Production and suppliers
Bårebo Nordic has a facility for the packing of fasteners in Malmö. The company primarily sources from low-cost countries through partnerships with some 130 suppliers.

Market and competitors
Bårebo Nordic is primarily active within the Nordic region, where Sweden constitutes the largest market. The market for Bårebo Nordics' products are mainly driven by investments in new construction and the demand for renovation and maintenance within the residential market, which is fuelled by, for example, increased urbanisation, population growth and mobility on the housing market. Competitors to Bårebo Nordic mainly comprise proprietary-brand manufacturers of building hardware components, such as ESSVE, Gelia, Gunnebo Fastening and V/S/B.

Sørbø och Industribeslag

Overview
Sørbø and Industribeslag are Norwegian suppliers to the window and door industries and collaborate through an integrated customer offering to a large number of shared customers. Sørbø and Industribeslag were founded in 1966 and 1980 respectively, have their head offices in Stavanger and Trondheim in Norway, respectively, and a total of approximately 20 employees. Sørbø and Industribeslag were acquired by Volati in 2015 as part of Lomond Industrier.

Customers and customer offering
The companies jointly provide a full-scale offering to the Norwegian window and door industry with a strong focus on customer service. The products include custom-designed fittings and fasteners, aluminium profiles and trickle vents. Since Sørbø's and Industribeslag's products only overlap to a minor extent, their combined assortment is highly complementary and enables a strong customer offering. A high customer service level is achieved through frequent customer visits by sales personnel with product expertise.

The companies' shared customer base is relatively fragmented and mainly comprises window and door manufacturers, as well as glaziers and professional craftsmen. Sørbø's and Industribeslag's focus on customer value and tailored customer offering has enabled strong customer relationships. Examples of customers include Gilje Tre, Jømna Bruk, Lian Trevarefabrikk and Løken Trevare.

Production and suppliers
Sørbø and Industribeslag assemble and customise their products in a facility outside of Stavanger and have logistics facilities in Stavanger and Trondheim. The companies also purchase several brands through suppliers such as ASSA ABLOY, Dorma, Hydal and SAPA. Sørbø and Industribeslag have more than 100 suppliers.

Market and competitors
The companies are active in Norway, where they collectively have a strong market position. The market demand is mainly driven by investments in new construction and renovation, as well as trends towards increased energy efficiency. There are a limited number of competitors operating within the same market niche, such as Gunnar Eiklid, Optimera, Proffpartner and TrioVing.

Miljöcenter

Overview
Miljöcenter develops and sells environmentally friendly products and solutions for the home and garden. The company was founded in 1991, has its head office in Malmö, and approximately 20 employees. Miljöcenter was acquired by Volati in 2016.

Customers and customer offering
The product offering mainly comprises products for weed and pest control, fertilisation, composting and plant protection. The product range includes both consumer and pro-

fessional products, and comprises three proprietary brands and a third-party brand, for which Miljöcenter has an exclusive distribution agreement in Sweden.

Miljöcenter's operations are divided into two customer segments: Store and Professional. Within the Store segment, sales are conducted through an extensive reseller network spanning retail, the building materials sector, the gardening sector, and through wholesalers and distributors. The Professional segment comprises a product offering within weed control, primarily targeted towards public facility maintenance. Examples of customers are Ahlsell, Bauhaus, Coop, Clas Ohlson and Plantagen.

Purchasing and suppliers

Although the company engages in the development of new products, production is outsourced to external suppliers. Approximately one third of the total sales comprise distribution of third-party products. The products are delivered to Miljöcenter's logistics centre in Malmö. The company has three employees dedicated to purchasing and product development. Miljöcenter has approximately 50 suppliers and one third of its purchasing is from Asia, while the remaining purchases are made through European suppliers.

Market and competitors

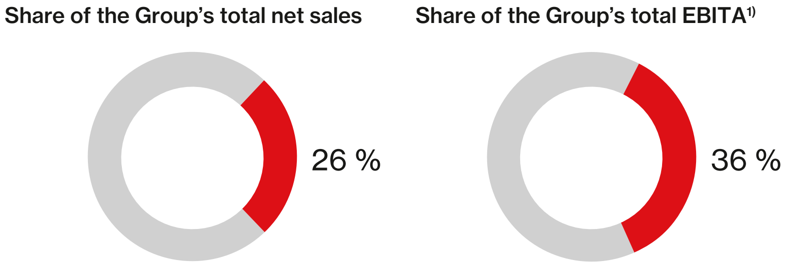
Miljöcenter's primary market is Sweden, but the company also has distribution to other Nordic and selected European countries. The company has a distribution company in Hong Kong with the objective to support new market entries via distributors. The market is driven by a growing interest in gardening and increased demand for sustainable and environmentally friendly products for gardening, as well as a trend towards alternative methods of pest control. Competitors operating in the same market niche include Bayer, Eurome, MEFA and Weibulls.

Industry

The Industry business area comprises three business units with a total of 18 operating companies in 13 countries. The business area focuses on various B2B niches and is managed by a strong local entrepreneurship in combination with collaboration in selected areas, such as international expansion, lean manufacturing and HR. The business area head is responsible for coordinating Volati's central support function and for supporting in acquisition processes.

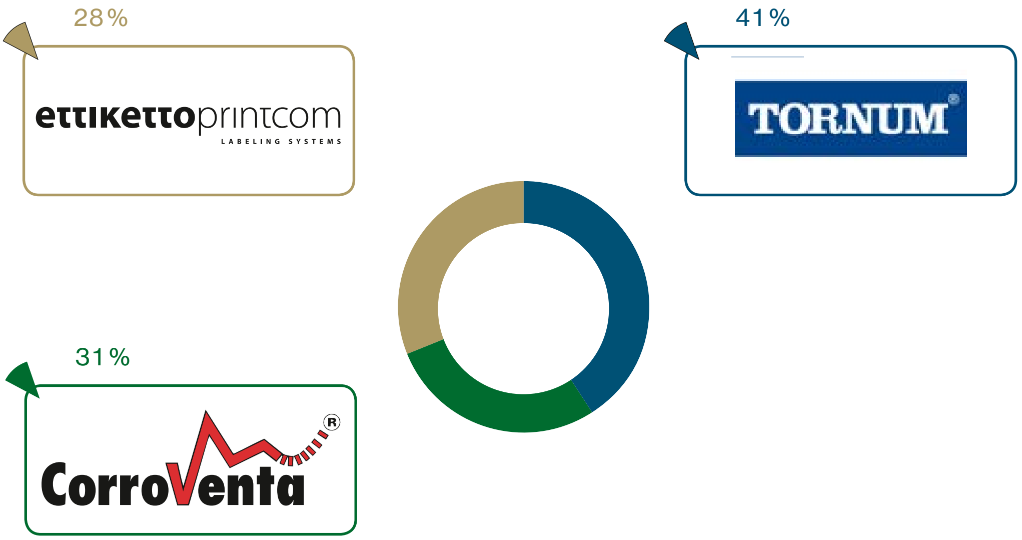
Financial overview Industry (1 October 2015–30 September 2016)

Net sales (SEK m)	816
EBITA (SEK m)	138
ROCE (%)	80



1) Excluding central costs and non-recurring items.

Net sales split Industry (1 October 2015–30 September 2016)



Tornum

Overview

Tornum develops and manufactures grain handling systems for the agriculture and the industrial market. Product development is managed through close collaboration with both agricultural and industrial customers. The company was founded in 1989, has its head office in Kvänum, and has approximately 90 employees. Tornum was acquired by Volati in 2004.

Production and purchasing

Tornum's production facility is located in Kvänum, where all in-house manufacturing takes place. Production processes include sheet metal punching and bending with a high degree of automation. Approximately 30 percent of total sales are attributable to products manufactured in-house, with the remaining share manufactured by suppliers, which then are assembled on-site at the customer's location. Tornum's raw material purchases mainly comprise galvanised sheet metal.

Customers and customer offering

Products include grain dryers, cleaning machines, storage bins, silos, transport equipment and a wide range of accessories and electric automation systems. Tornum offers tailored solutions, where the company designs, develops and coordinates projects in accordance with customer preferences. Tornum also offers aftermarket services, which account for a smaller share of net sales. Tornum's product offering, particularly within grain dryers, is technologically leading in the European market, which constitutes a competitive advantage to the company.

Tornum's customers comprise farmers, cooperatives and industrial customers, and differ between regions. Customers in the Nordic region usually dispose of a smaller land area, compared with customers in Eastern Europe. Industrial customers, who usually own a large number of facilities that they utilise intensively, make more frequent purchases compared with agriculture customers. Customers include Lantmännen and Charoen Pokphand Group.

Market and competitors

Tornum operates in a large number of European markets, which limits the risks from the occasionally volatile demand for Tornum's products. The East European market is primarily driven by a considerable underlying investment need, while the West European market is mainly driven by new environmental legislation and the trend towards larger farm sizes. Tornum's competitors comprise several major international companies active in the agricultural sector, as well as smaller local specialists. Examples of competitors include Buhler, Cimbria and Riela.

Some of the investments made by Tornum's customers in East European EU countries are affected by subsidies from investment funds, which are obtained in accordance with the EU's agricultural policies. Subsidies from the investment funds may be delayed at certain times and may thus occasionally result in volume irregularities for Tornum's products within a certain region. However, Tornum's presence in a large number of markets reduces the impact from lower volumes in a single market for the company as a whole.

Ettikettoprintcom

Overview

Ettikettoprintcom is a Swedish supplier of adhesive labels and labelling systems. Ettikettoprintcom was founded through the merger of Ettiketto Labelling Systems and Printcom Grafiska, both with a long history in the labelling industry. Its head office is located in Malmö, and the company has approximately 90 employees. Ettikettoprintcom was acquired by Volati in 2011.

Customers and customer offering

Ettikettoprintcom is specialised in label printing with considerable graphical expertise and proprietarily developed labelling systems. The company has a wide range of self-adhesive labelling solutions, such as multi-coloured labels, multi-page labels, digital printing, information labels, and tickets and tags. The company also offers labelling devices and systems tailored to customer preferences on a project basis. Ettikettoprintcom's competitive advantage is primarily a combination of reliability in customer deliveries and short order-to-delivery lead times.

Ettikettoprintcom's customers range from well-known major brands to small, fast-growing firms. Although the company's largest customer segment comprises the food industry, it also has a strong market position within the tobacco segment. Customer examples include Kiviks Musteri and Swedish Match.

Production and purchasing

Ettikettoprintcom has two production facilities – one in Malmö and one in Åtvidaberg – and produces approximately 2.5 billion labels annually. The production facilities include a large number of printing presses and several finishing and punching machines. The production facility in Åtvidaberg also prints tickets and tags.

Market and competitors

Ettikettoprintcom is mainly active in the Swedish market, where it has a relatively strong market position in a fragmented market. The market is mainly driven by shorter product life-cycles, which in turn is driven by customers' need to more frequently change their products. The market for labels and labelling systems is dominated by national or local players, partly due to the short delivery times usually required by customers. Examples of competitors are Lari-Tryck, Nordvalls and Skanem.

Corroventa

Overview

Corroventa is a technologically focused company that combines innovation with more than 30 years of experience in the field of water damage restoration. The company is market-leading within the premium segment and focuses on a high degree of service and product innovation. It was founded in 1985, has its head office in Bankeryd, and has approximately 60 employees. Corroventa was acquired by Volati in 2007.

Customers and customer offering

Corroventa offers sales, rental and leasing (through third parties for dehumidifiers) of premium products and solutions within water damage, humidity, ventilation and radon. The product range includes mobile dehumidifiers and ancillary equipment and accessories (adsorption dehumidifiers, condensing driers, turbines, combi-machines, water separators and filters, and fans), as well as products for living environment (such as crawl-space dehumidifiers, attic dehumidifiers and radon extractors). The products are compact, efficient, ergonomic and energy efficient. Several products can be controlled by a digital monitoring system, Supervision, which is a leading system within the industry, according to the Company. In case of floods and other emergencies, Corroventa's customers have access to one of the largest plant hire fleets in Europe, which includes everything from small condensing driers to large industrial absorption dehumidifiers. Corroventa also offers its customers seminars and courses on water damage restoration and drying techniques.

Corroventa's customers demand a high level of service and expertise. They include restoration and insurance companies, specialised building environment companies and construction companies. Examples of customers are Anticimex, Belfor, ISS and Polygon.

Since a considerable share of Corroventa's products is within areas such as flood control, to a certain extent, demand is also dependent on weather conditions, which historically has resulted in occasional fluctuations in net sales and earnings for Corroventa. However, this is mitigated by Corroventa's presence in a large number of different regions, which spreads the risks to some extent.

Production and purchasing

Corroventa develops, quality assures and produces products in their own production facility in Bankeryd. The company purchases material and components from a wide network of suppliers and assembles them into finished Corroventa products. Corroventa has approximately 10,000 machines in its fleet, most of which can be dispatched with short delivery times to its customers throughout Europe, or directly to the location where water damage restoration is to be managed.

Market and competitors

Corroventa is active throughout Europe. The largest markets comprise Germany, Sweden, the UK and France, where the company has strong market positions within the premium segment. Corroventa's market is primarily driven by climate changes, for example, leading to an increased amount of floods. Corroventa's competitive advantages include accessibility, a high service level and product quality. Competitors comprise primarily multinational companies such as Aerial, Dri-Eaz, Munters and Trotec, but also to some extent specialised national companies.

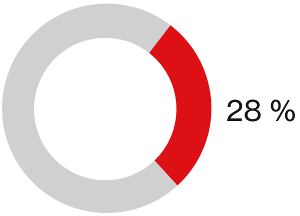
Consumer

The Consumer business area has three business units with a total of nine operating companies in five countries. The business units focus on various B2C niches and are managed by strong local entrepreneurship in combination with collaboration in selected areas, such as database marketing, digitisation and e-commerce. The business area head is responsible for coordinating Volati's central support function and for supporting in acquisition processes.

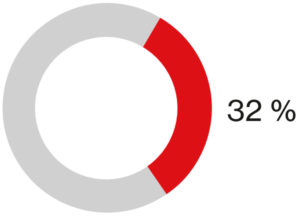
Financial overview Consumer (1 October 2015–30 September 2016)

Net sales (SEK m)	898
EBITA (SEK m)	123
ROCE (%)	175

Share of the Group's total net sales

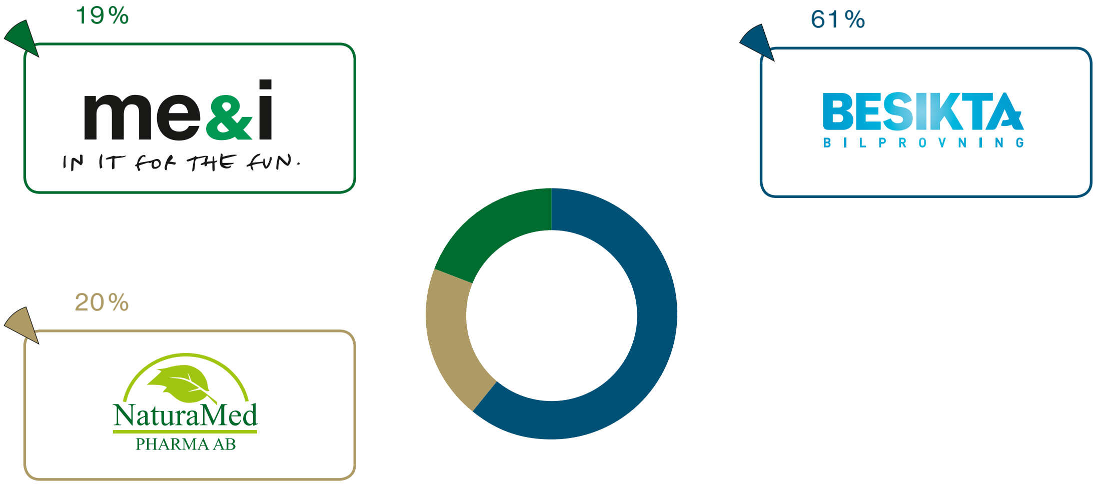


Share of the Group's total EBITA[1]



[1] Excluding central costs and non-recurring items.

Net sales split Consumer (1 October 2015–30 September 2016)



Besikta Bilprovning

Overview

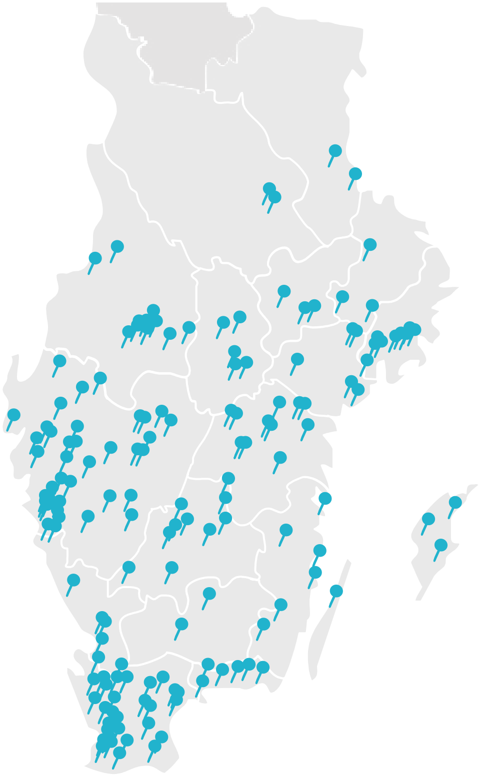
Besikta Bilprovning was acquired by Volati in 2013 and is one of the leading vehicle inspection companies in Sweden, with approximately 150 vehicle inspection stations in approximately 130 locations. The company was founded in 2012 as a part of AB Svensk Bilprovning, following the deregulation of the Swedish vehicle inspection market in 2010. In 2015, Besikta Bilprovning conducted 1.4 million inspections and in 2016, the company strengthened its market position through the acquisition of ClearCar. Besikta Bilprovning operates independently and impartially through accreditation by Swedac, a government authority that monitors the vehicle inspection market and controls compliance with existing regulatory frameworks. Besikta Bilprovning has approximately 550 employees and head office in Malmö.

Customers and customer offering

Besikta Bilprovning offers inspections of most types of vehicles, from cars and motorcycles to heavy vehicles such as trucks and buses. Besikta Bilprovning also offers package solutions with additional safety controls and advisory services on the best way for vehicle owners to prevent faults. Considerable emphasis is placed on offering high accessibility and simplicity to customers, both through the company's extensive network of stations and by offering a user-friendly website.

Besikta Bilprovning's customer base mainly comprises private individuals, but also includes professional vehicle owners, such as DSV, TIP Trailer Services, PNO and several government authorities.

Besikta's network of stations (as per 30 September 2016)



Market and competitors

Besikta Bilprovning is active in Sweden, with most of its stations located in Southern Sweden. However, the acquisition of ClearCar has resulted in the expansion of Besikta Bilprovning's network of stations to also include the Stockholm region. Vehicle inspections are mandatory and regulated, for both customers and service providers and consequently, the market can be characterised as stable and non-cyclical, and is driven by the number of new vehicle registrations, as well as the size and age structure of the vehicle fleet. Competitors to Besikta Bilprovning consist of other vehicle inspection companies, such as AB Svensk Bilprovning and Opus.

The EU has adopted what is referred to as an inspection package aimed at harmonising the road-safety controls of vehicles which stipulates, e.g. minimum inspection intervals that every country must adhere to. The EU regulations are to be incorporated into Swedish law by no later than 20 May 2017 and as a part of the implementation process, the Swedish Transport Agency has proposed that Sweden should adjust the inspection intervals and enact, the longest permitted period between vehicle inspections, according to EU regulations. Several referral bodies have criticised the Swedish Transport Agency's proposal and the Swedish parliament's Traffic Committee has expressed that Sweden should not adapt the interval between inspections to the minimum requirement in the EU regulations.

NaturaMed Pharma

Overview

NaturaMed Pharma is a Scandinavian supplier of OTC health supplements, pharmaceuticals and health products that are delivered directly to customers through subscription-based solutions. The company was founded in 1992, has its head office in Drammen, and approximately 30 employees. The company was acquired by Volati in 2014.

Customers and customer offering

The company has established an extensive customer database in Scandinavia by offering a wide range of quality products that comprise natural ingredients, along with a high level of service. Sales are conducted via mail order and e-commerce through subscriptions. The product range mostly comprises proprietary brands of health supplements including, for example, essential fatty acids, vitamins, antioxidants and the herbal medicinal product, Prosabal. The company's extensive customer database enables responsiveness to customer preferences and the continuous customisation of its offering. NaturaMed Pharma delivers products directly to customers in Sweden and Finland through its logistics centre in Karlstad, while the company uses a third-party distributor when catering to Norwegian customers.

NaturaMed Pharma's customers mainly comprise men and women in the age between 40 and 75 years old. Its customer database comprises some 1.7 million customers, of which some 350,000 have been active in the past three years. The company continuously targets the inactive customer base through tailored offers that are either conveyed through direct marketing or by telemarketing.

Purchasing and suppliers

The company's production is outsourced to a number of European suppliers, where the majority of the proprietary branded products are produced in Norway.

Market and competitors

NaturaMed Pharma is active in Sweden, Norway and Finland, where the company has an established market position. The market is mainly driven by health trends and the demographic shift towards an older population. Competitors include EFI, Norvital, Vesterålens Naturprodukter and VitaeLab.

me&i

Overview

me&i primarily offers women and children's clothing sold at home and online. The company has more than 850 sales personnel who are responsible for arranging home parties and marketing me&i primarily through social media channels. The company was founded in 2004, has its head office in Malmö, and approximately 30 employees. me&i was acquired by Volati in 2013.

Customers and customer offering

me&i's customers mainly comprise women between 30 and 50 years old, with children between 0 and 12 years old. Clothing is primarily sold through home parties, meaning personal meetings in a home environment, where a host invites friends and acquaintances to look at, try out and order clothes. A relaxed environment is created through these social events, which have a positive impact on customer loyalty. In addition, the customer group has a relatively strong purchasing power and appreciate attractively priced quality clothing that is manufactured in a responsible manner.

Purchasing and suppliers

me&i produces its clothing through manufacturers in Portugal and Turkey. The company strongly emphasises adherence to a code of conduct and that clothing must be produced responsibly and engages in long-term partnerships, primarily with small-scale local manufacturers. The products are delivered to the company's logistics facility in Malmö.

Market and competitors

me&i is active in Scandinavia, Germany and the UK. Finland is the company's largest market, where me&i has a strong market position within its niche area of direct sales. The phenomenon of home parties is widespread in Scandinavian countries and parts of Europe, which, combined with the increasing purchasing power of consumers, is driving the market and enables a potential for me&i to expand geographically. me&i considers that its competitors consist of other players within direct sales that have home parties as a business model, rather than chain stores. Competitor examples include House of Lola, Nosh Organics and Pomp De Lux.

Selected financial information

The selected financial information below should be read together with the sections "Operational and financial overview", "Capital structure and other financial information", as well as Volati's financial statements, which are contained in the section "Historical financial information."

The financial information reported below has been taken from Volati's financial statements for the financial years 2015, 2014 and 2013 and for the period 1 January 2016–30 September 2016. The Company's audited, consolidated financial statements for the financial years ending 31 December 2015, 2014 and 2013 respectively have been prepared in accordance with the International Financial Reporting Standards ("**IFRS**"), as adopted by the European Union, and have been audited by Volati's auditors (as stated in the audit report which is included together with the reports). The Company's unaudited, consolidated interim report for the period January 2016 to September 2016 has been prepared in accordance with IAS 34, as adopted by the European Union, and has been reviewed by Volati's auditors (as stated in the audit report which is included together with the reports). Except as expressly indicated herein, no information in the Prospectus has been audited or reviewed by the Company's auditor.

The financial information presented below for the last twelve months ("**LTM Sep 2016**") has been taken from Volati's reviewed but not audited, consolidated interim report for the period January 2016 to September 2016. LTM Sep 2016 was based on the financial information for the period January 2016 to September 2016 and the financial information for the period October 2015 to December 2015.

Consolidated income statement

SEK m	Jan–Sep 2016[1]	Jan–Sep 2015[1]	LTM Sep 2016[1]	2015[2]	2014[2]	2013[2]
Operating income						
Net sales	2,426.9	1,456.2	3,158.3	2,187.6	1,655.6	1,509.4
Operating costs						
Raw materials and supplies	–1,175.4	–579.3	–1,529.1	–933.1	–546.4	–548.9
Other external costs	–383.8	–307.5	–489.4	–413.0	–347.3	–273.9
Personnel costs	–570.1	–405.1	–747.0	–582.1	–512.9	–518.2
Depreciation/amortisation and impairment	–62.6	–37.1	–85.7	–60.2	–93.9	–39.3
Other operating income	5.6	16.7	7.3	18.4	3.3	2.9
Other operating costs	–8.1	–1.2	–10.2	–3.3	–3.2	–1.7
Realised profit from divestments	–	–	–	0.0	–	189.0
EBIT	**232.7**	**142.7**	**304.3**	**214.3**	**155.1**	**319.3**
Financial income and costs						
Financial income	15.6	16.0	22.2	22.6	3.9	5.5
Financial costs	–49.7	–53.1	–72.3	–75.6	–97.6	–57.8
Profit before tax	**198.5**	**105.6**	**254.3**	**161.3**	**61.4**	**267.0**
Tax	–43.5	–24.5	–54.4	–35.4	–5.8	–19.6
Profit related to discontinued operations	–	–	–	–	–	1.9
Net profit	**155.0**	**81.1**	**199.9**	**125.9**	**55.6**	**249.3**
Attributable to:						
Parent company's owners	151.6	57.3	187.0	92.7	14.3	223.7
Minority owners	3.4	23.8	12.9	33.3	41.2	25.6
Earnings per common share, SEK	1.78	0.89	2.29	1.37	0.35	5.54
Earnings per common share after dilution, SEK	1.77	0.89	2.28	1.37	0.35	5.54
No. of common shares[3]	59,544,502	40,400,000	59,544,502	40,400,000	40,400,000	40,400,000
No. of common shares after full dilution[3]	60,379,416	40,400,000	60,379,416	40,400,000	40,400,000	40,400,000

1) Derived from Volati's reviewed but not audited, consolidated interim report for the period January–September 2016.
2) Derived from Volati's audited consolidated financial statements as of and for the financial years ending 31 December 2015, 2014 and 2013.
3) Adjusted for a 10:1 share split completed in April 2015 and a 1:5 reverse share split carried out in September 2016.

Consolidated statement of comprehensive income

SEK m	Jan–Sep 2016[1]	Jan–Sep 2015[1]	LTM Sep 2016[1]	2015[2]	2014[2]	2013[2]
Net income	**155.0**	**81.1**	**199.9**	**125.9**	**55.6**	**249.3**
Other comprehensive income						
Translation differences for the period	49.7	–20.6	36.5	–33.7	2.9	0.7
Other comprehensive income for the period	**49.7**	**–20.6**	**36.5**	**–33.7**	**2.9**	**0.7**
Total comprehensive income for the period	**204.7**	**60.5**	**236.4**	**92.2**	**58.5**	**250.0**
Total comprehensive income for the period attributable to:						
Parent company's owners	200.1	48.1	229.0	77.0	16.8	224.4
Minority owners	4.6	12.4	7.4	15.2	41.7	25.6

1) Derived from Volati's reviewed but not audited, consolidated interim report for the period January–September 2016.
2) Derived from Volati's audited consolidated financial statements as of and for the financial years ending 31 December 2015, 2014 and 2013.

Consolidated statement of financial position

SEK m	30 Sep 2016[1]	30 Sep 2015[1]	31 Dec 2015[2]	31 Dec 2014[2]	31 Dec 2013[2]
ASSETS					
Non-current assets					
Intangible non-current assets	1,849.3	1,699.2	1,688.6	1,160.5	860.3
Tangible non-current assets	195.3	173.4	180.2	138.3	141.4
Financial non-current assets	4.1	13.5	13.3	7.5	8.1
Other non-current marketable securities	3.6	7.9	7.0	4.0	3.8
Deferred tax assets	47.7	23.6	32.8	21.2	16.1
Total non-current assets	**2,100.1**	**1,917.5**	**1,921.9**	**1,331.5**	**1,029.7**
Current assets					
Inventory	402.0	362.6	327.7	161.2	138.4
Accounts receivable	399.7	335.2	290.2	115.9	92.2
Tax assets	64.1	50.8	13.1	18.4	12.6
Other current assets	18.4	22.1	22.1	11.4	15.4
Prepaid expenses and accrued income	50.9	42.3	50.3	28.6	35.6
Assets attributable to discontinued operations	–	–	–	–	0.6
Current interest-bearing securities	–	0.7	–	–	–
Cash and cash equivalents	160.4	162.7	200.4	156.2	156.6
Total current assets	**1,095.4**	**976.5**	**903.8**	**491.7**	**451.4**
TOTAL ASSETS	**3,195.5**	**2,894.0**	**2,825.8**	**1,823.2**	**1,481.1**
EQUITY AND LIABILITIES					
Share capital	7.6	5.3	5.3	5.1	5.1
Other capital contributions	828.1	829.1	828.1	–	–
Other reserves	34.6	–7.4	–13.9	1.8	–1.3
Retained earnings including net profit for the year	178.6	104.6	150.3	119.1	102.3
Non-controlling interests	12.9	131.0	81.1	73.4	47.3
Total equity	**1,061.9**	**1,062.6**	**1,050.9**	**199.4**	**153.4**
Liabilities					
Non-current interest-bearing liabilities	1,028.1	940.4	908.1	1,055.3	440.7
Provisions for pensions	2.1	77.7	1.8	2.0	2.3
Other provisions	5.3	4.7	4.9	4.6	5.8
Deferred tax liabilities	120.7	107.5	111.7	78.7	45.8
Other non-current non-interest-bearing liabilities	160.0	10.0	66.3	–	–
Total non-current liabilities	**1,316.2**	**1,140.4**	**1,092.8**	**1,140.6**	**494.6**
Current interest-bearing liabilities	70.6	84.4	132.6	164.8	496.9
Deferred income	69.9	51.6	45.9	27.8	29.7
Accounts payable	227.7	226.8	238.7	104.1	91.2
Tax liabilities	97.2	48.6	27.6	25.0	37.1
Other current liabilities	142.1	116.6	83.4	38.1	58.9
Derivatives	1.4	5.2	4.1	6.5	5.9
Accrued expenses and deferred income	208.6	157.8	149.9	116.9	112.0
Liabilities attributable to discontinued operations	–	–	–	–	1.4
Total current liabilities	**817.4**	**691.0**	**682.1**	**483.2**	**833.1**
Total liabilities	**2,133.6**	**1,831.4**	**1,774.9**	**1,623.8**	**1,327.7**
TOTAL EQUITY AND LIABILITIES	**3,195.5**	**2,894.0**	**2,825.8**	**1,823.2**	**1,481.1**

1) Derived from Volati's reviewed but not audited, consolidated interim report for the period January–September 2016.
2) Derived from Volati's audited consolidated financial statements as of and for the financial years ending 31 December 2015, 2014 and 2013.

Consolidated cash-flow statement

SEK m	Jan–Sep 2016[1]	Jan–Sep 2015[1]	LTM Sep 2016[1]	2015[2]	2014[2]	2013[2]
Operating activities						
Profit after financial items	198.5	105.6	254.3	161.3	61.3	267.0
Adjustments for non-cash items	81.8	56.0	122.2	96.4	172.0	–115.8
Interest paid	–26.1	–37.2	–33.8	–45.0	–57.7	–24.1
Interest received	0.6	0.7	1.1	1.2	2.8	1.4
Income tax paid	–37.8	–22.2	–34.1	–18.5	–18.5	–32.8
Cash flow from operating activities before changes in working capital	**217.0**	**102.8**	**309.7**	**195.5**	**160.0**	**95.7**
Changes in working capital						
Change in inventories	–43.9	–14.9	–11.2	17.9	–11.2	4.6
Change in operating receivables	–74.6	–51.8	–39.2	–16.4	4.7	21.7
Change in operating liabilities	51.1	76.5	24.6	50.0	3.0	–18.2
Cash flow from changes in working capital	**–67.4**	**9.9**	**–25.8**	**51.4**	**–3.6**	**8.1**
Cash flow from operating activities	**149.6**	**112.7**	**283.9**	**247.0**	**156.4**	**103.8**
Investing activities						
Investments in tangible and intangible assets	–24.8	–55.0	–38.3	–68.5	–91.5	–46.6
Divested tangible and intangible assets	1.1	0.8	1.6	1.4	1.3	2.3
Investments in subsidiaries	–136.1	–601.5	–140.4	–605.8	–296.6	–209.1
Investments in financial non-current assets	–0.2	–3.0	–1.7	–4.5	–	–
Divested financial non-current assets	10.0	–	13.4	3.4	0.2	2.0
Divested subsidiaries	–	14.1	–	14.1	0.5	303.3
Cash flow from investing activities	**–150.0**	**–644.5**	**–165.5**	**–660.0**	**–386.2**	**51.9**
Financing activities						
Shareholders' contributions	0.5	12.9	0.5	12.9	–	2.0
Share issue	1.0	823.0	1.1	823.1	–	–
Redemption of pension liability	–	–	–77.6	–77.6	–	–
Dividend paid on common share	–24.5	–	–24.5	–	–11.0	–273.7
Dividend paid on preference share	–48.1	–32.0	–64.2	–48.1	–	–
Change in borrowings	20.3	–257.7	40.1	–237.9	240.3	251.5
Cash flow from financing activities	**–50.8**	**546.2**	**–124.6**	**472.4**	**229.3**	**–20.2**
Cash flow for the period	**–51.1**	**14.4**	**–6.2**	**59.3**	**–0.5**	**135.5**
Opening cash and cash equivalents	200.4	156.2	162.7	156.2	156.6	20.6
Exchange-rate differences in cash and cash equivalents	11.19	–7.8	3.8	–15.1	0.1	0.5
Closing cash and cash equivalents	**160.4**	**162.7**	**160.4**	**200.4**	**156.2**	**156.6**

1) Derived from Volati's reviewed but not audited, consolidated interim report for the period January–September 2016.
2) Derived from Volati's audited consolidated financial statements as of and for the financial years ending 31 December 2015, 2014 and 2013.

Key metrics

The Group's key metrics for the period covered by the historical financial information, in other words the financial years 2015, 2014 and 2013 as well as the nine-month periods of January-September 2015 and 2016, can be found in the "*Key metrics and specific segment and quarterly information*" section on page 56.

Financial definitions

The definitions of certain financial terms used above are provided in the "*Definitions of alternative performance measures not defined in accordance with IFRS*" section on page 57.

Key performance indicators and specific segment and quarterly information

Key metrics

Volati regularly uses alternative performance measures as a complement to the key performance indicators that comprise generally accepted accounting policies. The alternative performance measures derive from Volati's consolidated accounts and do not comprise measures of financial performance or liquidity in accordance with IFRS and, accordingly, should not be considered as alternatives to net income, operating profit or other key performance indicators that are derived pursuant to IFRS or as an alternative to cash flow as a measure of the Group's consolidated liquidity. Moreover, such key performance indicators, as defined by Volati, are not to be compared with other key performance indicators with similar names used by other companies. This is because the above key metrics are not always defined in the same way and because other companies may not calculate them in the same way as Volati.

Accordingly, please note that the following tables and calculations are unaudited and are not IFRS based, unless otherwise stated.

SEK m	Jan–Sep 2016[2]	Jan–Sep 2015[2]	LTM Sep 2016[2]	2015[3]	2014[3]	2013[3]	2012[4]	2011[5]
Net sales[1]	2,426.9	1,456.2	3,158.3	2,187.6	1,655.6	1,509.4	1,044.7	1,036.0
Net sales growth, %	66.7	19.7	66.6	32.1	9.7	44.5	0.8	44.8
Organic growth in net sales, %	15.3	–1.7	12.2	4.6	–1.7	5.2	–6.5	22.0
EBITDA	295.2	179.8	390.0	274.5	249.0	358.6	109.9	156.0
EBITA	245.6	151.8	321.0	227.3	215.3	326.1	89.4	142.0
EBITA growth, %	61.7	–5.5	55.5	5.6	47.0	78.0	–34.3	61.7
EBITA excl. central costs and NRIs	301.5	169.0	385.6	253.1	243.3	165.6	93.0	141.6
Organic EBITA growth, %	35.9	–37.0	24.4	–20.1	15.4	35.3	–38.5	36.7
Earnings per common share before dilution[1], SEK	1.78	0.89	2.29	1.37	0.35	5.54	1.01	1.84
Earnings per common share after dilution[1], SEK	1.77	0.89	2.28	1.37	0.35	5.54	1.01	1.84
Equity per common share, SEK	3.93	5.79	3.93	5.51	4.94	3.80	7.44	6.45
Return on equity, %	18.8	7.7	18.8	20.1	31.5	109.9	18.8	32.1
Return on adjusted equity, %	58.0	12.1	58.0	41.9	31.5	109.9	18.8	32.1
Equity ratio, %	33.2	36.7	33.2	37.2	10.9	10.4	30.8	25.1
Cash conversion, %	69.2	75.4	84.0	94.3	62.3	89.9	110.6	102.6
Adjusted cash conversion, %	71.3	90.8	86.4	105.6	83.2	93.4	110.6	102.6
Operating cash flow	204.2	135.4	327.5	258.7	155.2	322.4	121.5	160.0
Adjusted operating cash flow	210.4	163.3	337.0	289.9	207.3	334.8	121.5	160.0
Average No. of FTEs	–	–	–	908	860	985	553	493
Return on capital employed, %	–	–	56.2	–	–	–	–	–

[1] IFRS key performance indicator.

[2] All key performance indicators and alternative performance measures are derived from Volati's review but not audited consolidated interim report for the period January-September 2016.

[3] The following key performance indicators and alternative performance measures are derived from the Company's internal accounting and reporting system: Net sales growth, Organic growth in net sales, EBITA growth, EBITA excl. central costs and NRIs, Organic EBITA growth, Equity per common share, Return on equity, Return on adjusted equity, Equity ratio, Cash conversion, Operating cash flow, Adjusted operating cash flow, Return on capital employed. All other key performance indicators and alternative performance measures are derived from Volati's audited consolidated financial statements as of and for the financial years ended 31 December 2015, 2014 and 2013

[4] The following key performance indicators and alternative performance measures are derived from the Company's internal accounting and reporting system: Net sales growth, Organic growth in net sales, EBITDA, EBITA, EBITA growth, EBITA excl. central costs and NRIs, Organic EBITA growth, Equity per common share, Return on equity, Return on adjusted equity, Equity ratio, Cash conversion, Operating cash flow, Adjusted operating cash flow, Return on capital employed. All other key performance indicators and alternative performance measures are derived from Volati's audited consolidated financial statements as of and for the financial years ended 31 December 2012, prepared in accordance with IFRS, and incorporated by reference, see "*Documents incorporated by reference and made available for inspection*" on page 99.

[5] The following key performance indicators and alternative performance measures are derived from the Company's internal accounting and reporting system: Net sales growth, Organic growth in net sales, EBITDA, EBITA, EBITA growth, EBITA excl. central costs and NRIs, Organic EBITA growth, Equity per common share, Return on equity, Return on adjusted equity, Equity ratio, Cash conversion, Operating cash flow, Adjusted operating cash flow, Return on capital employed. All other key performance indicators and alternative performance measures are derived from Volati's audited consolidated financial statements as of and for the financial years ended 31 December 2011, prepared in accordance with IFRS, and incorporated by reference, see "*Documents incorporated by reference and made available for inspection*" on page 99.

Definitions of alternative performance measures not defined in accordance with IFRS

Non-IFRS APMs and key performance indicators	Description	Reasoning
Organic growth in net sales	Calculated as net sales, adjusted for total acquired and divested net sales and exchange-rate effects, during the period the business unit has been owned compared with the net sales for the same period during the comparative period.	This metric is used by the management to monitor the underlying growth in net sales of existing operations.
EBITDA	Earnings before interest, tax, amortisation, depreciation and impairment.	Together with EBITA, EBITDA provides an image of the profit generated by operating activities.
EBITA	Earnings before interest, tax and acquisition-related amortisations and write-downs.	Together with EBITDA, EBITA provides an image of the profit generated by operating activities.
EBITA for each business area	Earnings before interest, tax and acquisition-related amortisations and write-downs for each business area excluding non-recurring items.	Together with EBITDA, EBITA provides an image of the profit generated by operating activities.
EBITA excl. NRIs	Calculated as EBITA adjusted for non-recurring items ("NRIs") such as remeasurements of earn-out payments, capital gains/losses on the sale of operations and properties, and other non-recurring items.	This is used by the management to monitor the underlying earnings growth of the Group.
EBITA excl. central costs and NRI's	Calculated as EBITA adjusted for central costs and non-recurring items ("NRIs") such as remeasurements of earn-out payments, capital gains/losses on the sale of operations and properties, and other non-recurring items.	This is used by the management to monitor the underlying earnings growth of the operations in the Group.
Organic EBITA growth	Calculated as EBITA excluding central costs and non-recurring items ("NRIs"), adjusted for total acquired and divested EBITA and exchange-rate effects, during the period the business unit has been owned compared with EBITA excluding central costs and NRIs for the same period during the comparative period.	This is used by the management to monitor the underlying earnings growth of existing operations.
Return on equity	Net income (including share attributable to minority interests) divided by the average of equity (including share attributable to non-controlling interests).	Shows the return generated on the total capital invested by all shareholders in the company.
Return on adjusted equity	Net income (including share attributable to minority interests) less the preference share dividend divided by the average of equity (including share attributable to non-controlling interests) less the preference share capital.	Shows the return generated on the common share capital invested by owners of common shares in the Company.
Equity ratio	Equity (including share attributable to non-controlling interests) as a percentage of total assets.	The key metric can be used to assess financial risk.
Cash conversion	Calculated as operating cash flow divided by EBITDA.	Cash conversion is used by the management to monitor how efficiently the company is managing working capital and ongoing investments.
Adjusted cash conversion	Calculated as adjusted operating cash flow divided by EBITDA.	Adjusted cash conversion is used by the management to monitor how efficiently the company is managing working capital and normalised ongoing investments.
Operating cash flow	Calculated as EBITDA less investments in and divested tangible and intangible assets, and after adjustment for cash flows from changes in working capital.	The operating cash flow is used by the management to monitor cash flows generated by operating activities.
Adjusted operating cash flow	Calculated as operating cash flow excluding material investments deemed of a non-recurring nature, such as the development expenditure related to Besikta Bilprovning's IT system.	The adjusted operating cash flow is used by the management to monitor normalised cash flows generated by operating activities.

Non-IFRS APMs and key performance indicators	Description	Reasoning
Return on capital employed (ROCE)	The return on capital employed for the Group is calculated as LTM EBITA at the reporting date in relation to LTM average capital employed at the reporting date. Capital employed is calculated as the total of tangible assets, capitalised development expenditure and net working capital (net working capital pertains to inventories, accounts receivable, advance payments to suppliers, prepaid expenses, accrued income, other current non interest bearing liabilites less accounts payable, deferred income, accrued expenses and other current non interest bearing liabilites).	This is used by the management to monitor how efficiently the Company is managing working capital.
Return on capital employed (ROCE) for each business area	The return on capital employed for each business area is calculated as LTM EBITA for each business area at the reporting date in relation to LTM average capital employed at the reporting date. Capital employed is calculated as the total of tangible assets, capitalised development expenditure and net working capital (net working capital pertains to inventories, accounts receivable, advance payments to suppliers, prepaid expenses, accrued income, other current non interest bearing liabilites less accounts payable, deferred income, accrued expenses and other current non interest bearing liabilites).	This is used by the management to monitor how efficiently the Company is managing working capital.

Segment reporting

SEK m	Jan–Sep 2016	Jan–Sep 2015	LTM Sep 2016	2015	2014	2013
Net sales						
Trading	1,120.4	323.4	1,445.2	648.2	205.3	178.2
Industry	618.9	505.0	816.1	702.2	615.4	653.8
Consumer	688.1	628.9	897.6	838.4	798.7	397.8
Divested operations	–	–	–	–	36.2	279.6
Internal eliminations	–0.5	–1.2	–0.5	–1.2	–	–
Total net sales	**2,426.9**	**1,456.2**	**3,158.3**	**2,187.6**	**1,655.6**	**1,509.4**
EBITDA						
Trading	106.7	26.3	136.5	56.1	20.6	7.2
Industry	129.3	73.7	166.4	110.8	93.7	100.8
Consumer	114.5	96.7	150.3	132.5	158.7	63.2
Divested operations	–	–	–	–	3.4	26.5
Capital gain – divestment TeamOlmed	–	–	–	–	–	189.0
Central costs and NRIs	–55.3	–16.9	–63.3	–24.9	–27.5	–28.2
Total EBITDA	**295.2**	**179.8**	**390.0**	**274.5**	**249.0**	**358.6**
EBITA						
Trading	98.4	22.9	125.4	49.9	18.1	5.5
Industry	110.2	58.8	137.6	86.2	75.3	84.1
Consumer	92.9	87.3	122.7	117.1	148.9	55.9
Divested operations	–	–	–	–	0.8	20.1
Capital gain – divestment TeamOlmed	–	–	–	–	–	189.0
Central costs and NRIs	–55.9	–17.1	–64.6	–25.8	–27.8	–28.4
Total EBITA	**245.6**	**151.8**	**321.0**	**227.3**	**215.3**	**326.1**
EBIT						
Trading	94.4	22.1	120.1	47.8	17.7	5.1
Industry	109.2	57.8	136.4	85.0	73.6	82.2
Consumer	85.1	79.9	112.5	107.4	143.2	55.9
Divested operations	–	–	–	–	0.6	15.5
Capital gain – divestment TeamOlmed	–	–	–	–	–	189.0
Goodwill impairment	–	–	–	–	–52.5	–
Central costs and NRIs	–56.0	–17.2	–64.7	–25.9	–27.6	–28.4
Total EBIT	**232.7**	**142.7**	**304.3**	**214.3**	**155.1**	**319.3**

Quarterly information

SEK m	**Q3 ’16**	**Q2 ’16**	**Q1 ’16**	**Q4 ’15**	**Q3 ’15**	**Q2 ’15**	**Q1 ’15**	**Q4 ’14**	**Q3 ’14**	**Q2 ’14**	**Q1 ’14**
Net sales	839.1	926.5	661.3	731.4	584.2	467.2	404.7	439.2	442.3	414.9	359.2
EBITA	89.8	117.4	38.4	75.5	64.0	54.3	33.6	54.6	70.9	53.3	36.5
Trading	**Q3 ’16**	**Q2 ’16**	**Q1 ’16**	**Q4 ’15**	**Q3 ’15**	**Q2 ’15**	**Q1 ’15**	**Q4 ’14**	**Q3 ’14**	**Q2 ’14**	**Q1 ’14**
Sales	405.5	419.1	295.8	324.7	215.1	65.2	43.2	50.4	56.0	63.7	35.2
EBITA	37.5	52.0	8.9	27.0	17.7	5.8	–0.6	2.9	6.7	9.7	–1.2
Consumer	**Q3 ’16**	**Q2 ’16**	**Q1 ’16**	**Q4 ’15**	**Q3 ’15**	**Q2 ’15**	**Q1 ’15**	**Q4 ’14**	**Q3 ’14**	**Q2 ’14**	**Q1 ’14**
Sales	219.2	252.5	216.4	209.5	182.1	220.2	226.6	214.6	198.3	190.2	195.6
EBITA	23.3	45.1	24.5	29.8	17.5	39.3	30.5	33.2	36.2	41.6	37.9
Industry	**Q3 ’16**	**Q2 ’16**	**Q1 ’16**	**Q4 ’15**	**Q3 ’15**	**Q2 ’15**	**Q1 ’15**	**Q4 ’14**	**Q3 ’14**	**Q2 ’14**	**Q1 ’14**
Sales	214.5	254.9	149.5	197.2	187.0	182.9	135.1	166.3	182.7	147.6	118.8
EBITA	47.5	47.7	15.0	27.4	29.1	20.4	9.3	26.5	35.2	8.5	5.0

Alternative performance measures not defined in accordance with IFRS

The following key metrics are known as Alternative performance measures (APMs).[1] Volati’s assessment is that, together with the other key metrics presented, the APMs will be beneficial for potential investors.

In this Prospectus, Volati reports certain financial APMs, including performance measures, such as “Return on equity”, “Equity per common share”, “EBITDA”, “EBITA”, “Operating cash flow” and “cash conversion,” which are not defined under IFRS. The Company believes that these APMs provide valuable information to investors since, when used together with rather than instead of other key metrics, they allow the evaluation of actual trends in a useful manner. However, these APMs must not be viewed as a replacement for items calculated in accordance with IFRS. Since listed companies do not always calculate these APMs in the same manner, it is uncertain whether the presentation here is comparable with other companies’ APMs of the same name. The following table reflects the calculation of APMs based on Volati’s IFRS-based items through the reversal of a number of items. The tables and calculations are unaudited. The definitions of those APMs not calculated in line with IFRS are provided in the section “*Definitions of alternative performance measures not defined in accordance with IFRS*” on page 57. Underlying reasons for the Company choosing to present these APMs are found together with the respective APM in the aforementioned definitions.

SEK m	**Jan–Sep 2016**	**Jan–Sep 2015**	**LTM Sep 2016**	**2015**	**2014**	**2013**	**2012**	**2011**
Calculation of organic growth in net sales								
Net sales	2,426.9	1,456.2	3,158.3	2,187.6	1,655.6	1,509.4	1,044.7	1,036.0
Acquired/divested net sales	–769.5	–259.2	–1,031.6	–455.3	–160.6	–410.0	–75.9	–162.8
Currency effects	22.1	–1.7	–	–0.7	–11.5	–	–	–
Comparative figures for preceding years	1,679.5	1,195.4	2,126.7	1,731.6	1,483.5	1,099.4	968.8	873.2
Organic growth in net sales, %	**15.3**	**–1.7**	**12.2**	**4.6**	**–1.7**	**5.2**	**–6.5**	**22.0**
EBITA and EBITDA								
EBIT for the period	**232.7**	**142.7**	**304.3**	**214.3**	**155.1**	**319.3**	**81.2**	**133.8**
Depreciation/amortisation and impairment	62.6	37.1	85.7	60.2	93.9	39.3	28.7	22.1
EBITDA	**295.2**	**179.8**	**390.0**	**274.5**	**249.0**	**358.6**	**109.9**	**156.0**
Depreciation excl. acquisition-related amortisations and write-downs	–49.6	–28.0	–68.9	–47.2	–33.7	–32.5	–20.5	–14.0
EBITA	**245.6**	**151.8**	**321.0**	**227.3**	**215.3**	**326.1**	**89.4**	**142.0**
Adjustments for NRIs	23.2	–8.5	23.3	–8.4	–	–189.0	–19.4	–27.2
EBITA excl. NRIs	**268.8**	**143.3**	**344.3**	**218.9**	**215.3**	**137.3**	**70.0**	**114.6**
Adjustment for central costs	32.7	25.7	41.3	34.2	28.0	28.3	23.0	27.0
EBITA excl. central costs and NRIs	**301.5**	**169.0**	**385.6**	**253.1**	**243.3**	**165.6**	**93.0**	**141.6**

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1) An APM is a financial measure of historic or projected earnings trends, financial position, financial performance or cash flows *that are neither defined nor specified in applicable rules for financial reporting, such as IFRS*.

SEK m	Jan–Sep 2016	Jan–Sep 2015	LTM sep 2016	2015	2014	2013	2012	2011
Calculation of organic growth in EBITA								
EBITA	245.6	151.8	321.0	227.3	215.3	326.2	89.4	141.9
Adjustments for NRIs	23.2	–8.5	23.3	–8.4	–	–189.0	–19.4	–27.2
Adjustment for central costs	32.7	25.7	41.3	34.2	28.0	28.3	23.0	27.0
EBITA excl. central costs and NRIs	**301.5**	**169.0**	**385.6**	**253.1**	**243.3**	**165.6**	**93.0**	**141.6**
Total acquired/divested EBITA	–73.3	–54.7	–98.5	–57.7	–51.4	–39.7	–5.4	–21.9
Currency effects	1.5	–0.2	–	–0.9	–0.8	–	–	–
Comparative figures for preceding year	229.6	114.2	287.2	194.5	191.1	125.8	87.6	119.7
Organic growth in EBITA, %	**35.9**	**–37.0**	**24.4**	**–20.1**	**15.4**	**35.3**	**–38.1**	**36.7**
Earnings per common share before dilution								
Net profit attributable to parent company's owners	151.6	57.3	187.0	92.7	14.3	223.7	40.9	74.5
Deduction for preference share dividend	48.1	21.4	64.2	37.4	–	–	–	–
Net profit attributable to parent company's owners, adjusted for preference share dividend	103.5	35.9	122.8	55.3	14.3	223.7	40.9	74.5
Avg. no. of common shares after dilution	58,147,093	40,400,000	53,722,475	40,400,000	40,400,000	40,400,000	40,400,000	40,400,000
Earnings per common share after dilution, SEK	**1.78**	**0.89**	**2.29**	**1.37**	**0.35**	**5.54**	**1.01**	**1.84**
Earnings per common share after dilution								
Net profit attributable to parent company's owners, adjusted for preference share dividend	103.5	35.9	122.8	55.3	14.3	223.7	40.9	74.5
Avg. no. of common shares after dilution	58,505,156	40,400,000	53,991,268	40,400,000	40,400,000	40,400,000	40,400,000	40,400,000
Earnings per common share after dilution, SEK	**1.77**	**0.89**	**2.28**	**1.37**	**0.35**	**5.54**	**1.01**	**1.84**
Equity per common share								
Closing equity including share attributable to non-controlling interests	1,061.9	1,062.6	1,061.9	1,050.9	199.4	153.4	300.5	260.7
Preference share capital	828.1	–828.8	828.1	–828.1	–	–	–	–
Closing equity including share attributable to non-controlling interests after adjustment of preference share capital	233.8	233.8	233.8	222.8	199.4	153.4	300.5	260.7
No. of common shares at the end of the period	59,544,502	40,400,000	59,544,502	40,400,000	40,400,000	40,400,000	40,400,000	40,400,000
Equity per common share	**3.93**	**5.78**	**3.93**	**5.51**	**4.94**	**3.80**	**7.44**	**6.45**

SEK m	Jan–Sep 2016	Jan–Sep 2015	LTM Sep 2016	2015	2014	2013	2012	2011
Calculation of return on equity								
(A) Net profit, LTM, including non-controlling interests	199.9	49.5	199.9	125.9	55.6	249.3	52.3	76.8
Adjustment for preference share dividends, including accrued but as yet unpaid dividends	–64.2	–21.4	–64.2	–37.4	–	–	–	–
(B) Net profit, adjusted	135.7	28.1	135.7	88.5	55.6	249.3	52.3	76.8
Total opening equity	1,062.6	230.5	1,062.6	199.4	153.4	300.5	257.0	221.7
Total closing equity	1,061.9	1,062.6	1,061.9	1,050.9	199.4	153.4	300.5	257.0
(C) Average total equity	1,062.3	646.5	1,062.3	625.1	176.4	226.9	278.7	239.4
Opening equity attributable to common share owners and non-controlling interests	233.8	230.5	233.8	199.4	153.4	300.5	257.0	221.7
Closing equity attributable to common share owners and non-controlling interests	233.8	233.6	233.8	222.8	199.4	153.4	300.5	257.0
(D) Average adjusted equity	233.8	232.0	233.8	211.1	176.4	226.9	278.7	239.4
(A/C) Return on total equity, %	**18.8**	**7.7**	**18.8**	**20.1**	**31.5**	**109.9**	**18.8**	**32.1**
(B/D) Return on adjusted equity, %	**58.0**	**12.1**	**58.0**	**41.9**	**31.5**	**109.9**	**18.8**	**32.1**
Calculation of equity ratio								
Equity including share attributable to non-controlling interests	1,061.9	1,062.6	1,061.9	1,050.9	199.4	153.4	300.5	260.7
Total assets	3,195.5	2,894.0	3,195.5	2,825.8	1,823.2	1,481.1	976.9	1,039.2
Equity ratio, %	**33.2**	**36.7**	**33.2**	**37.2**	**10.9**	**10.4**	**30.8**	**25.1**
Calculation of operating cash flow and cash conversion								
(A) EBITDA	295.2	179.8	390.0	274.5	249.0	358.6	109.9	156.0
Change in working capital	–67.4	9.9	–25.8	51.4	–3.6	8.1	30.5	–5.4
Net investments in tangible and intangible non-current assets	–23.7	–54.2	–36.7	–67.2	–90.2	–44.3	–18.8	9.5
(B) Operating cash flow	204.2	135.4	327.5	258.7	155.2	322.4	121.5	160.0
Adjustment for net investments relating to Besikta Bilprovning's IT system	6.2	27.9	9.5	31.1	52.0	12.4	–	–
(C) Adjusted operating cash flow	210.4	163.3	337.0	289.9	207.3	334.8	121.5	160.0
(B/A) Cash conversion, %	**69.2**	**75.4**	**84.0**	**94.3**	**62.3**	**89.9**	**110.6**	**102.6**
(C/A) Adjusted cash conversion, %	**71.3**	**90.8**	**86.4**	**105.6**	**83.2**	**93.4**	**110.6**	**102.6**

Return on capital employed as of 30 Sep 2016	Trading	Industry	Consumer	Central costs and other items	Volati KC
EBITA LTM	**125.4**	**137.6**	**122.7**	**–64.6**	**321.0**
Capital employed at 30 September 2016					
Intangible assets					1,849.3
Adjustment for goodwill, patent/technology, brands					–1,730.3
Tangible non-current assets					195.3
Inventories					402.0
Accounts receivable					399.7
Other current assets					18.4
Prepaid expenses and accrued income					50.9
Adjusted for accrued interest income					–1.1
Deferred income					–69.9
Accounts payable					–227.7
Other current liabilities					–142.1
Adjusted for preference dividend					48.1
Adjusted for deferred purchase consideration					8.2
Accrued expenses and deferred income					–208.6
Adjusted for accrued interest expenses					5.7
Capital employed at 30 September 2016					**597.8**
Adjustment for LTM average capital employed					–26.8
LTM average capital employed	**329.6**	**172.0**	**69.9**	**–0.6**	**571.0**
Return on capital employed, %	**38.0**	**80.0**	**175.4**		**56.2**

In the table below, calculations of the APMs EBITA and EBITA excl. NRIs are presented for a more extended period of time compared to the calculations on page 60 (from 2004 instead of from 2011). The purpose of presenting the calculations for a more extended period of time is to make it possible for potential investors to derive the APMs that are presented in the diagram showing net sales and EBITA 2005-LTM Sep 2016 in the section "*Factors affecting earnings and cash flow*" on page 64. The calculations are derived from information in Volati's reviewed but not audited interim report for the period January-September 2016 and Volati's audited consolidated financial statements for FY 2004 to 2015, which all are prepared in accordance with IFRS and made available on Volati's webpage, www.volati.se.

SEK m	LTM Sep 2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
EBIT for the period	304.3	214.3	155.1	319.3	81.2	133.8	60.4	71.4	57.4	96.7	26.8	15.7	6.6
Acquisition-related amortisations and write-downs	16.7	12.9	60.2	6.9	8.2	8.2	8.2	4.8	2.7	2.6	1.3	0.1	0.1
EBITA	**321.0**	**227.3**	**215.3**	**326.1**	**89.4**	**142.0**	**68.6**	**76.2**	**60.2**	**99.3**	**28.1**	**15.8**	**6.6**
Adjustment for non-recurring items	23.3	–8.4	–	–189.0	–19.4	–27.4	–	–11.2	–	–33.7	–	–	–
EBITA excl. NRIs	**344.3**	**218.9**	**215.3**	**137.1**	**70.0**	**114.8**	**68.6**	**65.0**	**60.2**	**65.6**	**28.1**	**15.8**	**6.6**

Operational and financial review

The information presented below should be read together with the "Selected financial information" section presented on page 52.

Introduction

Volati is an industrial group comprising 13 business units organised into three business areas: Trading, Industry and Consumer. The Group has some 40 operating companies in 15 countries, with Sweden accounting for the largest share of net sales. Of the Group's total EBITA for the last twelve months ended 30 September 2016, 33 percent was attributable to the Trading business area, 36 percent to the Industry business area and 32 percent to the Consumer business area.

Acquisitions are central in Volati's strategy. Volati primarily acquires companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and develops these with an emphasis on long-term value creation. Volati's business development strategy is based on retaining the companies' local entrepreneurship and in addition adding leadership, expertise, processes and financial resources.

Volati has a flexible organisation that allows fast decisions and a decentralised governance model where day-to-day decision-making is done in the business units with limited involvement from Volati. This decentralised business model is a key success factor, as it encourages a high level of entrepreneurship in the business units, creates a clear framework of responsibilities and allows for Volati's continued growth with limited central resources.

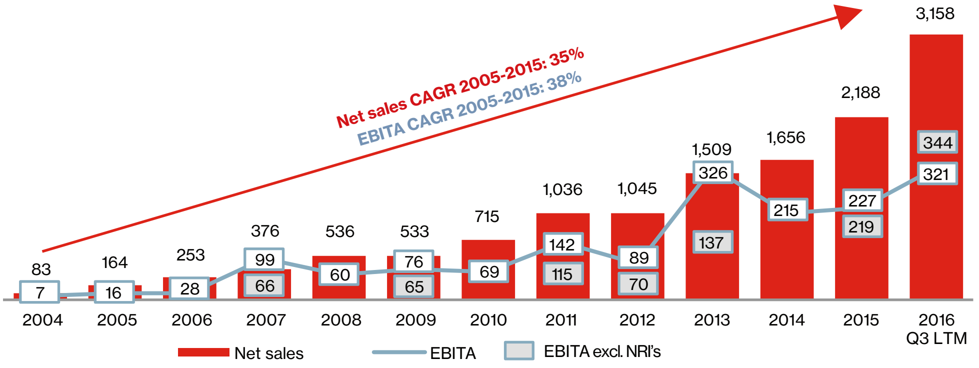
The combination of organic growth with Volati's acquisition strategy has enabled the Group to achieve historically strong growth. During the period 2005-2015, EBITA grew at a CAGR of 38 percent.

