2024

volatı.

CONTENTS

The formal annual report is on pages 49–164. The statutory sustainability report can be found on pages 72–104.

The Swedish version, signed by the Board or through the European Single Electronic Format (ESEF), is the original version. The ESEF Annual and Sustainability Report is published at www.volati.se

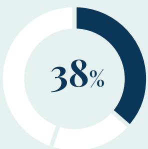
Volati in brief

Volati is a Swedish industrial group with the vision to be Sweden’s best owner of medium-sized companies.

Through value-creating add-on acquisitions and long-term, sustainable company development, Volati has been delivering consistently strong earnings growth since the start in 2003. The Group consists of the business areas Salix Group, Ettiketto Group and Industry, with operations in 21 countries, about 2,100 employees and annual sales of approximately SEK 7.9 billion. Volati’s ordinary shares and preference shares are listed on Nasdaq Stockholm.

THREE BUSINESS AREAS

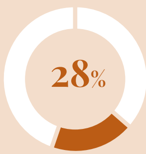
Salix Group



SHARE OF EBITA

A Nordic market-leading trading business primarily supplying materials to the construction industry and building materials retail.

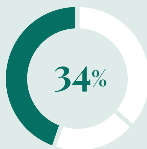
Ettiketto Group



SHARE OF EBITA

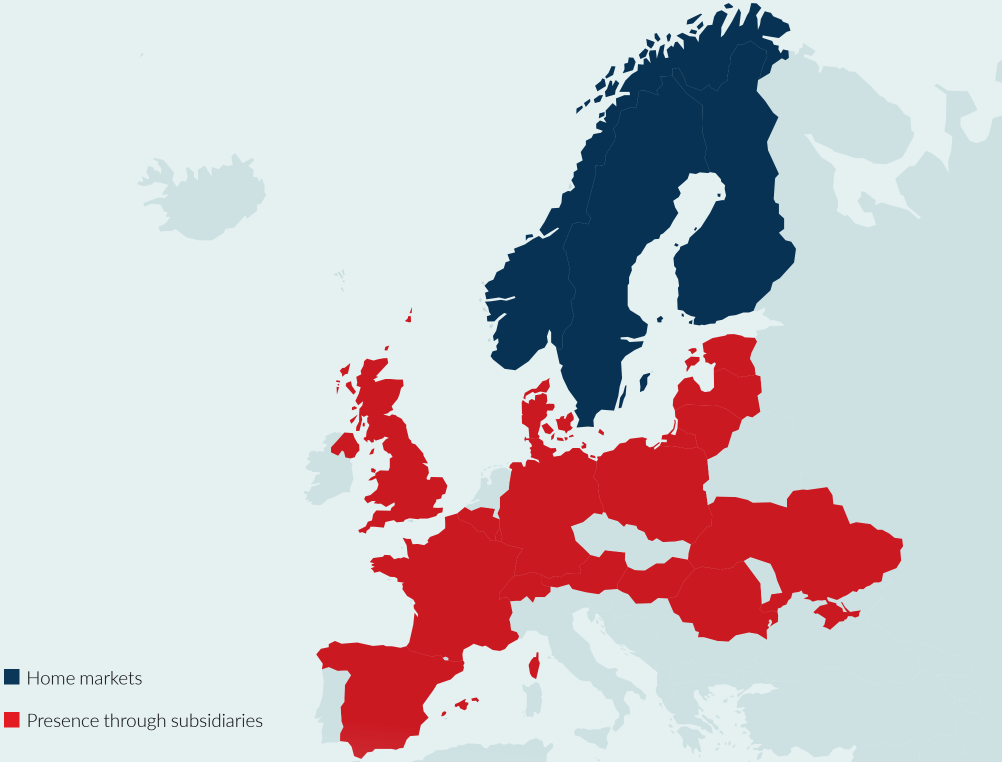
A European leading full-service supplier of self-adhesive labels and labelling machines.

Industry



SHARE OF EBITA

Four platforms with market-leading positions and high growth potential in their niches.

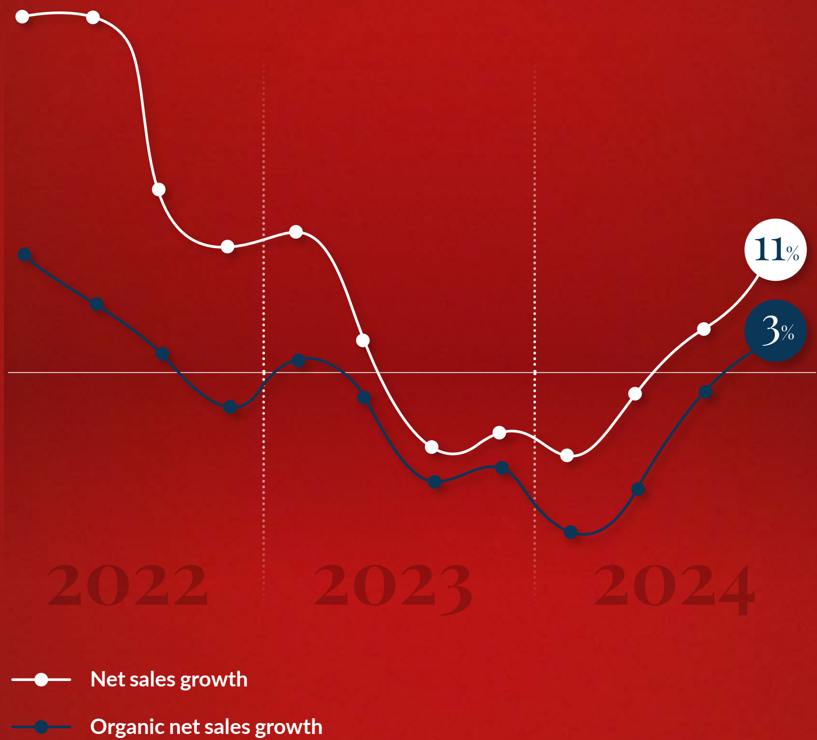


7,866	658	–11
NET SALES, SEK MILLION	EBITA, SEK MILLION	EBITA GROWTH, %
(7,796)	(737)	(4)

16	21	2,120
RETURN ON EQUITY, %	NUMBER OF COUNTRIES	NUMBER OF EMPLOYEES AT END OF YEAR
(22)	(22)	(2,013)

Back to organic growth

At the end of 2024, the market showed signs of recovery after a long period of challenging market conditions. All three business areas showed organic sales growth in the fourth quarter of 2024, for the first time since Q1 2022.



Key figures

	2024	2023	2022	2021	2020
Net sales, SEK million[1)]	7,866	7,796	7,751	6,309	4,921
EBITA, SEK million[1)]	658	737	710	664	421
EBIT, SEK million[1)]	538	640	624	620	394
Net profit, SEK million[1)]	283	368	433	442	246
Net profit, SEK million	283	368	433	522	977
Operating cash flow, SEK million[1)]	779	836	431	487	550
Net debt/adjusted EBITDA, x	2.6	2.0	1.9	1.3	-0.8
Earnings per ordinary share, SEK	2.63	3.68	4.44	5.42	11.37
Earnings per ordinary share, continuing operations, SEK	2.63	3.68	4.44	4.42	2.15
Return on adjusted equity, %	16	22	32	40	51

[1)] Continuing operations.

Significant events

- In 2024, Volati made two acquisitions, with total annual sales of about SEK 610 million In addition, another acquisition with annual sales of approximately SEK 300 million was completed
- In the third quarter, Volati joined the Science Based Targets initiative
- Volati strengthened strategic HR expertise in the management team by appointing a Head of Strategic HR, who took up the post in August
- In the first quarter of 2025, Ettiketto Group acquired the German label producer Clever Etiketten, with annual sales of about SEK 290 million, as an add-on acquisition

Good starting position for accelerated growth

After three challenging years, we enter 2025 with signs of a turnaround. We have seen market conditions starting to gradually improve in 2024, although slowly. The clearest sign can be seen in the organic sales growth. In the fourth quarter of 2024, all three business areas showed organic sales growth – for the first time since the first quarter of 2022. We have positioned ourselves well in recent years and now have a good starting position for accelerated organic growth when the market turns.

Long-term structural measures create favourable conditions

Volati's overall goal is to generate long-term value growth. In recent years, we have therefore been careful to avoid decisions that may increase profits in the short term, but are likely to affect our ability to maximise cash flows over time. Instead, we have seized the opportunity to implement structurally sound measures to provide us with good conditions for creating long-term value growth. Among other things, we have focused on operational improvements and efficiency measures within our companies, and identifying and taking advantage of synergies within our platforms.

Salix Group is a good example of structural measures having had a positive impact. Despite a significant negative organic sales trend, Salix Group managed to maintain an EBITA margin of 8 percent during the year, in line with 2023. Another example that clearly shows the positive effects of good synergies and work on operational improvements is Ettiketto Group. When Ettiketto Group became a separate business area in 2022, it had net sales of SEK 879 million and an EBITA margin of 16 percent. No new acquisitions were made in 2023 and 2024. Instead, the focus was on integrating, streamlining and capitalising on synergies from previous acquisitions. In 2024, Ettiketto Group reported net sales of SEK 936 million, with an EBITA margin of 21 percent. This means that over two years, EBITA increased from SEK 137 to 200 million, with the growth being mainly driven by organic development of previous acquisitions. In February 2025, Ettiketto Group acquired a leading supplier of label solutions in Germany, thereby creating a platform for growth in the central European market. We look forward to integrating the company into the Group and continuing to strengthen the acquired company through operational improvements and synergies.

Strategic initiatives in sustainability

In 2024, we strengthened Volati centrally in the area of strategic HR, increasing the focus on our skills and leadership development initiatives. In addition, we joined the Science Based Targets initiative during the year, meaning we have undertaken to set sustainability targets in line with the latest climate science. We can also see a good performance in terms of Volati's sustainability targets – for example, we have reduced our own carbon footprint by 26 percent since the base year 2021, which is solid progress towards the sustainability target of a 40-percent reduction by 2030.

Scope to continue good acquisition rate

For several years we have been dealing with a weak construction industry and, since 2023, a slower pace in the telecom market rollout. During the last year, we have also experienced weak demand in the agricultural sector. The negative trend in the construction market has gradually eased during 2024 and we saw some signs of growth in the fourth quarter. The telecom sector has gradually recovered and willingness to invest has increased. However, we do not expect a quick recovery – the growth is from low levels and will take time. However, the conditions for 2025 are becoming increasingly favourable to us.

We entered the tough period of recent years with a net debt/adjusted EBITDA ratio in the lower part of our target range. This has enabled us to maintain a good acquisition rate, even in a more challenging market environment. Since 2022, we have made 15 acquisitions, with total annual sales of SEK 2.4 billion. Eight of these acquisitions have been outside Sweden. Our ambition is to continue our strategy of also making add-on acquisitions with synergies outside our home markets. In recent years, we have strengthened our position in markets such as the UK, Germany and Spain. We have ended 2024 with a net debt/adjusted EBITDA ratio in the middle of our target range, which gives us scope for future acquisitions. And as organic growth increases, we will we also get additional acquisition scope. Completed acquisitions, good opportunities to maintain a high acquisition rate and the structural measures of recent years combine to give us a strong starting position in 2025. It has taken a great deal of commitment and hard work to achieve these results during a long period of market headwinds. With that, I would like to thank all employees for their strong engagement during the year.

ANDREAS STENBÄCK, CEO VOLATI
Stockholm, March 2025

Our vision:

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

Our business concept

Volati creates value by acquiring companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and develops them with a focus on long-term value creation.

The business concept means that Volati:

...adds value to local entrepreneurship

Local entrepreneurship is of key importance to us. It ensures that business decisions are made close to the customer and enables us to harness the inherent forces for growth and development that lie in our businesses. As an active owner, we add further value to secure long-term growth and good returns. This includes ensuring strategic direction and proper management, capital allocation, strategic leadership supply, training initiatives and knowledge sharing between the businesses.

... builds strong platforms

We develop our businesses both organically and through value-creating add-on acquisitions. The ambition is to make the businesses into increasingly larger and stronger platforms, some of which may eventually form new business areas within Volati.

... focuses on value-creating growth

Growth is only value-creating if the return on invested capital is sufficiently high. This is clearly reflected in our financial targets, which measure growth per ordinary share and return on equity. The combination of a good growth rate and a high return on equity shows that the acquisitions we make are creating real value and that we have good growth in the underlying business. The acquisitions we make are at reasonable valuations and take into account the value of the synergies we can create.

...acts in a long-term and sustainable way

A long-term approach to both ownership and value creation is of fundamental importance for us, and we always act based on what is best in the long term for Volati's value development. Acting sustainably is a prerequisite for long-term success, and by continuously developing and strengthening our sustainability initiatives, we create value for customers, owners and society. We acquire and own companies that will be successful well into the future. At the same time, we have the courage to act when we are no longer the best long-term owner of a business.

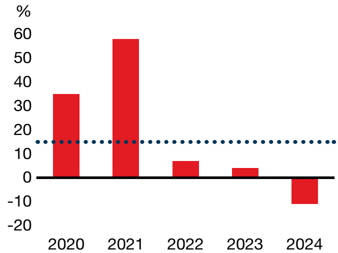
Financial targets

Volati's financial targets are designed to support continuing successful operations in accordance with our business model. The targets should be assessed on an overall basis.

EBITA growth

The target is average annual growth in EBITA per ordinary share of at least 15 percent over a business cycle.

Growth in EBITA per ordinary share, LTM, %
Target: >15%

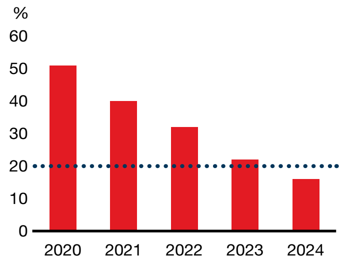


UTFALL 2024
-11
%

Return on adjusted equity

The target is a return on adjusted equity[1] of 20 percent.

Return on adjusted equity, %
Target: 20%

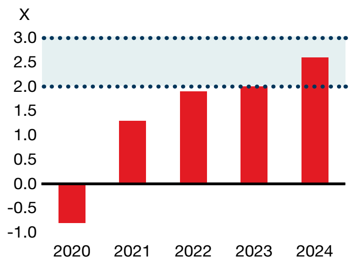


UTFALL 2024
16
%

Capital structure

The target is a net debt/adjusted EBITDA[1] ratio of 2 to 3 times, not exceeding 3.5 times.

Net debt/adjusted EBITDA, x
Target: 2.0-3.0x



UTFALL 2024
2.6
x

[1] See note 27, pages 151–155, for definitions of alternative performance measures.

Sustainability targets

If Volati is to achieve the overall goal of creating long-term value growth, all stakeholder groups must be satisfied. Sustainability is therefore a natural part of Volati's work on acquiring and developing successful businesses.

The purpose of the sustainability targets is to measure and monitor the work that is carried out. An important prerequisite for long-term sustainability is a strong financial position. The sustainability targets should therefore be evaluated as a whole and together with Volati's financial targets.

Business ethics

Volati has zero tolerance for business ethics violations and all Volati companies must have effective procedures to ensure good compliance with the code of conduct, both internally and in the value chain.

Target: Zero business ethics incidents in the Group.

0

BUSINESS ETHICS INCIDENTS IN THE GROUP IN 2024

Environment & climate

Volati will reduce the Group's own emissions (Scope 1 & 2) in line with the 1.5 degree target of the Paris Agreement.

Target: 40 percent reduction in emissions by 2030 compared with the base year 2021.

26%

REDUCTION IN THE GROUP'S OWN CO_2e EMISSIONS SINCE 2021

Employees

Volati will be an inclusive and safe workplace that welcomes employees with different backgrounds and experiences.

Target: By 2030, the Group's management teams will have a gender distribution in the range of 40–60 percent for each gender.

28%

WOMEN IN THE GROUP'S MANAGEMENT TEAMS

Volati's sustainability work and targets are described further on pages 72–104.

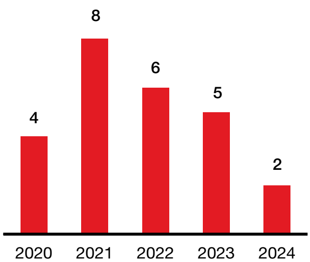
Acquisitions in 2024

Growth through acquisitions is a central part of Volati's business strategy. In 2024, Volati made two acquisitions, which together added about SEK 610 million in annual sales. Also in 2024, Volati completed another acquisition with annual sales of approximately SEK 300 million.

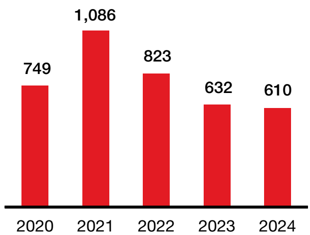
Volati creates value through carefully selected acquisitions that strengthen the Group's operations and bring synergies. The acquisition work is based on the platforms, with central support from Volati, which ensures high quality in both the acquisition process and the integration of the acquired businesses.

Carefully selected acquisitions of well-managed companies that complement existing operations and strengthen the market presence enable Volati to continue creating sustainable value growth. Both through platform acquisitions and add-on acquisitions.

Number of acquisitions per year



Acquired sales per year[1], SEK million



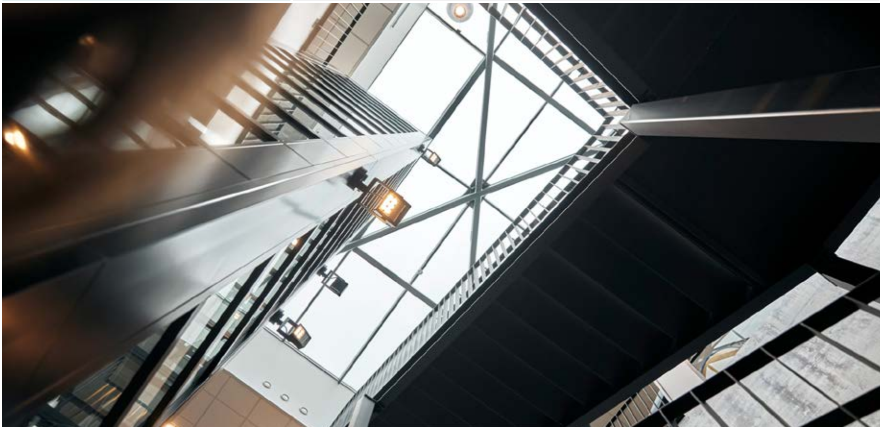
[1] Sales on acquisition date.

Acquisitions in Salix Group Business Area

Beslag Design AB
Acquired in February 2024

Together with the existing business of Habo Gruppen, the acquisition brings an increased presence in the fittings market and strengthens Salix Group's offering to its customers. The acquisition also enables synergies for the business area, including optimisation of the companies' logistics flows.

NET SALES
190
SEK million



Timberman A/S
Acquired in December 2024

Timberman, a leading supplier of flooring solutions, has a strong position in the Danish market, which alongside Salix Group's established presence in Sweden creates a solid platform for continuing growth in the Nordic region. As part of Salix Group, Timberman gains access to an expanded sales network, while Salix Group strengthens its product range and its position as a full-service provider.

NET SALES
420
SEK million

Value-creating business model

Volati creates value by acquiring and developing strong platforms. By working actively to develop companies in a sustainable and long-term perspective, Volati creates a solid foundation for organic growth.

Volati is an active owner. The four core points of the business model ensure that we show responsible ownership and add value to our businesses. This supports their successful development and contributes to strong and sustainable value creation for Volati.

Local entrepreneurship

At Volati, we are convinced that that the best business decisions are made close to customers and the market. Building on local entrepreneurship and a decentralised governance model, we develop the companies by providing leadership, knowledge, processes, financial resources and in particular common values. The CEOs are therefore responsible for the work on operational improvements in their own business. This means that, in practice, we apply governance through the boards of our businesses, and that the CEO of each company has full responsibility. We offer selected key individuals part ownership of their business. This gives them the same incentives to develop the business as Volati and ensures that our goals are aligned.

Image: Beneli

Active ownership

Volati is a responsible and active owner. We closely follow the development of our businesses to ensure they have optimal conditions for growth and value creation. We take clear responsibility for board and management appointments, strategic direction, capital allocation, sustainability work, guidelines and policies.

Board and management appointments

The decentralised governance model places great demands on the management teams of our businesses. It is their expertise and commitment that makes it possible to develop the businesses in line with defined goals, thereby creating earnings growth that contributes to Volati's long-term value creation. Ensuring we have the best possible CEOs is one of our top priorities.

Strategic direction

At Volati, there is a structured process for setting the strategic agenda with all of the businesses, which involves working through our vision, business concept, goals and strategy.

Capital allocation

Capital allocation is managed centrally in the Group. This means that we allocate capital for larger investments and add-on acquisitions for the businesses in a way that creates most value for the Group as a whole. It also means that our businesses can gain access to financing of much larger investments and initiatives than would be possible if they were completely independent. The allocation is based on the regular discussions on investment needs and acquisition opportunities that take place in the boards of the businesses.

In 2024, around SEK 750 million was allocated to acquisitions and investments aimed at expanding Volati's businesses

Sustainability

When making investments, we set sustainability requirements and ensure that our companies' business plans and results monitoring take into account sustainability aspects. We also ensure that risks related to sustainability are managed and minimised.

In 2024, Volati joined the Science Based Targets initiative

Guidelines and policies

As a listed company, we have high compliance requirements to which our businesses must adapt. For the individual businesses, this means a clear improvement in control and governance, which creates added value.

Image: Corroventa

Competence and leadership

As a responsible owner, it is important for us that our companies have access to the right expertise. To ensure skills development, we work actively on succession planning and strategic HR which includes a leadership programme to find the managers of the future. We also provide skills development and support to our existing employees in order to enable them to reach their full potential. This is important work that establishes Volati as an attractive Group, which in turn helps us to attract the very best employees.

Volati Knowledge

Volati Knowledge is a collective name for our skills development initiatives. This is about nurturing market practice within the Group and adding new expertise and new tools. Through our training initiatives in purchasing, acquisitions and sustainability, we promote continuous learning in the organisation, which generates skills development for our employees and thereby develops the organisation.

Volati Academy

Volati Academy is a one-year leadership programme aimed at employees at management group level in Volati's companies and other key personnel in the Group. Under the programme, which is led by Volati's management group, participants perform common project assignments linked to value creation in the Group. They also carry out their own work aimed at developing their own business. The main purpose is to develop each participant and create a sense of togetherness between Volati's companies and its senior executives. This is achieved by creating a deeper understanding of Volati's history, culture and way of working.

111 individuals at management level have taken part in Volati Academy so far

Volati Management Program

Volati Management Program is our trainee programme for developing future managers. The programme recruits young potentials who have worked for 2–4 years and have a university education with good academic results. Volati Management Program runs for one and a half years, with participants spending two periods at selected businesses and one period at Volati's head office. On completion of the programme, they take on a senior role in one of the businesses. Volati Management Program attracts many qualified candidates and helps to ensure that our businesses can access competent individuals with relevant experience and training.

Since the launch in 2015, a total of 31 individuals have completed the programme – 21 have leading positions in Volati Group and one in Bokusgruppen

Image: Volati Academy

Image: Ettiketto

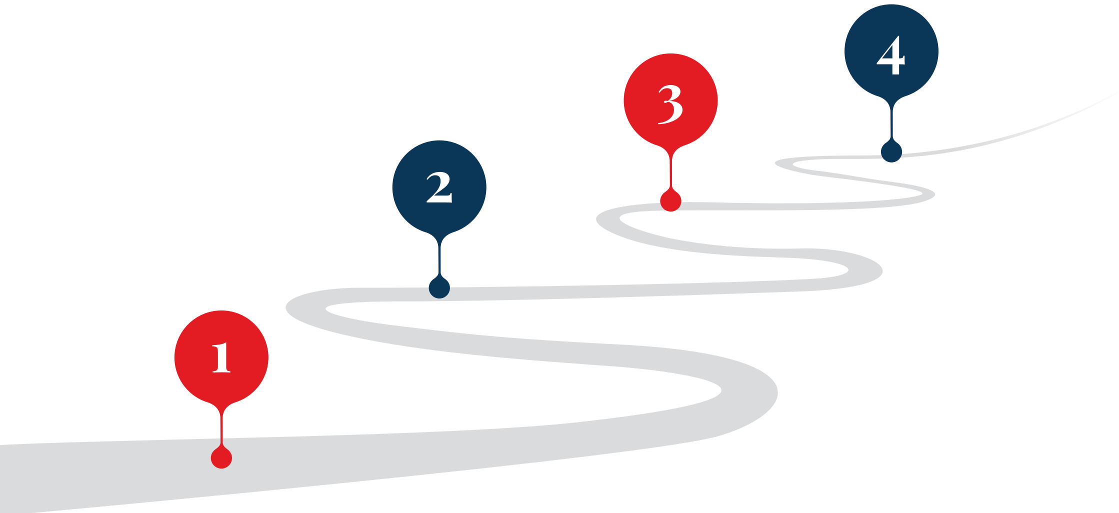
Value-creating add-on acquisitions

Volati acquires and develops strong, successful businesses, with a focus on creating long-term value growth. As part of this, we focus on add-on acquisitions for existing businesses. These acquisitions strengthen the businesses' market position and accelerate the rate of growth and development in line with defined strategies. This also enables further value creation through synergies. In many cases, our businesses can also improve the underlying operations of acquired companies through a more developed operating model. Volati is a distinctly industrial buyer with extensive knowledge of the markets in which we are active, which contributes to a lower operational risk while giving us a strong inflow of acquisition candidates. We are passionate about working on the long-term development of the industries we operate in together with the businesses we acquire.

In 2024, Volati signed agreements for two add-on acquisitions for Salix Group with total annual sales of SEK 610 million

The acquisition process

Volati's acquisition process is designed to simplify and shorten the sales process, and increase the probability of a successful transaction – without compromising on security for either the seller or buyer. This is how it works:



1 Evaluation

We are meticulous in our evaluation of companies that represent new acquisition opportunities and we prioritise quality over quantity. Our fundamental principle is to be cautious and rather abstain from a potential transaction if we are not convinced of its value, rather than risking a poor investment.

2 Due Diligence

If the acquisition qualifies beyond the evaluation, we proceed with a due diligence (DD) process. This involves a more thorough examination of the company's operations. In most cases, the majority of this work is conducted with internal resources. Our philosophy is to focus on key issues and work according to the materiality principle in order to offer as smooth a DD process as possible.

3 Negotiation

After a successful DD, negotiations ensue between Volati and the seller, where both parties agree on a reasonable arrangement. The agreement can then be signed and the transaction finalised.