Factors affecting earnings and cash flow

In Volati's assessment, the following factors are the main key factors impacting the business's net sales, earnings and cash flow:

- The development of Volati's businesses
- The business mix between Volati's business areas
- The capacity to acquire new companies

Net sales and EBITA CAGR 2005-2016 Q3 LTM Sep 2016*



* Net sales, EBITA and EBITA excl. non-recurring items during the period 2004 to LTM Sep 2016 are derived from Volati's reviewed but not audited financial interim report for the period January to September 2016, and Volatis audited consolidated annual reports for the financial years 2004 to 2015, which are prepared in accordance with IFRS and made available on Volati's website, www.volati.se.

The development of Volati's businesses

Volati's net sales are primarily affected by general demand in the business units' market niches, the business units' ability to provide an attractive customer offering and the business units' competitiveness relative to other market players. Volati's sales volumes have low exposure to individual customers since exposure is spread across 13 business units and several different markets – resulting in a broad and diversified customer base. During the period 2011-30 September 2016 the average annual Organic net sales growth was 6.5 percent.

Volati's operating model is based on decentralised governance of its business units, where day-to-day decision-making is done in the business units with limited involvement from Volati. Volati believes its decentralised operating model is a key success factor, for example by, achieving a high level of entrepreneurship, a clear framework of responsibilities and promoting scalable growth, both organic and through acquisitions.

Moreover, Volati works continuously with streamlining the operations of its business units, since the Company's ability to maintain operational efficiency impacts the Company's earnings and cash flow. Operational efficiency is expressed in the business units' capacity to achieve healthy gross margins, optimise operating costs, and optimise levels for working capital and non-current assets. All business units have reported positive operating profits for each individual year under Volati's ownership. Volati posted average annual Organic EBITA growth of 10.8 percent(1) and average annual cash conversion of 94 percent over the period 1 January 2011 to 30 September 2016. The results are driven, *inter*

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1) Average Organic EBITA growth is calculated as the average Organic EBITA growth during the periods: 2011, 2012, 2013, 2014, 2015 and 1 January to 30 September 2016.

alia, by several streamlining measures made at the business units through the activities and support offered by Volati. The overall aim of Volati's business development initiatives are to lower the thresholds for change and to improve the prerequisites for enhanced operational efficiency and long-term growth.

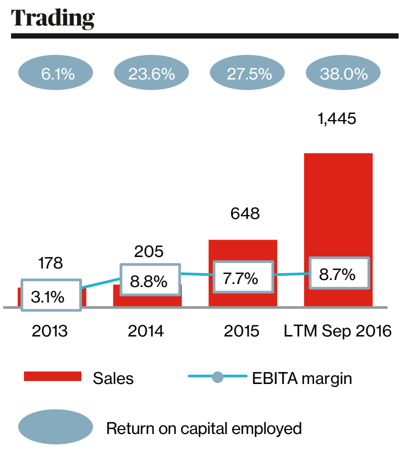
Volati's board has, subject to the completion of the Offering, adopted a financial growth target, which implies annual Organic EBITA growth of 5 percent until 2019. In 2017 Volati expects the following developments for each business area:

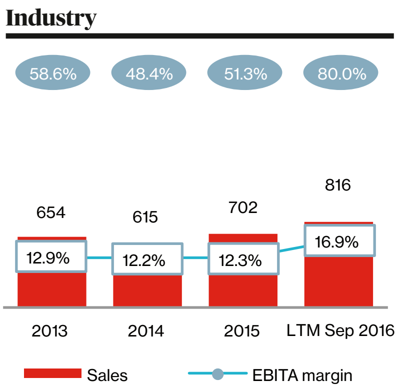
- The business area Trading is expected to deliver stable Organic EBITA growth in line with Volati's organic growth target.
- The business area Industry's earnings growth is expected to normalise compared with the strong trend posted in 2016, which is expected to lead to an Organic EBITA growth below Volati's organic growth target.
- The business area Consumer is expected to deliver strong Organic EBITA growth, above the organic growth target, driven by increased profitability following the integration of ClearCar and new revenue from IT licence rental. ClearCar is expected to increase net sales through an expanded network of motor vehicle inspection stations, higher utilisation rates and price increases, and is expected to deliver margins similar to Besikta Bilprovning's historic EBITDA margin in 2017. For reference purposes, ClearCar reported net sales of SEK 84m in the period 1 July 2015-30 June 2016. Since its acquisition in April 2016, ClearCar's negative impact on Volati's EBITA in the period 1 January 2016-30 September 2016 amounted to SEK -16.7m, of which SEK -10.6m was related to restructuring and integration costs.

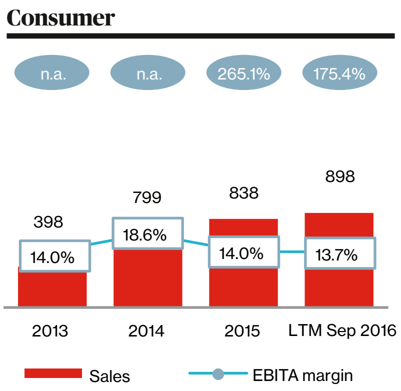
Moreover, Volati expects the Company's central costs effect on EBITA in the short and medium term to be in line with the absolute level, adjusted for non-recurring items, of about SEK -39.8m for the twelve-month period ending 30 September 2016.

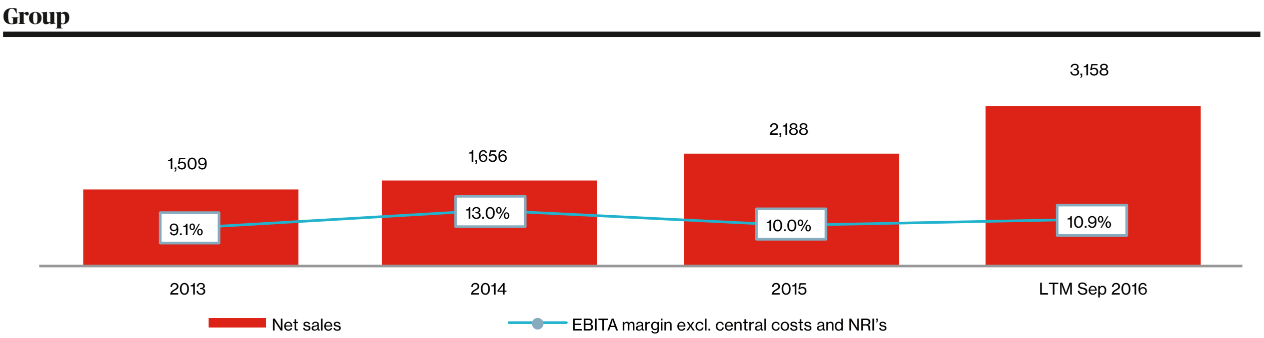
	LTM Sep 2016	2015	2014	2013	2012	2011
Organic growth in net sales, %	12.2	4.6	–1.7	5.2	–6.5	22.0
Organic growth in EBITA, %	24.4	–20.1	15.4	35.3	–38.1	36.7
Cash conversion, %	84.0	94.3	62.3	89.9	110.6	102.6

The business mix between Volati's business areas
Volati's overall financial trend and financial profile, including margins, capital intensity and return on capital employed, are significantly impacted by the relative size of the business areas. The Company's net sales mix between the business areas is impacted by a number of factors. For example, the Group's annual EBITA margin excl. NRIs during the period 2014-September 2016 declined from 13.0 percent to 10.9 percent, primarily driven by margin-dilutive acquisitions within the business areas Trading and Consumer, which have had a lower EBITA margin than other business units. The following table illustrates the historic trends for sales, EBITA and the return on capital employed in each business area and the Group as a whole.


Trading


Industry


Consumer


Group

The capacity to acquire new companies

Volati's capacity to identify and acquire new companies has a material impact on the Company's growth. For the period 2011–LTM Sep 2016, Volati's net sales grew from SEK 1,036.0m to SEK 3,158.3m, which corresponds to an annual average growth rate of 33.1 percent, of which acquisitions accounted for 31.4 percent.[1]

Volati operates in markets with favourable acquisition opportunities. According to the database Retriever, there were approximately 4,400 Swedish companies as of 30 September 2016 with net sales of between SEK 10m–2,000m and an EBITDA of between SEK 0–200m, all of which comprise potential acquisition targets for Volati. In a normal year, Volati evaluates more than one hundred potential acquisitions and has a structured evaluation process with clear acquisition criterias. Many of these are rejected at an early stage and a few are analysed further.

Volati's transaction experience, structured evaluation process, and active and involved board allows it to handle rapid transaction processes, as well as complex transactions, which are also facilitated by Volati's internal valuation process. Altogether, this implies that Volati can become a preferred buyer in transaction processes, which enables Volati to acquire companies at reasonable valuations. Historically, Volati has acquired companies at an average EV/EBITDA multiple of 4.7[2] and a volume-weighted average multiple of 5.8[2]. The difference between the average and the volume-weighted average multiple is largely attributable to the acquisition of Lomond Industrier in 2015 that was conducted at a multiple of 7.9. Through this process, as of 30 September 2016, Volati completed six acquisitions during the last 18 months, of which five were add-on acquisitions and one was a platform acquisition.

Volati holds continuous dialogues concerning potential acquisition targets and had, at the end of 30 September 2016, identified 16 companies, with which more or less active dialogues were being held. This number of potential acquisitions is in line with how many companies Volati usually keeps a dialogue with. The companies are spread out over the three business areas. Acquisitions are expected to continue being an important growth component for Volati and the Company's capacity to source and acquire attractive companies has a significant impact on the Company's future financial development. Volati's board has, subject to the completion of the Offering, adopted a financial growth target, which means that Volati aims to have an Adjusted EBITA of SEK 700m before the end of 2019, which is almost twice the Adjusted EBITA for the last twelve months at the end of 30 September 2016. The average annual Organic EBITA growth, should in accordance with the same financial growth target, amount to 5 percent.

SEK m	LTM Sep 2016	2015	2014	2013	2012	2011
Net sales	3,158	2,188	1,656	1,509	1,045	1,036
Total growth, %	66.6	32.1	9.7	44.5	0.8	44.8
Acquired growth, %	54.4	29.7	26.7	49.1	7.3	22.8

Other factors

Investments

Aside from acquisitions, Volati's investments mainly relate to investments in tangible and intangible assets (capitalised development expenditure). During the period 2013–September 2016, Volati's average net investments excluding acquisitions as a share of net sales was 3.2 percent. The period was impacted by substantial capitalised development expenditure relating to Besikta Bilprovning's IT system, primarily made during 2014 and 2015. Excluding the development expenditure relating to Besikta Bilprovning's IT system, average net investments as a share of net sales would have been 1.7 percent during the period 2013–September 2016. In the Company's assessment, net investments as a share of net sales will, moving forward, be in line with the twelve-month period ending September 2016. Excluding the development expenditure related to Besikta Bilprovning's IT system, this amounted to 0.9 percent.

Working capital

The change in Volati's working capital is mainly influenced by working capital levels at acquired companies. In 2015 for example, several business units in the business area Trading were acquired, which significantly increased the Group's working capital. Volati works continuously with optimising working capital levels in its operations and in the Company's assessment of working capital as a share of net sales for existing business units will, moving forward, be in line with the twelve-month period ending September 2016, which amounted to 8.6 percent (net sales calculated on the basis that all companies acquired during the period was acquired and consolidated into the Group from 1 October 2015).

Currency effects

Volati has a limited exposure to currency that impacts the Company's earnings and financial position. Volati's currency exposure primarily consists of translation and transaction exposure. Translation exposure arises from exchange rate fluctuations when the business units' income statements and balance sheets are translated into the Company's reporting currency Swedish kronor (SEK). Transaction exposure arises when Volati's business units have revenue and costs in different currencies. Volati's largest translation and transaction exposures are attributable to the following currencies: euro (EUR), Norwegian kroner (NOK) and US dollar (USD).

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1) Average Organic net sales growth is calculated as the average Organic net sales growth during the periods: 2011, 2012, 2013, 2014, 2015 and 1 January to 30 September 2016.

2) Includes acquisitions completed as of 2004 with a debt-free cash-free enterprise value, including paid earn-outs exceeding SEK 10m, which encompass 17 of the total of 22 completed acquisitions. The acquisition of ClearCar was excluded, due to the company's negative EBITDA at the acquisition date. EBITDA is based on the most recent historical figures available at the respective acquisition dates, which have either been obtained from the respective company's reported full-year earnings or its rolling twelve-month period in accordance with internal reporting. However, rolling twelve-month periods were only used for the calculation of two of the acquisition multiples.

Tax expenses

Volati is liable to pay tax in the countries where its subsidiaries operate: (Sweden, Bulgaria, Denmark, Finland, France, Hong Kong, Luxembourg, Norway, Poland, Romania, Russia, the UK, Germany, Ukraine, Hungary and Austria). This means that the Company's earnings and cash flow are subject to local tax rates and changes in these tax rates as well as earnings in the respective countries. A reallocation of each country's earnings, but with an unchanged comprehensive income for the Company, could thus imply higher or lower tax expenses.

Comparative nine-month periods: January–September 2016 and January–September 2015

Net sales and earnings

For the nine month period ended on 30 September 2016, Volati's net sales totalled SEK 2,426.9m (1,456.2), corresponding to a period-on-period increase of 66.7 percent. The increase was mainly attributable to strong growth in the Trading business area, where net sales increased to SEK 1,120.4m (323.4), corresponding to a period-on-period increase of 246.4 percent.

Organic growth was 15.3 percent and the net effect from acquisitions and divestments was 52.8 percent. Currency translation effects had a negative impact on net sales of 1.5 percent as a result of a strenghtening of the Norwegian krone. Organic growth was mainly attributable to a strong development in the business area Trading and the business unit Corroventa, and the effect from acquisitions and divestments was primarily due to the acquisitions within the business area Trading.

Earnings

For the nine month period ended on 30 September 2016, EBITA totalled SEK 245.6m (151.8) in 2015, corresponding to an increase of 61.7 percent. The earnings increase was mainly attributable to strong earnings growth in the Trading business area, where EBITA increased to SEK 98.4m (22.1), primarily driven by the acquisitions within the business area Trading.

EBITA excl. central costs and non-recurring items increased organically by 35.9 percent, while effects from acquisitions and divestments positively impacted EBITA with 43.4 percent. The currency translation effect on EBITA was negative with 0.9 percent as a result of a strenghtening of the Norwegian krone. The positive Organic EBITA growth reflects an increased organic profitability in several business units, mainly attributable to the increased profitability in the business unit Corroventa. The positive effect from acquisitions and divestments was primarily due to the acquisition of Lomond Industrier in the Trading business area in 2015. Central costs increased to SEK 55.9, (17.1), affected by non-recurring items of SEK 23.2m, such as costs attributable to the the potential initial public offering, restructuring costs related to the acquisition of ClearCar, transaction costs and one-off payments for employees.

Operating profit totalled SEK 232.7m (142.7) in 2015, corresponding to an increase of 63.1 percent, mainly attributable to strong underlying organic and acquired growth in profitablility.

Net financial costs declined to SEK -34.1m (-37.1), corresponding to a decline of 8.0 percent, mainly driven by lower interest expenses and a decline in debt financing.

The effective tax presented was 21.9 percent (23.2).

The reported effective tax-rate was SEK 155.0m (81.1) in 2015, corresponding to an increase of 91.1 percent. Net profit after tax attributable to the parent company's owners increased to SEK 151.6m (57.3) during the year. The minority share of net profit was SEK 3.4m (23.8), and was primarily attributable the share swap to shares in Volati AB by minority shareholders in the holding company Volati 2 AB in January 2016.

Equity and liabilities

Equity attributable to the parent company's shareholders was SEK 1,049.0m at 30 September 2016 compared with SEK 931.6m at 30 September 2015, corresponding to an increase of SEK 117.4m. The increase was primarily attributable to an increased net profit. Total liabilities amounted to SEK 2,133.6m at 30 September 2016, compared with SEK 1,831.3m at 30 September 2015, corresponding to an increase of SEK 302.3m.

The increase was mainly due to the acquisitions within the Trading business area for which the operating liabilities contributed to the increase in Volati's total liabilities. Net debt was SEK 845.1m (855.1), which was in line with the net debt for the same period 2015.

Cash flow

Cash flow from operating activities totalled SEK 149.6m (112.7). This was primarily attributable to an increased operating profit. Cash flow for the nine month period ended on 30 September totalled SEK -51.1m (14.4) which is mainly attributable to investmests in new business units made during the period.

Cash flow from investing activities totalled SEK -150.0m (-644.5). Cash flow for the nine month period ended on 30 September was negatively affected by the acquisition of Lomond Industrier. Investments in non-current assets totalled SEK 24.8m (55.0). Investments in non-current assets during the same period 2015 mainly consisted of capitalised development expenditures related to a new IT system for Besikta Bilprovning in the business area Consumer.
Cash flow from financing activities totalled SEK -50.8m (546.2). Cash flow for the same period 2015 was impacted by the issue of preference shares which possitively affected cash flow with SEK 823.1m.

Comparison between the 2014 and 2015 financial years

Net sales

In 2015, Volati's net sales totalled SEK 2,187.6m (1,655.6), corresponding to a year-on-year increase of 32.1 percent. The increase was mainly attributable to strong growth in the Trading business area, where net sales increased to SEK 648.2m (205.3), corresponding to a year-on-year increase of 215.7 percent. Growth in Trading was mainly attributable to the acquisition of Lomond Industrier in August 2015.

Organic growth was 4.6 percent and the net effect from acquisitions and divestments was 27.5 percent. Currency translation effects on net sales were marginal during the year. Organic growth was mainly attributable to an increase in net sales for the business unit Tornum in the Industry business area, which, *inter alia*, carried out a major project in Romania in the fourth quarter. In the fourth quarter, Corroventa was was also possitvely affected by flooding in the United Kingdom. The total positive effect from acquisitions and divestments was primarily due to the acquisition of Lomond Industrier in the Trading business area and NaturaMed Pharma, which was acquired in 2014, and which reported net sales for a full year in 2015.

Earnings

EBITA totalled SEK 227.3m (215.3) in 2015, corresponding to a year-on-year increase of 5.6 percent. The earnings increase was mainly attributable to strong earnings growth in the Trading business area, where EBITA increased to SEK 49.9m (18.1). This corresponded to a year-on-year increase of 175.7 percent and was mainly attributable to the acquisition of Lomond Industrier in the Trading business area in 2015.

EBITA excl. central costs and NRIs declined organically by 20.1 percent, while effects from acquisitions and divestments positively impacted EBITA with 23.7 percent. The currency translation effect on EBITA was 0.4 percent. The negative EBITA growth was mainly due to a decline in profitability for the Consumer business area related to the performance of Besikta Bilprovning and me&i. Besikta Bilprovning's volumes declined in conjunction with the implementation of its new IT system in parallel with increased depreciation as a consequence of the same IT system. me&i noted a negative sales trend in the Finnish and Swedish markets. In the fourth quarter, the EBITA was also possively affected by Tornum's project in Romania, by Corroventa's handling of floodings in the United Kingdom as well as a possitive effect from successful marketing campaigns by NaturaMed Pharma earlier in the year. The positive effect from acquisitions and divestments was primarily due to the acquisition of Lomond Industrier in the Trading business area in 2015 and NaturaMed Pharma in 2014. Central costs increased to SEK 34.2m (27.8), and were impacted by the preference share issue and subsequent listing costs as well as the recruitment of additional personnel, as part of Volati's ambitions to grow.

Operating profit totalled SEK 214.3m (155.1) in 2015, corresponding to an increase of 38.2 percent, and was mainly attributable to last year's goodwill impairment (SEK 52.5m) and an EBITA growth of SEK 12.0m, corresponding to 5.6 percent.

Net financial costs declined to SEK 53.0m (expense: 93.7), corresponding to a decline of 43.4 percent, and were mainly driven by lower interest expenses and an improvement in net exchange rate gains.

The reported effective tax-rate for 2015 was 20.4 percent and for 2014 the tax-rate was positive with 5.2 percent. The positive tax-rate for 2014 was mainly due to Volati's revaluation of certain tax items and the capital gain from TeamOlmed not being classified as a taxable income.

Net profit totalled SEK 125.9m (55.6) in 2015, corresponding to a year-on-year increase of 126.4 percent. Net profit after tax attributable to the Parent Company's owners increased to SEK 92.7m (14.3) during the year. The minority share of net sales was SEK 33.3m (41.2), and was primarily attributable to minority holdings in Volati 2 AB, which was closed down in January 2016 through a share swap to shares in Volati AB.

Equity and liabilities

Equity attributable to the parent company's shareholders was SEK 969.8m at 31 December 2015 compared with SEK 126.0m at 31 December 2014, corresponding to an increase of SEK 843.8m. The increase was primarily attributable to Volati's preference share issue. Total liabilities amounted to SEK 1,774.9m at 31 December 2015, compared with SEK 1,623.8m at 31 December 2014, corresponding to an increase of SEK 151.1m.

The increase was mainly due to the acquisition of Lomond Industrier in the Trading business area for which the operating liabilities contributed to the increase in Volati's total liabilities. Net debt was SEK 756.2m (762.1), and declined mainly due to the preference share issue, offset by the acquisition of Lomond Industrier.

Cash flow

The cash flow for 2015 totalled SEK 59.3m (-0.5). Cash flows from operating activities amounted to SEK 247.0m (156.4), primarily driven by an increase in EBITDA and a positive change in working capital.

Cash flow from investing activities totalled SEK -660.0m (-386.2), primarily driven by the acquisition of Lomond Industrier in the Trading business area for SEK 587.9m. Investments in non-current assets amounted to SEK 68.5m (91.5), which primarily consisted of capitalised development expenditure for a new IT system for Besikta Bilprovning in the Consumer business area.

Cash flow from financing activities totalled SEK 472.4m (229.3). Cash flow was impacted by the issue of preference shares in June 2015, which positively affected cash flow with SEK 823.1m. Capital raised in the preference share issue was used, *inter alia*, to reduce interest-bearing liabilities by a total of SEK 353.2m, consisting of bank facilities of SEK 95.8m and shareholder loans of SEK 257.4m. Moreover, Lomond Industrier's pension obligations were transferred to Alecta, resulting in negative cash flow of SEK 77.6m.

Comparison between the 2013 and 2014 financial years

Net sales

In 2014, Volati's net sales totalled SEK 1,655.6m (1,509.4), corresponding to a year-on-year increase of 9.7 percent. The increase was mainly attributable to strong growth in the Consumer business area, where net sales increased to SEK 798.7m (397.8), corresponding to a year-on-year increase of 100.8 percent. Growth in the Consumer business area was mainly attributable to the acquisition of NaturaMed Pharma in 2014 as well as growth in me&i and Besikta Bilprovning, which was acquired in 2013 and first contributed with net sales for a full year in 2014.

Net sales declined organically by 1.7 percent, while effects from acquisitions and divestments resulted in a total increase of 10.7 percent. Currency translation effects had a positive impact on net sales of 0.8 percent. The decrease in organic net sales primarily related to a decrease in net sales for the Industry business area, in which unprofitable operations were closed at Ettikettoprintcom, and a negative impact on Corroventa's sales due to stable weather conditions in its markets. The positive effect from acquisitions was attributable to the acquisition of NaturaMed Pharma in the Consumer business area, and to the full-year effect from the acquisitions of Besikta Bilprovning and me&i in 2013, contributing with a total of 26.7 percent. The divestment of TeamOlmed in 2013 resulted in a 16.0 percent decrease in net sales.

Earnings

EBITA totalled SEK 215.3m (326.1) in 2014, corresponding to a year-on-year decrease of 34.0 percent. The decline in earnings was mainly attributable to the sale of TeamOlmed in 2013, which resulted in a capital gain of SEK 188.9m. Excluding the sale of TeamOlmed in 2013, EBITA increased 56.9 percent. The growth in earnings was mainly attributable to the Consumer business area, for which EBITA totalled SEK 148.9m (55.9) in 2014, corresponding to an increase of 166.4 percent. This was mainly a result of the acquisitions made in the Consumer business area during the year as well as the full-year effect of acquisitions made in the preceding year.

Excluding central costs and NRIs, EBITA increased organically[1] by 15.4 percent, while effects from acquisitions and divestments positively impacted EBITA with 31.0 percent. EBITA rose 0.5 percent due to currency translation effects. The organic increase in EBITA was primarily a result of the increased profitability of the Consumer business area, attributable to Besikta Bilprovning, which increased profitability by launching new products and services in the market and by changing its pricing model. The positive effect from acquisitions and divestments was primarily due to acquisitions within the Consumer business area in 2014 and 2013 respectively. Central costs totalled SEK 27.8m (28.4), which was in line with last year.

Earnings totalled SEK 155.1m (319.3) in 2014, corresponding to a year-on-year increase of 51.4 percent. The decrease was primarily driven by two items, of which one was goodwill impairments of SEK 52.5m for Kellfri and Sandberg & Söner. The other item was the higher earnings in 2013 were attributable to the capital gain from the sale of TeamOlmed. Excluding the effect from the sale, earnings increased 18.9 percent.

Net financial costs amounted to SEK 93.7m (-52.3), corresponding to an increase of 79.2 percent, and were mainly driven by higher interest expenses as a consequence of the acquisitions completed, shareholder loans in Volati and negative net exchange rate gains.

The reported effective tax-rate for 2014 was positive 5.2 percent, mainly due to Volati's revaluation of certain tax items and the capital gain from TeamOlmed not being a taxable income. The effective tax rate for 2013 was 7.8 percent, primarily due to the capital gain from the divestment of TeamOlmed not being a taxable income.

Net profit totalled SEK 55.6m (249.3) in 2014, corresponding to a year-on-year decrease of 77.7 percent, which was due to a capital gain of SEK 189.0m in 2014. Net profit after tax attributable to the Parent Company's owners amounted to SEK 14.3m (223.7) for the year. The minority share of net sales was SEK 41.2m (25.6), and was primarily attributable to minority holdings in the holding company Volati 2 AB, which was closed down in January 2016 through a share swap to shares in Volati AB.

Equity and liabilities

Equity attributable to the parent company's shareholders was SEK 126.0m at 31 December 2014 compared with SEK 106.1m at 31 December 2013, corresponding to an increase of SEK 19.9m. The increase was mainly attributable to net profit for the year compared with the preceding year. Total liabilities amounted to SEK 1,623.8m at 31 December 2014, compared with SEK 1,327.7m at 31 December 2013, corresponding to an increase of SEK 296.1m. The increase was primarily the result of increased debt as a consequence of the acquisition of NaturaMed Pharma. Net debt was SEK 762.1m (482.8), and increased mainly due to the aforementioned acquisition of NaturaMed Pharma.

Cash flow

The cash flow for 2014 totalled SEK -0.5 (135.5). Cash flows from operating activities amounted to SEK 156.4m (103.8). The increase was mainly attributable to underlying profitability, driven by organic EBITA growth and corporate acquisitions.

Cash flow from investing activities totalled negative SEK 386.2m (51.9), which mainly consisted of the acquisition of NaturaMed Pharma for SEK 293.9m. Investments in non-current assets amounted to SEK 91.5m (46.6), which primarily consisted of capitalised development expenditure for a new IT system for Besikta Bilprovning in the Consumer business area.

Cash flow from financing activities totalled SEK 229.3 (-20.2) primarily due to increased debt financing.

Intangible assets

The Group's intangible assets consists of goodwill, brands/other, capitalised development expenditure and patent/technology, of which the majority consists of goodwill. At 31 December 2015, the recognised value of intangible assets was SEK 1,688.6m, of which SEK 1,365.3m related to goodwill, SEK 196.4m related to brands/other, SEK 125.8m related to capitalised development expenditure and SEK 1.2m related to patent/technology. Goodwill is tested annually for any impairment need and other intangible assets are amortised over their useful life from the date they become available for use. As part of the impairment testing of goodwill carried out in conjunction with preparing the annual accounts for 2015, an assessment was made that no reasonable changes in the material assumptions would lead to the calculated recoverable amount (that is, the value in use for the respective companies) being lower than the recognised value of the subsidiary including goodwill.

Tangible non-current assets

Tangible non-current assets are recognised at cost less accumulated depreciation and any impairment. Leases are classified in the consolidated accounts as either financial or operational leases. Financial leases exist when the financial risks and benefits associated with ownership are essentially transferred to the lessee. If this is not the case, the lease is deemed to be an operational lease. Depreciation takes place in a straight line over the estimated useful life of the asset.

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1) Organic EBITA growth is calculated excluding central costs and capital gains from the divestment of subsidiaries.

Land is not depreciated. Volati applies component depreciation, which means that depreciation is based on the components' estimated useful lives.

At 31 December 2015, the recognised value of tangible non-current assets was SEK 180.2m, of which SEK 40.6m related to land and buildings, SEK 99.0m related to equipment and SEK 40.6m related to machinery under financial leases.

Investments

Aside from acquisitions, Volati's investments (refer to the "*Corporate acquisitions and divestments*" section on page 92) mainly relate to investments in tangible and intangible assets (capitalised development expenditure). Volati regularly invests in the Company's business units within its model for strategic and effiecient capital allocation. (Refer to the "*Strategic and efficient capital allocation*" section on page 42) During the period 2013-2015, capitalised development expenditure was impacted by the investments made in the development of Besikta Bilprovning's IT system. During the period, net investments excluding acquisitions were 2.9, 5.4 and 3.1 percent of net sales, compared with the current level of 1.2 percent for the period September 2016 LTM. Excluding the development expenditure relating to Besikta Bilprovning's IT system, net investments as a share of net sales would have been 2.1, 2.3 and 1.6 percent for the periods: 2013-2015 and 0.9 percent for the period September 2016 LTM.

SEK m	Jan–Sep 2016	2015	2014	2013
Investments in tangible non-current assets	13.7	22.5	25.6	23.0
Investments in intangible non-current assets	11.1	46.0	65.9	23.6
Total investments	**24.8**	**68.5**	**91.5**	**46.6**

At the date of this Prospectus, the Group has no significant ongoing investments and nor has the Group's management body made any undertakings in terms of future investments, with the exception of that set out in the following "*Acquired, not possessed, shares*" section.

Acquired, not possessed, shares

The Company has contracted to acquire Mats Andersson's minority holding of 18 percent in Volati Parts AB (the indirect holding company for the Trading business area, in other words, the business units Thomée, Habo, Bårebo Nordic, Sørbø, Industribeslag, Kellfri and Miljöcenter) for SEK 80m. The Group will pay Mats Andersson for these shares in Volati Parts AB with a promissory note drawn on the Group. This promissory note is payable on demand.

Furthermore, Mats Andersson has undertaken to use the entire sum to acquire Common Shares from the Main Shareholders in conjunction with the Offering, and the Main Shareholders have made a corresponding commitment to sell Common Shares to Mats Andersson. If the Offering is not completed however, Mats Andersson can choose to withdraw the sale of shares in Volati Parts AB or to sell the shares in Volati Parts AB without any corresponding obligation to buy Common Shares from the Main Shareholders. Mats Andersson will pay the Main Shareholders for the Common Shares he acquires by transferring his promissory note from the Group to the Main Shareholders. See also the "*Acquisition of a minority holding in Volati Parts*" section on page 93.

In addition, the Group has entered into an agreement regarding a minor add-on acquistion to the business unit Ettikettoprintcom. Closing takes place in spring 2017 and the purchase price is divided into a fixed and a variable part, which together are estimated to amount to just under SEK 7m.

Material changes since 30 September 2016

- In conjunction with the restructuring of the ownership in me&i in October 2016, through which the Group's shareholding was increased from 60 percent to 65 percent, Volati 3 AB and Nyrell Four AB (shareholders in Volati A Holding AB) made conditional shareholders' contributions to Volati A Holding AB. Please refer to the section "*Acquisition of me&i*" on page 92.
- In October 2016 the Group entered into an agreement to acquire Mats Andersson's minority shareholding of 18 percent in Volati Parts AB (the indirect holding company in the business area Trading, i.e. the business units Thomée, Habo, Bårebo Nordic, Sørbø, Industribeslag, Kellfri and Miljöcenter) for SEK 80m. Please refer to the section "*Acquisition of a minority holding in Volati Parts*" on page 93.
- In October 2016, the Group entered into an agreement regarding a minor add-on acquisition to the business unit Ettikettoprintcom. Please refer to the section "*Acquired, not possessed, shares*" above.

Pro forma information

The aim of the pro forma information is to present the impact that the acquisition of Lomond Industrier and the associated issue of Preference Shares could have had on Volati's consolidated income statement for the financial year ended 31 December 2015 if these actions had been completed on 1 January 2015. The pro forma information has been based on and prepared according to the principles that apply under International Financial Reporting Standards (IFRS). Volati's presentation of these unaudited pro forma financial statements is for illustrative purposes only and is intended to provide information and highlight facts and, by its very nature, describes a hypothetical situation and thus does not describe Volati's actual or anticipated financial position that would have applied had these adjusted transactions taken place at the date stated above.

The pro forma information is based on:

- Volati's audited financial statements included in this Prospectus as of the financial year ended 31 December 2015, in which Lomond Industrier AB has been consolidated as of 17 August 2015, and
- information collated from Lomond Industrier's unaudited internal reporting for the 1 January 2015 to 16 August 2015 period, and which has been prepared in accordance with IFRS.

No pro forma adjustments were made for synergy effects or integration costs in the pro forma information.

The conditions and assumptions made are, in all material aspects, as follows and as presented in the columns in the table below:

1. For the purposes of the pro forma information, the acquisition of Lomond Industrier, which took place on 17 August 2015, was assumed to have taken place prior to 1 January 2015, which is why the acquisition costs attributable to Lomond Industrier have not been charged to the pro forma information. Furthermore, Lomond Industrier's income statement for the full 2015 financial year has been consolidated with Volati, with the exception of the financial expenses in Lomond Industrier, which have been eliminated in the pro forma information.
2. In connection with the acquisition, trademarks and customer relationships were assessed to have a limited useful life. This resulted is a pro forma adjustment of SEK 2.8m in amortisation expenses.
3. The financial expenses in the Group were assumed to be based on Volati's financial structure after the acquisition of Lomond Industrier and the issue of Preference Shares, whereby Volati assumed that the balance sheet prevailing at the end of August 2015 had prevailed for the entire pro forma accounting period, and that the financial expenses for the corresponding period are based on this financial structure. The issuance of Preference Shares totalling SEK 850m, which was used in part to finance the acquisition and settle parts of the loan financing, interest expenses for the period have been adjusted to reflect this decrease in borrowing. Since a certain portion of the payment was settled using existing cash and cash equivalents, this had a negative impact on interest income.
4. Tax effects related to additional depreciation/amortisation and adjustment of net interest income have been adjusted in the pro forma information based on the Swedish corporate tax rate of 22 percent.

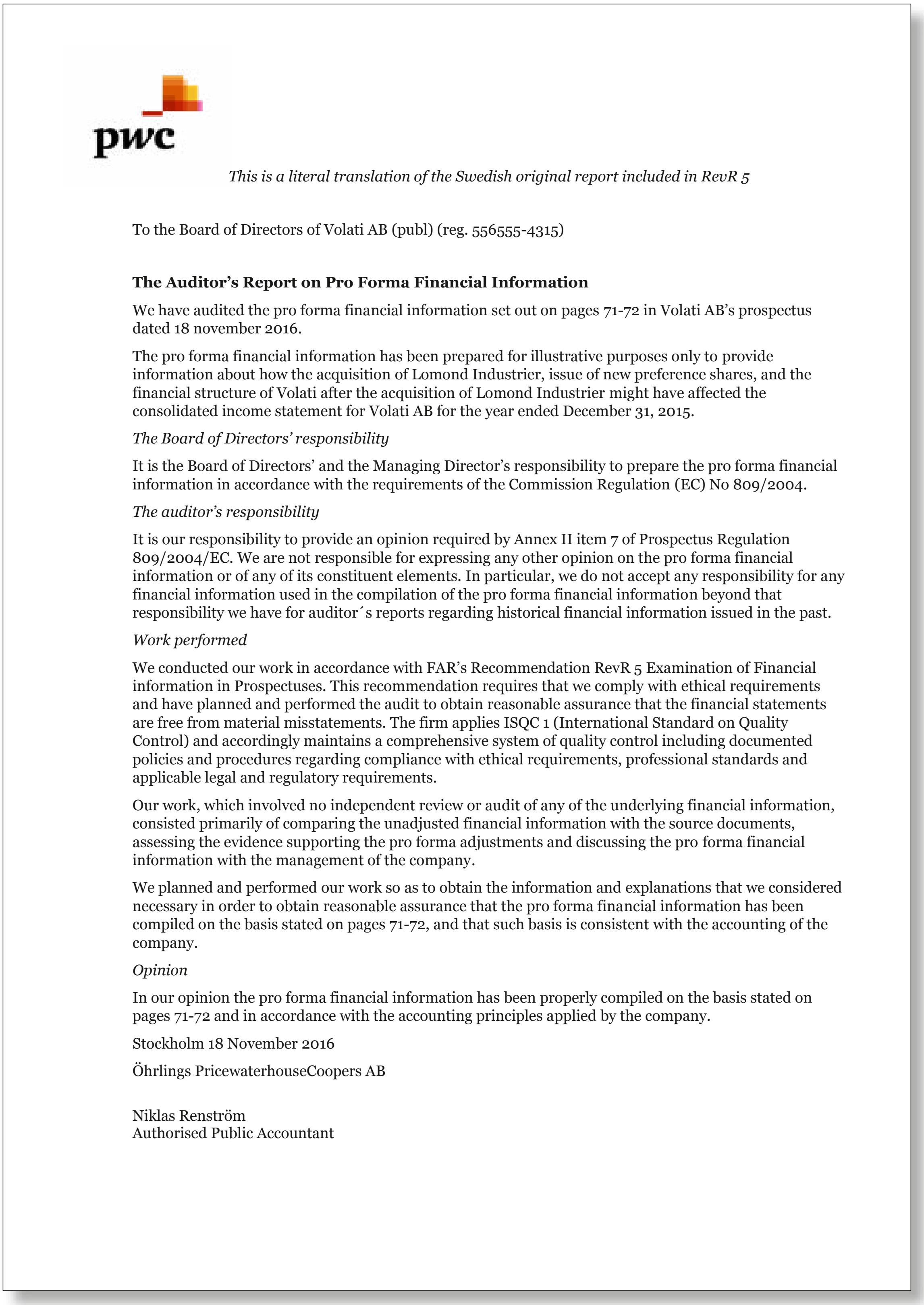
The pro forma consolidated income statement includes the adjustments deemed necessary to provide a true and fair view, in all material respects, of the above transactions in accordance with International Financial Reporting Standards (IFRS), as applied in accordance with the Company's accounting policies. The pro forma consolidated income statement is not intended to reflect the actual outcome of operations or the Company's financial position as it would have been if the transactions had actually taken place on the stated dates. Nor is the pro forma consolidated income necessarily indicative of the operations' future earnings or financial position.

Income statement

SEK m	Volati AB Audited financial information in accordance with IFRS for the 1 January–31 December 2015 period	Lomond Industrier Unaudited financial information in accordance with IFRS for the 1 January–16 August 2015 period	Adjustments full-year 2015	Pro forma
Operating revenue				
Net sales	2,187.6	669.4,	–	2,857.0
Operating costs				
Raw materials and consumables	–933.1	–473.8	–	–1,406.9
Other external costs	–413.0	–49.1	4.7[1)]	–457.4
Personnel costs	–582.1	–85.0	–	–667.1
Depreciation/amortisation	–60.2	–4.9	–2.8[2)]	–67.9
Other operating revenue	18.4	0.0	–	18.5
Other operating costs	–3.3	–0.6	–	–3.9
Realised profit from divestments	0.0	–	–	0.0
EBIT	**214.3**	**56.0**	**1.9**	**272.2**
Financial income and expenses				
Financial income	22.6	2.9	–1.5[3)]	24
Financial expenses	–75.6	–9.4	18.7[3)]	–66.3
Profit before tax	**161.3**	**49.5**	**19.0**	**229.8**
Tax	–35.4	–10.9	–3.5[4)]	–49.7
Net profit	**125.9**	**38.7**	**15.5**	**180.1**
Attributable to:				
Parent Company's owners	92.7	–	–	146.9
Non-controlling interests	33.2	–	–	33.2
Earnings per common share, SEK	0.27	–	–	0.41
Diluted earnings per common share, SEK	0.27	–	–	0.41
Closing no. of common shares at 31 December 2015	202,000,000	–	–	202,000,000
Closing no. of common shares at 31 December 2015 after full dilution	202,000,000	–	–	202,000,000

1) Refer to item 1 above.
2) Refer to item 2 above.
3) Refer to item 3 above.
4) Refer to item 4 above.

Auditors' report on the pro forma financial statements



This is a literal translation of the Swedish original report included in RevR 5

To the Board of Directors of Volati AB (publ) (reg. 556555-4315)

The Auditor's Report on Pro Forma Financial Information

We have audited the pro forma financial information set out on pages 71-72 in Volati AB's prospectus dated 18 november 2016.

The pro forma financial information has been prepared for illustrative purposes only to provide information about how the acquisition of Lomond Industrier, issue of new preference shares, and the financial structure of Volati after the acquisition of Lomond Industrier might have affected the consolidated income statement for Volati AB for the year ended December 31, 2015.

The Board of Directors' responsibility

It is the Board of Directors' and the Managing Director's responsibility to prepare the pro forma financial information in accordance with the requirements of the Commission Regulation (EC) No 809/2004.

The auditor's responsibility

It is our responsibility to provide an opinion required by Annex II item 7 of Prospectus Regulation 809/2004/EC. We are not responsible for expressing any other opinion on the pro forma financial information or of any of its constituent elements. In particular, we do not accept any responsibility for any financial information used in the compilation of the pro forma financial information beyond that responsibility we have for auditor´s reports regarding historical financial information issued in the past.

Work performed

We conducted our work in accordance with FAR's Recommendation RevR 5 Examination of Financial information in Prospectuses. This recommendation requires that we comply with ethical requirements and have planned and performed the audit to obtain reasonable assurance that the financial statements are free from material misstatements. The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our work, which involved no independent review or audit of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, assessing the evidence supporting the pro forma adjustments and discussing the pro forma financial information with the management of the company.

We planned and performed our work so as to obtain the information and explanations that we considered necessary in order to obtain reasonable assurance that the pro forma financial information has been compiled on the basis stated on pages 71-72, and that such basis is consistent with the accounting of the company.

Opinion

In our opinion the pro forma financial information has been properly compiled on the basis stated on pages 71-72 and in accordance with the accounting principles applied by the company.

Stockholm 18 November 2016

Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Authorised Public Accountant

Capital structure and other financial information

The information presented below should be read together with the "*Selected financial information*" section on page 52 and the Company's historical financial information presented elsewhere in this Prospectus. Refer to the "*Shares, share capital and ownership structure*" section on page 85 for further information on the Company's shares and share capital.

Equity and liabilities

The Group is mainly financed with equity, bank loans and, to a lesser extent, long-term liabilities, with most of the liabilities comprising interest-bearing liabilities. All of the Group's interest-bearing liabilities to Nordea are secured. At 30 September 2016, the Group's equity amounted to SEK 1,061.9m of which share capital accounted for SEK 7.6m, other reserves for SEK 34.6m, other capital contributions amounted to SEK 828.1m, retained earnings including net profit for the period SEK 178.6m and non-controlling interests for SEK 12.9m. The Group's liabilities totalled SEK 1,262.2m at 30 September 2016 and were distributed as follows:

- Non-current interest-bearing liabilities to credit institutions: SEK 894.3m
- Non-current finance lease liabilities: SEK 38.6m
- Minority shareholders' shareholder loans: SEK 95.2m
- Other non-current non-interest-bearing liabilities: SEK160.0m
- Current interest-bearing liabilities to credit institutions: SEK 55.5m
- Current finance lease liabilities: SEK 13.2m
- Other current interest-bearing liabilities: SEK 3.3m
- Pension provisions: SEK 2.1m.

The table below presents information on the Group's equity and liabilities as per 30 September 2016.

SEK m	**30 Sep 2016**
Current interest-bearing liabilities	
Guaranteed	–
Secured	70.1
Unsecured credits	1.9
Total current interest-bearing liabilities	**72.0**
Non-current interest-bearing liabilities	
Guaranteed	–
Secured	932.9
Unsecured credits	95.2
Shareholder loans	–
Pension provisions	2.1
Total non-current interest-bearing liabilities	**1,030.2**
Non-current non-interest-bearing liabilities	**–**
Unsecured credits	160.0
Total non-current non-interest-bearing liabilities	**160.0**
Equity	
Share capital	7.6
Other capital contributions	828.1
Other reserves	34.6
Retained earnings including net profit	178.6
Non-controlling interests	12.9
Total equity	**1,061.9**

Total net debt

As per 30 September 2016, consolidated liquidity totalled SEK 161.8m and comprised cash and cash equivalents of SEK 160.4m and marketable securities of SEK 1.4m.

The Group's current liabilities totalled SEK 70.0m at 30 September 2016. The largest item comprised a current bank loan, which amounted to SEK 55.5m.

At 30 September 2016, the Group's non-current liabilities principally comprised non-current bank loans of SEK 894.3m.

The Group's total net debt which, as per 30 September 2016, amounted to SEK 940.3m including minority shareholders' shareholder loans, is presented below.

SEK m	30 Sep 2016
A) Cash and cash equivalents	160.4
B) Current financial investments	–
C) Marketable securities	1.4
D) Total liquidity (A+B+C)	**161.8**
(E) Current receivables	**–**
F) Current bank loans	55.5
G) Current component of non-current liabilities	13.2
(H) Other current financial liabilities	3.3
I) Total current liabilities (F+G+H)	**72.0**
J) Net current interest-bearing liabilities (I-E-D)	**–**
K) Non-current bank loans	894.3
L) Issued bonds	–
M) Other non-current loans	135.9
N) Non-current liabilities (K+L+M)	**1,130.2**
O) Net debt (J+N)	**940.3**[1]

1) Includes minority shareholders' shareholder loans of SEK 95.2m, which corresponds to the difference against the Company's reported net debt of SEK 845.1m.

Non-balance sheet items

The Group is not party to any non-balance sheet arrangements that have, or could reasonably be expected to have, a material impact on the Group's financial position, income or expenses, earnings, liquidity, investments in non-current assets or capital resources, at present or in the future.

Capital structure in connection with the Offering

On full acceptance of the Offering and full exercise of the Overallotment Option, the Group's capital structure will change as follows.

The subscription proceeds from the issue of Common Shares under the Offering will be recognised under equity less direct transaction costs. A full subscription, in the Offering and a fully exercised Overallotment Option, of a total of 20,862,069 Common Shares at a subscription price of SEK 58 per Common Share, the Group's equity will increase by SEK 1,210m, before expenses related to the issue.

The Group's existing credit facility with Nordea will cease to apply and the Group's primary financing will thereafter comprise a new credit facility with Nordea for a total of SEK 750m.

In addition, Volati has raised loans from certain minority owners in the Group with an outstanding capital amount of approximately SEK 95.2m as per 30 September 2016 (refer to the "*Shareholder loan agreements*" section on page 94). As stated below, loans corresponding to slightly more than 86 percent of the outstanding capital amount will be redeemed in connection with Volati's purchase of additional shares in Volati Parts AB, which will take place in connection with the Offering. Thereafter, Volati's loans from certain minority owners in the Group will have an outstanding capital amount of approximately SEK 20m.

Following these measures, the Company's net cash will amount to SEK 131m. The following table of Volati's equity and net debt at 30 September 2016 after adjustment for the aforementioned events illustrates what the Company's financial position would have looked like at 30 September 2016 if this events had taken place at that time.

SEK m	30 September 2016	Issue proceeds from the Offering[1]	Repayment in conjunction with the change of credit facility	Acquisition of a minority holding in Volati Parts AB	Repayment to minority shareholders of loans	30 September 2016 after adjustments
Share capital and additional paid-up capital	835.7[2]	1,159.0				1,994.7
Other reserves	34.6					34.6
Retained earnings including net profit for the period	178.6	–6.0	–2.0			170.6
Equity	**1,048.9**	**1,153.0**	**–2.0**			**2,199.9**
Interest-bearing liabilities[3]	1,007.0		–898.0			109.0[4]
Cash and cash equivalents	161.8	1,153.0	–900.0	–80.0	–79.7	255.1
Net debt (+) / net cash (–)	**845.1**	**–1,153.0**	**2.0**	**80.0**	**79.7**	**–146.2**
Minority shareholders' shareholder loans	95.2				–79.7	15.5
Total net debt (+) / net cash (–)	**940.3**	**–1,153.0**	**2.0**	**80.0**		**–130.7**

1) With the prerequisite that Volati receives gross liquid proceeds of SEK 1,210.0m from the Offering less deductions for estimated costs related to the Offering of SEK 57.0m which is expected to affect the fourth quarter 2016. The total expenditures for the issue are expected to amount to SEK 63m, including expenditures of SEK 6m which already have carried as expenses in 2016.
2) Comprises share capital of SEK 7.6m and additional paid-up capital of SEK 828.1m.
3) Excluding minority shareholders' shareholder loans of SEK 95.2m.
4) With the prerequisite that the revolving credit facility under the new financing arrangement with Nordea is not utilised.

The above calculation of the net debt does not include other non-current non-interest-bearing liabilities, which consist of the carrying amount of put options regarding minority shareholders' shareholdings as at 30 September 2016, in a total amount of SEK 160.0m (which will decrease to SEK 80.0m in connection to the acquisition of Mats Andersson's shares in Volati Parts AB, please refer to "*Acquired, not possessed, shares*" on page 70.

Statement of working capital and capital requirements

Volati's cash flows from operating activities amounted to SEK 247.0m for the full-year 2015 and SEK 149.6m for the January–September 2016 period. Volati has not undertaken to carry out any major investments and has no material ongoing investments other than those described under the "*Investments*" section on page 70. In addition, Volati's cash and cash equivalents at 30 September 2016 amounted to approximately SEK 161.8m and its unutilised credit margin with Nordea at 30 September 2016 amounted to SEK 250.0m.

The board of Volati deems the existing working capital to be sufficient to meet the Group's needs during the coming 12-month period. In this context, working capital refers to Volati's possibility of obtaining access to cash and cash equivalents to meet its payment obligations as they fall due for payment.

Financing arrangements

In conjunction with completion of the Offering, the Group will replace existing financing arrangements for a total of SEK 1.15 billion with Nordea Bank AB (publ) with a new financing arrangement for a total of SEK 750m. In connection with this, the credit facilities will be transferred from Volati Treasury AB to Volati AB (publ).

The Group's primary financing will henceforth comprise a facility with Nordea totalling SEK 750m, of which SEK 550m pertains to a revolving credit facility and SEK 200m to an overdraft facility linked to the Group's cash-pool arrangement. Volati's borrowing from Nordea extends until 2020, is mainly in SEK and is subject to a floating interest rate. For more information about Volati's financing arrangement with Nordea and the terms of this financing, refer to the "*Financing arrangements with Nordea*" section on page 93.

Financing from other lenders mainly comprises subordinated debts in relation to Nordea, have varying terms, is in SEK and carries a fixed interest rate.

Volati monitors current interest rate trends and, based on these, determines the best long and short-term interest terms for the Group. Financial derivatives, such as currency and interest-rate swaps, have been used to a certain extent by the Group. The aim of using derivatives was to reduce the exposure to financial risks. At the end of 2015, Volati estimated that a change of one (1) percentage point in the market rate, based on the loan volumes on the balance-sheet date, would have an impact of SEK 8m on net profit after tax (excluding any changes in the value of interest derivatives at the time). At the end of 2015, Volati also estimated that the value of interest-rate swaps at the time would increase SEK 1m in the event of a one (1) percentage point increase in the interest rate and decrease SEK 1m in the event of a one (1) percentage point decrease in the interest rate. These effects are expected to remain essentially unchanged at the time of the publication of the Prospectus. As of the date of this Prospectus, the Group has some financial derivatives regarding currency futures, currency swaps and interest rate swaps. The interest rate swaps have a duration until December 2016.

An essential financial undertaking in the Company's financing arrangements with Nordea is the metric net debt in relation to adjusted EBITDA (where net debt and adjusted EBITDA are calculated in accordance with financial coventants in the Company's financial agreements with Nordea), known as Net debt/adjusted EBITDA. During 2011 this metric amounted to 2.0x on an annual basis, during 2012 this metric amounted to 2.7x on an annual basis, during 2013 this metric amounted to 2.3x on an annual basis, during 2014 this metric amounted to 2.8x on an annual basis and during 2015 this metric amounted to 2.3x on an annual basis.

Trends

Other than what is stated in the "*Risk factors*" section on page 15, Volati is not currently aware of any issues regarding public, economic, tax, monetary or other political actions that could, directly or indirectly, have a significant impact on the Company's operations.

Board of directors, senior executives and auditors

According to the Articles of Association, Volati's board of directors shall consist of three to ten members, with no deputy members. Volati's board of directors currently consists of five members, including the chairman. The mandate for each of the board members remains valid until the end of the following annual general meeting. The board members are listed in the table below followed by separate information regarding the individual board members. Assignments in subsidiaries in the Group are not stated and all assignments within a group are stated together. Information on shareholdings in Volati refers to shareholdings prior to the Offering.

Board of directors

			Independent in relation to:	
Name	**Position**	**Member since**	**The Company and management**	**Major shareholders**
Karl Perlhagen	Chairman of the board	2003	No	No
Patrik Wahlén	Board member	2006	No	No
Björn Garat	Board member	2015	Yes	Yes
Louise Nicolin	Board member	2016	Yes	Yes
Christina Tillman	Board member	2016	Yes	Yes

Patrik Wahlén is employed at Volati as a senior advisor. Until 10 October 2016, Karl Perlhagen was also employed at Volati as a senior advisor.

Karl Perlhagen

Board member since 2003 and chairman of the board since 2006. Born in 1970.

BSc in Business and Economics from Lund University.

Other assignments: Chairman of the board of Fridhems Intressenter Gladan AB, Fridhem Fastighetsutveckling Stockholm AB and Fridhem Grönskogen AB, board member of Italo Invest AB (as well as assignments in subsidiaries of Italo Invest AB) and Ullna Golf Aktiebolag.

Assignments concluded over the past five years: Board member of Corem Property Group AB, PharmaSurgics in Sweden AB, Fastighets AB Italo and Imed AB.

Background: Karl founded Volati in 2003 together with Patrik Wahlén and previously founded Cross Pharma AB.

Shareholding in the Company: 34,440,000 Common Shares and 204,174 Preference Shares (via companies).

Patrik Wahlén

Board member since 2006. Born in 1969.

BSc in Business and Economics from Lund University.

Other assignments: Deputy board member of Italo Invest AB (as well as subsidiaries of Italo Invest AB) and Wahlén & Partner AB.

Assignments concluded over the past five years: Deputy board member of Fastighets AB Italo.

Background: Patrik founded Volati in 2003 together with Karl Perlhagen. He has previously worked for Kemira Group and Ernst & Young Management Consulting AB.

Shareholding in the Company: 19,391,782 Common Shares and 8,929 Preference Shares.

Björn Garat

Board member since 2015. Born in 1975.

BSc in International Economics from Linköping University.

Other assignments: CFO and Deputy CEO at AB Sagax (as well as assignments in subsidiaries of AB Sagax), board member of Manolo Holding AB and Paco Holding AB, and deputy board member of LMG Distribution Aktiebolag.

Assignments concluded over the past five years: Board member of Söderport Göta AB, and deputy Board member of Bastian Holding AB and TEMG Holding AB.

Background: Head of Corporate Finance and Partner at Remium Nordic AB and financial analyst. CFO and Deputy CEO at AB Sagax since 2012.

Shareholding in the Company: 1,820 Preference Shares (via pension insurance).

Louise Nicolin

Board member since 2016. Born in 1973.

MSc Engineering from Uppsala University and MBA from the Stockholm School of Business.

Other assignments: Chairman of AB Better Business World Wide, board member of VBG Group AB (publ) and Uppdragshuset Sverige AB, and deputy board member of Arts for a reason AB and Dellner Couplers Aktiebolag.

Assignments concluded over the past five years: Board member of Aktiebolag Lofab, Dellner Tools AB and My Reed AB and deputy board member of Aktiebolaget Svenska Precisionsverktyg.

Background: Since 2000, Louise has run Nicolin Consulting AB, focusing on business development and quality assurance. Previously worked as Business Unit Manager and Consultant Manager at PlantVision AB.

Shareholding in the Company: None.

Christina Tillman

Board member since 2016. Born in 1968.

BSc in Business and Economics from Stockholm University.

Other assignments: Chairman of the board of House of Dagmar AB, board member of Coop Sverige AB, Corem Property Group AB, Corem Logistik Holding AB (publ) and Tobin Properties AB, and deputy board member of Kattvik Financial Services Aktiebolag and Stocksunds Fastighet AB.

Assignments concluded over the past five years: Chairman of the board of PFG Group AB (as well as subsidiaries of PFG Group AB), board member of Boozt AB (as well as subsidiaries of Boozt AB), G13 IT-utveckling i Stockholm AB, Wonderful Times Group AB and YPO Service AB, CEO of Odd Molly International AB and Gudrun Sjödén Group AB (as well as subsidiaries of Gudrun Sjödén Group AB), CEO and deputy board member of Vincent Shoe Store Sweden AB, and deputy board member of Nordic Kids Shoes AB, Stocksunds Financial Management AB and the Association of Swedish Fashion Brands.

Background: Christina's previous roles include CEO of Odd Molly and CEO of Gudrun Sjödén Design.

Shareholding in the Company: None.

Senior executives

Mårten Andersson, CEO

CEO of Volati since 2014 and Head of Industry since 2016. Born in 1971.

BSc in Business and Economics from Lund University and completed the General Manager Program at Harvard Business School

Other assignments: None outside the Group.

Assignments concluded over the past five years: Chairman of the board and board member of Aktiebolaget Gauthiod and Skandiabanken Aktiebolag (publ), board member and CEO of Försäkringsaktiebolaget Skandia (publ), and board member of Carnegie Holding AB, Carnegie Investment Bank AB, Livförsäkringsaktiebolaget Skandia (publ), SFS-Svensk Försäkring Service AB and Försäkringsbranschens Arbetsgivareorganisations Service Aktiebolag.

Background: Mårten previously served as CEO of Försäkringsbolaget Skandia and has held a number of international positions at Skandia.

Shareholding in the Company: 2,856,360 Common Shares and 1,887 Preference Shares.

Mattias Björk, CFO

CFO since 2009. Born in 1975.

Master of Laws and BSc in Business and Economics from Lund University.

Other assignments: Deputy board member of Virtual Intelligence VQ AB (as well as subsidiaries of Virtual Intelligence VQ AB) and Ridderwold Bygg & Design AB.

Assignments concluded over the past five years: None outside the Group.

Background: Mattias previously worked at Modern Times Group MTG AB, Kinnevik AB and Modern Finance Group (previously Invik & Co AB).

Shareholding in the Company: 2,856,360 Common Shares and 1,887 Preference Shares.

Pär Warnström

Head of Business Development since 2013. Born in 1980.

BSc in Business and Economics from the Stockholm School of Economics and studies at the Royal Institute of Technology in Stockholm.

Other assignments: Member of the board of Konstapel Stockholm AB.

Assignments concluded over the past five years: None outside the Group.

Background: Pär previously worked at General Electric and Occam Associates.

Shareholding in the Company: Option with the right to acquire 50,000 Common Shares.

Voria Fattahi

Investment Director since 2015. Born in 1982.

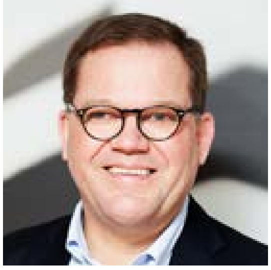
BSc in Business and Economics from the Stockholm School of Economics and MBA from INSEAD.

Other assignments: Board member of Vostok Emerging Finance Ltd.

Assignments concluded over the past five years: Board member of Bayport Management Ltd, Milvik AB (as well as assignments in subsidiaries of Milvik AB) and Seamless Distribution AB.

Background: Voria previously worked at Kinnevik, Apax Partners and JP Morgan.

Shareholding in the Company: Warrants entitling subscription for 834,914 Common Shares.



Mårten Sundberg

Head of Trading since 2016. Born in 1958.

BSc in Business and Economics from Lund University.

Other assignments: Board member of Ason Invest AB and CG Protection AB, and deputy board member of C Sundberg Holding AB.

Assignments concluded over the past five years: Board member and CEO of Cami Gruppen AB and Port- och Passageteknik i Skandinavien AB.

Background: Mårten has served as CEO of Lomond Industrier (parent company of the Trading Business Area) since 2010 and previously worked as managing director for companies that are currently included in the Trading Business Area. Mårten Sundberg previously held a number of international positions in the French listed company SOMFY.

Shareholding in the Company: Option with the right to acquire 50,000 Common Shares.

Nicklas Margård

Head of Consumer since 2016. Born in 1969.

BSc in Business and Economics from Lund University and MBA from Concordia University in Montreal, Canada.

Other assignments: Board member of Micvac AB.

Assignments concluded over the past five years: Board member and CEO of John Bean Technologies AB (as well as assignments in subsidiaries of John Beam Technologies AB).

Background: Nicklas has served as CEO of Besikta Bilprovning since 2014 and been a board member of Tornum since 2005. Nicklas Margård previously worked as CEO of John Bean Technologies AB and he has also been responsible for JBT Foodtech's Asian operations.

Shareholding in the Company: Option with the right to acquire 200,000 Common Shares.

Other information about the board of directors and senior executives

Over the past five years, none of Volati's board members or senior executives has (i) been convicted in a fraud-related court case, (ii) been declared bankrupt or been a board member or senior executive in a company that has been declared bankrupt or been placed into compulsory liquidation, (iii) been the object of charges or sanctions by authorities or professional societies governed via public law, or (iv) been imposed with a trading prohibition. Karl Perlhagen has received an additional tax assessment with a tax surcharge for the 2012 income year.

No family ties exist between the Company's board members and senior executives. Nor are there any conflicts of interest or any risk of a conflict of interest arising in which the private interests of a board member or senior executive would conflict with the Company's interests, with the exception of the shareholder loan granted to the Group by Mårten Sundberg (refer also to the "*Shareholder loan agreements*" section on page 94) and the fact that board member Björn Garat is the CFO and Deputy CEO of the property company Sagax, to which the Group has issued a rental guarantee (refer to the "*Subsidiary rent guarantee as collateral for third-party obligations*" section on page 96) and with which the Group has signed a lease. The board members and senior executives will enter into a customary undertaking not to sell their shares in the Company under certain circumstances and during a certain period of time (refer also to the "*Undertaking to refrain from selling and issuing shares*" section on page 87).

All board members and all of the senior executives can be contacted via the Company's address, refer to the "*Addresses*" section on page A-5.

Remuneration and benefits to the board of directors and senior executives

The AGM on 18 May 2016 resolved that a fee of SEK 200,000 would be paid to each non-executive director of Volati of elected by the AGM for the period until the 2017 AGM. No separate fee is payable to the chairman of the board1). In accordance with the principles adopted by the 2015 AGM, a total of SEK 300,000 regarding fees to the board members Björn Garat and Anna-Karin Eliasson Celsing was carried as expenses for the 2015 financial year. No other board fees were paid during 2015.

No board members have entered into an agreement entitling them to remuneration upon termination of their assignment. Nor has the Company recorded any provisions or accrued amounts for pensions or similar benefits upon board members stepping down from the board.

The table below shoes the remuneration received by board members, the CEO and senior executives during the 2015 financial year.

Remuneration to board members 2015

Remuneration (SEK thousand)	Basic salary	Board fees	Variable remuneration	Other benefits	Pension costs	Total
Karl Perlhagen, chairman of the board 1)	1,294	–	–	113	–	1,407
Patrik Wahlén, board member 2)	1,368	–	–	190	–	1,558
Anna-Karin Eliasson Celsing, board member 3)	–	150 4)	–	–	.	–
Björn Garat, board member	–	150 4)	–	–	.	–
Louise Nicolin, board member 5)	–	–	–	–	–	–
Christina Tillman, board member 6)	–	–	–	–	–	–

1) Until 10 October 2016, Karl Perlhagen was employed at Volati as a senior advisor.
2) Patrik Wahlén is employed as a senior advisor at Volati.
3) Anna-Karin Eliasson Celsing stepped down from the board in conjunction with the extraordinary general meeting (EGM) held on 15 September 2016.
4) Due to election during the financial year, an amount of SEK 200,000 was not paid. The fees were paid in 2016.
5) Louise Nicolin was elected as a board member at the 2016 AGM.
6) Christina Tillman was elected as a board member at the EGM on 15 September 2016.

Remuneration of other senior executives 2015

Remuneration (SEK thousand)	Basic salary	Variable remuneration	Other benefits	Pension costs	Total
Mårten Andersson, CEO and Head of Industry	1,320	–	69	350	1,739
Mattias Björk, CFO	1,693	–	–	–	1,693
Pär Warnström, Head of Business Development	933	–	–	134	1,067
Voria Fattahi, Investment Director 1)	671	–	–	–	671
Mårten Sundberg, Head of Trading 2)	676	–	31	186	893
Nicklas Margård, Head of Consumer 3)	1,653	150	125	522	2 450

1) Voria Fattahi was employed in August 2015.
2) Mårten Sundberg's remuneration refers to the period in 2015 when Lomond Industrier was part of Volati, meaning 17 August to 31 December.
3) Nicklas Margård became a senior executive of the Group in 2016 and the sum pertains to Nicklas Margård's remuneration for work as managing director of Besikta Bilprovning.

Incentive programmes

Volati has an incentive programme with warrants for Voria Fattahi. The incentive programme was approved by an EGM on 14 January 2016 and comprises 4,174,570 warrants. Following the reverse split of the Company's shares on 15 September 2016, these warrants entitle subscription for a total of 834,914 Common Shares. Subscription may take place in 2019 at a subscription price of SEK 30.5 per Common Share. See also the "*Warrants*" section on page 86.

On 14 September 2016, Karl Perlhagen and Patrik Wahlén entered into call option agreements to transfer a total of 730,000 2) Common Shares in Volati to certain employees in the Group. The call options have an exercise price of SEK 51.45 per Common Share.

Auditors

The AGM on 18 May 2016 re-elected the registered public accounting firm Öhrlings PricewaterhouseCoopers AB as the Company's auditor, with Niklas Renström serving as auditor in charge. Niklas Renström is a member of the Swedish Institute of Authorised Public Accountants (FAR). The accounting firm was the Company's auditor throughout the period encompassed by the historical financial information (2013-2015) and Niklas Renström was appointed as auditor in charge at the 2016 AGM. The office address of Öhrlings PricewaterhouseCoopers AB is Öhrlings Pricewaterhouse-Coopers AB, SE-113 97 Stockholm.

The total remuneration paid to the Company's auditors during 2015 amounted to SEK 4.1m, of which SEK 3.4m pertained to audit assignments and SEK 0.7m to other services.

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1) Until 10 October 2016, Karl Perlhagen was employed by Volati. For this reason, no separate fee payable to the chairman of the Company has been required previously. Given that Karl Perlhagen has ended his employment, the Main Shareholders have expressed that, at the 2017 AGM, they will support a proposal for an annual fee to the chairman of the board up to an amount of SEK 500,000.
2) Following recalculation due to the 1:5 reverse share split carried out by the Company in September 2016.

Corporate governance

Corporate governance

Volati AB is a public limited liability company with privately owned Common Shares and Preference Shares that have been listed on the Nasdaq First North Premier since June 2015. The governance and control of Volati is exercised by shareholders through general meetings of shareholders and otherwise by the board, the CEO and other management individuals. Governance and control is based on the Swedish Companies Act, the Articles of Association, Nasdaq First North Premier's Rulebook for Issuers and the Swedish Corporate Governance Code (the "Code"), as well as internal rules and regulations. As a company with shares listed on Nasdaq Stockholm, the Company will apply the Nasdaq Stockholm Rule Book for Issuers instead of the Nasdaq First North Premier rulebook.

As of 1 November 2015, companies whose shares are listed on Nasdaq First North Premier are recommended to apply the Code. Volati accepted this recommendation and has applied the Code from that date. However, the Code was not applicable when the Company listed the Preference Shares in June 2015, which is why the Company had not established a nomination committee, audit committee and remuneration committee at the date of the Code's applicability. Volati presented a corporate governance report in connection with the 2016 Annual Report. In conjunction with the preparation of the corporate governance report, each of the Code regulations was taken into account to determine Volati's compliance thereto. It was Volati's assessment that the Company complied with the Code in 2015 except that the nomination committee, audit committee and remuneration committee had not been appointed. The 2016 Annual General Meeting (AGM) adopted instructions for the establishment of the nomination committee and the Company's board of directors established a remuneration committee and resolved that no audit committee would be established, and that the board would instead fulfil the prescribed audit tasks. Volati will continue to apply the Code following the listing of the Company's shares on Nasdaq Stockholm and the Company does not expect to deviate from any of the rules in the Code. Any deviations from the Code will be included in the corporate governance report for the 2017 financial year.

General meeting

The general meeting of shareholders is the Company's highest decision-making body. The AGM is held annually within six months of the end of the financial year. At the AGM, the balance sheet and income statement, and consolidated balance sheet and consolidated income statement are presented, and resolutions are made regarding the appropriation of the Company's profit, adoption of the balance sheet and income statement and consolidated balance sheet and income statement, elections of and remuneration of board members and auditors and other matters to be addressed by the AGM by law. Notice to attend the AGM and any extraordinary general meetings shall be made in accordance with the Articles of Association.

The board and the board's work

The board's overall task is to manage the Company's affairs and be responsible for the Company's organisation on behalf of shareholders. The board's work is led by the Chairman of the board. The board shall hold an annual statutory meeting following the AGM. In addition to this, the board is to meet at least five times annually. At the statutory board meeting, the chairman of the board shall be appointed, the Company's signatories shall be appointed, and the board's formal work plan, the terms of reference for the CEO and the board's instructions regarding reporting to the board (what is referred to as the "reporting instruction") are reviewed and adopted. At the Company's board meetings, the Company's financial situation, progress in negotiations and issues pertaining to Group companies are addressed. The Company's auditor attends and reports at the board meetings at least once a year and more often when necessary. The board forms a quorum when more than half of the members are present. At present, Volati's board consists of five members; refer to the "*Board of Directors*" section on page 77. In 2015, 11 board meetings were held in Volati and all board members participated in all of the board meetings.

Audit information

The board has resolved to not establish a separate audit committee, but that the board as a whole will fulfil the tasks that such a committee would have under the Code. In terms of auditing issues, this means that the board is to fulfil the tasks set forth in Chapter 8 Section 49 b of the Swedish Companies Act (2005:551) and the tasks of the audit committee, under the EU's Auditor Regulation. These obligations mainly include the following tasks:

- Monitoring the company's financial reporting and providing recommendations and proposals to ensure the reporting's reliability.
- With regard to the financial reporting, monitoring the efficiency of the company's internal control, internal audit and risk management.
- Staying informed of the audit of the annual accounts and the consolidated accounts and the Supervisory Board of Public Accountant's quality control.
- Addressing the issue of the manner in which the audit contributed to the reliability of financial reporting and the board's specific functions.
- Auditing and monitoring the auditor's impartiality and independence and thereby noting in particular, whether the auditor provides the Company with services other than audit services.
- Assisting in the preparation of proposals for resolution at general meetings regarding the appointment of auditors.
- Preparing the board's decisions in the matters above.

To fulfil the above tasks, the board shall:

- Continuously maintain contact with the Company's finance department and auditor to facilitate the audit work, stay informed of the audit's emphasis and scope, and discuss the outlook of the Company's and Group's risks.
- When necessary, support group management on accounting issues.
- Monitor compliance with the auditors' recommendations, conclusions, observations and proposals following the completion of the audit.
- Approve the auditor's advisory services and adopt a policy for the auditor's advisory services.
- Examine and monitor the auditor's calculations, and follow-up on the fee for advisory services.
- Examine and monitor the auditor's compliance with the reporting requirements of the Audit Regulation.
- Prior to the Company's AGM, submit a recommendation to the nomination committee comprising a written justification with a minimum of two nominee options, and an indication of the recommended auditor.

Remuneration committee

The board has resolved not to establish a remuneration committee, for the reason that the board considers it more appropriate that the board as a whole fulfils the assignments incumbent on the remuneration committee in accordance with the Code.

In terms of remuneration matters, this entails that the board shall:

- prepare decisions in matters concerning guidelines for remuneration and other terms of employment for senior executives,
- monitor and evaluate ongoing programmes and programmes concluded during the year for the variable remuneration of senior executives, and
- monitor and evaluate the outcome of variable remuneration and manner in which the Company applies the guidelines to senior executives, as adopted by the general meeting.

Investment committee

The board has established an investment committee. The investment committee includes the board member and Chairman Patrik Wahlén, CEO Mårten Andersson and the Company's Investment Manager, Voria Fattahi. The investment committee's primary task is to examine and quality assure the decision data pertaining to acquisitions and divestments. In addition, the investment committee has been delegated an investment and divestment mandate that authorises it to make decisions on the acquisition and divestment of shares or operations, of up to SEK 50m per acquisition or divestment, for the Group as a whole.

The board appoints the members and the chairman of the investment committee, which is to comprise a minimum of three and maximum of five members. The investment committee shall meet as necessary. Minutes of the meeting are to be kept and included as material for the next board meeting.

Nomination committee

The 2016 AGM resolved to approve instructions for the establishment of a nomination committee. Pursuant to these instructions, the nomination committee shall have at least three members, of which one shall be the chairman of the board. The other members are appointed by means of the chairman of the board, not later that six months prior to the annual general meeting, offering each of the two largest shareholders, based on Euroclear Sweden AB's list of registered shareholders at last banking day of September of the current year, the possibility of appointing a representative to be a member of the nomination committee.

The chairman of the nomination committee shall be the member representing the largest shareholder by votes unless the members agree otherwise. However, the chairman of the board shall not be the chairman of the nomination committee. At least one of the nomination committee's members shall be independent, either in relation to the largest shareholder of the Company in terms of votes, or to a group of shareholders that collaborates with respect to the company's management. Changes in the composition of the nomination committee may occur due to shareholders who have appointed a member to the nomination committee selling all or part of their shareholdings in the Company.

The composition of the nomination committee is to be announced a minimum of six months prior to the AGM. The nomination committee's mandate period extends until a new nomination committee has been appointed. The nomination committee shall prepare and submit proposals to the general meeting on: the chairman of the general meeting, board members, chairman of the board, board fees to each of the board members and the chairman of the board, and other remuneration for board assignments, fees for the Company's auditor and, where applicable, proposals on the choice of auditors. In addition, the nomination committee shall prepare and submit proposals to the general meeting regarding principles for the composition of the nomination committee.

In connection with the issue of the interim report for the third quarter of 2016, the Company announced the formation of the nomination committee, comprising: Carin Wahlén (Chairman), representative Patrik Wahlén, Nicklas Granath representing Norron Fonder, and Karl Perlhagen as Chairman of the Board.

CEO and management group

Volati's CEO is responsible for the Company's continuous management in accordance with the rules of the Swedish Companies Act, as well as the instructions to the CEO and the reporting procedures established by the board. The CEO's responsibilities include acquisitions and divestments, human resources, financial and accounting matters, and continuous contact with the Group's stakeholders and the financial market. In addition, the CEO is to prepare delegation regulations for the Group's senior executives, and to employ, dismiss and establish the terms and conditions for such (within the scope of the guidelines adopted by the AGM).

The CEO reports to and shall implement the resolutions passed by the Company's board. The CEO is to ensure that the board, in accordance with current reporting instructions, receives requisite information to make well-founded decisions. The CEO shall also ensure that the board is presented with matters that must be addressed by the board under applicable legislation, the Articles of Association and internal policies and guidelines. The CEO attends and presents reports at all board meetings, except on the occasions that the CEO is under evaluation by the board and when the board meets exclusively with the Company's auditor without the presence of members of company management.

The CEO has appointed the group management, which has continuous responsibility for various operational aspects. Group management comprises the CEO, Volati's CFO, Head of Business Development and Investment Manager. Group management meets regularly to manage and monitor current projects and financial developments, and to address personnel-related and organisational matters. Group management also holds meetings on overall strategy once a year to analyse the Group's risks and follow-up on the Group's control functions.

Group management governs, controls and monitors the Group's operations, primarily by appointing heads of business areas, as well as managing directors and boards for several of the business units, and by continuously monitoring developments through customary board work and the monthly reports of respective business units.

The boards of the business units typically comprise one or more persons from group management, the head of the business area and, where applicable, external board members. The Chairman of a business unit's boards is either Volati's CEO or the head of the business area.

Group management and the head of the business area jointly hold monthly status meetings with the respective business unit's managing director and CFO, to follow up on the business unit's financial development and strategic initiatives.

Audit

The Company's auditor is appointed by the AGM. The auditor is to review Volati's annual report and accounting, as well as the management of the board and the CEO. In accordance with the Company's Articles of Association, the Company shall have one or two auditors, with or without deputy auditors. The 2016 AGM resolved to re-elect the registered public accounting firm Öhrlings PricewaterhouseCoopers AB as the auditor, with Niklas Renström as the auditor in charge.

Risk management and internal control

In accordance with the Swedish Companies Act, the board is responsible for the internal control and governance of the Company. To maintain and develop a well-functioning control environment, the board has established a number of fundamental documents of significance to financial reporting. These include the board's formal work plan, the terms of reference for the CEO and the reporting instructions. In addition, an established structure with continuous supervision is requisite to a functioning control environment. Responsibility for the day-to-day work of maintaining the control environment primarily rests with the Company's CEO. The CEO regularly reports to the Company's board in accordance with current reporting instructions and the procedures presented below.

Volati proceeds from the definition of risk as "A future event that threatens the company's ability to achieve its Vision, Business Concept, Objectives and Strategy (VAMS)." Volati and the business units are to individually conduct an annual assessment of overall risks, with the aim of identifying, evaluating and managing risks that threaten the Group's vision, business concept, objectives and strategy. The risk assessment is to be performed by the management of each company, within the framework of strategic risk categories, as well as operational, compliance and financial risks.

Identified risks are analysed based on the following three criteria:

1. Impact on the business concept, vision and objectives. The rating scale has an interval from "low" to "high."
2. The probability that the risk will occur within the planning period. The rating scale has an interval from "unlikely" to "likely."
3. The efficiency of existing control activities is qualitatively evaluated, in accordance with separate instructions.

The risks are documented in a uniform format. The business unit's management annually presents an updated risk analysis to its board and the Company's group management. Based on the business units' reporting, the CEO identifies the risks impacting the Group's business concept, vision and objectives. The CEO presents an updated risk analysis to the Company's board annually. Significant changes in the risk situation or major risk exposures are reported to each board concerned. An action plan with respect to the risks of highest priority is also presented to the respective business unit's board, and the Company's group management and board.

The Company's group management and respective business units are to establish a number of control activities that counteract the risks of greatest significance identified by the analysis, with the aim of ensuring a pertinent level of control. These control activities serve as a basis for the minimum level of control that must be established and function within the Group and each business unit.

The Group and each business unit is to maintain a list of identified risks and the control activities that must be established in order to counteract such risks, as well as a description of the follow-up on the efficiency of such control activities.

A self-assessment on minimum requirements is to be conducted annually and reported to the boards of each business unit. The managing director of each business unit is responsible for the self-assessment process. The CEO is to create an annual summary of the principal conclusions of the business units' self-assessments to the Company's board.

Volati has not appointed any internal audit function, as this is deemed unnecessary for maintaining internal control. Instead, the corresponding assignment will be implemented by management, the boards and external auditors.

Shares, share capital and ownership structure

Shares and share capital, etc.

Volati's shares have been issued in accordance with Swedish law and are electronically registered to holders at Euroclear. Euroclear also maintains the Company's share register. The Company's shares are denominated in Swedish kronor (SEK).

According to the Articles of Association, the Company's share capital shall amount to a minimum of SEK 5,000,000 and a maximum of SEK 20,000,000, distributed over a minimum of 40,000,000 and a maximum of 160,000,000 shares. Further to the Articles of Association, the Company may issue shares of two share classes, Common Shares and Preference Shares. At year-end 2015/2016, there was a total of 202,000,000 Common Shares and 8,018,867 Preference Shares. At the date of this Prospectus, there is a total of 59,544,502 Common Shares and 1,603,774 Preference Shares. Volati's share capital is SEK 7,643,534.50, distributed over 61,148,276 shares.

All of the shares are issued and fully paid for, and each has a quotient value of SEK 0.125. No shares in the Company are held by the Company itself, on its behalf or by its subsidiaries. The Company is a limited liability company and is regulated by the Swedish Companies Act (2005:551). The rights associated with the shares in accordance with the Company's Articles of Association may only be changed pursuant to the regulations of the Swedish Companies Act.

Share capital trend

The table below presents changes in share capital as of the company's formation.

Date	Event	Change in no. of Common Shares	Change in no. of Preference Shares	Total no. of shares	Change in share capital	Total share capital	Quotient value
1998	New formation	1,000	–	1,000	100,000	100,000	100
2006	Bonus issue	49,000	–	50,000	4,900,000	5,000,000	100
2007	Share split 400:1	19,950,000	–	20,000,000	–	5,000,000	0.25
2011	Warrants	505,656	–	20,505,656	126,414	5,126,414	0.25
2011	Decrease through withdrawal of shares	–305,656	–	20,200,000	–76,414	5,050,000	0.25
2015	Share split 10:1	181,800,000	–	202,000,000	–	5,050,000	0.025
2015	New share issue	–	6,603,773	208,603,773	165,094.3	5,215,094.3	0.025
2015	Private placement to principal owner	–	1,415,094	210,018,867	35,377.3	5,250,471.7	0.025
2016	Non–cash issue 1)	95,722,508	–	305,741,375	2,393,062.7	7,643,534.4	0.025
2016	New share issue 2)	2	3	305,741,380	0.125	7,643,534.5	0.025
2016	Reverse share split 1:5	–238,178,008	–6,415,096	61,148,276	–	7,643,534.5	0.125
2016	*New share issue in connection with the Offering 3)*	*20,862,069*	–	*82,010,345*	*2,607,758.625*	*10,251,293.13*	*0.125*

1) In January 2016, the announced share swap in Volati AB (publ) approved by the general meeting was implemented, whereby Patrik Wahlén (board member), Mårten Andersson (CEO) and Mattias Björk (CFO) through a non-cash issue swapped their shares in Volati 2 AB for shares in Volati AB (publ).

2) In connection with the reverse share split in September 2016, three Preference Shares and two Common Shares were issued with the aim of achieving an even number of shares in the Company before the implementation of the reverse split. The Preference Shares were issued at an exercise price of SEK 106 per Preference Share and the Common Shares were issued at a subscription price of SKE 0.025 per Common Share (corresponding to the shares' quotient value at the time).

3) Due to technical reasons pertaining to the share issue and in order to facilitate delivery of the newly issued Common Shares (excluding the Common Shares that will be issued in connection to a potential utilisation of the Overallotment Option) will be subscribed for by Nordea at a subscription price corresponding to the quotient value of the shares of SEK 0.125. On the settlement date, after the Common Shares have been paid for by, and delivered to, the investors who have been alloted shares in the Offering, Nordea will be obligated to, as an additional consideration for the Common Shares, transfer to the Company an amount per Common Share in the Offering corresponding to the difference between the Offering Price of SEK 58 and the, by Nordea paid, subscription price of SEK 0.125 per subscribed share. The table includes a fully exercised Overallotment Option of 1,896,551 Common Shares.

Ownership structure

The tables below present information concerning the largest holders of shares before the Offering (the date of this Prospectus) and after the Offering, respectively.

Largest shareholders in the Company before the Offering	No. of Common Shares	No. of Preference Shares	Total no. of shares issued	Capital %	Votes %
Karl Perlhagen	34,440,000	204,174[1)]	34,644,174	56.66	57.72
Patrik Wahlén	19,391,782	8,929	19,400,711	31.73	32.48
Mårten Andersson	2,856,360	1,887	2,858,247	4.67	4.78
Mattias Björk	2,856,360	1,887	2,858,247	4.67	4.78
Övriga	–	1,386,897	1,386,897	2.27	0.23
Total	**59,544,502**	**1,603,774**	**61,148,276**	**100.0**	**100.0**

1) Held through company.

Largest shareholders in the Company after the Offering (assuming the Offering is fully subscribed and the Overallotment Option is fully exercised)	No. of Common Shares	No. of Preference Shares	Total no. of shares issued	Capital %	Votes %
Karl Perlhagen	34,440,000	204,174[1)]	34,644,174	42.24	42.77
Patrik Wahlén	19,046,954	8,929	19,055,883	23.24	23.64
Didner & Gerge Fonder AB	4,310,344	–	4,310,344	5.26	5.35
The Fourth Swedish National Pension Fund (AP4)	3,448,275	–	3,448,275	4.20	4.28
Handelsbanken Fonder AB	2,586,206	–	2,586,206	3.15	3.21
Mårten Andersson	2,511,532	1,887	2,513,419	3.06	3.12
Mattias Björk	2,166,705	1,887	2,168,592	2.64	2.69
Peter Lindell[2)]	1,724,137	31,765	1,755,902	2.14	2.14
Mats Andersson	1,379,311	–	1,379,311	1.68	1.71
Other	8,793,107	1,355,132	10,148,239	12.37	11.08
Total	**80,406,571**	**1,603,774**	**82,010,345**	**100.00**	**100.00**

1) Held through company
2) Held privately and through controlled companies.

Warrants

Volati has one warrants programme outstanding, for Voria Fattahi, which is presented in the table below. The programme has been recalculated taking into account the reverse share split of September 2016.

Issued warrants	Highest no. of Common Shares based on warrants outstanding	Highest increase in share capital	Highest increase in No. of shares and votes (after Offering, assuming the Offering is fully subscribed and the Overallotment Option is fully exercised)
Issued warrants of series 2016/2019	834,914	SEK 104,364.25	Approximately 1.02 percent of the shares and approximately 1.03 percent of the votes

Shareholders' rights

General meeting and voting rights

Each Common Share entitles the holder to one (1) vote and each Preference Share entitles the holder to one-tenth (1/10) of a vote at the general meeting, and every shareholder who is entitled to vote may vote for the full number of owned and represented shares without being subject to any limitations in voting rights. Shareholder rights may only be amended by the general meeting in accordance with the Swedish Companies Act.

To participate in the general meeting, a shareholder must be listed in a transcript of the share register with respect to the conditions five weekdays prior to the meeting and shall have registered with the Company by no later than the date set forth in the notice of the meeting.

Preferential rights to new shares, etc.

If the Company decides to issue new shares through a cash or offset issue, the shareholders as a main rule have preferential rights to subscribe for new shares of the same share class in relation to the number of shares the holder already owns (primary preferential rights). Shares not subscribed for on the basis of primary preferential rights shall be offered for subscription to all shareholders (subsidiary preferential rights). If the Company decides to issue new warrants or convertibles through a cash or offset issue, the shareholders have, as a general rule, preferential rights in relation to the number of shares they already own.

Right to dividends and surpluses upon dissolution

Entitlement to receive any dividends is limited to those who are registered in the shareholders' register maintained by Euroclear Sweden on the record date determined by the general meeting of shareholders. If a shareholder cannot be reached through Euroclear Sweden, the shareholder's claim on the Company remains in respect of the dividend amount and is limited solely through regulations governing the statute of limitations. Should the claim become barred by the statute of limitations, the dividend amount is forfeited to the Company. Neither the Swedish Companies Act nor Volati's Articles of Association contain any restrictions regarding the right to dividends to shareholders outside Sweden. Apart from the restrictions pursuant to banking and clearing systems, payments to such shareholders are made in the same manner as those made to shareholders domiciled in Sweden. However, for shareholders that are limited tax subjects in Sweden, Swedish withholding tax is normally payable; refer to the "*Certain tax issues in Sweden*" section on page 100.

The Preference Shares have priority over the Common Shares to an annual dividend of SEK 40 per Preference Share (defined as a "Preference Dividend" in the Company's Articles of Association; refer to the "*Articles of Association*" section on page 89), with quarterly disbursements as of the date of the first disbursement. Dividends are subject to the approval of the general meeting. The record date for a dividend is 5 February, 5 May, 5 August and 5 November, or the bank day immediately prior, if the record day falls on a public holiday. Preference Shares otherwise entail no rights to dividends. If, during a quarter, the general meeting should resolve not to issue a dividend or issue a dividend that is less than the Preference Dividend, the Preference Shares shall entail a right to, in addition to future Preference Dividends, receive an amount evenly distributed over each Preference Share, corresponding to the difference between the amount that would have been paid out and the actual amount paid out (defined as "Amount Outstanding" in the Company's Articles of Association, refer to the "*Articles of Association*" section on page 89). No dividends may be paid to holders of Common Shares until the holders of Preference Shares have received Preference Dividends in full, including any Amount Outstanding. The Articles of Association includes a restriction concerning value transfers to Common Shares under certain circumstances. Pursuant to § 6.3 of the Company's Articles of Association, distributions are limited in the event the quota (the preference share quota) of (a) the aggregate sum of all outstanding Preference Shares (calculated with SEK 575 per Preference Share) divided by (b) the Group's reported EBITDA for the last twelve months, exceeds five (5). As per 30 September 2016, this preference share quota amounted to 2.36. Distribution to Common Shares is also restricted, pursuant to the Articles of Association, in the event the Company has not, in accordance with its Articles of Assocation, duly paid out distribution to the Preference Shares.

Following resolution by the general meeting, Preference Shares may be redeemed, in part or in whole, at a set amount: until the fifth anniversary of the first issue of Preference Shares (defined as the "Initial Issue" in the Company's Articles of Association, refer to the "*Articles of Association*" section on page 89), an amount equivalent to (i) SEK 725, plus (ii) any accrued portion of the Preference Dividend, plus (iii) any Amount Outstanding adjusted upwards by annual interest as per above. However, the redemption amount for every redeemed preference share shall never be below the share's quotient value. As of the fifth anniversary of the Initial Issue, the percentage according to point (i) above shall be SEK 675 and as of the tenth anniversary of the Initial Issue and thereafter, an amount equivalent to SEK 625. All Common Shares entitle the holder to an equal share in Volati's assets, profits and any surpluses in the event of liquidation. In the event of the Company's dissolution, Preference Shares shall have priority over Common Shares to receive, from the Company's assets, an amount per Preference Share corresponding to the redemption amount applicable at that time, before any distribution to holders of Common Shares. Preference shares shall otherwise not confer any entitlement to any additional dividend.

For further description of the specific terms that apply to Preference Shares, refer to the "*Articles of Association*" section on page 89.

Authorisation for the board

The extraordinary general meeting on 15 September 2016 resolved to authorise the board to decide on a new issue of Common Shares, with or without deviation from the shareholders' preferential rights within the limits set by the Articles of Association. The objective is to utilise the authorisation in connection with the Offering. Payment for subscribed shares can be made in cash, by offset or through payment with a non-cash consideration. The issue authorisation was registered with the Swedish Companies Registration Office on 19 September 2016. The 2016 AGM resolved to authorise the board to repurchase and transfer own shares under certain conditions and on certain terms.

Dividend and dividend policy

Volati's board has, subject to the completion of the Offering, adopted a dividend policy entailing that dividends on Common Shares shall correspond to 10-30 percent of the Group's net profit attributable to the parent company's owners. When assessing dividends, consideration is given to future acquisition potential, development potential in existing companies, the Group's financial position and other factors deemed to be significant by Volati's board of directors. Dividends on Preference Shares are to be issued at an annual amount of SEK 40.00 per Preference Share, through quarterly payments of SEK 10.00, in accordance with the Articles of Association.

Central securities depositary

The Company's shares shall be registered in a control registry in accordance with the Act on Accounting of Financial Instruments (1998:1479). The register is maintained by Euroclear Sweden AB, PO Box 191, SE-101 23 Stockholm, Sweden. No share certificates are issued for the Company's shares. Nordea Bank AB (publ) is the account-operating institute. The ISIN code for the Common Shares is SE0009143662 and the ISIN code for the Preference Shares is SE0009143670.

Undertaking to refrain from selling and issuing shares

The Main Shareholders, shareholding board members and senior executives in the Company have entered into lock-up undertakings and have committed, with some reservations and exceptions, to the Joint Global Coordinators that for a period of 360 days from the first day of trading in the Company's Common Shares on Nasdaq Stockholm, not to, without the prior written approval from the Joint Global Coordinators, (i) offer, pledge, sell, contract to sell, sell or purchase options or a right to purchase or sell or otherwise transfer or divest, directly or indirectly, any shares in the Company or any other securities which are convertible to or can be exercised or exchanged for such shares, (ii) enter into swap arrangements or other arrangements which wholly or partly assign to another the financial risk associated with ownership of shares in the Company. Exceptions apply to divestures within the Offering, any acceptance of, or any undertaking to accept, a third-party takeover offer in accordance with Swedish takeover rules provided that the offer is made on terms that treat all shareholders alike, transfers of shares in connection with an offer by the Company to purchase its own shares provided that the offer is made on terms that treat all shareholders alike, transfers of shares in the Company to a wholly-owned company or a capital insurance held by such Main Shareholder, shareholding board member or senior executive in the Company provided that the company or the capital insurance trustee undertakes to be bound by the lock-up undertaking, transfers of shares in the Company required by law or by order or ruling by a court or public authority, any use of shares or other financial instruments as collateral or security for loans (however, this exception shall not apply to Main Shareholders who are board members of the Company), sales of shares by a Main Shareholder to minority shareholders in Volati Parts AB and dispositions of Preference Shares in the Company to another person who are a person discharging managerial responsibilities pursuant to Regulation (EU) No 596/2014 on market abuse. In addition, the Company has made the same undertakings, with some reservations and exceptions, to the Joint Global Coordinators for a period of 180 days from the first day of trading on Nasdaq Stockholm. Exceptions apply to issues of shares or other financial instruments as payment-in-kind in connection with acquisitions by the Company, issues of subscription warrants in connection with incentive programs duly approved by the Company's general meeting and dispositions of the Company's Preference Shares aqcuired by the Company as payment-in-kind in connection with acquisitions by the Company based in authority resolved upon by the Company's general meeting. Following the expiration of the lock-up periods, the shares may be offered for sale, which may affect the market price of the shares.

Agreements between current shareholders

Insofar as the board of the Company is aware, there are no shareholder agreements, other agreements or the equivalent that could lead to any change in control of the Company. However, refer to the "*Shareholder agreement*" section on page 94.

Articles of association

§ 1. Company name

The company's registered name is Volati AB. The company is a public limited company (publ).

§ 2. Registered office

The registered office of the Board of Directors shall be in the municipality of Stockholm.

§ 3. Operations

The company shall own and manage shares in companies and conduct management consulting operations and activities consistent therewith.

§ 4. Share capital

The share capital shall be a minimum of SEK 5,000,000 and a maximum of SEK 20,000,000.

§ 5. Number of shares

The number of shares shall be a minimum of 40,000,000 and a maximum of 160,000,000.

§ 6. Classes of shares

1. Share types

Two classes of shares may be issued: common shares and preference shares. Shares of each share class can be issued in a number corresponding to the full share capital with the limit pursuant to item 3 below.

2. Number of votes

Each common share entitles the holder to one (1) vote. Each preference share entitles the holder to one-tenth (1/10) of a vote.

3. Limitation regarding issuance of preference shares and value transfer in certain cases

If and as long as (i) the preference share ratio, calculated in the manner specified below, (the "**Preference Share Ratio**") exceeds five (5), or would exceed five (5) following the issue of additional preference shares, or (ii) an Amount Outstanding (in accordance with the definition below) accrues on the preference shares, decisions may not be made on:

1) issues of additional preference shares, or
2) value transfer to holders of common shares.

The Preference Share Ratio is:

$$\frac{A}{B}$$

where:

A is the sum of the Preference Share Amount (as defined below) at the time of the decision adjusted for all preference shares outstanding, and

B is the group's (where the company is the parent company) EBITDA for the last 12 months (according to the latest interim report issued by the company's board of directors).

The "**Preference Share Amount**" refers to SEK 575 per preference share.

"**All preference shares outstanding**" refers to the total number of registered preference shares with the addition of approved, but not registered, new issues of preference shares, preference shares that may be added through the conversion or utilisation of convertibles and warrants, and preference shares that may be issued in accordance with other financial instruments, less such preference shares held by the company itself, and such preference shares that are subject to redemption following a resolution by the general meeting or the Board of Directors.

4. Preference shares' right to dividends

If the general meeting resolves to approve a dividend, the preference shares shall carry with them preferential rights over the common shares as stipulated below.

Priority on dividends per preference share ("**Preference Dividend**") shall amount to one fourth of the annual Preference Dividend ("**Annual Preference Dividend**") at the time of payment, with record dates as indicated below.

As of the first payment date for the Preference Dividend, the Annual Preference Dividend shall be SEK 40.00 per preference share.

Dividends on preference shares are to be paid quarterly in SEK. Record dates for dividends shall be 5 February, 5 May, 5 August and 5 November. If such a date is not a bank day, the record date shall be the bank day immediately prior. Payment of dividends on preference shares shall take place the third bank day after the record date. A "bank day" means a day in Sweden that is not a Sunday or other holiday or which in the payment of promissory notes is equivalent to a public holiday (such equivalent days are presently Saturday, Midsummer's Eve, Christmas Eve and New Year's Eve).

If no Preference Dividend has been paid on preference shares, or if only a dividend less than the Preference Dividend has been paid, the preference shares shall carry a right, in addition to future Preference Dividends, to receive an amount evenly distributed over every preference share, equivalent to the difference between what would have been paid out as per the above and the amount paid out ("**Amount Outstanding**"). The Amount Outstanding shall be adjusted upwards by a factor equivalent to an annual interest rate of 10.5 percent, whereby adjustment shall be made beginning with the quarterly time when payment of a part of the Preference Dividend occurred (or should have occurred if no dividend was paid at all). The distribution of the Amount Outstanding also presupposes that the General Meeting resolve to approve the dividend.

Preference shares shall otherwise not entail any right to a dividend.

5. Redemption of preference shares

A reduction of the share capital, although not below the minimum capital, can take place through the redemption of a certain number of or all of the preference shares after a board decision. When a redemption decision is made, an amount corresponding to the reduction amount shall be allocated to the statutory reserve if requisite funds for this are available.

The distribution of which preference shares shall be redeemed shall take place *pro rata* in relation to the number of preference shares owned by each preference shareholder. If distribution as stated above does not work out evenly, the board shall make a decision on the distribution of surplus preference shares which are to be redeemed. If the decision is approved by all holders of preference shares, the board may, however, decide which preference shares are to be redeemed.

The redemption amount for each redeemed preference share shall be an amount calculated as follows:

A. Until the fifth anniversary of the initial registration of the issue of preference shares (the "Initial Issue"), an amount equivalent to (i) SEK 725, plus (ii) any accrued portion of the Preference Dividend, plus (iii) any Amount Outstanding adjusted upwards by an amount equivalent to the annual interest rate as per item 4 above. However, the redemption amount for every redeemed preference share shall never be below the share's quotient value.

B. As of the fifth anniversary of the Initial Issue until to the tenth anniversary of the Initial Issue, an amount equivalent to (i) SEK 675, plus (ii) any accrued portion of the Preference Dividend, plus (iii) any Amount Outstanding adjusted upwards by an amount equivalent to the annual interest rate as per item 4 above. However, the redemption amount for every redeemed preference share shall never be below the share's quotient value.

C. As of the tenth anniversary of the Initial Issue and for the time thereafter, an amount corresponding to (i) SEK 625, plus (ii) any accrued portion of the Preference Dividend, plus (iii) any Amount Outstanding adjusted upwards by an amount corresponding to the annual interest rate as per item 4 above. However, the redemption amount for every redeemed preference share shall never be below the share's quotient value.

"**Accrued portion of the Preference Dividend**" refers to the accrued Preference Dividend for the period beginning with the day after the latest record date for dividends on preference shares until the date for payment of the redemption amount. The number of days shall be calculated based on the actual number of days in relation to 90 days.

6. Dissolution of the company

In the event of the dissolution of the company, preference shares shall confer a preferential right over common shares to receive from the company's assets an amount per preference share (the "**Liquidation Amount**"), equivalent to the redemption amount calculated as per item 5 above at the time of the dissolution, distributed evenly over each preference share, before distribution is made to holders of common shares. Preference shares shall otherwise not entail any right to a distribution share.

7. Recalculation in the event of certain corporate events

In the event the number of preference shares changes through a reverse split, split or other similar corporate event, the amounts to which the preference share provides entitlement as described in items 4-6 in this § 6 are recalculated to reflect this change.

8. Preferential rights

If the Company decides to issue new shares of different classes through a cash or offset issue, the holders of common shares and preference shares have preferential rights to subscribe for new shares of the same share class in relation to the number of shares of the same class the holder already owns (primary preferential rights). Shares not subscribed to on the basis of primary preferential rights shall be offered for subscription to all shareholders (subsidiary preferential rights). If shares offered accordingly do not suffice for the subscription that takes place with subsidiary preferential rights, the shares shall be distributed between the subscribers in relation to the total number of shares they already own in the company, regardless of whether or not their shares are common shares or preference shares. Insofar as this cannot take place with regard to certain share(s), the distribution shall take place by lottery.

If the company decides to issue new shares of only one class through a cash or offset issue, the holders of shares of the class being issued shall have preferential rights to subscribe for new shares in relation to the number of shares of the same class the holder already owns (primary preferential rights). Shares not subscribed to on the basis of primary preferential rights shall be offered for subscription to all shareholders (subsidiary preferential rights). If shares offered accordingly do not suffice for the subscription that takes place with subsidiary preferential rights, the shares shall be distributed between the subscribers in relation to the total number of shares they already own in the company, regardless of whether or not their shares are common shares or preference shares. Insofar as this cannot take place with regard to certain share(s), the distribution shall take place by lottery.

Should the Company decide to issue warrants or convertibles through a cash issue or offset issue, the shareholders shall have preferential rights to subscribe to warrants as if the issue concerned the shares that may be newly subscribed on the basis of the warrants or preferential rights to subscribe to convertibles as if the issue applied to the shares for which the convertibles may be exchanged.

That stated above shall not entail any restriction on the possibility of deciding on a cash issue or offset issue deviating from the shareholders' preferential rights.

Increase in the share capital through a bonus issue with the issue of shares may only take place through the issue of common shares. Thereby, only the common shareholders have a preferential right to the new common shares distributed according to the number of common shares they already own. That stated above shall not entail any restriction on the possibility of issuing a new class of shares through a stock dividend, or after requisite modification of the Articles of Association.

§ 7. Board of Directors

The Board of Directors shall consist of a minimum of three and maximum of ten board members with no deputy board members.

§ 8. Auditors

For the audit of the limited company's annual report and accounts as well as the board's and CEO's management, one or two auditors with or without deputy auditors shall be appointed.

§ 9. Convening notice

The general meeting of shareholders shall be convened through a notice in Post- och Inrikes Tidningar (the Official Swedish Gazette) and on the company's website. An announcement that notice has been given shall be published in Svenska Dagbladet.

Shareholders who want to participate in the general meeting shall register this with the company no later than the date stated in the convening notice to the general meeting. The aforementioned date may not be a Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and may not fall earlier than the fifth weekday prior to the general meeting.

Shareholders may bring with them a maximum of two assistants to the general meeting although only if the shareholder registers the number of assistants with the company in the manner stated in the previous paragraph.

§ 10. Matters at the Annual General Meeting

The following matters shall be addressed at the Annual General Meeting:

1. Election of the Chairman of the General Meeting.
2. Preparation and approval of the voting list.
3. Election of one or two persons to verify the minutes.
4. Determination as to whether the general meeting has been duly convened.
5. Approval of the agenda.
6. Submission of the annual report and the auditor's report.
7. Resolutions on
   a. adoption of the income statement and balance sheet and, where appropriate, consolidated income statement and consolidated balance sheet,
   b. the appropriation of the company's profit or loss as per the adopted balance sheet and
   c. discharge from liability for the board members and the CEO.
8. Determination of remuneration of the board and the auditors.
9. Elections to the board and of the chairman of the board and, where necessary, appointment of auditors.
10. Other matters that shall be brought up at the general meeting pursuant to the Swedish Companies Act (2005:551) or the Articles of Association.

§ 11. Financial year

The limited company's financial year shall be 1 January-31 December.

§ 12. Special majority requirements

In addition to possible special majority requirements pursuant to the current Swedish Companies Act, the following shall apply.

Decisions on (i) a new issue of shares with a better right to the company's profit or assets than the preference shares, and (ii) decisions on a change of this § 12 are only valid if they are supported by at least two thirds of the preference shares represented at the general meeting.

§ 13. Record day provision

The company's shares shall be registered in a control registry in accordance with the Act on Accounting of Financial Instruments (1998:1479).

Adopted at the Extraordinary General Meeting of 15 September 2016.

Legal considerations and other information

General

The Company's registered name is Volati AB (publ). The Company's corporate registration number is 556555-4317. The Company is a Swedish public limited-liability company with its registered office in Stockholm and uses the trade name Volati. The Company was founded on 17 April 1998 and registered with the Swedish Companies Registration Office on 23 April 1998, and the Company's shares are not subject to any time limit. The Company's legal status is regulated by, and its shares have been issued in accordance with, the Swedish Companies Act.

Volati AB (publ) is the parent company of a group that consists of, *inter alia*, three business areas, 13 business units and a total of 89, directly or indirectly, part or wholly owned subsidiaries (of which 56 are Swedish).

Significant agreements

Corporate acquisitions and divestments

The main agreements entered into since 2013 that pertain to acquisitions and divestments, and which are of material significance for the Group or which could entail a material right or obligation for the Group, are set out below.

Divestment TeamOlmed

In October 2013, TeamOlmed was divested by Volati to the Icelandic Össur Group. At the time of divestment, TeamOlmed was Sweden's largest supplier of orthopaedic solutions and prostheses. The agreement between Volati and Össur contained customary guarantees the majority of which expired on 1 April 2015 (except those pertaining to tax which expire in October 2020). No claims under these guarantees or any other claims have been levelled at Volati and since Volati took out an M&A insurance in conjunction with the acquisition, any claims under the guarantees will not impact Volati in the final instance.

Acquisition of me&i

In December 2013, Volati acquired 60 percent of the shares in the holding company for me&i from Barsebäcksby Förvaltnings AB, which is owned by me&i's founders Helene Nyrell and Susan Engvall. Part of the acquisition was in the form of a new private placement in the target company, which thereby entered into equity. The agreement between Volati and Barsebäcksby Förvaltnings AB contained customary guarantees the majority of which expired in May 2015. No claims under these guarantees or any other claims have been made by Volati. me&i was consolidated into the Group's financial statements from 1 December 2013.

In October 2016, the ownership of me&i's holding company was restructured and thereafter, me&i is owned 65 percent by Volati, 20 percent by Nyrell Four AB (owned by Helene Nyrell) and 15 percent by Nordström Retail Holding AB (owned by Johan Nordström, CEO of me&i). In conjunction with this conditional shareholders' contributions were made to the holding company, of which Nyrell Four AB's shareholders' contribution was in the amount of SEK 13,606,800. Further, in conjunction with the restructuring, Volati undertook to pay a possible earn-out, based on the profit for the 2016 financial year, to Barsebäcksby Förvaltnings AB of SEK 10.4m at the highest.

Acquisition of NaturaMed Pharma

In May 2014, Volati acquired all of the shares in NaturaMed Pharma AB and NaturaMed Pharma AS from Bringwell AB (publ) and Bringwell Holding AS respectively for a total consideration of SEK 308m on a cash and debt free basis. The agreement between Volati and Bringwell contained customary guarantees the majority of which expired in May 2016 as well as a letter of indemnity pertaining to a historical tax risk that expires in May 2018. No claims under these guarantees or any other claims have been levelled at Volati. NaturaMed Pharma was consolidated into the Group's financial statements from 4 June 2014.

Acquisition of Besikta Bilprovning

In conjunction with the restructuring of the ownership of AB Svensk Bilprovning in 2013, FBYB Holding AB, which was previously owned by 12 minority shareholders in AB Svensk Bilprovning, became the sole owner of the company known today as Besikta Bilprovning. In 2013, Besikta had a network of 56 vehicle inspection stations in south-west Sweden and the Mälardalen region. In conjunction with FBYB Holding AB becoming the owner of Besikta Bilprovning in 2013, an agreement was entered into by FBYB Holding AB and Volati that Volati would manage the operations and exercise controlling influence over Besikta Bilprovning. FBYB Holding AB also granted Volati AB an option to acquire all of the shares in Besikta Bilprovning in 2015. Besikta Bilprovning was consolidated into the Group's financial statements from 18 March 2013.

In February 2015, the option was exercised and Volati acquired all of the shares in Besikta Bilprovning i Sverige Holding AB from FBYB Holding AB in March 2015. With the exception of title, the contract included no guarantees. The total purchase price amounted to approximately SEK 300m.

Acquisition of Lomond Industrier

Through the holding company Volati Parts AB, Volati acquired all of the shares in Lomond Industrier (the group of companies that included the business units: Thomée, Habo, Bårebo Nordic, Sørbø and Industribeslag) in August 2016. In conjunction with the acquisition, a share buy-back programme was set up for the previous owner Mats Andersson and certain senior executives in Lomond Industrier, through the holding company Volati Parts AB. Volati thereby gained ownership of 74 percent of the holding company Volati Parts AB and the remaining 26 percent of the shares were owned by senior executives and the previous owner. The total purchase price for all shares in Lomond Industrier amounted to approximately SEK 525m, of which Volati's part amounted to SEK 389m. The agreement between Volati and the sellers contains customary guarantees the majority of which expire in August 2017. In conjunction with the acquisition, Volati took out an M&A insurance and Lomond Industrier took out an environmental insurance, which means that any guarantee claims will be directed at the insurance companies and not the sellers. Lomond Industrier has an outstanding earn-out payment, which will be based on Sørbø's profit for the 2016 financial year, which is included in the Group's balance sheet.

Acquisition of ClearCar

In April 2016, Volati acquired all of the shares in ClearCar AB from the group of sellers comprising the founders and investors for a purchase price of approximately SEK 40m on a cash and debt free basis. The background behind the acquisition was the withdrawal of ClearCar's inspection accreditation in February 2016 by the supervisory body Swedac, on the grounds of deficiencies in the inspection operations. There was on an ongoing dispute on this issue between ClearCar and Swedac at the acquisition date. The Swedish Administrative Court had suspended Swedac's decision and ClearCar had regained its accreditation until further notice. Following the integration of ClearCar into Besikta Bilprovning, re-accreditation has been carried out and the stations are now covered by Besikta Bilprovning's accreditation. Swedac's decision regarding ClearCar has thus been set aside and the Administrative Court has closed the case regarding ClearCar's appeal against Swedac's decision. The agreement between Volati and the sellers contained customary guarantees the majority of which expire in spring 2017. No claims under these guarantees or any other claims have been made by Volati. ClearCar was consolidated into the Group's financial statements from April 2016.

Acquisition of Pagnol Gruppen

In May 2016, Volati acquired all of the shares in Pagnol Gruppen AB from Lusso Gruppen AB for a total purchase price of approximately SEK 114m. The agreement between Volati and Lusso Gruppen AB contained customary guarantees the majority of which expire in May 2017, with the exception of guarantees given regarding permits and the environment which expire in May 2018. Pagnol Gruppen AB is the parent company in the Miljöcenter business unit and, accordingly, the acquisition comprised an acquisition in the Trading Business Area. The Miljöcenter business unit has been consolidated into the Group's financial statements from May 2016.

Acquisition of Lantbutiken

In July 2016, Volati acquired all of the shares in Lantbutiken Sverige AB from Iza Enterprises AB for approximately SEK 21m. The share transfer agreement contained customary guarantees the majority of which expire in July 2018. The acquisition was an add-on acquisition in the Kellfri business unit and has been consolidated into the Group's financial statements from July 2016.

Acquisition of Ventotech

In March 2016, Volati acquired all of the shares in Ventotech AB from the group of sellers comprising the founders and investors for an initial purchase price of about SEK 2.6m. In addition, Volati has undertaken to pay a smaller earn-out should Ventotech be granted a certain patent and, in addition to that, a fee over a defined period based on the number of units sold that use the algorithm defined in the patent. The Company does not expect the earn-out to exceed SEK 2m.

Acquisition of a minority holding in Volati Parts

In October 2016, Volati entered into an agreement with Mats Andersson to acquire his 18 percent shareholding in Volati Parts AB. The acquisition is conditional on the completion of the Offering. Through the acquisition, Volati increases its shareholding in Volati Parts AB (the indirect holding company in the business units Thomée, Habo, Bårebo Nordic, Sørbø, Industribeslag, Kellfri and Miljöcenter) to 92 percent. Mats Andersson has undertaken to use the entire acquisition proceeds he receives from Volati to purchase Common Shares from the Main Shareholders. Refer to "*Acquired, not possessed, shares*" on page 70 for more information.

Financing agreements

Financing arrangements with Nordea

Volati Treasury AB has entered into a credit facility agreement, which was originally entered into in November 2014 and thereafter changed, with Nordea Bank AB (publ) for a total facility of SEK 1.15bn, of which SEK 200m comprises an overdraft facility linked to the Group's cash pool arrangement, SEK 400m comprises non-current loans that are not amortised and SEK 550m is a non-current loan that is amortised with equal amounts each quarter. The credit facility agreement is subject to a multi-step, floating interest rate linked to the Group's net debt to EBITDA ratio. The last repayment date for all loans is 31 March 2020. The SEK 200m overdraft facility is renewed each year and loans outstanding under the overdraft facility should also be repaid on 31 March 2020. The agreement comprises standard covenants, including financial covenants to achieve certain financial key metrics with respect to senior net debt in relation to EBITDA (known as Net debt/adjusted EBITDA), the furnishing of financial and other information, as well as other obligations that include limitations with respect to entering into new loans (with certain exceptions), negative clauses with respect to the issue of collateral and guarantees (with certain exceptions), as well as restrictions with respect to acquisitions and divestments. The agreement also includes standard termination clauses, including an owner clause that means the loan can be called in for immediate repayment to Nordea if Volati's main shareholder Karl Perlhagen should cease to own, directly or indirectly, shares controlling more than 50 percent of the votes in Volati Treasury AB. To meet commitments under the credit agreement, collateral has been pledged in the form of shares in the Group's subsidiaries, properties owned by the Group and floating charges on various companies in the Group. No companies in the Group have breached any undertakings or obligations under the existing credit facility agreement. In conjunction with the completion of the Offering, the existing credit facility agreement will be replaced by a new financing arrangement with Nordea.

On 25 October 2016, the Company entered into a credit facility agreement with Nordea regarding a SEK 750m credit facility, of which SEK 550m pertains to a revolving credit facility and SEK 200m to an overdraft facility linked to the Group's cash-pool arrangement, which shall replace the existing credit facility. The new credit facility agreement is conditional on the completion of the Offering and on the Company providing the customary documentation. The agreement comprises standard covenants, including financial covenants to achieve certain financial key metrics with respect to senior net debt in relation to EBITDA (known as Net debt/adjusted EBITDA), the furnishing of financial and other information, as well as other obligations that include limitations with respect to entering into new loans (with certain exceptions such as the Company being allowed to commit to new debt with the condition that the new debt is unsecured and ranked pari passu with the Credit Facility Agreement), negative clauses with respect to the issue of collateral and guarantees (with certain exceptions), as well as restrictions with respect to divestments. The agreement comprises standard termination clauses. The agreement also includes what is known as an owner clause, which entails that the loan can be called in for immediate repayment to Nordea if the Company's shares cease to be listed on Nasdaq Stockholm or if a party, who did not own a shareholding of at least 30 percent of the votes and capital in the Company at the time the Credit Facility Agreement was entered into, acquires shares controlling 30 percent or more of the votes and capital. Furthermore, the Company must provide a guarantee commitment as collateral for all of the Group companies' commitments to Nordea which include, *inter alia*, commitments under factoring, leasing and cash pool agreements. Those shareholders who have made shareholder loans to the Group companies must also enter into subordination agreements with Nordea through which, under certain conditions, these creditors' claims become subordinate to Nordea's claims under the credit facility agreement or alternatively internal loans directly or indirectly from the Company. The Credit Facility Agreement will not be secured by pledging collateral in the form of the Group's assets. The last repayment date is 31 March 2020 and applies for all loans and includes renewal of the overdraft facility each year. Any loans outstanding under the overdraft facility should also be repaid on 31 March 2020.

Since the new credit facility agreement is conditional on the completion of the Offering, the new credit facility agreement will not enter force until after completion of the Offering. Refinancing will be carried out with part of the emission proceeds and therefore take place first on the settlement date, whereupon the current credit facility agreement will cease to apply. In conjunction with the refinancing, existing collateral under the current credit facility agreement will be released. If the Offering is not completed, the current credit facility agreement will continue to apply in accordance with its terms and conditions.

Shareholder loan agreements

Group companies with shareholder loans from minority shareholders exist further down the Group's structure, as is apparent in the Company's financial statements. For example, Volati Parts AB has received a shareholder loan amounting to SEK 86.1m as part of the reinvestment programme described above. Of these shareholder loans, SEK 74.3m and any accrued interest will be repaid in conjunction with the acquisition by Volati of Mats Andersson's shares in Volati Parts AB. Thereafter, any remaining shareholder loans in the Group will be minor in nature and will not arise to any material amount.

Intra-group loans

Volati Treasury AB has entered into loans under market terms and conditions with business units at an annual interest rate of 4 to 8 percent. Moreover, the Group companies are linked to an intra-Group cash pool.

Shareholder agreements

A number of Volati's business units are owned together with one or more other shareholders. However, Volati exercises control over all of the companies in the Group. A list of the shareholder agreements pertaining to part-owned companies in the Group is provided below. The shareholder agreements entail minority shareholders pledging their shares as collateral for their commitments under the shareholder agreements and, in several cases, the shareholder agreements also contain provisions that mean that Volati, if needed, can take immediate possession of the pledged shares. All of the shareholder agreements include provisions that require the minority shareholders to sell their holdings to Volati if the shareholders were to cease their employment or assignment for the Group.

Shareholder agreement for Volati A Holding AB

Volati's indirectly owned subsidiary, Volati 3 AB, holds 65 percent of the shares and votes in Volati A Holding AB and has entered into shareholder agreements with Nyrell Four AB and Nordström Retail AB. Volati A Holding AB owns the business unit, me&i. Nyrell Four AB (owned by Helen Nyrell, founder of me&i) and Nordström Retail AB (owned by Johan Nordström, CEO of me&i) hold the remaining 40 percent of the shares and votes in Volati A Holding AB. The shareholder agreement includes standard provisions, *inter alia*, pertaining to the onward sale of the shares, new issues of shares and competing activities. Moreover, the shareholder agreement includes sell and purchase options. The sell option stipulates that minority owners can sell their shares to Volati at the market price from October 2019. The purchase option entitles Volati to purchase shares in Volati A Holding AB at the market price from October 2019 (however, with regard to Nyrell Four AB, for a minimum defined amount).

Shareholder agreement for Volati Tryck Holding AB

Volati's indirectly owned subsidiary, Volati 2 AB, holds 96 percent of the shares and votes in Volati Tryck Holding AB and has entered into shareholder agreements with Philip Schwarz who is the minority owner of Volati Tryck Holding AB. In its turn, Volati Tryck Holding AB is the parent company of the Ettikettoprintcom business unit. Philip Schwarz, who was previously CEO of Ettikettoprintcom, holds the remaining 4 percent of the shares and votes in Volati Tryck Holding AB. The shareholder agreement includes standard provisions, *inter alia*, pertaining to the onward sale of the shares, competing activities and, with regard to Philip Schwarz, regarding the sale should the employment or assignment within the Group end.

Shareholder agreement for Volati Life AB

Volati's indirectly owned subsidiary, Volati 3 AB, holds 93 percent of the shares and votes in Volati Life AB and has entered into shareholder agreements with a number of employees at NaturaMed Pharma and Mårten Nilsson, non-executive director of Volati Life AB, and who is the minority owner of Volati Life AB. In its turn, Volati Life AB owns the business unit NaturaMed Pharma. The shareholder agreement includes standard provisions, *inter alia*, pertaining to the onward sale of the shares, competing activities and, with regard to the employees and Mårten Nilsson, regarding the sale should their employment end. The shareholder agreement includes a sell option for Mårten Nilsson, in relation to Volati 3 AB, which can be exercised in the case of a material restructuring of the Group, if Volati Life AB's business focus is significantly changed or if Volati Life AB makes any material acquisition or divestment. Moreover, the agreement includes a sell option for Mårten Nilsson, in relation to Volati 3 AB, that means from March 2020, he can sell his shares in Volati Life AB at the market price.

Shareholder agreement for Volati Agri AB

Volati's indirectly owned subsidiary, Volati 1 AB, holds 96 percent of the shares and votes in Volati Agri AB and has entered into a shareholder agreement with Per Larsson who is the minority owner of Volati Agri AB. In its turn, Volati Agri AB owns the business unit Tornum. Per Larsson, who is the CEO of Tornum, holds the remaining 4 percent of the shares and votes in Volati Agri AB. The shareholder agreement includes standard provisions, *inter alia*, pertaining to the onward sale of the shares and, with regard to Per Larsson, regarding the sale should the employment or assignment end.

Shareholder agreement for Kellfri Holding AB

Volati's indirectly owned subsidiary, Volati Agri Supply AB, holds 95 percent of the shares and votes in Kellfri Holding AB and has entered into a shareholder agreement with Tina Baudtler who is the minority owner of Kellfri Holding AB. In its turn, Kellfri Holding AB owns the business unit Kellfri. Tina Baudtler, who was previously CEO of Kellfri and who is a board member, holds the remaining 5 percent of the shares and votes in Kellfri Holding AB. The shareholder agreement includes standard provisions, *inter alia*, pertaining to the onward sale of the shares and, with regard to Tina Baudtler, regarding the sale should the employment or assignment end.

Shareholder agreement for Volati Parts AB

The Company's indirectly owned subsidiary, Volati 2 AB, holds 74 percent of the shares and votes in Volati Parts AB and has entered into two shareholder agreements, on the one hand with Mats Andersson (one of the sellers of Lomond Industrier AB) and on the other hand with other minority owners of Volati Parts (key individuals at Lomond Industrier). In turn, through Lomond Industrier AB, Volati Parts owns the business units Thomée, Habo, Bårebo Nordic, Sørbø and Industribeslag. The shareholder agreements include standard provisions, *inter alia*, pertaining to the onward sale of the shares, competing activities and, regarding the sale should the employment or assignment end. The shareholder agreement with Mats Andersson includes a purchase option that, in December 2018, allows Volati 2 to purchase all of Mats Andersson's shares in Volati Parts at the market price. Moreover, the shareholder agreement includes a sell option that, in December 2017, allows Mats Andersson to sell all of his shares in Volati Parts at the market price to Volati 2. The shareholder agreement with Mats Andersson will terminate in conjunction with Volati's purchase of all of Mats Andersson's remaining shares in Volati Parts AB.