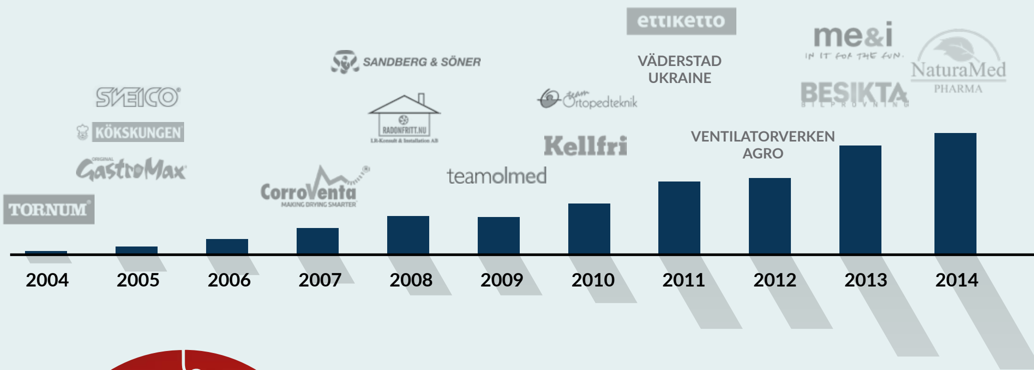
4 Integration

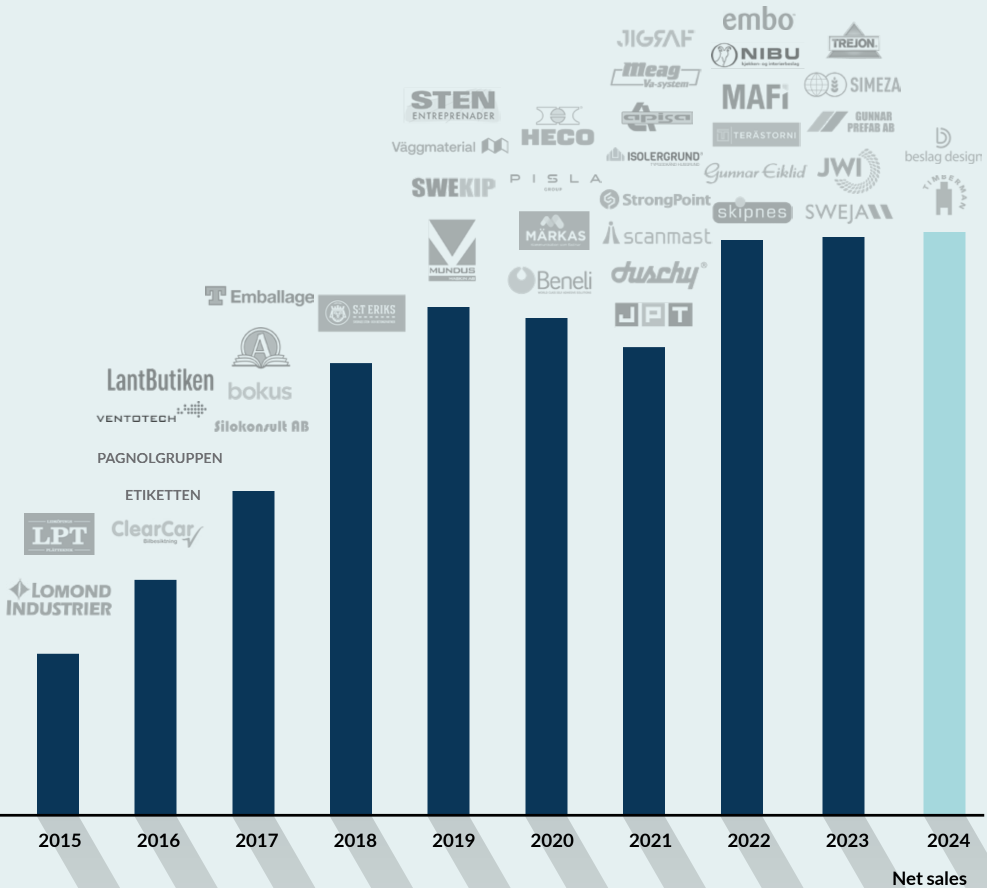
On completion of the transaction, the process of integrating the acquisition into Volati's ownership structure begins. This process is just as important as the transaction. During the acquisition process, we already spend time with the company's management to jointly develop a forward-looking plan.


Image: St Eriks

Long-term value growth

Volati was founded in 2003 and since then has grown strongly, both organically and through acquisitions. In recent years, Volati has made a number of strategic shifts. Volati has a unique focus on competence and leadership, and active work on this area began in 2014. In recent years, Volati has also focused its operations on six platforms with long-term sustainable business models, good growth opportunities and a focus on value-creating add-on acquisitions.





\+ **Competence and leadership** \+ **Value-creating add-on acquisitions**

WITH A STRONG FOUNDATION, SALIX GROUP IS POSITIONED FOR GROWTH

Salix Group is an independent Volati business area with a solid history of long-term growth, strong leadership and successful businesses. The history began in 1892 when Thomée was founded in Malmö. Over the years, the business was developed, several companies were acquired and Lomond Industrier was established. Lomond Industrier was a well-managed and growing group of companies with strong brands in Nordic hardware and building materials when Volati took the opportunity to acquire the company. Since then, the business area has evolved from a collection of acquired companies into a cohesive Group with a clear industrial logic.

Volati endeavours to develop its businesses from newly-acquired companies into independent platforms through a combination of organic growth, operational improvements and strategic add-on acquisitions, both in the Nordic region and in other European markets. Salix Group is a good example of how an acquired business has, with Volati's support, been developed into an independent business area that identifies and makes its own acquisitions.

In 2021, Salix Group was given an ownership directive and a new board. The willow tree* was chosen as a logo and symbol to represent a fast-growing business area with strong roots in Skåne. Salix Group's focus is on local entrepreneurship and ensuring that business decisions are made close to the customer. At the same time, the business area takes advantage of its size in order to create common values in selected areas such as logistics, purchasing, employee development, digitalisation and sustainability. Salix Group is characterised by a strong entrepreneurial spirit, deep industry knowledge and a continuous striving for improvement and development.

* The genus name, Salix, is the Latin name for the willow tree. The willow tree is a characteristic of the landscape of Skåne.

"Since 2021, we have made seven strategic acquisitions, while maintaining stable earnings by increasing our market shares, adopting a long-term approach and implementing operational improvements. Acquiring companies with a clear industrial logic creates synergies in areas such as logistics and purchasing. With a strong foundation and effective strategy, Salix Group is well positioned to contribute to Volati's continuing success and deliver long-term value," comments Salix Group CEO Martin Hansson.

The way forward

Salix Group currently consists of three units with a clear business logic, enabling a more efficient organisation through cooperation on selected issues across the organisation. Over the last four years, Salix has made seven add-on acquisitions and the aim is to continue growing these units both organically and through acquisitions. Beslag & Design and Timberman were acquired during 2024 and these are good examples of companies that strengthen the business area's position geographically, complement existing operations and/or broaden the product offering. The aim for the coming years is to create strong growth in the business, develop a sustainability agenda and strengthen employees, corporate culture and skills. By continuing to bring together companies that can capitalise on synergies, Salix Group will build further to ensure good organic growth and long-term value creation.

Business areas

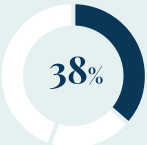
Volati is an industrial group, organised in three business areas: Salix Group, Ettiketto Group and Industry.

3

Volati

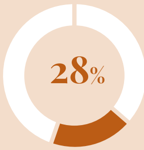
BUSINESS AREAS

Salix Group



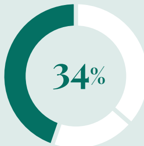
SHARE OF EBITA

Ettiketto Group



SHARE OF EBITA

Industry



SHARE OF EBITA

Volati is an industrial group, organised in three business areas: Salix Group, Ettiketto Group and Industry. The businesses in Salix Group and Ettiketto Group have a clear industrial logic. Salix Group and Ettiketto Group continue to grow, both organically and through value-creating add-on acquisitions.

The Industry business area consists of four platforms with market-leading positions and high growth potential. The aim is to grow and develop the businesses through organic growth and value-creating add-on acquisitions. These platforms may eventually form separate new business areas.

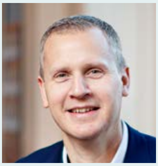
Business Area Salix Group

A Nordic market-leading trading business with a long history.

The Salix Group business area is a Nordic trading business offering products for building and industry, primarily hardware, consumables, material and packaging. The business area also offers a broad range of products for home and garden, and agriculture and forestry. The offering consists of market-leading own brands and distributed brands. Salix Group's main market is the Nordic region – in particular Sweden, which accounts for about 65 percent of sales. The largest customer segment is building materials retail and related retail segments, which account for about 70 percent of sales. Other customer segments include the building and wood industry, forestry and agriculture, and the packaging industry. Sales are dealers, retail chains, e-commerce channels and directly to customers. The majority of Salix Group's net sales come from the professional and industrial segments, with a smaller proportion attributable to the consumer segment.

Comments from Martin Hansson, CEO of Salix Group

Macroeconomic conditions remained challenging during 2024, which affected demand for Salix Group's products. Sales increased by 5 percent during the year, driven by acquisitions. At the same time, the EBITA margin fell slightly from 7.9 percent to 7.6 percent. Over the last 2.5 years, we have worked actively to adapt our business to market conditions by means of cost control and realising synergies. This has enabled us to effectively manage the cyclical volume decline that our companies experienced during the year. We are now seeing some green shoots in terms of demand and in Q4 2024, we were able to show organic growth for the first time since Q2 2022. Acquisitions are an integral part of our strategy, and the companies Beslag Design and Timberman were acquired during the year.



3,588	273	7.6	24	686
NET SALES, SEK MILLION	EBITA, SEK MILLION	EBITA MARGIN, %	ROCE EXCL. GOODWILL, %	NUMBER OF EMPLOYEES
(3,402)	(269)	(7.9)	(25)	(608)

Units

With effect from 1 January 2025, Salix Group has consolidated its operations from five to three units. The consolidation strengthens Salix Group's market position, while creating larger and more profitable units. The aim is to take maximum advantage of the synergies that exist in each unit in order to strengthen the customer offering and competitiveness and drive growth and profitability. At the same time, Salix Business Partner has been established as an independent part of Salix Group, coordinating certain Group functions.

Consumables Trade & Agriculture

The unit includes Thomée, Sweden's leading wholesaler for the hardware and building materials segment, and Heco, a leading supplier of screws and fastenings for the Nordic market. It also includes Kellfri and Trejon, which supply machinery and equipment for agriculture, forestry and construction, and Miljöcenter, which supplies environmentally-friendly products for home and garden. The businesses are market leaders in their segments, most of them having a clear Nordic market presence and owning several strong trademarks.

Trademarks include: Bårebo, Fast, Heco, Kellfri, Trejon, Swekip, Berglund, Blomstra, Greenline, Silverline, Wallco

Construction & Packaging Solutions

The unit includes T-Emballage, a leading supplier of material-independent packaging solutions to sawmills and other industries, TECCA, which supplies innovative and sustainable climate control solutions to the building and small house industry, Väggmaterial, which supplies the market's widest range of corner protection to the paint retail sector, and paintbrushes through Embo. The unit also includes Sørbø Industribeslag, a leading supplier to the Norwegian door and window industry and construction market The offering consists primarily of own brands and all businesses have leading market positions within their market segments.

Trademarks include: TECCA, TESHELL, TEPROTECT, T-Emballage, Embo, Sweja, Sørbø

Home & Fittings

The unit includes market-leading companies such as Habo Gruppen, Pisla, Beslag Design and Nibu, which together offer functional fittings, design fittings and other interior products for the home and public environments. The unit also includes Duschprodukter, an established supplier of showers and bathroom accessories. The unit's total offering consists primarily of its own leading brands. The most recent addition to the unit is Timberman, a supplier of flooring solutions for homes and commercial environments in Denmark. The companies in the unit have strong market positions in the Nordic building and hardware trade and a growing Baltic presence.

Trademarks include: Habo, Beslag & Design, Muurikka, Opa, Pisla, Timberman, Novego, Wicanders, Arrow, Demerx, Duschy

Business Area Ettiketto Group

Europe's leading full-service supplier of label solutions.

Ettiketto Group is a European leading comprehensive supplier in the label industry. The offering consists of self-adhesive labels for various applications, for example for the food packaging that consumers encounter in their daily shopping. Ettiketto Group also has a comprehensive range of labelling machines that are integrated into customers' production lines. Through Beneli, Ettiketto Group also has an offering of complex self-adhesive applications with high quality requirements, such as printed electronics Ettiketto Group operates in Sweden and Norway, with the food industry as its largest customer group. From February, 2025 Ettiketto Group has also established itself in Germany.

Ettiketto has been part of Volati since 2011 and became a separate business area in 2022. With its vision to become the Nordic region's leading label company, Ettiketto has an ambitious plan for add-on acquisitions. The aim is to be an industry leader in operational efficiency, from purchasing and production to sales, staffing and overheads.

Comments from Rikard Ahlin, CEO, Ettiketto Group

Ettiketto Group achieved organic growth of 9 percent during the year, as we continued to drive profitability improvements, and now has an EBITA margin of 21.4 percent. In the period 2020-2022 we achieved strong acquisitive growth. When the acquisition journey began, Ettiketto Group had a margin of 20 percent, while the acquired companies on average had a lower margin. Following the acquisitions, we have worked systematically to realise synergies and improve the acquired companies' operational efficiency, and the margin is now back above 20 percent. In early 2025, we opened a new platform in central Europe through the acquisition of Clever Etiketten GmbH. The ambition going forward is to use our proven ability to consolidate the market and improve the profitability of acquired companies.

936	200	21.4	78	369
NET SALES, SEK MILLION	EBITA, SEK MILLION	EBITA MARGIN, %	ROCE EXCL. GOODWILL, %	NUMBER OF EMPLOYEES
(859)	(159)	(18.5)	(67)	(277)

Units

Ettiketto Group's operations are focused on self-adhesive labels, labelling machines and printed electronics. The aim is to take maximum advantage of the synergies that exist in the units in order to strengthen the customer offering and competitiveness and drive growth and profitability.

Ettiketto

The Ettiketto unit comprises five production units producing self-adhesive labels mainly for the food, chemical and hygiene industries, but also all other manufacturing industries. Ettiketto also supplies a broad range of ancillary equipment and services, such as proprietary labelling equipment and printers. This means the unit is one of the Nordic region's comprehensive suppliers of proprietary label solutions.

ettiketto

Beneli

Beneli is an innovative contract manufacturer, supplying printed electronics and complex self-adhesive applications with high quality requirements. Customers are mainly in the medical technology and automotive industries. The unit offers the market a full-service solution, from concept and production development to production and assembly, via its Swedish production unit.

Beneli

Business Area Industry

Four platforms with market-leading positions and high growth potential.

The Industry business area consists of four businesses with leading market positions in their own niches. They are strong platforms with good foundations for continued growth through organic development and value-creating add-on acquisitions. The platforms are manufacturing suppliers of solutions in various sectors – grain handling, moisture and water damage restoration, infrastructure for telecom and lighting, and stone and cement products for infrastructure, paving and roofing. Demand for the business area's products is mainly driven by factors other than the general economy. What the businesses have in common is the potential for rapid growth with a clear focus on long-term value creation.

Comments from Volati CEO Andreas Stenbäck

The businesses within Industry showed a mixed performance in 2024. Sales declined by 5 percent and the EBITA margin fell from 11 percent to 7 percent. The Corroventa platform performed well during the year, increasing both sales and earnings. Communication faced a weak market in the first three quarters, driven by a slowdown in the 5G rollout, but demand improved in the fourth quarter. Tornum Group has said goodbye to one of the most challenging years in its history, with low demand in the agricultural segment. Tornum Group has seen its customers' willingness to invest in this segment being negatively affected by low grain prices and delays in the distribution of EU grants. Demand for S:t Eriks' products for the construction market have been affected by a weak market, while demand for the platform's products for infrastructure has been good.

In summary, three out of four platforms in the Industry business area have experienced tougher market conditions during all or part of the year than would be expected in an average year. However, the process of developing the platforms through operational improvements and active participation in the acquisition market continued during the year.

3,347	240	7.2	20	1,049
NET SALES, SEK MILLION	EBITA, SEK MILLION	EBITA MARGIN, %	ROCE EXCL. GOODWILL, %	NUMBER OF EMPLOYEES
(3,541)	(385)	(10.9)	(34)	(1,110)

Platforms

Corroventa

Corroventa is a European market leader in products and solutions for managing water damage, moisture, odours and radon. In addition to the sale of products and solutions, Corroventa offers Europe's largest rental park for water damage equipment for emergency situations and floods. Customers include remediation companies, insurance companies and construction companies in 13 European markets.

Events in 2024

2024 was a year in which Europe was hit by several floods. This contributed to high demand for Corroventa's water damage restoration products. During the year, Sofia Axelsson took over as CEO of Corroventa.

Part of Volati since 2007

CEO: Sofia Axelsson

Number of employees: 86

Share of the business area's net sales: 11%

Communication

The Communication platform comprises Scanmast and MAFI Group. Scanmast is a Nordic market-leading supplier of infrastructure, mainly in the form of masts and towers for telecom, lighting, and surveillance, and pipeline bridges for the industrial and transport sectors. Scanmast is a turnkey supplier, delivering complete projects. The company operates primarily in Sweden, Norway and Finland. MAFI is a global market leader in mounting solutions, primarily for telecom equipment and solar panels. MAFI has great technical know-how, which makes the platform well positioned to support its customers through development of new products. MAFI is based in Mora but sells its products globally.

MAFi scanmast

Events in 2024

In the first three quarters of 2024, Communication experienced weaker demand for MAFI's products, due to a slower 5G rollout, particularly in the US. During the fourth quarter, the platform performed well as a result of improved demand.

Communication became part of Volati in 2021 through the acquisition of Scanmast

CEO: Andreas Westholm

Number of employees: 133

Share of the business area's net sales: 22%

S:t Eriks

S:t Eriks is a leading Swedish supplier of concrete and natural stone products for infrastructure, paving, roofing and water & sewage. The products are used primarily in infrastructure projects, construction and landscape architecture. The majority of sales are to professional customers in infrastructure and construction in Sweden and Norway, supplemented by sales through building materials retail.

Events in 2024

In 2024, the weak economic situation continued to affect demand for S:t Eriks' products for the construction sector. However, demand for infrastructure products remained good. A cost saving programme has been implemented to adapt the business to the current conditions.

Part of Volati since 2018
CEO: Magnus Ström
Number of employees: 550
Share of the business area's net sales: 40%

Tornum Group

Tornum Group is a globally leading supplier of grain handling systems for agriculture and the grain industry. Products include grain dryers, silos, transport equipment and a wide range of accessories and electrical automation. Customers are farmers, cooperatives and industrial customers in 15 markets in west and east Europe and in Asia.

Events in 2024

Tornum Group has encountered a highly challenging market during the year. This is mainly from customers in the agricultural segment, which is being negatively affected by low prices and delays in the distribution of EU grants. During the year, Tornum's Spanish operations had profitability problems in certain projects, which have now been addressed. During the year, Sofia Svensson took over as CEO of Tornum Group.

Part of Volati since 2004
CEO: Sofia Svensson
Number of employees: 280
Share of the business area's net sales: 27%

TORNUM

INTERVIEW WITH ÅSA HOLMGREN, HEAD OF STRATEGIC HR

STRATEGIC HR IN FOCUS

The supply and development of skills and leadership is central to Volati's value creation. In 2024, Volati strengthened this focus by welcoming Åsa Holmgren into Group management as Head of Strategic HR. Åsa has extensive managerial experience in HR, sustainability and business development in internationally active companies.

How has your initial period at Volati been?
It's been instructive and valuable to familiarise myself with the Group's working methods. I've been particularly impressed by how Volati's focus on long-term value creation permeates the work on skills and leadership development. It's an inspiring environment where there is a genuine desire to create competitive advantages by strengthening both people and company culture.

What are your top priorities in your role as Head of Strategic HR?
In my role, I'm responsible for leading and developing Volati's existing leadership programmes. I also support the Group's companies and am responsible for the introduction of new skills supply and leadership development initiatives. Overall, it's about helping to create an organisation that is adaptable, committed and equipped to deliver long-term value for employees and the Group.

What do you think characterises Volati's focus on skills development?
What characterises Volati's skills development is that it's strongly integrated into the operations, with business-orientated training linked to real projects and challenges. We're convinced that this strengthens our employees' ability to make decisions close to the customer. As owners, we also offer our companies resources and programmes that they might not be able to develop themselves. There is a clear link between local entrepreneurship and support from Group management, which contributes to both the companies' competitiveness and employees' development.

What makes Volati an attractive employer?
Volati has a clear ambition to invest in people, which is a key part of our long-term success. We support our employees in reaching their full potential, which helps us to attract the very best talent. With programmes like Volati Academy and Volati Management Program, we also create valuable networks within the Group, which strengthen both our current and future leaders.

What will be the focus of strategic HR in the coming year?
The focus will be on finding new ways to both attract and develop leaders and to make our existing leadership programmes available in English in order to integrate international leaders into our networks and development initiatives. We'll also be working more on making career opportunities visible within the Group. This means that employees can easily access vacant positions and grow in the Group, which is important to us and good for the long term.

Sustainability at Volati

To continue to grow and be competitive in the long term, we need to integrate sustainability into everything we do. It is Volati's aspiration to create long-term value by balancing sustainability-related risks and opportunities. Through clear governance and ambitious goals, we strengthen our ability to contribute to a sustainable transition, while creating value for our stakeholders and society at large.

As an integral part of Volati's business model, sustainability is an important foundation for how the Group conducts its operations and continuously develops its approach in order to ensure proactive sustainability work conducted in line with stakeholder expectations. Based on an assessment of the Group's impacts, risks and opportunities, we focus our efforts on three main areas: Business ethics, Environment & climate and Employees

Business ethics

Good business ethics and high integrity are key elements of Volati's sustainability work. We work actively to ensure that our entire value chain is characterised by responsibility and transparency, with zero tolerance for corruption and irregularities. Volati's whistleblowing function ensures that all internal and external stakeholders have the opportunity to report misconduct anonymously.

Environment & climate

At Volati we see the green transition as a precondition for long-term competitiveness and we endeavour to respond to this based on our unique circumstances and business model. Our businesses have a desire to contribute to a sustainable society and therefore work in a structured way to reduce greenhouse gas emissions, increase energy efficiency and drive long-term environmental action through sustainable innovation and smart solutions.

Employees

The employees are Volati's most important resource and the business is based on a fundamental belief in the equal value of all. As a central part of the business model, a strong focus is placed on skills and leadership development to create engagement, improve decision-making and strengthen our attractiveness as an employer.

Sustainability in local entrepreneurship

We believe in our decentralised governance model, in which decisions are made close to the customers in the businesses. Similarly, we are convinced that sustainability work is best conducted within each business, where employees have the best understanding of their specific sustainability aspects. As an active owner, Volati takes responsibility for strategic direction and creates the right conditions for the businesses' development by ensuring access to the right skills.

Through clear objectives and strong governance, we pursue sustainable development – with a focus on local entrepreneurship.

Corroventa drives sustainable innovation with SuperVision® 2.0

Corroventa strives to continuously reduce its environmental impact through advanced technology and innovation. By investing in future solutions, the company strengthens its leading position in Europe and drives sustainable growth.

A clear example is SuperVision® 2.0, an advanced system for remote control and monitoring of drying processes. Less travel to work sites and optimised energy consumption contribute to more efficient work and reduced carbon emissions. The launch has been a significant step in the sector's development, further strengthening Corroventa's market-leading position and creating value for customers across Europe. With innovation and sustainability as key drivers, Corroventa continues to explore new areas of application that promote a better environment, while creating long-term value growth and optimised business processes.

Salix Construction & Packaging Solutions – circular initiatives for a sustainable future

The Salix unit Construction & Packaging Solutions consists of Tecca and T-Emballage – two companies with leading market positions in construction and packaging. The companies work actively to promote a circular economy and support customers with data collection, reporting and material optimisation, with the aim of reducing waste and CO_2e emissions. Through partnerships and initiatives, the companies contribute to the sector's development.

T-Emballage develops and implements circular material flows in close cooperation with customers. Partnerships have been intensified in 2024, with more customers joining circular initiatives where used packaging is collected, recycled and converted into new resources. This promotes more sustainable use of raw materials and strengthens the company's role as a sustainable partner in the packaging industry. Tecca is engaged in the development of EPDs (Environmental Product Declarations) to identify and reduce the environmental impact of products. Through circular working methods and full transparency, the company strengthens both its customers' and its own sustainability work.

Long-term partnerships are key to building a more sustainable future and the companies continue to prioritise cooperation as part of their strategic direction.

The Volati share

Shares and share capital

Volati's ordinary and preference shares are listed on Nasdaq Stockholm. At the end of 2024, the number of ordinary shares was 79,406,571 and the number of preference shares was 1,603,774. Volati's share capital on 31 December 2024 amounted to SEK 10,251,293.13, divided into 81,010,345 shares. Each ordinary share entitles the holder to one (1) vote and each preference share to one-tenth (1/10) of a vote.

Share price development

Volati's ordinary share showed a negative price development of 12 percent in 2024. The highest closing price during the year was SEK 127.20 on 3 April. The lowest was SEK 88.50 on 20 November. Volati's preference share showed a positive price development of 4 percent in 2024. The highest closing price during the year was SEK 638.00 on 16 and 17 October. The lowest was SEK 596.00 on 13, 15 and 28 February and 1 April.

Share trading volume

A total of 8,216,843 ordinary shares and 381,403 preference shares were traded during 2024. The average daily trading volume was 32,736 for the ordinary share and 1,520 for the preference share.

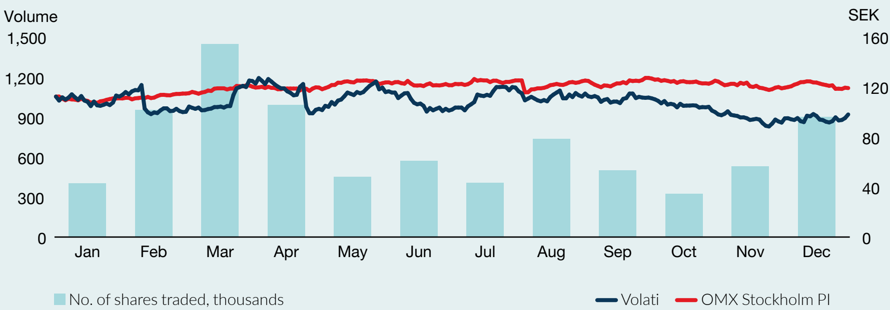
Dividend policy

Volati's goal for ordinary shares is to distribute 10-30 percent of the Group's net profit attributable to the Parent Company's shareholders. The Board of Directors proposes a dividend of SEK 2.00 (1.90) per ordinary share to ordinary shareholders, corresponding to 58 percent of net profit attributable to the Parent Company's shareholders for 2024, and a preference share dividend to be paid in accordance with the Company's articles of association.

Shareholder structure

The number of Volati shareholders at the end of 2024 was 11,418 (11,979), with the 15 largest shareholders owning 90.5 (91.0)

Share price development, ordinary share, 2024



percent of the share capital and 91.6 (92.1) percent of the votes. Investors outside Sweden owned 3.3 (3.3) percent of the share capital and 3.2 (3.3) percent of the votes.