Shareholder agreement for Volati Luftbehandling AB

Volati's indirectly owned subsidiary, Volati 1 AB, holds 96 percent of the shares and votes in Volati Luftbehandling Holding AB and has entered into a shareholder agreement with Per Ekdahl who is the minority owner of Volati Luftbehandling AB. In its turn, Volati Luftbehandling AB owns the business unit Corroventa. Per Ekdahl, who is the CEO of Corroventa, holds the remaining 4 percent of the shares and votes in Volati Luftbehandling Holding AB. In its turn, Volati Luftbehandling Holding AB owns Corroventa. The shareholder agreement includes standard provisions, *inter alia*, pertaining to the onward sale of the shares and, with regard to Per Ekdahl, regarding the sale should the employment or assignment end.

Business-related agreements

Customer agreements

The Group's customers are from a wide diversity of industries and of varying sizes. Some of the operating companies sell directly to end customers, while others distribute their products and services through retailers or distributors or a combination thereof. The Group as such is not deemed dependent on any single customer agreement to maintain its operations. However, the individual operating companies and business units in the Trading and Industry business areas are, to a certain extent, dependent on retaining one or more major customers to be able to maintain their sales and operations. As a consequence of this, certain customer agreements in the above business areas are of material significance for the Company. A brief description of the significant customer agreements follows below.

Trading

The companies included in the Trading Business Area have a number of agreements in place with their customers. Products and services are sold directly to end customers and through retailers or distributors. Thomée Gruppen AB is party to two significant customer agreements and Habo Gruppen AB is party to one significant customer agreement. Under these agreements, Thomée Gruppen AB and Habo Gruppen AB supply the hardware and construction sector with construction consumables to a combined value of about SEK 400m. One agreement extends until 2019, and is thereafter renewed for three months at a time until it is terminated. The two other agreements run for three-month intervals and are automatically extended unless one of the parties to the agreement gives notice to terminate. The prices under the respective agreements are set according to a price list and may be changed a limited number of times each year following negotiation between the parties. A performance bonus is payable under these agreements if orders placed exceed pre-agreed intervals. The size of the performance bonus varies between the three agreements but is maximised at 7 percent of the net purchase value.

Otherwise, standard industry terms apply that include customary provisions regarding guarantees, delays and liability limitations.

Industry
Since 2008, Ettikettoprintcom has manufactured and delivered adhesive labels and labelling systems to a manufacturer of items including snuff and other tobacco products. The agreement runs on a twelve-month interval and is automatically extended unless notice to terminate is given at the annual renegotiation. While prices are set for the year ahead, they can be adjusted if raw material prices change. Ettikettoprintcom pays an annual bonus to the customer if the preceding year's purchases exceed certain intervals. Otherwise, standard industry terms apply for adhesive labels and standard delivery terms for machinery.

Corroventa is party to an agreement with a service company with activities including damage restoration. The customer buys and leases dehumidifiers and equipment to improve indoor climates, and to dry out water damage. The agreement runs for one year at a time and notice has been given to terminate the agreement on 31 December 2016. While prices are set for the contract period, they can be adjusted if raw material prices change. Corroventa is obligated to keep a guaranteed volume of leasing equipment available for the customer. Otherwise, the agreement includes standard terms and conditions regarding insurance for leased equipment and guarantees.

Supplier agreements
Similar to the Group's customers, its suppliers are in diverse areas, and include small local suppliers and large international companies. Therefore, agreements with the Group's suppliers, just as with its customer agreements, are of a varied nature in terms of, *inter alia*, duration, guarantees, limitation of liability and scope. To a certain extent, the individual business units are dependent on retaining one or more major suppliers to be able to maintain their sales and operations, at least in the short to medium term. However, the Group as such is not deemed dependent on any single supplier (however, please note the section "*Supplier risks*" on page 18), even though the supplier agreements set out below are deemed of material importance for the Group.

Industry
Ettikettoprintcom buys paper from a leading supplier of label paper and packaging on the basis of purchase orders, applicable price lists and the supplier's general terms and conditions. The parties normally enter into rebate agreements under which Ettikettoprintcom has the right to specific rebates if annual purchases exceed specified intervals. Price adjustments could occur in the case of factors including changes in raw material prices and exchange rates. Ettikettoprintcom has no volume undertakings. The standard terms and conditions include customary provisions regarding guarantees, delays and liability limitations.

Consumer
NaturaMed Pharma is party to an agreement with a supplier regarding the manufacture and supply of health supplements. The contract extends until September 2017 with an option for NaturaMed Pharma to extend the agreement for another two years. Price adjustments could occur in the case of factors including changes in raw material prices and exchange rates, and for changes in taxes and tariff rules. The agreement includes an exclusivity clause that means the supplier is not permitted to manufacture for or sell identical products to any other party. NaturaMed Pharma has no volume undertakings. The agreement is subject to Norwegian law and includes standard provisions with regard to guarantees and delays.

Subsidiary rent guarantee as collateral for third-party obligations
Volati has pledged a subsidiary rent guarantee as collateral for a former subsidiary's obligations under a lease agreement. The rent guarantee applies until the expiry of the lease on 31 December 2022 or the date the lease is terminated if earlier.

Besikta Bilprovning's IT system agreement
Besikta Bilprovning has entered into a framework agreement, including associated subagreements, with CGI Sverige AB for the development and provision of a new IT system and other IT-related services. The rights to the newly developed IT system accrue to Besikta Bilprovning. However, the standard software included in the system are licensed from third parties by CGI Sverige AB and Besikta Bilprovning respectively. The IT agreement includes standard provisions for this type of agreement. The development of Besikta Bilprovning's new IT system took longer than expected but the migration and roll-out of the new IT system was completed in summer 2015.

Besikta Bilprovning has also entered into a lease agreement with CGI Sverige AB that gives CGI Sverige AB the right, after Besikta Bilprovning's prior approval, to licence the base part of the developed IT system to AB Svensk Bilprovning and/or to acquire an example of the software code to the base part of the developed IT system with the right to grant licences to third parties, that are unlimited in terms of time, to use and modify the base system for their own use. In the case of any such licencing and/or purchases, Besikta Bilprovning is entitled to specific remuneration from CGI Sverige AB.

Regulatory approvals

The operations conducted by Besikta Bilprovning and parts of the operations conducted by NaturaMed Pharma require separate regulatory approval, which is of material importance for the Group.

Besikta Bilprovning accredited by Swedac
Besikta Bilprovning operates in the vehicle inspection industry. To conduct vehicle inspections, an accreditation is required pursuant to the Swedish Vehicle Act (Sw. *fordonslagen (2002:574)*). Accreditations are issued by Swedac (Sweden's national accreditation body). Accreditation sets stringent requirements (including independence) on the companies that wish to conduct vehicle safety inspections and Swedac conducts regular independent reviews of the expertise and work procedures at accredited vehicle inspection companies. In addition to Besikta Bilprovning having overall accreditation at business unit level, each one of Besikta Bilprovning's stations are accredited (in addition, the company is accredited in each county in which it operates). Accreditation applies until further notice.

It should also be noted that the independence requirement prevents the Group from engaging in certain types of activity that might jeopardise the independence (for example, trading in the repair, maintenance and/or servicing of vehicles subject to inspection, as well as car rental and taxi services) or from acquiring companies engaged in such activities.

NaturaMed Pharma's herbal medicinal product, Prosabal™, is approved by the Swedish Medical Products Agency

NaturaMed Pharma offers the herbal medicinal product, Prosabal™, which is used to treat minor urinary problems caused by benign prostatic hyperplasia. The sale of herbal medicinal products requires approval of the product in accordance with the Swedish Medicines Act (Sw. *Läkemedelslagen (1992:859)*). Prosabal™ is approved by the Swedish Medical Products Agency and NaturaMed Pharma holds authorisation for marketing the product.

Environment

Ettikettoprintcom conduct, and Habo has conducted environmentally hazardous operations that are subject to licencing requirements and permits. Ettikettoprintcom conducts printing operations in which certain environmentally hazardous substances (such as solvents) and certain inflammable substances are used. Habo, Tornum, Kellfri and Corroventa also use inflammable substances in their operations but to a lesser extent. Accordingly, the Group conducts environmentally hazardous operations subject to reporting obligations and prepares environmental reports. Furthermore, the Group's facilities have permits to handle inflammable goods.

It has been noted that Habo could be made responsible for historic contamination at properties that are included in the database of potentially polluted areas known as EBH-stödet, maintained by the county administrative boards. Investigations and tests are ongoing as regards some of these properties, which, depending on the outcome, may result in demands for cleaning up measures and other expenditures. As a consequence, in conjunction with Volati's acquisition of Lomond Industrier, an environmental insurance was taken out and the former owner of Habo provided supplementary guarantees which, up to specific value limits, provide some protection for managing costs related to the aforementioned pollution (and any other pollutants discovered within the framework of Lomond Industrier). The Company's assessment is that this insurance coverage will be sufficient in case of any expenditures as a result of the ongoing matters.

Except for what is stated above about the investigations regarding Habo, no company in the Group is currently involved in any environment-related dispute or subject to any demands for environmental remediation or claims due to environmental contamination. To the knowledge of the board or directors there are no – neither the above nor any other – environmental factors which may affect the disposal of the Group's material non-current assets.

Insurance

The Group and the respective business units hold customary insurance policies for their respective industries. Given the nature and scope of the operations, the Board of Directors believes that the Group's insurance protection is adequate.

Disputes

Volati is not, nor has it been during the past 12 months, party to any legal proceedings or settlement proceedings (including as yet unsettled cases) that have had or could have a material impact on the Company's or the Group's financial position or profitability.

Related-party transactions

Certain related-party transactions occur within the Group. Any transactions with related parties are carried out at market rates and subject to market terms and conditions. For additional information om related-party transactions, see Note 28 in the "*Historical financial information*" section.

Inter-group services are provided at a Group level from Volati (and prior to 2016 also from Volati 1 AB), and at a business unit level from each parent company to its subsidiaries. A management fee is invoiced for services performed and is based either on an annual fee or at actual cost.

At the end of 2015, liabilities to minority owners in the Group companies totalled about SEK 88.9m. One of these shareholder loans will be repaid in conjunction with the acquisition by Volati of Mats Andersson's shares in Volati Parts AB. See also the "*Shareholder loan agreement*" section on page 94.

A number of companies in the group lease premises in properties that are owned by shareholders in Volati AB. All such agreements are at market terms and conditions. The rent paid on these properties totalled SEK 3.8m for the January–September 2016 period, SEK 5.0m for 2015 and SEK 4.0m for 2014. Two of the Group's companies lease premises from the property company Sagax, in which Board member Björn Garat is CFO and Deputy CEO.

NaturaMed Pharma is party to a number of agreements with companies owned by individuals who, in turn, have related-party status with NaturaMed Pharma's Managing Director Bodil Arnesen. The agreements are subject to market terms and conditions and govern, *inter alia*, the lease of premises. The total annual value of these transactions amounted to slightly more than SEK 2.9m in 2015.

In conjunction with the Group ownership restructuring in January 2016, through a non-cash issue, Volati AB acquired 368,982 Series B share options in Volati 2 AB from Patrik Wahlén and 78,472 Series B share options in Volati 2 AB each from Mårten Andersson and Mattias Björk. In November 2014, Volati 2 AB acquired 349 shares in Volati 3 AB from Patrik Wahlén for slightly more than SEK 1.4m and 75 shares in Volati 3 AB for slightly more than SEK 300,000 each from Mårten Andersson and Mattias Björk. In January 2015, Volati divested Ragnar Sandberg & Söner Mekaniska Verkstads Aktiebolag to a company owned by the former Volati employee Johan Svarts for a price of just over SEK 19m. At the same time, Volati 1 AB purchased 3,928 Series B shares in Volati 2 AB from the same employee's company, Tuna Invest AB, for a price of just less than SEK 1.5m (in conjunction with this Patrik Wahlén, Mårten Andersson and Mattias Björk purchased Series B shares in Volati 2 AB from Tuna

Invest AB, which did not comprise related-party transactions). Other similar transactions arose in conjunction with the Group restructures in May 2014 and December 2013.

In January, Volati Ventures AB sold, without giving rise to a capital gain, a smaller holding of shares in Urb-it & Associates AB to Karl Perlhagen and Patrik Wahlén for a total price of SEK 3,630,018. In conjunction with the above, Patrik Wahlén sold his shares in Volati Ventures AB to the Company for a total price of SEK 20,600.

In October 2016, ownership of the me&i business unit was restructured, refer to the "*Acquisition of me&i*" section on page 92.

For more information about remuneration to board members and senior executives, see the "*Remuneration and benefits to the board of directors and senior executives*" section on page 81.

Placing agreement

Pursuant to an agreement regarding the placement of Common Shares in the Company, which is expected to be entered into on or around 29 November 2016 between the Company and the Joint Global Coordinators, the Company undertake to issue 18,965,518 Common Shares and the Joint Global Coordinators undertake to place these shares with investors. If the Joint Global Coordinators fail to place the issued Common Shares with investors, the Joint Global Coordinators have undertaken to acquire the shares comprised by the Offering. The Company also intends to grant the Joint Global Coordinators an Overallotment Option to subscribe for up to 1,896,551 additional Common Shares, which can be used wholly or in part by the Joint Global Coordinators, not later than 30 days following the first day of trading in the Company's shares. The Overallotment Option corresponds to not more than 10 percent of the total number of Common Shares in the Offering and can only be used to cover any overallotment in conjunction with the Offering (and short positions related thereto). Under the placing agreement, the Company provides standard undertakings and guarantees to the Joint Global Coordinators. The Joint Global Coordinators' placing undertaking is conditional on the fulfillment of specific market terms and conditions. If the conditions in the placing agreement are not fulfilled, the Common Shares have the possibilty to terminate the placing agreement, in which case the Common Shares will not be delivered or paid for in accordance with the Offering. Among the conditions are that the warranties the Company have provided are true and correct, that the Company has fulfilled its obligations under the placing agreement and that no other negative material change (such as trading halts on relevant market places or material interferences in the banking system, material macroeconomic changes, currency movements, currency restrictions, conflicts or terror attacks) has occurred that makes the Offering unsuitable or impossible. Under the placing agreement, the Company will, subject to customary qualifications, undertake to indemnify the Joint Global Coordinators against certain claims. Under the placing agreement, the Main Shareholders, shareholding board members and senior executives in the Company have undertaken, with some reservations and exceptions, for a period of 360 days from the first day of trading in the Company's Common Shares on Nasdaq Stockholm, not to (i) offer, pledge, sell, contract to sell, sell or purchase options or a right to purchase or sell or otherwise transfer or divest, directly or indirectly, any shares in the Company or any other securities which are convertible to or can be exercised or exchanged for such shares, (ii) enter into swap arrangements or other arrangements which wholly or partly assign to another the financial risk associated with ownership of shares in the Company. The Company has made a corresponding undertaking, subject to certain exceptions, to the Joint Global Coordinators for a period of 180 days from the first day of trading on Nasdaq Stockholm. For more information, refer to the "*Undertaking to refrain from selling and issuing shares*" section on page 87.

Subscription undertakings

Didner & Gerge Fonder AB, the Fourth Swedish National Pension Fund (AP4), Handelsbanken Fonder AB och Peter Lindell, privately and through controlled companies, have on the 14 November 2016 undertaken to subscribe for Common Shares in the Offering for an amount of SEK 700m, which corresponds to 12,068,962 Common Shares. Based on a full subscription in the Offering and that the Overallotment Option is fully exercised, the undertaking correponds to approximately 58 percent of the total number of Common Shares comprised by the Offering and approximately 15 percent of the total number of Common Shares in the Company following the completion of the Offering. The Cornerstone Investors will not receive any compensation for their respective undertakings, but they are however guaranteed to be alloted shares in accordance with their respective undertakings. The undertakings are not secured through a bank guarantee, blocked funds or similar arrangements. Furthermore, the undertakings are conditional upon that the Offering Price do not exceed SEK 58 per Common Share and that a certain spread of the Company's Common Shares is achieved in conjunction with the Offering. In the event that any of these conditions are not fulfilled, the Cornerstone Investors will not be obligated to subscribe for Common Shares in the Offering.

Didner & Gerge Fonder AB (with the address: 106 70 Stockholm) has undertaken to subscribe for 4,310,344 Common Shares for an amount corresponding to SEK 250m, corresponding to approximately 20.7 percent of the Offering (based on full utilisation of the Overallotment Option). The Fourth Swedish National Pension Fund (AP4) (with the address: Box 3069, 103 61 Stockholm) has undertaken to subscribe for 3,448,275 Common Shares for an amount corresponding to SEK 200m, corresponding to approximately 16.5 percent of the Offering (based on full utilisation of the Overallotment Option). Handelsbanken Fonder AB (with the address: 106 70 Stockholm) has undertaken to subscribe for 2,586,206 Common Shares for an amount corresponding to SEK 150m, corresponding to approximately 12.4 percent of the Offering (based on full utilisation of the Overallotment Option). Peter Lindell, privately and through controlled companies, (with the address: c/o Acervo AB, Kummelvägen 11, 167 64, Bromma) has undertaken to subscribe for 1,724,137 Common Shares for an amount corresponding to SEK 100m, corresponding to approximately 8.3 percent of the Offering (based on full utilisation of the Overallotment Option).

Stabilisation

Nordea, acting as stabilisation manager, may in connection with the Offering and the listing on Nasdaq Stockholm conduct certain transactions aimed at maintaining the price of the Common Shares at a higher level than would otherwise be the case. The stabilisation measures aimed at supporting the share price of the Common Shares can be taken from the shares' first day of trading on Nasdaq Stockholm, and over a subsequent period of not more than 30 calendar days. These stabilisation transactions can be carried out at a price that does not exceed the sale price set in the Offering. The stabilisation measures could raise the market price of the Common Shares to a level that is unsustainable in the long-term and that exceeds the market price that would otherwise prevail. The fact that stabilisation measures can be carried out does not necessarily mean that such measures will be taken. Stabilisation, if undertaken, may be discontinued at any time without prior notice. Within a week from when the stabilisation period (30 calendar days) has expired, it will be announced whether stabilisation measures were initiated, and if so, the date on which these measures were taken, including the closing date for these measures, as well as the price interval within which the stabilisation transactions were carried out. When applicable, each occasion will be announced separately.

Documentation incorporated by reference and available for inspection

The following documents, which previously have been published, shall be incorporated by reference and constitute a part of the Prospectus:

1. Page 72 and 86 in the Company's audited annual report for the financial year 2012, and the auditor's report;
2. Page 56 and 70 in the Company's audited annual report for the financial year 2011, and the auditor's report.

The information in these documents are thus a part of this Prospectus and should therefore be read together with other information in this Prospectus. The documents have been submitted to the Swedish Financial Supervisory Authority.

The Company's Articles of Association, this Prospectus, such historical financial information as is referred to in this Prospectus (including audit reports) as well as other information published by Volati that is referred to in this Prospectus is available throughout the applicable period of this Prospectus in electronic format on the Company's website, www.volati.se. Throughout the applicable period of the Prospectus, copies of the above mentioned documents may be reviewed at the Company's head office at Engelbrektsplan 1, Stockholm, Sweden during ordinary office hours on weekdays.

Advisors' interests

The Joint Global Coordinators are acting as financial advisors in connection with the Offering. Moreover, the Joint Global Coordinators have provided the Company with advice in conjunction with the structuring and planning of the Offering, the planned listing of Volati's Common Shares on Nasdaq Stockholm and for moving the listing of Volati's preference shares to Nasdaq Stockholm, and have been remunerated for this advice. The Joint Global Coordinators have provided, at intervals, and may in the future provide, the Company and the Main Shareholders with services within the framework of their ordinary business activities and in connection with other transactions. At the date of this Prospectus, Nordea is the only external lender to the Company. In conjunction with the Offering, the Company's and the Main Shareholders' legal advisors (see the "*Adresses*" section on page A-5) will receive customary remuneration for their advice. The Company's legal advisors have provided, at intervals, and may in the future provide, the Company and the Main Shareholders with legal advice within the framework of their ordinary business activities and in connection with other transactions.

In conjunction with completion of the Offering, the Group will replace its existing financing arrangements with Nordea with a new financing arrangement with Nordea (see the "*Financing arrangements with Nordea*" section on page 93). Accordingly, completion of the Offering will result in a reduction in the credits outstanding from Nordea to Volati.

Costs associated with the Offering

The total issue costs for the Offering, are expected to amount to approximately SEK 63m.

Certain tax issues in Sweden

A summary of certain Swedish tax issues that could arise as a result of the Offering are set out below.

The summary is based on currently applicable tax legislation and is only intended as general information regarding the shares in the Company from the date on which the Company's shares have been admitted to trading on Nasdaq Stockholm. The summary is not intended to comprehensively address all tax issues that may arise in this context. For example, the summary does not address:

- situations where securities are held as an inventory item in a business, or by a limited partnership or partnership;
- the separate regulations governing tax-exempt capital gains (including non-deductible capital losses) and dividends paid in the corporate sector that may be applicable for investors holding shares in the Company that are considered to be held for business purposes;
- the particular rules that could apply for holders of qualified participations in companies which are, or have been, classed as closely held companies;
- securities that are held in an investment savings account (ISK) or, alternatively, through an endowment insurance;
- foreign companies registered and operating from a permanent establishment in Sweden;
- foreign companies that were once Swedish companies; or
- certain categories of tax payers, for example, investment companies.

Accordingly, the fiscal treatment of each individual shareholder depends on the individual's particular circumstances. Each shareholder should therefore consult a tax adviser with regard to the shareholder's tax position and the tax consequences that may arise from the Offering, including the applicability and effect of foreign rules and tax treaties.

Shareholders fiscally resident in Sweden

Individuals

For individuals, dividends on listed shares are taxed in the capital income category at a tax rate of 30 percent. For individuals who are fiscally resident in Sweden, preliminary tax of 30 percent is normally withheld on dividends. The preliminary tax is withheld by Euroclear Sweden AB or, regarding nominee-registered shares, by the Swedish nominee.

When listed shares are sold or otherwise divested, a taxable capital gain or a deductible capital loss could arise in the capital income category. Capital gains or capital losses are normally calculated as the difference between the sales proceeds, less the sales costs and the acquisition cost. The acquisition cost for all shares of the same class and type is calculated through application of the average cost method. For the sale of listed shares, the standard method may be used as an alternative, under which the acquisition cost may be computed to 20 percent of the sales proceeds after deduction of selling expenses. A capital loss on listed shares is fully deductible from taxable capital gains on shares and other publicly traded equity securities in the same year, except for shares in such investment funds that only contain Swedish claims (fixed-income funds). Capital losses on listed shares that cannot be offset in this manner are deductible at a rate of 70 percent against other income in the capital income category. If a net loss arises in the capital income category, a tax reduction is granted against municipal and national income tax, as well as against property tax and municipal property charges. The tax reduction is granted at a rate of 30 percent of a deficit that does not exceed SEK 100,000 and at a rate of 21 percent for any remaining shortfall. Net losses incurred in one year cannot be carried forward to subsequent fiscal years.

Allotment of shares to employees

Normally, no tax liability arises on the allotment of shares. With regard to employees, the allotment of shares can, however, in certain cases, comprise a taxable benefit. No taxable benefit should, however, arise if the employees (including board members, deputy board members and existing shareholders) subscribe for not more than 20 percent of the total number of shares offered, under the same terms and conditions as others, and if the employee does not subscribe for shares for more than SEK 30,000.

Limited liability companies

Limited liability companies are taxed for all income as income from business activities at a tax rate of 22 percent. Capital gains and capital losses are calculated in the same manner as that described above for individuals. Capital losses on shares are only deductible against taxable capital gains on shares and other equity securities. If certain conditions are satisfied, such capital losses may also be offset against capital gains arising in companies within the same group, subject to the condition that rights to make group contributions are permissible between the companies. Capital losses that cannot be used in a given tax year may be saved and deducted from capital gains on shares and other equity securities in subsequent fiscal years without any time limitations.

Non-resident shareholders

Tax on dividends

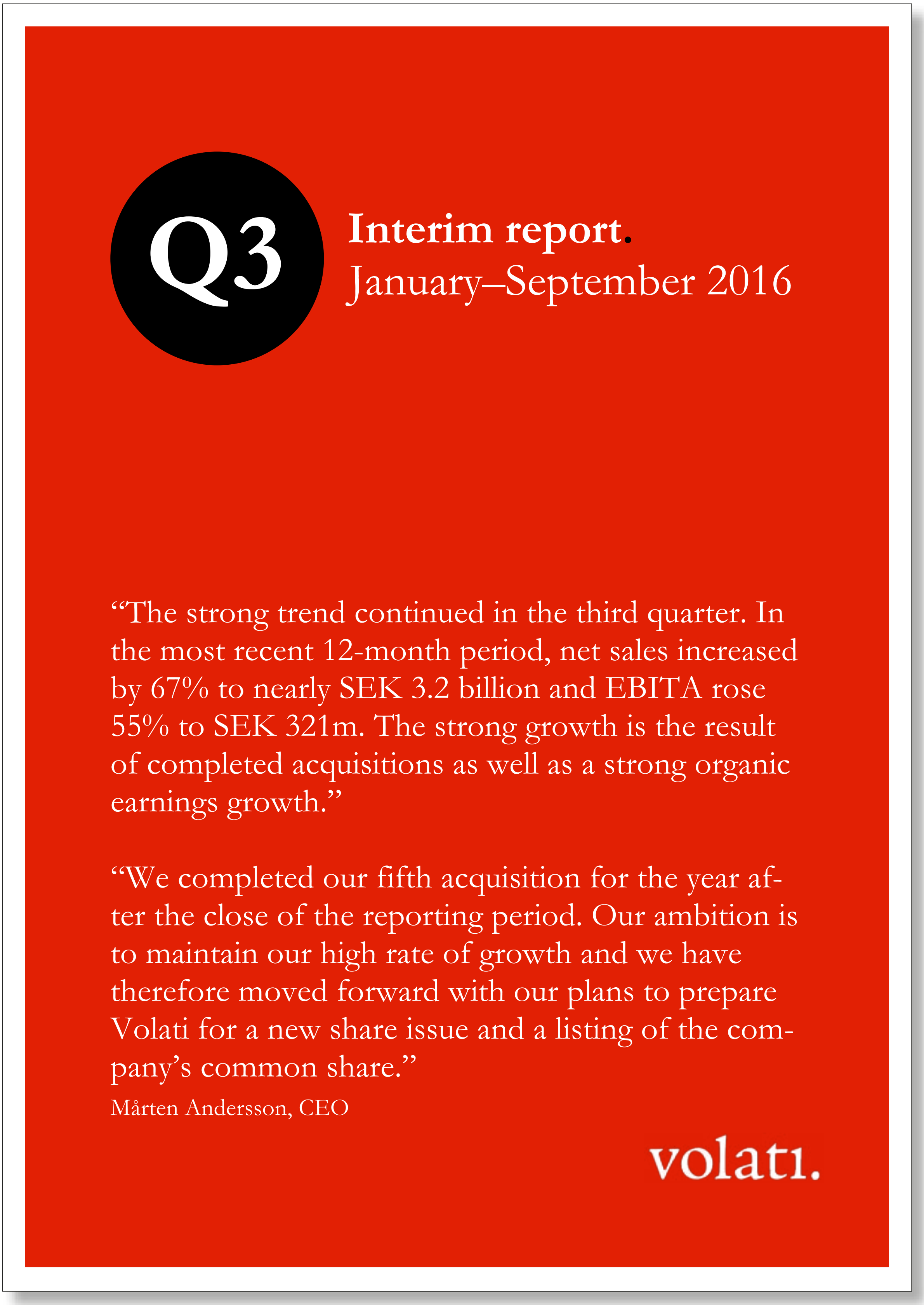
For shareholders not fiscally resident in Sweden that receive dividends on shares in a Swedish limited liability company, Swedish withholding tax is generally payable. In Sweden, the deduction of withholding tax is normally carried out by Euroclear Sweden AB, or in the case of nominee-registered shares, by the nominee. The tax rate is 30 percent. However, this tax rate is generally reduced for shareholders resident in other jurisdictions through tax treaties that Sweden has entered into with certain other countries to avoid double taxation.

The majority of Sweden's tax treaties allow direct reduction of the Swedish tax to the tax rate stated in the treaty at the dividend payment date if the requisite details of the person entitled to the dividend have been provided. In the event that 30 percent coupon tax is withheld when the dividend is paid to a person who is entitled to taxation at a lower tax rate or if withholding tax is otherwise withheld in an excessive amount, a refund may be requested in writing from the Swedish Tax Agency before the end of the fifth calendar year following the year of the payment of the dividend.

Capital gains tax

Shareholders not fiscally resident in Sweden, and who do not operate a business from a permanent establishment in Sweden, are normally not subject to capital gains tax in Sweden upon the sale of shares. Shareholders may, however, be subject to taxation in their country of domicile. However, under a separate rule, non-resident individuals may become liable to taxation in Sweden on the sale of shares, if they have been resident or lived permanently in Sweden at any time during the calendar year when such disposal occurred or during the previous ten calendar years. However, the application of this rule is limited by many tax treaties that Sweden has entered into with other countries.

Interim report January–September 2016



Q3

Interim report.
January–September 2016

"The strong trend continued in the third quarter. In the most recent 12-month period, net sales increased by 67% to nearly SEK 3.2 billion and EBITA rose 55% to SEK 321m. The strong growth is the result of completed acquisitions as well as a strong organic earnings growth."

"We completed our fifth acquisition for the year after the close of the reporting period. Our ambition is to maintain our high rate of growth and we have therefore moved forward with our plans to prepare Volati for a new share issue and a listing of the company's common share."
Mårten Andersson, CEO

volati.

Interim report Jan–Sep 2016.

Q3 July–September 2016.

- Net sales amounted to SEK 839.1m (584.2)
- EBITDA amounted to SEK 106.9m (75.5)
- EBITA amounted to SEK 89.8m (64.0)
- Net profit after tax amounted to SEK 51.3 (39.6)
- Net profit attributable to the Parent Company's shareholders amounted to SEK 49.5m (33.2)
- Earnings per common share after deduction of preference share dividends amounted to SEK 0.56 (0.42)
- Cash flows from operating activities amounted to SEK 50.5m (93.6)
- On 15 September, the Extraordinary General Meeting (EGM) resolved to carry out a reverse share split and authorise the Board of Directors to make decisions regarding new issues of common shares. Christina Tillman was also elected as a new Board member
- Activities to investigate the possibility of a future listing of Volati's common share are proceeding as planned
- The Board is considering an adjustment of the financial targets, given that a potential new share issue would change the capital structure and support a maintained high rate of acquisitions that would exceed Volati's current growth target

January–September 2016 period.

- Net sales amounted to SEK 2,426.9m (1,456.2)
- EBITDA amounted to SEK 295.2m (179.8)
- EBITA amounted to SEK 245.6m (151.8)
- Net profit after tax amounted to SEK 155.0 (81.1)
- Net profit attributable to the Parent Company's shareholders amounted to SEK 151.6m (57.3)
- Earnings per common share after deduction of preference share dividends amounted to SEK 1.78 (0.89)
- Cash flows from operating activities amounted to SEK 149.6m (112.7)

Events after the reporting period.

- In October 2016, Ettikettoprintcom entered into an agreement to acquire a label printing business with annual sales of SEK 17m. Closing of the business is expected to take place in the first quarter of 2017
- Volati has entered into an agreement to acquire a minority holding of 18% in Volati Parts, the parent company of the Trading Business Area. An acquisition would increase Volati's ownership share to 92.2%. Completion is subject to certain conditions linked to a future listing of Volati's common shares, upon which the intention is for the sellers of the minority holding to acquire common shares in Volati from the main owners for the full purchase price

Key figures.

SEKm	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Last 12 months	Full-year 2015
Net sales, SEKm	839.1	584.2	2,426.9	1,456.2	3,158.3	2,187.6
EBITDA, SEKm	106.9	75.5	295.2	179.8	390.0	274.5
EBITA	89.8	64.0	245.6	151.8	321.0	227.3
EBITA margin, %	10.7	11.0	10.1	10.4	10.2	10.4
EBIT, SEKm	85.2	60.7	232.7	142.7	304.3	214.3
Net debt/Adjusted EBITDA, ratio	2.1	2.6	2.1	2.6	2.1	2.3
Cash conversion, %	64.4	132.2	69.2	75.4	84.0	94.3
Earnings per common share, SEK	0.56	0.42	1.78	0.89	2.29	1.37
Equity per common share, SEK	3.93	5.79	3.93	5.79	3.93	5.51
Return on equity, %	18.8	7.7	18.8	7.7	18.8	20.1
Weighted Avg. No. of common shares outstanding1)	59,544,502	40,400,000	58,147,093	40,400,000	53,722,475	40,400,000
Common shares outstanding1)	59,544,502	40,400,000	59,544,502	40,400,000	59,544,502	40,400,000
Weighted Avg. No. of common shares outstanding after dilution1)	59,955,001	40,400,000	58,505,156	40,400,000	53,991,268	40,400,000
Number of preference shares outstanding1)	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774

1) Expressed in number of shares. In September 2016, a 1:5 reverse share split was carried out, meaning for every five shares held, one share was received.

+55%
EBITA
LTM

84%
Cash
conversion
LTM

COMMENTS FROM THE CEO

Strong growth — both organic and acquisition-based.

The strong trend continued in the third quarter. In the most recent 12-month period, net sales increased by 67% to SEK 3,158m and EBITA rose 55% to SEK 321m. The strong growth is the result of completed acquisitions as well as a strong organic earnings growth. For the past five years, Volati has reported average annual organic earnings growth of 11%. We completed our fifth acquisition for the year after the close of the reporting period, and over the past five years, Volati's average acquired growth was 33%. Our ambition is to maintain our high rate of growth and we have therefore moved forward with our plans to prepare Volati for a new share issue and a listing of the company's common share.

A strong quarter

Volati is performing well. Our businesses are continuing to develop strongly and the Group's net sales increased in the third quarter by 44%, while EBITA rose 40% year-on-year. Return on equity improved to 19%, which is close to our target of 20%. The return was impacted by our relatively low level of indebtedness.

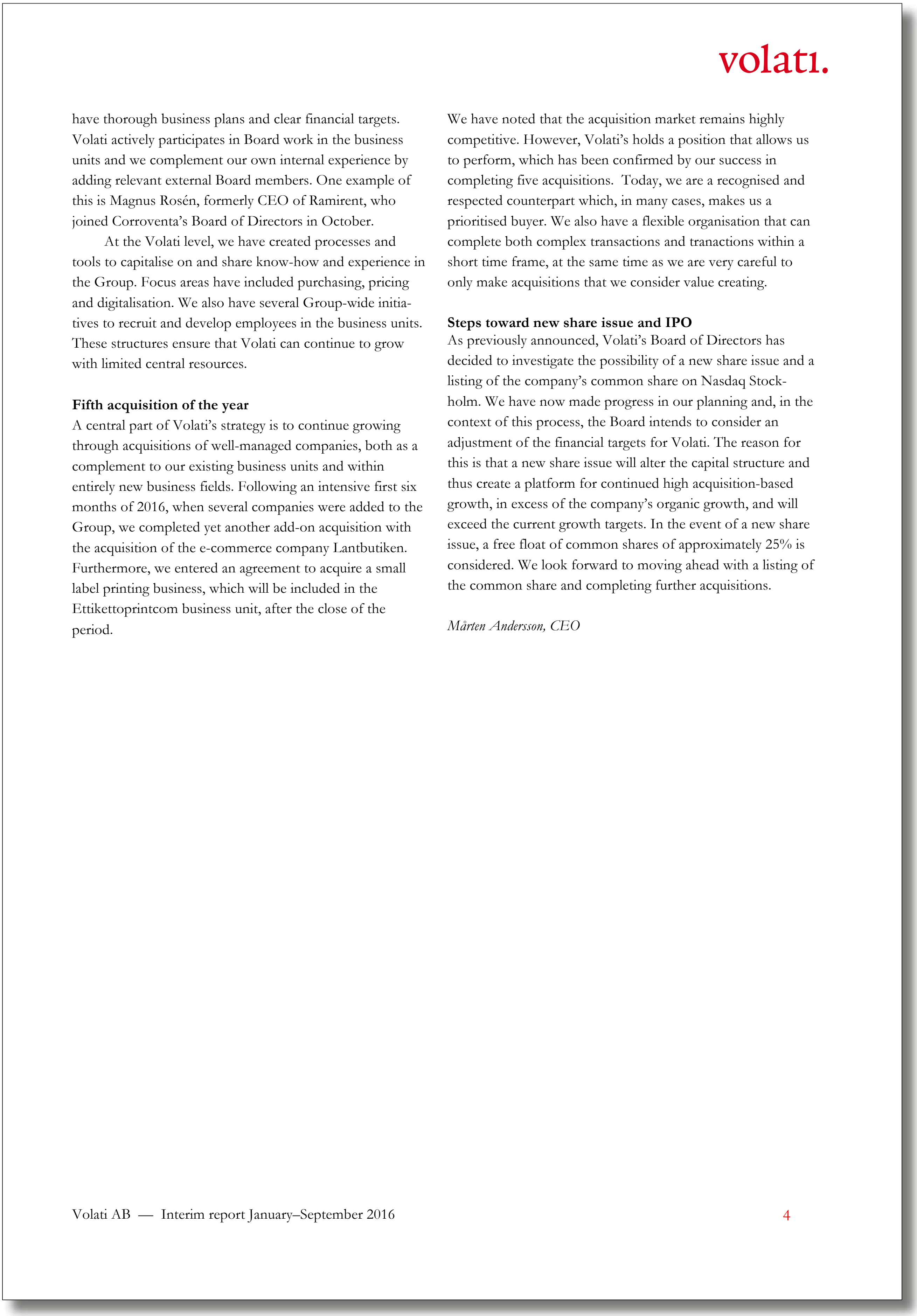
A long-term building process

Volati has a robust business model that has delivered value over the long term. We use the strong cash flows generated in our existing business units to acquire companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and develop these with an emphasis on long-term value creation.

Building successful companies is a long-term process for Volati. It involves building on a culture in which we strive to be a little better each day, as well as more innovative and efficient. This approach is yielding results and year to date, our EBITA has grown 36% organically. The outcome may vary between quarters, but we are comfortable in the fact that we have stable underlying growth based on the company's clear vision of where it is headed and what is required to reach this objective.

A systematic approach

Behind the positive trend in our business units is a systematic approach that we have actively developed in the Group. The basis consists of a decentralised governance system distinguished by strong local entrepreneurship combined with clear management and monitoring. All business units



have thorough business plans and clear financial targets. Volati actively participates in Board work in the business units and we complement our own internal experience by adding relevant external Board members. One example of this is Magnus Rosén, formerly CEO of Ramirent, who joined Corroventa's Board of Directors in October.

At the Volati level, we have created processes and tools to capitalise on and share know-how and experience in the Group. Focus areas have included purchasing, pricing and digitalisation. We also have several Group-wide initiatives to recruit and develop employees in the business units. These structures ensure that Volati can continue to grow with limited central resources.

Fifth acquisition of the year

A central part of Volati's strategy is to continue growing through acquisitions of well-managed companies, both as a complement to our existing business units and within entirely new business fields. Following an intensive first six months of 2016, when several companies were added to the Group, we completed yet another add-on acquisition with the acquisition of the e-commerce company Lantbutiken. Furthermore, we entered an agreement to acquire a small label printing business, which will be included in the Ettikettoprintcom business unit, after the close of the period.

We have noted that the acquisition market remains highly competitive. However, Volati's holds a position that allows us to perform, which has been confirmed by our success in completing five acquisitions. Today, we are a recognised and respected counterpart which, in many cases, makes us a prioritised buyer. We also have a flexible organisation that can complete both complex transactions and tranactions within a short time frame, at the same time as we are very careful to only make acquisitions that we consider value creating.

Steps toward new share issue and IPO

As previously announced, Volati's Board of Directors has decided to investigate the possibility of a new share issue and a listing of the company's common share on Nasdaq Stockholm. We have now made progress in our planning and, in the context of this process, the Board intends to consider an adjustment of the financial targets for Volati. The reason for this is that a new share issue will alter the capital structure and thus create a platform for continued high acquisition-based growth, in excess of the company's organic growth, and will exceed the current growth targets. In the event of a new share issue, a free float of common shares of approximately 25% is considered. We look forward to moving ahead with a listing of the common share and completing further acquisitions.

Mårten Andersson, CEO

volati.

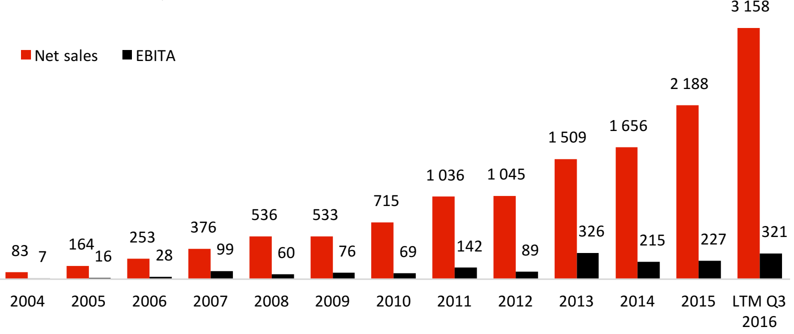
About Volati.

Volati is a Swedish industrial group that acquires companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and develops these with an emphasis on long-term value creation. Volati's corporate-development strategy is based on retaining the entrepreneurial spirit of companies and supplementing leadership, expertise, processes and financial resources. To identify growth potential and improving cash flows is of great importance.

Since 2003, Volati has built an industrial group that, as of 30 September 2016, comprised some 13 business units with around 40 operating companies that were organised under the three business areas Trading, Consumer and Industry. Volati has operations in 15 countries and a total of 1,195 employees. The financial trend since the start of operations is presented in the adjacent diagram.

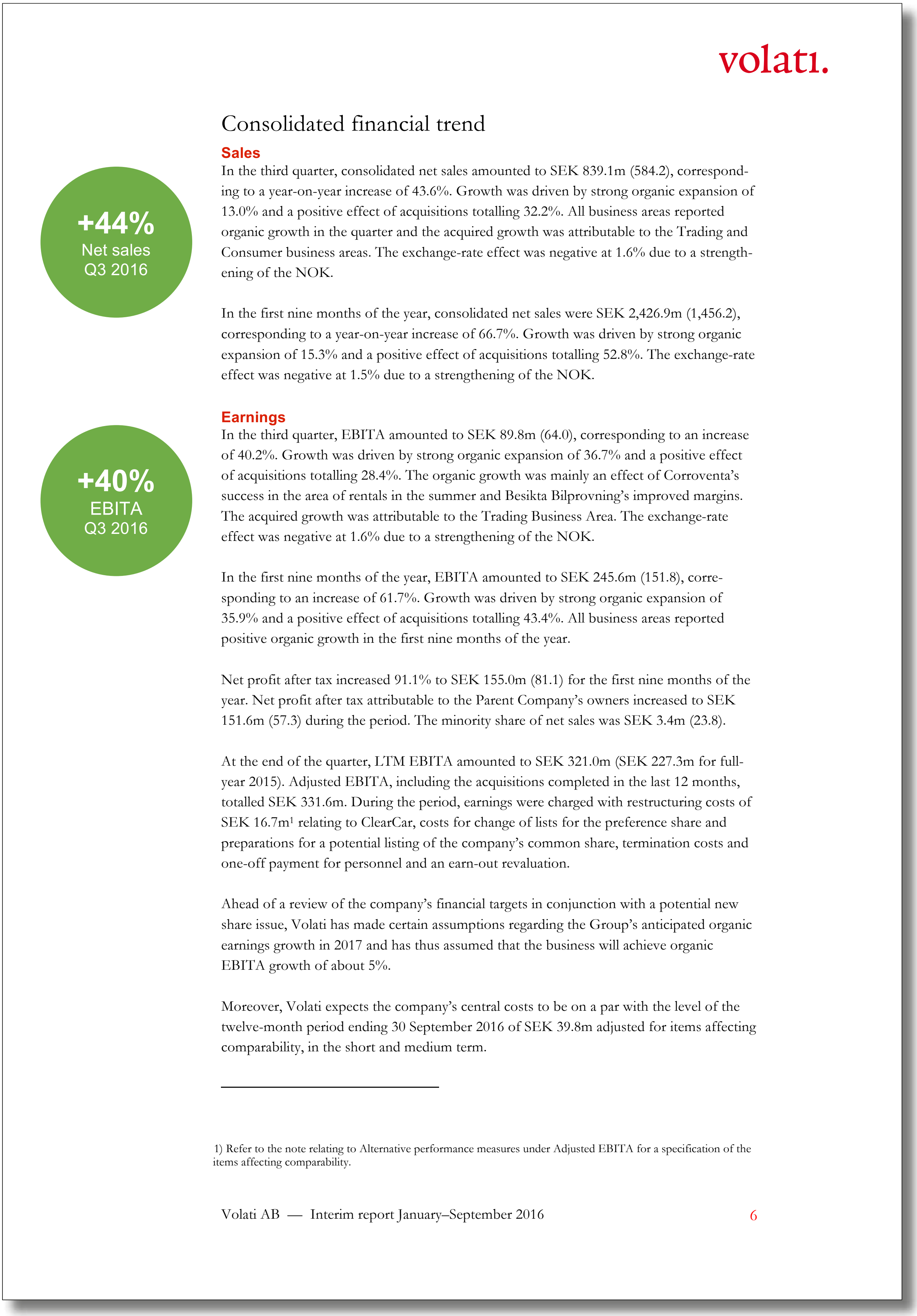
Net sales and EBITA trend

2004–2016 LTM, SEK m



Financial targets

- Average growth in EBITA is to exceed 15% per year. A combination of acquisitions and organic growth will be used to meet the growth target. In the third quarter of 2016, EBITA rose 40% year-on-year. In the 1 January 2011–30 September 2016 period, Volati achieved average annual EBITA growth of 41%.
- Average return on equity is to exceed 20% per year. At the end of the third quarter of 2016, the return on equity was 19% for the last 12 months. For the period 1 January 2011–30 September 2016, Volati has achieved an average annual return on equity of 39%.
- Normally, net debt in relation to adjusted EBITDA ("ND/adjusted EBITDA") for the last 12 months should be a ratio of between 2.0 and 3.5. At the end of the third quarter of 2016, the ND/adjusted EBITDA was 2.1.
- Each year, the preference shares receive a dividend of SEK 40.00. (the 1:5 reverse split completed in September required a recalculation of the divided). Furthermore, the aim is to pay an annual dividend on the common shares corresponding to between zero and 30% of net profit after tax.
- In the event of a potential listing of the common shares, the Board of Directors will review the financial targets, given that a new share issue would provide the basis for continued high growth.



Consolidated financial trend

+44%
Net sales
Q3 2016

Sales

In the third quarter, consolidated net sales amounted to SEK 839.1m (584.2), corresponding to a year-on-year increase of 43.6%. Growth was driven by strong organic expansion of 13.0% and a positive effect of acquisitions totalling 32.2%. All business areas reported organic growth in the quarter and the acquired growth was attributable to the Trading and Consumer business areas. The exchange-rate effect was negative at 1.6% due to a strengthening of the NOK.

In the first nine months of the year, consolidated net sales were SEK 2,426.9m (1,456.2), corresponding to a year-on-year increase of 66.7%. Growth was driven by strong organic expansion of 15.3% and a positive effect of acquisitions totalling 52.8%. The exchange-rate effect was negative at 1.5% due to a strengthening of the NOK.

+40%
EBITA
Q3 2016

Earnings

In the third quarter, EBITA amounted to SEK 89.8m (64.0), corresponding to an increase of 40.2%. Growth was driven by strong organic expansion of 36.7% and a positive effect of acquisitions totalling 28.4%. The organic growth was mainly an effect of Corroventa's success in the area of rentals in the summer and Besikta Bilprovning's improved margins. The acquired growth was attributable to the Trading Business Area. The exchange-rate effect was negative at 1.6% due to a strengthening of the NOK.

In the first nine months of the year, EBITA amounted to SEK 245.6m (151.8), corresponding to an increase of 61.7%. Growth was driven by strong organic expansion of 35.9% and a positive effect of acquisitions totalling 43.4%. All business areas reported positive organic growth in the first nine months of the year.

Net profit after tax increased 91.1% to SEK 155.0m (81.1) for the first nine months of the year. Net profit after tax attributable to the Parent Company's owners increased to SEK 151.6m (57.3) during the period. The minority share of net sales was SEK 3.4m (23.8).

At the end of the quarter, LTM EBITA amounted to SEK 321.0m (SEK 227.3m for full-year 2015). Adjusted EBITA, including the acquisitions completed in the last 12 months, totalled SEK 331.6m. During the period, earnings were charged with restructuring costs of SEK 16.7m[1] relating to ClearCar, costs for change of lists for the preference share and preparations for a potential listing of the company's common share, termination costs and one-off payment for personnel and an earn-out revaluation.

Ahead of a review of the company's financial targets in conjunction with a potential new share issue, Volati has made certain assumptions regarding the Group's anticipated organic earnings growth in 2017 and has thus assumed that the business will achieve organic EBITA growth of about 5%.

Moreover, Volati expects the company's central costs to be on a par with the level of the twelve-month period ending 30 September 2016 of SEK 39.8m adjusted for items affecting comparability, in the short and medium term.

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1) Refer to the note relating to Alternative performance measures under Adjusted EBITA for a specification of the items affecting comparability.

Acquisitions during and after the period

Acquisitions comprise a core element of Volati's strategy for creating long-term value growth and the company continuously evaluates complementary companies and companies in entirely new business areas. In Volati's assessment, risk levels with add-on acquisitions are lower than for acquisitions in new business areas, since in-depth industry know-how and an organisation for receiving the acquired company are already in place.

Lantbutiken AB

In the third quarter, Kellfri, which is included in the Trading Business Area, acquired all shares in Lantbutiken AB, a Swedish e-commerce business with products for use in agriculture and by people living in the countryside. The acquisition of Lantbutiken will contribute to accelerating Kellfri's transition from physical mail order to e-commerce. For the 1 July 2015 to 30 June 2016 period, Lantbutiken reported sales of about SEK 45m, corresponding to year-on-year growth of around 65%. EBITDA was about SEK 2.3m for the same period. The purchase price for Lantbutiken was about SEK 10.2m on a cash-free and debt-free basis. In total, the acquisition is expected to have a marginally positive earnings impact for Volati in the current financial year. All of the shares were acquired as of 25 July 2016.

Acquisition of label printing business

After the close of the period, Ettikettoprintcom entered into an agreement to acquire a label printing business with the planned transfer of the operation to take place in the first quarter of 2017. The acquired operation reported sales of SEK 17m in its most recent financial year ending 30 April 2016. The acquisition is expected to have a marginally positive earnings impact for Volati in the financial years ahead.

Cash flow

64%
Cash
conversion
Q3 2016

Cash flows from operating activities amounted to SEK 50.5m (93.6) in the third quarter. The year-on-year change in cash flows was mainly attributable to an increase in tied-up working capital as a result of a lower share of deferred income for Tornum and Besikta's businesses. Investments in non-current assets in the business units amounted to SEK 6.6m (12.9) and pertained primarily to ongoing investments in machinery and development of certain products and systems. Sales of financial fixed assets totalled SEK 0.2m (-). Cash flow from financing activities totalled a negative SEK 5.9m (pos: 460.7). Cash flow from financing activities was mainly impacted by dividends of SEK 16.0m to holders of preference shares. Total cash flows for the nine-month period were a negative SEK 51.1m (pos: 14.4). Over the last 12 months, cash flows from operating activities were 4.4 times higher than the dividend to preference shareholders over the same period.

Equity

Total equity for the Group amounted to SEK 1,061.9m (1,050.9) at the end of the period. The change in Group equity was attributable to comprehensive income for the period, the adopted dividend to preference shareholders and the dividend paid to holders of common shares. During the first nine months, shareholders' equity increased by SEK 69.0m as a result of the non-cash issue that took place in conjunction with the share swap in January 2016 and was reduced by SEK 104.7m due to the remeasurement of non-controlling interests in conjunction with the restructuring of me&i ownership and the acquisition of an 18% minority holding in Volati Parts, which is the parent company of the Trading Business Area. During the period, equity attributable to the Parent Company's shareholders adjusted for preference share capital increased from SEK 141.7m at 31 December 2015 to SEK 220.8m at 30 September 2016.

The return on equity for the last 12 months was 18.8% (20.1 for full-year 2015), which represented a minor increase from end of the second quarter. As a result of the completed acquisitions, the equity ratio declined slightly to 33.2% compared with 37.2% at the end of 2015. As a consequence of the share swap completed in January 2016, the number of Volati's issued shares increased and, accordingly, the equity per common share was diluted to SEK 3.93 compared with SEK 5.51 at year-end 2015. On 22 September, the company conducted a reverse split of its preference shares and common shares, meaning that every five shares were consolidated into one share. As a result of the reverse split, the annual dividend per preference share was adjusted from SEK 8.00 to SEK 40.00.

Net debt

At the end of the period, external bank financing totalled SEK 1,001.6m compared with SEK 951.7m at 31 December 2015. Total liabilities amounted to SEK 2,133.6m compared with SEK 1,774.9m at 31 December 2015. At the end of the period, interest-bearing liabilities including pension provisions were SEK 1,100.8m compared with SEK 1,042.5m at 31 December 2015. At 30 September, cash and cash equivalents and unutilised credit facilities amounted to SEK 410.4m, of which SEK 200.0m was the unutilised portion of the overdraft facility, SEK 50m the unutilised portion of the revolving credit facility and SEK 160.4m cash and cash equivalents. Net debt totalled SEK 845.1m (SEK 756.2m at year-end 2015) at the end of the period.

Seasonal variations

Volati's business areas operate in several different branches and markets. Overall, the Group is impacted by seasonal variations in terms of cash flow and earnings, where the fourth quarter generally has the strongest cash flow and the third quarter the strongest earnings, while the first quarter has the lowest cash flow and earnings.

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Volati's business areas.

As of the second quarter 2016, Volati's 13 business units and some 40 operating companies are organised in three business areas: Trading, Consumer and Industry.

Breakdown of Volati's net sales and earnings by business area

For the October 2015–September 2016[1] period

Sales SEK 3,158m

🟩 **Trading 45.8%**

🟩 **Consumer 28.4%**

🟩 **Industry 25.8%**

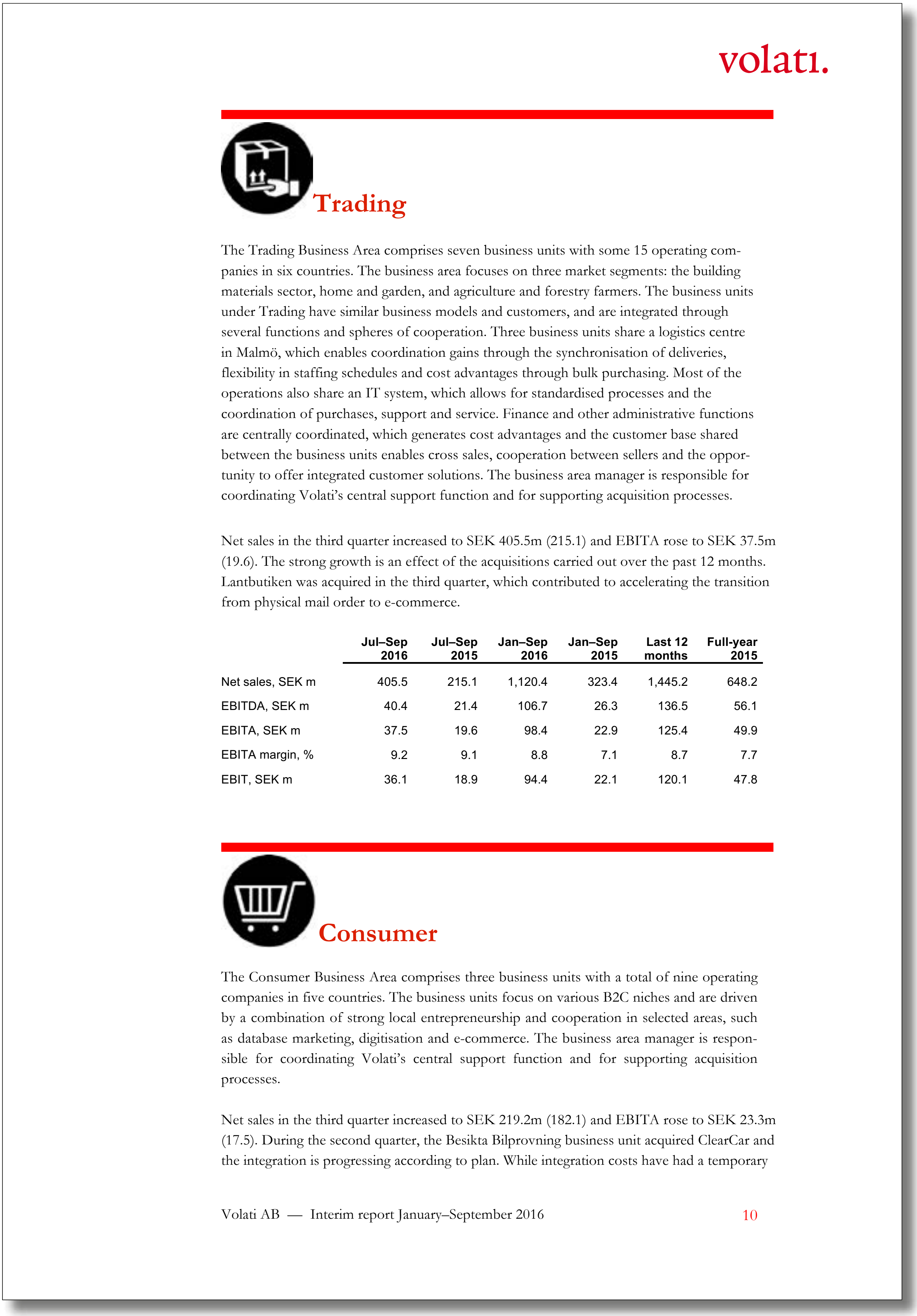
EBITA SEK 321m

🟩 **Trading 32.5%**

🟩 **Consumer 31.8%**

🟩 **Industry 35.7%**

1) The business areas' share has not been calculated pro forma for the acquisitions carried out during the year, which is why the acquired operations in the above calculation are only included from the date possession was taken of the respective business and the share is calculated exclusive of central costs.



Trading

The Trading Business Area comprises seven business units with some 15 operating companies in six countries. The business area focuses on three market segments: the building materials sector, home and garden, and agriculture and forestry farmers. The business units under Trading have similar business models and customers, and are integrated through several functions and spheres of cooperation. Three business units share a logistics centre in Malmö, which enables coordination gains through the synchronisation of deliveries, flexibility in staffing schedules and cost advantages through bulk purchasing. Most of the operations also share an IT system, which allows for standardised processes and the coordination of purchases, support and service. Finance and other administrative functions are centrally coordinated, which generates cost advantages and the customer base shared between the business units enables cross sales, cooperation between sellers and the opportunity to offer integrated customer solutions. The business area manager is responsible for coordinating Volati's central support function and for supporting acquisition processes.

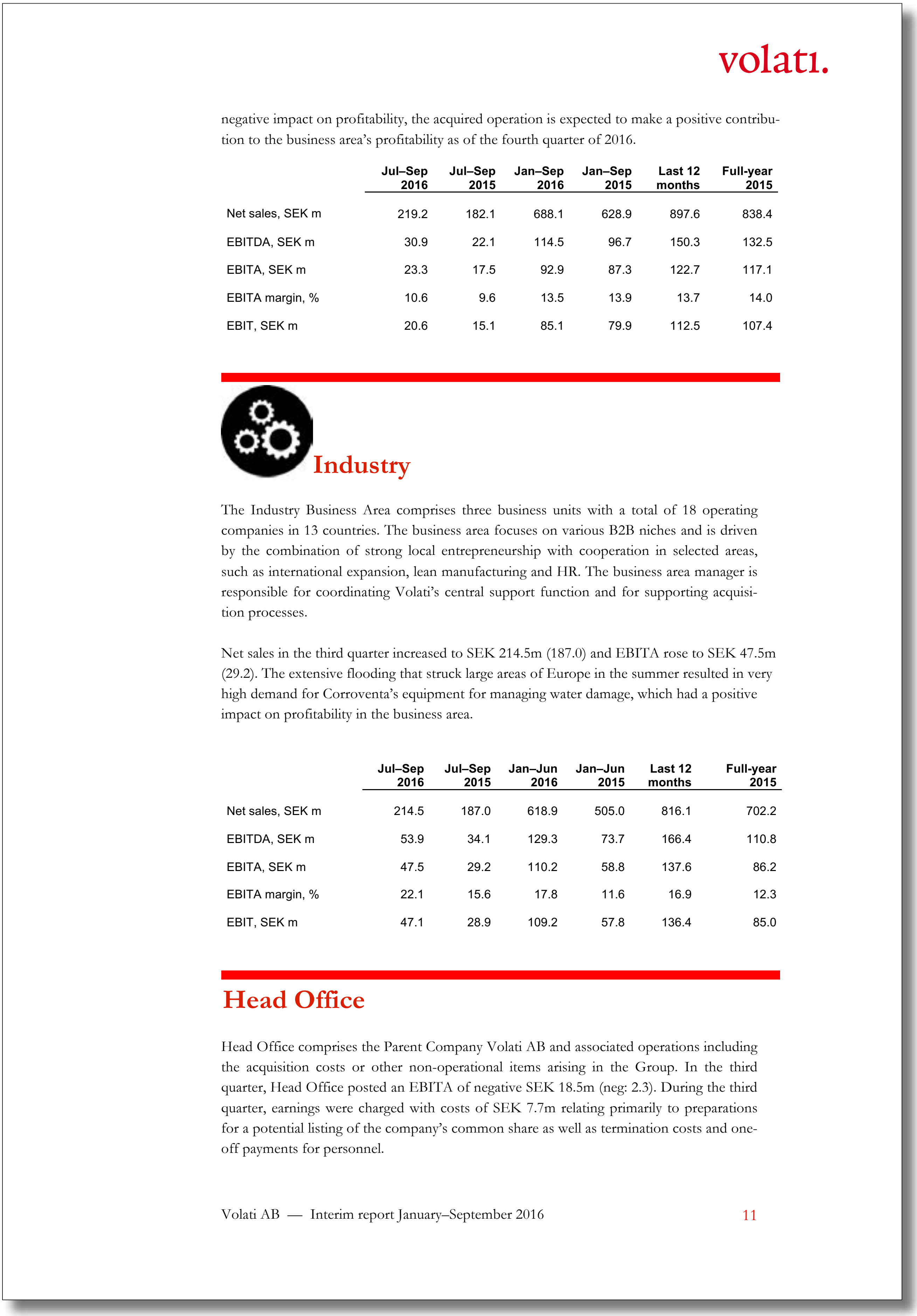
Net sales in the third quarter increased to SEK 405.5m (215.1) and EBITA rose to SEK 37.5m (19.6). The strong growth is an effect of the acquisitions carried out over the past 12 months. Lantbutiken was acquired in the third quarter, which contributed to accelerating the transition from physical mail order to e-commerce.

	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Last 12 months	Full-year 2015
Net sales, SEK m	405.5	215.1	1,120.4	323.4	1,445.2	648.2
EBITDA, SEK m	40.4	21.4	106.7	26.3	136.5	56.1
EBITA, SEK m	37.5	19.6	98.4	22.9	125.4	49.9
EBITA margin, %	9.2	9.1	8.8	7.1	8.7	7.7
EBIT, SEK m	36.1	18.9	94.4	22.1	120.1	47.8

Consumer

The Consumer Business Area comprises three business units with a total of nine operating companies in five countries. The business units focus on various B2C niches and are driven by a combination of strong local entrepreneurship and cooperation in selected areas, such as database marketing, digitisation and e-commerce. The business area manager is responsible for coordinating Volati's central support function and for supporting acquisition processes.

Net sales in the third quarter increased to SEK 219.2m (182.1) and EBITA rose to SEK 23.3m (17.5). During the second quarter, the Besikta Bilprovning business unit acquired ClearCar and the integration is progressing according to plan. While integration costs have had a temporary



negative impact on profitability, the acquired operation is expected to make a positive contribution to the business area's profitability as of the fourth quarter of 2016.

	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Last 12 months	Full-year 2015
Net sales, SEK m	219.2	182.1	688.1	628.9	897.6	838.4
EBITDA, SEK m	30.9	22.1	114.5	96.7	150.3	132.5
EBITA, SEK m	23.3	17.5	92.9	87.3	122.7	117.1
EBITA margin, %	10.6	9.6	13.5	13.9	13.7	14.0
EBIT, SEK m	20.6	15.1	85.1	79.9	112.5	107.4

Industry

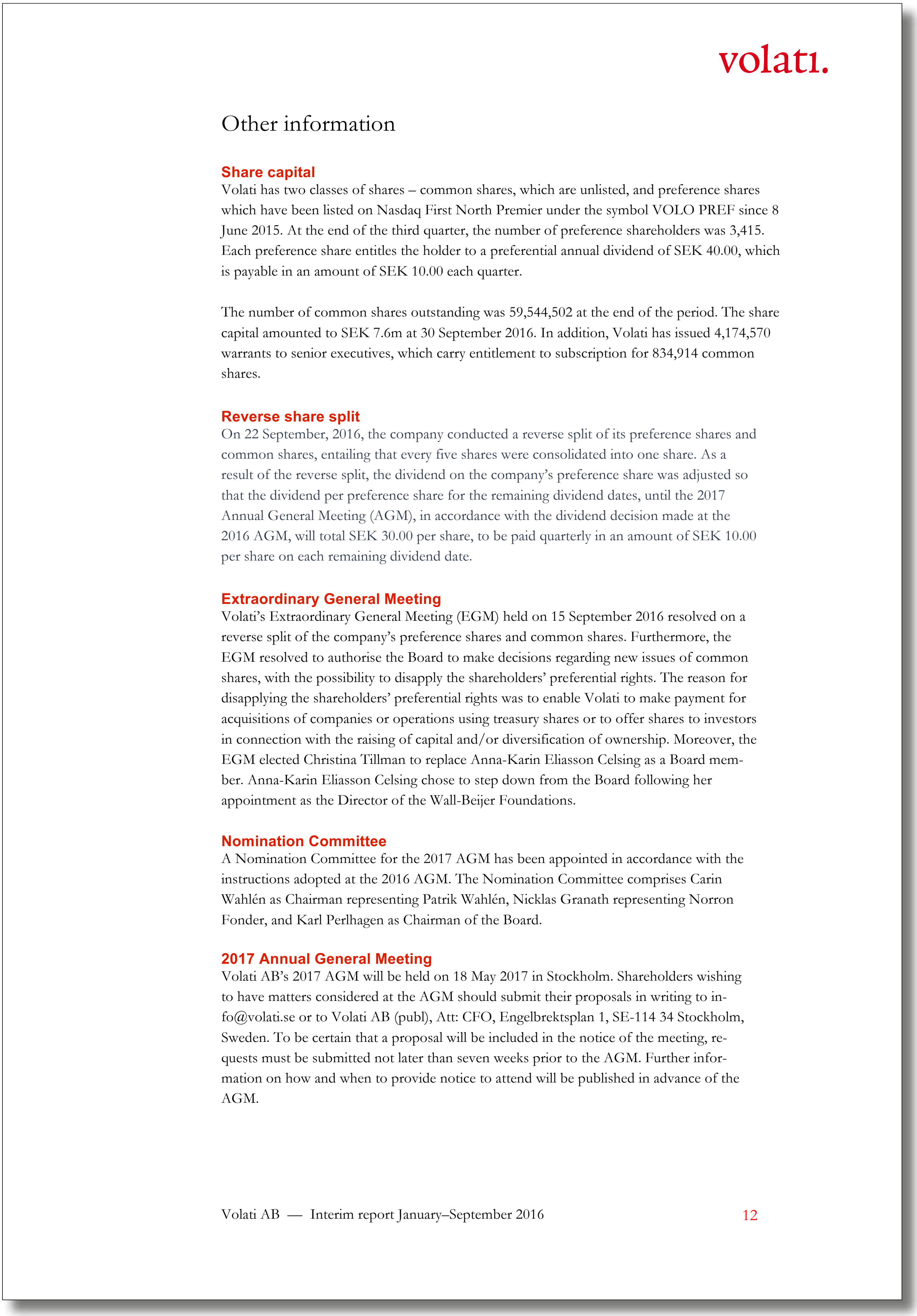
The Industry Business Area comprises three business units with a total of 18 operating companies in 13 countries. The business area focuses on various B2B niches and is driven by the combination of strong local entrepreneurship with cooperation in selected areas, such as international expansion, lean manufacturing and HR. The business area manager is responsible for coordinating Volati's central support function and for supporting acquisition processes.

Net sales in the third quarter increased to SEK 214.5m (187.0) and EBITA rose to SEK 47.5m (29.2). The extensive flooding that struck large areas of Europe in the summer resulted in very high demand for Corroventa's equipment for managing water damage, which had a positive impact on profitability in the business area.

	Jul–Sep 2016	Jul–Sep 2015	Jan–Jun 2016	Jan–Jun 2015	Last 12 months	Full-year 2015
Net sales, SEK m	214.5	187.0	618.9	505.0	816.1	702.2
EBITDA, SEK m	53.9	34.1	129.3	73.7	166.4	110.8
EBITA, SEK m	47.5	29.2	110.2	58.8	137.6	86.2
EBITA margin, %	22.1	15.6	17.8	11.6	16.9	12.3
EBIT, SEK m	47.1	28.9	109.2	57.8	136.4	85.0

Head Office

Head Office comprises the Parent Company Volati AB and associated operations including the acquisition costs or other non-operational items arising in the Group. In the third quarter, Head Office posted an EBITA of negative SEK 18.5m (neg: 2.3). During the third quarter, earnings were charged with costs of SEK 7.7m relating primarily to preparations for a potential listing of the company's common share as well as termination costs and one-off payments for personnel.



Other information

Share capital

Volati has two classes of shares – common shares, which are unlisted, and preference shares which have been listed on Nasdaq First North Premier under the symbol VOLO PREF since 8 June 2015. At the end of the third quarter, the number of preference shareholders was 3,415. Each preference share entitles the holder to a preferential annual dividend of SEK 40.00, which is payable in an amount of SEK 10.00 each quarter.

The number of common shares outstanding was 59,544,502 at the end of the period. The share capital amounted to SEK 7.6m at 30 September 2016. In addition, Volati has issued 4,174,570 warrants to senior executives, which carry entitlement to subscription for 834,914 common shares.

Reverse share split

On 22 September, 2016, the company conducted a reverse split of its preference shares and common shares, entailing that every five shares were consolidated into one share. As a result of the reverse split, the dividend on the company's preference share was adjusted so that the dividend per preference share for the remaining dividend dates, until the 2017 Annual General Meeting (AGM), in accordance with the dividend decision made at the 2016 AGM, will total SEK 30.00 per share, to be paid quarterly in an amount of SEK 10.00 per share on each remaining dividend date.

Extraordinary General Meeting

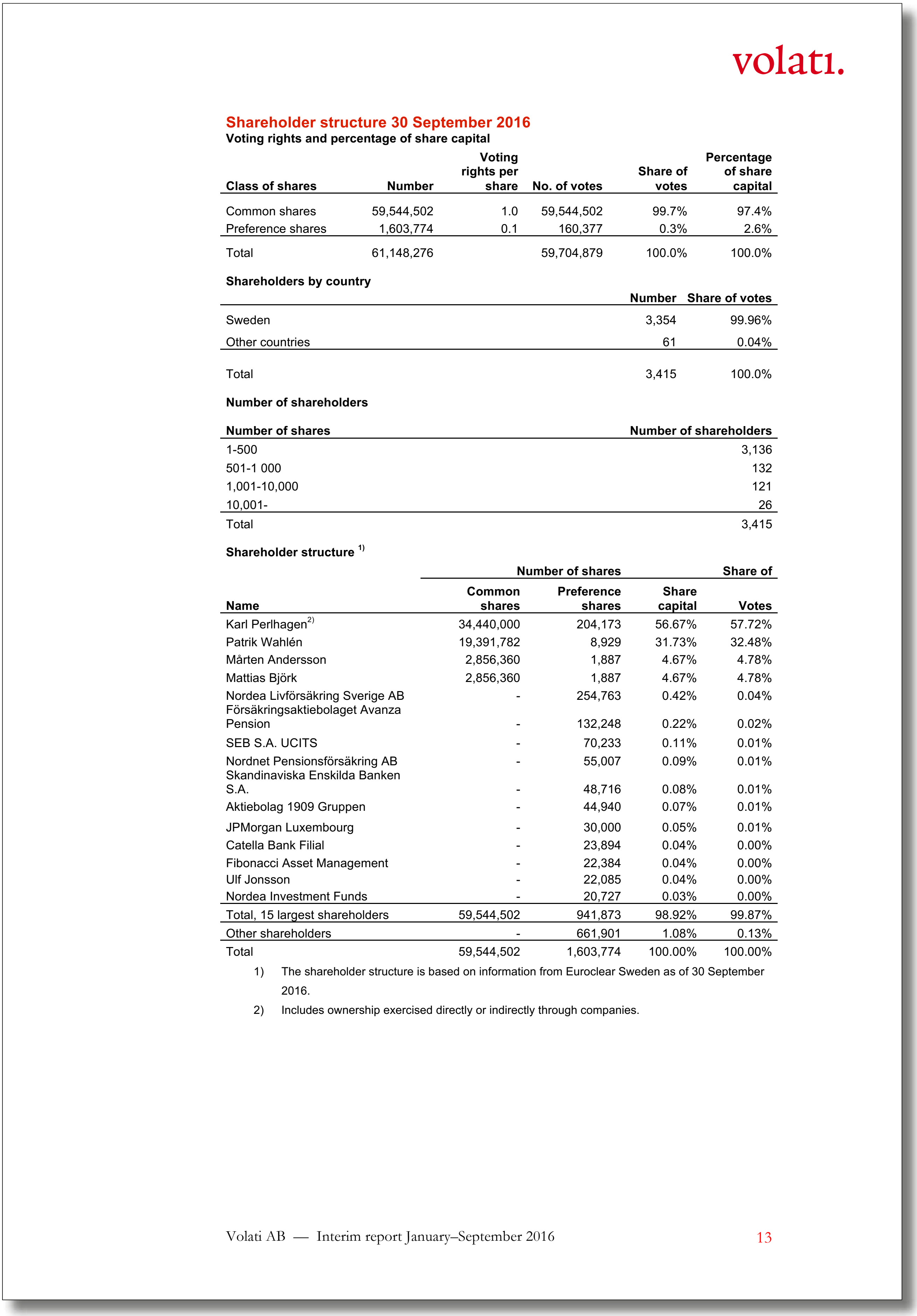
Volati's Extraordinary General Meeting (EGM) held on 15 September 2016 resolved on a reverse split of the company's preference shares and common shares. Furthermore, the EGM resolved to authorise the Board to make decisions regarding new issues of common shares, with the possibility to disapply the shareholders' preferential rights. The reason for disapplying the shareholders' preferential rights was to enable Volati to make payment for acquisitions of companies or operations using treasury shares or to offer shares to investors in connection with the raising of capital and/or diversification of ownership. Moreover, the EGM elected Christina Tillman to replace Anna-Karin Eliasson Celsing as a Board member. Anna-Karin Eliasson Celsing chose to step down from the Board following her appointment as the Director of the Wall-Beijer Foundations.

Nomination Committee

A Nomination Committee for the 2017 AGM has been appointed in accordance with the instructions adopted at the 2016 AGM. The Nomination Committee comprises Carin Wahlén as Chairman representing Patrik Wahlén, Nicklas Granath representing Norron Fonder, and Karl Perlhagen as Chairman of the Board.

2017 Annual General Meeting

Volati AB's 2017 AGM will be held on 18 May 2017 in Stockholm. Shareholders wishing to have matters considered at the AGM should submit their proposals in writing to info@volati.se or to Volati AB (publ), Att: CFO, Engelbrektsplan 1, SE-114 34 Stockholm, Sweden. To be certain that a proposal will be included in the notice of the meeting, requests must be submitted not later than seven weeks prior to the AGM. Further information on how and when to provide notice to attend will be published in advance of the AGM.



Shareholder structure 30 September 2016

Voting rights and percentage of share capital

Class of shares	Number	Voting rights per share	No. of votes	Share of votes	Percentage of share capital
Common shares	59,544,502	1.0	59,544,502	99.7%	97.4%
Preference shares	1,603,774	0.1	160,377	0.3%	2.6%
Total	61,148,276		59,704,879	100.0%	100.0%

Shareholders by country

	Number	Share of votes
Sweden	3,354	99.96%
Other countries	61	0.04%
Total	3,415	100.0%

Number of shareholders

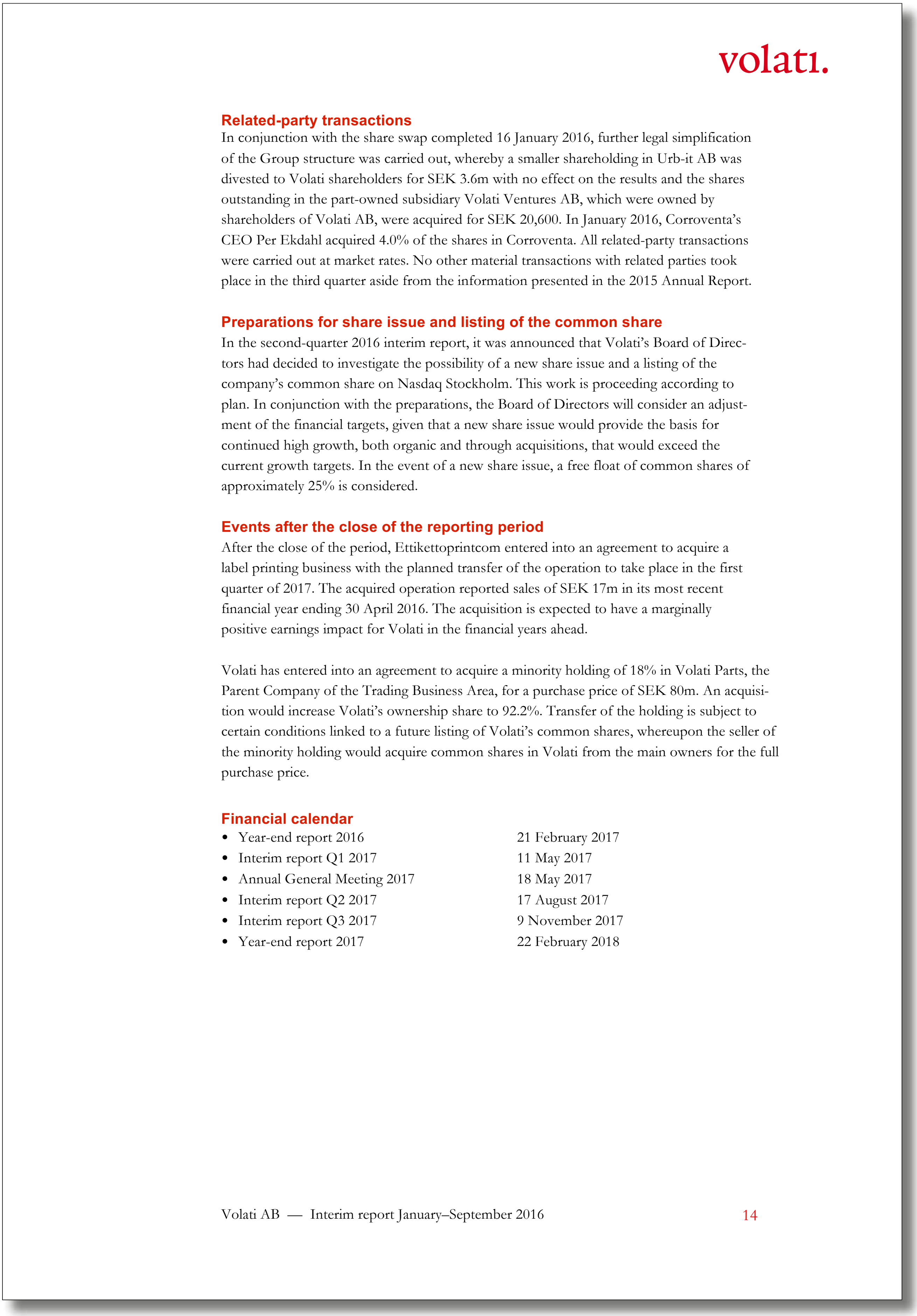
Number of shares	Number of shareholders
1-500	3,136
501-1 000	132
1,001-10,000	121
10,001-	26
Total	3,415

Shareholder structure (1)

	Number of shares		Share of	
Name	**Common shares**	**Preference shares**	**Share capital**	**Votes**
Karl Perlhagen(2)	34,440,000	204,173	56.67%	57.72%
Patrik Wahlén	19,391,782	8,929	31.73%	32.48%
Mårten Andersson	2,856,360	1,887	4.67%	4.78%
Mattias Björk	2,856,360	1,887	4.67%	4.78%
Nordea Livförsäkring Sverige AB	-	254,763	0.42%	0.04%
Försäkringsaktiebolaget Avanza Pension	-	132,248	0.22%	0.02%
SEB S.A. UCITS	-	70,233	0.11%	0.01%
Nordnet Pensionsförsäkring AB	-	55,007	0.09%	0.01%
Skandinaviska Enskilda Banken S.A.	-	48,716	0.08%	0.01%
Aktiebolag 1909 Gruppen	-	44,940	0.07%	0.01%
JPMorgan Luxembourg	-	30,000	0.05%	0.01%
Catella Bank Filial	-	23,894	0.04%	0.00%
Fibonacci Asset Management	-	22,384	0.04%	0.00%
Ulf Jonsson	-	22,085	0.04%	0.00%
Nordea Investment Funds	-	20,727	0.03%	0.00%
Total, 15 largest shareholders	59,544,502	941,873	98.92%	99.87%
Other shareholders	-	661,901	1.08%	0.13%
Total	59,544,502	1,603,774	100.00%	100.00%

1) The shareholder structure is based on information from Euroclear Sweden as of 30 September 2016.

2) Includes ownership exercised directly or indirectly through companies.



Related-party transactions

In conjunction with the share swap completed 16 January 2016, further legal simplification of the Group structure was carried out, whereby a smaller shareholding in Urb-it AB was divested to Volati shareholders for SEK 3.6m with no effect on the results and the shares outstanding in the part-owned subsidiary Volati Ventures AB, which were owned by shareholders of Volati AB, were acquired for SEK 20,600. In January 2016, Corroventa's CEO Per Ekdahl acquired 4.0% of the shares in Corroventa. All related-party transactions were carried out at market rates. No other material transactions with related parties took place in the third quarter aside from the information presented in the 2015 Annual Report.

Preparations for share issue and listing of the common share

In the second-quarter 2016 interim report, it was announced that Volati's Board of Directors had decided to investigate the possibility of a new share issue and a listing of the company's common share on Nasdaq Stockholm. This work is proceeding according to plan. In conjunction with the preparations, the Board of Directors will consider an adjustment of the financial targets, given that a new share issue would provide the basis for continued high growth, both organic and through acquisitions, that would exceed the current growth targets. In the event of a new share issue, a free float of common shares of approximately 25% is considered.

Events after the close of the reporting period

After the close of the period, Ettikettoprintcom entered into an agreement to acquire a label printing business with the planned transfer of the operation to take place in the first quarter of 2017. The acquired operation reported sales of SEK 17m in its most recent financial year ending 30 April 2016. The acquisition is expected to have a marginally positive earnings impact for Volati in the financial years ahead.

Volati has entered into an agreement to acquire a minority holding of 18% in Volati Parts, the Parent Company of the Trading Business Area, for a purchase price of SEK 80m. An acquisition would increase Volati's ownership share to 92.2%. Transfer of the holding is subject to certain conditions linked to a future listing of Volati's common shares, whereupon the seller of the minority holding would acquire common shares in Volati from the main owners for the full purchase price.

Financial calendar

• Year-end report 2016	21 February 2017
• Interim report Q1 2017	11 May 2017
• Annual General Meeting 2017	18 May 2017
• Interim report Q2 2017	17 August 2017
• Interim report Q3 2017	9 November 2017
• Year-end report 2017	22 February 2018

Distribution of dividend to preference shareholders

Each preference share entitles the holder to a preferential annual dividend of SEK 40.00, which is payable in an amount of SEK 10.00 each quarter. The following table sets out the dates for payment of the preference share dividends:

November 2016

• Last day of trading before the share goes ex-dividend	2 November 2016
• The record date for dividend payments	4 November 2016
• The expected date for payments from Euroclear	9 November 2016

February 2017

• Last day of trading before the share goes ex-dividend	1 February 2017
• The record date for dividend payments	3 February 2017
• The expected date for payments from Euroclear	8 February 2017

May 2017

• Last day of trading before the share goes ex-dividend	3 May 2017
• The record date for dividend payments	5 May 2017
• The expected date for payments from Euroclear	10 May 2017

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The Board of Directors and the CEO hereby certify that the interim report provides a fair view of the Parent Company's and the Group's operations, position and performance and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Volati AB (publ)
The Board of Directors and CEO
Stockholm 7 November 2016

Karl Perlhagen
Chairman of the Board

Patrik Wahlén
Board member

Björn Garat
Board member

Louise Nicolin
Board member

Christina Tillman
Board member

Mårten Andersson
CEO

This interim report was subject to review by the company's auditors, see the auditors' Report of Review on page 31.

The information contained in this report is such that Volati AB is obliged to disclose under the Market Abuse Regulation (MAR). This information was submitted for publication through the agency of the contact person set out below, at 7:00 a.m., 7 November 2016.

For more information, please contact:
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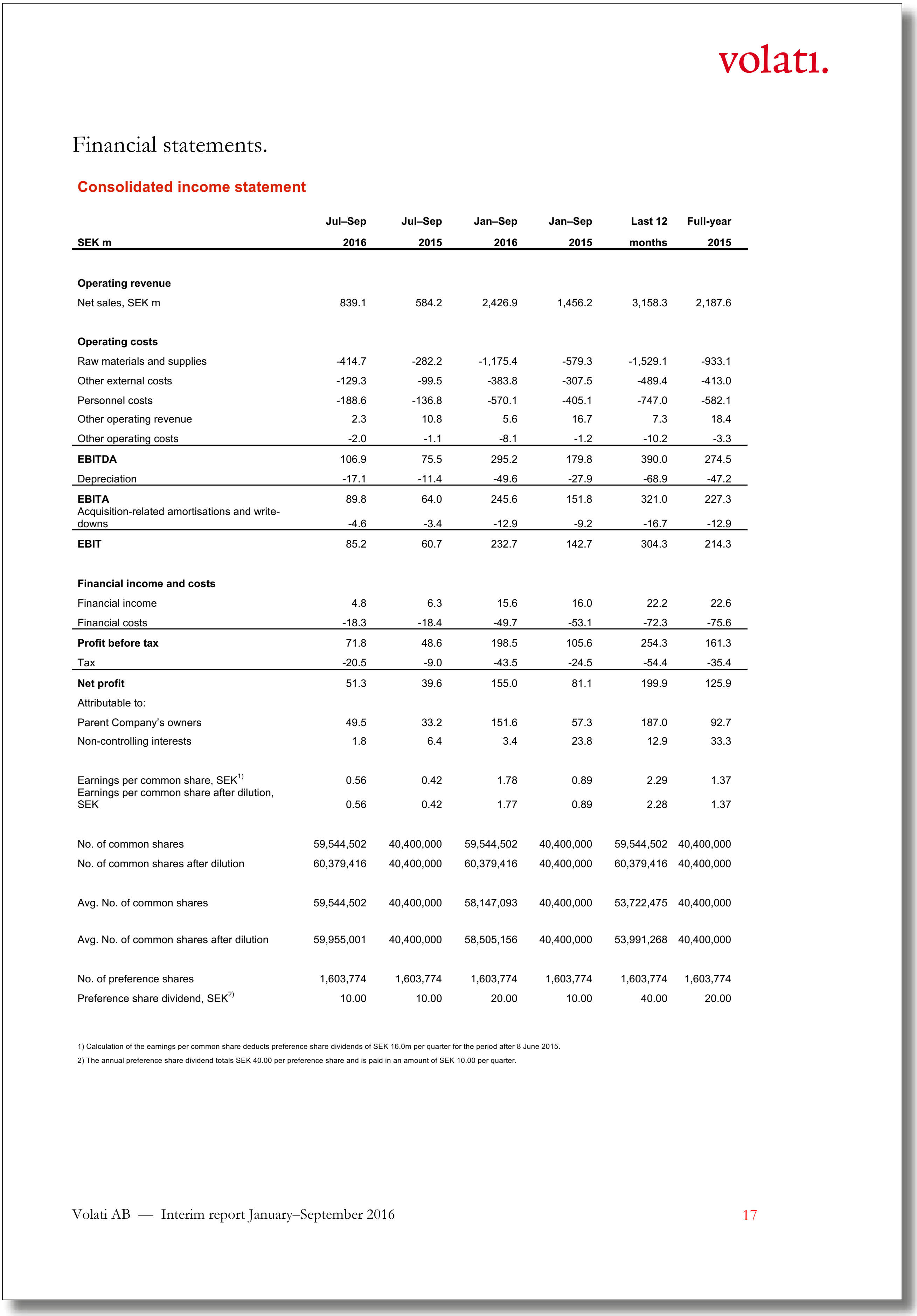

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Financial statements.

Consolidated income statement

SEK m	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Last 12 months	Full-year 2015
Operating revenue						
Net sales, SEK m	839.1	584.2	2,426.9	1,456.2	3,158.3	2,187.6
Operating costs						
Raw materials and supplies	-414.7	-282.2	-1,175.4	-579.3	-1,529.1	-933.1
Other external costs	-129.3	-99.5	-383.8	-307.5	-489.4	-413.0
Personnel costs	-188.6	-136.8	-570.1	-405.1	-747.0	-582.1
Other operating revenue	2.3	10.8	5.6	16.7	7.3	18.4
Other operating costs	-2.0	-1.1	-8.1	-1.2	-10.2	-3.3
EBITDA	106.9	75.5	295.2	179.8	390.0	274.5
Depreciation	-17.1	-11.4	-49.6	-27.9	-68.9	-47.2
EBITA	89.8	64.0	245.6	151.8	321.0	227.3
Acquisition-related amortisations and write-downs	-4.6	-3.4	-12.9	-9.2	-16.7	-12.9
EBIT	85.2	60.7	232.7	142.7	304.3	214.3
Financial income and costs						
Financial income	4.8	6.3	15.6	16.0	22.2	22.6
Financial costs	-18.3	-18.4	-49.7	-53.1	-72.3	-75.6
Profit before tax	71.8	48.6	198.5	105.6	254.3	161.3
Tax	-20.5	-9.0	-43.5	-24.5	-54.4	-35.4
Net profit	51.3	39.6	155.0	81.1	199.9	125.9
Attributable to:						
Parent Company's owners	49.5	33.2	151.6	57.3	187.0	92.7
Non-controlling interests	1.8	6.4	3.4	23.8	12.9	33.3
Earnings per common share, SEK[1]	0.56	0.42	1.78	0.89	2.29	1.37
Earnings per common share after dilution, SEK	0.56	0.42	1.77	0.89	2.28	1.37
No. of common shares	59,544,502	40,400,000	59,544,502	40,400,000	59,544,502	40,400,000
No. of common shares after dilution	60,379,416	40,400,000	60,379,416	40,400,000	60,379,416	40,400,000
Avg. No. of common shares	59,544,502	40,400,000	58,147,093	40,400,000	53,722,475	40,400,000
Avg. No. of common shares after dilution	59,955,001	40,400,000	58,505,156	40,400,000	53,991,268	40,400,000
No. of preference shares	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774
Preference share dividend, SEK[2]	10.00	10.00	20.00	10.00	40.00	20.00

1) Calculation of the earnings per common share deducts preference share dividends of SEK 16.0m per quarter for the period after 8 June 2015.

2) The annual preference share dividend totals SEK 40.00 per preference share and is paid in an amount of SEK 10.00 per quarter.

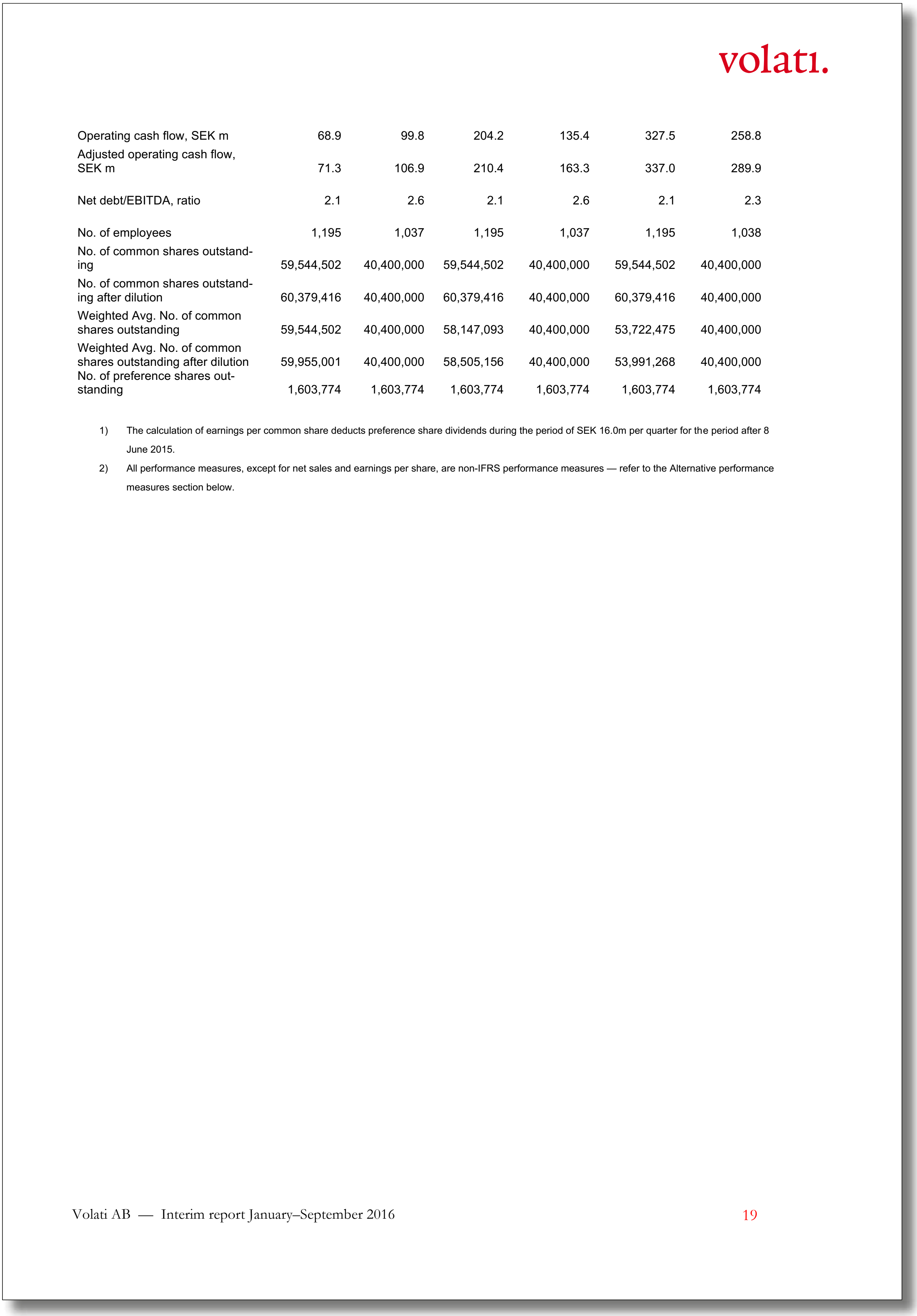
Volati AB — Interim report January–September 2016 17

Consolidated statement of comprehensive income

SEK m	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Last 12 months	Full-year 2015
Net profit	51.3	39.6	155.0	81.1	199.9	125.9
Other comprehensive income						
Translation differences for the period	28.0	-13.8	49.7	-20.6	36.5	-33.7
Other comprehensive income for the period	28.0	-13.8	49.7	-20.6	36.5	-33.7
Total comprehensive income for the period	79.3	25.8	204.7	60.5	236.4	92.2
Total comprehensive income for the period attributable to:						
Parent Company's owners	76.9	27.2	200.1	48.1	229.0	77.0
Non-controlling interests	2.4	-1.4	4.6	12.4	7.4	15.2

Key figures[2]

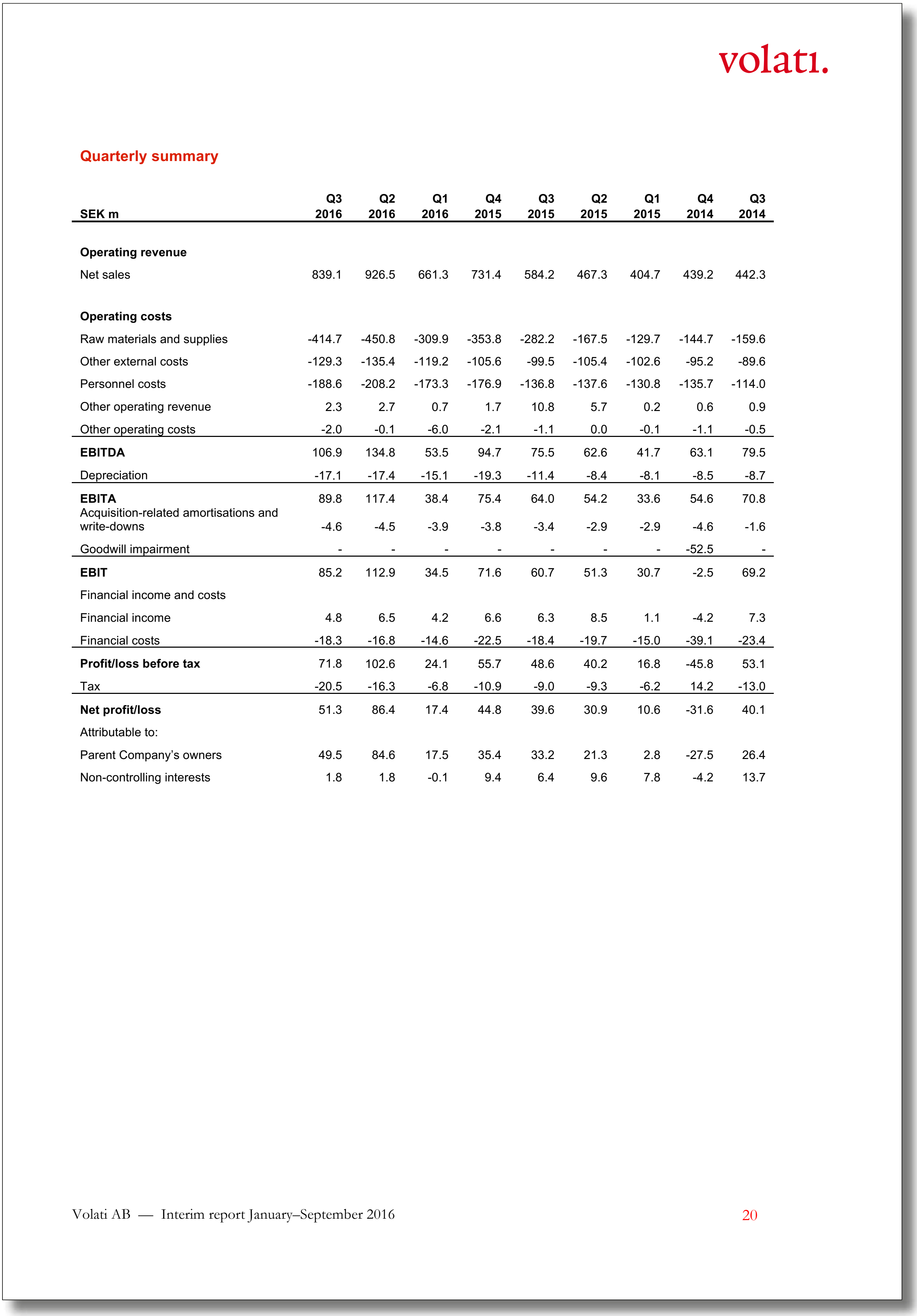
	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Last 12 months	Full-year 2015
Net sales, SEK m	839.1	584.2	2,426.9	1,456.2	3,158.30	2,187.6
Net sales growth, %	43.6	32.1	66.7	19.7	66.6	32.1
Organic growth in net sales, %	13.0	0.2	15.3	-1.7	12.2	4.6
EBITDA, SEK m	106.9	75.5	295.2	179.8	390	274.5
Adjusted EBITDA, SEK m	411.8	329.3	411.8	329.3	411.8	332.9
EBITA, SEK m	89.8	64.0	245.6	151.8	321	227.3
EBITA margin, %	10.7	11.0	10.1	10.4	10.2	10.4
EBITA growth, %	40.2	-9.6	61.7	-5.5	55.5	5.6
Adjusted EBITA, SEK m	339.7	286.9	339.7	286.9	339.7	280.7
EBITA excl. central costs and items affecting comparability, SEK m	108.3	66.3	301.5	169.0	385.6	253.1
Organic EBITA growth, %	36.7	-59.7	35.9	-37.0	24.4	-20.1
EBIT, SEK m	85.2	60.7	232.7	142.7	304.3	214.3
Earnings per common share before dilution, SEK	0.56	0.42	1.78	0.89	2.29	1.37
Earnings per common share after dilution, SEK	0.55	0.42	1.77	0.89	2.28	1.37
Equity per common share, SEK	3.93	5.79	3.93	5.79	3.93	5.51
Return on equity, % 1)	18.8	7.7	18.8	7.7	18.8	20.1
Return on adjusted equity, %	58.0	12.1	58.0	12.1	58.0	41.9
Equity ratio, %	33.2	36.7	33.2	36.7	33.2	37.2
Cash conversion, %	64.4	132.2	69.2	75.4	84.0	94.3
Adjusted cash conversion, %	66.7	141.6	71.3	90.8	86.4	105.6



Operating cash flow, SEK m	68.9	99.8	204.2	135.4	327.5	258.8
Adjusted operating cash flow, SEK m	71.3	106.9	210.4	163.3	337.0	289.9
Net debt/EBITDA, ratio	2.1	2.6	2.1	2.6	2.1	2.3
No. of employees	1,195	1,037	1,195	1,037	1,195	1,038
No. of common shares outstanding	59,544,502	40,400,000	59,544,502	40,400,000	59,544,502	40,400,000
No. of common shares outstanding after dilution	60,379,416	40,400,000	60,379,416	40,400,000	60,379,416	40,400,000
Weighted Avg. No. of common shares outstanding	59,544,502	40,400,000	58,147,093	40,400,000	53,722,475	40,400,000
Weighted Avg. No. of common shares outstanding after dilution	59,955,001	40,400,000	58,505,156	40,400,000	53,991,268	40,400,000
No. of preference shares outstanding	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774

1) The calculation of earnings per common share deducts preference share dividends during the period of SEK 16.0m per quarter for the period after 8 June 2015.

2) All performance measures, except for net sales and earnings per share, are non-IFRS performance measures — refer to the Alternative performance measures section below.



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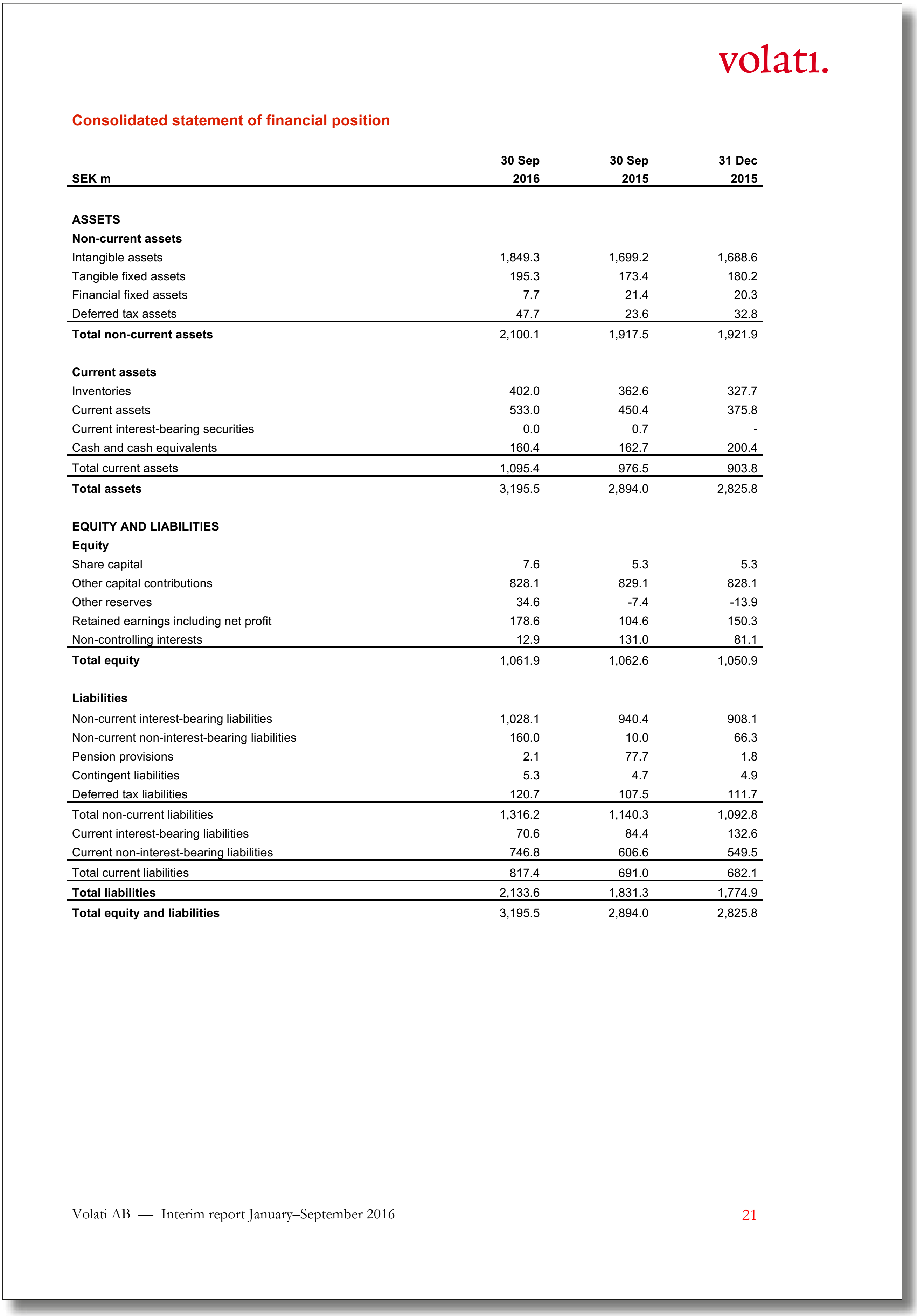
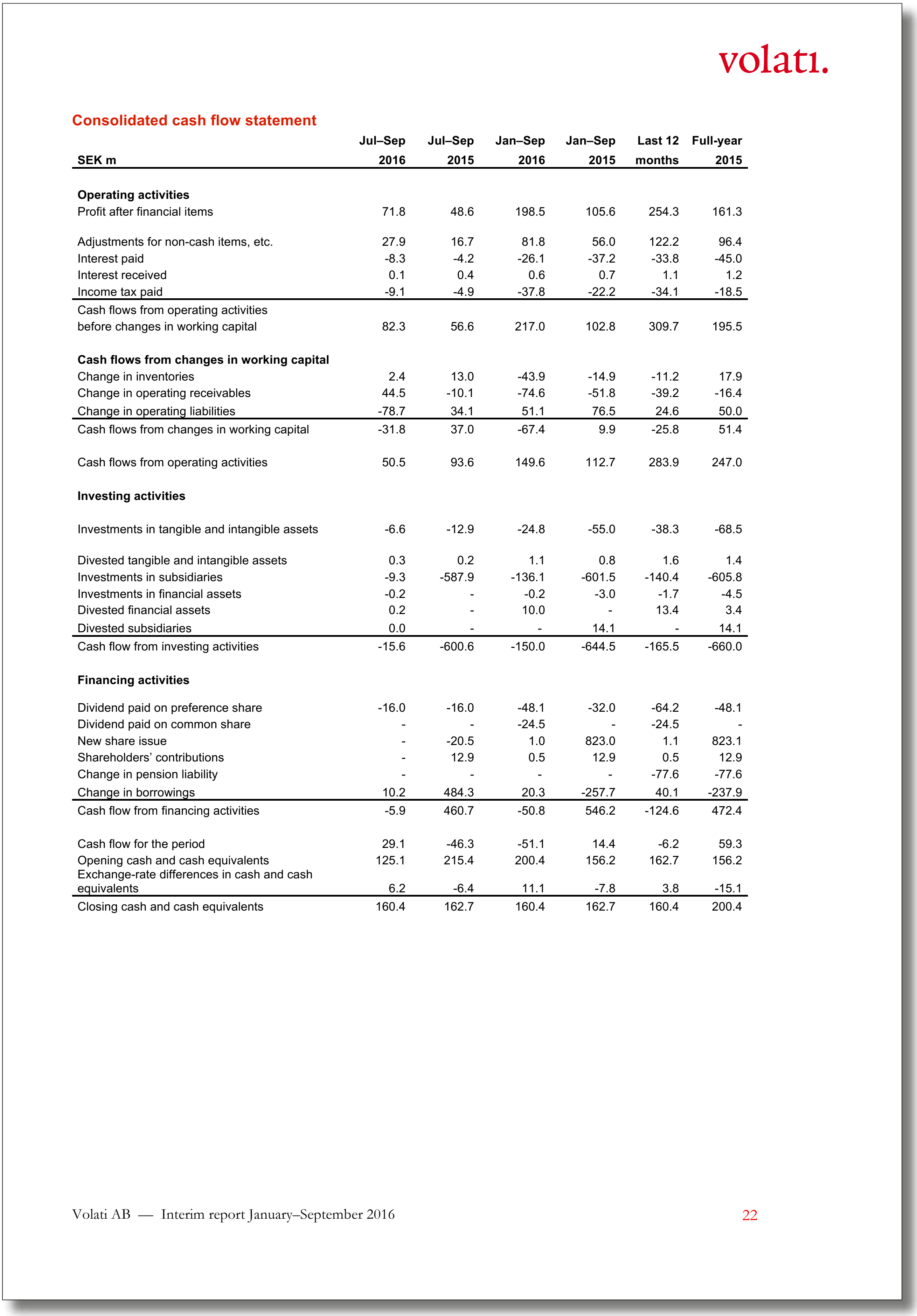
Quarterly summary

SEK m	Q3 2016	Q2 2016	Q1 2016	Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014
Operating revenue									
Net sales	839.1	926.5	661.3	731.4	584.2	467.3	404.7	439.2	442.3
Operating costs									
Raw materials and supplies	-414.7	-450.8	-309.9	-353.8	-282.2	-167.5	-129.7	-144.7	-159.6
Other external costs	-129.3	-135.4	-119.2	-105.6	-99.5	-105.4	-102.6	-95.2	-89.6
Personnel costs	-188.6	-208.2	-173.3	-176.9	-136.8	-137.6	-130.8	-135.7	-114.0
Other operating revenue	2.3	2.7	0.7	1.7	10.8	5.7	0.2	0.6	0.9
Other operating costs	-2.0	-0.1	-6.0	-2.1	-1.1	0.0	-0.1	-1.1	-0.5
EBITDA	106.9	134.8	53.5	94.7	75.5	62.6	41.7	63.1	79.5
Depreciation	-17.1	-17.4	-15.1	-19.3	-11.4	-8.4	-8.1	-8.5	-8.7
EBITA	89.8	117.4	38.4	75.4	64.0	54.2	33.6	54.6	70.8
Acquisition-related amortisations and write-downs	-4.6	-4.5	-3.9	-3.8	-3.4	-2.9	-2.9	-4.6	-1.6
Goodwill impairment	-	-	-	-	-	-	-	-52.5	-
EBIT	85.2	112.9	34.5	71.6	60.7	51.3	30.7	-2.5	69.2
Financial income and costs									
Financial income	4.8	6.5	4.2	6.6	6.3	8.5	1.1	-4.2	7.3
Financial costs	-18.3	-16.8	-14.6	-22.5	-18.4	-19.7	-15.0	-39.1	-23.4
Profit/loss before tax	71.8	102.6	24.1	55.7	48.6	40.2	16.8	-45.8	53.1
Tax	-20.5	-16.3	-6.8	-10.9	-9.0	-9.3	-6.2	14.2	-13.0
Net profit/loss	51.3	86.4	17.4	44.8	39.6	30.9	10.6	-31.6	40.1
Attributable to:									
Parent Company's owners	49.5	84.6	17.5	35.4	33.2	21.3	2.8	-27.5	26.4
Non-controlling interests	1.8	1.8	-0.1	9.4	6.4	9.6	7.8	-4.2	13.7



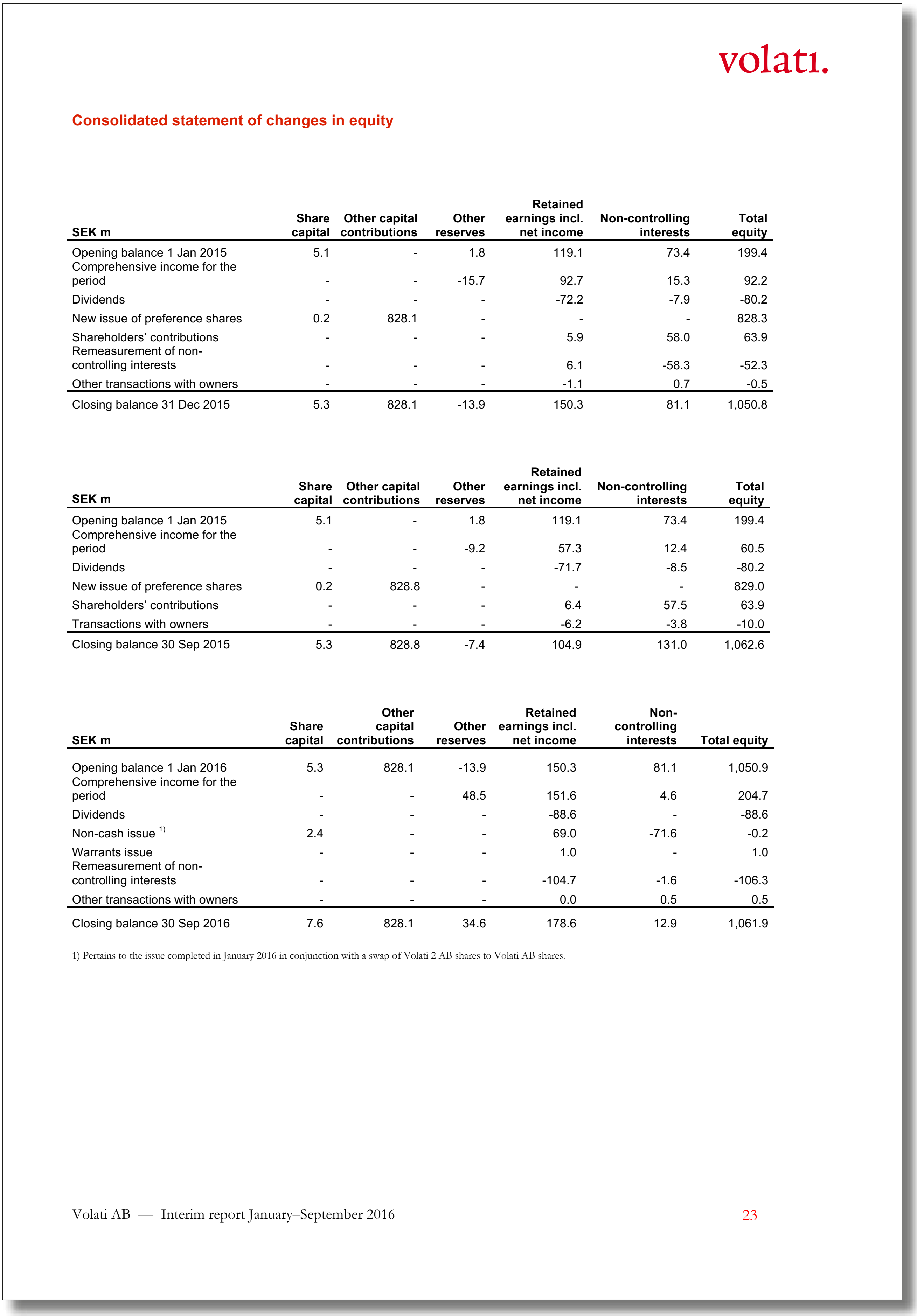
Consolidated statement of financial position

SEK m	30 Sep 2016	30 Sep 2015	31 Dec 2015
ASSETS			
Non-current assets			
Intangible assets	1,849.3	1,699.2	1,688.6
Tangible fixed assets	195.3	173.4	180.2
Financial fixed assets	7.7	21.4	20.3
Deferred tax assets	47.7	23.6	32.8
Total non-current assets	2,100.1	1,917.5	1,921.9
Current assets			
Inventories	402.0	362.6	327.7
Current assets	533.0	450.4	375.8
Current interest-bearing securities	0.0	0.7	-
Cash and cash equivalents	160.4	162.7	200.4
Total current assets	1,095.4	976.5	903.8
Total assets	3,195.5	2,894.0	2,825.8
EQUITY AND LIABILITIES			
Equity			
Share capital	7.6	5.3	5.3
Other capital contributions	828.1	829.1	828.1
Other reserves	34.6	-7.4	-13.9
Retained earnings including net profit	178.6	104.6	150.3
Non-controlling interests	12.9	131.0	81.1
Total equity	1,061.9	1,062.6	1,050.9
Liabilities			
Non-current interest-bearing liabilities	1,028.1	940.4	908.1
Non-current non-interest-bearing liabilities	160.0	10.0	66.3
Pension provisions	2.1	77.7	1.8
Contingent liabilities	5.3	4.7	4.9
Deferred tax liabilities	120.7	107.5	111.7
Total non-current liabilities	1,316.2	1,140.3	1,092.8
Current interest-bearing liabilities	70.6	84.4	132.6
Current non-interest-bearing liabilities	746.8	606.6	549.5
Total current liabilities	817.4	691.0	682.1
Total liabilities	2,133.6	1,831.3	1,774.9
Total equity and liabilities	3,195.5	2,894.0	2,825.8



Consolidated cash flow statement

SEK m	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Last 12 months	Full-year 2015
Operating activities						
Profit after financial items	71.8	48.6	198.5	105.6	254.3	161.3
Adjustments for non-cash items, etc.	27.9	16.7	81.8	56.0	122.2	96.4
Interest paid	-8.3	-4.2	-26.1	-37.2	-33.8	-45.0
Interest received	0.1	0.4	0.6	0.7	1.1	1.2
Income tax paid	-9.1	-4.9	-37.8	-22.2	-34.1	-18.5
Cash flows from operating activities before changes in working capital	82.3	56.6	217.0	102.8	309.7	195.5
Cash flows from changes in working capital						
Change in inventories	2.4	13.0	-43.9	-14.9	-11.2	17.9
Change in operating receivables	44.5	-10.1	-74.6	-51.8	-39.2	-16.4
Change in operating liabilities	-78.7	34.1	51.1	76.5	24.6	50.0
Cash flows from changes in working capital	-31.8	37.0	-67.4	9.9	-25.8	51.4
Cash flows from operating activities	50.5	93.6	149.6	112.7	283.9	247.0
Investing activities						
Investments in tangible and intangible assets	-6.6	-12.9	-24.8	-55.0	-38.3	-68.5
Divested tangible and intangible assets	0.3	0.2	1.1	0.8	1.6	1.4
Investments in subsidiaries	-9.3	-587.9	-136.1	-601.5	-140.4	-605.8
Investments in financial assets	-0.2	-	-0.2	-3.0	-1.7	-4.5
Divested financial assets	0.2	-	10.0	-	13.4	3.4
Divested subsidiaries	0.0	-	-	14.1	-	14.1
Cash flow from investing activities	-15.6	-600.6	-150.0	-644.5	-165.5	-660.0
Financing activities						
Dividend paid on preference share	-16.0	-16.0	-48.1	-32.0	-64.2	-48.1
Dividend paid on common share	-	-	-24.5	-	-24.5	-
New share issue	-	-20.5	1.0	823.0	1.1	823.1
Shareholders' contributions	-	12.9	0.5	12.9	0.5	12.9
Change in pension liability	-	-	-	-	-77.6	-77.6
Change in borrowings	10.2	484.3	20.3	-257.7	40.1	-237.9
Cash flow from financing activities	-5.9	460.7	-50.8	546.2	-124.6	472.4
Cash flow for the period	29.1	-46.3	-51.1	14.4	-6.2	59.3
Opening cash and cash equivalents	125.1	215.4	200.4	156.2	162.7	156.2
Exchange-rate differences in cash and cash equivalents	6.2	-6.4	11.1	-7.8	3.8	-15.1
Closing cash and cash equivalents	160.4	162.7	160.4	162.7	160.4	200.4



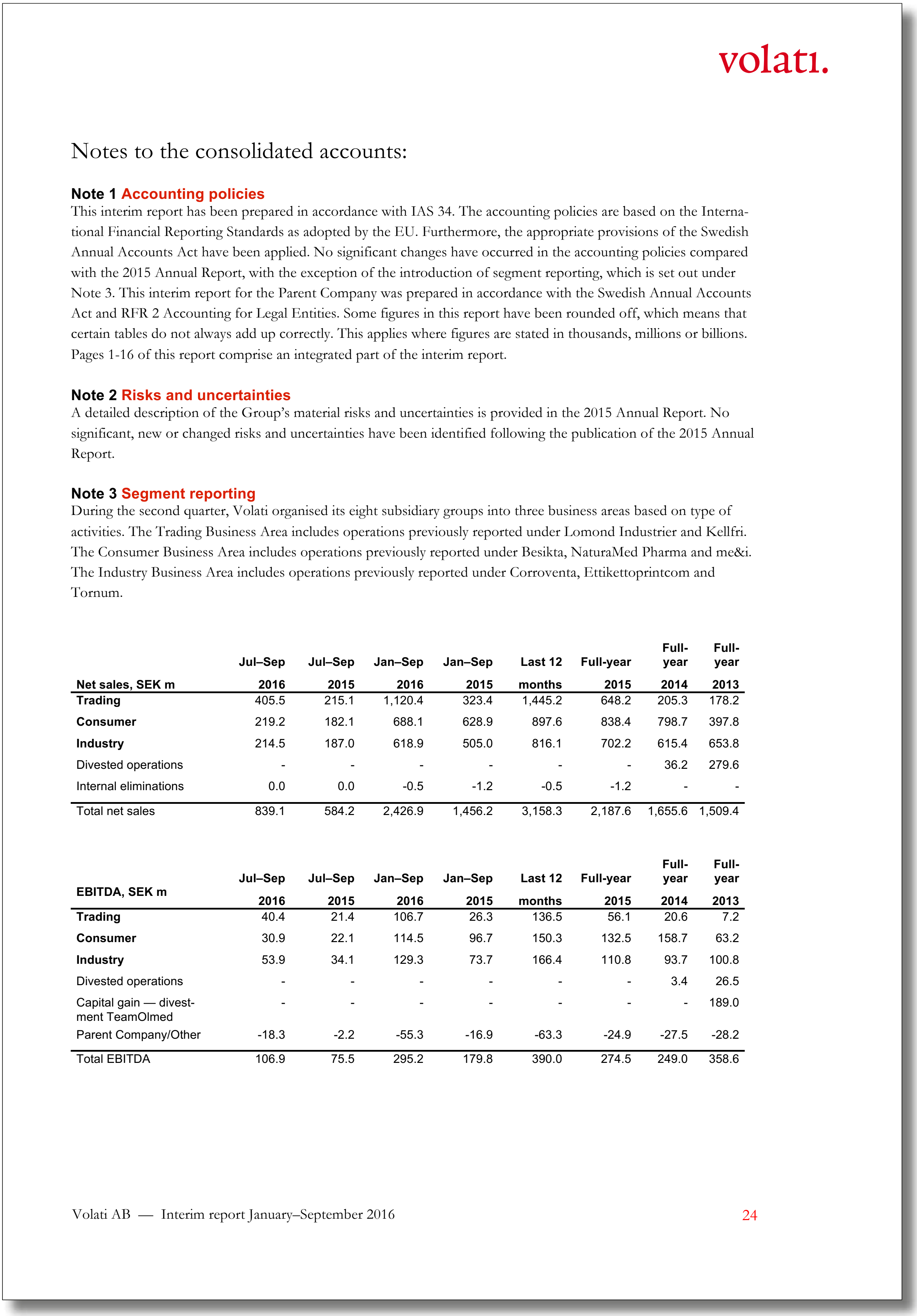
Consolidated statement of changes in equity

SEK m	Share capital	Other capital contributions	Other reserves	Retained earnings incl. net income	Non-controlling interests	Total equity
Opening balance 1 Jan 2015	5.1	-	1.8	119.1	73.4	199.4
Comprehensive income for the period	-	-	-15.7	92.7	15.3	92.2
Dividends	-	-	-	-72.2	-7.9	-80.2
New issue of preference shares	0.2	828.1	-	-	-	828.3
Shareholders' contributions	-	-	-	5.9	58.0	63.9
Remeasurement of non-controlling interests	-	-	-	6.1	-58.3	-52.3
Other transactions with owners	-	-	-	-1.1	0.7	-0.5
Closing balance 31 Dec 2015	5.3	828.1	-13.9	150.3	81.1	1,050.8

SEK m	Share capital	Other capital contributions	Other reserves	Retained earnings incl. net income	Non-controlling interests	Total equity
Opening balance 1 Jan 2015	5.1	-	1.8	119.1	73.4	199.4
Comprehensive income for the period	-	-	-9.2	57.3	12.4	60.5
Dividends	-	-	-	-71.7	-8.5	-80.2
New issue of preference shares	0.2	828.8	-	-	-	829.0
Shareholders' contributions	-	-	-	6.4	57.5	63.9
Transactions with owners	-	-	-	-6.2	-3.8	-10.0
Closing balance 30 Sep 2015	5.3	828.8	-7.4	104.9	131.0	1,062.6

SEK m	Share capital	Other capital contributions	Other reserves	Retained earnings incl. net income	Non-controlling interests	Total equity
Opening balance 1 Jan 2016	5.3	828.1	-13.9	150.3	81.1	1,050.9
Comprehensive income for the period	-	-	48.5	151.6	4.6	204.7
Dividends	-	-	-	-88.6	-	-88.6
Non-cash issue [1]	2.4	-	-	69.0	-71.6	-0.2
Warrants issue	-	-	-	1.0	-	1.0
Remeasurement of non-controlling interests	-	-	-	-104.7	-1.6	-106.3
Other transactions with owners	-	-	-	0.0	0.5	0.5
Closing balance 30 Sep 2016	7.6	828.1	34.6	178.6	12.9	1,061.9

1) Pertains to the issue completed in January 2016 in conjunction with a swap of Volati 2 AB shares to Volati AB shares.