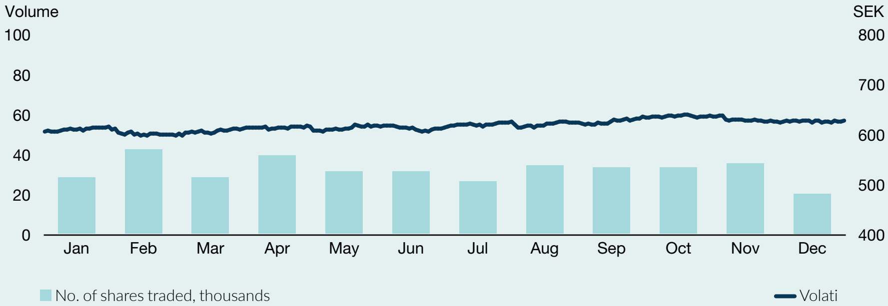
Authorisation to acquire own ordinary shares and preference shares

The AGM authorised the Board of Directors to decide on the acquisition of the Company's ordinary and preference shares. Acquisitions may take place on Nasdaq Stockholm or through an offer to all shareholders or to all holders of the class of shares that the Board decides to acquire. The purpose of the acquisition of own shares is to achieve an optimised capital structure or, for acquisitions of own preference shares, to enable the Company to use the preference shares to pay for or finance acquisitions of companies or businesses. The maximum number of shares that may be acquired is the number of shares that at any given time will not result in the Company's holding of own shares exceeding one-tenth of each of the classes of shares in the Company.

Authorisation to transfer own preference shares

The AGM authorised the Board of Directors to decide on the transfer of the Company's own preference shares. Transfers of own preference shares may take place on Nasdaq Stockholm and by means other than on Nasdaq Stockholm. Transfers of own preference shares on Nasdaq Stockholm may only take place at a price within the price interval registered at any given time. Transfers of own preference shares by means other than on Nasdaq Stockholm may be made with a derogation from shareholders' preferential rights at a price per preference share that does not fall below what is market-based, meaning that a market-based discount on the preference share's price may be applied. The reason for a possible derogation from shareholders' preferential rights when transferring own preference shares by means other than on Nasdaq Stockholm shall be to enable the Company to use its own preference shares as payment for or financing of acquisitions of companies or businesses.

Share price development, preference share, 2024



Authorisation to issue new preference shares
The Annual General Meeting authorised the Board, on one or more occasions before the next AGM, to decide on new issues of up to 320,754 preference shares (corresponding to about 20 percent of the present number of preference shares issued) with or without preferential rights for shareholders. The purpose of the authorisation, and the reason for allowing a derogation from shareholders' preferential rights, is to ensure that new shares can be issued to enable the Company to use preference shares as payment for or financing of acquisitions of companies or businesses.

Share capital development

The following table shows the changes in share capital as from Volati's formation.

Year	Event	Change in number of ordinary shares	Change in number of preference shares	Total number of shares	Change in share capital	Total share capital	Par value (SEK)
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 main 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[3)]	20,862,069	–	82,010,345	2,607,758.625	10,251,293.13	0.125
2019	Decrease through withdrawal of shares	-1,000,000	–	81,010,345	-125,000	10,126,293.13	0.125
2019	Bonus issue	–	–	81,010,345	125,000	10,251,293.13	0.127

1) The share swap in Volati AB (publ) announced adopted by the AGM took place in January 2016, whereby Patrik Wahlén (Board member), Mårten Andersson (CEO at that time) and Mattias Björk (CFO at that time) swapped their shares in Volati 2 AB for shares in Volati AB (publ) under a non-cash issue.

2) In connection with the reverse share split in September 2016, three preference shares and two ordinary shares were issued, in order to achieve an even number of shares in the Company before the reverse split. The preference shares were issued at a subscription price of SEK 106 per preference share and the ordinary shares at a subscription price of SEK 0.025 per ordinary share (the par value of the shares at that time).

3) The new issue coincided with the listing of Volati's ordinary shares in November 2016.

Ownership structure, 31 December 2024

The tables below show information on the ownership structure of Volati AB at 31 December 2024.

Voting rights and percentage of share capital

Class of shares	Number	Voting rights per share	Number of votes	Share of capital	Share of votes
Ordinary shares	79,406,571	1.0	79,406,571.0	98.0%	99.8%
Preference shares	1,603,774	0.1	160,377.4	2.0%	0.2%
Total	**81,010,345**	**–**	**79,566,948.4**	**100.0%**	**100.0%**

Shareholders by country

	Number of shareholders	Number of shares	Share of capital	Share of votes
Sweden	11,194	77,650,777	96.7%	96.8%
Other countries	224	3,359,568	3.3%	3.2%
Total	**11,418**	**81,010,345**	**100.0%**	**100.0%**

Shareholders by size

Number of shares	Number of shareholders	Share of capital	Share of votes
1–500	10,218	1.1%	0.8%
501–1,000	53	0.1%	0.0%
1,001–5,000	79	0.2%	0.2%
5,001–10,000	10	0.1%	0.0%
10,000–	59	95.6%	96.6%
Unknown size of holding	999	2.9%	2.4%
Total	**11,418**	**100.0%**	**100.0%**

The 15 largest shareholders[1)]

	Number of shares		Share of	
Name	Ordinary shares	Preference shares	Share capital	Votes
Karl Perlhagen	31,380,641	300,174	39.1%	39.5%
Patrik Wahlén	18,531,509		22.9%	23.3%
Fjärde AP-fonden	6,352,192		7.8%	8.0%
Andra AP-fonden	4,332,881		5.3%	5.4%
Lannebo Kapitalförvaltning	2,759,942		3.4%	3.5%
Swedbank Robur Fonder	1,695,492		2.1%	2.1%
Mårten Andersson	1,587,587	158	2.0%	2.0%
Vanguard	952,136		1.2%	1.2%
Handelsbanken Fonder	943,065		1.2%	1.2%
Magnus Sundström	854,758	29,739	1.1%	1.1%
Avanza Pension	716,079	165,942	1.1%	0.9%
Alcur Fonder	725,016		0.9%	0.9%
Andreas Stenbäck	716,433		0.9%	0.9%
Sp-Fund Management	672,595		0.8%	0.8%
Mattias Björk	589,803		0.7%	0.7%
Total 15 largest shareholders	**72,810,129**	**496,013**	**90.5%**	**91.6%**
Other shareholders	6,596,442	1,107,761	9.5%	8.4%
Total number of shares	**79,406,571**	**1,603,774**	**100.0%**	**100.0%**

[1)] Data complied by Modular Finance. Sources include: Euroclear, Morningstar, Finansinspektionen.

Volati
Annual Report

Contents

Administration Report

The Board of Directors and CEO of Volati AB (publ), corp. ID 556555-4317, registered office in Stockholm, hereby present the annual report and consolidated financial statements for the 2024 financial year.

Volati's operations
Volati is an industrial group, comprising three business areas: Salix Group, Ettiketto Group and Industry. Volati's strategy is to build natural business areas with a clear industrial logic that can grow independently through value-creating add-on acquisitions.

Acquisitions are a central component of Volati's strategy. Volati mainly acquires companies with proven business models, leading market positions and strong cash flows at reasonable valuations and develops them with a focus on long-term value creation. Volati's corporate-development strategy is based on retaining the companies' entrepreneurial spirit and adding leadership, expertise, processes and financial resources. Volati's flexible organisation enables fast decision-making and its decentralised governance model means that day-to-day decisions are made in the operations, with limited involvement from Volati. The decentralised business model is a key success factor as it creates a high level of entrepreneurship in the businesses, provides a clear responsibility structure and helps to ensure that Volati can continue to grow without excessive central resources.

In total, the Group has about 70 operating companies in 21 countries, with Sweden accounting for the largest share of net sales. The business areas' total EBITA for 2024 was as distributed as follows: Salix Group 38 percent, Ettiketto Group 28 percent and Industry 34 percent.

Salix Group: During the year, the Salix Group business area has gone from five units to three units with 29 operating companies in eight countries. The businesses offer products for building and industry, primarily hardware, consumables, material and packaging. The business area also offers a broad range of products for home and garden, and agriculture and forestry. Distribution to customers is via dealers, retail chains, e-commerce channels and directly to customers.

The business area manager is chairman of the units' boards and is responsible for coordinating Volati's central support and for supporting acquisition processes.

Ettiketto Group: The Ettiketto Group business area operates through two units, which in turn consist of five operating companies in two countries. Ettiketto Group is a European leading comprehensive supplier in the label industry. The offering consists of self-adhesive labels for various applications. Ettiketto Group also has a comprehensive range of labelling machines. Through Beneli, Ettiketto Group also has an offering of complex self-adhesive applications with high quality requirements, such as printed electronics

The business area manager is chairman of the board of Ettiketto Group's subsidiaries and is responsible for coordinating Volati's central support and for supporting acquisition processes.

Industry: The Industry business area consists of four platforms with 37 operating companies in 17 countries. The business area focuses on various B2B niches and is driven by a combination of strong local entrepreneurship and collaboration in selected areas, such as expansion into new markets and production efficiency. The business area is active in four different market niches – grain handling, moisture and water damage restoration, stone and cement products for infrastructure, paving and roofing, and critical infrastructure to customers in telecom and other sectors. The board chairman of each platform is responsible for coordinating Volati's central support and for supporting acquisition processes.

Acquisitions, disposals, new establishments and restructuring

A central part of Volati's strategy is to continue growing by acquiring well-managed companies, both as a complement to existing units and as entirely new businesses. The acquisition market in 2024 remained competitive. Volati completed four acquisitions during the year: Trejon Försäljnings AB, Beslag Design AB, Etiprint AB and Timberman A/S.

Financial targets

Volati's overall objective is to generate long-term value growth by building an industrial group of profitable companies with solid cash flows and capacity for continuous development. Volati has the following financial targets, which should be evaluated as a whole.

- **EBITA growth**: The target is average annual growth in EBITA per ordinary share of at least 15 percent over a business cycle.
- **Return on adjusted equity**: The long-term target is a return on adjusted equity of 20 percent.
- **Capital structure:** The target is a net debt/adjusted EBITDA ratio of 2 to 3 times, not exceeding 3.5 times.

The financial targets are guidelines and are not, and should not, be regarded as forecasts or estimates of Volati's future earnings. The targets are based on a number of assumptions concerning Volati's operations, and the industry and macroeconomic environment within which Volati operates. As a result of what is stated above and other factors, Volati's actual earnings may deviate from the above targets.

Dividend policy

Volati's target for ordinary shares is to distribute 10–30 percent of the Group's net profit attributable to the Parent Company's shareholders. When determining dividends, net debt in relation to the Company's targets is taken into account, together with future acquisition opportunities, scope for development in existing companies and other factors that Volati's Board considers significant. Dividends on preference shares are issued at an annual amount of SEK 40.00 per preference share, in quarterly payments of SEK 10.00, in accordance with the Articles of Association.

Development during the year

Volati increased its net sales during the year but EBITA and the margin showed a decline. The Ettiketto Group business area increased its earnings and strengthened the margin during the year, driven by focused efforts to realise synergies from previously acquired companies and active work on operational improvements. The Industry business area reported a decline in net sales and margin. Corroventa performed well during the year, driven by several flooding events in Europe. Tornum Group faced a challenging market, with customers in the agricultural segment being reluctant to invest. The Communication and S:t Eriks platforms are facing a challenging market in the form of delays to the US 5G rollout for Communications and Swedish construction market conditions for S:t Eriks, and measures have been taken to adapt the organisations to the prevailing market conditions.

Salix Group can look back on a year of low demand due to the economic situation. However, both sales and EBITA increased, driven by acquisitions. The business area has worked actively on cost control and synergies, and maintained a margin in line with the previous year, despite an organic volume decline.

Volati's companies encountered a weak economy during 2024. The organisation has responded efficiently to the challenges posed by market conditions through customer communication, pricing, cost control and a focus on growth, and Volati is therefore in a strong position for the future.

Net sales and earnings

The Group's net sales for 2024 amounted to SEK 7,866 (7,796) million, an increase of 1 percent compared with the previous year. The growth is driven by acquired growth.

EBITA for 2024 amounted to SEK 658 (737) million, a decline of 11 percent. The decline was mainly attributable to the Industry business area, while Ettiketto Group and Salix Group increased their EBITA during the year.

Profit after tax for 2024 was SEK 283 (368) million. Profit after tax attributable to non-controlling interests was SEK 10 (12) million. Earnings per ordinary share after deduction of preference share dividends amounted to SEK 2.63 (3.68). Companies acquired during the year are included from the date on which control is obtained.

Cash flow

Cash flow from operating activities for 2024 amounted to SEK 780 (753) million. The cash conversion rate for 2024 was 104 (102) percent. Investments in non-current assets in the businesses for 2024 amounted to SEK 113 (104) million and were primarily related to business development investments in the form of IT systems and ongoing investments in machinery and equipment. Investments in acquisitions in 2024 amounted to SEK 636 (273) million, mainly related to four acquisitions: Trejon Försäljnings AB, Beslag Design AB, Etiprint AB and Timberman A/S. During the year, non-current interest-bearing liabilities to credit institutions increased from SEK 1,721 million to SEK 2,350 million Total cash flow for 2024 was SEK 222 (-125) million.

Development expenses

The Group's research and development expenses are either expensed as they arise or capitalised and amortised over their estimated useful lives, depending on the nature of the project and operations. Development expenses of SEK 20 (23) million were capitalised during the year and were primarily related to business development within Industry. In addition, the Group's earnings were affected by development expenses of SEK 1 (0) million in the income statement.

Employees

The average number of employees during the year, calculated as full-time equivalents (FTEs), was 1,978 (1,941).

Remuneration of senior executives

The currently adopted guidelines for remuneration of senior executives are set out in full in note 5. The Board will propose new guidelines for remuneration of senior executives for adoption by the 2025 Annual General Meeting. It is proposed that the new guidelines remain unchanged from the current guidelines.

Equity

The Group's equity at the end of the period amounted to SEK 2,215 (2,206) million. The equity ratio on 31 December 2024 was 30 percent, compared with 34 percent at the end of 2023. The average return on adjusted equity for 2024 was 16 (22) percent.

Share capital

There were 79,406,571 ordinary shares and 1,603,774 preference shares at the end of 2024. Volati's share capital on 31 December 2024 amounted to SEK 10,251,293.13, divided into 81,010,345 shares. All shares are issued and fully paid, each with a par value of SEK 0.127. No shares in the Company are held by the Company itself, on its behalf or by its subsidiaries. Each ordinary share gives entitlement to one (1) vote and each preference share gives entitlement to one-tenth (1/10) of a vote at the AGM, and all shareholders with voting rights may vote for the full number of shares owned and represented, without any restrictions on voting rights.

Net debt

The Group had net debt of SEK 2,105 million at the end of the year, compared with 1,713 million on 31 December 2023. Total liabilities on 31 December 2024 amounted to SEK 5,236 million, compared with SEK 4,346 million on 31 December 2023. Interest-bearing liabilities, including pension obligations and lease liabilities, were SEK 2,948 million at the end of the year, compared with SEK 2,325 million on 31 December 2023. During the year, the existing credit agreement of SEK 2,900 million was extended until April 2027, and at the end of the year, the unutilised overdraft facility was SEK 300 (300) million, the unutilised revolving credit facility was SEK 250 (885) million and cash & cash equivalents were SEK 317 (96) million.

In addition, Volati issued preference shares in 2015 at a nominal amount of SEK 850 million, classified as equity. Preference shares carry entitlement to a quarterly dividend payment of SEK 16 million.

Volati's financing agreements are subject to customary terms and conditions, i.e. covenants. The financial covenant attached to the loan agreement is the net debt/ adjusted EBITDA ratio, which may not exceed a certain level. The Group has not breached this covenant during the year. Volati has not provided special security for bank financing. The Parent Company has provided surety for all subsidiaries' obligations with Volati's banks.

Future development

Volati is not making any financial forecasts for next year's development. The assessment is that Volati enters 2025 financially strong and that the Company has the financial conditions to continue operating in accordance with the established strategy and defined financial targets, including the conditions to make further acquisitions during the coming years.

2024 has been characterised by continued macroeconomic uncertainty, partly driven by armed conflict, notably Russia's war of aggression in Ukraine. The uncertainty has led to a weak economy, which is affecting market conditions for Volati's business areas. The overall global situation is characterised by geopolitical instability. Volati attaches great importance to regularly updating the financial impact on the Group.

Shareholders

Volati AB's ordinary and preference shares have been listed on Nasdaq Stockholm since November 2016. The number of shareholders at the end of the year was 11,418. The largest shareholders at the end of the year were the founders Karl Perlhagen, with 39.5 percent of the votes, and Patrik Wahlén, with 23.3 percent of the votes.

2025 Annual General Meeting
Volati AB's 2025 AGM will be held at 17.00 on Monday 28 April 2025 at the Bond meeting room, GT30, Grev Turegatan 30, in Stockholm.

Notification
Shareholders may participate in the meeting in person or through a proxy. Shareholders wishing to participate in the AGM must:

- be entered in the share register kept by Euroclear Sweden AB as of Wednesday 16 April 2025 or, if the shares are nominee-registered, ask the nominee to re-register the shares no later than Tuesday 22 April 2025; and
- have provided notification of their participation no later than Tuesday 22 April 2025.

Further information about the AGM can be found at www.volati.se.

Events after the reporting date
On 3 February, the German label producer Clever Etiketten GmbH was acquired as an add-on acquisition for Ettiketto Group. The company has annual sales of around SEK 290 million.

Proposed appropriation of profits
The Board of Directors proposes that:

	SEK
Retained earnings	-186,482,415.96
Net profit	1,361,167,617.56
Share premium reserve	2,376,398,417.10
Total	**3,551,083,618.70**
be appropriated as follows:	
Dividend of SEK 2.00 per ordinary share, total	158,813,142.00
Dividend of SEK 40.00 per preference share, total	64,150,960.00
Carried forward	3,328,119,516.70
Total	**3,551,083,618.70**

Board statement on the proposed distribution
The proposed dividend reduces the Parent Company's equity ratio from 51.3 percent to 49.6 percent. The equity ratio is satisfactory, reflecting the fact that the Company's operations are conducted profitably. The assessment is that the Company's liquidity can be maintained at a similarly satisfactory level. The Board's understanding is that the proposed dividend will not prevent the Company from discharging its obligations in the short or long term or making necessary investments. The proposed dividend distribution can therefore be justified pursuant to Chapter 17, Sections 3.2 and 3.3, of the Swedish Companies Act (the precautionary principle).

Risks and uncertainties

Volati's financial position is dependent on a number of risks, categorised as financial risks and operational risks. Financial risks take the form of financing risk, interest rate risk, credit risk and currency risk, while operational risks are related to effects on the businesses' operations, as well as legal and regulatory risks.

Active risk management is necessary for the Volati Group to operate a successful business. The Group has a structured and proactive way of monitoring and minimising the most important risks. Volati applies the definition of risk as "a future event that threatens the Company's ability to achieve its vision, business concept, objectives and strategy". Volati and the business areas are conduct an annual overall risk assessment aimed at identifying, evaluating and managing risks that could have a negative impact on the Group's vision, business concept, objectives and strategy. The management groups conduct the risk assessment within the following categories: strategic risks, operational risks, compliance risks and financial risks.

Identified risks are then analysed based on the following three criteria:

1. Impact on the business concept, vision and objectives. The rating scale is from 'low' to 'severe'.
2. Probability that the risk will occur within the planning period. The rating scale is 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 standardised format, and the management of the Salix Group and Ettiketto Group business areas and the platforms in the Industry business area present an updated risk analysis to their own boards and Volati's Group management each year. Based on this reporting, the CEO identifies the risks affecting the Group's vision, business concept, goals and strategy. The CEO presents an overall 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 for top priority risks is also presented to each unit's board and to Volati's Group management and Board.

Financial risks

The main financial risks are *credit risk*, *liquidity risk*, *refinancing risk* and *obligations under credit agreements*, *interest rate risk* and *currency risk*. More information about these risks can be found in note 22 Financial risk management and financial instruments.

Macroeconomic factors

The Group's units operate in a number of different sectors. Volati is dependent on market demand for the products and services produced and provided by the businesses, which in turn are dependent on factors such as functionality and price. Demand is greatly affected by macroeconomic factors that are outside Volati's control, and demand for the

Group's products and services may be reduced during an economic downturn. Conditions in the global capital market and the economy as a whole affect the Group's operations, earnings and financial position. Factors such as consumption, corporate investments, inflation and the capital market's volatility and mood affect the business and economic climate. A weakening of these conditions in all or some of the Group's markets could have material adverse effects on the Company's operations, earnings and financial position. Pandemics may seriously affect demand for products and services – in the short term or over a longer period. New rules and regulations adopted in response to a pandemic could also lead to temporary closures of production sites and sales outlets. Pandemics may therefore have significant negative effects on the Company's operations, earnings and financial position.

The current war between Russia and Ukraine is affecting the world globally, but above all it is a humanitarian disaster for the Ukrainian people. Volati's direct economic exposure to Russia and Ukraine is relatively limited, but the war has also caused turbulence in world markets and contributed to the current weak economy. In general, there is a relatively unstable geopolitical situation with several armed conflicts, trade tariffs and protectionist trade agreements. This has a negative impact on consumption in Volati's countries of operation. Volati is closely monitoring developments.

Risks related to acquisitions and transfers of companies

A significant part of Volati's strategy involves growth through company acquisitions that either complement or broaden the Group's existing operations. There is a risk of Volati being unable to identify suitable acquisition targets or make acquisitions on acceptable terms. Corporate acquisitions also involve considerable risks in relation to the acquiree. The target company may be affected by unforeseeable costs, such as customer losses, regulatory charges or other unforeseen expenses following the acquisition. This could mean lower returns than expected and unforeseeable capital contributions. Integration costs may also be higher than calculated for Volati and expected synergies or efficiency effects may not materialise or be realised to the extent expected. These scenarios may have a negative effect on Volati's operations, earnings and financial position.

Operational risk

All business activities in the Group's units are subject to the risk of losses due to inadequate action, with the risk of irregularities and/or other internal or external events disrupting or damaging operations. Inadequate operational safety and security may have a significant negative effect on the Group's operations, earnings and financial position. Unauthorised access to information or data systems can result in data loss. There is also a risk that unplanned interruptions can lead to production loss, revenue shortfalls or delayed deliveries to customers. Several of Volati's units are dependent on one or more places of business or distribution and warehouse facilities, including supplies of goods from several other countries. If one of these establishments were destroyed or had to close for some reason, such as storms, floods, other natural disasters, riots, work blockades, industrial actions, fire, sabotage, acts of terrorism or government interventions, or if items of operating equipment or stock were significantly damaged, the business concerned would probably have difficulty in distributing its products or services.

Political risks – financial

Volati operates in 21 countries, with the majority of its operations in the Nordic region, and the political and social developments in these countries affect the Group. The Group's operations are affected by developments in the EU's single market, with free movement of goods, services, capital and people within the European Union. Changes in the functioning of the single market or turbulent political and social conditions in Volati's markets may have a negative effect on Volati's operations, earnings and financial position.

Disputes

There is a risk of the Group being involved in disputes. The outcome of such potential disputes may lead to significant expenses for Volati, have an adverse effect on Volati's reputation and distract senior management from their normal activities. If Volati were to be held responsible in a dispute, this could have a material negative effect on the Company's operations, earnings and financial position.

Regulatory risks

Competition law issues

If the Group acts in contravention of applicable competition regulations, this could result in charges and other sanctions for the parties involved. An example of this could be a business being deemed as abusing a position of dominance or participating in illicit anti-competitive cooperation in some context. In connection with acquisitions and divestments, the company itself, together with counterparties and the respective parties' advisors, conducts analyses related to competition law and other change-of-ownership issues and notifies competition authorities and other relevant authorities. If such an analysis is inadequate and/or the competition authorities or some other authority calls into question the transactions, analyses and/or notifications, this could result in charges for the parties involved and, in certain cases, the invalidation of implemented transactions.

Tax-related risks

Volati conducts its operations in a number of countries and is affected by applicable tax regulations in these countries at any given time. These include corporate tax, property tax, value-added tax, regulations on tax-free disposal of shares, other governmental and municipal duties, and interest deductions and subsidies.

Tax rules are continuously subject to change which may affect the Group's earnings and financial position.

Legislative amendments

Laws, directives and regulations or new interpretations that affect Volati's operations could be introduced. These could give rise to increased costs for the Group, which could ultimately affect shareholders' return, or could result in changes to the Group's legal structure or require a service or product to be changed or discontinued. This in turn could lead to the Company and its shareholders facing increased costs or other detrimental consequences, such as a less favourable tax situation or reduced sales revenues. Such risks could have negative consequences for the Group's operations, earnings and financial position.

Political risks – regulatory

The Group's business is exposed to general political and social risks in its countries of operation. These risks include potential government interventions and regulations.

Product liability, product recalls and project liability

Some of the businesses manufacture products that could cause personal injury or damage a customer's property if used incorrectly. The businesses could thereby be exposed to product liability and requirements for product recall if use of the relevant company's products cause, allegedly cause or are likely to cause injury or material damage. Volati does not have any control of how the products are actually used, and end customers may use them in a way that causes injury or material damage. There is a risk that faults in the Group's products or incorrect use of the products could give rise to product liability. This in turn could result in significant financial obligations and negative publicity, which could have adverse effects on the Company's financial position and earnings. Although Volati takes out customary liability and product liability insurance, there is a risk that Volati's insurance cover may be limited due to, for example, monetary thresholds and requirements to pay an excess.

Intellectual property rights

The businesses' intellectual property rights comprise registered patents and patent applications, registered trademarks and trademark applications, registered designs and domain names. The Group's operations are not deemed to be directly dependent on any individual intellectual property rights. However, there is a risk that competitors may, in various ways, challenge or circumvent the Group's IP protection, which could adversely affect the Group's or the relevant business's operations.

Environmental impact

Through its subsidiaries, Volati has certain operations that are environmentally hazardous and notifiable. In addition, some companies operate at properties that have some degree of environmental pollution, while certain companies have operated at properties that have become polluted due to previous activities. An environmental risk related to previous activities at a Salix Group property was identified in 2023. The risk has not yet been quantified as the size of the risk and the question of liability have still not been sufficiently investigated.

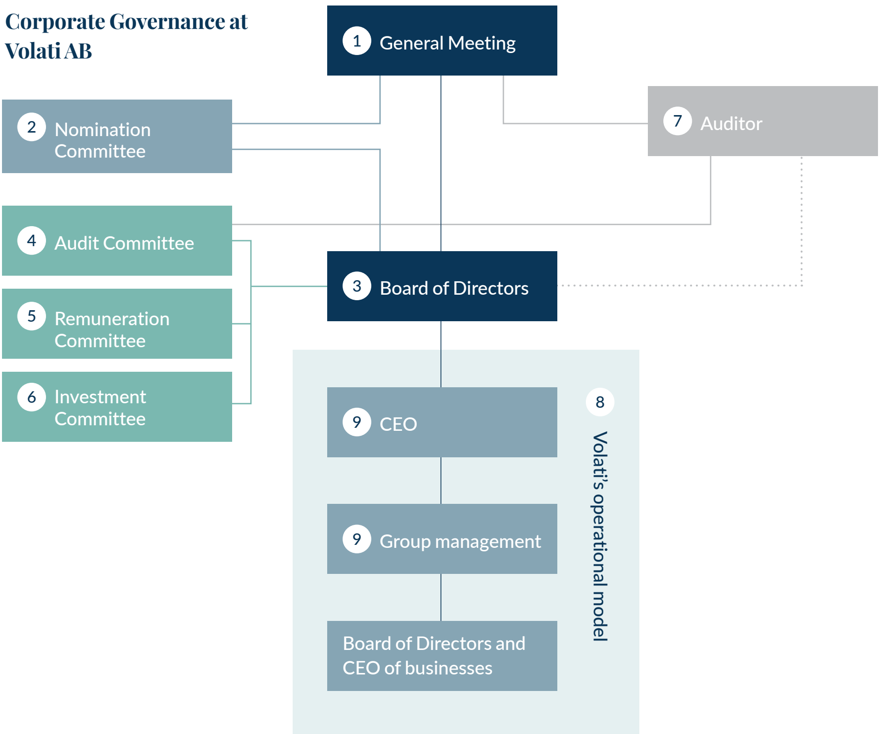
Volati is affected by the changes in society caused by climate-related risks. For example, Volati owns companies that work to enable digital infrastructure in the form of telecom, to ensure robust attachment of solar cells and to offer new building technology products for energy supply of the future. Also in dehumidification, there are products with solutions that can mitigate damage to buildings in the event of flooding and other emergencies, enabling the Group to go some way towards mitigating the impact of climate change.

Volati closely monitors the climate impact of its operations. This includes monitoring the Group's CO_2 emissions. We have clear external and internal targets for reducing the Group's climate impact, and our financing is linked to our ability to reduce the climate impact.

Corporate Governance Report

Volati AB is a public limited liability company whose ordinary and preference shares are listed on Nasdaq Stockholm (Mid Cap). Governance and control of Volati are exercised by shareholders at general meetings and otherwise by the Board, the CEO and other members of management. Governance and control are based on the Swedish Companies Act, the Articles of Association, Nasdaq's Rules, the Swedish Corporate Governance Code ("the Code") and internal rules and regulations. Volati believes that the Company has followed the Code throughout the year without any derogation. The Company's auditors have conducted a statutory review of the corporate governance report.

Corporate Governance at Volati AB



① General Meeting

The general meeting is Volati's highest decision-making body and it is by participating in general meetings that shareholders exercise their influence. The annual general meeting is held within six months of the end of the financial year. The financial statements are adopted at the AGM and resolutions are passed on matters that include appropriation of the Company's profit, Board and auditor elections, remuneration of Board members and auditors, and other statutory business to be dealt with at the AGM. Notice of the AGM and any extraordinary general meetings must be given in accordance with the Articles of Association. Shareholders who wish to have business dealt with at the AGM should submit a written request to bolagsstamma@volati.se or to Volati AB (publ), attn: CFO, Engelbrektsplan 1, SE-114 34 Stockholm, Sweden. To guarantee inclusion in the notice of the Annual General Meeting, the request must have been received well in advance of the AGM. Further information on how and when to provide notification of attendance will be published in advance of the Meeting.

Volati's ordinary shares entitle holders to one vote per share, while preference shares carry entitlement to one-tenth of a vote per share. Dividends on preference shares are regulated in the Articles of Association and have priority over ordinary shares. Preference shares represented 2.0 percent of Volati's shares at the end of the year. As preference shares carry entitlement to one-tenth of a vote, this means that the share of votes in Volati from preference shares corresponds to 0.2 percent.

2024 Annual General Meeting

At the AGM on 25 April 2024, 71,473,484 ordinary shares and 44,393 preference shares were represented, totalling 71,477,923.3 votes, which corresponds to 88.3 percent of the total number of shares and 89.8 percent of the total number of votes in the Company. The minutes are available at www.volati.se/en/investors/corporate-governance The meeting was held in Swedish.

The AGM decided on, among other matters, the election of the Board and auditors, and a cash dividend to ordinary and preference shareholders. The AGM authorised the Board of Directors to decide on acquisitions of the Company's ordinary and preference shares and to decide on transfers of the Company's own preference shares and new issues of preference shares in accordance with the Board's proposal. Under this mandate, the Board may, on one or more occasions during the period until the next AGM, decide on the acquisition of ordinary shares and the acquisition, transfer or new issue of the Company's own preference shares. The acquisition may take place on Nasdaq Stockholm or in accordance with an offer to all preference shareholders to acquire a number of shares or preference shares that results in the Company's holding of its own shares or preference shares amounting to no more than one-tenth of each of the classes of shares in the Company. The purpose of the acquisition, transfer or new issue of own preference shares is to enable an optimised capital structure and to allow the Company to use its own preference shares as payment for or financing of acquisitions of companies or businesses. The Annual General Meeting also adopted incentive programmes for senior executives of Volati AB.

2025 Annual General Meeting

Volati AB's 2025 AGM will be held at 17.00 on Monday 28 April 2025 at the Bond meeting room, GT30, Grev Turegatan 30, in Stockholm.

② Nomination Committee

The 2021 AGM adopted instructions for the Nomination Committee's composition and work in companies. These instructions, which apply until further notice, require Volati's Nomination Committee to have a minimum of three members, one of whom may be the Chairman of the Board. If the Chairman of the Board is on the Committee,the other members are appointed as follows: no later than six months before the AGM, the Chairman of the Board invites each of the two largest shareholders – based on Euroclear Sweden AB's list of registered shareholders on the last banking day of September of the current year – to appoint a representative to serve on the Nomination Committee. The instructions for the Nomination Committee can be found on Volati's website. Information on the Nomination Committee's composition, proposals and work prior to the 2025 AGM can also be found on Volati's website.

The Nomination Committee for the 2024 Annual General Meeting consisted of three members. Carin Wahlén, representing Patrik Wahlén, led the Nomination Committee's work. In the nomination work prior to the 2024 AGM, the Nomination Committee assessed both the composition and size of the current Board, and the Volati Group's operations. Special emphasis was placed on Volati's strategies and objectives, and what the Group's future direction is expected to mean for the Board. As a diversity policy, the Nomination Committee has applied point 4.1 of the Code, taking into account that the Board must have an appropriate composition, characterised by diversity and breadth with regard to Board members' skills, experience and background, that is appropriate to Volati's operations, stage of development and other circumstances. The Nomination Committee also worked on the goal of achieving a balanced gender distribution on the Board. The Nomination Committee recommended the re-election of Patrik Wahlén as Chairman of the Board and the re-election of Karl Perlhagen, Patrik Wahlén, Björn Garat, Christina Tillman, Anna-Karin Celsing, Magnus Sundström and Maria Edsman as Board members for the period up to the end of the next AGM. After the election at the 2024 AGM, three of the seven meeting-elected Board members are women (the CEO is not included in the total number of Board members). A report on the work of the Nomination Committee was submitted in the Nomination Committee's explanatory statement which was published prior to the 2024 AGM.

Nomination Committee for the 2025 AGM

On 21 October 2024, the Company published the composition of the Nomination Committee for the 2025 AGM: Carin Wahlén (chair) representing Patrik Wahlén, Jannis Kitsakis representing Fjärde AP-fonden, and Karl Perlhagen representing himself.

Shareholders wishing to submit proposals to the Nomination Committee can do so at the Company's address or by e-mail to bolagsstamma@volati.se.

The AGM resolves on the following:

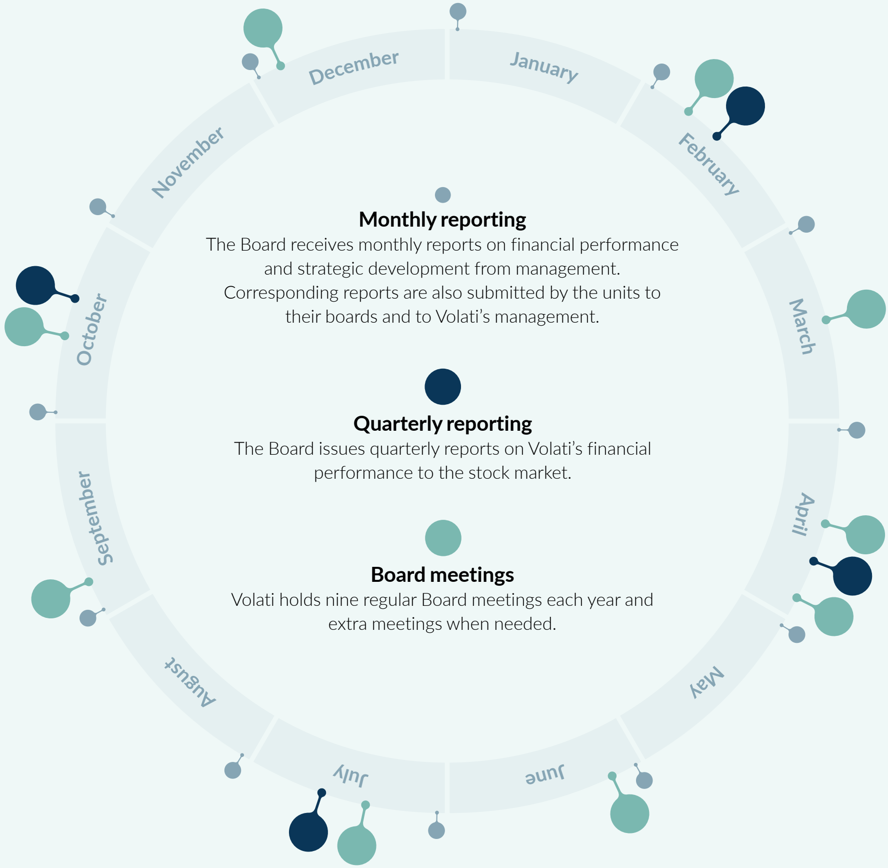
- Adoption of the Annual Report
- Dividend
- Discharge from liability for the Board and CEO
- Election of Board members and, if applicable, auditors
- Remuneration of the Board and auditors
- Guidelines for remuneration of Group management
- Other important business

The Nomination Committee's tasks include making recommendations to the next AGM concerning:

- Chairman of the Meeting
- Board members including number of members
- Chairman of the Board.
- Fees to Board members
- Other remuneration for Board assignments and any committee work.
- Election of auditors, if applicable, and auditor's fees
- Changes to the Nomination Committee's instructions, as required

Clear and methodical follow-up

Volati has an annual calendar scheduling selected topics for discussion by the Board at each Board meeting. Correspondingly, Volati's management has an annual calendar with Board meetings for each business area and platform (within Industry).



Monthly reporting
The Board receives monthly reports on financial performance and strategic development from management. Corresponding reports are also submitted by the units to their boards and to Volati's management.

Quarterly reporting
The Board issues quarterly reports on Volati's financial performance to the stock market.

Board meetings
Volati holds nine regular Board meetings each year and extra meetings when needed.

3 Board of Directors

According to the Articles of Association, the Board of Directors of Volati shall consist of a minimum of three and a maximum of ten ordinary members.

The Articles of Association do not contain any provisions on the appointment or dismissal of Board members or amendments to 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 its organisation on behalf of shareholders. The Board's work is led by its Chairman. The Board holds an annual statutory meeting following the AGM. In addition to this, the Board is required to meet at least five times annually. At the statutory Board meeting, the Company's signatories are appointed, and the Board's formal work plan, instructions for the CEO and the Board's instructions on reporting to the Board (referred to as the reporting instruction) are reviewed and adopted. The Company's Board meetings deal with business such as the Company's financial situation, acquisition-related matters, evaluation of the businesses and other relevant issues concerning Group companies. The Company's auditor attends and reports at the Board meetings at least once a year and more often when necessary. A quorum of the Board is attained when more than half of the members are present. At present, Volati's Board consists of seven members. In 2024, 9 meetings of the Volati Board were held and Board members' attendance is presented in the table below.

The Board has decided to perform an annual evaluation of the Board's work, whereby Board members are able to give their views on forms of work, Board materials, their own and other members' input, and the scope of the assignment. According to the evaluation, the work of the Board is considered to be functioning very well. All Board members are seen to be contributing constructively to strategic discussions and governance, and the discussions are viewed as open and dynamic. Dialogue between the Board and management is also considered to be very good.

4 Audit Committee

The Board has established an Audit Committee. The Audit Committee consists of three members: Magnus Sundström (Chairman), Patrik Wahlén and Björn Garat. The Committee includes the Chairman of the Board as a member, but the Committee Chairman must be a member who is independent of the Company and its shareholders. The Audit Committee shall fulfil the tasks specified in the Swedish Companies Act and the Auditing Ordinance. These obligations mainly include the following tasks

- monitoring the Company's financial reporting and making recommendations and proposals to ensure the reliability of the reporting;
- monitoring the efficiency of the Company's internal control, internal audit and risk management in the area of financial reporting;

Composition of the Board

						Meeting attendance,	
Name	Position	Elected	Independent of the Company	Independent of major shareholders	Total fee (SEK million)	In 2024	Audit committee 2024
Patrik Wahlén	Chairman	2006	No	No	0.6	9/9	4/4
Karl Perlhagen	Member	2003	No	No	0.3	7/9	–
Björn Garat	Member	2015	Yes	Yes	0.3	7/9	4/4
Christina Tillman	Member	2016	Yes	Yes	0.3	9/9	–
Anna-Karin Celsing	Member	2018	Yes	Yes	0.3	9/9	–
Magnus Sundström	Member	2018	Yes	Yes	0.3	9/9	4/4
Maria Edsman	Member	2023	Yes	Yes	0.3	9/9	–

- staying informed about the audit of the annual accounts and consolidated accounts, and the conclusions of the quality control by the Supervisory Board of Public Accountants;
- informing the Board of the results of the audit, how the audit contributed to the reliability of financial reporting and what was the Committee's function;
- examining and monitoring the auditor's impartiality and independence and in doing so, noting in particular whether the auditor provides the Company with services other than audit services;
- assisting in the preparation of proposals for resolution on the appointment of auditors at general meetings; and
- preparing the Board's decisions in the above matters.

5 Remuneration Committee

The Board has decided not to establish a remuneration committee, as the Board considers it more appropriate for the full Board to carry out the tasks incumbent on a remuneration committee in accordance with the Swedish Companies Act and the Code.

In terms of remuneration matters, this means that the Board will:

- prepare decisions on matters concerning remuneration principles, remuneration and other terms of employment for senior executives;
- monitor and evaluate ongoing programmes and programmes concluded during the year for variable remuneration of senior executives; and
- monitor and evaluate the application of the guidelines for remuneration of senior executives, which are legally required to be decided on at the AGM, and remuneration structures and remuneration levels in the Company.

In this context, the term senior executives refers to the CEO of Volati AB and the other members of Volati's Group management. The remuneration paid for 2024 is shown in note 5. The remuneration report for 2024 is published on the website. The current adopted guidelines for remuneration of senior executives are reproduced in full in note 5.

6 Investment Committee

The Board has established an Investment Committee. The Investment Committee consists of Chairman of the Board Patrik Wahlén (Chairman), Board member Karl Perlhagen, CEO Andreas Stenbäck and CFO Martin Aronsson. The Investment Committee's primary task is to examine and ensure the quality of decision-support material for acquisitions and divestments. In addition, the Committee has been given an investment and divestment mandate authorising it to make decisions on the acquisition and divestment of shares or operations of up to SEK 100 million per acquisition or divestment for the Group as a whole.

The Board appoints the members and Chairman of the Investment Committee, which must consist of a minimum of three and maximum of five members. The Investment Committee meets as necessary, and minutes of the meeting are kept.

7 Audit

An auditor is appointed annually by the AGM. The auditor's tasks are, on behalf of the shareholders, to audit Volati's annual accounts and consolidated accounts, and to examine the corporate governance report and administration of the Board of Directors and CEO. The audit process and audit report are presented at the AGM. At the 2024 AGM, KPMG Aktiebolag (KPMG) was elected as the auditing firm until the next AGM, replacing Ernst & Young Aktiebolag (EY). KPMG has appointed Helena Nilsson as chief auditor. Auditor's fees are paid in accordance with a separate agreement made in accordance with the AGM's decision. In 2024, audit fees to EY and KPMG were SEK 2 million for the Parent Company and SEK 11 million for the Group; fees for other auditing services were SEK 1 million.

8 Volati's operational model

Volati's operational model is based on decentralised governance of the businesses, which means that daily decision-making takes place in the companies, with limited involvement by Group management. The Group's strategy and governance model are based on the vision of being the best owner of medium-sized companies. This will be achieved by preserving the companies' independence while the Group creates long-term conditions and support for change. This is mainly accomplished through four areas: local entrepreneurship, active ownership, competence & leadership and value-creating add-on acquisitions. Volati has a flexible organisation which facilitates fast decision-making. A decentralised governance model creates a high level of entrepreneurship in the businesses, provides a clear responsibility framework and helps to ensure that Volati can continue to grow without excessive central resources. Volati believes that decentralised leadership is a key success factor for a scalable business model with several units operating in different sectors. A strong focus on local entrepreneurship creates the right conditions for effective and informed decisions. In order to secure value creation throughout Volati, a vision and a long-term strategy are developed for each unit. The long-term strategy is given concrete form through action plans and clear financial targets that are continuously monitored. The financial targets for each unit are focused on value creation and include growth, EBITA margin, cash conversion and return on capital employed.

Decentralised leadership involves great responsibility and confidence in the businesses' management, both in terms of delivering results and upholding Volati's values. Achievement of goals is ensured by creating clear incentives, such as part ownership, and facilitating career development for the Group's employees.

Corporate governance at Volati

To create conditions for value creation in a decentralised business model, Volati focuses on maintaining a high level of professional corporate governance within the Group.

Group management governs, controls and monitors the Group's operations, mainly by appointing business area managers, and CEOs and boards of the units in the Industry business area. Group management then monitors development as part of normal Board work and through monthly reporting from the business areas. The Boards of, and within, the business areas comprise one or more individuals from Group management and, where applicable, external Board members.

The Board meets in accordance with a carefully planned schedule aimed at maximising the units' long-term potential and maintaining profitability, even in a short-term perspective. Four annual Board meetings (as a minimum) that deal with various matters are combined with monthly reports to follow up strategic and financial targets.

In addition to a well-established calendar of Board meetings, Volati has a structured model for following up results, which permeates the entire Group. Monthly Board reports are complemented by informal contacts between Group management and management of the businesses on a daily basis, continuous risk assessment of the units, and annual assessments of profitability, market outlook and long-term strategy. Group management holds quarterly status meetings with the CEOs and CFOs of the Salix Group and Ettiketto Group business areas and the platforms in the Industry business area to follow up on financial development and strategic initiatives.

9 CEO and Management Group

Volati's CEO is responsible for the Company's day-to-day management in accordance with the rules of the Swedish Companies Act, and the instructions for the CEO and the reporting instruction established by the Board. The CEO's responsibilities include acquisitions and divestments, human resources, financial and accounting matters, and regular contact with the Group's stakeholders and the financial market. In addition, the CEO prepares delegation regulations for the Group's senior executives, and also employs and dismisses senior executives and establishes their terms and conditions (within the scope of the guidelines adopted by the AGM).

The CEO reports to the Company's Board and implements the Board's decisions. The CEO ensures that the Board, in accordance with the current reporting instruction, receives the information it needs in order to make informed decisions. The CEO also ensures that the Board is presented with matters that are required to be addressed by the Board under applicable legislation, the Articles of Association and internal policies and guidelines. The CEO attends and reports at all Board meetings, apart from occasions when the CEO is under evaluation by the Board and when the Board meets the Company's auditor without the presence of members of Company management.

The CEO has appointed a Group management that has day-to-day responsibility for different operations. Group management consists of the CEO, the CFO, the Heads of the Salix Group and Ettiketto Group business areas and the Head of Strategic HR. Group management meets regularly to manage and monitor current projects, Group-wide development issues and organisational matters.

Internal control and risks

In accordance with the Swedish Companies Act, the Board is responsible for the internal control and governance of the Company. In order to maintain and develop a functioning control environment, the Board has adopted a number of fundamental documents of key importance to financial reporting. These include the Board's formal work plan, the instructions for the CEO and the reporting instruction. In addition, a functioning control environment requires an established structure with continuous supervision. The main responsibility for day-to-day maintenance of the control environment lies with the Company's CEO. The CEO reports to the Company's Board on a regular basis. This is done in accordance with the current reporting instruction and the procedures set out below.

To ensure a relevant level of control, Group management and each unit establish a number of control activities to counteract the most significant risks identified in the risk analysis. These control activities serve as a basis for determining the minimum level of control that must be established and functioning within the Group and the relevant units.

The Group and businesses keep a list of identified risks and the control activities that must be established in order to counteract the risks, together with a description of how the control activities are monitored efficiently.

A self-assessment of minimum requirements is conducted annually and reported to the board of each business. The CEO of each business is responsible for the self-assessment process. The CEO compiles an annual summary of the main conclusions from the businesses' self-assessments for the Company's Board. Volati has not appointed an internal audit function, as this is not considered necessary for maintaining internal control. The corresponding tasks will be conducted instead by management, the boards and external auditors.

Process for financial reporting

Volati has a Group-wide reporting system, Ocra, for all units. The units also have separate accounting systems that are customised to their particular operations. Each unit reports on a monthly basis via Ocra.

1 Reporting from the businesses

Volati has a fixed schedule for financial reporting, with all companies submitting a complete monthly report package comprising an income statement, balance sheet, cash flow, specific notes, employment matters and investments. The reporting is based on the relevance for each platform (within Industry) or business area to ensure efficient monitoring and analysis. The report package complies with laws, regulations and accounting practice. Volati works continuously to provide training for the units and further develop the reporting process, in order to streamline the processes and improve data for the analysis of operations in a cost-efficient way.

2 Qualitative comments from the businesses

Each business area or platform (within Industry) submits monthly qualitative comments on developments in the last month in the areas of financial performance, specific strategic initiatives and other material information. The reports are submitted to Volati's management and to the board of each platform or business area.

3 Reconciliation

When Volati has received the reports, a reconciliation process is conducted to ensure that the reporting was done correctly and implemented in a technically correct way. The reconciliation is performed by Volati's function for consolidated financial statements.

4 Analysis

Volati's management analyses the reporting based on the available knowledge about each business area and unit. Group management holds quarterly status meetings with the CEOs and CFOs of the Salix Group and Ettiketto Group business areas and the units in the Industry business area to follow up on financial development and strategic initiatives.

5 Consolidation

Any deviations identified in the compilation of legal and operational monitoring or the analysis and reconciliation process are rectified following dialogue with the business. The consolidation process comprises the reconciliation of equity, intra-Group transactions, tax, investments and cash flow.

6 Reporting to the Board

Volati's management submits monthly reports to the Board on the Group's financial performance, information about the Group's development, the financial position, ongoing projects and certain specific key figures. The Board continuously monitors financial performance against Volati's financial targets. The Board receives more comprehensive material prior to each regular Board meeting, which may contain additional in-depth data about issues relevant to the theme for the meeting.

7 External reporting (quarterly)

Volati publishes quarterly reports and press releases. The Annual Report is printed and sent to all major shareholders, subscribers and other stakeholders, as well as to potential acquisition targets and business partners. Current and previous financial reports are available on the Company's website.

The Company is subject to the provisions of the EU Market Abuse Regulation No. 596/2014 (MAR) which contains strict requirements on how companies handle inside information. These include how inside information is to be disclosed to the market, under what circumstances disclosure may be postponed and in what way a company is obliged to keep a list (log book) of people who work for the company and who have access to inside information.

Volati uses the StrictLog digital tool to ensure that its management of inside information meets the requirements of MAR and the Company's insider policy – all the way from the decision to postpone publication of inside information to the notice being submitted to Swedish Financial Supervisory Authority when the insider event is over and the information has been made public. Only authorised persons in the Company may access StrictLog.

8 Audit

KPMG is the auditor for the Parent Company and Group as a whole. The units have KPMG as their local auditor, but there are a few exceptions for some of the units' minor subsidiaries that are newly acquired or based outside Sweden. In the autumn, the auditor conducts a review of internal control and management, which is reported to the units and Volati's management. For the year-end report, an audit is performed in December and the auditors are present for physical inventory counts. Meetings are also held with Volati's accounting function to discuss accounting estimates and other relevant issues during the audit of the year-end report. The auditor submits significant auditors' notes to the Board of Directors and the auditor attends Board meetings as required. The audit reporting process includes a traffic-light system whereby the observations are graded by risk, materiality and control. Each unit draws up an action plan to ensure that the auditors' notes are addressed. During the next review of internal control and management, the auditor checks that actions have been taken.

Board of Directors

From left: Christina Tillman, Karl Perlhagen, Magnus Sundström, Anna-Karin Celsing, Patrik Wahlén, Maria Edsman and Björn Garat.

Patrik Wahlén

Chairman of the Board since 2018, Board member 2005–2017. Born 1969.

Education: Business and Economics studies at Lund University.

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: 18,531,509 ordinary shares.

Karl Perlhagen

Chairman of the Board 2005–2017, Board member since 2018. Born 1970.

Education: Business and Economics studies at Lund University.

Other assignments: Chairman of the Board of Fridhem Fastighetsutveckling AB and Ullna Golf AB, Board member of Italo Invest AB (and assignments in subsidiaries of Italo Invest AB) and KPVS Holding AB.

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

Shareholding in the Company: 31,380,641 ordinary shares and 300,174 preference shares (through companies).

Björn Garat

Board member since 2015. Born 1975.

Education: B.Sc., International Economics, Linköping University.

Other assignments: CFO and Deputy CEO at AB Sagax (and assignments in its subsidiaries), Board member of Fastighetsbolaget Emilshus AB, Vassvik Förvaltning Aktiebolag and Paco Holding AB, and Deputy Board member of Manolo Holding AB.

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

Shareholding in the Company: 200,000 ordinary shares.

Maria Edsman

Board member since 2023. Born 1968.

Education: MBA, Stockholm School of Economics. Board of Directors training, Styrelseakademin

Other assignments: CEO at Bokusgruppen AB, Board member of Rusta AB and Bokhandlarföreningen.

Background: Board member of Lammhult Design Group AB and INTERSPORT AB. Also previously business area manager and CEO of Volati's former business area Akademibokhandeln (now Bokusgruppen) and part of Volati's management team. Former CEO of Brothers and Polarn O. Pyret.

Shareholding in the Company: 8,257 ordinary shares.

Christina Tillman

Board member since 2016. Born 1968.

Education: B.Sc. in Business and Economics, Stockholm University.

Other assignments: Acting CEO of Hunter Sales i Stockholm AB, Chairman of the Board of NF11 Holding AB, Board member of Corem Property Group AB, Grimaldi Industri AB and Footway Group AB, and Deputy Board member of Stocksund Financial Services AB.

Background: Previous roles include CEO of Odd Molly International AB and Gudrun Sjödén Group AB.

Shareholding in the Company: 4,091 ordinary shares and 300 preference shares.

Anna-Karin Celsing

Board member since 2018. Born 1962.

Education: MBA, Stockholm School of Economics.

Other assignments: Board member of Castellum, Landshypotek Bank, Peas Industries, Svensk Husproduktion, Tim Bergling Foundation, Stiftelsen Beckmans Designhögskola, Stiftelsen Orionteatern and Stiftelsen Dansens Hus.

Background: Head of Investor Relations at Swedbank, Head of Communications at Ratos, Chairman of SVT, Director of Swedish Financial Supervisory Authority. Several advisory roles and directorships within strategy, finance and corporate governance.

Shareholding in the Company: 10,000 ordinary shares and 2,000 preference shares.

Magnus Sundström

Board member since 2018. Born 1954.

Education: M.Sc., Industrial Economics, Linköping University.

Other assignments: CEO and owner of 1909 Gruppen AB and joint owner (50%) of B2B IT-Partner AB.

Shareholding in the Company: 854,758 ordinary shares and 29,739 preference shares through associated company.