Notes to the consolidated accounts:

Note 1 Accounting policies

This interim report has been prepared in accordance with IAS 34. The accounting policies are based on the International Financial Reporting Standards as adopted by the EU. Furthermore, the appropriate provisions of the Swedish Annual Accounts Act have been applied. No significant changes have occurred in the accounting policies compared with the 2015 Annual Report, with the exception of the introduction of segment reporting, which is set out under Note 3. This interim report for the Parent Company was prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. Some figures in this report have been rounded off, which means that certain tables do not always add up correctly. This applies where figures are stated in thousands, millions or billions. Pages 1-16 of this report comprise an integrated part of the interim report.

Note 2 Risks and uncertainties

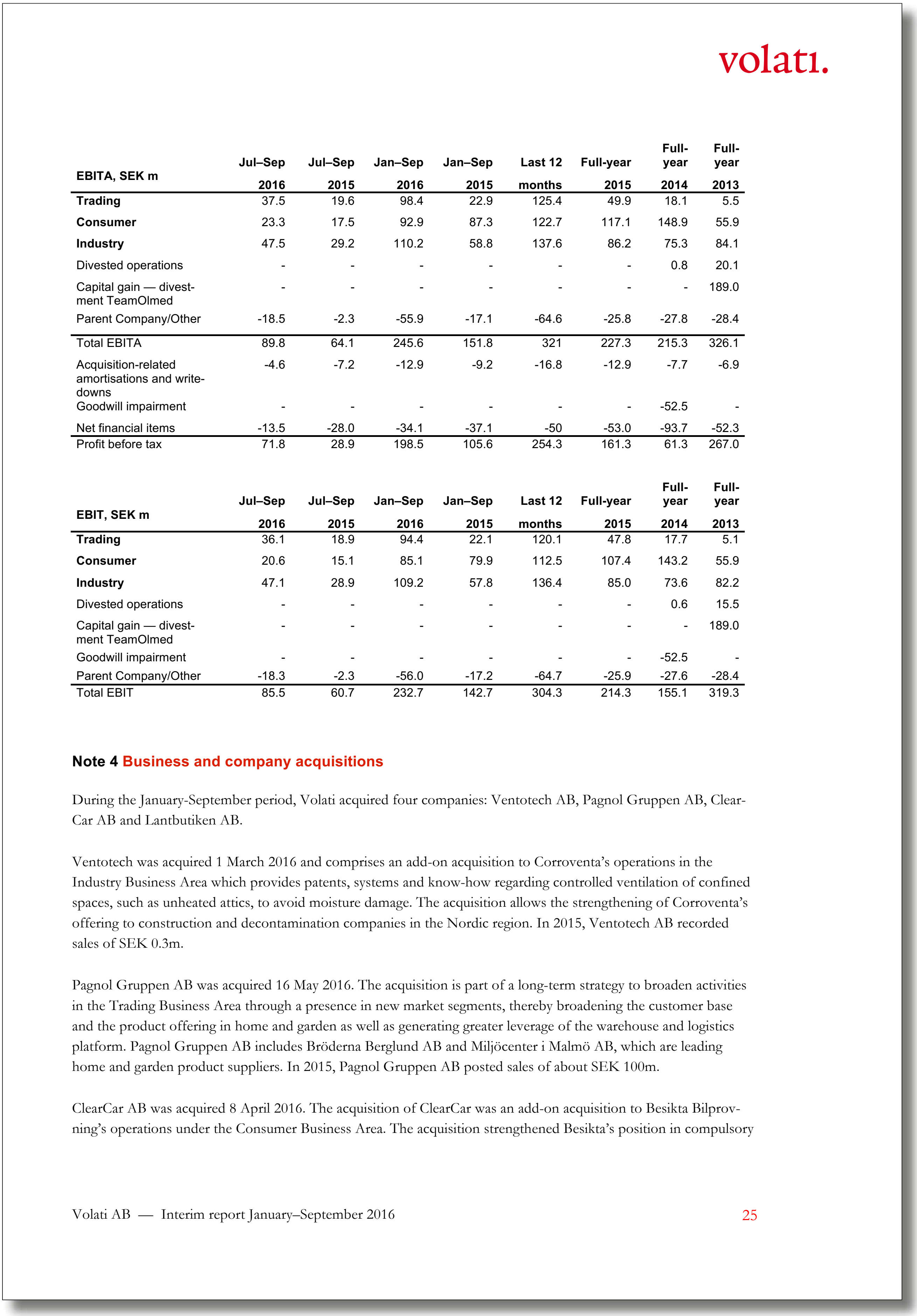
A detailed description of the Group's material risks and uncertainties is provided in the 2015 Annual Report. No significant, new or changed risks and uncertainties have been identified following the publication of the 2015 Annual Report.

Note 3 Segment reporting

During the second quarter, Volati organised its eight subsidiary groups into three business areas based on type of activities. The Trading Business Area includes operations previously reported under Lomond Industrier and Kellfri. The Consumer Business Area includes operations previously reported under Besikta, NaturaMed Pharma and me&i. The Industry Business Area includes operations previously reported under Corroventa, Ettikettoprintcom and Tornum.

Net sales, SEK m	**Jul–Sep 2016**	**Jul–Sep 2015**	**Jan–Sep 2016**	**Jan–Sep 2015**	**Last 12 months**	**Full-year 2015**	**Full-year 2014**	**Full-year 2013**
Trading	405.5	215.1	1,120.4	323.4	1,445.2	648.2	205.3	178.2
Consumer	219.2	182.1	688.1	628.9	897.6	838.4	798.7	397.8
Industry	214.5	187.0	618.9	505.0	816.1	702.2	615.4	653.8
Divested operations	-	-	-	-	-	-	36.2	279.6
Internal eliminations	0.0	0.0	-0.5	-1.2	-0.5	-1.2	-	-
Total net sales	839.1	584.2	2,426.9	1,456.2	3,158.3	2,187.6	1,655.6	1,509.4

EBITDA, SEK m	**Jul–Sep 2016**	**Jul–Sep 2015**	**Jan–Sep 2016**	**Jan–Sep 2015**	**Last 12 months**	**Full-year 2015**	**Full-year 2014**	**Full-year 2013**
Trading	40.4	21.4	106.7	26.3	136.5	56.1	20.6	7.2
Consumer	30.9	22.1	114.5	96.7	150.3	132.5	158.7	63.2
Industry	53.9	34.1	129.3	73.7	166.4	110.8	93.7	100.8
Divested operations	-	-	-	-	-	-	3.4	26.5
Capital gain — divestment TeamOlmed	-	-	-	-	-	-	-	189.0
Parent Company/Other	-18.3	-2.2	-55.3	-16.9	-63.3	-24.9	-27.5	-28.2
Total EBITDA	106.9	75.5	295.2	179.8	390.0	274.5	249.0	358.6



EBITA, SEK m	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Last 12 months	Full-year 2015	Full-year 2014	Full-year 2013
Trading	37.5	19.6	98.4	22.9	125.4	49.9	18.1	5.5
Consumer	23.3	17.5	92.9	87.3	122.7	117.1	148.9	55.9
Industry	47.5	29.2	110.2	58.8	137.6	86.2	75.3	84.1
Divested operations	-	-	-	-	-	-	0.8	20.1
Capital gain — divestment TeamOlmed	-	-	-	-	-	-	-	189.0
Parent Company/Other	-18.5	-2.3	-55.9	-17.1	-64.6	-25.8	-27.8	-28.4
Total EBITA	89.8	64.1	245.6	151.8	321	227.3	215.3	326.1
Acquisition-related amortisations and write-downs	-4.6	-7.2	-12.9	-9.2	-16.8	-12.9	-7.7	-6.9
Goodwill impairment	-	-	-	-	-	-	-52.5	-
Net financial items	-13.5	-28.0	-34.1	-37.1	-50	-53.0	-93.7	-52.3
Profit before tax	71.8	28.9	198.5	105.6	254.3	161.3	61.3	267.0

EBIT, SEK m	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Last 12 months	Full-year 2015	Full-year 2014	Full-year 2013
Trading	36.1	18.9	94.4	22.1	120.1	47.8	17.7	5.1
Consumer	20.6	15.1	85.1	79.9	112.5	107.4	143.2	55.9
Industry	47.1	28.9	109.2	57.8	136.4	85.0	73.6	82.2
Divested operations	-	-	-	-	-	-	0.6	15.5
Capital gain — divestment TeamOlmed	-	-	-	-	-	-	-	189.0
Goodwill impairment	-	-	-	-	-	-	-52.5	-
Parent Company/Other	-18.3	-2.3	-56.0	-17.2	-64.7	-25.9	-27.6	-28.4
Total EBIT	85.5	60.7	232.7	142.7	304.3	214.3	155.1	319.3

Note 4 Business and company acquisitions

During the January-September period, Volati acquired four companies: Ventotech AB, Pagnol Gruppen AB, ClearCar AB and Lantbutiken AB.

Ventotech was acquired 1 March 2016 and comprises an add-on acquisition to Corroventa's operations in the Industry Business Area which provides patents, systems and know-how regarding controlled ventilation of confined spaces, such as unheated attics, to avoid moisture damage. The acquisition allows the strengthening of Corroventa's offering to construction and decontamination companies in the Nordic region. In 2015, Ventotech AB recorded sales of SEK 0.3m.

Pagnol Gruppen AB was acquired 16 May 2016. The acquisition is part of a long-term strategy to broaden activities in the Trading Business Area through a presence in new market segments, thereby broadening the customer base and the product offering in home and garden as well as generating greater leverage of the warehouse and logistics platform. Pagnol Gruppen AB includes Bröderna Berglund AB and Miljöcenter i Malmö AB, which are leading home and garden product suppliers. In 2015, Pagnol Gruppen AB posted sales of about SEK 100m.

ClearCar AB was acquired 8 April 2016. The acquisition of ClearCar was an add-on acquisition to Besikta Bilprovning's operations under the Consumer Business Area. The acquisition strengthened Besikta's position in compulsory inspections of motor vehicles and provides potential to increase growth and profitability. ClearCar reported sales of approximately SEK 82m in 2015.

Lantbutiken AB, acquired on 25 July 2016, is a Swedish e-commerce business with products for use in agriculture and by people living in the countryside. Lantbutiken represents an add-on acquisition for the Kellfri business unit, which is operated under the Trading Business Area, and will contribute to accelerating Kellfri's transition from physical mail order to e-commerce.

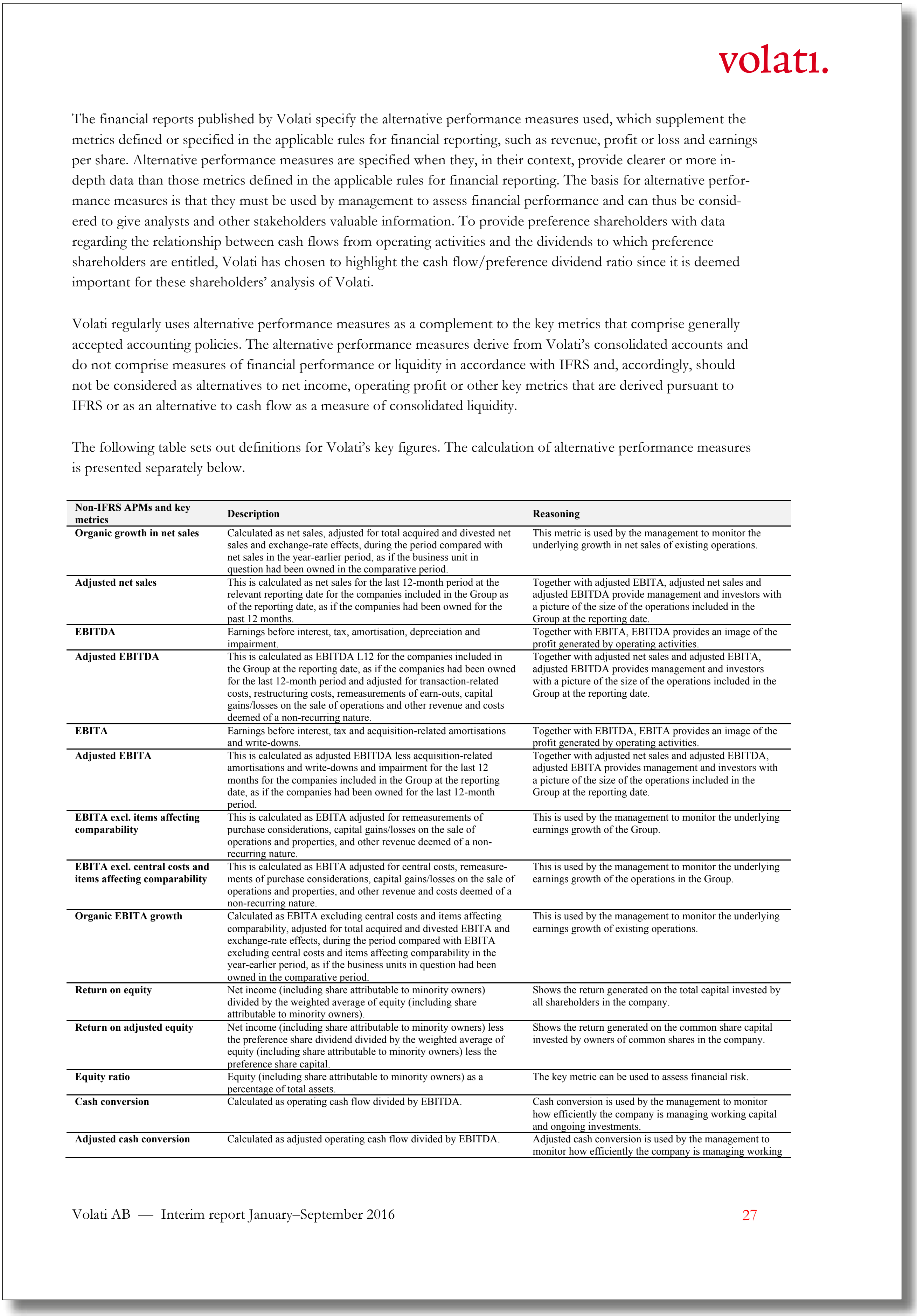
After the close of the reporting period, Ettikettoprintcom entered into an agreement to acquire a label printing business. Transfer of the business is expected to take place in the first quarter of 2017. The operation to be acquired reported sales of SEK 17m in its most recent financial year ending in April 2016.

Balance sheet impact of acquisitions, SEK m	**30 Sep 2016**
Intangible assets	39.0
Tangible fixed assets	30.5
Deferred tax assets	8.0
Inventories	25.5
Accounts receivable	19.2
Other receivables	6.1
Cash and cash equivalents	26.8
Deferred tax liabilities	-12.9
Non-current interest-bearing liabilities	-3.4
Current interest-bearing liabilities	-19.5
Current liabilities	-46.7
	72.7
Goodwill	91.1
Acquisition value	163.9
Unpaid earn-out	-0.9
Cash and cash equivalents in acquired operations on acquisition date	-26.8
Impact on consolidated cash and cash equivalents	136.1

Since their acquisition, the acquired companies' sales in 2016 were SEK 85.5m, EBITDA totalled SEK 8.0m, EBITA amounted to SEK 4.6m and the operating loss was SEK 3.9m. Restructuring costs attributable to the acquired companies since the acquisitions of SEK 7.2m were charged to earnings. In addition, transaction costs for the acquisitions of SEK 1.4m were charged to consolidated earnings and integration costs of SEK 3.9m impacted earnings. If the acquisitions had been consolidated as of 1 January 2016, including the restructuring costs of SEK 7.2m and integration costs of SEK 3.9m, their contribution to the consolidated income statement would have been: sales of SEK 165.3m for the first nine months of 2016 and SEK 69.7m for Q3 2016; EBITDA of negative SEK 1.2m for the first nine months of 2016 and SEK 5.9m for Q3 2016; EBITA of negative SEK 7.0m for the first nine months of 2016 and SEK 3.6m for Q3 2016; and an operating loss of SEK 7.7m for the first nine months of 2016 and SEK 4.4m for Q3 2016. Goodwill corresponding to SEK 91.1m that arose in connection with the transaction is the result of several factors that cannot be individually quantified. The most important of these are the synergies that Volati expects to achieve when these add-on acquisitions are merged with existing operations. Goodwill is also attributable to the personnel in the acquired companies.

Note 5 Alternative performance measures

The new guidelines from the European Securities and Markets Authority (ESMA) regarding alternative performance measures entered force for the 2016 financial year. Therefore, Volati is publishing an explanation of how these performance measures should be used, definitions and comparisons between the alternative performance measures and reporting in line with IFRS.

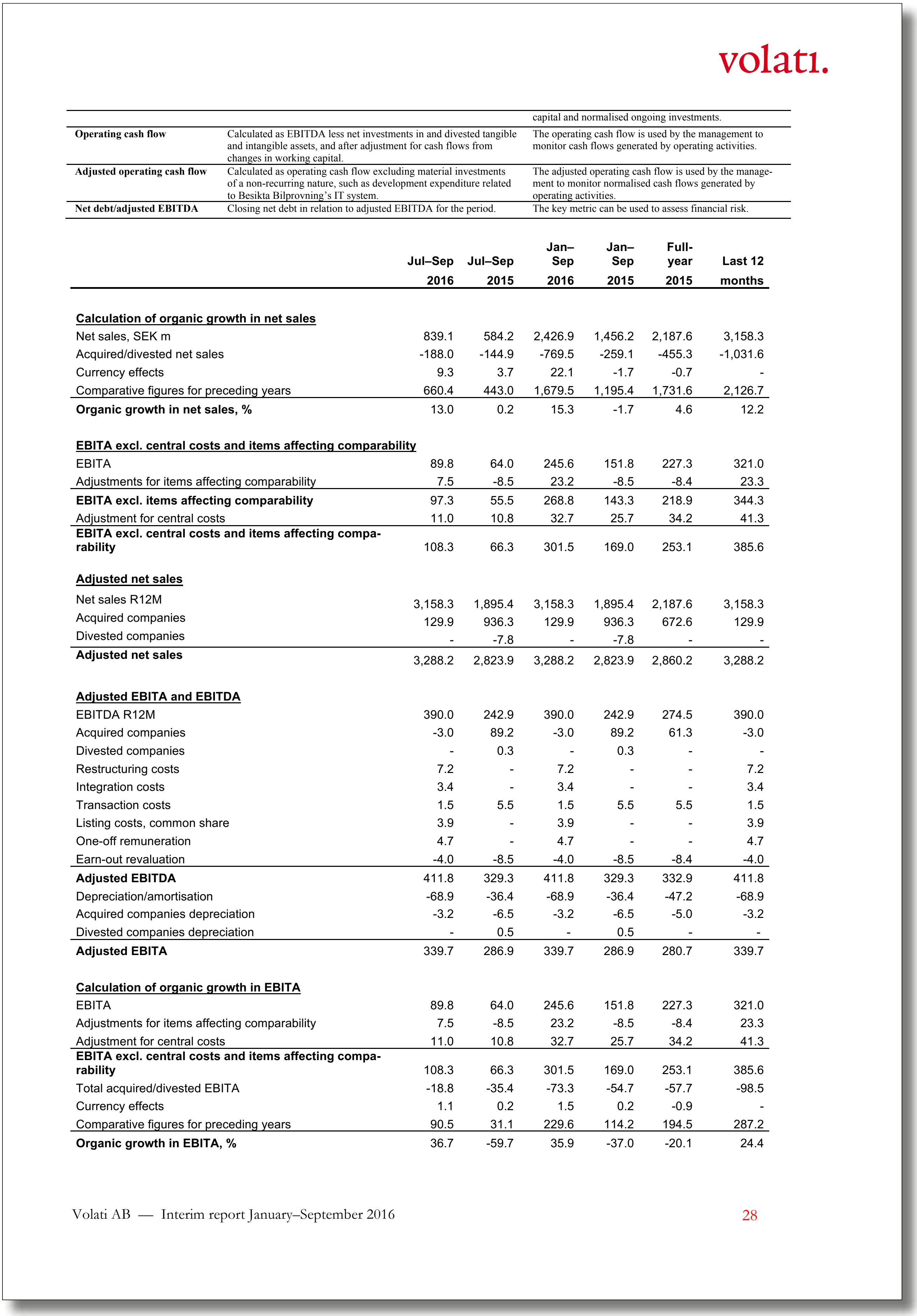


The financial reports published by Volati specify the alternative performance measures used, which supplement the metrics defined or specified in the applicable rules for financial reporting, such as revenue, profit or loss and earnings per share. Alternative performance measures are specified when they, in their context, provide clearer or more in-depth data than those metrics defined in the applicable rules for financial reporting. The basis for alternative performance measures is that they must be used by management to assess financial performance and can thus be considered to give analysts and other stakeholders valuable information. To provide preference shareholders with data regarding the relationship between cash flows from operating activities and the dividends to which preference shareholders are entitled, Volati has chosen to highlight the cash flow/preference dividend ratio since it is deemed important for these shareholders' analysis of Volati.

Volati regularly uses alternative performance measures as a complement to the key metrics that comprise generally accepted accounting policies. The alternative performance measures derive from Volati's consolidated accounts and do not comprise measures of financial performance or liquidity in accordance with IFRS and, accordingly, should not be considered as alternatives to net income, operating profit or other key metrics that are derived pursuant to IFRS or as an alternative to cash flow as a measure of consolidated liquidity.

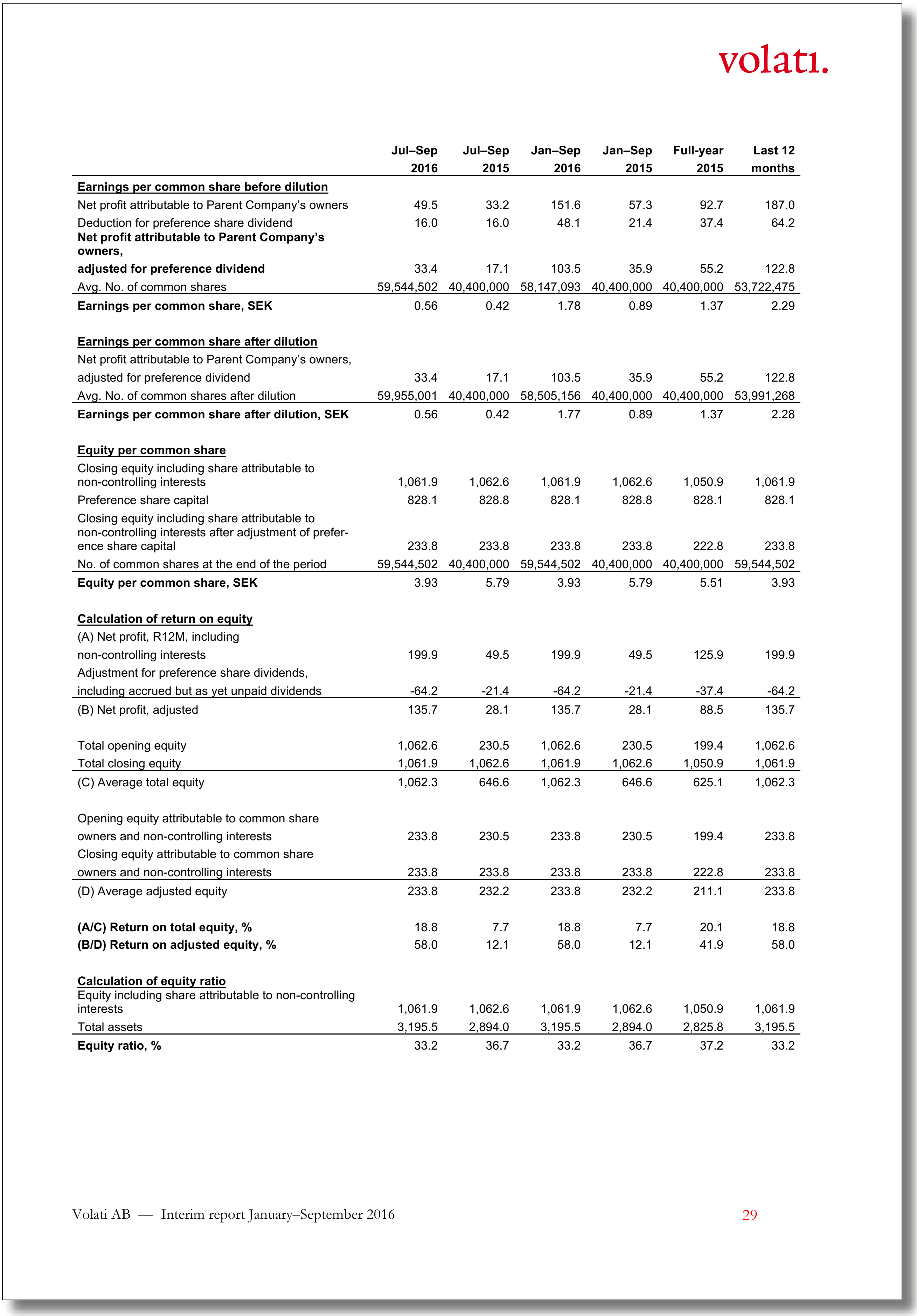
The following table sets out definitions for Volati's key figures. The calculation of alternative performance measures is presented separately below.

Non-IFRS APMs and key metrics	Description	Reasoning
Organic growth in net sales	Calculated as net sales, adjusted for total acquired and divested net sales and exchange-rate effects, during the period compared with net sales in the year-earlier period, as if the business unit in question had been owned in the comparative period.	This metric is used by the management to monitor the underlying growth in net sales of existing operations.
Adjusted net sales	This is calculated as net sales for the last 12-month period at the relevant reporting date for the companies included in the Group as of the reporting date, as if the companies had been owned for the past 12 months.	Together with adjusted EBITA, adjusted net sales and adjusted EBITDA provide management and investors with a picture of the size of the operations included in the Group at the reporting date.
EBITDA	Earnings before interest, tax, amortisation, depreciation and impairment.	Together with EBITA, EBITDA provides an image of the profit generated by operating activities.
Adjusted EBITDA	This is calculated as EBITDA L12 for the companies included in the Group at the reporting date, as if the companies had been owned for the last 12-month period and adjusted for transaction-related costs, restructuring costs, remeasurements of earn-outs, capital gains/losses on the sale of operations and other revenue and costs deemed of a non-recurring nature.	Together with adjusted net sales and adjusted EBITA, adjusted EBITDA provides management and investors with a picture of the size of the operations included in the Group at the reporting date.
EBITA	Earnings before interest, tax and acquisition-related amortisations and write-downs.	Together with EBITDA, EBITA provides an image of the profit generated by operating activities.
Adjusted EBITA	This is calculated as adjusted EBITDA less acquisition-related amortisations and write-downs and impairment for the last 12 months for the companies included in the Group at the reporting date, as if the companies had been owned for the last 12-month period.	Together with adjusted net sales and adjusted EBITDA, adjusted EBITA provides management and investors with a picture of the size of the operations included in the Group at the reporting date.
EBITA excl. items affecting comparability	This is calculated as EBITA adjusted for remeasurements of purchase considerations, capital gains/losses on the sale of operations and properties, and other revenue deemed of a non-recurring nature.	This is used by the management to monitor the underlying earnings growth of the Group.
EBITA excl. central costs and items affecting comparability	This is calculated as EBITA adjusted for central costs, remeasurements of purchase considerations, capital gains/losses on the sale of operations and properties, and other revenue and costs deemed of a non-recurring nature.	This is used by the management to monitor the underlying earnings growth of the operations in the Group.
Organic EBITA growth	Calculated as EBITA excluding central costs and items affecting comparability, adjusted for total acquired and divested EBITA and exchange-rate effects, during the period compared with EBITA excluding central costs and items affecting comparability in the year-earlier period, as if the business units in question had been owned in the comparative period.	This is used by the management to monitor the underlying earnings growth of existing operations.
Return on equity	Net income (including share attributable to minority owners) divided by the weighted average of equity (including share attributable to minority owners).	Shows the return generated on the total capital invested by all shareholders in the company.
Return on adjusted equity	Net income (including share attributable to minority owners) less the preference share dividend divided by the weighted average of equity (including share attributable to minority owners) less the preference share capital.	Shows the return generated on the common share capital invested by owners of common shares in the company.
Equity ratio	Equity (including share attributable to minority owners) as a percentage of total assets.	The key metric can be used to assess financial risk.
Cash conversion	Calculated as operating cash flow divided by EBITDA.	Cash conversion is used by the management to monitor how efficiently the company is managing working capital and ongoing investments.
Adjusted cash conversion	Calculated as adjusted operating cash flow divided by EBITDA.	Adjusted cash conversion is used by the management to monitor how efficiently the company is managing working

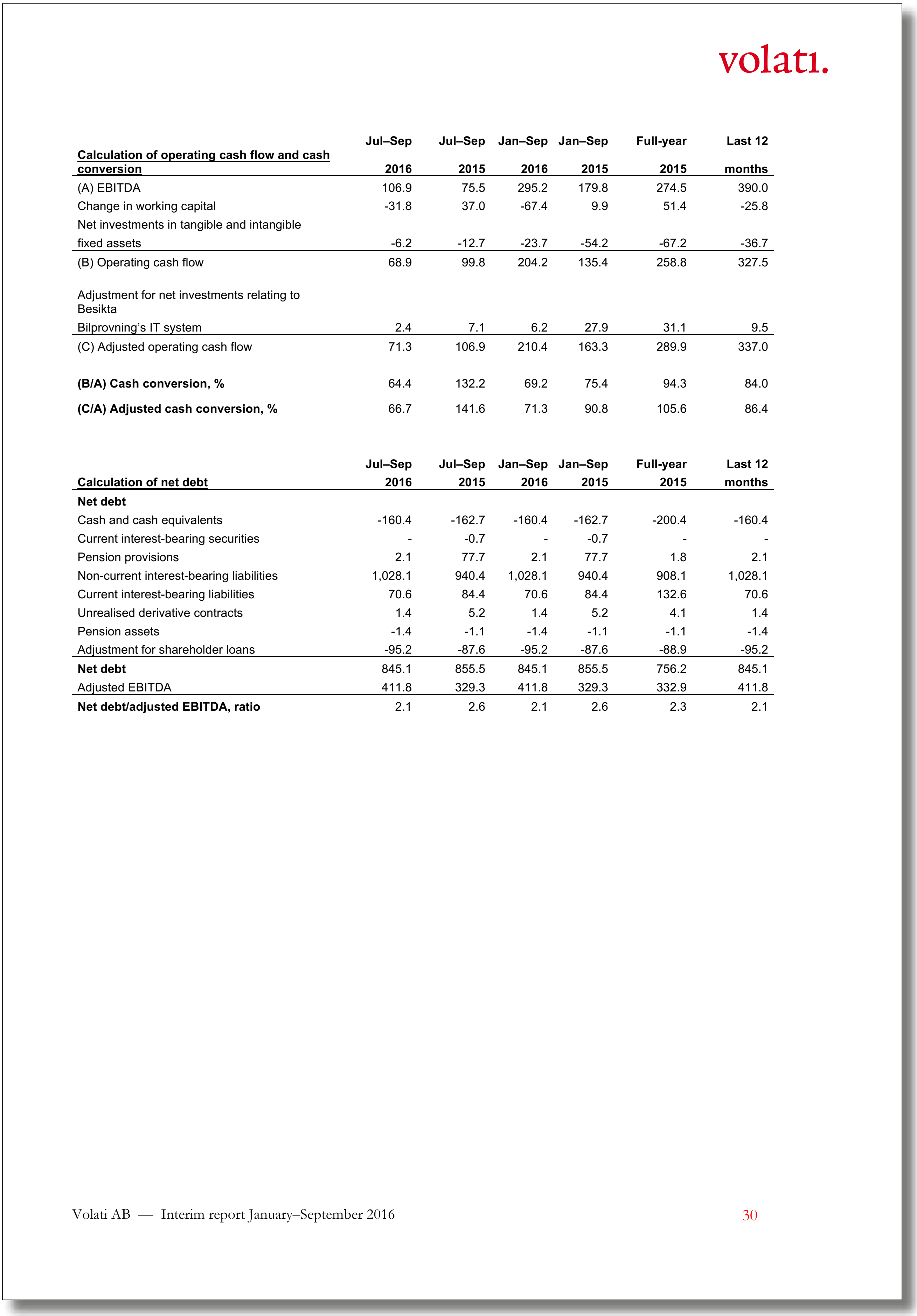


		capital and normalised ongoing investments.
Operating cash flow	Calculated as EBITDA less net investments in and divested tangible and intangible assets, and after adjustment for cash flows from changes in working capital.	The operating cash flow is used by the management to monitor cash flows generated by operating activities.
Adjusted operating cash flow	Calculated as operating cash flow excluding material investments of a non-recurring nature, such as development expenditure related to Besikta Bilprovning's IT system.	The adjusted operating cash flow is used by the management to monitor normalised cash flows generated by operating activities.
Net debt/adjusted EBITDA	Closing net debt in relation to adjusted EBITDA for the period.	The key metric can be used to assess financial risk.

	Jul–Sep 2016	**Jul–Sep 2015**	**Jan–Sep 2016**	**Jan–Sep 2015**	**Full-year 2015**	**Last 12 months**
Calculation of organic growth in net sales						
Net sales, SEK m	839.1	584.2	2,426.9	1,456.2	2,187.6	3,158.3
Acquired/divested net sales	-188.0	-144.9	-769.5	-259.1	-455.3	-1,031.6
Currency effects	9.3	3.7	22.1	-1.7	-0.7	-
Comparative figures for preceding years	660.4	443.0	1,679.5	1,195.4	1,731.6	2,126.7
Organic growth in net sales, %	13.0	0.2	15.3	-1.7	4.6	12.2
EBITA excl. central costs and items affecting comparability						
EBITA	89.8	64.0	245.6	151.8	227.3	321.0
Adjustments for items affecting comparability	7.5	-8.5	23.2	-8.5	-8.4	23.3
EBITA excl. items affecting comparability	97.3	55.5	268.8	143.3	218.9	344.3
Adjustment for central costs	11.0	10.8	32.7	25.7	34.2	41.3
EBITA excl. central costs and items affecting comparability	108.3	66.3	301.5	169.0	253.1	385.6
Adjusted net sales						
Net sales R12M	3,158.3	1,895.4	3,158.3	1,895.4	2,187.6	3,158.3
Acquired companies	129.9	936.3	129.9	936.3	672.6	129.9
Divested companies	-	-7.8	-	-7.8	-	-
Adjusted net sales	3,288.2	2,823.9	3,288.2	2,823.9	2,860.2	3,288.2
Adjusted EBITA and EBITDA						
EBITDA R12M	390.0	242.9	390.0	242.9	274.5	390.0
Acquired companies	-3.0	89.2	-3.0	89.2	61.3	-3.0
Divested companies	-	0.3	-	0.3	-	-
Restructuring costs	7.2	-	7.2	-	-	7.2
Integration costs	3.4	-	3.4	-	-	3.4
Transaction costs	1.5	5.5	1.5	5.5	5.5	1.5
Listing costs, common share	3.9	-	3.9	-	-	3.9
One-off remuneration	4.7	-	4.7	-	-	4.7
Earn-out revaluation	-4.0	-8.5	-4.0	-8.5	-8.4	-4.0
Adjusted EBITDA	411.8	329.3	411.8	329.3	332.9	411.8
Depreciation/amortisation	-68.9	-36.4	-68.9	-36.4	-47.2	-68.9
Acquired companies depreciation	-3.2	-6.5	-3.2	-6.5	-5.0	-3.2
Divested companies depreciation	-	0.5	-	0.5	-	-
Adjusted EBITA	339.7	286.9	339.7	286.9	280.7	339.7
Calculation of organic growth in EBITA						
EBITA	89.8	64.0	245.6	151.8	227.3	321.0
Adjustments for items affecting comparability	7.5	-8.5	23.2	-8.5	-8.4	23.3
Adjustment for central costs	11.0	10.8	32.7	25.7	34.2	41.3
EBITA excl. central costs and items affecting comparability	108.3	66.3	301.5	169.0	253.1	385.6
Total acquired/divested EBITA	-18.8	-35.4	-73.3	-54.7	-57.7	-98.5
Currency effects	1.1	0.2	1.5	0.2	-0.9	-
Comparative figures for preceding years	90.5	31.1	229.6	114.2	194.5	287.2
Organic growth in EBITA, %	36.7	-59.7	35.9	-37.0	-20.1	24.4

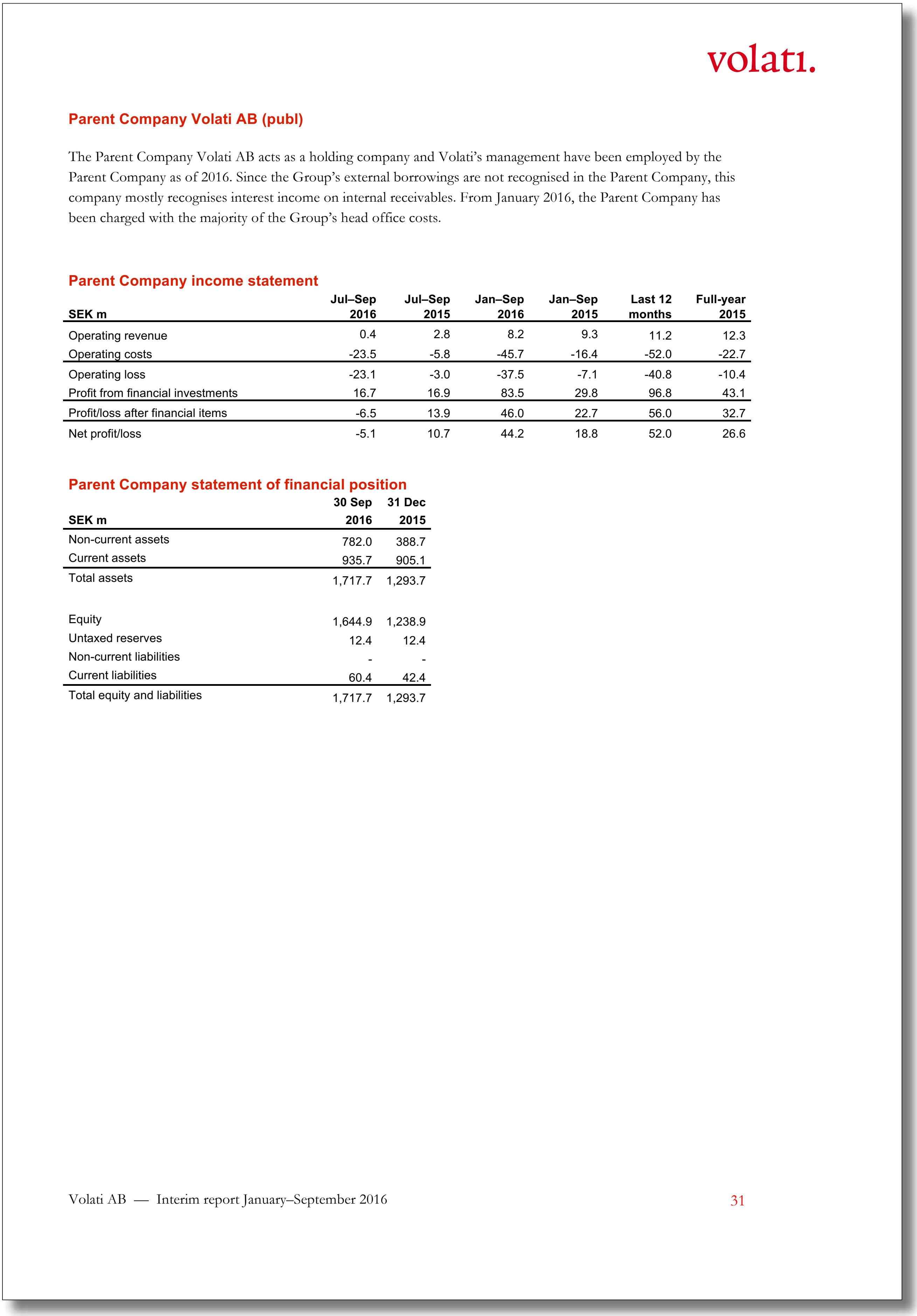


	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Full-year 2015	Last 12 months
Earnings per common share before dilution						
Net profit attributable to Parent Company's owners	49.5	33.2	151.6	57.3	92.7	187.0
Deduction for preference share dividend	16.0	16.0	48.1	21.4	37.4	64.2
Net profit attributable to Parent Company's owners, adjusted for preference dividend	33.4	17.1	103.5	35.9	55.2	122.8
Avg. No. of common shares	59,544,502	40,400,000	58,147,093	40,400,000	40,400,000	53,722,475
Earnings per common share, SEK	0.56	0.42	1.78	0.89	1.37	2.29
Earnings per common share after dilution						
Net profit attributable to Parent Company's owners, adjusted for preference dividend	33.4	17.1	103.5	35.9	55.2	122.8
Avg. No. of common shares after dilution	59,955,001	40,400,000	58,505,156	40,400,000	40,400,000	53,991,268
Earnings per common share after dilution, SEK	0.56	0.42	1.77	0.89	1.37	2.28
Equity per common share						
Closing equity including share attributable to non-controlling interests	1,061.9	1,062.6	1,061.9	1,062.6	1,050.9	1,061.9
Preference share capital	828.1	828.8	828.1	828.8	828.1	828.1
Closing equity including share attributable to non-controlling interests after adjustment of preference share capital	233.8	233.8	233.8	233.8	222.8	233.8
No. of common shares at the end of the period	59,544,502	40,400,000	59,544,502	40,400,000	40,400,000	59,544,502
Equity per common share, SEK	3.93	5.79	3.93	5.79	5.51	3.93
Calculation of return on equity						
(A) Net profit, R12M, including non-controlling interests	199.9	49.5	199.9	49.5	125.9	199.9
Adjustment for preference share dividends, including accrued but as yet unpaid dividends	-64.2	-21.4	-64.2	-21.4	-37.4	-64.2
(B) Net profit, adjusted	135.7	28.1	135.7	28.1	88.5	135.7
Total opening equity	1,062.6	230.5	1,062.6	230.5	199.4	1,062.6
Total closing equity	1,061.9	1,062.6	1,061.9	1,062.6	1,050.9	1,061.9
(C) Average total equity	1,062.3	646.6	1,062.3	646.6	625.1	1,062.3
Opening equity attributable to common share owners and non-controlling interests	233.8	230.5	233.8	230.5	199.4	233.8
Closing equity attributable to common share owners and non-controlling interests	233.8	233.8	233.8	233.8	222.8	233.8
(D) Average adjusted equity	233.8	232.2	233.8	232.2	211.1	233.8
(A/C) Return on total equity, %	18.8	7.7	18.8	7.7	20.1	18.8
(B/D) Return on adjusted equity, %	58.0	12.1	58.0	12.1	41.9	58.0
Calculation of equity ratio						
Equity including share attributable to non-controlling interests	1,061.9	1,062.6	1,061.9	1,062.6	1,050.9	1,061.9
Total assets	3,195.5	2,894.0	3,195.5	2,894.0	2,825.8	3,195.5
Equity ratio, %	33.2	36.7	33.2	36.7	37.2	33.2



Calculation of operating cash flow and cash conversion	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Full-year 2015	Last 12 months
(A) EBITDA	106.9	75.5	295.2	179.8	274.5	390.0
Change in working capital	-31.8	37.0	-67.4	9.9	51.4	-25.8
Net investments in tangible and intangible fixed assets	-6.2	-12.7	-23.7	-54.2	-67.2	-36.7
(B) Operating cash flow	68.9	99.8	204.2	135.4	258.8	327.5
Adjustment for net investments relating to Besikta Bilprovning's IT system	2.4	7.1	6.2	27.9	31.1	9.5
(C) Adjusted operating cash flow	71.3	106.9	210.4	163.3	289.9	337.0
(B/A) Cash conversion, %	64.4	132.2	69.2	75.4	94.3	84.0
(C/A) Adjusted cash conversion, %	66.7	141.6	71.3	90.8	105.6	86.4

Calculation of net debt	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Full-year 2015	Last 12 months
Net debt						
Cash and cash equivalents	-160.4	-162.7	-160.4	-162.7	-200.4	-160.4
Current interest-bearing securities	-	-0.7	-	-0.7	-	-
Pension provisions	2.1	77.7	2.1	77.7	1.8	2.1
Non-current interest-bearing liabilities	1,028.1	940.4	1,028.1	940.4	908.1	1,028.1
Current interest-bearing liabilities	70.6	84.4	70.6	84.4	132.6	70.6
Unrealised derivative contracts	1.4	5.2	1.4	5.2	4.1	1.4
Pension assets	-1.4	-1.1	-1.4	-1.1	-1.1	-1.4
Adjustment for shareholder loans	-95.2	-87.6	-95.2	-87.6	-88.9	-95.2
Net debt	845.1	855.5	845.1	855.5	756.2	845.1
Adjusted EBITDA	411.8	329.3	411.8	329.3	332.9	411.8
Net debt/adjusted EBITDA, ratio	2.1	2.6	2.1	2.6	2.3	2.1



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Parent Company Volati AB (publ)

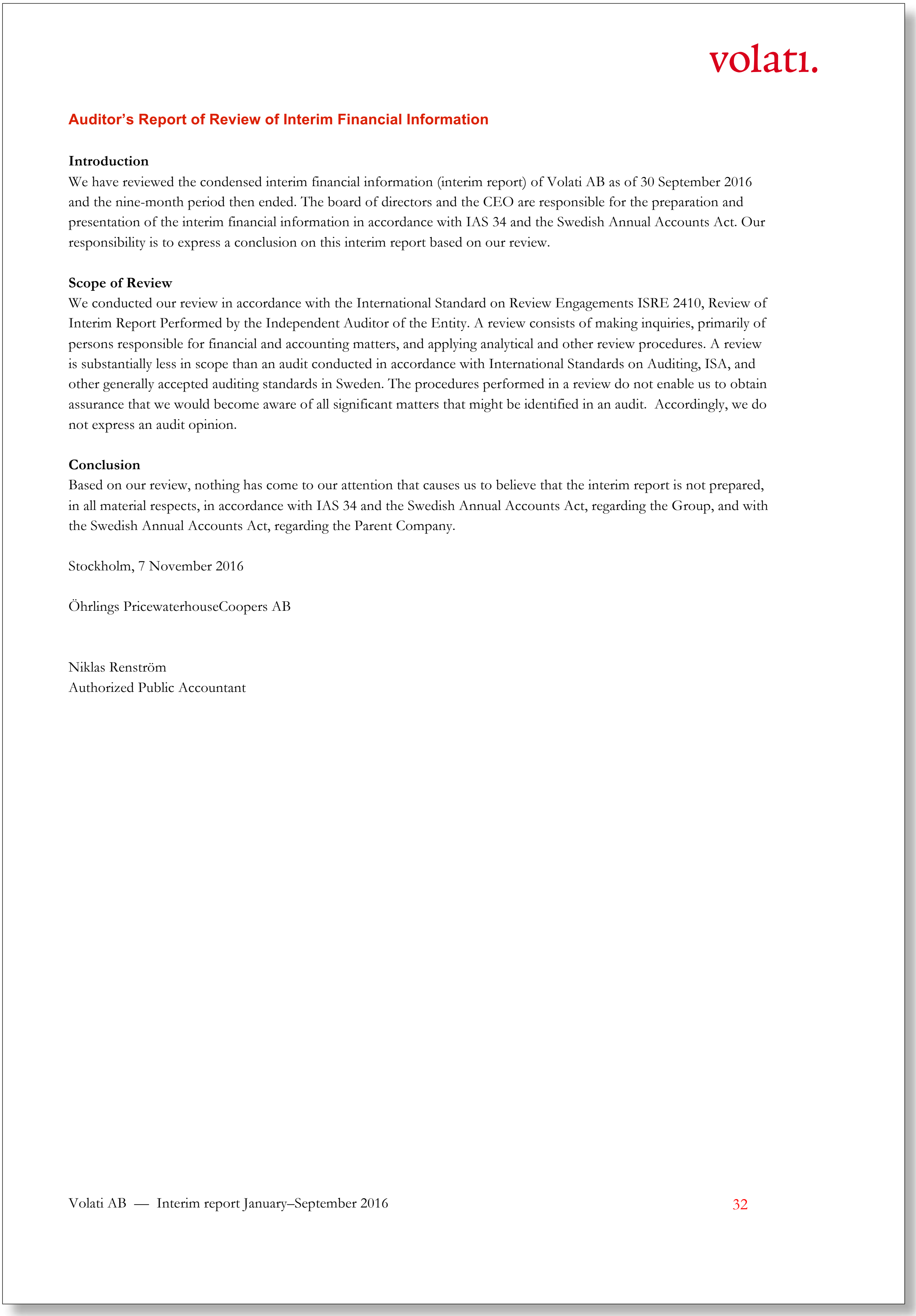
The Parent Company Volati AB acts as a holding company and Volati's management have been employed by the Parent Company as of 2016. Since the Group's external borrowings are not recognised in the Parent Company, this company mostly recognises interest income on internal receivables. From January 2016, the Parent Company has been charged with the majority of the Group's head office costs.

Parent Company income statement

SEK m	Jul–Sep 2016	Jul–Sep 2015	Jan–Sep 2016	Jan–Sep 2015	Last 12 months	Full-year 2015
Operating revenue	0.4	2.8	8.2	9.3	11.2	12.3
Operating costs	-23.5	-5.8	-45.7	-16.4	-52.0	-22.7
Operating loss	-23.1	-3.0	-37.5	-7.1	-40.8	-10.4
Profit from financial investments	16.7	16.9	83.5	29.8	96.8	43.1
Profit/loss after financial items	-6.5	13.9	46.0	22.7	56.0	32.7
Net profit/loss	-5.1	10.7	44.2	18.8	52.0	26.6

Parent Company statement of financial position

SEK m	30 Sep 2016	31 Dec 2015
Non-current assets	782.0	388.7
Current assets	935.7	905.1
Total assets	1,717.7	1,293.7
Equity	1,644.9	1,238.9
Untaxed reserves	12.4	12.4
Non-current liabilities	-	-
Current liabilities	60.4	42.4
Total equity and liabilities	1,717.7	1,293.7



Auditor's Report of Review of Interim Financial Information

Introduction

We have reviewed the condensed interim financial information (interim report) of Volati AB as of 30 September 2016 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 7 November 2016

Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Authorized Public Accountant

Historical financial information

The following is a presentation of Volati's historical financial information for the years 2015, 2014 and 2013. The consolidated accounts for the 2015, 2014 and 2013 financial years have been prepared in accordance with International Financial Reporting Standards (IFRS). Unless otherwise stated, all amounts in this section have been stated in SEK thousand.

The notes on pages F-5–F-33 are integral to these financial statements.

Consolidated income statement for the 2015, 2014 and 2013 financial years

SEK thousand	**Note**	**2015**	**2014**	**2013**
Operating revenue				
Net sales	3	2,187,592	1,655,557	1,509,397
Operating costs				
Raw materials and supplies		–933,098	–546,461	–548,916
Other external costs	7	–413,013	–347,285	–273,859
Personnel costs	6	–582,071	–512,912	–518,237
Depreciation/amortisation		–60,168	–93,914	–39,334
Other operating revenue	2	18,439	3,282	2,916
Other operating costs	2	–3,323	–3,190	–1,686
Capital gain/loss on divestments of subsidiaries	4	–24	–	188,980
EBIT		**214,334**	**155,077**	**319,261**
Financial income and costs				
Financial income	8	22,569	3,937	5,556
Financial costs	8	–75,581	–97,678	–57,835
Profit before tax		**161,322**	**61,336**	**266,982**
Tax	9	–35,401	–5,758	–19,535
Profit attributable to discontinued operations	25			1,893
Net profit		**125,921**	**55,578**	**249,340**
Net profit attributable to:				
Parent company's owners		92,669	14,336	223,713
Non-controlling interests		33,252	41,242	25,627
Earnings per share, SEK	10	1.37	0.35	5.54
Earnings per share after dilution, SEK	10	1.37	0.35	5.54

Consolidated statement of comprehensive income for the 2015, 2014 and 2013 financial years

SEK thousand	**Note**	**2015**	**2014**	**2013**
Net profit		125,921	55,578	249,340
Other comprehensive income				
Translation differences for the year	20	–33,716	2,947	679
Other comprehensive income for the year		**–33,716**	**2,947**	**679**
Total comprehensive income for the year		92,205	58,525	250,019
Total comprehensive income for the year attributable to:				
Parent company's owners		76,936	16,786	224,434
Non-controlling interests		15,269	41,739	25,585

Consolidated statement of financial position for the 2015, 2014 and 2013 financial years

SEK thousand	Note	31 Dec 2015	31 Dec 2014	31 Dec 2013
ASSETS				
Non-current assets				
Intangible assets	11	1,688,645	1,160,465	860,283
Tangible non-current assets	12	180,178	138,344	141,354
Financial non-current assets	13	13,300	7,535	8,111
Other non-current marketable securities	13	6,987	4,002	3,756
Deferred tax assets	9	32,807	21,162	16,131
Total non-current assets		**1,921,917**	**1,331,508**	**1,029,635**
Current assets				
Inventories	14	327,683	161,234	138,382
Accounts receivable	20	290,185	115,835	92,165
Tax assets		13,126	18,423	12,635
Other current assets		22,126	11,391	15,388
Prepaid expenses and accrued income	15	50,324	28,618	35,584
Assets attributable to discontinued operations	25	–	–	619
Cash and cash equivalents	20	200,398	156,183	156,638
Total current assets		**903,842**	**491,684**	**451,411**
Total assets		**2,825,759**	**1,823,192**	**1,481,046**
EQUITY AND LIABILITIES				
Equity	1			
Share capital		5,250	5,050	5,050
Other capital contributions		828,111	–	–
Other reserves		–13,898	1,835	–1,336
Retained earnings including net profit		150,357	119,083	102,333
Non-controlling interests		81,052	73,472	47,310
Total equity		**1,050,872**	**199,440**	**153,357**
Liabilities				
Non-current interest-bearing liabilities	16,20	908,069	1,055,310	440,729
Pension provisions		1,831	2,041	2,262
Contingent liabilities	18	4,942	4,580	5,796
Deferred tax liabilities	9	111,675	78,635	45,851
Other non-current non-interest-bearing liabilities	20	66,259	–	–
Total non-current liabilities		**1,092,776**	**1,140,566**	**494,638**
Current interest-bearing liabilities	16,20	132,579	164,778	496,880
Deferred income	17	45,863	27,778	29,691
Accounts payable		238,663	104,141	91,152
Tax liabilities		27,634	25,007	37,114
Other current liabilities		83,372	38,111	58,916
Derivatives	20	4,149	6,498	5,948
Accrued expenses and deferred income	19	149,851	116,873	111,980
Liabilities attributable to discontinued operations	25	–	–	1,370
Total current liabilities		**682,111**	**483,186**	**833,051**
Total liabilities		**1,774,887**	**1,623,752**	**1,327,689**
Total equity and liabilities		**2,825,759**	**1,823,192**	**1,481,046**

For information about the group's pledged assets and contingent liabilities, refer to Note 22.