Management Group

From left: Andreas Stenbäck, Åsa Holmgren, Martin Hansson, Martin Aronsson and Rikard Ahlin.

Andreas Stenbäck

CEO since 2021. Born 1979.

Education: M.Sc., Royal Institute of Technology, and B.Sc. in Business Administration and Economics, Stockholm University.

Other assignments: –

Background: Andreas comes most recently from his role as Volati CFO. He has previously worked at Keystone Advisers and MCF Corporate Finance.

Shareholding in the Company: 716,433 ordinary shares, and warrants carrying the right to purchase 221,281 ordinary shares.

Martin Aronsson

CFO since 2021. Born 1980.

Education: M.Sc. (Eng), Linköping University of Technology, and B.Sc., Linköping University.

Other assignments: –

Background: Martin has previously worked at Sweco and McKinsey & Company.

Shareholding in the Company: 2,002 ordinary shares. Purchase option for 225,000 ordinary shares and warrants carrying the right to subscribe for 296,554 ordinary shares.

Martin Hansson

Head of Business Area Salix Group since 2021. Born 1975.

Education: Law degree, University of Gothenburg.

Other assignments: –

Background: Martin previously worked for 4.5 years at the German holding company Maxingvest and before that 17 years in different roles at IKEA.

Shareholding in the Company: 10,404 ordinary shares and 0.6 percent of the shares in Salix Group, and purchase options in Salix Group.

Rikard Ahlin

CEO Ettiketto Group since 2016 and Head of Business Area Ettiketto Group since 2022. Born 1975.

Education: Engineering degree, Lund University (LTH, Faculty of Engineering).

Other assignments: –

Background: Rikard has worked in several sales and production roles within Ettiketto Group since 1998 and was appointed CEO in 2016.

Shareholding in the Company: 2,500 ordinary shares and 4 percent of the shares in Ettiketto Group.

Åsa Holmgren

Head of Strategic HR since 2024 Born 1967.

Education: M.Sc., Royal Institute of Technology, and Exec Ed, Stockholm School of Economics.

Other assignments: –

Background: Åsa has previously worked at EQT, Axel Johnson International, Ernst & Young Management Consulting and ABB.

Sustainability Report

Sustainability is an important building block in Volati's ambition to create long-term value over time. To continue to grow and be competitive in the long term, we need to integrate sustainability into everything we do. For Volati, this means identifying and harnessing the opportunities that well-developed sustainability work can create, combined with managing and minimising risks associated with sustainability. At Volati, there is a commitment to actively contribute to sustainable development and the necessary transition. Being the owner of successful companies involves a responsibility to set requirements, integrate and monitor sustainability in connection with investments and as part of the companies' business plans and performance. By establishing ambitious Group-wide targets and creating the right conditions, Volati can support its companies' transition journeys. Volati continuously develops analysis and monitoring to ensure proactive sustainability work that is conducted in line with stakeholder expectations, meets future legal requirements and strengthens competitiveness over time. These efforts reflect the view of sustainability as an integral part of the business operations and a prerequisite for achieving the overall goal of long-term value growth.

General information

The sustainability report is prepared on the same basis of consolidation as the financial statements and therefore relates to the whole Volati Group. The report has been prepared in accordance with the Swedish Annual Accounts Act as it applied prior to 1 July 2024 and has been audited in accordance with these requirements. To ensure that Volati is in line with upcoming legislative changes, this year's sustainability report is presented in a structure influenced by the European Sustainability Reporting Directive (ESRS), which in turn forms the basis of the EU Corporate Sustainability Reporting Directive (CSRD). The content of the sustainability report is therefore based on the Group's sustainability-related impacts and identified risks and opportunities, which are shown in the double materiality assessment that has been carried out and the resulting material topics. The material topics have been identified taking into account the Group's value chain and form a coherent line through the sustainability report.

Sustainability governance is part of Volati's overall corporate governance and risk management. For an overall view of the Group's strategic development, the sustainability report should therefore be read in conjunction with the corporate governance report and the financial statements. Where understanding is enhanced by information provided in other parts of the annual report, this is clarified in the relevant sections of the sustainability report.

Image: Heco

Sustainability governance

Board of Directors and senior executives

The Board bears ultimate responsibility for Volati's sustainability work and Group-wide sustainability targets. The Board receives regular reports on sustainability developments and is informed of Volati's material impacts, risks and opportunities, which means that sustainability matters can be integrated into the annual Board work. As sustainability is part of the Group's strategic agenda, it is integrated into the Board's annual planning. In addition to its inclusion in strategic discussions, sustainability was dealt with as a separate agenda item at four out of nine Board meetings in 2024. The Board defines and approves the Group's overall strategy, of which sustainability is an integral part. The strategy is concretised in an annual budget that defines the direction of the initiatives and the funding required to achieve the Group's sustainability targets.

The Board's composition contributes to supporting the Company's growth and the management of key issues. With its relevant market knowledge and operational experience, the Volati Board is considered well placed to make informed decisions about the Company's development and strategic direction. In individual cases, such as regulatory changes, the Board has the option of calling in external expertise.

Further information on the division of responsibilities within the Group, and on the Board's composition can be found in the Corporate Governance Report on pages 58–71.

Risk management and internal controls

As sustainability is part of Volati's risk management, sustainability-related factors are integrated into existing control activities. The Board bears overall responsibility for the Company's internal controls and governance, while the CEO has primary responsibility for maintaining a functioning control environment. Volati's CFO has been assigned the task of overseeing the sustainability reporting and ensuring that it complies with applicable legal requirements and guidelines. The CFO has operational responsibility for ensuring that the Company's sustainability-related impacts, risks and opportunities are evaluated in accordance with the current reporting framework.

To ensure the reliability of sustainability reporting, Volati works continuously to identify, analyse and manage risks of material errors in the reporting. In line with the sustainability policy, the businesses make annual disclosures according to established minimum requirements. In addition, Group management holds quarterly status meetings with the CEO and CFO of each entity. The data collection process for emission factors is conducted in accordance with the GHG Protocol. Significant uncertainties for sustainability data are mainly connected with data collection of emission factors. If data is unavailable, internationally accepted methods of estimation are applied.

Detailed information about risk management and internal control procedures can be found in the corporate governance report on pages 65–66.

Sustainability in day-to-day operations

As an integrated part of Volati's business model, sustainability is an important foundation for how the Group conducts its business. The decentralised governance model means that the majority of the operational sustainability work is conducted in each business. This places great demands on the individual management teams in terms of being able to identify and work on the impacts, risks and opportunities of their own business. As an active owner, Volati closely monitors its companies' development and provides them with resources for efficient operational sustainability work. The effectiveness of sustainability work is part of the overall performance evaluation for the Group's senior executives.

Volati's businesses have a wide spread in terms of industry and sector, which means that they face different sustainability aspects. As an active owner, Volati takes clear responsibility for strategic direction and by ensuring access to the right expertise, Volati is able to create the conditions for its businesses to develop. Key sustainability personnel have completed Group-wide training on sustainability matters, with a focus on increasing understanding of stakeholder expectations and providing practical knowledge on identifying sustainability risks and opportunities. The training included methods for analysing sustainability challenges for their own businesses and the link between these challenges and the businesses' targets and reporting. The training also focused on highlighting the financial effects of sustainability factors and the importance of balancing environmental, social and economic aspects for long-term sustainable development.

Group-wide governing documents represent a central part of Volati's sustainability work and the Board is responsible for approving and revising these documents. The CEO has overall responsibility for ensuring that these guidelines are followed in the operational work. The guidelines ensure that the whole Group works towards common goals, complies with relevant legislation and upholds the Group's values and standards. The operational sustainability work is guided by guidelines defined in the following policy documents:

- Code of Conduct
- Sustainability policy
- HR policy
- Guidelines for Volati's gender equality work
- Guidelines for risk management and internal control
- Financial policy
- Guidelines for financial reporting

Business model and strategy

Volati acquires and develops strong, successful businesses, with a focus on creating long-term value growth. Sustainable behaviour is a fundamental prerequisite for acting in line with what is best in the long term for Volati's value creation.

Volati's business model is fundamentally decentralised, based on the conviction that the best business decisions are made close to customers and the market. Similarly, senior executives in the businesses are best placed to drive the local sustainability agenda. As an active owner, Volati adds further value by ensuring strategic direction and the right management, capital allocation, training initiatives and knowledge sharing between the businesses. Volati supports the companies' transition journeys through Group-wide targets and has overall responsibility for their achievement. This work is ensured through a clear strategic agenda that is implemented through the Group companies' board work and strengthening of the Group's sustainability-related knowledge.

Volati monitors the development of each business to ensure that the best conditions are in place for the work to proceed in the right direction. The current strategy and associated targets are the result of a review of Volati's sustainability work.

Sustainability – an integral part of Volati's business model

The Group's sustainability targets reflect the integration of sustainability into business operations. The purpose of the sustainability targets is to measure and monitor the work that is carried out. An important prerequisite for long-term sustainability is a strong financial position. The sustainability targets should therefore be evaluated as a whole and together with Volati's financial targets.

Business ethics 17 PARTNERSHIPS FOR THE GOALS	Volati has zero tolerance for business ethics violations and all Volati companies must have effective procedures to ensure good compliance with the Code of Conduct, both internally and in the value chain.	**Target:** Zero business ethics incidents in the Group.	OUTCOME: 0 INCIDENTS
Environment & climate 13 CLIMATE ACTION	Volati will reduce the Group's own emissions (Scope 1 & 2) in line with the Paris Agreement's 1.5 degree target.	**Target:** 40 percent reduction in emissions by 2030 compared with the base year 2021.	OUTCOME: –26% EMISSIONS
Employees 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH	Volati will be an inclusive and safe workplace that welcomes employees with different backgrounds and experiences.	**Target:** By 2030, the Group's management teams will have a gender distribution in the range of 40–60 percent for each gender.	OUTCOME: 28% WOMEN

Image: Ettiketto

Sustainable acquisition process

Sustainability is one of the aspects taken into account in Volati's investment decisions. Volati sets requirements, integrates and monitors sustainability in connection with investments and as part of the business plans and results monitoring of the businesses. Volati's investment activities and actions as a responsible owner are based on the ten principles of the UN Global Compact, the OECD Guidelines for Multinational Enterprises, and the UN Principles for Responsible Investment (UNPRI). Volati does not acquire companies it considers to violate one or more of the UN Global Compact's principles Sustainability is an integral part of Volati's acquisition process, which means that environmental, social and corporate governance aspects are taken into account in analyses and investment decisions. Volati also works to ensure greater transparency on environmental and social issues and governance in the investments that are made. The overview below describes how Volati integrates sustainability into the Group's acquisition process.

Identify the acquisition object

Acquisition targets are primarily identified in the units in Volati's decentralised group structure, which enables a high acquisition rate. Acquisitions of new platforms are managed centrally by Volati. Identification of acquisition targets includes an evaluation of structural long-term sustainability aspects.

Evaluate the acquisition target's sustainability

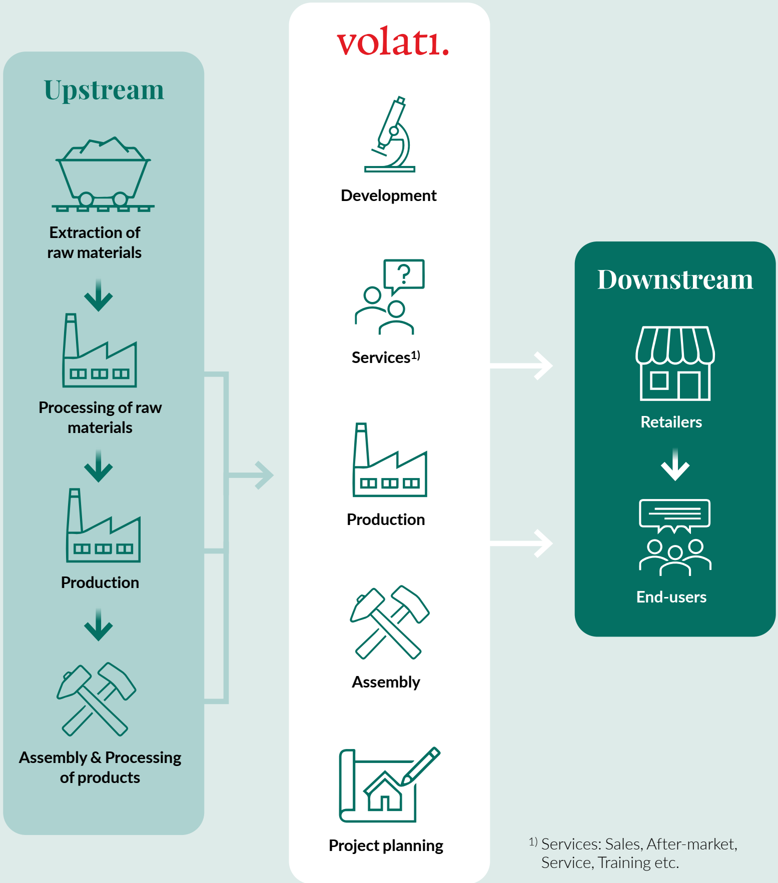
Volati's focus will always be on delivering long-term value to shareholders, and thus to find businesses with long-term sustainable business models. The acquisition process includes an evaluation of risks but also opportunities to successfully develop the target's business towards a sustainable business model.

Integrate the acquisition target

On completion of the acquisition, the acquired business is subject to Volati Group's sustainability targets, thereby guaranteeing a value-creating sustainability agenda. Volati's decentralised governance model also applies to work on sustainability. As an active owner, Volati ensures high awareness of sustainability, with professional corporate governance through active Board work. The acquired business reports sustainability indicators in the same way as the Group's other businesses, which Volati then analyses and follows up.

Volati's value chain

As a diversified Group, Volati has several different value chains. An overview of the main activities related to Volati's material impacts, risks and opportunities is presented below.



1) Services: Sales, After-market, Service, Training etc.

The value chain is defined on the basis of specific products or services and includes the main steps, from raw material extraction and processing to production, assembly and final consumption. For Volati, this also includes key activities such as product development, project planning and services including sales, the after-market, service and training. Working with retailers in relevant cases and focusing on the needs of end customers ensures that every link in the chain contributes to value creation.

Stakeholder engagement

An important part of Volati's long-term value creation involves actively listening to stakeholders. External factors that affect Volati and areas where the Group's operations affect the external environment are identified through continuous dialogue. This enables relevant sustainability matters to be mapped and creates the conditions for acting in line with what is best for the Group in the long term. In this way, Volati strengthens its role as an actor that creates long-term value for the Group's companies, stakeholders and for society at large. Analysis and monitoring is continuously developed in order to ensure proactive sustainability work that is conducted in line with stakeholder expectations and future legal requirements, while also strengthening competitiveness over time.

During the year, dialogue has been directed towards the upcoming sustainability reporting requirements. Stakeholders have been invited to share their views on the areas considered most relevant for Volati to prioritise. The work has focused on identifying both positive and negative impacts and assessing risks and opportunities related to Volati's financial performance, taking into account sustainability-related factors. The stakeholder views have been weighted and form part of the decision-making basis for the outcome of Volati's double materiality assessment.

Significant stakeholders	Dialogue channels	Purpose
Shareholders	• Ongoing dialogue • Quarterly reports and annual report	Strategic decisions are based on close dialogue with owners, which creates a common focus on long-term goals. Owner insights and engagement are a valuable asset that supports Volati in continuing to develop the vision of long-term value creation.
Financial providers	• Ongoing dialogue • Quarterly reports and annual report • Loan documentation	Keeping lenders informed of the Company's development and clearly communicating business plans enhances the conditions for financing and creates long-term relationships.
Investors/ shareholders	• Annual General Meeting • Quarterly reports and annual report • Investor dialogues • Presentations	Volati focuses on delivering long-term value and increasing engagement by providing shareholders with accurate and reliable information.
Platform representatives	• Ongoing dialogue • Standardised reporting • Board meetings	Development of the businesses is closely monitored through structured reporting and board meetings, complemented by informal contacts, in order to ensure the right conditions for growth and value creation.
Suppliers	• Ongoing dialogue • Follow-up meetings • Supplier audits	The businesses work systematically on setting requirements and dialogue with suppliers. Dialogue is aimed at promoting ethical business practices and prioritising sustainable relationships with suppliers who share Volati's values.
Employees	• Employee dialogues • Training • Employee surveys • Intranet by platform	To ensure long-term competitiveness, Volati endeavours to create a safe and inclusive work environment that encourages development. By identifying the needs of the businesses and being an active owner, the right conditions and strong common values are created.

Volati's double materiality assessment

In preparation for the forthcoming sustainability reporting requirements, Volati has updated its materiality assessment during the year. The assessment has been conducted in line with the European Sustainability Reporting Standards (ESRS) using the principle of double materiality, meaning that it is based on the perspectives of financial materiality and impact materiality. Financial materiality occurs when sustainability matters generate risks or opportunities that have a material influence on financial performance and long-term development. Impact materiality refers to the effects that the activity has on the environment and society, based on positive and negative impacts. The double materiality assessment has been carried out taking into account the topics and related sub-topics defined in the ESRS.

The double materiality assessment process

1 Current status analysis

An inventory of the Group's operations was carried out in the initial phase, focusing on the value chain. The analysis covered activities in Volati's own operations, upstream activities in the supply chain and downstream activities in the customer chain. Activities within each platform were mapped in order to ensure that the analysis covers Volati's entire operations. The scope of the mapping included the platforms' geographies, supplier relationships, and product and service offerings. In addition, market research was carried out in combination with mapping based on international frameworks.

2 Stakeholder dialogue

The process involved integrating the views of a selection of stakeholders. Dialogue was conducted with external stakeholders such as investors and owners, as well as internal stakeholders in the form of representatives from each platform. The dialogue focused on capturing relevant aspects of Volati's external environment and the stakeholders' focus areas.

The stakeholder dialogue was compiled in order to define the relevance of the sustainability topics and ensure a balanced view of Volati's risks and opportunities, and impact drivers.

3 Gross list of material topics

Based on analysis and stakeholder dialogue, a gross list of potentially material topics was issued. For financial materiality, risks and opportunities were assessed on the basis of the scope and likelihood of the financial impact. For impact materiality, positive and negative impacts were assessed based on severity and likelihood.

4 Establishing thresholds

Criteria and thresholds were established to prioritise the degree of materiality of each topic on the gross list. A threshold was also agreed for determining what are material sustainability topics. The identified impact drivers, and risks and opportunities were then assessed based on the following criteria:

1. Financial effect based on assessment of the degree of risk or opportunity. The rating scale is from 'low' to 'severe'
2. Severity of positive or negative impact. The rating scale is from 'none' to 'absolute'.
3. Likelihood of an impact materialising. The rating scale is from 'highly unlikely' to 'definite'.

5 Materiality assessment

Each item on the gross list was scored on the basis of the established approach. The result provided outcomes in four material topics with six associated sub-topics. For the results to be integrated into Volati's strategic planning in the future, it was crucial for decision-makers to be informed of their substance. The identified material topics were validated by internal key stakeholders, including representatives from Group management, and the results were presented to the Volati Board. Volati's senior executives have therefore been involved in the process, and the results will be integrated into the strategic work going forward.

Result of Volati's double materiality assessment

Volati's previous materiality assessment has been updated in order to reflect the result of the double materiality assessment. The topics identified as material in the new assessment are broadly reflective of previously identified factors. The current strategy and sustainability targets therefore include the areas most relevant to the business. One difference is that the materiality assessment for the year included a double perspective.

Material topic	Financial materiality/ Impact materiality	Occurrence in the value chain
Climate change • Climate change mitigation • Energy	 Risk, Negative impact Negative impact	Upstream Own operations Downstream
Resource use and circular economy • Resource inflows including resource use	 Negative impact	Upstream Own operations
Employees • Working conditions • Equal treatments and opportunities for all	 Opportunity, Positive impact Opportunity, Positive impact	Own operations
Business conduct • Business ethics including anti-corruption	 Negative impact	Upstream Own operations Downstream

Volati's material topics

Environment	Social	Governance
• **E1 Climate change** • E2 Pollution • E3 Water and marine resources • E4 Biodiversity and ecosystems • **E5 Resource use and circular economy**	• **S1 Own workforce** • S2 Workers in the value chain • S3 Affected communities • S4 Consumers and end-users	• **G1 Business conduct**

Environmental information

Volati's overall purpose is to generate long-term shareholder value. As part of this, Volati considers it part of its responsibility to contribute to the green transition. Business models that are not adapted risk losing competitiveness with regard to employees, customers and society at large. Through clear objectives, Volati wants to contribute to society's transition, based on the Company's unique conditions and business model.

Impact management is a complex and resource-intensive process that presents both challenges and risks. It is Volati's aspiration to create long-term value growth by balancing the risks and opportunities of climate change.

Through clear governance, ambitious goals and continuous follow-up, Volati strengthens its ability to contribute to a sustainable transition while creating value for both owners and society at large.

Image: Heco

Climate change

Impacts, risks and opportunities

The Group's climate impacts consist mainly of CO_2e emissions generated during production and operational activities. Energy consumption has been identified as an essential factor, as it accounts for a significant proportion of the related CO_2e emissions. Managing climate change impacts is a resource-intensive process and transition work can involve potential risks. Several of Volati's businesses are active in sectors where transition processes are extensive and require long-term commitment. At the same time, climate policy measures are placing increased demands on companies to comply with increasingly complex regulations. Volati works proactively to identify and manage sustainability-related risks while focusing on mitigating climate impacts.

Through clear goals and regular monitoring, structured work is carried out that combines risk management with initiatives to reduce the Group's climate impact. In accordance with Volati's materiality assessment, climate-related factors are reported in the areas of Climate change mitigation and Energy.

Climate change mitigation

The 2024 climate inventory showed that total CO_2e emissions within the Volati Group for Scope 1 and Scope 2 were 4,730 tonnes. Direct Scope 1 emissions, which include the Company's own vehicles and machines, boilers for heating and cold storage units, accounted for 54 percent of the Group's total CO_2e emissions during the year. Scope 2 emissions, generated from the consumption of purchased and procured energy, accounted for 46 percent of the Group's total CO_2e emissions.

Volati is affected by societal changes resulting from climate change. To effectively manage risks associated with changing consumer behaviour and stricter legal requirements, proactive work is being carried out to reduce the Group's climate impact and develop more sustainable products for customers. Transparency is strengthened through measurement, monitoring and targets, which are translated into concrete environmental and climate activities. The businesses report sustainability indicators in a standardised way, enabling analysis and monitoring of climate impacts and risks. Climate-related factors are taken into account in acquisition processes, and acquisition targets are evaluated based on long-term sustainability aspects. Opportunities to develop the operations of the acquisition targets towards more sustainable business models are also explored.

Among the platforms, there are certain operations that are notifiable environmentally hazardous activities. In addition, some of the Groups' companies operate at properties that have some degree of environmental pollution and others have operated in properties that have become polluted due to historical activities. An environmental risk related to previous activities at a Salix Group property was previously identified. The risk has not yet been quantified as the size of the risk and the question of liability have still not been sufficiently investigated. Volati's compliance with applicable laws and regulations in 2024 and no fines or sanctions related to environmental issues were imposed.

Climate mitigation is part of Volati's decentralised governance model and is based on a high level of awareness of the Group's impacts and the associated risks. The businesses within the Group design processes based on their own specific needs and climate impacts. To achieve these targets, the company is working actively to reduce the climate impact of purchased raw materials, products and services, and of transport and product use.

Climate inventories over the years have shown that the vehicle fleet is one of the

Group's largest emission categories. This has been addressed through structured measures to reduce the proportion of fossil fuel vehicles within the Group. By way of example, 99 percent of Salix Business Partner's forklift trucks are electric. This not only helps to reduce emissions, but also improves the work environment through higher air quality and lower noise levels. S:t Eriks is another example of a company that works continuously to phase out fossil fuel vehicles. As part of this work, the possibility of replacing diesel with HVO fuel for wheel loaders is being evaluated.

In 2024, the proportion of electric vehicles within the Volati Group was 45 percent, an increase from 40 percent in the previous year.

Energy

Energy consumption reported for 2024 includes electricity, fuel combustion, district cooling and district heating, which together accounted for 64 percent of the Group's total greenhouse gas emissions. To reduce the climate impact in the district heating category, efforts are focused on energy optimisation and efficiency improvements in the companies' properties, and on active selection of suppliers that offer good alternatives for energy sources.

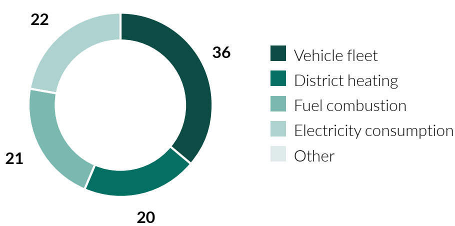
As many of Volati's operations are energy-intensive, the choice of energy purchased and energy efficiency are both crucial factors. The Group is working actively on energy efficiency, including measures to reduce electricity consumption. The businesses will endeavour to enter into contracts with suppliers of renewable sources to ensure a sustainable energy supply. Electricity consumption within the Group accounts for about 22 percent of the Group's total CO_2 emissions. Electricity is widely purchased with the Swedish Society for Nature Conservation's 'Good Environmental Choice' label, which is renewable, and with the highest possible environmental requirements. A major district heating supplier has set a target of using only fossil-free fuels by 2025. Another major supplier has a target to achieve net zero GHG emissions from its operations by 2035.

For energy consumption that is under the companies' direct control, several of them are taking responsibility for optimising energy use and finding sustainable solutions. One example is S:t Eriks, which has implemented a strategy to achieve 100 percent fossil-free and renewable fuels in its own work machines and transport to customers by 2030.

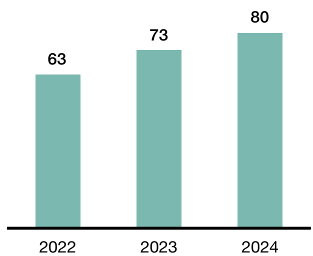
Governance

To pursue successful sustainability work requires some centralised governance of the Group's impacts and risks. As an active owner, Volati takes responsibility for setting strategic direction and defining guidelines that support

Emissions by category, %



Proportion of renewable electricity, %



the achievement of the Group's common goals. Volati has a structured process for setting the strategic agenda together with all of its businesses. The process involves developing the vision, business concept, goals and strategy.

Volati has developed a Group-wide sustainability framework in the form of a sustainability policy, which ensures that the businesses fulfil a number of minimum requirements. In addition to the minimum requirements, each business area and platform must adapt its sustainability efforts to the conditions and needs of its own businesses. To enable reliable measurement of Scope 1 and Scope 2 emissions, the policy states that the businesses must measure and collect data according to defined indicators. A standardised questionnaire has been produced and is completed annually by the Group's subsidiaries. To ensure comparability, emissions from acquirees are added to the defined base year. Volati's Code of conduct emphasises that all businesses are expected to analyse and take action in the sustainability areas where they can generate the best results. The Board has adopted these policies to support Volati and the businesses in successfully implementing sustainability activities and creating added value.

As the Group's credit facilities have been converted into sustainability-linked loans, the terms of the loans are partly linked to the Volati Group's work on reducing its CO_2e footprint. As progress is evaluated against the sustainability targets, continuous monitoring is required. Linking financing to sustainability targets further strengthens Volati's sustainability governance as an integral and prioritised part of the Company's operations and overall strategy.

Related policy documents

- Sustainability policy
- Code of Conduct

Activities during the year

Volati's sustainability governance aims to set standards at Group level, which in turn sets guidelines and enables climate mitigation and risk minimisation within the businesses. In 2024, Volati joined the Science Based Targets initiative (SBTi), marking a significant step in the Group's efforts to reduce its climate impacts. The SBTi is a global initiative that helps companies set science-based emission reduction targets in line with the latest climate science and the goals of the Paris Agreement. By joining the SBTi, Volati is committed to developing and setting concrete reduction targets and strategies that fulfil the SBTi criteria within a time frame of 24 months. This includes a comprehensive mapping of the Group's climate impact, including Scope 1, Scope 2 and relevant parts of Scope 3 emissions, and a detailed plan to reduce emissions. The commitment means that the Group will establish deeper climate targets to meet global climate requirements and drive sustainability work forward. The commitment also reflects a strategic prioritisation that combines development with the ambition to continue contributing to a global sustainable transition. At the same time, it strengthens the Group's long-term value creation by reducing climate-related risks and positioning the businesses for future requirements and opportunities.

Targets and outcomes

Environment & climate

Volati will reduce the Group's own emissions (Scope 1 & 2) in line with the 1.5 degree target of the Paris Agreement.

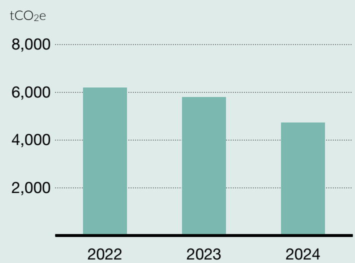
Target: 40 percent reduction in emissions by 2030 compared with the base year 2021.

OUTCOME:
–26%
EMISSIONS

In 2024, the Group's CO_2e emissions for Scope 1 & 2 were reduced by 26 percent compared with the base year 2021, which is a result of several sustainability shifts within the Group during the year, in line with the 2030 target. The proportion of electricity from renewable energy sources has increased to 80 percent, compared with 73 percent in the previous year. This corresponds to an emissions reduction of 1,062 tCO_2e between 2023 and 2024.

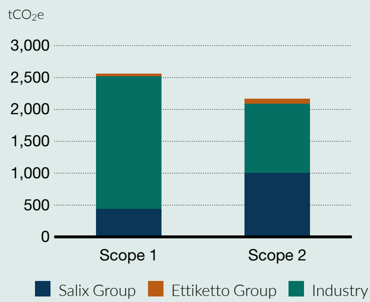
Changes in the vehicle fleet, namely a decline in the number of fuel vehicles and an increase in electric and hybrid vehicles, have contributed to an emission reduction of 387 tCO_2e between 2023 and 2024. In addition, optimisation of premises and switching to green electricity in several operations has resulted in significant emission reductions.

Scope 1 & 2 emissions



[1)] Acquired companies' estimated CO_2e emissions are added back for comparability.

Emissions by scope and business area



Resource use and circular economy

Impacts, risks and opportunities

Resource efficiency is a key focus in the area of environment and climate. By integrating sustainable practices, both environmental gains and economic benefits can be achieved. The circular approach also creates new business opportunities that enable strong competitiveness. As the Group is engaged in manufacturing activities, challenges in this area have been identified. A lack of circular flows and resource efficiency can lead to a negative environmental impact through resource use in the production of goods and services. To meet these challenges, Volati is working actively to steer the businesses towards sustainable production and circular resource flows.

Resource inflows

Resource inflows are the raw and other materials, energy and other resources necessary to run production and operations. These inflows are crucial for product manufacturing and include both renewable and non-renewable resources. As an active owner, Volati strives to steer its businesses towards a more circular focus by providing expertise and resources. The aim is to support the businesses in effectively managing resource inflows while adapting to changing consumer behaviour and meeting increased regulatory requirements.

Under Volati's decentralised governance model, the businesses set individual targets in addition to the Group-wide targets. The businesses work continuously on developing processes to integrate sustainable practices and promote circularity. As part of S:t Eriks' ambition to be climate neutral by 2045, the company has set a target to offer its customers climate neutral concrete by 2030. To achieve this target, S:t Eriks is investing in improvements to concrete recipes and manufacturing techniques that support more sustainable production processes.

As part of the commitment to offer customers sustainable solutions, all units within Ettiketto Group in Sweden have been certified. FSCR certification enables customers to trace the origin of materials, from the extraction of the raw material to the finished label. ISCC PLUS certification means that Ettiketto Group offers products made from renewable and bio-based plastic material. The material is traceable back to its origin, with every participant in the value chain having met the sustainability requirements of the ISCC PLUS standards.

Governance

To manage its impacts, Volati has defined a common direction to promote efficient and circular use of resources within the Group. The sustainability policy states that the businesses must comply with applicable laws and regulations and take responsibility for society's common resources. The Group-wide framework sets minimum requirements for sustainable resource management and limiting emissions of harmful substances when managing hazardous waste. The policy includes a standardised annual questionnaire to be answered by the businesses. The questionnaire includes resource use indicators that businesses are responsible for measuring and reporting. The Board has adopted these policies, which are there to support Volati and its businesses in achieving success in their sustainability activities.

As an active owner, Volati will develop its businesses towards a strong focus on circularity by providing leadership, expertise and resources. This is work in progress within the Group.

Related policy documents

- Sustainability policy
- Code of Conduct

Social information

At Volati, we have a fundamental belief that all people have equal value. With a diversity of stakeholders representing different backgrounds and cultures – both within the Swedish operations and through international operations, suppliers and customers – it is crucial that interactions are characterised by openness and respect.

To meet this need, Volati strives for a diverse workforce that is reflective of the communities in which the Company operates. Volati's ambition is to offer a work environment that is safe, secure and inclusive. A good work environment, where differences are welcomed and valued, promotes engaged employees and better decision-making, and enhances Volati's attractiveness as an employer.

Image: Ettiketto

Employees

Impacts, risks and opportunities

To minimise the risks posed by an overly homogeneous workforce, active efforts are made to maintain a healthy and safe work environment characterised by development opportunities. A key success factor for Volati is to ensure that the Group's businesses and their employees have access to the right expertise and continuous development. Competence and leadership are an integral part of Volati's business model and active ownership supports the businesses in reaching their full potential. This is central to positioning Volati as an attractive employer for both current and future employees.

Employee focus as a core part of Volati's business model creates competitive advantages, while generating added value and contributing to a positive impact for employees.

Health and safety

In some of the businesses, there are duties that involve a risk of occupational injuries, accidents or stress. To ensure safe working conditions, systematic work environment management is applied in each business in order to prevent accidents and ensure a good work-life balance.

Volati considers systematic work environment management an integral part of every manager's day-to-day work. With the support of Group-wide guidelines, the senior executives in each business must ensure that work environment management is conducted in a structured and effective way. The Group's HR policy states that each business area and the platforms must develop a work environment policy tailored to the specific needs of their businesses. The policy must ensure that processes comply with applicable national regulations and establish a clear framework for identifying, implementing and monitoring work environment measures. Senior executives are responsible for defining the work environment framework, monitoring the effective implementation of measures and ensuring that employees have the right skills, knowledge and tools to perform their tasks safely. To promote continuous improvements and maintain a good work environment, most businesses have established safety committees that meet regularly. Work environment management should also be based on other relevant policy documents, such as the businesses' alcohol and drug policy.

To maintain a healthy work environment, employees are continuously offered training, a fitness allowance and other health-promoting activities that enhance well-being in the workplace. Work environments are monitored annually through the employee interviews.

Diversity and equal opportunity

Volati works with commitment to attract, develop and retain qualified and engaged employees. A diversified workforce is a key success factor as it contributes to innovation and development by bringing new perspectives and ideas. To promote diversity and inclusion, active efforts are made to ensure that all employees are treated fairly and respectfully. Volati has a zero tolerance approach to discrimination and victimisation. The Company strives to create a work environment where everyone feels safe, valued and engaged in their work.

Volati's Code of Conduct describes Volati's values and expectations of employee behaviour. The requirement for Volati's platforms is that all employees are exposed to the Code of Conduct at least once a year, for example through training, group discussion or as part of a company meeting. The Group's HR policy states that each business area and the platforms must have documented guidelines and instructions for dealing with harassment, victimisation and discrimination. The documentation must be available to all employees and the guidelines clearly communicated.

Volati's HR policy sets out guidelines on how the businesses should work to integrate diversity in the workplace. The policy states that equality plans must be drawn up and implemented as part of the company boards' agendas. To ensure inclusive and transparent processes, each chairman and CEO is responsible for pursuing these processes and ensuring that the work is done in cooperation with both employees and trade union organisations. As part of this work, an annual analysis of the equality work is conducted, which includes a current status description, identification of challenges, priorities, proposed measures and a plan for follow-up.

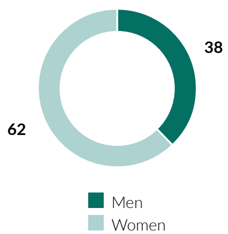
To strengthen diversity within the Group, there is a particular focus on gender mainstreaming in recruitment processes for managers, board members and management teams of the businesses. Responsibility for gender mainstreaming lies with each business, with the chairman of the board and the CEO playing a key role in driving the work forward.

Volati's gender equality work defines overall guidelines for how these processes should be applied within the Group. Several initiatives are being implemented to promote gender balance and strengthen equal leadership. The Group's leadership programmes ensure a gender perspective among participants, while a requirement for at least one female candidate to be included in the final stage of recruitment for senior executives creates more balanced recruitment processes.

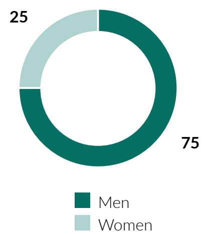
Competence and leadership

Competence and leadership are a fundamental component of Volati's business model. Systematic efforts are made to continuously develop the businesses and provide the support they require to achieve their full potential. As local entrepreneurship is applied within the Group, it is of particular importance for Volati to be an active owner and ensure that the businesses have access to the right expertise at management level and in key positions. In order to maximise and promote internal competence, a systematic approach to succession planning is pursued.

Gender distribution, Volati Management Program, since 2016, %



Gender distribution among employees, total[1], %



[1] For a detailed description, see note 5 on pages 120–123.

Strategic HR

Within Volati, the management teams and employees of the businesses are recognised as key players and drivers of the Group's success. The competence and commitment of the managers are crucial to driving development in line with the Group's vision and strategic goals.

Active work on strategic HR is carried out as a central part of the Group's business model. These efforts ensure that the businesses are provided with the leadership needed for long-term success. The work centres on providing skills development for existing employees and identifying new talent and future leaders. It also includes the ambition to establish Volati as an attractive employer, which further strengthens the ability to attract, develop and retain talent.

The strategic HR work is conducted in through three main areas – Volati Management Program, Volati Academy and Volati Knowledge. Learn more about Volati's work on competence and leadership and the Group's training programmes in the Value-creating business model section on pages 19–20.

Governance

Volati's decentralised governance model means that operational responsibility for the work environment lies primarily with the managers of each business. As an owner, Volati exercises governance through the appointment of senior executives, the provision of strategic direction and the formulation of guidelines and policies. The CEOs of each business are responsible for systematic work environment management, supported by the Group's policy documents, which ensure consistent processes based on common principles. These policy documents clarify the division of responsibilities and guidelines for dealing with personnel-related matters. All policies are reviewed and approved annually by Volati's Board.

To achieve the target for the Group's management teams to have a gender distribution within the range of 40/60 percent for each gender by 2030 at the latest, Volati is working actively on managing and monitoring gender equality processes. Gender equality is integrated as a key aspect when designing strategic HR initiatives, such as succession planning and the selection of candidates for the Group's training programmes. For these programmes, there is an clear ambition to recruit in a way that promotes a more equal organisation in the long term.

Board HR meetings

Volati has a clearly structured follow-up plan for the Group's strategic HR initiatives. The Group's annual calendar includes an annual HR Board meeting, during which the boards of each business area and the platforms present an evaluation of their management teams. These evaluations include a current status analysis, identification of challenges and a follow-up plan with prioritised actions and measures for the future, ensuring strategic and continuous development work.

Related policy documents

- HR policy
- Guidelines on Volati's gender equality work
- Code of Conduct
- Sustainability policy

Activities during the year

In 2024, Volati expanded its Group management team by creating the role of Head of Strategic HR. The aim of the new position is to strengthen the Group's focus on skills supply and leadership development. It will also increase the visibility of career opportunities within the Group. Making it easier for employees to access vacancies creates better opportunities for internal career development and growth within the Group. These efforts help to build an organisation that is equipped for success and long-term value creation. As part of this work, the further development of initiatives such as Volati Academy, Volati Management Program and Volati Knowledge is prioritised. A key step forward is to make Volati Academy available in English in order to optimise the integration of international leaders into Volati's networks and development initiatives.

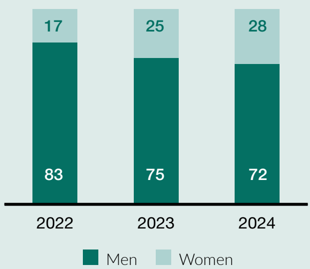
Targets and outcomes

Employees	Volati will be an inclusive and safe workplace that welcomes employees with different backgrounds and experiences.	**Target:** By 2030, the Group's management teams will have a gender distribution in the range of 40–60 percent for each gender.	OUTCOME: 28% WOMEN

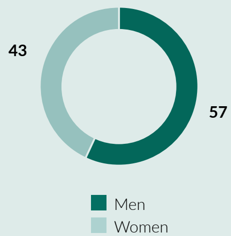
During 2024, work environment management has been strengthened through updated policies and more safety committees. Strategic skills and leadership work has been strengthened by creating the new role of Head of Strategic HR. The annual programmes Volati Management Program, Volati Academy and Volati Knowledge have continued, and to enable increased international participation, Volati Academy is now conducted in English.

Female representation in the Group's management teams has increased to 28 percent, another step in the right direction towards the target of a gender distribution in the range of 40/60 percent. To encourage this trend, Volati ensures that there is at least one female candidate in the final stage of recruitment for senior positions. The gender distribution in Volati's Board is 43 percent female and 57 percent male.

Gender distribution, Group's management teams, %



Gender distribution, Board, Volati AB



Governance information

Volati ensures good business ethics, high integrity and a reduced risk of irregularities throughout the value chain. The concept of business ethics includes laws and regulations as well as norms and values, and the businesses must work to counter corruption in all its forms.

Proactive risk management, structured processes and continuous monitoring create the conditions for an engaged, transparent and ethical business environment. Volati works actively to ensure compliance with the Group's business ethics requirements. The aim is to build lasting trust and long-term value in all parts of the organisation and throughout the value chain.

Image: Ettiketto

Business conduct

Impacts, risks and opportunities

Volati operates in certain markets and geographical areas that have high exposure to business ethics violations. As a responsible Group, owner and employer, Volati promotes a strong corporate culture based on common values. Volati applies common guidelines that ensure that all business relationships are based on the Group's business ethics standards. With structured corporate responsibility processes and proactive measures, Volati works to reduce risks of irregularities, both within the Group and throughout the value chain.

Corporate culture

Volati's Code of Conduct is an important part of the day-to-day work of all employees within the Group. It guides employees in making the right decisions and ensures that Volati remains a reliable and responsible player in all contexts in which the Company operates. All employees are expected to act and perform their work in accordance with Volati's governing documents. The Code of Conduct includes human rights, working conditions, equality, diversity, anti-corruption and environmental responsibility and is based on international frameworks such as the UN Global Compact, the ILO's fundamental conventions and the OECD Guidelines for Multinational Enterprises. To ensure compliance, all employees are required to study the Code of Conduct annually.

To avoid any derogation from the Group's corporate culture when companies are acquired, business ethics aspects are already taken into account in the acquisition process. Volati refrains from acquiring companies whose activities are not compatible with the OECD Guidelines for Multinational Enterprises and the principles of the UN Global Compact, or companies that Volati considers cannot be adapted to be compatible. The priority areas defined in Volati's sustainability policy must also be included in the company analysis that forms the basis for acquisition decisions.

Protection of whistleblowers

In line with legal requirements, Volati has a whistleblowing function that enables both employees and other stakeholders to report irregularities such as fraud, corruption or other misconduct that might otherwise go undetected. For full transparency in how cases are handled, whistleblowing is a separate section of the Code of Conduct. The integration into the Code of Conduct ensures that all employees know their rights and understand their responsibility to report suspected irregularities. Employees are required to report any irregularities to their immediate superior in the first instance. Employees wishing to make an anonymous report are referred to Volati's anonymous whistleblowing function. The whistleblowing function is available to both individuals and companies, including suppliers, who are not employees of the Volati Group. The communication channel is encrypted and password-protected, and all messages are treated confidentially. The Code of Conduct sets out clear guidelines on the division of responsibilities and information management within the investigation. The process complies with the GDPR and the Swedish Authority for Privacy Protection's guidance on handling personal data in whistleblowing systems.

To ensure the transparency of Volati's values, principles and guidelines for ethical behaviour, the Code of Conduct has been made publicly available on the Company's website www.volati.se.

Management of supplier relationships

Volati's Code of Conduct states that all businesses are to prioritise long-term and sustainable relationships with suppliers that share the Group's values. The businesses must have effective procedures to ensure ethical business conduct throughout the value chain. As part of its monitoring and evaluating of activities in the value chain, Volati has started issuing the Code of Conduct to key suppliers. In this way, Volati's business ethics and social expectations are clearly communicated. This indicator will help to increase transparency in the value chain while also providing a proactive function to strengthen quality in the supply chain. The aim going forward is to measure the indicator's development over time.

Anti-corruption and bribery

At Volati, there is zero tolerance for all forms of bribery and corruption. Corruption is defined as the abuse of a position of trust for personal or corporate gain, for example through bribery. It is prohibited to offer, promise or give, and to request, accept a promise of or accept a bribe that could influence someone to unduly favour the giver in the course of their duties. Suspected cases should be reported to the immediate superior in the first instance and employees can also report anonymously via Volati's whistleblowing service.

The businesses must apply proactive anti-corruption measures throughout the value chain. The CEO of each business is also responsible for maintaining an adequate anti-corruption programme and implementing additional measures as considered necessary. Each year, Volati's companies carry out comprehensive risk analyses to identify, assess and manage material risks. In recent years, Volati has expanded geographically and has operations in over 20 countries, with an emphasis on the Nordic region. Based on Transparency International's corruption index, it remains Volati's assessment that in most cases the businesses operate in countries that have a low risk of direct involvement in unethical business conduct. However, there may indirect exposure to suppliers that do not have the same low tolerance for unethical business conduct as Nordic companies. To counteract and manage these risks, the Volati businesses work systematically on setting requirements, conducting supplier audits and maintaining dialogue. Some of the businesses require suppliers to sign the Code of Conduct before signing contracts.

Governance

The local entrepreneurship and decentralised governance model give the business areas and platforms a high degree of freedom in their daily operations. Volati's values are based on individual responsibility, which places high demands on the integrity of employees. As a responsible and active owner, Volati works to guide the businesses in making the right decisions in their daily work. Policy documents are based on Volati's core values and are key tools that set minimum requirements for the entire Volati Group and guide the businesses and employees.

The Volati Code of Conduct allows the businesses to either directly adopt the Group's common Code of Conduct or establish their own code, which must, as a minimum, include the commitments in Volati's Code. The CEO of each business is responsible for communicating, implementing and following up the guidelines in the Code of Conduct as part of the company's sustainability agenda. The businesses' annual self-evaluation process for risks and internal control must include an evaluation of the compliance and effectiveness of the Code of Conduct.

Business ethics is a key focus area of the sustainability policy, which states that the Group's businesses shall work actively to prevent all forms of corruption and ensure compliance with applicable laws and regulations. Among the minimum requirements, it is noted that all businesses are to establish effective procedures to ensure good compliance with the Code of Conduct, both internally and throughout the value chain.

Related policy documents

- Code of Conduct
- Sustainability policy

Activities during the year

As part of the Group's sustainability agenda, the CEOs of the businesses have played a central role in ensuring that Volati's Code of Conduct is complied with and integrated into their day-to-day work during the year. This has been achieved by informing employees about the guidelines and principles covered by the Code of Conduct, and by regular monitoring to ensure that the guidelines are followed and practised consistently throughout the organisation.

Leaders within the Group have also worked to identify areas that may need further support or adaptation, thereby helping to strengthen the Group's corporate culture. Training and dialogue have been key tools in ensuring that employees feel equipped to act in accordance with Volati's business ethics standards. These efforts are part of Volati's commitment to building long-term sustainable value and creating a common understanding of the requirements and expectations that apply within the Group and in the value chain.

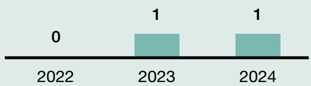
During the year, in accordance with Volati's performance monitoring model, Group management in the Salix Group and Ettiketto Group business areas and Industry's platforms held quarterly status meetings with each unit's CEO and CFO to follow up on risks. An updated risk analysis has been carried out for each business area and its units or platforms.

Targets and outcomes

Business ethics	Volati has zero tolerance for business ethics violations and all Volati companies must have effective procedures to ensure good compliance with the Code of Conduct, both internally and in the value chain.	**Target:** Zero business ethics incidents in the Group OUTCOME: 0 INCIDENTS

Volati works proactively to promote high business ethics and counters corruption through its code of conduct, stricter supplier requirements and risk analyses. The Group strengthened supply chain controls during 2024, and monitors risk levels based on Transparency International's Corruption Perception Index. With operations in over 20 countries, there is zero tolerance for corruption, and the whistleblowing function allows for anonymous reporting.

Reports in the whistleblowing function



Sustainability data

Key figures

	2024	2023
Environmental information		
tCO_2e emissions for Scope 1 & 2[1)]	4,730	5,791
CO_2e intensity (tCO_2e/SEK million net sales)	0.57	0.72
Proportion of renewable electricity (%)	80	73
Social information		
Staff turnover (%)	11.9	14.2
Proportion of sick leave (%)	5.5	5.3
Gender distribution, Board – proportion of women (%)	42.9	42.9
Gender distribution, Management group – proportion of women (%)	28.4	24.7
Gender distribution, all employees – proportion of women (%)	24.7	24.5
Number of reported incidents per 100 employees	10.0	8.7
Number of incidents resulting in sick leave (after 7th day) per 100 employees	0.8	1.5
Corporate governance information		
Proportion of companies subject to Volati's Code of Conduct (%)	100	100
Proportion of employees with access to whistleblowing function (%)	100	100
Number of business ethics incidents in the Group	0	0
Number of incidents reported in the whistleblowing function	1	1

[1)] Acquired companies' estimated CO_2e emissions are added back for comparability.

EU Taxonomy Regulation

In 2021, the EU decided to implement the EU Taxonomy Regulation. The taxonomy is a tool for comparing and identifying sustainable investments. The aim is to increase transparency for the public and investors regarding which economic activities are environmentally sustainable. The taxonomy is still in its early stages, and all economic activities are not yet included in the framework. For example, trading in goods is not covered by the Taxonomy Regulation, which means that Salix Group's entire activities still fall outside the defined areas of the Taxonomy. Volati has already implemented the EU Taxonomy Regulation and therefore complies with the reporting requirements for the 2023 reporting period. This means that the Group has identified the proportion of turnover, capital expenditure and operating expenditure related to taxonomy-eligible economic activities.

Outcome of the EU Taxonomy Regulation analysis

The outcome of the analysis of Volati's economic activities for 2024 in accordance with the EU Taxonomy Regulation is shown in tables 2, 3 and 4. The analysis was carried out on the basis of the main revenue-generating economic activities of the businesses. The analysis shows that a very small proportion of turnover is related to taxonomy-eligible economic activities. Based on 2024 turnover, less than 1 percent of total turnover is taxonomy-eligible, see table 2. Total turnover is taken from note 3 Segment reporting on page 102. The analysis also shows that no part of the identified capital expenditure (CapEx) is taxonomy-eligible (table 3) and that a negligible proportion of operating expenditure (OpEx) is taxonomy-eligible (table 4). Total CapEx is taken from note 10 Intangible assets, note 11 Property, plant and equipment and note 12 Leases, see pages 123–124.

Volati has significant CapEx related to right-of-use assets under IFRS 16. The CapEx related to right-of-use assets under IFRS 16 consists mainly of properties and vehicles held under leases. As the Group has limited ability to convert the existing leased properties to more green properties, the assessment has been made that property rents should be excluded from capital expenditure reported in the CapEx taxonomy table. For vehicles, this capital expenditure, attributable to IFRS 16, is significantly smaller than property rents and Volati has therefore decided to exclude these non-material amounts from the CapEx taxonomy table. Volati does not have any nuclear-related activities.

Assessment of qualification under the EU Taxonomy Regulation

The majority of the Group's activities are considered not to be taxonomy-eligible economic activities currently described in the EU Taxonomy. The economic activities identified as relevant are listed and described in table 1. Of all the companies in the Volati Group, only Scanmast has some taxonomy-eligible economic activity based on products, technologies or services. Scanmast's activities include maintenance and new construction related to electricity networks and electricity supply, eligible under 4.9 of the Taxonomy. Scanmast is also eligible under 7.3, as its services include installation and replacement of energy efficient light sources. The turnover, CapEx and OpEx relevant to the Taxonomy from the qualifying companies and their activities have been reported separately by each company. CapEx and OpEx from Scanmast linked to one or more of the Taxonomy-eligible economic activities was non-existent in relation to the Group's total capital and operating expenditure in 2024.

Assessment of identified economic activities' alignment with the EU Taxonomy Regulation

Given that a low proportion of Volati's activities are Taxonomy-eligible, these activities have not been analysed for Taxonomy alignment in 2024.

Comments on the results

The EU Taxonomy Regulation is still at an early stage and does not yet cover a large proportion of all economic activities in the market. It has been decided to prioritise the areas where major environmental improvements can be made. We note that our survey shows Volati is not engaged in the activities assessed by the EU as having the highest negative impact on the environment, which we see as positive.

Table 1

EU Taxonomy economic activity	The company's products/technologies/services
4.9 Transmission and distribution of electricity	Scanmast's contract work for maintenance and new construction related to electricity networks and electricity supply.
7.3 Installation, maintenance and repair of energy efficiency equipment	Scanmast's services that include installation and replacement of energy efficient light sources such as LED lamps in stadiums.