Consolidated cash-flow statement for the 2015, 2014 and 2013 financial years

SEK thousand	Note	2015	2014	2013
Operating activities				
Profit after financial items		161,322	61,336	266,982
Adjustments for non-cash items				
Depreciation/Amortisation		60,168	93,914	39,334
Capital gain/loss on sale of non-current assets		–822	265	–238
Unrealised exchange-rate differences		8,038	12,818	–829
Unrealised interest-rate and currency derivatives		–2,733	550	–2,494
Earn-out revaluation		–8,372	–	–
Capital gain/loss on divestments of subsidiaries		–	–	–195,958
Reversal of financial items		39,765	65,668	44,316
Other provisions		375	–1,218	103
Total adjustments for non-cash items		**96,419**	**171,997**	**–115,766**
Interest paid		–44,957	–57,655	–24,123
Interest received		1,241	2,771	1,444
Income tax paid		–18,513	–18,483	–32,842
Cash flows from operating activities before changes in working capital		**195,512**	**159,966**	**95,695**
Cash flows from changes in working capital				
Change in inventories		17,869	–11,203	4,631
Change in operating receivables		–16,404	4,655	21,655
Change in operating liabilities		49,980	2,980	–18,155
Cash flows from changes in working capital		**51,445**	**–3,568**	**8,131**
Cash flows from operating activities		246,957	156,398	103,826
Investing activities				
Investments in tangible and intangible assets	3	–68,549	–91,473	–46,584
Divested tangible and intangible assets		1,350	1,250	2,255
Investments in subsidiaries	4	–605,821	–296,595	–209,074
Investments in financial non-current assets		–4,506	–	–
Divested financial non-current assets		3,395	159	1,983
Divested subsidiaries	5	14,142	450	303,258
Cash flow from investing activities		**–659,989**	**–386,209**	**51,838**
Financing activities				
Shareholders’ contributions		12,887	–	1,996
New issue of preference shares		823,096	–	–
Dividends		–48,081	–10,980	–273,710
Redemption of pension liability		–77,603	–	–
Borrowings		115,278	905,372	596,646
Repayment of borrowings		–353,204	–665,121	–345,130
Cash flow from financing activities		**472,373**	**229,271**	**–20,198**
Cash flow for the year		59,341	–540	135,466
Opening cash and cash equivalents		156,183	156,638	20,610
Exchange-rate differences in cash and cash equivalents		–15,126	85	562
Closing cash and cash equivalents		**200,398**	**156,183**	**156,638**

Equity and liabilities for the 2015, 2014 and 2013 financial years

SEK thousand	Share capital	Other capital contributions	Other reserves	Retained earnings incl. net income	Non-controlling interests	Total equity
Opening balance 1 Jan 2013	5,050	–	–1,336	273,064	23,708	300,486
Net profit	–	–	–	223,713	25,627	249,340
Translation differences for the year	–	–	721	–	–42	679
Comprehensive income for the year	–	–	721	223,713	25,585	250,019
Dividends	–	–	–	–393,336	–3,564	–396,900
Repurchase of treasury shares	–	–	–	–564	–516	–1,080
New share issue	–	–	–	–	4,000	4,000
Shareholders' contributions	–	–	–	–	1,996	1,996
Group contributions	–	–	–	–46	46	–
Divested non-controlling interests	–	–	–	234	–418	–184
Acquired non-controlling interests	–	–	–	–1,453	–3,527	–4,980
Closing balance 31 Dec 2013	**5,050**	**–**	**–615**	**101,612**	**47,310**	**153,357**
Opening balance 1 Jan 2014	5,050	–	–615	101,612	47,310	153,357
Net profit	–	–	–	14,336	41,242	55,578
Other comprehensive income	–	–	2,450	–	497	2,947
Total comprehensive income	–	–	2,450	14,336	41,739	58,525
Dividends	–	–	–	3,025	–13,574	–10,549
Non-cash issue	–	–	–	13,043	13,237	26,280
Shareholders' contributions	–	–	–	–289	–292	–581
Divested non-controlling interests	–	–	–	–2,520	3,552	1,032
Acquired non-controlling interests	–	–	–	–10,124	–18,500	–28,624
Closing balance 31 Dec 2014	**5,050**	**–**	**1,835**	**119,083**	**73,472**	**199,440**
Opening balance 1 Jan 2015	5,050	–	1,835	119,083	73,472	199,440
Net profit	–	–	–	92,669	33,252	125,921
Other comprehensive income	–	–	–15,733	–	–17,983	–33,716
Total comprehensive income	–	–	–15,733	92,669	15,269	92,205
Dividends	–	–	–	–72,222	–7,932	–80,154
New issue of preference shares	200	828,111	–	–	–	828,311
Remeasurement of non-controlling interests	–	–	–	6,068	–58,379	–52,311
Shareholders' contributions	–	–	–	5,901	57,959	63,860
Other transactions with owners	–	–	–	–1,142	663	–479
Closing balance 31 Dec 2015	**5,250**	**828,111**	**–13,898**	**150,357**	**81,052**	**1,050,872**

Notes

NOTE 1 GENERAL INFORMATION AND ACCOUNTING POLICIES

General information

The parent company Volati AB (publ) hereby submits the revised consolidated financial statements for the Group for the financial years 2015, 2014 and 2013, prepared in accordance with the International Financial Reporting Standards (IFRS). These reports have been approved for issue by the board of directors on 20 October 2016. The parent company Volati AB (publ) is a Swedish limited-liability company with its registered office in Stockholm. The postal and street address of the head office is Engelbrektsplan 1, SE-114 34 Stockholm, Sweden. In the sections below, "**subsidiary groups**" refers to the segments into which the Group was divided by the Company for reporting purposes, up to and including 30 June 2016. The subsidiary groups consist of the principal and operational subgroups, Besikta Bilprovning, Corroventa, Ettikettoprintcom, Kellfri, Lomond Industrier, me&i, NaturaMed Pharma and Tornum.

In 2016, the Company decided to implement changes to its segment reporting. These revised financial statements were prepared in accordance with the Group's current segment divisions.

Basis for the financial statements

The consolidated accounts are prepared pursuant to the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as adopted by the EU for application within the EU. The Swedish Financial Reporting Board's recommendations, RFR 1 and RFR 2, are also applied.

No amendments to the IFRS have entailed any material changes to the consolidated accounts between the years 2013 and 2015. A number of new standards and interpretations have come into force for financial years commencing after 1 January 2015, but have not been applied in the preparation of this financial report. None of these are expected to have any material impact on the group's financial reporting, with the exception of those listed below:

IFRS 15 *Revenue from Contracts with Customers* regulates the manner in which revenue is to be recognised. IFRS 15 is based on principles aimed at providing the users of financial statements with more relevant disclosures about the Company's revenue. The expanded requirement entails the obligatory disclosure of information about the nature, timing and uncertainty of revenue and cash flows attributable to the company's customer contracts. Under IFRS 15, revenue is to be recognised when the customer obtains control of the sold goods or services and has the opportunity to use or obtain the benefits from the goods or service. IFRS 15 replaces IAS 18 *Revenue* and IAS 11 *Construction Contracts*, and the associated SIC and IFRIC. IFRS 15 comes into force on 1 January 2017. Advance application is permissible. In 2016 the Group commenced work to assess the future impact of the standard on the group's earnings and financial position. In the present situation, IFRS 15 is not deemed to have any major impact on the group's earnings and financial position.

IFRS 16 *Leases* requires all assets and liabilities attributable to leasing agreements, with few exceptions, to be recognised in the balance sheet. This report is based on the approach that the lessee is entitled to use an asset during a specific period of time while simultaneously being liable to pay for this right. The lessor's accounting procedures will remain essentially unchanged. IFRS 16 replaces IAS 17 *Leases* and the associated interpretations, IFRIC 4, SIC 15 and SIC 27. The standard is applicable for financial years commencing on 1 January 2019 or later. Advance application is permissible. The EU is yet to adopt the standard.

IFRS 16 will have a material impact on the Company's accounting. Costs for operating leases for the 2015 financial year totalled SEK 65.3m and the undiscounted amount pertaining to payment commitments for operating leases was SEK 339.4m. For the period 1 January to 30 September 2016, the cost for operating leases amounted to SEK 80.3m and at 30 September 2016, the undiscounted amount pertaining to payment commitments for operating leases amounted to SEK 382.7m.

For further information on the Company's lease commitments, including their maturity structure, refer to Note 21.

Consolidated accounts

Subsidiaries are companies that are under Volati AB's controlling influence.

Subsidiaries are recognised in accordance with the acquisition method. This method entails that the acquisition of a subsidiary is regarded as a transaction whereby the group indirectly acquires the subsidiary's assets and assumes its liabilities and contingent liabilities. The consolidated cost is determined on the basis of an acquisition analysis performed when the acquisition takes place. The analysis determines the fair value, on the acquisition date, of acquired identifiable assets and assumed liabilities and contingent liabilities. The acquisition values of subsidiary shares and operations comprise the fair values, at the transfer date, of the assets, incurred or assumed liabilities, and issued equity instruments submitted as consideration in exchange for the acquired net assets, as well as transaction costs directly attributable to the acquisition. Acquisition-related costs are expensed as they are incurred. For business combinations where the cost exceeds the net value of acquired assets plus assumed liabilities and contingent liabilities, the difference is recognised as goodwill. When the difference is negative, this is recognised directly in profit or loss.

Acquisition and divestment of companies

For acquisitions, the target company's profit is included in the consolidated financial statements from the date on which control is transferred to the group. The revenue and expenses of companies divested during the year are included in the consolidated income statement, until the date that the controlling influence ceases.

Transactions eliminated on consolidation

Intra-group receivables and liabilities, income and expenses, and unrealised gains or losses arising from intragroup transactions are eliminated in their entirety.

Foreign currency

Transactions

Transactions in foreign currency are translated to the functional currency at the exchange rate on the date of the transaction.

Monetary assets and liabilities in foreign currency are translated to the functional currency at the exchange rate on the balance-sheet date. Translation differences arising from the translations are recognised in other comprehensive income. Changes in value due to currency translation with respect to operational assets and liabilities are recognised in profit or loss.

Non-monetary assets and liabilities that are recognised at historical cost are translated to the exchange rate of the transaction date. Non-monetary assets that are recognised at fair value are translated into the functional currency at the prevailing exchange rate on the date of the fair-value measurement. Exchange-rate fluctuations are then recognised in the same manner as other changes in value with respect to the asset or liability.

The following rates were used for the translation of the principal currencies:

	2015		**2014**		**2013**	
	Closing rate	**Average rate**	**Closing rate**	**Average rate**	**Closing rate**	**Average rate**
EUR	9.190	9.356	9.442	9.097	8.943	8.649
NOK	0.957	1.047	1.043	1.089	1.058	1.110
USD	8.441	8.435	7.755	6.858	6.508	6.514

Financial statements for foreign operations

Assets and liabilities in foreign operations, including goodwill and other consolidated surpluses and deficits are translated into SEK in accordance with the exchange rate prevailing at the balance-sheet date. The revenue and costs of a foreign operation are translated into SEK in accordance with the average exchange rate that constitutes an approximation of the rates at each transaction date. Translation differences arising from the translation of foreign operations are recognised in other comprehensive income and accumulated in the translation reserve recognised in equity.

Revenue recognition

Revenue recognition occurs when the material risks and advantages associated with the companies' goods are transferred to the buyer and it is probable that the financial benefits will be transferred to the company. In addition, revenue is recognised only when the revenue and the expenses that have been incurred or are expected to be incurred as a consequence of the transaction can be calculated in a reliable manner.

Revenue and costs from fixed-priced assignments are recognised in the period that the services were rendered. The revenues are calculated by establishing the degree of completion of the particular assignment, meaning the extent the overall assignment has been completed.

Interest income is recognised distributed over the duration with the application of the effective-interest method. When the value of a receivable declines, the group reduces the recognised value to the recoverable value, which comprises the expected future cash flow, discounted by the original effective interest of the instrument, and continues to redeem the discounting effect as interest income. Interest income on impaired loans is recognised at the original effective interest rate. Dividend income is recognised when the right to receive dividends has been established.

Financial income and costs

Items such as dividends, interest, costs for securing financing, cash-handling expenses, redemption fees for credit-card processing and exchange-rate fluctuations with respect to financial assets and liabilities are recognised under net financial items. Capital gains/losses and impairment of financial assets are also recognised under net financial items. Changes in value with respect to financial assets are measured at fair value through profit or loss, including derivatives that, due to hedge accounting, are not recognised under other comprehensive income.

In addition, payments with respect to finance leases are divided between interest expenses and capital repayments. Interest expenses are recognised as financial costs.

Intangible assets

Goodwill

If the acquisition of an operation results in any positive differences between the cost and the fair value of the acquired assets, assumed liabilities and contingent liabilities, the difference constitutes goodwill.

Goodwill is measured at cost less any accumulated impairment. Goodwill is tested annually for impairment requirements. Goodwill arising from the acquisition of associated companies is included in the recognised value for participations in associated companies.

Capitalised development expenditure

Development expenditure that is directly attributable to the development and testing of identifiable and unique products, as well as business systems that are controlled by the group, is recognised under intangible assets when the following criteria are met:

- it is technically possible to complete the product so that it can be used,
- the company's intention is complete the product and to use or sell it,
- the potential to use or sell the product exists,
- how the product will generate probable future financial benefits can be demonstrated,
- adequate technical, financial and other resources are available for completing the development and for using or selling the product, and
- the expenditure that is attributable to the product and its development can be reliably calculated.

Following initial recognition, internally created intangible assets are recognised at cost less accumulated amortisation and any accumulated impairment. Amortisation commences when the asset is usable.

Other development expenditure, that does not meet these criteria, is expensed as it arises.

Other intangible assets
Other intangible assets acquired by the group are recognised at cost less impairment and, if the asset has a determinable useful life, accumulated amortisation.

Amortisation
Amortisation is recognised in profit or loss on a straight-line basis over the intangible assets' estimated useful life.

Intangible assets with a finite useful life are amortised as from the date the asset is available for use.

The estimated useful lives are:

	Number of years
Patents	5
Brands	10–20
Technology	3–10
Customer relationships	20
Customer databases	5
Capitalised development expenditure	3–7

Tangible non-current assets

Owned assets
Tangible non-current assets are recognised as assets in the balance sheet when it is probable that future financial benefits will accrue to the group and the cost of the asset can be reliably calculated.

Tangible non-current assets are recognised in the group at cost less accumulated depreciation and any impairment. Cost includes the purchase price and costs directly attributable to transporting the asset to the site and putting it in the condition intended by the acquisition. Examples of directly attributable costs included in the acquisition value are the costs for delivery and handling, installation, registration, and consultancy and legal services.

Tangible non-current assets that consist of components with varying useful lives are treated as separate components of tangible non-current assets.

The carrying amount of a tangible asset is derecognised from the balance sheet on disposal through disposal or divestment, or when no future financial benefits are expected from the use or scrapping/divestment of the asset. Gains or losses arising from the sale or disposal of an asset consist of the difference between the selling price and the asset's carrying amount less direct selling expenses. Gains and losses are recognised as other operating revenue/costs.

Leased assets
Leases are classified in the consolidated accounts as either finance or operating leases. Finance leases exist when the financial risks and benefits associated with ownership are essentially transferred to the lessee. If this is not the case, the lease is deemed to be an operating lease.

Depreciation methods
Depreciation is implemented on a straight-line basis over the estimated useful life of the asset; land values are not depreciated. The Group applies component depreciation, which entails that depreciation is based on the components' estimated useful lives.

	Number of years
Buildings	20–50
Machinery and equipment	3–10

An asset's residual value and useful life is tested annually.

Calculation of recoverable amounts
The recoverable amount is the highest of the fair value less selling expenses and value in use. For a detailed description, refer to Note 12 below.

Reversal of impairment
Impairment of goodwill is not reversed.

Impairment on other assets is reversed if a change has been made to the assumptions on which the calculation of the recoverable amount was based. An impairment is only performed to the extent that the carrying amount of the asset after reversal does not exceed the carrying amount that the asset would have had if no impairment had been implemented, with respect to the depreciation/amortisation that should have been implemented.

Financial assets and liabilities
Financial instruments that are recognised in the balance sheet include derivatives, cash and cash equivalents, securities, other financial receivables, accounts receivable, loan receivables, accounts payable and loans payable. Accounts receivable and loan receivables are initially measured at fair value, while subsequent measurements are at amortised cost.

Financial assets are derecognised from the balance sheet when the right to receive cash flows from the instrument has expired or been transferred and the group has transferred essentially all risks and benefits associated with ownership. A financial liability is derecognised from the balance sheet when the contractual obligation has been fulfilled or otherwise extinguished.

Cash and cash equivalents
Cash and cash equivalents comprise cash, as well as immediately available bank balances and corresponding financial institutions, short-term liquid investments and vendor's mortgages with a term of less than three months from the date of procurement that run no real risk of fluctuations in value.

Accounts receivable and loan receivables
Accounts receivable and loan receivables are financial assets with fixed payments or with payments that can be fixed, and which are not listed in an active market. These assets are measured at amortised cost. Amortised cost is determined based on the effective interest rate calculated at the acquisition date. Accounts receivable have short remaining terms and are thus measured as nominal amounts without discount.

This category includes accounts receivable, loan receivables and other receivables. Accounts receivable are recognised at the amount expected to be paid, less individual assessments of doubtful receivables. Impairments of accounts receivable are recognised under operating costs.

With respect to loan receivables and other receivables, if the expected holding period exceeds one year, the receivables are to be classified as non-current receivables, or otherwise as other receivables.

Securities and financial receivables
Securities and financial receivables that are intended for long-term holding are recognised at acquisition cost. Impairments are implemented if permanent depreciation is established. Short-term financial holdings are recognised at cost, which essentially correspond to the market value. All transactions are recognised at the settlement date.

Financial liabilities/borrowings
Borrowings are initially recognised at fair value, net after transaction costs. Borrowings are subsequently recognised at amortised cost and any differences between the amount received (net after transaction costs) and the repayment amount are recognised in profit or loss distributed over the term of the loan applying the effective-interest method.

Option to sell for non-controlling interests
Agreements signed with non-controlling interests that entitle such owners to sell shares in the company at fair value. The agreement, put option and corresponding price for the shares are recognised as a liability. When remeasuring the liability, the change in value is recognised in equity. When a sell option is initially recognised as a liability, equity is reduced by its corresponding fair value, and Volati has chosen, in the first instance, to recognise it against the equity of non-controlling interests and, if this should be insufficient, against equity attributable to the parent company's owners.

Derivatives
Volati utilises derivatives to cover risks pertaining to interest-rate and exchange-rate fluctuations. Exchange-hedging measures are taken for commercial exposures within the framework of each subsidiary's financial policy. Interest-rate hedging is implemented through financial interest-rate swaps, whereby Volati signs agreements to deliver a cash flow corresponding to a remaining term with fixed interest of about one year, while receiving a floating interest during the term of the financial contract.

All derivatives are recognised at fair value in the balance sheet. Changes in value arising from remeasurements may be recognised differently, depending on whether or not the derivative is classified as a hedging instrument.

If the derivative is not classified as a hedging instrument, a change in value is recognised directly in profit or loss. If the derivative is classified as a hedging instrument, a change in value is recognised in other comprehensive income.

To fulfil the requirements of hedge accounting pursuant to IAS 39, there must be a distinct connection to the hedged item. The hedge must also efficiently protect the hedged item, documentation must be created and the efficiency must be shown to be sufficiently effective through efficiency measurements. The outcome of hedges is recognised in profit or loss concurrently to the recognition of the hedged items.

If hedge reporting is interrupted prior to the derivative's maturity date, the derivative's change in value is shifted to fair value, to be recognised directly in profit or loss.

Equity
For a specification of share capital trends, refer to the description of Volati's common shares on page 85 of this Prospectus. Common Shares are classified as equity. Transaction costs that are directly attributable to new share issues are recognised in net amounts after tax in equity as a deduction from the issue proceeds.

Reserves
The translation reserve encompasses all exchange-rate differences that arise when translating the financial statements of foreign operations that have prepared their reports in a currency other than the currency in which the consolidated financial statements are presented. The Company and the Group present their financial statements in Swedish kronor (SEK).

Retained earnings, including net profit
The earnings of the Company and its group companies are included in retained earnings including net profit for the year.

Preference Shares
The preference shares issued in May 2015 are entitled to prioritised dividends of SEK 40 per preference share (with quarterly payments). Following the resolution of the General Meeting, the preference shares are redeemable at a fixed amount that is tapered from SEK 725 per share until the fifth anniversary of the issue to SEK 675 per share until the tenth anniversary of the issue and to SEK 625 per share for the period thereafter.

Inventories
Inventories are measured at the lower of cost or net realisable value.

The cost is calculated in accordance with the first-in-first-out principle, or using methods based on the weighted average, less reasonable obsolescence provisions. Proprietarily developed finished and semi-manufactured items are measured at the item's manufacturing cost plus a reasonable portion of indirect costs.

The net realisable value is the estimated selling price in operating activities, less estimated completion costs and selling expenses.

Remuneration till employees
Liabilities with respect to fees for defined-contribution plans are recognised as a cost in profit or loss as they arise.

Provisions
A provision is recognised in the balance sheet when the Group has an existing legal or informal obligation as a result of an event that has occurred, and it is probable that an outflow of financial resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the effect of when payment occurs is significant, provisions are calculated by discounting the expected future cash flow using an interest rate before tax that reflects current market assessments of the monetary value over time and, if appropriate, the risks related to the liability.

Tax

Income tax comprises current tax and deferred tax. Income taxes are recognised in profit or loss except when the underlying transactions are recognised directly in equity, whereupon the associated tax effect is recognised under equity. Deferred tax is calculated based on the difference between the carrying amount and the tax value of assets and liabilities. Measurement is based on the tax rates and tax regulations that are determined or announced on the balance-sheet date.

Deferred tax assets relating to deductible temporary differences and loss carryforwards are only recognised to the extent that it is probable they will be utilised in the next few years. The value of the deferred tax assets is reduced when it is no longer considered likely that they can be utilised.

Contingent liabilities

A contingent liability is recognised when there is a possible commitment originating from events that have occurred and whose occurrence is confirmed only by one or several uncertain future events or when there is a commitment that is not recognised as a liability or provision because it is not probable that an outflow of resources will be required.

Segment reporting

The Group's operations are governed and reported on a per business-area basis. No reporting is undertaken based on geographic areas. Segments are consolidated in accordance with the same principles as the Group in its entirety. Operating segments are reported in a manner that corresponds to the internal reporting submitted to the chief operating decision maker. The chief operating decision maker is the function that is responsible for the allocation of resources and assessment of the operating segments' results. In the Group, this function was identified as the group's senior executives who make strategic decisions. The segments' earnings represent their contribution to the Group's earnings. A segment's assets include all the operational assets utilised by the segment and primarily comprise intangible assets, tangible non-current assets, inventories, external accounts receivable, other receivables, prepaid expenses and accrued income. A segment's liabilities include all the operational and interest-bearing liabilities utilised by the segment and primarily comprise provisions, deferred tax liabilities, external accounts payable, other current liabilities, accrued expenses and deferred income. Undistributed assets and liabilities primarily include the Company's assets, liabilities and group eliminations of intra-group transactions.

NOTE 2 OTHER OPERATING REVENUE AND OPERATING COSTS

Other operating revenue	**2015**	**2014**	**2013**
Earnings from the sale of machinery and equipment	538	288	142
Adjustment for accrued expenses	–	–	1,896
Insurance compensation	29	306	263
Damage compensation	6,000	–	–
Earn-out revaluation	8,372	–	–
Exchange-rate effects	2,179	618	–
Other	1,321	2,070	615
	18,439	**3,282**	**2,916**

Other operating costs	**2015**	**2014**	**2013**
Earnings from the sale of machinery and equipment	–624	–870	–625
Exchange-rate effects	–1,389	–1,454	–
Charitable donations	–914	–529	–
Other	–396	–337	–1,061
	–3,323	**–3,190**	**–1,686**

NOTE 3 SEGMENT REPORTING

	2015			**2014**			**2013**		
Netto-omsättning	**External net sales**	**Internal net sales**	**Net sales**	**External net sales**	**Internal net sales**	**Net sales**	**External net sales**	**Internal net sales**	**Net sales**
Trading[1)]	647,021	1,170	648,191	205,332	–	205,332	178,203	–	178,203
Industry	702,193	–	702,193	615,368	–	615,368	653,796	–	653,796
Consumer[2)]	838,378	–	838,378	798,706	–	798,706	397,839	–	397,839
Divested operations	–	–	–	36,151	–	36,151	279,559	–	279,559
Internal eliminations	–	–1,170	–1,170	–	–	–	–	–	–
	2,187,592	**0**	**2,187,592**	**1,655,557**	**–**	**1,655,557**	**1,509,397**	**–**	**1,509,397**

1) The Trading Business Area includes Lomond Industrier from the acquisition date, i.e. from 17 August 2015 to 31 December 2015.

2) The Consumer Business Area includes me&i, Besikta Bilprovning and NaturaMed Pharma from their respective acquisition dates. This means that for the period of 2013, me&i is included from 1 December to 31 December 2013, and Besikta Bilprovning from 18 March till 31 December 2013. The 2014 period includes NaturaMed Pharma from 4 June to 31 December 2014.

Distribution of revenue, 2015

Net sales	Sale of goods	Services	Equipment leasing	Other	Total
Trading[1]	646,516	–	–	505	647,021
Industry	633,478	25,007	34,625	9,083	702,193
Consumer[2]	358,877	475,001	–	4,500	838,378
	1,638,871	**500,008**	**34,625**	**14,088**	**2,187,592**

Distribution of revenue, 2014

Net sales	Sale of goods	Services	Equipment leasing	Other	Total
Trading[1]	205,332	–	–	–	205,332
Industry	525,590	34,042	50,154	5,582	615,368
Consumer[2]	298,913	499,793	–	–	798,706
Divested operations	36,151	–	–	–	36,151
	1,065,986	**533,835**	**50,154**	**5,582**	**1,655,557**

Distribution of revenue, 2013

Net sales	Sale of goods	Services	Equipment leasing	Other	Total
Trading[1]	178,204	–	–	–	178,204
Industry	568,654	18,584	60,704	5,854	653,796
Consumer[2]	8,876	388,962	–	–	397,838
Divested operations	279,559	–	–	–	279,559
	1,035,293	**407,546**	**60,704**	**5,854**	**1,509,397**

1) The Trading Business Area includes Lomond Industrier from the acquisition date, i.e. from 17 August 2015 to 31 December 2015.

2) The Consumer Business Area includes me&i, Besikta Bilprovning and NaturaMed Pharma from their respective acquisition dates. This means that for the period of 2013, me&i is included from 1 December to 31 December 2013, and Besikta Bilprovning from 18 March till 31 December 2013. The 2014 period includes NaturaMed Pharma from 4 June to 31 December 2014.

Net sales by country[1]	2015	2014	2013
Sweden	1,601,371	1,230,804	1,271,951
Norway	221,209	70,896	9,788
Finland	140,140	133,113	25,830
Germany	76,075	73,683	94,329
Poland	51,800	64,267	61,541
Denmark	37,661	17,971	15,618
UK	18,154	14,318	5,664
Ukraine	13,968	17,619	8
France	13,654	11,059	8,299
Hungary	6,744	7,346	7,971
Austria	4,440	6,532	8,295
Russia	1,542	7,475	–
Romania	834	474	103
	2,187,592	**1,655,557**	**1,509,397**

1) Net sales by country is calculated based on the country where the group company, which delivered the product or service, has its registered office.

EBITDA	Full-year 2015	Full-year 2014	Full-year 2013
Trading[1]	56,124	20,601	7,236
Industry	110,788	93,484	100,812
Consumer[2]	132,492	157,813	61,486
Divested operations	–	3,431	26,547
Capital gain – TeamOlmed	–	–	188,980
Parent company/Other	–24,902	–26,339	–26,466
EBITDA	**274,502**	**248,990**	**358,595**

1) The Trading Business Area includes Lomond Industrier from the acquisition date, i.e. from 17 August 2015 to 31 December 2015.

2) The Consumer Business Area includes me&i, Besikta Bilprovning and NaturaMed Pharma from their respective acquisition dates. This means that for the period of 2013, me&i is included from 1 December to 31 December 2013, and Besikta Bilprovning from 18 March till 31 December 2013. The 2014 period includes NaturaMed Pharma from 4 June to 31 December 2014.

EBITA	**Full-year 2015**	**Full-year 2014**	**Full-year 2013**
Trading[1]	49,901	18,141	5,546
Industry	86,174	75,065	84,057
Consumer[2]	117,055	148,028	54,122
Divested operations	–	768	20,110
Capital gain – TeamOlmed	–	–	188,980
Parent company/Other	–25,848	–26,727	–26,671
EBITA	**227,282**	**215,275**	**326,144**
Acquisition-related amortisations and write-downs	–12,948	–7,699	–6,882
Goodwill impairment	–	–52,500	–
Net financial items	–53,012	–93,740	–52,279
Profit before tax	**161,322**	**61,336**	**266,983**
Tax	–35,401	–5,758	–19,535
Profit attributable to discontinued operations	–	–	1,893
Net profit	**125,921**	**55,578**	**249,341**

1) The Trading Business Area includes Lomond Industrier from the acquisition date, i.e. from 17 August 2015 to 31 December 2015.

2) The Consumer Business Area includes me&i, Besikta Bilprovning and NaturaMed Pharma from their respective acquisition dates. This means that for the period of 2013, me&i is included from 1 December to 31 December 2013, and Besikta Bilprovning from 18 March till 31 December 2013. The 2014 period includes NaturaMed Pharma from 4 June to 31 December 2014.

EBIT	**2015**	**2014**	**2013**
Trading[1]	47,798	17,725	5,129
Industry	85,040	73,447	82,178
Consumer[2]	107,365	142,252	54,122
Divested operations	–	617	15,523
Capital gain – TeamOlmed	–	–	188,980
Parent company/Other	–25,869	–26,464	–26,671
Goodwill impairment	–	–52,500	,–
	214,334	**155,077**	**319,261**

Depreciation/Amortisation	**2015**	**2014**	**2013**
Trading[1]	8,326	42,876	2,107
Industry	25,749	20,037	18,634
Consumer[2]	25,127	15,561	7,364
Divested operations	–	15,314	11,024
Parent company/Other	966	126	205
	60,168	**93,914**	**39,334**

1) The Trading Business Area includes Lomond Industrier from the acquisition date, i.e. from 17 August 2015 to 31 December 2015.

2) The Consumer Business Area includes me&i, Besikta Bilprovning and NaturaMed Pharma from their respective acquisition dates. This means that for the period of 2013, me&i is included from 1 December to 31 December 2013, and Besikta Bilprovning from 18 March till 31 December 2013. The 2014 period includes NaturaMed Pharma from 4 June to 31 December 2014.

	2015		**2014**		**2013**	
Assets	**Total Assets**	**Of which tangible and intangible assets**	**Total Assets**	**Of which tangible and intangible assets**	**Total Assets**	**Of which tangible and intangible assets**
Trading[1]	1,256,338	657,094	256,206	102,926	271,483	143,266
Industry	707,258	386,113	646,905	355,197	614,153	332,555
Consumer[2]	1,416,197	870,091	1,241,114	863,095	661,380	516,630
Divested operations			33,986	24,006	57,923	39,240
Undistributed assets	–554,034	–44,475	–355,019	–46,415	–123,893	–30,054
	2,825,759	**1,868,823**	**1,823,192**	**1,298,809**	**1,481,046**	**1,001,637**

1) The Trading Business Area includes Lomond Industrier from the acquisition date, i.e. from 17 August 2015 to 31 December 2015.

2) The Consumer Business Area includes me&i, Besikta Bilprovning and NaturaMed Pharma from their respective acquisition dates. This means that for the period of 2013, me&i is included from 1 December to 31 December 2013, and Besikta Bilprovning from 18 March till 31 December 2013. The 2014 period includes NaturaMed Pharma from 4 June to 31 December 2014.

Liabilities	**2015**	**2014**	**2013**
Trading[1]	1,185,385	239,943	256,941
Industry	670,841	629,047	604,793
Consumer[2]	1,139,927	1,113,174	603,061
Divested operations	–	61,701	67,821
Undistributed liabilities	–1,221,266	–420,113	–204,927
	1,774,887	**1,623,752**	**1,327,689**

Investments	2015	2014	2013
Trading[1]	3,644	2,524	4,074
Industry	18,751	26,795	22,504
Consumer[2]	45,384	61,481	17,955
Divested operations	–	81	8,684
Parent company/Other	770	1,078	206
	68,549	**91,959**	**53,423**

1) The Trading Business Area includes Lomond Industrier from the acquisition date, i.e. from 17 August 2015 to 31 December 2015.

2) The Consumer Business Area includes me&i, Besikta Bilprovning and NaturaMed Pharma from their respective acquisition dates. This means that for the period of 2013, me&i is included from 1 December to 31 December 2013, and Besikta Bilprovning from 18 March till 31 December 2013. The 2014 period includes NaturaMed Pharma from 4 June to 31 December 2014.

NOTE 4 CORPORATE ACQUISITIONS

2015

Acquisition of Lomond Industrier

Volati signed an agreement to acquire the shares of Lomond Industrier AB on 26 June 2015. Through its subsidiary, Volati 2 AB, Volati acquired 74 percent of the shares, and the management of Lomond Industrier together with a previous shareholder acquired the remaining 26 percent. Volati's indirectly owned shares in Lomond Industrier thereby amount to 37.1 percent. Lomond Industrier is a leading supplier of the building materials sector, with operations in the Nordic region. The shares were obtained on 17 August 2015. The total sum paid for all of the shares in Lomond Industrier was SEK 525m, of which Volati's share was SEK 389m. Payment was made in full upon completion of the acquisition. In addition to the purchase consideration for the shares, loan financing was also raised for Lomond Industrier to settle previous liabilities. The acquisition had a positive impact on Volati's net sales and earnings during 2015. The transaction costs totalling SEK 4.7m for the acquisition of Lomond Industrier were charged to profit or loss. In 2014, the acquired operations had net sales of SEK 1,052.1m, an EBITDA of SEK 95.6m, an EBITA of SEK 88.6m and an EBIT of SEK 84.1m. As of the acquisition date, net sales in 2015 totalled SEK 427.6m, EBITDA was SEK 54.8m, EBITA SEK 51.9m and EBIT SEK 50.2m. If Lomond Industrier AB had been consolidated on 1 January 2015, its contribution to the consolidated income statement would be net sales of SEK 1,097.1m for the full-year 2015 and SEK 279.0m for the fourth quarter 2015, SEK 115.7 in EBITDA for the full-year 2015 and SEK 30.0m for the fourth quarter 2015, SEK 107.8m in EBITA for the full-year 2015 and SEK 27.9m for the fourth quarter 2015, and an EBIT of SEK 103.3m for the full-year 2015 and SEK 76.5m for the fourth quarter 2015.

Lomond Industrier's impact on the balance sheet	31 Dec 2015
Intangible assets	183,200
Tangible non-current assets	41,796
Deferred tax assets	2,632
Inventories	189,355
Financial assets	590
Other receivables	206,733
Cash and cash equivalents	–136,896
Pension provisions	–76,779
Deferred tax liabilities	–26,532
Non-current interest-bearing liabilities	–28,050
Current interest-bearing liabilities	–5,024
Current liabilities	–171,484
	179,541
Goodwill	345,715
Acquisition value	**525,256**
Vendor's mortgages offset against shareholder-loan receivables	–74,250
Cash and cash equivalents in acquired operations on acquisition date	136,896
Impact on consolidated cash and cash equivalents	**587,902**

Other acquisitions

In conjunction with the divestment of Sandberg & Söner, Volati AB acquired shares of Volati 2 AB corresponding to 0.4 percent of the shares outstanding at a purchase consideration of SEK 1.4m, which reduced non-controlling interests by SEK 0.4m and group equity by SEK 1.0m. In April 2015, Tornum acquired the operations of Lidköpings Plåtteknik AB at a purchase consideration of SEK 12.2m, which increased the group's goodwill by SEK 12.3m. Transaction costs of SEK 0.1m for the acquisition of Lidköpings Plåtteknik AB were charged to profit or loss. In 2014, the acquired operations had SEK 16.4m in net sales and an EBITDA of SEK 5.0m. As of the acquisition date, net sales in 2015 totalled SEK 7.0m, EBITDA was SEK 1.1m, EBITA was SEK 1.0m and EBIT was SEK 1.0m. If Lidköpings Plåtteknik AB had been consolidated on 1 January 2015, its contribution to the consolidated income statement would be net sales of SEK 10.3m for the full-year 2015 and SEK 3.4m for the fourth quarter 2015, SEK 1.5 in EBITDA for the full-year 2015 and SEK 1.0m for the fourth quarter 2015, SEK 1.3m in EBITA for the full-year 2015 and SEK 0.9m for the fourth quarter 2015, and an EBIT of SEK 1.3m for the full-year 2015 and SEK 0.9m for the fourth quarter 2015. In December, Volati Finans AB acquired a dormant company for a purchase consideration of SEK 20.3m.

Impact of other acquisitions on the balance sheet	31 Dec 2015
Tangible non-current assets	717
Deferred tax assets	9,115
Other receivables	859
Cash and cash equivalents	15,977
Current liabilities	–899
Non-controlling interests	390
	26,159
Bargain purchases	–5,593
Transactions with owners	1,047
Goodwill	12,283
Acquisition value	33,896
Cash and cash equivalents in acquired operations on acquisition date	–15,977
Impact on consolidated cash and cash equivalents	**17,919**

Impact on consolidated cash and cash equivalents	2015
Volati 2	1,437
Other acquisitions	4,329
Lidköpings Plåtteknik	12,153
	17,919

2014

In June 2014, Volati acquired all the shares of NaturaMed Pharma AB and NaturaMed Pharma AS from the listed company, Bringwell AB. Surplus values were identified pertaining to the customer database, brand and goodwill. As of the acquisition date, net sales for 2014 were SEK 106m, EBITA was SEK 33m and EBIT was SEK 27m. If NaturaMed Pharma had been consolidated from 1 January 2014, its contribution to the consolidated income statement would be net sales of SEK 185m, EBITDA of SEK 55m, EBITA of SEK 54m and an EBIT of SEK 48m. The consolidated income statement would then show revenues of SEK 1,735m, an EBITA of SEK 236m and an EBIT of SEK 176m. Acquisition-related transaction costs totalled SEK 1m and were expensed against profit on an ongoing basis.

NaturaMed Pharma's impact on the balance sheet	2014
Intangible assets	1,398
Tangible non-current assets	1,441
Inventories	10,186
Other receivables	17,520
Cash and cash equivalents	41,980
Deferred tax liabilities	–3,129
Current liabilities	–26,955
	42,441
Identified net surplus values for deferred tax	52,849
Goodwill	240,614
Acquisition value	**335,904**
Cash and cash equivalents in acquired operations on acquisition date	–41,980
Impact on consolidated cash and cash equivalents	**293,924**

Moreover, Volati also paid a smaller earn-out for an existing subsidiary and completed a minor acquisition with respect to a dormant company in 2014.

Impact of other acquisitions on the balance sheet	2014
Other receivables	5,864
Cash and cash equivalents	578
	6,442
Bargain purchases	–3,193
Acquisition value	**3,249**
Cash and cash equivalents in acquired operations on acquisition date	–578
Impact on consolidated cash and cash equivalents	**2,671**

Impact on consolidated cash and cash equivalents	2014
NaturaMed Pharma	293,924
Other	2,671
	296,595

2013

In March 2013, Volati acquired controlling influence of Besikta Bilprovning by signing an agreement to provide the management, control and financing of Besikta Bilprovning. Shares of Besikta Bilprovning are held through Volati 2 AB, which at the acquisition date, was under 52 percent ownership by Volati, with the remaining shares held by key individuals at Volati. Surplus values were identified in the acquisition and primarily classified as goodwill. As of the acquisition date, Besikta Bilprovning contributed SEK 389m to net sales and SEK 53m to EBIT. The acquisition-related transaction costs totalled SEK 1.7m in 2013 and SEK 2.2m in 2012, and have been charged against profit on an ongoing basis.

Besikta Bilprovning's impact on the balance sheet	2013
Intangible assets	3,195
Tangible non-current assets	27,979
Other receivables	27,123
Cash and cash equivalents	71,251
Current liabilities	–93,795
	35,753
Identified net surplus values for deferred tax	264,766
Acquisition value	300,519
Deferred purchase consideration	–144,000
Cash and cash equivalents in acquired operations at acquisition date	–71,251
Impact on consolidated cash and cash equivalents	**85,268**

In December 2013, through its then 50.1 percent holding of the subsidiary, Volati 3 AB, Volati acquired a controlling influence of me&i by acquiring 60 percent of the shares in Meandi Holding AB. Surplus values were primarily identified as pertaining to brands and goodwill. As of the acquisition date, me&i's net sales were SEK 9m and the EBIT was a negative SEK 1m. Acquisition-related transaction costs totalled SEK 1m and have been expensed against profit on an ongoing basis.

me&i's impact on the balance sheet	2013
Intangible assets	1,157
Tangible non-current assets	146
Inventories	9,162
Other receivables	8,240
Cash and cash equivalents	42,553
Current liabilities	–28,948
	32,310
Identified net surplus values for deferred tax	208,911
Acquisition value	**241,221**
Deferred purchase consideration	–73,489
Offset share issue	–4,000
Cash and cash equivalents in acquired operations at acquisition date	–42,553
Impact on consolidated cash and cash equivalents	**121,179**

In 2013, Volati also implemented several minor acquisitions pertaining to minority shares of existing subsidiaries and several acquisitions pertaining to dormant companies.

Impact of other acquisitions on the balance sheet	2013
Other receivables	8,214
Cash and cash equivalents	4,319
Non-controlling interests	4,039
Current liabilities	–2,744
	13,828
Earnings attributable to transactions with owners	2,015
Bargain purchases	-4,092
Acquisition value	**11,751**
Deferred purchase consideration	-4,805
Cash and cash equivalents in acquired operations on acquisition date	-4,319
Impact on consolidated cash and cash equivalents	**2,627**

Impact on consolidated cash and cash equivalents	2013
Besikta Bilprovning	85,268
me&i	121,179
Other	2,627
	209,074

NOTE 5 DIVESTMENT OF SUBSIDIARIES

In 2013, shares of TeamOlmed were sold to Össur Hf for a capital gain of SEK 189m. Volati was also entitled to additional sales proceeds under certain conditions that, however, were not met. Volati's financial statements did not include any values for these potential additional proceeds, which were maximised at SEK 30m and would have fallen due in 2014. Divestment-related transaction costs totalled SEK 7m and were expensed against profit on an ongoing basis.

In 2014, no participations in group companies were divested.

In early 2015, Volati divested the subsidiary group, Sandberg & Söner. The sale of Sandberg & Söner did not result in any capital gain or loss. The divestment had an impact of SEK 12.6m on cash and cash equivalents. In March 2015, the senior management and external board members of NaturaMed Pharma acquired 7.5 percent of the shares outstanding in NaturaMed Pharma. The sale did not entail any capital gain or loss. The divestment had a positive impact on cash and cash equivalents of SEK 1.5m. In 2014, 4 percent of the shares in Volati Tryck Holding AB – a holding company for Ettikettoprintcom – were sold to its CEO at that time.

	2015	2014	2013
Intangible assets	9,744	–	85,691
Tangible non-current assets	14,262	–	8,352
Inventories	2,442	–	39,798
Operating receivables	7,484	–	45,597
Cash and cash equivalents	54	–	22,754
Total assets	**33,986**	**–**	**202,192**
Non-controlling interests	–1,692	525	512
Provisions	864	–	8,360
Non-current liabilities	5,786	–	126
Operating liabilities	8,246	–	63,183
Total liabilities and provisions	**13,204**	**525**	**274,373**

Impact on consolidated cash and cash equivalents	2015	2014	2013
Volati Protesen AB	–	–	303,215
Volati 3 AB	–	–	18
Volati Bil AB	–	–	25
Volati Tryck Holding AB	–	450	–
Sandbergs	12,642	–	–
NaturaMed Pharma	1,500	–	–
	14,142	**450**	**303,258**

NOTE 6 EMPLOYEES AND PERSONNEL COSTS

	2015			2014			2013		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Tornum									
Tornum Sweden	40	10	**50**	45	12	**57**	44	11	**55**
Tornum Finland	2	0	**2**	3	0	**3**	3	0	**3**
Tornum Poland	12	3	**15**	12	2	**14**	10	1	**11**
Tornum Hungary	3	0	**3**	3	0	**3**	3	0	**3**
Tornum Romania	7	0	**7**	6	0	**6**	6	0	**6**
Tornum Russia	3	0	**3**	2	0	**2**	1	0	**1**
Tornum Bulgaria	1	0	**1**	1	0	**1**	0	0	**0**
Tornum Ukraine	4	0	**4**	4	0	**4**	2	1	**3**
Lidköpings Plåtteknik	8	0	**8**	0	0	**0**			
Corroventa									
Corroventa Sweden	28	4	**32**	27	4	**31**	22	3	**25**
Corroventa Poland	1	0	**1**	1	0	**1**			**0**
Corroventa Germany	12	4	**16**	14	4	**18**	16	3	**19**
Corroventa UK	2	0	**2**	2	0	**2**	2	0	**2**
Corroventa Austria	2	0	**2**	2	0	**2**	2	0	**2**
Corroventa France	3	2	**5**	2	1	**3**	2	1	**3**
Corroventa Norway	2	0	**2**	2	0	**2**	2	0	**2**
Sandberg & Söner									
Sandberg & Söner	0	0	**0**	37	1	**38**	39	2	**41**
TeamOlmed									
Kellfri									
Kellfri Sweden	44	13	**57**	44	12	**56**	42	13	**55**
Kellfri Denmark	3	0	**3**	3	0	**3**	3	0	**3**
Kellfri Finland	4	0	**4**	4	0	**4**	3	0	**3**
Kellfri Poland	3	1	**4**	7	1	**8**	2	1	**3**
Ettikettoprintcom									
Ettikettoprintcom	48	16	**64**	49	14	**63**	48	13	**61**
Ettikettoprintcom Åtvidaberg	22	4	**26**	23	5	**28**	24	6	**30**
Besikta Bilprovning									
Besikta Bilprovning	415	42	**457**	407	45	**452**	344	37	**381**
Meandi									
Meandi AB	0	2	**2**	0	1	**1**	1	2	**3**
Meandi Holding	1	19	**20**	1	18	**19**	0	0	**0**
Meandi AS	0	1	**1**	0	1	**1**	0	0	**0**
Meandi GmbH	0	1	**1**	0	0	**0**	0	0	**0**
Meandi OY	0	1	**1**	0	1	**1**	0	0	**0**
Meandi SC Ltd	0	1	**1**	0	1	**1**	0	0	**0**
Naturamed-Pharma									
Naturamed-Pharma AB	3	5	**8**	3	5	**8**	0	0	**0**
Naturamed-Pharma AS	5	16	**21**	5	16	**21**	0	0	**0**
Lomond Industrier									
Lomond Industrier AB	24	7	**31**	0	0	**0**	0	0	**0**
Thomée Gruppen AB	9	3	**12**	0	0	**0**	0	0	**0**
Bårebo Nordic AB	3	1	**4**	0	0	**0**	0	0	**0**
Habo Gruppen AB	7	3	**10**	0	0	**0**	0	0	**0**
Habo Denmark	2	0	**2**	0	0	**0**	0	0	**0**
Habo Finland OY	2	1	**3**	0	0	**0**	0	0	**0**
Habo Norge AS	4	2	**6**	0	0	**0**	0	0	**0**
Industribeslag AS	3	0	**3**	0	0	**0**	0	0	**0**
B Sørbø AS	5	0	**5**	0	0	**0**	0	0	**0**
Sørbø Partner AS	0	0	**0**	0	0	**0**	0	0	**0**
Volati head office	**5**	**3**	**8**	**5**	**2**	**7**	**5**	**2**	**7**
	742	166	**908**	714	146	**860**	769	216	**985**

Distribution of senior executives on balance-sheet date, %	2015		2014		2013	
	Men	Women	Men	Women	Men	Women
Board members	75%	25%	88%	12%	81%	19%
Other individuals in the company's executive management, including CEO	100%	0%	71%	29%	68%	32%

Salaries and other remuneration	2015	2014	2013
Board of directors and CEO, Sweden	10,412	15,313	15,214
Board of directors and CEO, outside Sweden	6,417	–	–
Other employees, Sweden	306,297	297,268	313,490
Other employees, outside Sweden	77,757	42,635	23,481
	400,884	**355,216**	**352,185**
Of which, bonus payments to board members and managing directors in the group	2,665	1,561	743

Payroll overheads	2015	2014	2013
Payroll overheads – statutory and by agreement	115,595	106,048	111,349
Pension costs for the boards and managing directors	3,154	2,883	3,182
Other pension costs	26,423	22,377	24,237
	145,172	**131,308**	**138,768**

Remuneration of the parent company's board and senior executives

Volati's board of directors 2015, SEK thousand	Salaries	Board fees	Other benefits	Pension costs	Total
Karl Perlhagen, chairman of the board[1]	1,294	–	113	–	1,407
Patrik Wahlén, board member[2]	1,368	–	190	–	1,557
Björn Garat	–	150	–	–	150
Anna-Karin Eliasson Celsing	–	150	–	–	150

Volati's other senior executives 2015, SEK thousand	Basic salaries	Variable remuneration	Other benefits	Pension costs	Total
Mårten Andersson, CEO[3]	1,320	–	69	350	1,739
Other senior executives (3 individuals)[4]	3,297	–	–	134	3,431

2014, SEK thousand	Basic salaries	Variable remuneration	Other benefits	Pension costs	Total
Karl Perlhagen, chairman of the board[1]	1,700	–	5	–	1,705
Patrik Wahlén, board member[2]	1,200	–	5	240	1,445
Mårten Andersson, CEO[3]	980	–	56	198	1,234
Other senior executives (1 individual)	1,227	–	16	205	1,448

2013, SEK thousand	Basic salaries	Variable remuneration	Other benefits	Pension costs	Total
Karl Perlhagen, chairman of the board[1]	1,392	–	6	–	1,398
Patrik Wahlén, board member[2]	1,200	–	82	240	1,522
Mårten Andersson, board member[3]	–	–	–	–	–
Other senior executives (1 individual)	1,446	1,068	5	254	2,773

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1) No fees are paid for board work. Remuneration to Karl Perlhagen pertains to his salary as an executive of the company.
2) No fees are paid for board work. Remuneration to Patrik Wahlén pertains to his salary as an executive of the company.
3) Mårten Andersson has been a board member of Volati AB since 2012, no fees have been paid for this assignment. Andersson has been CEO of Volati since June 2014. He was previously the CEO of Besikta Bilprovning, where he received remuneration for his services.
4) Of which one individual was employed in August 2015

Remuneration to the CEO

Pension terms and conditions

The pension is a defined-contribution plan. There is no contractually agreed age of retirement. The CEO's pension plan is personal, whereby pension provisions are made as per the CEO's personal decision, but the cost of such a pension is deducted from the CEO's salary.

Terms and conditions for severance pay

A mutual notice period of six months applies. Volati AB has no agreements concerning severance pay for the CEO.

Other senior executives

Variable remuneration

One of the senior executives is entitled to variable remuneration, which is capped at six months' salary. No variable remuneration is available to the other senior executives.

Pension terms and conditions

Three of the senior executives have personal pension plans, whereby pension provisions are made as per each executive's personal decision, but the cost of such a pension is deducted from the executive's salary. Pensions payments for senior executives are in accordance with simulated ITP plans, where salaries are pensionable to the maximum ITP ceiling (30 income base amounts). No contractually agreed retirement age applies.

Terms and conditions for severance pay

There are no agreements with respect to severance pay for other senior executives of Volati AB.

NOTE 7 FEES AND REMUNERATION TO AUDITORS

Öhrlings PricewaterhouseCoopers AB	**2015**	**2014**	**2013**
Audit assignments	3,369	1,836	2,328
Tax assignments	432	168	33
Other assignments	307	226	185
	4,107	**2,230**	**2,546**

Other auditors	**2015**	**2014**	**2013**
Audit assignments	306	290	118
Tax assignments	104	–	–
Other assignments	34	–	29
	444	**290**	**147**

NOTE 8 FINANCIAL INCOME AND COSTS

Financial income	**2015**	**2014**	**2013**
Interest income on bank balances	1,392	1,107	1,160
Exchange-rate gains	18,019	2,830	1,409
Changes in the value of fixed-income derivatives	2,733	–	2,987
Other financial income	425	–	–
	22,569	**3,937**	**5,556**

Financial costs	**2015**	**2014**	**2013**
Interest expenses on loans	–34,268	–61,529	–43,787
Interest expenses on finance leases	–1,571	–685	–848
Interest expenses on derivative contracts	–3,782	–4,561	–2,990
Changes in the value of fixed-income derivatives	–	–934	–480
Exchange-rate losses	–24,768	–18,604	–
Other financial costs	–11,192	–11,365	–9,730
	–75,581	**–97,678**	**–57,835**

NOTE 9 TAXES

	2015	**2014**	**2013**
Current tax expense	–32,980	3,167	–20,858
Deferred tax	–2,421	–8,925	1,323
Tax expense for the year	**–35,401**	**–5,758**	**–19,535**

Reconciliation of effective tax	2015	2015, %	2014	2014, %	2013	2013, %
Profit before tax	161,322	–	61,336	–	266,982	–
Tax according to applicable tax rate	–35,491	22,%	–13,494	22,%	–58,736	22,%
Tax in accordance with other tax rates	–2,128	1,%	531	–1,%	–434	0,%
Non-deductible costs	–1,614	1,%	–24,349	40,%	–16,673	6,%
Non-taxable income	812	–1,%	4,948	–8,%	42,310	–16,%
Tax, standard interest on allocation reserve	–252	0,%	–481	1,%	–317	0,%
Temporary differences	8,486	–5,%	13,001	–21,%	2,256	–1,%
Revaluation of deficits from previous years	–1,735	1,%	23,023	–38,%	10,871	–4,%
Income tax from previous years	–982	1,%	277	0,%	48	0,%
Other	–76	0,%	–289	0,%	–183	0,%
Recognised effective tax	**–32,980**	**20,%**	**3,167**	**–5,%**	**–20,858**	**8,%**

In 2015, tax recognised in equity was SEK 6.1m (2014: -, 2013: -).

Deferred tax	2015	2014	2013
Tangible and intangible assets	–4,650	–13,470	–1,315
Inventories	492	105	–535
Untaxed reserves	–3,995	2,423	–1,565
Unutilised deficits from previous years	6,143	3,919	5,399
Other temporary differences	–411	–1,902	–661
Deferred tax pertaining to temporary differences	**–2,421**	**–8,925**	**1,323**

Deferred tax assets	2015	2014	2013
Inventories	2,112	1,879	1,773
Unutilised deficits from previous years	28,906	16,891	12,077
Other temporary differences	1,789	2,392	2,281
	32,807	**21,162**	**16,131**

Deferred tax liabilities	2015	2014	2013
Tangible and intangible assets	77,943	48,057	17,988
Untaxed reserves	31,833	28,208	27,554
Other temporary differences	1,899	2,370	309
	111,675	**78,635**	**45,851**

NOTE 10 EARNINGS PER SHARE

The calculation of earnings per common share and preference share for 2015 was based on net profit for the year attributable to the parent company's shareholders, totalling SEK 92.7m (2014: SEK 14.3m, 2013: SEK 223.7m), where the earnings per common share was reduced by the preference shareholders' *pro rata* share of the dividend attributable to 2015, totalling SEK 37.4m.

Earnings per preference share were distributed based on approved dividends until the 2016 AGM, divided by the number of months in 2015, which entails dividing a portion of the earnings of SEK 37.4m by 1,603,773 preference shares. The remaining portion of the earnings for the year totalling SEK 55.2m were divided by 40,400,000 common shares.

	2015	2014	2013
Earnings attributable to parent company's owners	92,669	14,336	223,713
Deduction for preference share dividend	37,421	–	–
Earnings attributable to parent company's owners adjusted for preference share dividend	55,248	–	–
Common shares outstanding	40,400,000	40,400,000	40,400,000
Earnings per share	1.37	0.35	5.54
Earnings per preference share	23.33	–	–
Adjustment for share options	–	–	–
No. of common shares after dilution	40,400,000	40,400,000	40,400,000
Earnings per share after dilution	1.37	0.35	5.54
Earnings per preference share after dilution	23.33	–	–
Preference shares outstanding	1,603,773	–	–

NOTE 11 INTANGIBLE ASSETS

Cost	**Goodwill**	**Patents/ Technology**	**Brands/Other**	**Capitalised development expenditure**	**Total**
At 1 January 2013	**394,586**	**10,300**	**67,582**	**10,396**	**482,864**
Investments	–	–	3,038	20,654	23,692
In new companies on acquisition	455,206	–	21,221	2,780	479,207
In divested companies	–70,171	–	–41,213	–107	–111,491
Translation differences	–74	–	–81	–	–155
At 1 January 2014	**779,547**	**10,300**	**50,547**	**33,723**	**874,117**
Investments	–	–	–	65,909	65,909
In new companies on acquisition	240,613	–	72,200	–	312,813
Reclassifications	–	–	–	1,794	1,794
Translation differences	–10,734	–	–2,279	–	–13,013
At 1 January 2015	**1,009,426**	**10,300**	**120,468**	**101,426**	**1,241,620**
Investments	–	–	373	45,631	46,004
In new companies on acquisition	489,784	–	100,001	600	590,385
In divested companies	–22,244	–	–	–	–22,244
Translation differences	–24,031	–	–2,959	–	–26,990
On 31 December 2015	**1,452,935**	**10,300**	**217,883**	**147,657**	**1,828,775**
Accumulated amortisation					
At 1 January 2013	**–301**	**–6,110**	**–21,648**	**–924**	**–28,983**
Amortisation/impairment for the year	–	–996	–6,070	–2,355	–9,421
In new companies on acquisition	–	–	–244	–1,023	–1,267
In divested companies	301	–	25,421	78	25,800
Translation differences	–	–	37	–	37
At 1 January 2014	**–**	**–7,106**	**–2,504**	**–4,224**	**–13,834**
Amortisation/impairment for the year	–52,500	–996	–7,265	–4,149	–64,910
In new companies on acquisition	–	–	–802	–	–802
Reclassifications	–	–	–	–1,794	–1,794
Translation differences	–	–	185	–	185
At 1 January 2015	**–52,500**	**–8,102**	**–10,386**	**–10,167**	**–81,155**
Amortisation/impairment for the year	–	–996	–11,944	–11,683	–24,623
In new companies on acquisition	–49,185	–	–	–	–49,185
In divested companies	12,500	–	–	–	12,500
Translation differences	1,530	–	800	3	2,333
On 31 December 2015	**–87,655**	**–9,098**	**–21,530**	**–21,847**	**–140,130**
Carrying amount					
31 Dec 2013	779,547	3,194	48,043	29,499	860,283
31 Dec 2014	956,926	2,198	110,082	91,259	1,160,465
31 Dec 2015	1,365,280	1,202	196,353	125,810	1,688,645

	2015		**2014**		**2013**	
Distribution of the group's goodwill and other intangible assets with an indefinite useful life	**Goodwill**	**Other intangible assets**	**Goodwill**	**Other intangible assets**	**Goodwill**	**Other intangible assets**
Kellfri	57,579	20,000	57,579	20,000	97,579	20,000
Tornum	42,011	–	29,727	–	29,727	–
Corroventa	83,317	–	83,372	–	83,372	–
Sandberg & Söner	–	–	9,745	–	22,244	–
Ettikettoprintcom	91,418	5,000	91,418	5,000	91,418	5,000
Besikta Bilprovning	264,767	–	264,767	–	264,767	–
me&i	193,003	18,471	190,440	18,471	190,440	18,471
NaturaMed Pharma	216,295	20,000	229,878	20,000	–	–
Lomond	416,890	50,000	–	–	–	–
	1,365,280	**113,471**	**956,926**	**63,471**	**779,547**	**43,471**

Goodwill and other intangible assets with an indefinite useful life are allocated through impairment testing to separate subsidiary groups that are deemed to constitute cash-generating units. The goodwill value per subsidiary is tested annually against the expected recoverable amount, which is either the value in use or the fair value less selling expenses. At 31 December 2015, all of the holdings were tested against the value in use.

Value in use
Value in use is calculated as the group's share of the present value of expected future cash flows generated by the subsidiary group.

The assessment of future cash flow is based on reasonable and verifiable assumptions that constitute Volati's best estimates of the financial conditions that will prevail, and considerable emphasis is thus placed on external factors. The assessment of future cash flows is based on the most recent budgets and projections submitted by each subsidiary group. These comprise budgets for the next year and a projection for the subsequent four-year period. Cash flows after the forecast period are estimated based on the assumption of a long-term annual growth rate of 2 percent after the forecast period.

Estimates of future cash flows do not include future payments attributable to future measures that the subsidiary group has yet to commit to implementing. Once the subsidiary group commits itself to implementing measures, future cash flows will include savings and other benefits expected from the measures and payments.

Estimated future cash flows do not include incoming or outgoing payments to/from financing activities. The estimated value in use is comparable with the carrying amount of the subsidiary group. Key assumptions used for the calculations include the discount rate, sales growth, EBITDA margins, development of working capital and investment needs. Various assumptions have been made, due to each subsidiary group operating as an independent unit with unique conditions. The key assumptions used for each subsidiary group are described below. Lomond Industrier was acquired in 2015 and, accordingly, impairment testing of the subsidiary group has not been deemed necessary.

Key assumptions with respect to value in use per subsidiary group

Discount rate
A discount rate was factored into the calculation of the present value of future cash flows for each subsidiary group. Volati has chosen to calculate the present value of cash flows after tax. The discounting factor reflects market assessments of the time value of money and the specific risks associated with each subsidiary group. The discounting factor does not reflect such risks that are taken into account when calculating future cash flows. The calculation of the discount rate is based on the company's weighted average capital cost, the company's marginal interest rate on loans and other market interest rates on loans independent from Volati's capital structure. The yield requirement for loan capital is based on an interest expense for risk-free loans of 1.0 percent, adjusted for an interest margin of 2.5 percent and adjusted for a tax rate of 22.0–25.0 percent. The yield requirement for equity is based on risk-free interest, adjusted for a market-risk premium of 6.4 percent, a company-specific risk premium of 5.0–6.0 percent, a scaled premium of 1.0–1.9 percent and a beta coefficient for each subsidiary of between 0.62 and 0.93. The discount interest rates used by Volati vary from 9.0–12.1 percent depending on the conditions for each subsidiary group.

Tornum
The cash flow projection for Tornum is based on the company's capacity to leverage its market position in the markets where it is established in parallel with EU subsidies enabling the start-up of projects in these countries. The most crucial assumptions used in the calculation of value in use for Tornum consist of net sales growth, EBITDA margin and investment needs. Volati deems that the long-term demand for Tornum's products in the company's established markets continues to be healthy and that an underlying need exists for investment in modernisation in these markets. Based on these factors, Volati anticipates growth in net sales to surpass the GDP trend, while the EBITDA margin is expected to remain unchanged during the forecast period. If major macroeconomic events should occur and adversely impact the development of and the willingness to invest in Eastern Europe, Russia and Ukraine, the trend could be worse than projected. The assessment is that no reasonable changes in key assumptions will result in Tornum's expected value in use falling below the carrying amount.

Corroventa
Corroventa's projected cash flows are based on the company's capacity to obtain returns on the investments in the development of their product range and its capacity to leverage its geographic establishments of the past few years. The most crucial assumptions used in the calculation of Corroventa's value in use comprise net sales growth, EBITDA margin and investment needs. In addition, it is deemed that the historic frequency and scope of weather-related flooding will probably continue into future forecast periods. Based on these factors, Volati anticipates that growth in net sales will surpass the GDP trend and that the EBITDA margin will remain unchanged during the forecast period. Should the frequency of weather-related flooding fall during the forecast period, the trend could be worse than projected. The assessment is that no reasonable changes in key assumptions will result in Corroventa's anticipated value in use falling below the carrying amount.

Kellfri
Kellfri's projected cash flows are based on the company's capacity to offset higher costs for purchased products due to hikes in the USD rate, by increasing prices for customers and renegotiating purchase prices with suppliers. The projection is also based on Kellfri's success in further developing e-commerce sales in its currently active markets, and its success in implementing some international expansion. The most crucial assumptions used in the calculation of Kellfri's value in use comprise net sales growth, EBITDA margin and changes in working capital. Kellfri is expected to grow without its working capital increasing at the same pace. Based on these factors, Volati anticipates that growth in net sales will surpass the GDP trend and the EBITDA margin will gradually rise during the forecast period due to the operational lever-

age from increasing net sales. If Kellfri should fail to implement the above measures, it could result in the company's future value in use falling below Volati's consolidated value.