Table 2

Nuclear energy related activities	
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

Fossil gas related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Table 3

Turnover

	2024			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities	**Code(s)**	**Turnover (SEK million)**	**Proportion of Turnover, 2024 (%)**	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	**Minimum safeguards**	**Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) Turnover, 2023 (%)**	**Category – enabling activity**	**Category – transitional activity**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
Of which enabling																			
Of which transitional																			
A2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Transmission and distribution of electricity	4.9	5.4	0.07	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.09		
Installation, maintenance and repair of energy efficiency equipment	7.3	58.8	0.75	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.40		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**64.2**	**0.82**														**0.49**		
A. Turnover of Taxonomy-eligible activities (A.1 + A.2)		**64.2**	**0.82**														**0.49**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities (B)		**7,802.0**	**99.18**														**99.51**		
Total (A+B)		**7,866.2**	**100.00**														**100.00**		

Table 4

CapEx

		2024		Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities	**Code(s)**	**CapEx (SEK million)**	**Proportion of CapEx, 2024 (%)**	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	**Minimum safeguards**	**Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx, 2023 (%)**	**Category – enabling activity**	**Category – transitional activity**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
Of which enabling																			
Of which transitional																			
A2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Transmission and distribution of electricity	4.9	0.0	0.00	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00		
Installation, maintenance and repair of energy efficiency equipment	7.3	0.0	0.00	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0.0**	**0.00**														**0.00**		
CapEx of Taxonomy-eligible activities (A.1 + A.2)		**0.0**	**0.00**														**0.00**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities (B)		**739.1**	**100.00**														**100.00**		
Total (A+B)		**739.1**	**100.00**														**100.00**		

Table 5

OpEx

	2024			Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities	**Code(s)**	**OpEx (SEK million)**	**Proportion of OpEx, 2024 (%)**	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	**Minimum safeguards**	**Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) OpEx, 2023 (%)**	**Category – enabling activity**	**Category – transitional activity**
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)																			
Of which enabling																			
Of which transitional																			
A2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Transmission and distribution of electricity	4.9	0.0	0.00	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00		
Installation, maintenance and repair of energy efficiency equipment	7.3	0.0	0.00	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0.0**	**0.00**														**0.00**		
OpEx of Taxonomy-eligible activities (A.1 + A.2)		**0.0**	**0.00**														**0.00**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities (B)		**101.8**	**100.00**														**100.00**		
Total (A+B)		**101.8**	**100.00**														**100.00**		

Reporting principles for the EU Taxonomy Regulation

Below is an explanation of how each of the three KPIs, Turnover, CapEx and OpEx, have been produced, including the methodology used.

Turnover

Total Turnover (net sales) for the Group in 2024 (SEK 7,866 million) has been produced and determined without significant assumptions or estimates. This has been done according to the Taxonomy definition of turnover as set out in Directive 2013/34/EU on annual financial statements, consolidated financial statements and related reports. Turnover includes revenue recognised in accordance with IAS 1.82a.

CapEx

Total CapEx for the Group (SEK 739 million) is calculated as the sum of investments in assets, accounted for in accordance with IAS 16 Property, Plant and Equipment, IAS 38 Intangible Assets and IFRS 16 Leases (additions to right-of-use assets). Scanmast did not have any CapEx linked to taxonomy-eligible economic activities in 2024.

OpEx

Total OpEx for the Group (SEK 102 million) consists of direct expenses related to R&D, building renovation, short-term leases, maintenance & repair and all other direct expenditure related to the daily maintenance of property, plant and equipment – carried out by the Company or a third party hired for this purpose – required to ensure the continued and proper functioning of these assets. Examples of items included from the consolidated income statement are direct costs for Tools, repair and maintenance of machinery, and Development expenses. Scanmast did not have any OpEx linked to taxonomy-eligible economic activities in 2024.

Financial statements

Consolidated income statement

SEK million	Note	2024	2023
Operating income			
Net sales	3	7,866	7,796
Operating expenses			
Raw materials and supplies		–4,767	–4,790
Other external costs	6	–555	–487
Personnel expenses	5	–1,623	–1,521
Other operating income	2	37	12
Other operating expenses	2	–17	–11
Gain on disposal		0	5
EBITDA		**941**	**1,003**
Depreciation/amortisation excl. acquired surplus values.	10, 11, 12	–283	–266
EBITA		**658**	**737**
Acquisition-related amortisation	10, 11	–120	–97
Operating profit		**538**	**640**
Finance income and costs			
Finance income	7	40	51
Finance costs	7	–209	–208
Profit before tax		**369**	**483**
Tax	8	–86	–115
Net profit		**283**	**368**
Profit for the year attributable to:			
Owners of the Parent		273	356
Non-controlling interests		10	12
Basic and diluted earnings per ordinary share, SEK	9	2.63	3.68

Consolidated statement of comprehensive income

SEK million	Note	2024	2023
Net profit		**283**	**368**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Translation differences for the year	22	4	–37
Total		4	–37
Other comprehensive income for the year		**4**	**–37**
Total comprehensive income for the year		**286**	**331**
Total comprehensive income attributable to:			
Owners of the Parent		276	319
Non-controlling interests		10	12

Consolidated Statement of Financial Position

SEK million	Note	31/12/2024	31/12/2023
ASSETS			
Non-current assets			
Intangible assets	10	3,189	2,728
Property, plant and equipment	11	432	412
Right-of-use assets	12	574	571
Other non-current financial assets	13	4	4
Other shares and interests	13	2	2
Deferred tax assets	8	45	43
Total non-current assets		**4,246**	**3,761**
Current assets			
Inventories	14	1,561	1,391
Trade receivables	22	992	916
Current tax receivables		112	96
Other current receivables		71	78
Derivatives	22	0	–
Prepayments and accrued income	15	150	213
Cash and cash equivalents	22	317	96
Total current assets		**3,204**	**2,791**
Total assets		**7,451**	**6,552**

EQUITY AND LIABILITIES			
Equity	1, 16		
Share capital		10	10
Other paid-in capital		1,995	1,995
Other reserves		28	24
Retained earnings, including net profit		172	168
Equity attributable to owners of the Parent		2,205	2,197
Non-controlling interests		10	9
Total equity		**2,215**	**2,206**
Liabilities			
Non-current interest-bearing liabilities	17, 22	2,350	1,721
Non-current lease liabilities	12, 17, 22	402	426
Non-current non-interest-bearing liabilities	22	246	212
Pension obligations		4	4
Warranties and other provisions	19, 20	21	17
Deferred tax	8	448	370
Total non-current liabilities		**3,473**	**2,749**
Current interest-bearing liabilities	17, 22	7	16
Current lease liabilities	12, 17, 22	185	159
Advances from customers	19	131	152
Trade payables		747	577
Current tax liabilities		98	117
Derivatives	22	–	1
Accruals and deferred income	21	419	391
Other current liabilities		177	184
Total current liabilities		**1,763**	**1,597**
Total liabilities		**5,236**	**4,346**
Total equity and liabilities		**7,451**	**6,552**

For information on the Group's pledged assets and contingent liabilities, see note 23.

Consolidated Cash Flow Statement

SEK million	Note	2024	2023
Operating activities			
Profit before tax		369	483
Adjustment for non-cash items			
Depreciation, amortisation and impairment of non-current assets		403	363
Capital gain/loss on sale of non-current assets		–4	–4
Unrealised exchange differences		–5	7
Unrealised currency derivatives		0	0
Gains/losses on the disposal of operations and Group companies		0	–5
Contingent consideration remeasurement		6	2
Reversal of financial items		152	134
Other provisions		–4	2
Total adjustments for non-cash items		**548**	**500**
Interest paid, excl. lease interest		–124	–100
Lease interest paid		–35	–33
Interest received		5	5
Income tax paid		–127	–218
Cash flow from operating activities before changes in working capital		**636**	**637**
Cash flow from changes in working capital			
Change in inventories		–12	167
Change in operating receivables		91	120
Change in operating liabilities		65	–171
Cash flow from changes in working capital		**144**	**116**
Cash flow from operating activities		**780**	**753**
Investing activities			
Investments in property, plant & equipment and intangible assets	3, 10, 11	–113	–104
Sale of property, plant & equipment and intangible assets	10, 11	6	7
Business acquisitions	4	–636	-273
Investments in financial assets		–9	0
Divestments of financial assets		9	-
Divested operations and Group companies		2	4
Cash flow from investing activities		**–741**	**–367**
Financing activities			
Dividend on preference shares		–64	–64
Dividend on ordinary shares		–158	–151
Acquisitions and disposals of shares in Group companies held by NCI		–13	–40
Repayment of lease liabilities		–194	–182
Redemption of pension liability		–	–2
Proceeds from borrowings	18	635	70
Repayment of borrowings	18	–24	–141
Cash flow from financing activities		**183**	**–511**
Cash flow for the year		**222**	**–125**
Cash and cash equivalents at beginning of year		96	227
Exchange differences		0	–6
Cash and cash equivalents at end of year		**317**	**96**

Consolidated Statement of Changes in Equity

SEK million	Share capital	Other paid-in capital	Translation reserve	Retained earnings incl. net profit	Non-controlling interests	Total equity
Opening balance, 1 Jan 2023	10	1,995	61	53	17	2,136
Net profit	–	–	–	356	12	368
Other comprehensive income	–	–	–37	–	0	–37
Total comprehensive income	**–**	**–**	**–37**	**356**	**12**	**331**
Dividend	–	–	–	–212	–4	–216
Issue of warrants	–	–	–	1	–	1
Revaluation of liability for put option issued to non-controlling interest	–	–	–	–30	–10	–40
Other owner transactions	–	–	–	0	–6	–7
Closing balance, 31 Dec 2023	**10**	**1,995**	**24**	**168**	**9**	**2,206**

SEK million	Share capital	Other paid-in capital	Translation reserve	Retained earnings incl. net profit	Non-controlling interests	Total equity
Opening balance, 1 Jan 2024	10	1,995	24	168	9	2,206
Net profit	–	–	–	273	10	283
Other comprehensive income	–	–	4	–	0	4
Total comprehensive income	**–**	**–**	**4**	**273**	**10**	**286**
Dividend	–	–	–	–222	–	–222
Issue of warrants	–	–	–	3	–	3
Revaluation of liability for put option issued to non-controlling interest	–	–	–	–50	–8	–58
Closing balance, 31 Dec 2024	**10**	**1,995**	**28**	**172**	**10**	**2,215**

Notes to consolidated financial statements

NOTE 1 | Accounting policies

General information
The Parent Company Volati AB (publ), corp. ID 556555-4317, is a Swedish limited liability company with its registered office in Stockholm. The postal and visiting address of the head office is Engelbrektsplan 1, SE-114 34 Stockholm. The financial statements relate to the financial year 2024.

Presentation of the financial statements
The financial statements and notes are presented in SEK millions unless otherwise stated.

Basis of preparation
The consolidated accounts are prepared in accordance with the IFRS® reporting standards issued by the International Accounting Standards Board, as adopted by the European Commission for application within the EU.

The following IFRS standards and amendments are applied by Volati with effect from 1 January 2024:

Standards and amendments
- Classification of Liabilities as Current or Non-current – Amendments to IAS 1
- Non-current Liabilities with Covenants – Amendments to IAS 1.

New standards and amendments not yet applied by the Group
Amendments effective on or after 1 January 2025:
- IFRS 18 Presentation and Disclosure in Financial Statements – supersedes IAS 1. Mainly affects the structure of the income statement and defined subtotals.

Basis of consolidation
The consolidated financial statements are prepared in accordance with the Group's accounting policies and include the Parent Company and all Group companies.

Non-controlling interests
Non-controlling interests are recognised as a separate item in consolidated equity.

Put options over non-controlling interests
Put options over non-controlling interests are agreements with owners with non-controlling interests entitling them to sell their shares in the company at fair value. The agreement, i.e. the put option, which corresponds to the purchase price of the shares, is recognised as a liability. On remeasurement of the liability, the change in value is recognised in equity. When the put option is initially recognised as a liability, equity is reduced by the present value of the amount expected to be paid on exercise, whereby Volati has chosen to account for primarily non-controlling interests' in equity and, if this is not sufficient, in equity attributable to owners of the Parent Company. See also the section Financing risk in note 22. On the reporting date, these put options were measured at a market value based on a multiple analysis adjusted for the net debt in each unit.

Acquisitions
For acquisitions, subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group. An acquisition analysis is prepared for each acquisition, in which assets and liabilities are measured at fair value. The fair value measurement is to some extent based on management's assessment of the acquired company's future earnings capacity. Certain acquisitions are subject to contingent consideration, which is based on the outcome of the acquired company's earnings during a predetermined period. Management makes regular evaluations of the fair value of the contingent consideration liability, as well as an assessment of the future earnings development for the acquisition. Gains and losses arising from contingent consideration remeasurement and translation are recognised on a net basis as other operating expenses or other operating income. Gains and losses arising from contingent consideration discounting are recognised as finance costs. In the statement of financial position, contingent consideration with a maturity of more than one year is recognised under non-current non-interest-bearing liabilities and contingent consideration with a maturity of less than one year under other current liabilities. Acquisition-related costs are expensed as incurred and recognised under other operating expenses.

Foreign currency

Items included in the financial statements of each entity within the Group are reported in its functional currency. The consolidated financial statements are presented in Swedish kronor (SEK), which is the functional and presentation currency of the Parent Company.

Transactions

Exchange differences related to operating receivables and liabilities are recognised in operating profit, while exchange differences related to financial assets and liabilities are recognised as finance income or finance costs.

The following exchange rates were used for the principal currencies:

	2024		2023	
	Closing rate	Average rate	Closing rate	Average rate
EUR	11.459	11.432	11.096	11.477
NOK	0.972	0.983	0.987	1.005
USD	11.030	10.561	10.042	10.613

Financial statements of foreign entities

Income and expenses for foreign entities are translated into SEK at average exchange rates representing an approximation of the rates prevailing on the transaction dates. Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in the translation reserve in equity.

Revenue from contracts with customers

The Group has diversified operations.

In note 3, there is a summary of the most common performance obligations and payment terms that are found within Volati's different business areas.

The Group's revenue categories consist of revenue from the sale of goods and services, revenue from machine rental and other.

Sales of goods are partly conducted under framework agreements. For recognition of revenue, orders in combination with framework agreements are treated as contracts with customers and each separate product in the order is considered to be a performance obligation. In cases where there is a material right to receive discounts, this right is considered to be a separate performance obligation. Revenue is recognised at a certain point in time, as none of the criteria for the transfer of control over time are met. Control is normally passed on completion of delivery in accordance with applicable terms of delivery, which is the point when risks and rewards are transferred to the customer.

When control is passed over time, revenue is recognised based on the progress towards satisfaction of the performance obligation. The choice of method for measuring progress requires judgement and is based on the type of product or service in question. The cost by cost method is generally used to measure the contract's stage of completion as it best represents the transfer of control to the customer, which is the point when Volati incurs costs on performance obligations. Use of the cost by cost method measures the stage of completion based on costs incurred at a given point time in relation to the total calculated costs to fulfil the contract. Revenue including estimated fees or profits is recognised proportionately as costs are incurred. Costs incurred to fulfil a contract include salaries, materials and any subcontractors' costs, other direct costs and any material and manufacturing overheads.

In certain units, the Group recognises a provision for service warranties, reported as costs and liabilities at the inception of a contract, based on the contractual requirements that may arise and are considered probable.

In some contracts, a unit in the Group provides extended service warranties of up to ten years in addition to fixing defects that existed at the time of sale. Under IFRS 15, such service warranties are treated as separate performance obligations, whereby part of the revenue is allocated and apportioned over the term of the obligation. See also note 19.

The Group has contracts with variable remuneration in the form of volume discounts. Volume discounts are handled as a reduction in revenue at the time of the transaction for every performance obligation. This is based on the estimated discount under the customer agreement.

Contract assets and liabilities

Contract assets related to accrued project revenue are recognised in the statement of financial position as prepaid expenses and accrued income. Contract liabilities related to extended warranties to customers are recognised in the statement of financial position as warranty commitments and other provisions.

Government grants

Government grants are recognised at fair value when there is reasonable assurance that the grant will be received and that the Group will comply with any conditions attached to the grant. The grant is recognised as a reduction in the cost item to which the grant relates in the period in which the cost has arisen.

Finance income and costs

Net financial items includes dividends, interest income and expenses, interest charges on leases, costs for securing financing, bank charges, factoring charges and exchange rate changes relating to financial assets and liabilities. Capital gains/losses and impairment of financial assets are also reported under net financial items.

Intangible assets

Goodwill

The value of goodwill is tested annually by calculating the recoverable amount, i.e. the value in use for each company. Calculation of these values is based on assumptions about future conditions and estimates of parameters, such as discount rates and future cash flows. For information on the calculation of value in use for the year, see note 10.

Capitalised development expenses

Development expenses that are directly attributable to the development and testing of identifiable and unique products and business systems controlled by the Group are reported as intangible assets.

In the Group, these items consist largely of ERP systems and development projects.

Other development expenditure that does not meet these criteria is recognised as other external costs as it arises.

Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the intangible asset.

Estimated useful lives:

	Number of years
Patents	5
Trademarks	10–20
Technology	3–10
Customer relationships	10–20
Customer databases	5
Capitalised development expenses	3–7

In some cases, trademarks are considered to have indefinite useful lives as the Group has both the right and the intention to continue using the trademarks for the foreseeable future, while they generate positive cash flows for the Group.

Property, plant and equipment

Owned assets

Gains and losses on disposal are reported under other operating income/expenses.

Depreciation

Depreciation is applied on a straight-line basis over the useful life of the asset.

	Number of years
Buildings	20–50
Machinery and equipment	3–10

Calculation of recoverable amount of property, plant and equipment and intangible assets

See note 10 for a detailed description of the recoverable amount for intangible assets.

Leases

Leases

Right-of-use assets and lease liabilities are recognised in the statement of financial position for most contracts or components of contracts that qualify as leases. If the exemption for low-value leases and short-term leases (maximum lease term 12 months) is applied, these are not included in the lease liability but are recognised as an expense in the income statement. Low-value leases are leases of less than SEK 50 thousand. The Group applies the practical expedient in IFRS 16 and therefore does not separate non-lease components from lease components but accounts for each lease component and any associated non-lease components as a single lease component. See also note 12.

Right-of-use assets

Right-of-use assets consist essentially of rents for premises and warehouses etc. and leased cars and trucks. Right-of-use assets are depreciated on a straight-line basis over the useful life or the lease term, whichever is shorter. See also note 12.

Lease liabilities

The lease liabilities include the present value of the following lease payments: All future reasonably certain payment obligations related to the lease are included in the lease payments. Fixed fee/base rent is always included in the lease payment. Lease payments include fixed payments, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period to which they relate. See also note 12.

Financial assets and liabilities

Financial instruments recognised in the balance sheet include derivatives, cash and cash equivalents, securities, other financial receivables, trade receivables, loan receivables, trade payables and loan liabilities.

Equity

Share capital/other paid-in capital

A specification of share capital development can be found under 'Share information' in this annual report. Transaction costs directly attributable to the issue of new shares are recognised in equity, net of tax, as a deduction from the issue proceeds. In addition, costs attributable to transactions with minorities are recognised directly in equity.

Other reserves

Other reserves comprise the translation reserve, which includes all exchange differences arising on translation of foreign operations' financial reports prepared in a currency other than the Group's presentation currency.

Preference shares

Preference shares are reported under equity, as the preference dividend is subject to the decision of the AGM and only the Company can require the Company to buy back preference shares. Preference shares were issued in May 2015, giving entitlement to a priority dividend of SEK 40 per preference share (in quarterly payments of SEK 10). Following a decision by the Board, the preference shares may be redeemed at a fixed amount that is reduced from SEK 725 per share up to the fifth anniversary of the issue to SEK 675 per share up to the tenth anniversary and to SEK 625 per share for the period thereafter.

Employee benefits

Defined-contribution plans

Within the Group, there are only defined-contribution plans. Obligations under defined-contribution plans are recognised as a personnel expense in the income statement as earned.

Share-based payments

Outstanding option programmes are accounted for in accordance with IFRS 2 Share-based Payment. The fair value of granted warrants is calculated at the grant date using an accepted valuation model that takes into account market conditions, see note 5 for further information. Fair value has been paid for the warrants, which means that no expense has been recognised in the income statement. The amount paid for the warrants is recognised as an increase in equity.

Tax

Income tax consists of current tax and deferred tax. Taxes are recognised in the income statement except when the underlying transaction is recognised directly in equity or other comprehensive income, in which case the related tax effect is also recognised in equity or other comprehensive income.

Segment reporting

The Group's operations are governed and reported primarily by business area. Segments are consolidated in accordance with the same principles as for the Group as a whole. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the function responsible for allocating resources and assessing the operating segments' performance. In the Group, this function has been identified as the CEO. The CEO manages the Group's financial development at business-area level.

A segment's assets include all operating assets used by the segment and primarily comprise intangible assets, property, plant and equipment, inventories, external trade receivables, other receivables, prepaid expenses and contract assets.

A segment's liabilities include all operating and interest-bearing liabilities used by the segment and primarily consist of provisions, deferred tax liabilities, external trade payables, other current liabilities, accrued expenses, contract liabilities and deferred income. Unallocated assets and liabilities mainly include the Parent Company's assets, liabilities and Group eliminations of internal balances. See note 3 for further information on the Group's segments.

NOTE 2 | Other operating income and expenses

Other operating income	2024	2023
Income from sale of machinery and equipment	6	4
Guarantee compensation attributable to prior years	6	–
Insurance compensation	4	2
Government grant attributable to prior years	4	–
Contingent consideration remeasurement	0	3
Currency effects	6	2
Scrap/packaging/cement	0	0
Other	9	2
	37	**12**

Other operating expenses	2024	2023
Income from sale of machinery and equipment	–2	0
Currency effects	–9	–8
Contingent consideration remeasurement	–2	–
Other	–3	–4
	–17	**–11**

NOTE 3 | Segment reporting

At the reporting date, the Group's business areas consist of Salix Group, Ettiketto Group and Industry. Salix Group and Ettiketto Group are natural business areas with a clear industrial logic and the ability to grow independently through value-creating add-on acquisitions. The Industry business area consists of four businesses with leading market positions in their own niches. The businesses are manufacturing providers of solutions in various sectors. The businesses are well placed for rapid growth with a clear focus on long-term value creation.

	2024			2023		
Net sales[1]	External net sales	Internal net sales	Net sales	External net sales	Internal net sales	Net sales
Salix Group	3,585	4	3,588	3,397	5	3,402
Ettiketto Group	935	1	936	858	1	859
Industry	3,347	0	3,347	3,541	–	3,541
Internal eliminations		–5	–5		–6	–6
	7,866	**0**	**7,866**	**7,796**	**0**	**7,796**

[1] The business areas include acquired entities from the acquisition date. See note 4 on acquisitions completed during the respective periods.

Distribution of revenue 2024

Net sales[1)]	Sale of goods	Services	Other	Total revenue from contracts with customers	Equipment leasing	Other	Total
Salix Group	3,561	13	9	3,583	–	2	3,585
Ettiketto Group	919	15	0	935	–	–	935
Industry	2,636	627	–	3,262	77	7	3,347
	7,116	**655**	**9**	**7,780**	**77**	**9**	**7,866**

Distribution of revenue 2023

Net sales[1)]	Sale of goods	Services	Other	Total revenue from contracts with customers	Equipment leasing	Other	Total
Salix Group	3,371	21	4	3,395	–	2	3,397
Ettiketto Group	850	9	–	858	–	–	858
Industry	2,892	569	5	3,466	67	7	3,541
	7,112	**598**	**9**	**7,719**	**67**	**9**	**7,796**

[1)] The business areas include acquired entities from the acquisition date.
See note 4 on acquisitions completed during the respective periods.

The Group does not have any customers that individually represent more than 10 percent of the Group's net sales.

The performance obligations and payment terms for the main revenue categories are set out below.

Revenue categories	Performance obligation	Payment
Sale of goods	For the Salix Group, Ettiketto Group and Industry business areas, the performance obligation is satisfied at a point in time, i.e. when the customer has received the goods or has control over the goods. Within Ettiketto Group and Industry, some of the performance obligations are satisfied over time. Variable types of consideration such as discounts are treated as a reduction in revenue and measured based on management's assessment. In the Industry business area, performance obligations for warranties are satisfied over time.	Payment is immediate in some cases but no later than 30 days.
Services	Most services are found within the Industry business area. The associated performance obligation is satisfied at a point in time, which is when the customer has had the service carried out. There are also services in Industry, and here too the performance obligation is satisfied at a point in time.	Payment is in advance in some cases, but no later than 30 days.
Equipment leasing	This takes place in the Industry business area and here the performance obligation is satisfied over time.	Payment is in advance in some cases, but no later than 30 days.

See also note 1 for a further description of revenue streams.

Net sales by country[1)2)]	2024	2023
Sweden	5,687	5,545
Norway	674	723
Finland	536	652
China	57	165
Spain	228	115
Germany	151	103
Poland	26	102
UK	110	96
Denmark	100	78
Hungary	32	48
Latvia	34	39
United States	41	37
Ukraine	38	29
France	28	14
Estonia	12	13
Austria	24	10
Lithuania	8	9
Kenya	–	8
Hong Kong	7	6
Romania	1	4
Mexico	74	–
	7,866	**7,796**

1) The business areas include acquired entities from the acquisition date. See note 4 on acquisitions completed during the respective periods.

2) Net sales by country refers to the country in which the Group company that delivered the product or service has its registered office, which is usually the same as the end customer's market.

Non-current assets by country[1)]	2024	2023
Sweden	3,124	2,912
Norway	408	424
Finland	181	188
Spain	152	150
UK	17	18
United States	6	8
Germany	13	5
Latvia	0	2
China	2	1
Lithuania	0	1
Kenya	–	1
Denmark	283	0
Hungary	0	0
Ukraine	0	0
Estonia	0	0
France	5	0
Poland	2	0
Austria	0	0
Romania	1	0
	4,195	**3,712**

1) Non-current assets by country refers to the country in which the Group company that holds the non-current asset has its registered office, which is usually the same as the non-current asset's location.

EBITA[1)]	2024	2023
Salix Group	273	269
Ettiketto Group	200	159
Industry	240	385
Items affecting comparability[2)]	–3	–23
Central costs	–53	–53
Total EBITA	**658**	**737**
Acquisition-related amortisation	–120	–97
Net financial items	–169	–157
Profit before tax	**369**	**483**
Tax	–86	–115
Net profit	**283**	**368**

1) The business areas include acquired entities from the acquisition date. See note 4 on acquisitions completed during the respective periods.

2) See note 27 for definition and specification.

Operating profit[1]	2024	2023
Salix Group	238	250
Ettiketto Group	180	138
Industry	176	327
Items affecting comparability[2]	–3	–23
Central costs	–53	–53
Total EBIT	**538**	**640**

Depreciation[1]	2024	2023
Salix Group	132	106
Ettiketto Group	65	65
Industry	202	189
Parent Company/Other	4	3
	403	**363**

[1] The business areas include acquired entities from the acquisition date. See note 4 on acquisitions completed during the respective periods.

[2] See note 27 for definition and specification.

	2024		2023	
Assets[1]	**Total assets**	**Of which intangible and tangible assets**	**Total assets**	**Of which intangible and tangible assets**
Salix Group	3,996	1,985	2,932	1,457
Ettiketto Group	935	500	835	502
Industry	3,498	1,707	3,481	1,747
Unallocated assets	–979	3	–696	6
	7,451	**4,195**	**6,552**	**3,712**

Liabilities[1]	2024	2023
Salix Group	2,928	1,874
Ettiketto Group	796	640
Industry	3,082	3,169
Unallocated liabilities	–1,570	–1,337
	5,236	**4,346**

Acquisition value of intangible and tangible investments[1]	2024	2023
Salix Group	15	12
Ettiketto Group	50	25
Industry	48	67
	113	**104**

[1] The business areas include acquired entities from the acquisition date and divested operations until the date of disposal. See separate notes on acquisitions and disposals completed during the respective periods.

Note 4 | Business acquisitions

2024

The acquisition of Trejon Försäljnings AB was finalised on 25 January and an agreement to acquire all shares in Beslag Design AB was signed on 29 February. Both companies are add-on acquisitions for Salix Group. Trejon Försäljnings AB reported annual sales of SEK 300 million in 2022/23. Beslag Design reported annual sales of approximately SEK 190 million in 2023.