Ettikettoprintcom
The projected cash flows for Ettikettoprintcom are based on the company's capacity to obtain a return on its investments in printing presses implemented in 2015, and on no material changes occurring with respect to the behaviour of the company's major customers. The most crucial assumptions used in the calculation of Ettikettoprintcom's value in use comprise net sales growth, EBITDA margin and investment needs. Based on these factors, Volati anticipates growth in net sales to slightly surpass the GDP trend, while the EBITDA margin is expected to remain unchanged during the forecast period. The assessment is that no reasonable changes in the key assumptions will result in Ettikettoprintcom's anticipated value in use falling below the carrying amount.

Besikta Bilprovning
Besikta Bilprovning's projected cash flows are based on the company maintaining its market position during the forecast period, on the pace of market establishment abating over time, and on the price level of its services not falling substantially. In addition, the assumption is that regulatory requirements will not impose any material changes on the company's operations, such as changes to the statutory intervals of inspections in Sweden. The most crucial assumptions used in the calculation of Besikta Bilprovning's value in use comprise net sales growth, EBITDA margin and investment needs pertaining to the establishment of new inspection stations. Based on these factors, Volati anticipates growth in net sales to be in line with the GDP trend, while the EBITDA margin is expected to remain unchanged during the forecast period. If material changes should occur in the regulatory conditions governing the company's operations, this could entail the company's value in use falling below Volati's consolidated value.

me&i
me&i's projected cash flows are based on the company's establishment in a number of European markets with an established sales organisation that supports the stability of the company's existing major markets, and that there is growth potential primarily in the UK and Germany. The key assumptions are that the company will be able to maintain its historical level of recruitment of new salespersons and that this will also be achievable in the UK and Germany. The most crucial assumptions used in the calculation of me&i's value in use comprise net sales growth, EBITDA margin and the recruitment rate of new salespersons, as well as the depletion rate of the existing sales force. Based on these factors, Volati anticipates growth in net sales to surpass the GDP trend, while the EBITDA margin is expected to weaken slightly during the forecast period. If material changes should occur to the pace of recruitment of new salespersons or the depletion of existing salespersons, this could entail a decline in the company's value in use below that of Volati's consolidated value.

NaturaMed Pharma
NaturaMed Pharma's projected cash flows are based on the company having an existing customer base in the Nordic countries with a historical subscription behaviour that enables NaturaMed Pharma to market its products to the relevant target groups in a cost-efficient manner and thereby retain and expand its subscription base. NaturaMed Pharma has also initiated an investment in internet marketing, which is expected to generate future growth. The most crucial assumptions used in the calculation of NaturaMed Pharma's value in use comprise assumptions regarding recruitment and depletion with respect to the subscription trend, and the cost efficiency of marketing. Based on these factors, Volati anticipates growth in net sales to surpass the GDP trend, while the EBITDA margin is expected to remain stable during the forecast period. If material changes, such as limitations on permissible forms of marketing, should occur to the regulatory requirements governing the company's operations this could entail the company's value in use falling below Volati's consolidated value.

Sensitivity analysis
The value in use of each subsidiary group is dependent on the assumptions applied when calculating discounted cash flows. Volati has simulated the value in use to test for changes in the key assumptions applied in the calculations. In tests of the carrying amount in relation to the value in use, a decline in net sales growth, below the projections for year two and up to and including year five (on the assumption that net sales growth will be 80 percent of the projected average yearly growth), the value in use for all subsidiary groups would still be higher than the carrying amount. In corresponding tests on whether growth following the expiry of the forecast period, meaning six years and forward, would be 1 percent annually compared with the projected 2 percent annual growth, the value in use of all the subsidiary groups would still be higher than the carrying amount. A simulation further indicated that with an increase of 1 percentage point in the discount interest rate, the value in use for all the subsidiary groups would still be higher than the carrying amount.

Impairment
No impairment was deemed necessary in 2015 or 2013, following measurement of the companies' value in use against the group's carrying amounts for each subsidiary group.
In 2014, impairment testing was performed for Kellfri and Sandberg & Söner, which indicated an impairment requirement. For the assessment of Kellfri's value in use in 2014, an impairment requirement for goodwill calculated at SEK 40m has arisen due to lower future cash flows as a consequence of higher exchange rates for purchases denominated in USD. In addition, an impairment requirement of SEK 12.5m for Sandberg & Söner was calculated based on the assessed fair value of the subsidiary group.

NOTE 12 TANGIBLE NON-CURRENT ASSETS

Cost	**Land and buildings**	**Equipment**	**Equipment with finance leases**	**Total**
At 1 January 2013	70,073	233,238	30,695	334,006
Investments	2,151	20,878	6,702	29,731
In new companies on acquisition	–	38,927	–	38,927
Sales/Disposals	–	–3,669	–1,686	–5,355
In divested companies	–2,006	–66,070	–1,025	–69,101
Translation differences	–	210	36	246
At 1 January 2014	**70,218**	**223,514**	**34,722**	**328,454**
Investments	–	25,554	495	26,049
In new companies on acquisition	–	5,255	–	5,255
Sales/Disposals	–	–4,386	–	–4,386
In divested companies	–	–	–	–
Reclassifications	–	1,524	–	1,524
Translation differences	–	226	–	226
At 1 January 2015	**70,218**	**251,687**	**35,217**	**357,122**
Investments	–	22,544	27,994	50,538
In new companies on acquisition	–	75822	18,226	94,048
Sales/Disposals	–	–2,455	–4,322	–6,777
In divested companies	–13,324	–39,706	–9,953	–62,983
Reclassifications	–	–473	473	–
Translation differences	–	–1,571	–238	–1,809
On 31 December 2015	**56,894**	**305,848**	**67,397**	**430,139**
Accumulated depreciation				
At 1 January 2013	–18,537	–184,071	–7,601	–210,209
Depreciation for the year	–1,990	–22,582	–5,342	–29,914
In new companies on acquisition	–	–10,829	–	–10,829
Sales/Disposals	–	1,653	1,642	3,295
In divested companies	–	59,867	882	60,749
Reclassifications	–	–	–	–
Translation differences	–	–169	–23	–192
At 1 January 2014	**–20,527**	**–156,131**	**–10,442**	**–187,100**
Depreciation for the year	–2,006	–21,653	–5,344	–29,003
In new companies on acquisition	–	–3,786	–	–3,786
Sales/Disposals	–	2,871	–	2,871
In divested companies	–	–	–	–
Reclassifications	–	–1,524	–	–1,524
Translation differences	–56	–179	–	–235
At 1 January 2015	**–22,589**	**–180,402**	**–15,786**	**–218,777**
Depreciation for the year	–1,632	–22,947	–10,966	–35,545
In new companies on acquisition	–	–44,330	–7,309	–51,639
Sales/Disposals	–	1,927	4,286	6,213
In divested companies	7,857	37,539	3,325	48,721
Reclassifications	–	204	–204	–
Translation differences	–	1,164	–98	1,066
On 31 December 2015	**–16,364**	**–206,845**	**–26,752**	**–249,961**
Carrying amount				
31 Dec 2013	49,691	67,383	24,280	141,354
31 Dec 2014	47,629	71,285	19,431	138,345
31 Dec 2015	40,530	99,003	40,645	180,178

NOTE 13 OTHER NON-CURRENT MARKETABLE SECURITIES

Non-current marketable securities	2015	2014	2013
Opening cost	7,534	8,111	12,332
Additional vendor's mortgage	6,370	–	280
Settled receivables	–965	–155	–5,069
Other	359	–422	568
	13,298	**7,534**	**8,111**

	2015	2014	2013
Interest-bearing vendor's mortgages	–	4,322	4,233
Other non-current interest-bearing receivables	–	3,212	3,878
	–	**7,534**	**8,111**

Other non-current marketable securities	2015	2014	2013
Opening cost	4,002	3,756	3,612
Receivables in acquired companies	590	26	–
Investments	4,642	220	144
Divestments	–2,247	–	–
	6,987	**4,002**	**3,756**

NOTE 14 INVENTORIES

	2015	2014	2013
Raw materials and supplies	9,127	11,012	12,391
Work-in-progress	23,089	27,145	14,543
Finished goods and goods for resale	277,461	118,132	103,355
Work-in-progress on behalf of another party	–	4,945	8,093
Advance payments to suppliers	18,006	–	–
	327,683	**161,234**	**138,382**

NOTE 15 PREPAID EXPENSES AND ACCRUED INCOME

	2015	2014	2013
Accrued supplier bonus	18,511	3,041	3,061
Accrued interest income	–	–	1,865
Prepaid rent	11,849	10,895	10,177
Prepaid leasing fees	924	1,816	444
Prepaid insurance fees	3,094	1,639	1,332
Other prepaid expenses	9,887	10,079	10,144
Other prepaid expenses and accrued income	6,059	1,148	8,561
	50,324	**28,618**	**35,584**

NOTE 16 INTEREST-BEARING LIABILITIES

Non-current loans	2015	2014	2013
Liabilities to credit institutions	794,750	737,950	135,500
Finance leases	24,375	11,107	15,159
Acquisition-related liabilities	–	–	120,000
Liabilities to shareholders	88,944	306,253	170,070
	908,069	**1,055,310**	**440,729**

Current loans	2015	2014	2013
Liabilities to credit institutions	98,200	138,071	39,500
Overdraft facilities	21,888	–	318,063
Liabilities to shareholders	–	2,035	134,111
Finance leases	12,491	4,672	5,207
Acquisition-related liabilities	–	20,000	–
	132,579	**164,778**	**496,881**

Refer to Note 20 for information about contractual dates for interest-rate renegotiations.

At the end of 2015, cash and cash equivalents and unutilised credit facilities amounted to SEK 378.5m, of which SEK 178.1m (200.0) was the unutilised portion of the overdraft facility, and SEK 200.4m (156.2) was cash and cash equivalents.

NOTE 17 DEFERRED INCOME

	2015	2014	2013
Deferred inspection revenue	18,491	16,815	20,607
Deferred projects	21,308	7,958	7,650
Other deferred income	6,064	3,005	1,434
	45,863	**27,778**	**29,691**

NOTE 18 CONTINGENT LIABILITIES

	2015	2014	2013
Opening balance	4,580	5,796	5,878
Guarantee reserve	366	156	–56
Utilisation reserve	–	–1,374	–26
Translation differences	–4	2	–
	4,942	**4,580**	**5,796**

NOTE 19 ACCRUED EXPENSES AND DEFERRED INCOME

Accrued Expenses	2015	2014	2013
Accrued personnel costs	100,073	72,464	83,307
Accrued customer bonus	31,117	4,672	5,399
Accrued interest expenses	1,679	8,319	13,346
Other	15,530	13,461	7,788
	148,399	**98,916**	**109,840**
Deferred income			
Other	1,451	17,957	2,140
	1,451	17,957	2,140
Total	**149,850**	**116,873**	**111,980**

NOTE 20 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

The Volati Group is exposed to various financial risks through its operations. Parts of Volati's operations are pursued outside of Sweden. This exposes the group to several different types of financial risks that could result in fluctuations in net profit, cash flow or equity, due to exchange-rate fluctuations. In addition, Volati is exposed by loan financing with floating interest expenses and various duration risks from financing. The parent company administers financial risks attributable till loan financing. With respect to currency risks, each subsidiary group has its own procedures for when and how to manage currency exposure.

Currency risk

Currency risks primarily impact Volati through the translation of equity, the translation of earnings in foreign subsidiaries and through the earnings effect on the flow of goods between countries with different currencies.

Transaction exposure

The group companies' revenues and expenses comprise various currencies, which exposes the group to risks with respect to exchange-rate fluctuations. The subsidiary groups manage transaction risks based on the respective subsidiary group's situation, risks and controls, which are formulated and adopted separately by the respective subsidiary. Some of the subsidiary groups have an active currency hedging arrangement, whereby purchases and revenues are hedged to varying degrees by forward exchange contracts. The degree of currency hedging varies from subsidiary group to subsidiary group, primarily depending on the companies' opportunity to transfer currency exposures to customers or suppliers. At the balance-sheet date, there were no active currency hedges in Volati.

The table below shows the group's net currency exposure to customers and suppliers at the balance-sheet date (customers + and suppliers -) with respect to the three largest currencies.

Net currency exposure to customers and suppliers with respect to major currencies	**Currency exposure**
Currency	2015
EUR	25,837
NOK	–22,853
SEK	16,042

Translation exposure

Volati AB reports its profit and loss and balance sheet in SEK. The accounting of foreign companies is in other currencies. This means that when consolidating its accounts, the group's earnings and equity are exposed when foreign currencies, primarily EUR, NOK, DKK, GBP and PLN are translated to SEK. At the balance-sheet date, a significant amount of translation exposure primarily pertained to exposure in NOK arising from the acquisition of Lomond Industrier and NaturaMed Pharma. Although Volati AB has the possibility to hedge the translation exposure by borrowing in matching currencies, at the balance-sheet date no hedged equity instruments were utilised.

The table below shows the group's translation exposure on equity at the balance-sheet date, with respect to the three largest currencies.

Translation exposure on equity in the balance sheet with respect to major currencies

	Currency exposure		
Currency	**2015**	**2014**	**2013**
NOK	358,150	226,657	1,375
EUR	164,218	28,553	27,167
DKK	43,362	2,794	1,065

The table below shows the impact on the group's EBITA in the event of a 10 percent decline in the Swedish krona against the three largest currencies, with all of the other variables remaining constant.

Translation exposure in profit or loss with respect to major currencies

	Earnings effect in the event of a 10% fluctuation in exchange rates		
Currency	**2015**	**2014**	**2013**
NOK	–2,559	–1,329	–564
EUR	–292	–697	10,441
DKK	–168	–234	910

Capital risk

The group strives to achieve a solvency ratio that enables it to pursue activities in accordance with its strategic plans. However, the consolidated solvency ratio is not a true and fair indicator of the company's assessment of its own financial position, as it does not take into account the value-growth trend of underlying holdings when calculating equity. The capital structure is a reflection of the group's relatively low operational risks. The indebtedness allows for the generation of solid returns for shareholders while providing sufficient equity to secure the group's long-term capacity to continue its operations. Cash and cash equivalents that cannot be invested in accordance with the company's objectives and investment strategy, are distributed to shareholders within the scope of Volati's dividend policy.

Interest-rate risk

Interest-rate risk refers to the risk that changes in market interest rates will affect Volati's net financial items. Most of the group's loans are payable at floating interest rates or have durations of up to three months. To hedge portions of the interest-rate risk, Volati has signed interest-swap agreements, through which floating interest is swapped for fixed interest, with remaining terms of one year for loans of SEK 150m. The market value of fixed-income derivatives is appraised continuously by an external bank. The fair value of current and non-current liabilities corresponds to their carrying amounts, since the discounting effect is insignificant. Based on the loan volumes at the balance-sheet date, a change of one (1) percentage point in the interest rate on loans would have an impact of SEK 8m on Volati's net profit after tax (excluding any changes in the value of fixed-income derivatives). The value of the interest-rate swaps would increase SEK 1m in the event of a one (1) percentage-point increase in the interest rate, and decrease by SEK 1m in the event of a one (1) percentage-point decrease in the interest rate. Volati continuously monitors interest-rate trends and, based on these, determines the best long and short-term interest terms for the group.

Financing risk and liquidity risk

Financing risk is defined as the risk of not being able to meet payment obligations as a result of insufficient liquid funds or difficulties in obtaining external financing. Volati manages financing risks at a consolidated level. Volati endeavours to have accessible cash and cash equivalents or unutilised credit for managing any significant disruptions to the financing market. The available liquidity margin varies during the year and is dependent on whether significant acquisitions or divestments are implemented.

Volati's borrowing from credit institutions is mainly in SEK and is subject to floating interest rates. Volati's borrowing from credit institutions comprises three different financing frameworks, of which one portion is a loan of SEK 400m with a fixed maturity period without capital repayment, one portion is a revolving credit facility of SEK 500m, where each tranche may have a different tenor, and one portion is an overdraft facility of SEK 200m. At the balance-sheet date the revolving credit facility was fully utilised in SEK. The fixed-term loan matures on 31 December 2019 and the revolving credit facility may be utilised until 31 December 2019. At the balance-sheet date, the overdraft facility was unutilised. The overdraft facility has a term of 12 months and is automatically extended each year for another 12 months unless otherwise notified by the bank. At the close of the year, most of the borrowings were long-term. At the end of 2014, Volati was refinanced and the terms were extended until the end of 2019. Loan agreements are subject to the company's financial position fulfilling certain limit values, known as covenants, such as net debt divided by earnings before depreciation and amortisation. Volati AB has not breached any covenants in 2015. Furthermore, Volati has chosen to implement certain investments in tangible non-current assets through finance leases – refer to Note 21 concerning these lease liabilities.

Financing from other lending institutions mainly comprises subordinated SEK loans to credit institutions, with varying terms, and which are primarily subject to fixed interest rates. Financing from other lenders primarily consists of loans without predefined terms from minority shareholders, known as non-controlling interests, in Lomond Industrier and NaturaMed Pharma.

Volati has shareholder agreements with certain shareholders with non-controlling interests in Lomond Industrier, NaturaMed Pharma and me&i with respect to options to sell their company holdings. In accordance with the shareholder agreements, these shareholders are entitled, under certain conditions and on certain occasions, to sell shares of Volati at market prices. At the balance-sheet date, these sell options were valued in accordance with external measurements by valuation institutions.

Due dates

The due dates for non-interest-bearing and interest-bearing financial assets are mainly within one year.

The "Liquidity risks" table shows the due dates of Volati's financial assets and liabilities. The amounts in the table are undiscounted and include known future interest payments. Consequently, the exact amounts are not presented in the balance sheet.

	2015			2014			2013		
Liquidity risk	**Within one year**	**1–5 years**	**>5 years**	**Within one year**	**1–5 years**	**>5 years**	**Within one year**	**1–5 years**	**>5 years**
Assets									
Cash and cash equivalents	200,398	–	–	156,183	–	–	156,638	–	–
Accounts receivable	290,185	–	–	115,835	–	–	92,165	–	–
Other shares and participations	–	–	5,771	–	–	1,961	–	–	1,935
Other financial assets	**1,047**	**2,350**	**11,418**	**619**	**2,593**	**6,363**	**646**	**3,232**	**6,053**
Liabilities									
Liabilities to credit institutions, non-current	–123,585	–850,710[1]	–	–99,435	–813,190[2]		–46,522	–142,692	–
Liabilities to credit institutions, current	–	–	–	–65,364	–	–	–	–	–
Overdraft facilities	–22,444	–	–	–	–	–	–318,063	–	–
Liabilities to shareholders	–	–	–88,944[3]	–22,605	–99,160	–306,253[4]	–	–61,737	–205,842
Acquisition-related liabilities	–	–	–	–24,000	–	–	–	–146,201	–
Earn-outs	–6,699	–6,699	–	–	–	–	–	–	–
Other non-current non-interest-bearing liabilities	–	–	–52,862[5]	–	–	–	–	–	–
Finance leases	–12,491	–21,688	–2,686	–4,672	–11,107	–	–692	–7,842	–12,105
Derivatives	–4,080	–	–	–2,792	–2,792	–	–3,784	–5,768	–
Other current liabilities	–32,075[6]	–	–	–	–	–	–	–	–
Accounts payable	–238,663	–	–	–104,141	–	–	–91,152	,–	,–
Net	**51,593**	**–876,747**	**–127,303**	**–50,372**	**–923,656**	**–297,929**	**–210,764**	**–361,008**	**–209,959**

1) Liabilities to credit institutions, non-current (2015): SEK 119m is due within two years (2017), SEK 117m within three years, SEK 564m within four years and SEK 50m within five years.
2) Liabilities to credit institutions, non-current (2014): SEK 122m is due within two years (2016), SEK 119m within three years, SEK 115m within four years, SEK 432m within five years and SEK 25m within six years.
3) All of the existing shareholder loans have indefinite due dates. Interest on existing shareholder loans is capitalised quarterly. No capitalised interest was included in the interval exceeding 5 years.
4) All of the existing shareholder loans have indefinite due dates. Interest on Volati AB's shareholder loans are paid to lenders quarterly. Interest on other shareholder loans is capitalised quarterly. No paid or capitalised interest was included in the interval exceeding 5 years.
5) All other non-current non-interest-bearing liabilities are debts without maturity dates
6) Pertains to approved dividends to preference shareholders with respect to Q1 and Q2 2016. A new resolution on dividends to preference shareholders was passed at the 2016 AGM.

Financial instruments: carrying amount and fair value per measurement category

		2015		2014		2013	
	IAS 39 category*	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
Financial assets							
Other shares and participations	3	5,771	5,771	1,961	1,961	1,935	1,935
Other financial assets	1	14,514	14,514	9,576	9,576	9,931	9,931
Accounts receivable	1	290,185	290,185	115,835	115,835	92,165	92,165
Cash and cash equivalents	1	200,398	200,398	156,183	156,183	156,638	156,638
Financial Liabilities							
Non-current loans, non-hedge accounting	4	908,069	908,069	1,055,310	1,055,310	440,729	440,729
Current loans, non-hedge accounting	4	132,579	132,579	164,778	164,778	496,881	496,881
Derivatives – held for sale	2	4,149	4,149	6,498	6,498	5,948	5,948
Accounts payable	4	238,663	238,663	104,141	104,141	91,152	91,152
Earn-outs	2	13,397	13,397	–	–	–	–
Other non-current non-interest-bearing liabilities	6	52,862	52,862	–	–	–	–
Other current liabilities	4	32,075	32,075	–	–	–	–

*applicable IAS categories
1=Loan receivables and accounts receivable
2=Financial instruments measured at fair value through profit or loss
3=Available-for-sale financial assets
4=Financial liabilities at amortised cost
5=Derivative hedge accounting
6=Put options measured at the assessed market value of the underlying asset

The fair value of non-current borrowing is based on observable data through discounted cash flows at market interest rates, while the fair value of current receivables and liabilities is deemed to correspond to their carrying amounts. Fair value is deemed to correspond to the carrying amount, since the interest charge is variable in relation to indebtedness, which is why the carrying amount represents the fair value.

	2015			
Financial instruments: measured at fair value	**Carrying amount**	**Listed prices**	**Observable data**	**Non-observable data**
Financial Liabilities				
Derivatives	4,149	–	4,149	–
Earn-outs[1]	13,397	–	–	13,397

	2014				2013			
	Carrying amount	**Listed prices**	**Observable data**	**Non-observable data**	**Carrying amount**	**Listed prices**	**Observable data**	**Non-observable data**
Financial Liabilities								
Derivatives	6,498	–	6,498	–	5,948	–	5,948	–
Earn-outs[1]	–	–	–	–	–	–	–	–

[1] Earn-outs are usually dependent on the earnings performance of acquired operations for a specific duration and earn-out measurement is based on the company management's best assessment. Discounting to present value is implemented for larger amounts or long durations.

Derivatives outstanding at 31 December

	31 December 2015			31 December 2014			31 December 2013		
Instruments	**Positive market value**	**Negative market value**	**Nominal amount**	**Positive market value**	**Negative market value**	**Nominal amount**	**Positive market value**	**Negative market value**	**Nominal amount**
Interest-rate swaps	–	4,149	150,000	–	6,498	150,000	–	5,948	150,000
Total	**–**	**4,149**	**150,000**	**–**	**6,498**	**150,000**	**–**	**5,948**	**150,000**

Accounts receivable

	2015	**2014**	**2013**
Accounts receivable	294,632	118,963	94,038
Provision for doubtful accounts receivable	–4,447	–3,128	–1,873
	290,185	**115,835**	**92,165**

Maturity analysis

	Nominal amount	**Impairment**	**Carrying amount**	**Nominal amount**	**Impairment**	**Carrying amount**	**Nominal amount**	**Impairment**	**Carrying amount**
Accounts receivable not overdue	242,378	–	242,378	82,523	–	82,523	63,422	–	63,422
Overdue less than 3 months	45,133	–411	44,722	30,212	–198	30,014	13,018	–363	12,655
Overdue more than 3 months	7,121	–4,036	3,085	6,228	–2,930	3,298	17,598	–1,510	16,088
	294,632	**–4,447**	**290,185**	**118,963**	**–3,128**	**115,835**	**94,038**	**–1,873**	**92,165**

Year's changes in the provision for doubtful receivables	**2015**	**2014**	**2013**
Opening balance	3,128	1,873	2,367
Acquisitions and divestments	–	95	260
Realised losses	–797	–301	–1,646
Reversed unutilised amounts	–589	–635	–482
Provision for doubtful accounts receivable	2,721	2,064	1,359
Currency effects	–16	32	15
Closing balance	**4,447**	**3,128**	**1,873**

Accounts receivable by currency	**2015**	**2014**	**2013**
SEK	188,763	70,917	56,771
EUR	35,970	24,414	22,196
GBP	13,558	7,216	3,718
USD	1,025	374	23
PLN	2,729	3,789	4,359
NOK	35,878	10,256	2,868
DKK	11,907	1,924	2,214
Other currencies	4,802	73	16
	294,632	**118,963**	**92,165**

Translation exposure in equity in the balance sheet with respect to major currencies

	Currency exposure		
Currency, SEK thousand	**2015**	**2014**	**2013**
NOK	358,150	226,657	1,375
EUR	164,218	28,553	27,167
DKK	43,362	2,794	1,065

Translation exposure in profit or loss pertaining to major currencies

	Currency exposure		
Currency, SEK thousand	**2015**	**2014**	**2013**
NOK	–2,559	–1,329	–564
EUR	–292	–697	10,441
DKK	–168	–234	910

Net currency exposure to customers and suppliers pertaining to major currencies	**Currency exposure**
Currency, SEK thousand	**2015**
EUR	25,837
NOK	–22,853
SEK	16,042

NOTE 21 LEASING

The Group's leasing fees pertaining to operating leases and future fees for signed agreements total:

Operating lease fees	2015	2014	2013
Paid during the year	65,281	55,109	48,037
Fees within one year	79,987	54,362	52,438
Between one and five years	212,794	111,422	131,176
Longer than five years	46,597	55,299	64,330
	404,659	**276,192**	**295,981**

The Group's finance lease obligations pertain to a small number of machines, for which group companies have signed leases with leasing terms of up to ten years.

Finance leases	2015	2014	2013
Present value of lease contracts that expire:			
Within one year	12,491	4,672	692
Within more than one year but less than five years	21,688	11,107	7,842
More than five years	2,686	–	12,105
	36,865	**15,779**	**20,639**
Future minimum lease payments			
Within one year	12,716	5,489	6,031
Within more than one year but less than five years	22,887	11,848	14,947
More than five years	3,689	–	1,623
	39,292	**17,338**	**22,601**
Reconciliation of future lease payments and their present values			
Future minimum lease payments	39,292	17,338	22,601
Less interest charges	–2,427	–1,559	–1,962
Present value of future minimum lease payments	**36,865**	**15,779**	**20,639**

NOTE 22 PLEDGED ASSETS AND CONTINGENT LIABILITIES

Pledged assets	2015	2014	2013
Floating charges	252,400	127,960	146,960
Property mortgages	33,825	33,825	26,250
Finance leases	36,865	15,779	20,366
Pensions	1,831	2,041	2,262
Shares in subsidiaries	1,909,034	1,077,768	480,995
	2,233,955	**1,257,373**	**677,207**

Contingent liabilities	2015	2014	2013
Rent guarantee	30,805	16,474	27,748
Other undertakings	1,127	1,478	2,272
	31,932	**17,952**	**30,021**

NOTE 23 PARTICIPATIONS IN GROUP COMPANIES

Subsidiary, Corp. Reg. No., registered office	Number	Percentage
Corroventa		
Volati Luftbehandling AB, 556717-4122, Stockholm, Sweden	1,000	100%
Corroventa Avfuktning AB, 556393-4669, Bankeryd, Sweden	1,000	100%
Corroventa Entfeuchtnung GmbH, Meerbusch, Germany	–	100%
Corroventa Entfeuchtnung GmbH, Austria	–	100%
Corroventa Ltd., Southampton, United Kingdom	50,000	100%
Corroventa Finland Oy Ab, Espoo, Finland	100	100%
Corroventa AS, Norway	–	100%
Corroventa Déshumidification S.A., Paris, France	–	100%
Corroventa Osuszanie, Poland	250	100%
Sandberg & Söner		
Volati Mekano AB, 556759-4188, Stockholm, Sweden	1,000	100%
Tornum		
Volati Agri AB, 556744-8955, Vara, Sweden	960	96%
Tornum AB, 556552-1399, Vara, Sweden	1,000	100%
Oy Tornum AB, 19633318, Paippinen, Finland	100	100%
Tornum Polska Sp. Z.O.O., 7752500766, Kutno, Poland	100	100%
Tornum Kft., 01-09-880602, Debrecen, Hungary	100	100%
Tornum S.R.L., 24851384, Bucharest, Romania	100	100%
OOO Tornum, 1123444005640, Volgograd, Russia	100	100%
Tornum EOOD, 202029045, Sofia, Bulgaria	100	100%
Tornum LLC, 38908992, Kiev, Ukraine	100	100%
Lidköpings Plåtteknik AB, 556908-3305, Stockholm, Sweden	500	100%
Kellfri		
Volati Agri Supply AB, 556795-4325, Stockholm, Sweden	1,000	100%
Kellfri Holding AB, 556302-4594, Skara, Sweden	47,500	95%
Kellfri AB, 556471-9101, Skara, Sweden	10,000	100%
Marum Kontorshus i Väst AB, 556181-7726, Skara, Sweden	1,000	100%
Oy Kellfri Ab	1,000	100%
Kellfri Aps, 29404569, Fredericia, Denmark	125	100%
Kellfri Sp.z.o.o, 7752643945, Kutno, Poland	–	100%
Ettikettoprintcom		
Volati Tryck Holding AB, 556656-4786, Stockholm, Sweden	5,853,031	96%
Volati Tryck AB, 556856-7647, Stockholm, Sweden	500	100%
Ettikettoprintcom Holding AB, 556609-6730, Malmö, Sweden	60,000	100%
Ettikettoprintcom AB, 556195-2465, Malmö, Sweden	10,000	100%
Ettikettoprintcom Finans AB, 556336-1715, Malmö, Sweden	12,500	100%
Ettikettoprintcom Åtvidaberg AB, 556533-7473, Åtvidaberg, Sweden	35,520	100%
Ettikettoprintcom Fastighets AB, 556186-7804, Åtvidaberg, Sweden	30,000	100%
Maskinservice i Svedala AB, 556551-3297,	1,000	100%
Besikta Bilprovning		
Volati Besiktning, 556968-9051, Stockholm, Sweden	5,000	100%
Besikta Förvaltning, 556848-9404, Stockholm, Sweden	5,000	100%
Volati Bil AB, 556873-5666, Stockholm, Sweden	1,000	100%
Besikta Bilprovning i Sverige Holding AB, 556910-0943, Malmö, Sweden	1,000,000	100%
Besikta Bilprovning i Sverige AB, 556865-1359, Malmö, Sweden	50,000	100%
me&i		
Volati Förvaltning AB, 556948-5997, Stockholm, Sweden	60,000	60%
Meandi Holding AB, 556664-2509, Malmö, Sweden	1,000	100%
Meandi AB, 556853-2765, Malmö, Sweden	50,000	100%
Meandi Oy, 21313487, Helsinki, Finland	–	100%
Meandi AS, 993453633, Ullensaker, Norway	–	100%

Subsidiary, Corp. Reg. No., registered office	Number	Percentage
Meandi Deutschland GmbH, HRB 202660, Wolfenbüttel, Germany	–	100%
Meandi Deutschland Mitte GmbH, HRB 202633, Wolfenbüttel, Germany	–	100%
Meandi Deutschland Süd GmbH, HRB 202688 Wolfenbüttel, Germany	–	100%
Meandi SC Ltd, 07422566, London, United Kingdom	–	100%
NaturaMed Pharma		
Volati Life AB, 556968-9077, Stockholm, Sweden	925	92.5%
Volati Life Holding AS, Drammen, Norway	300	100%
NaturaMed Pharma AS, Drammen, Norway	1	100%
Volati Life Holding AB, 556970-6020, Stockholm, Sweden	500	100%
NaturaMed Pharma AB, 556596-3799, Hammarö, Sweden	1,000	100%
Lomond		
Volati Parts AB, 559016-1500, Stockholm, Sweden	742	74%
Lomond Industrier AB, 556805-9090, Malmö, Sweden	1,000	100%
Bårebo Nordic AB, 556251-0999, Malmö, Sweden	10,000	100%
Habo Gruppen AB, 556199-2149, Habo, Sweden	25,000	100%
Habo Danmark A/S, 10367484, Hinnerup, Denmark	–	100%
Habo Finland OY, 1524026-9, Vantaa, Finland	–	100%
Habo Norge AS, 979 746 881, Trondheim, Norway	–	100%
Industribeslag AS, 998 327 865, Trondheim, Norway	–	100%
B. Sørbø AS, 982 129 087, Stavanger, Norway	–	100%
Thomée Gruppen AB, 556014-1896, Malmö, Sweden	12,000	100%
Other		
Volati Ventures AB, 559005-1149, Stockholm, Sweden	500	59%
Volati Treasury AB, 556847-3399, Stockholm, Sweden	1,000	100%
Volati 1 AB, 556880-6235, Stockholm, Sweden	500	100%
Volati Luftbehandling Holding AB, 559046-2239, Stockholm, Sweden	1,000	100%
Volati Agri Supply Holding AB, 559026-0179, Stockholm, Sweden	500	100%
Kment Förvaltning AB, 556593-9856, Stockholm, Sweden	273,817	100%
PIX Förvaltning AB, 556777-0143, Stockholm, Sweden	383,610	100%
Volati 1 Holding AB, 559026-2282, Stockholm, Sweden	500	100%
Volati 2 AB, 556809-7975, Stockholm, Sweden	1,051,854	50%
Volati 2 Holding AB, 559025-8637, Stockholm, Sweden	500	100%
Volati 3 AB, 556947-0064, Stockholm, Sweden	1,000	100%
LHJHA Förvaltning AB, 556722-1410, Stockholm, Sweden	300,000	100%
Volati Finans AB, 556762-3334, Stockholm, Sweden	1,000	100%
Oxid Finans AB, 556683-6812, Stockholm, Sweden	1,000	100%
Fastighetsaktiebolaget Strömsmeden 1, 556750-6117, Stockholm, Sweden	1,000	100%
Riche Finance S.A, B 71358, Luxembourg	–	90%
Piplöken 3 AB, 556714-0123, Stockholm, Sweden	1,000	100%

NOTE 24 FINANCIAL INFORMATION REGARDING SUBSIDIARIES WITH SIGNIFICANT NON-CONTROLLING INTERESTS

Summary from balance sheet

	Volati 2 AB			Volati Förvaltning AB		
	2015	**2014**	**2013**	**2015**	**2014**	**2013**
Non-current assets	1,593,226	1,018,470	456,411	–	210,244	210,706
Current assets	939,479	335,756	173,472	–	47,682	58,128
Total assets	**2,532,705**	**1,354,226**	**629,883**	**–**	**257,926**	**268,834**
Non-current liabilities	175,105	6,556	73,865	–	–	90,000
Current liabilities	2,125,225	1,173,924	474,247	–	220,726	160,536
Provisions	88,070	56,816	15,529	–	9,146	8,197
Non-controlling interests	1,064	11,527	2,112	–	–	–
Net assets	**143,241**	**105,403**	**64,130**	**–**	**28,054**	**100,101**

Summary of earnings and comprehensive income

	Volati 2 AB			Volati Förvaltning AB		
	2015	**2014**	**2013**	**2015**	**2014**	**2013**
Revenue	1,483,480	997,164	601,587	–	192,663	8,876
Net profit	58,154	65,870	46,761	–	17,582	169
Total comprehensive income for the year	24,730	66,471	46,761	–	17,952	114
Total comprehensive income attributable to non-controlling interests	12,365	33,481	22,352	–	7,181	44
Dividends paid to non-controlling interests	**7,500**	**10,980**	**–**	**–**	**–**	**–**

NOTE 25 DISCONTINUED OPERATIONS

In autumn 2012, the board of directors resolved to discontinue operations in Fillpak and divested sections of the business. The remaining sections were discontinued in 2013. The divestment was completed in 2014.

Cash flow from discontinued operations	**2015**	**2014**	**2013**
Cash flow from operating activities	–	–	749
Cash flow from investing activities	–	–	–
Cash flow from financing activities	–	–	–
Total cash flow from discontinued operations	**–**	**–**	**749**

Assets recognised as discontinued operations	**2015**	**2014**	**2013**
Intangible assets	–	–	–
Tangible non-current assets	–	–	–
Deferred tax assets	–	–	–
Inventories	–	–	–
Accounts receivable	–	–	381
Income tax receivables	–	–	167
Other current receivables	–	–	–
Cash and cash equivalents	–	–	71
Total assets recognised as discontinued operations	**–**	**–**	**619**

Liabilities recognised as discontinued operations	**2015**	**2014**	**2013**
Deferred tax liabilities	–	–	–
Accrued expenses	–	–	1,186
Accounts payable	–	–	124
Other current liabilities	–	–	60
Total liabilities recognised as discontinued operations	**–**	**–**	**1,370**

Comprehensive income	**2015**	**2014**	**2013**
Net profit	–	–	1,893
Other comprehensive income	–	–	–
Total comprehensive income from discontinued operations	**–**	**–**	**1,893**

	2015	**2014**	**2013**
Revenue	–	–	8,286
Expenses	–	–	–5,653
Profit before tax from discontinued operations	**–**	**–**	**2,633**
Tax	–	–	–740
Net profit for the year from discontinued operations	**–**	**–**	**1,893**

NOTE 26 KEY ASSUMPTIONS

The most crucial assumptions about future estimates at the balance-sheet date pertained to:

Tests of carrying amounts for goodwill

The value of subsidiaries including goodwill is tested annually by calculating their recoverable amount, meaning the value in use of each company. The calculation of these values requires several assumptions about future conditions and estimates of parameters are carried out, such as discount rates and future cash flows. A description of the procedure is presented in Note 11. The assessment is that no reasonable changes in any of the key assumptions will result in the anticipated recoverable amount falling below the carrying amount. Although impairment testing entails assumptions about the future, this practice is not deemed to constitute any significant risk for material adjustments to the carrying amount for goodwill during the next financial year.

At the balance-sheet date, the carrying amount for goodwill was SEK 1,365m in 2015 (2014: SEK 957m and 2013: SEK 780m). In all cases, the group's recognised goodwill was attributable to the respective group company, since a further breakdown to a level below this is deemed to be irrelevant.

Tests of the carrying amounts of loss-carryforwards

The value of the group's reported loss-carryforwards is based on Volati's assessed outcome with respect to opportunities for the group to utilise the loss-carryforward.

NOTE 27 EVENTS AFTER THE BALANCE-SHEET DATE

On 14 January 2016, Volati AB held an extraordinary general meeting (EGM) with the aim of simplifying the group's ownership structure and implementing a warrants issue.

The EGM resolved to issue common shares in a non-cash issue, making the subsidiary, Volati 2 AB, a wholly owned subsidiary of Volati AB. The non-cash issue was in the form of a private placement with the existing minority owners of Volati 2 AB, meaning board member Patrik Wahlén, CEO Mårten Andersson and CFO Mattias Björk. In line with the board's proposal but deviating from the preferential rights of shareholders, the EGM resolved in favour of a non-cash issue of common shares, through which share capital was increased by SEK 2,393,062.70 through the new issue of 95,722,508 common shares, each with a quotient value of SEK 0.025.

Furthermore, the EGM resolved in favour of a warrants issue, in line with the board's proposal but deviating from the preferential rights of shareholders. Subscription rights accrued to Voria Fattahi, Investment Director at Volati AB. Volati AB issued 4,174,570 warrants of the 2016/2019 series, which entitle subscription for 834,914 Common Shares at SEK 30.50 per Common Share (calculated in accordance with the reverse split of 5:1 that was implemented in September 2016). If the warrants are exercised in full, the increase in the company's share capital will be a maximum of SEK 104,364.25. The 4,174,570 warrants, originally subscribed for, were purchased at a price of SEK 0.24 per warrant.

In January 2016, Volati Luftbehandling AB was sold to Volati Luftbehandling Holding AB, in which the CEO of Corroventa owns 4% of the shares.

In March 2016, all of the shares of Ventotech were acquired in the form of an add-on acquisition to Corroventa's operations under the Industry Business Area.

In April 2016, all of the shares in ClearCar AB were acquired in the form of an add-on acquisition to Besikta Bilprovning's operations in the Consumer Business Area.

In May 2016, Pagnol Gruppen AB was acquired as an add-on acquisition, which is part of the long-term strategy to broaden the Trading Business Area's operations through a presence in new market segments. This is aimed at broadening the customer base and product range within homes and gardens, while increasing turnover at warehouses and logistics platforms. The Pagnol Gruppen AB includes such companies as Bröderna Berglund AB and Miljöcenter i Malmö AB.

In July 2016, all of the shares were acquired in Lantbutiken AB, as an add-on acquisition to Kellfri's operations under the Trading Business Area.

In September 2016, the Company implemented a reverse share split (1:5), after which the Company's quotient value was SEK 0.125 per share.

In October 2016, the ownership of me&i's holding company was restructured, after which me&i is owned 65 percent by Volati, 20 percent by Helene Nyrell and 15 percent by Johan Nordström (CEO of me&i). In conjunction with the restructuring, Volati undertook to pay a possible earn-out to Barsebäcksby Förvaltnings AB limited to a maximum of SEK 10.4m.

NOTE 28 RELATED PARTIES

The personnel costs for the board members and senior executives who are also shareholders are presented in Note 6.

A number of companies in the group lease premises in properties that are owned by shareholders in Volati AB. All such agreements are at market terms and conditions. The rent paid on these properties totalled SEK 3.8m for the January–September 2016 period, SEK 5.0m for 2015 and SEK 4.0m for 2014.

In 2013, 2014 and 2015, shareholder loans existed; refer to Note 20 for further information about the amounts and maturity structure. In 2015, Volati AB settled a shareholder loan of SEK 257.4m to individuals within Volati's management and board. At the year-end, there were no loans to these individuals.

In 2015, minority owners of me&i made shareholders' contributions of SEK 48.8m, using the receivables they previously held against the company.

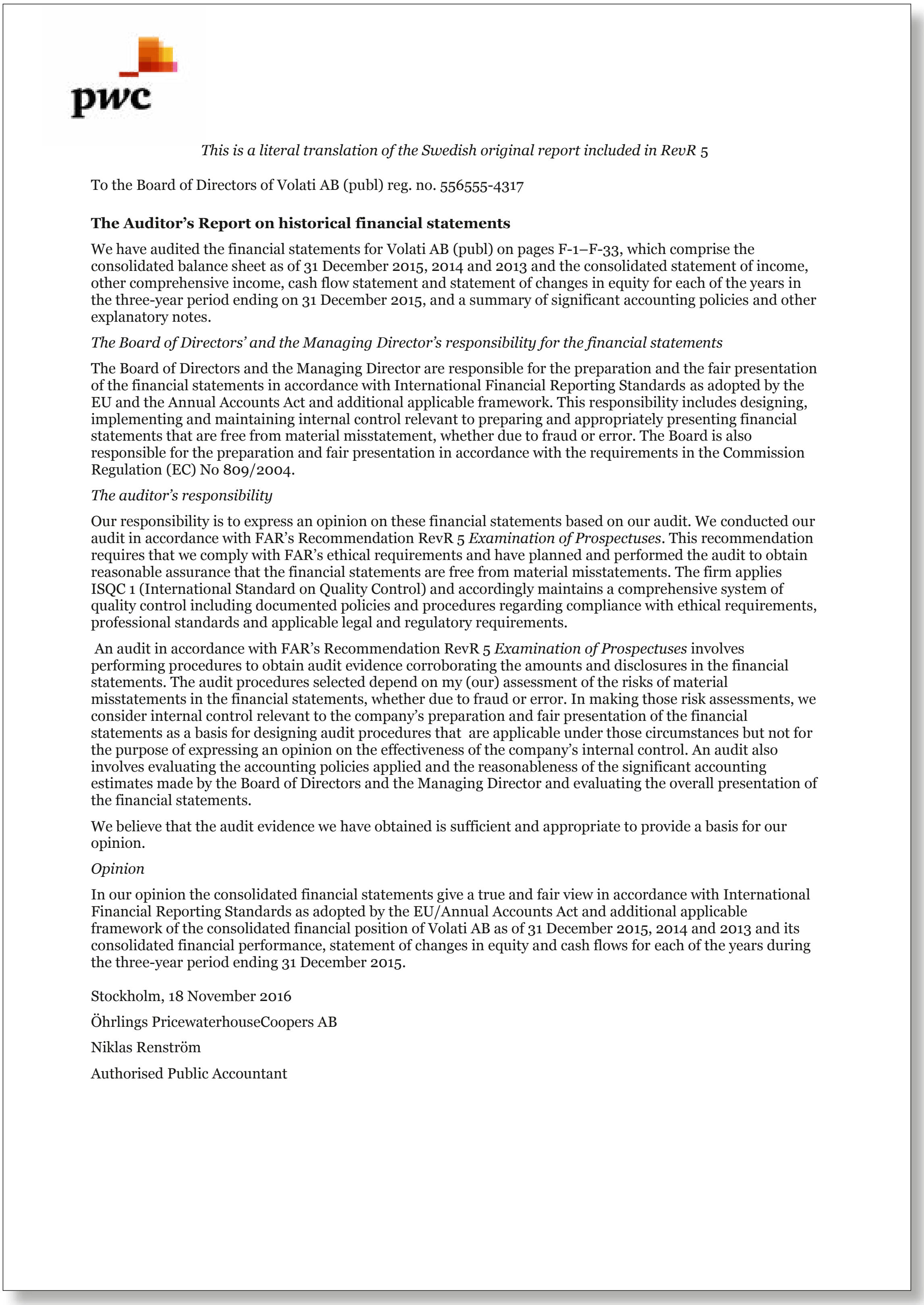
There are existing loans from and to minority owners of Volati AB's subsidiaries. The loans are at market terms and conditions.

In early 2015, Sandberg & Söner was sold to a former employee of Volati at a price of SEK 19.1m and Volati has a claim against associated companies of the purchaser, in the form of a vendor's mortgage for SEK 6.4m. At year-end 2015, Volati AB acquired 0.4 percent of the shares in Volati 2 AB from the former employee of Volati AB, at a price of SEK 1.4m.

In spring 2015, 7.5 percent of the shares in the holding company of NaturaMed Pharma were sold to the management and board members of NaturaMed Pharma at a market price of SEK 1.5m. The sale was implemented without any capital gains for Volati.

In conjunction with the share swap completed on 16 January 2016, further legal simplification of the group structure was implemented, whereby a smaller shareholding in Urb-it AB was sold to Volati shareholders for SEK 3.6m, with no capital gain or loss, and the shares outstanding in the part-owned subsidiary, Volati Ventures AB, which were owned by shareholders of Volati AB, were acquired for SEK 20,600.

Auditor's report on the historical financial information



pwc

This is a literal translation of the Swedish original report included in RevR 5

To the Board of Directors of Volati AB (publ) reg. no. 556555-4317

The Auditor's Report on historical financial statements

We have audited the financial statements for Volati AB (publ) on pages F-1–F-33, which comprise the consolidated balance sheet as of 31 December 2015, 2014 and 2013 and the consolidated statement of income, other comprehensive income, cash flow statement and statement of changes in equity for each of the years in the three-year period ending on 31 December 2015, and a summary of significant accounting policies and other explanatory notes.

The Board of Directors' and the Managing Director's responsibility for the financial statements

The Board of Directors and the Managing Director are responsible for the preparation and the fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the EU and the Annual Accounts Act and additional applicable framework. This responsibility includes designing, implementing and maintaining internal control relevant to preparing and appropriately presenting financial statements that are free from material misstatement, whether due to fraud or error. The Board is also responsible for the preparation and fair presentation in accordance with the requirements in the Commission Regulation (EC) No 809/2004.

The auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with FAR's Recommendation RevR 5 *Examination of Prospectuses*. This recommendation requires that we comply with FAR's ethical requirements and have planned and performed the audit to obtain reasonable assurance that the financial statements are free from material misstatements. The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

An audit in accordance with FAR's Recommendation RevR 5 *Examination of Prospectuses* involves performing procedures to obtain audit evidence corroborating the amounts and disclosures in the financial statements. The audit procedures selected depend on my (our) assessment of the risks of material misstatements in the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the company's preparation and fair presentation of the financial statements as a basis for designing audit procedures that are applicable under those circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also involves evaluating the accounting policies applied and the reasonableness of the significant accounting estimates made by the Board of Directors and the Managing Director and evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion the consolidated financial statements give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU/Annual Accounts Act and additional applicable framework of the consolidated financial position of Volati AB as of 31 December 2015, 2014 and 2013 and its consolidated financial performance, statement of changes in equity and cash flows for each of the years during the three-year period ending 31 December 2015.

Stockholm, 18 November 2016

Öhrlings PricewaterhouseCoopers AB

Niklas Renström

Authorised Public Accountant

Complete group structure

Name, Corporate Registration Number	Holding (%)	Country
Volati AB (556555-4317)		Sweden
Volati Ventures AB (559005-1149)	100	Sweden
Volati Treasury AB (556947-3399)	100	Sweden
Volati 1 AB (556880-6235)	100	Sweden
Volati Luftbehandling Holding AB (556880-6235)	96	Sweden
Volati Luftbehandling AB (556717-4122)	100	Sweden
Corroventa Avfuktning AB (556393-4669)	100	Sweden
Ventotech AB (556699-5485)	100	Sweden
Corroventa Finland Oy (0879279-7)	100	Finland
Corroventa Ltd. (03898570)	100	United Kingdom
Corroventa Avfuktning AS (996 896 838)	100	Denmark
Corroventa Entfeuchtung GmbH (DE – 121293028)	100	Germany
Corroventa Avfuktning AS (996 896 838)	100	Norway
Corroventa Entfeuchtung GmbH (169/8720)	100	Austria
Corroventa Deshumidification S.A. (531 760 403)	100	France
Corroventa Polska Sp.z.o.o. (0000492874)	100	Poland
Volati Agri AB (556744-8955)	96	Sweden
Tornum AB (556552-1399)	100	Sweden
Lidköpings Plåtteknik AB (556908-3305)	100	Sweden
LLC Tornum (38908992)	100	Ukraine
OOO Tornum (1123444005640)	100	Russia
Tornum EOOD (202029045)	100	Bulgaria
Tornum S.R.L. (24851381)	100	Romania
OY Tornum AB (1963331-8)	100	Finland
Tornum Kft. (01-09-880602)	100	Hungary
Tornum Polska Sp.z.o.o. (100066013)	100	Poland
Volati Finans AB (556762-3334)	100	Sweden
Oxid Finans AB (556683-6812)	100	Sweden
Riche Finance S.A. (B.71358)	100 (genom två bolag)	Luxembourg
Fastighetsaktiebolaget Strömsmeden 1 (556750-6117)	100	Sweden
Piplöken 3 AB (556714-0123)	100	Sweden
Marum Kontorshus i Väst AB (556181-7726)	100	Sweden
PIX Förvaltning AB i likvidation (556777-0143)	100	Sweden
Kment Förvaltning AB i likvidation (556593-9856)	100	Sweden
Volati Mekano AB i likvidation (556759-4188)	100	Sweden
Volati 1 Holding AB (559026-2282)	100	Sweden
Volati Agri Supply Holding AB (559026-0179)	100	Sweden
Volati 2 AB (556809-7975)	100	Sweden
Volati 2 Holding AB (559025-8637)	100	Sweden
Volati Besiktning AB (556968-9051)	100	Sweden
Besikta Förvaltning AB (publ) (556848-9404)	100	Sweden
Volati Bil AB (556873-5665)	100	Sweden
Besikta Bilprovning i Sverige Holding AB (556910-0943)	100	Sweden
Besikta Bilprovning i Sverige AB (556865-1359)	100	Sweden
ClearCar AB (556862-8290)	100	Sweden
Volati 3 AB (556947-0064)	100	Sweden
LHJHA Förvaltning AB (556722-1410)	100	Sweden
Volati A Holding AB (559072-8456)	65	Sweden
Volati Förvaltning AB (556948-5997)	100	Sweden
Meandi Holding AB (556664-2509)	100	Sweden
Meandi AB (556853-2765)	100	Sweden

Name, Corporate Registration Number	Holding (%)	Country
Meandi Oy (21313487)	100	Finland
Meandi AS (993453633)	100	Norway
Meandi SC Ltd (07422566)	100	United Kingdom
Meandi Deutschland GmbH (202660)	100	Germany
Meandi Verlwaltungsgesellschaft Mitte GmbH (202633)	100	Germany
Meandi Verlwaltungsgesellschaft Sûd GmbH (202688)	100	Germany
Volati Life AB (556968-9077)	93	Sweden
Volati Life Holding AS (913 442 652)	100	Norway
NMP AS (970 980 016)	100	Norway
Vinkelveiens Kontorer AS (106 007 187)	100	Norway
Volati Life Holding AB i likvidation (556970-6020)	100	Sweden
NMP AB (556596-3799)	100	Sweden
Volati Parts AB (559016-1500)	74	Sweden
Lomond Industrier AB (556805-9090)	100	Sweden
Habo Gruppen AB (559046-2239)	100	Sweden
Habo Finland Oy (1524026-9)	100	Finland
Habo Norge AS (979 746 881)	100	Norway
Habo Danmark A/S (10367484)	100	Denmark
Thomée Gruppen AB (556014-1896)	100	Sweden
Bårebo Nordic AB (556251-0999)	100	Sweden
Industribeslag AS (998 327 865)	100	Norway
B. Sørbø AS (982 129 087)	100	Norway
Pagnol Gruppen AB (556692-1382)	100	Sweden
Bröderna Berglund i Gällstad AB (556626-0153)	100	Sweden
Miljöcenter i Malmö AB (556424-9018)	100	Sweden
Miljöcenter Green Technology Hong Kong Ltd (2234277)	100	Hong Kong
Volati Agri Supply AB (556795-4325)	100	Sweden
Kellfri Holding AB (556302-4594)	95	Sweden
Lantbutiken i Sverige AB (556867-7602)	100	Sweden
Kellfri AB (556471-9101)	100	Sweden
Kellfri Sp.z.o.o. (7752643945)	100	Poland
OY Kellfri AB (2029787-6)	100	Finland
Kellfri ApS (29 404 569)	100	Denmark
Volati Tryck Holding AB (556565-4786)	96	Sweden
Ettikettoprintcom AB (556195-2465)	100	Sweden
Ettikettoprintcom Åtvidaberg AB (556533-7473)	100	Sweden
Ettikettoprintcom Fastighets AB (556186-7804)	100	Sweden
Maskinservice i Svedala AB (556551-3297)	100	Sweden

Definitions and glossary

The terms defined below are applied regularly throughout this Prospectus. Refer also to the definitions of certain financial terms which are provided in the "*Definitions of alternative performance measures not defined in accordance with IFRS*" section on page 57.

Add-on acquisitions	refers to acquisitions that can complement existing business units within the Group.
Adjusted EBITA	refers to EBITA for the last twelve months for the companies included in the Group at the reporting date, as if the companies had been owned for the last 12-month period and adjusted for non-recurring items such as transaction-related costs, restructuring costs, remeasurements of earn-outs, capital gains/losses on the sale of operations and other non-recurring items.
the Audit Regulation	refers to regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities.
B2B	refers to Business-to-Business.
B2C	refers to Business-to-Consumer.
Besikta Bilprovning	the business unit for which Volati Besiktning AB is the parent company.
business unit	refers to the Group's operating business units, which at the date of this Prospectus numbered: seven in the business area Trading (Thomée, Habo, Kellfri, Bårebo Nordic, Sørbø, Industribeslag and Miljöcenter); three in the business area Industry (Tornum, Ettikettoprintcom and Corroventa) and three in the business area Consumer (Besikta Bilprovning, NaturaMed Pharma and me&i).
Bårebo Nordic	the business unit for which Bårebo Nordic AB is the parent company.
CAGR	abbreviation of compound annual growth rate and uses the year immediately prior to the first year of the defined period as the base year.
Carnegie	refers to Carnegie Investment Bank AB.
the Code	refers to the Swedish Corporate Governance Code.
Cornerstone Investors	refers to Didner & Gerge Fonder AB, the Fourth Swedish National Pension Fund (AP4), Handelsbanken Fonder AB and Peter Lindell (privately and through controlled companies).
Corroventa	the business unit for which Volati Luftbehandling Holding AB is the parent company.
Earnings per share	net profit for the period attributable to the parent company's owners divided by the average number of shares outstanding.
EBIT	earnings before interest and taxation or operating profit.
EBITA	earnings before interest, tax and amortisation attributable to acquired surplus values and impairment.
EBITA for each business area	earnings before interest, tax and amortisation attributable to acquired surplus values and impairment for each business area less income and costs deemed to be of a non-recurring nature.
EBITDA	earnings before interest, tax, amortisation, depreciation and impairment.
employees	refers to full-time equivalents for each period.
Enterprise value	refers to the market value of a company's equity after adjustment for net debt when assessing a company's enterprise value.
Equity per share	equity attributable to the parent company's shareholders divided by the average number of shares outstanding.
Equity ratio	equity (including share attributable to non-controlling interests) as a percentage of total assets.
Ettikettoprintcom	the business unit for which Volati Tryck Holding AB is the parent company.
Euroclear Sweden	refers to Euroclear Sweden AB (Box 191, SE 101 13 Stockholm).
Group	refers to the group in which Volati AB (publ) is the parent company.
Group companies	refers to companies in the Group.

Habo	the business unit for which Habo Gruppen AB is the parent company.
Industribeslag	the business unit for which Industribeslag AS is the parent company.
Joint Global Coordinators	refers to Nordea Bank AB (publ) and Carnegie Investment Bank AB.
Kellfri	the business unit for which Volati Agri Supply AB is the parent company.
Lomond Industrier	refers to the group of companies acquired by Volati in August 2015 and which includes the business units: Thomée, Habo, Bårebo Nordic, Sørbø and Industribeslag.
LTM Sep 2016	refers to the financial information for the last twelve months (LTM), which has been derived from Volati's reviewed but not audited, consolidated interim financial statements for the period January to September 2016.
Main Shareholders	refers to Karl Perlhagen, Patrik Wahlén, Mårten Andersson and Mattias Björk.
me&i	the business unit for which Volati A Holding AB is the parent company.
Miljöcenter	the business unit for which Pagnol Gruppen AB is the parent company.
NaturaMed Pharma	the business unit for which Volati Life AB is the parent company.
Net debt	interest-bearing liabilities, excluding shareholder loans and including pension provisions as well as unrealised changes in the value of interest derivatives, less cash and cash equivalents, short-term financial investments and pension assets.
Net debt/adjusted EBITDA	Closing net debt in relation to adjusted EBITDA for the period (where net debt and adjusted EBITDA are calculated in accordance with the definition in the financial covenants in the Company's financing arrangements with Nordea).
Nordea	refers to Nordea Bank AB (publ).
Nordnet	refers to Nordnet Bank AB.
Common Shares	refers to common shares issued by Volati AB (publ).
the Offering	refers to the invitation to subscribe for Common Shares described in this Prospectus.
the Overallotment Option	refers to the Overallotment Option comprising 10 percent of the highest number of Common Shares covered by the Offering, refer to the "Invitation to subscribe for and purchase common shares in Volati AB (publ)" section on page 26.
Platform acquisition	refers to acquisitions that can form a separate business unit within the Group.
Preference Shares	refers to preference shares issued by Volati AB (publ).
The Prospectus	refers to this Prospectus which has been prepared in connection with the Offering.
Return on capital employed	refers to the return on capital employed for the Group is calculated as LTM EBITA at the reporting date in relation to LTM average capital employed at the reporting date. Capital employed is calculated as the total of tangible assets, capitalised development expenditure and net working capital (net working capital pertains to inventories, accounts receivable, advance payments to suppliers, prepaid expenses, accrued income, other current non interest bearing liabilites less accounts payable, deferred income, accrued expenses and other current non interest bearing liabilites).
Return on capital employed for each business area	refers to the return on capital employed for each business area is calculated as LTM EBITA for each business area at the reporting date in relation to LTM average capital employed at the reporting date. Capital employed is calculated as the total of tangible assets, capitalised development expenditure and net working capital (net working capital pertains to inventories, accounts receivable, advance payments to suppliers, prepaid expenses, accrued income, other current non interest bearing liabilites less accounts payable, deferred income, accrued expenses and other current non interest bearing liabilites).
Return on equity	net income (including share attributable to minority interests) divided by the weighted average of equity (including share attributable to non-controlling interests).
Sandberg & Söner	refers to Volati's former subsidiary Ragnar Sandberg & Söner Mekaniska Verkstads AB, which was divested in January 2015.
SEKm	refers to millions of Swedish kronor.
Sørbø	the business unit for which B. Sørbø AS is the parent company.
Thomée	the business unit for which Thomée Gruppen AB is the parent company.
Tornum	the business unit for which Volati Agri AB is the parent company.
Volati or the Company	refers to Volati AB (publ) or the companies in the group where Volati AB (publ) is the parent company.

Addresses

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JOINT GLOBAL COORDINATORS

CARNEGIE INVESTMENT BANK AB
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Postal address:
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Telephone: 08-676 88 00

NORDEA BANK AB (PUBL)
Street address:
Smålandsgatan 17
Postal address:
SE-105 71 Stockholm
Telephone: 08-614 70 00

RETAIL SELLING AGENT

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