An acquisition in the Ettiketto Group business area was made on 16 September. The acquired company reported sales of SEK 7 million in 2023. On 11 December, all shares in Timberman A/S were acquired. This is an add-on acquisition for Salix Group. The company reported annual sales of approximately SEK 420 million in 2023.

The Group's earnings were affected by transaction costs of SEK 6 million for the above acquisitions. Goodwill of SEK 169 million arising from the transactions is supported by several factors, largely attributable to the acquired companies' synergies, employees and market shares. Contingent consideration cash settlements during the year amounted to SEK 23 million. The impact of the acquisitions on the Volati Group's balance sheet on the acquisition date is set out below.

Impact of acquisitions on balance sheet (SEK million)	Total
Intangible assets	395
Property, plant and equipment	3
Right-of-use assets	35
Deferred tax assets	3
Inventories	152
Trade receivables	109
Other receivables	4
Cash and cash equivalents	102
Deferred tax liability and other provisions	–94
Non-current interest-bearing liabilities	–8
Non-current lease liabilities	–29
Current lease liabilities	–6
Current liabilities	–110
Net assets	**556**
Goodwill	169
Purchase price for shares	**725**
Purchase price for shares	725
Net of deferred contingent consideration in the year's acquisitions and settled contingent consideration attributable to previous acquisitions	13
Less prepaid purchase consideration	0
Less cash & cash equivalents in acquired companies at the acquisition date	–102
Acquisition-date impact of acquisitions on the Group's cash & cash equivalents	**636**

Impact of acquisitions on income statement (SEK million)	Net sales	EBITDA	EBITA	EBIT
	Full year 2024	Full year 2024	Full year 2024	Full year 2024
Salix Group	403	52	47	31
Ettiketto Group	1	0	0	0
Industry	–	–	–	–
Volati Group	**404**	**52**	**47**	**31**

If the acquisitions had been consolidated with effect from 1 January 2024, their contribution to the Group's income statement, excluding transaction costs, for the full year 2024 would have been as follows: sales SEK 813 million, EBITDA SEK 122 million, EBITA SEK 117 million and operating profit SEK 78 million.

2023

The acquisition of the operations of the painting tool wholesaler Embo Import AB – an add-on acquisition for the Salix Group business area – was completed on 2 January. Embo Import AB reported annual sales of approximately SEK 25 million in 2021. The agreement was signed on 17 November 2022.

On 28 March, Volati acquired all shares in JW Installations Ltd (JWI), a distributor of grain handling equipment in the UK. This is an add-on acquisition for Tornum Group in the Industry business area. The acquisition was consolidated with effect from 28 March.

On 2 May, Volati acquired all shares in the packaging company Sweja Industriförnödenheter AB. This is an add-on acquisition for the Salix Group business area. The acquisition was consolidated with effect from 2 May.

On 6 September, Volati acquired all shares in Gunnar Prefab AB, a leading producer and supplier of prefabricated concrete products primarily for infrastructure. The acquisition, which is an add-on acquisition for the S:t Eriks platform, strengthens S:t Eriks' offering in barrier elements and foundations, as well as its existing operations. Gunnar Prefab reported annual sales of approximately SEK 81 million in 2022. The acquisition was conducted with immediate access to the shares.

On 22 November, Volati acquired all shares in Silos Metálicos Zaragoza S.L.U. (SIMEZA), a leading European manufacturer of storage solutions for the grain industry. The acquisition of SIMEZA is an add-on acquisition for Tornum Group and is the platform's fifth acquisition in three years. The acquisition creates significant synergies for Tornum Group, which will be able to offer a larger share of customer deliveries with its own products from now on. SIMEZA has sales of approximately EUR 10 million and good profitability.

On 14 December, Volati signed an agreement to acquire all shares in the machinery supplier Trejon Försäljnings AB. This is an add-on acquisition for Salix Group. Together with the existing business in Kellfri, the acquisition strengthens Salix Group's position in the forestry and agricultural machinery segment, and creates synergies in several areas. Trejon reported annual sales of approximately SEK 300 million in 2022/23.

The Group's earnings were affected by transaction costs of SEK 3 million for the above acquisitions. The transaction costs are reported under other external costs in the consolidated income statement. Goodwill of SEK 109 million arising from the transactions is supported by several factors, largely attributable to the acquired companies' synergies, employees and market shares. Contingent consideration cash settlements during the year amounted to SEK 50 million.

The impact of the acquisitions on the Volati Group's balance sheet on the acquisition date is set out below.

Impact of acquisitions on balance sheet (SEK million)	Total
Intangible assets	78
Property, plant and equipment	31
Right-of-use assets	13
Deferred tax assets	4
Inventories	95
Trade receivables	26
Other receivables	9
Cash and cash equivalents	46
Deferred tax liability and other provisions	–17
Non-current interest-bearing liabilities	–19
Non-current lease liabilities	–10
Current interest-bearing liabilities	–7
Current lease liabilities	–3
Current liabilities	–57
Net assets	**189**
Goodwill	109
Purchase price for shares	**298**
Purchase price for shares	–298
Deferred variable consideration	29
Less cash & cash equivalents in acquired companies at the acquisition date	46
Acquisition-date impact of acquisitions on the Group's cash & cash equivalents	**–223**

Impact of acquisitions on income statement (SEK million)	Net sales	EBITDA	EBITA	EBIT
	Full year 2023	Full year 2023	Full year 2023	Full year 2023
Salix Group	54	5	5	2
Ettiketto Group	–	–	–	–
Industry	88	19	16	15
Volati Group	**142**	**23**	**20**	**16**

If the acquisitions had been consolidated with effect from 1 January 2023, their contribution to the Group's income statement, excluding transaction costs, for the period 1 January to 31 December would have been as follows: sales SEK 314 million, EBITDA SEK 37 million, EBITA SEK 28 million and operating profit SEK 20 million.

NOTE 5 | Employees and personnel expenses

	2024			2023		
Average number of full-time equivalents per company	**Men**	**Women**	**Total**	**Men**	**Women**	**Total**
Volati Head Office	**7**	**8**	**15**	**7**	**9**	**16**
Industry						
Volati Industri AB	0	0	**0**	1	0	**1**
Corroventa						
Corroventa England	4	0	**4**	4	0	**4**
Corroventa France	3	0	**3**	1	1	**2**
Corroventa Norway	2	0	**2**	2	0	**2**
Corroventa Poland	2	0	**0**	1	0	**1**
Corroventa Sweden	31	11	**41**	29	10	**38**
Corroventa Germany	13	2	**15**	12	2	**14**
Corroventa Austria	3	0	**3**	2	0	**2**
Ettiketto Group						
Beneli AB	20	11	**31**	19	13	**32**
Etiprint Aktiebolag[1)]	0	1	**0**	–	–	–
Ettiketto AB	172	64	**236**	124	53	**177**
Ettiketto Trondheim AS	17	13	**30**	24	15	**39**
Ettiketto Produktion Malmö AB	0	0	**0**	25	8	**33**
Jigraf AB	0	0	**0**	2	2	**5**
Salix Group						
Beslag Design i Båstad AB[2)]	18	18	**36**	–	–	–
Duschprodukter Sweden AB	10	5	**15**	11	4	**15**
Duschy Marketing OU	2	2	**4**	4	2	**6**
Gunnar Eiklid AS	0	0	**0**	6	1	**7**
Habo Danmark A/S	5	1	**6**	5	1	**6**
Habo Finland OY	4	2	**6**	4	2	**6**
Habo Gruppen AB	20	17	**37**	21	20	**40**
Habo Norge AS	8	6	**14**	9	6	**15**
Heco Nordiska AB	22	34	**56**	21	34	**55**
Kellfri AB	40	18	**59**	35	20	**55**
Kellfri Aps	2	1	**3**	2	1	**3**
Kellfri Oy	3	0	**3**	3	0	**3**
Miljöcenter AS[3)]	1	0	**1**	–	–	–
Miljöcenter i Malmö AB	11	12	**23**	13	12	**25**
Nibu AS	13	10	**23**	14	7	**21**
Pisla Oy	35	31	**66**	46	40	**86**
Salix Business Partner AB	82	16	**98**	80	13	**93**
Salix Bygg och Emballagelösningar AB	3	0	**3**	3	0	**3**
Salix Group AB	2	4	**6**	2	3	**5**
Salix Hem & Beslag AB	2	2	**4**	2	1	**3**

Average number of full-time equivalents per company	2024 Men	2024 Women	2024 Total	2023 Men	2023 Women	2023 Total
Salix Home & Fittings OY	3	0	**3**	2	0	**2**
Salix Järn & Bygg AB	2	1	**3**	1	1	**2**
Shanghai Salix Trading Co Ltd	0	2	**2**	0	0	**0**
SIA Duschy Marketing	1	2	**3**	4	2	**6**
Skandinavisk Beslagkompani AB	5	4	**9**	5	5	**10**
Sørbø Industribeslag AS	39	6	**45**	34	4	**38**
TECCA AB	10	15	**25**	11	15	**26**
T-Emballage AB	21	8	**29**	16	9	**25**
Thomée Gruppen AB	17	14	**31**	19	17	**36**
Timberman A/S[4)]	10	7	**17**	–	–	–
Timberman AB[4)]	1	0	**1**	–	–	–
Trejon Försäljnings AB[5)]	17	5	**22**	–	–	–
UAB Duschy	2	1	**3**	5	1	**6**
Väggmaterial i Sverige AB	6	4	**10**	7	3	**10**
Scanmast						
Scanmast AB	66	16	**82**	72	13	**85**
Scanmast AS	1	0	**1**	0	0	**0**
Scanmast OY	4	0	**4**	0	3	**3**
MAFI Group AB	6	1	**7**	6	1	**7**
MAFI AB	17	3	**20**	18	3	**21**
MAFI East Africa	0	0	**0**	6	1	**7**
MAFI India Ltd[6)]	1	0	**1**	1	0	**1**
MAFI Shanghai Trading Ltd	2	2	**4**	2	2	**4**
MAFI US Inc	2	3	**5**	3	4	**7**
Volati Communication Holding AB	2	0	**2**	2	0	**2**
S:t Eriks						
Byggsystem Direkt AB	11	2	**13**	14	2	**16**
Gunnar Prefab AB[7)]	20	1	**21**	12	2	**14**
MEAG VA-System AB	0	0	**0**	12	1	**13**
Nordskiffer AB	5	1	**6**	3	2	**5**
S:t Eriks AB	361	64	**425**	381	67	**448**
Stenentreprenader i Hessleholm AB	16	2	**18**	14	3	**17**
Vinninga Cementvarufabrik AB	36	3	**39**	42	4	**46**
Tornum Group						
Apisa S.L.	36	5	**41**	33	4	**37**
JPT Industria Oy	25	3	**28**	28	3	**31**
SIMEZA[8)]	37	5	**43**	41	5	**46**
Terästorni Oy	44	3	**47**	44	3	**47**
Tornum Group AB	0	2	**2**	0	0	**0**
Tornum Latvia	7	1	**8**	7	1	**8**
Tornum Ltd[9)]	15	3	**18**	15	4	**19**

Average number of full-time equivalents per company	2024			2023		
	Men	Women	Total	Men	Women	Total
Tornum Poland	5	2	**7**	4	2	**6**
Tornum Romania	6	0	**6**	7	0	**7**
Tornum Sweden	62	8	**70**	50	10	**60**
Tornum Ukraine	9	2	**11**	9	2	**11**
Tornum Hungary	2	0	**2**	2	0	**2**
	1,489	**489**	**1,978**	**1,465**	**477**	**1,942**

1) Etiprint Aktiebolag was consolidated on 16 September 2024 and the number of employees is shown as FTEs for the period of consolidation into Volati.

2) Beslag Design i Båstad AB was consolidated on 29 February 2024 and the number of employees is shown as FTEs for the period of consolidation into Volati.

3) Miljöcenter AS was consolidated on 1 March 2024 and the number of employees is shown as FTEs for the period of consolidation into Volati.

4) Timberman A/S and Timberman AB were consolidated on 11 December 2024 and the number of employees is shown as FTEs for the period of consolidation into Volati.

5) Trejon Försäljnings AB was consolidated on 26 January 2024 and the number of employees is shown as FTEs for the period of consolidation into Volati.

6) Mafi India Ltd was consolidated on 26 September 2023 and the number of employees is shown as FTEs for the period of consolidation into Volati.

7) Gunnar Prefab AB was consolidated on 6 September 2023 and the number of employees is shown as FTEs for the period of consolidation into Volati.

8) SIMEZA was consolidated on 22 November 2023 and the number of employees is shown as FTEs for the period of consolidation into Volati.

9) Tornum Ltd was consolidated on 28 March 2023 and the number of employees is shown as FTEs for the period of consolidation into Volati.

Average number of full-time equivalents per country	2024			2023		
	Men	Women	Total	Men	Women	Total
Denmark	17	9	**26**	7	2	**9**
UK	19	3	**22**	19	4	**23**
Estonia	2	2	**4**	4	2	**6**
Finland	118	39	**157**	127	51	**178**
France	3	0	**3**	1	1	**2**
India	1	0	**1**	1	0	**1**
Kenya	0	0	**0**	6	1	**7**
Norway	81	35	**116**	89	33	**122**
Latvia	8	3	**11**	11	3	**14**
Lithuania	2	1	**3**	5	1	**6**
Poland	7	2	**9**	5	2	**7**
Romania	6	0	**6**	7	0	**7**
Shanghai	2	4	**6**	2	2	**4**
Spain	73	10	**83**	74	9	**83**
Sweden	1,121	375	**1,495**	1,080	359	**1,438**
Germany	13	2	**15**	12	2	**14**
United States	2	3	**5**	3	4	**7**
Ukraine	9	2	**11**	9	2	**11**
Hungary	2	0	**2**	2	0	**2**
Austria	3	0	**3**	2	0	**2**
	1,489	**489**	**1,978**	**1,465**	**477**	**1,942**

Distribution of senior executives on reporting date, %	2024 Men	2024 Women	2023 Men	2023 Women
Volati AB Board members	57%	43%	57%	43%
Other members of management, including CEO	80%	20%	100%	0%

Salaries and other benefits	2024	2023
Board and CEO, Sweden	6	6
Other employees, Sweden	724	724
Other employees, outside Sweden	333	255
	1,063	**985**
Of which bonuses to Board and CEO	–	–

Social security contributions	2024	2023
Contractual and statutory social security contributions	311	271
Pension costs for Board and CEO	0	0
Other pension costs	110	106
	422	**377**

Guidelines for remuneration of senior executives

The guidelines set out below for remuneration of senior executives were adopted by the 2024 AGM and apply until further notice (but not beyond the 2028 AGM).

These guidelines shall apply to remuneration that is agreed, and changes to already agreed remuneration, after the date on which the guidelines were adopted by the AGM.

In this context, the term senior executives refers to the CEO of Volati AB and the other members of Group management.

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

Volati's business strategy, in brief, is aimed at creating value by acquiring companies with proven business models, leading market positions and strong cash flows at reasonable valuations, and developing them with a focus on long-term value creation. More detailed information about Volati's strategic priorities is provided in the Company's annual report and on the Company's website.

Successful implementation of Volati's business strategy and safeguarding of its long-term interests is dependent on Volati being able to recruit, develop and retain senior executives with relevant experience, expertise and qualified leadership skills. It is therefore important for Volati to be able to offer its senior executives a competitive total remuneration.

On this basis, the Company shall endeavour to offer its senior executives conditions that are market-based and motivating, as well as well-balanced and reasonable based on the competence, responsibility and performance of the senior executives.

The remuneration guidelines are intended to provide a clear framework for remuneration of Volati's senior executives so that conditions can be formulated that benefit Volati's business strategy and long-term interests, including its sustainability, lasting growth and profitability.

Forms of remuneration

Remuneration may take the following forms:

- Fixed cash remuneration
- Variable cash remuneration
- Pension benefits
- Other benefits

Guidelines for fixed remuneration

Each senior executive shall receive fixed cash remuneration, i.e. a fixed monthly basic salary. This represents foreseeable remuneration that contributes to attracting and retaining qualified employees. Senior executives' fixed remuneration must be competitive and based on the individual's experience, area of responsibility and performance.

Guidelines for variable remuneration
Senior executives may receive variable remuneration in addition to fixed remuneration. Variable remuneration shall be linked to pre-defined targets and measurable criteria that can be financial or non-financial. The targets and criteria should be designed to promote Volati's business strategy, long-term interests and sustainability by having a clear connection to Volati's business objectives and/or strategies.

For variable remuneration, limits for the maximum payment shall be set for each individual senior executive concerned. Variable remuneration is paid in arrears and is conditional on the fulfilment of the linked targets or criteria. It shall also be shown to be sustainable in the long term and shall not have any material detrimental effect on Volati's position.

The AGM may also decide that variable remuneration will take the form of share-based payment in both the Company and its subsidiaries. In addition to promoting the Company's business strategy, long-term interests and sustainability, share-based payment must be designed to achieve an increased community of interests between senior executives and the Company's shareholders.

Whether the agreed targets or criteria for variable remuneration have been achieved will be determined when the relevant measurement period has ended. The Board is responsible for any evaluation of variable remuneration paid to the CEO. The CEO is responsible for any evaluation of variable remuneration paid to the senior executive concerned. For financial targets, the evaluation shall be based on Volati's most recently published financial information.

For each senior executive concerned, variable remuneration may represent a maximum of 25 percent of the fixed remuneration and, if full variable remuneration, pension benefits and other benefits are paid, a maximum of 14 percent of the total remuneration.

Guidelines for pension benefits
Pension benefits shall generally be paid in accordance with rules, collective agreements (which may involve a right to early retirement), and, if relevant, practice in the country where the senior executive resides permanently. This represents foreseeable remuneration that contributes to attracting and retaining qualified employees. Pension benefits shall be defined-contribution, unless the individual in question is covered by a defined-benefit pension in accordance with compulsory collective agreement provisions. Pension benefits are vested when they have accrued. Variable remuneration shall only form the basis for pension benefits if it follows from compulsory collective agreement rules.

For each senior executive concerned, defined-contribution pension benefits may represent a maximum of 33 percent of the fixed remuneration and, if full variable remuneration, pension benefits and other benefits are paid, a maximum of 19 percent of the total remuneration.

Guidelines for other benefits
Senior executives may be entitled to both general benefits offered to all employees and additional benefits. The benefits contribute to attracting and retaining qualified employees. Examples of other benefits that may be received by senior executives include car allowance, health insurance, household-related services and financial protection for family/survivors.

For each senior executive concerned, other benefits may represent a maximum of 15 percent of the fixed remuneration and, if full variable remuneration, pension benefits and other benefits are paid, a maximum of 9 percent of the total remuneration.

Guidelines for termination and severance pay
Employment contracts between Volati and its senior executives are normally permanent. The contracts may be terminated without objective grounds by either party. Salary during the period of notice and any severance pay due shall generally be in accordance with rules, collective agreements and practices. In addition, the following shall apply: If Volati terminates the employment, the period of notice shall not exceed 12 months. In addition, severance pay based on fixed monthly salaries may be paid for a maximum of 12 months. The total remuneration during the period of notice and period of severance pay shall not exceed a total amount corresponding to the agreed fixed monthly salary at the time of termination and contractual benefits for 12 months plus the fixed monthly salary for 12 months. If termination of employment is at the senior manager's request, the period of notice shall not exceed six months and

severance pay shall not be paid. If Volati chooses to apply a non-compete agreement in certain cases, fixed remuneration may be paid during the relevant period.

Consideration of remuneration and terms of employment for other employees

In preparing the Board's proposal for these remuneration guidelines, salary and terms of employment for Volati's other employees have been taken into account by ensuring that information about the Company's total salary costs and other personnel expenses is included in the Board's support material for these guidelines. This information is also included in the Board's annual remuneration report.

Decision-making process for establishing, reviewing and implementing the guidelines

The Volati Board or the Remuneration Committee, if such a committee has been established by the Board to fulfil its tasks, shall follow and evaluate the application of the guidelines for remuneration of senior executives, current programmes and programmes completed during the year for variable remuneration paid to senior executives and applicable remuneration structures and remuneration levels within Volati.

The Board shall prepare a remuneration report for each financial year and make the report available to shareholders on Volati's website no later than three weeks before the AGM.

If a Remuneration Committee is established by the Volati Board, it shall prepare the Board's proposal for guidelines for remuneration of senior executives. Every four years, or earlier if there is a need for significant amendments to the guidelines, the Board shall prepare proposed guidelines for resolution by the AGM, and if the Board has established a Remuneration Committee, the committee's recommendation in this regard shall form the basis for the Board's proposal. The Meeting shall decide on the proposal. The guidelines shall apply to each remuneration obligation to senior executives, and any change to such obligation, decided after the meeting at which the guidelines were adopted. The guidelines do not therefore have any effect on previously binding contractual obligations. The guidelines shall apply until the new guidelines are adopted by the AGM and made available to the public on Volati's website.

When the Board considers and decides on remuneration-related matters, the CEO and other members of Group management are not present, insofar as they are affected by the matters.

Right to decide on deviations from these guidelines

The Board may decide to occasionally derogate from the guidelines, in whole or in part, if there are special reasons for doing so in an individual case and such derogation is necessary to safeguard Volati's long-term interests, including its sustainability, or to ensure Volati's financial viability. As stated above, the tasks of any Remuneration Committee appointed include preparing the Board's decisions in the area of remuneration, including decisions to deviate from the guidelines. In its annual remuneration report, the Board shall report and explain any deviations.

Review of the guidelines, changes and explanation of how shareholders' views have been considered

These guidelines were proposed prior to the 2020 AGM, and shareholders have not had the opportunity to comment on them over and above their normal right to make proposals before the AGM.

Remuneration of Parent Company Board and senior executives

Volati's Board 2024, SEK million	Salary	Remuneration	Other benefits	Pension cost	Total
Patrik Wahlén, Chairman of the Board	–	0.550	–	–	0.550
Karl Perlhagen	–	0.250	–	–	0.250
Björn Garat	–	0.300	–	–	0.300
Anna-Karin Celsing	–	0.250	–	–	0.250
Maria Edsman	–	0.250	–	–	0.250
Christina Tillman	–	0.250	–	–	0.250
Magnus Sundström	–	0.325	–	–	0.325

Volati's senior executives 2024, SEK million	Basic salary	Variable remuneration	Other benefits	Pension cost	Total
Andreas Stenbäck, CEO[1]	4.2	–	0.0	0.4	4.6
Other senior executives (4)[2]	13.8	–	0.1	0.9	14.7

[1] In 2024, the Company's CEO acquired 145,516 warrants from Volati AB, which expire in July 2028. In 2023, the Company's CEO acquired 41,719 warrants from Volati AB, which expire in July 2027. In 2022, the Company's CEO acquired 34,046 warrants from Volati AB, which expire in July 2026.

[2] The Company's CFO holds 225,000 purchase options issued by Volati AB's principal owner, which expire in June 2025. As the purchase options were acquired at a market price, no cost has been reported, in accordance with IFRS 2. In 2024, the Company's CFO acquired 169,204 warrants from Volati AB, which expire in July 2028. In 2023, the Company's CFO acquired 41,719 warrants from Volati AB, which expire in July 2027. In 2022, the Company's CFO acquired 85,631 warrants from Volati AB, which expire in July 2026.

Volati's Board 2023, SEK million	Salary	Remunera-tion	Other benefits	Pension cost	Total
Patrik Wahlén, Chairman of the Board	–	0.550	–	–	0.550
Karl Perlhagen[1]	–	0.125	–	–	0.125
Björn Garat	–	0.300	–	–	0.300
Anna-Karin Celsing	–	0.250	–	–	0.250
Louise Nicolin[2]	–	0.125	–	–	0.125
Maria Edsman[2]	–	0.125	–	–	0.125
Christina Tillman	–	0.250	–	–	0.250
Magnus Sundström	–	0.325	–	–	0.325

Volati's senior executives 2023, SEK million	Basic salary	Variable remuneration	Other benefits	Pension cost	Total
Andreas Stenbäck, CEO[3]	3.6	–	0.0	0.4	4.0
Other senior executives (4)[4]	12.3	–	0.0	1.4	13.7

[1] Karl Perlhagen waived his Board fees for the period from the 2022 AGM to the 2023 AGM and Volati AB donated the corresponding amount to UNHCR.

[2] Louise Nicolin resigned as a Board member and Maria Edsman was elected to the Board at the 2023 AGM.

[3] The Company's CEO has increased his shareholding by exercising the option agreements on transferring of ordinary shares entered into with principal shareholders Karl Perlhagen and Patrik Wahlén in September 2019. After these transactions, the holding has increased from 2,800 to 705,433. In 2023, the Company's CEO acquired 41,719 warrants from Volati AB, which expire in July 2027. In 2022, the Company's CEO acquired 34,046 warrants from Volati AB, which expire in July 2026.

[4] The Company's CFO holds 225,000 purchase options issued by Volati AB's principal owner, which expire in June 2025. As the purchase options were acquired at a market price, no cost has been reported, in accordance with IFRS 2. In 2023, the Company's CEO acquired 41,719 warrants from Volati AB, which expire in July 2027. In 2022, the Company's CEO acquired 85,631 warrants from Volati AB, which expire in July 2026.

Remuneration of the CEO

Pension arrangements

The contractually agreed retirement age is 67. The CEO has an individual pension, whereby pension contributions can be made as the CEO decides, but the cost of such a pension is deducted from the CEO's salary.

Termination of employment

The reciprocal period of notice is six months. Volati AB does not have any agreements concerning termination benefits for the CEO.

Other senior executives

Variable remuneration

In accordance with the Group's guidelines, senior executives are entitled to variable remuneration A business area manager is entitled to variable remuneration which is individually tailored to the business area's operations. Underlying parameters for that manager's variable remuneration are profitability and individually defined parameters. The ceiling for variable remuneration is 25 percent of the fixed remuneration.

Pension arrangements

Senior executives have individual pensions, whereby pension contributions can be made as each particular senior executive decides, but the cost of such a pension is deducted from the executive's salary. Senior executives have a contractually agreed retirement age of 67.

Termination of employment

None of the senior executives are entitled to termination benefits. The mutual notice period for senior executives is six or twelve months.

Warrant programme Volati 2024

At the Annual General Meeting in April 2024, a resolution was passed, in accordance with the Board's recommendation, to introduce a warrant programme under which the Company invites four key employees to acquire warrants of series 2024/2028 in the company. Each warrant entitles the holder to subscribe for one new ordinary share in Volati from 25 April 2028 to 25 May 2028 (inclusive). The exercise price is SEK 148.75 per ordinary share, corresponding to 150 percent of the reference price.

The calculated fair value on the grant date in April 2024 was SEK 5.91 per option. The fair value was calculated using a Black & Scholes valuation model, taking into account the market conditions at the grant date.

All of the key employees accepted the offer, consisting of a total of 343,137 warrants, of which the subscribed number was 338,408 on the reporting date. Equity increased by SEK 2 million on the grant date. As the warrants were acquired at a market price, no cost has been reported, in accordance with IFRS 2.

Warrant programme Volati 2023

At the Annual General Meeting in April 2023, a resolution was passed, in accordance with the Board's recommendation, to introduce a warrant programme under which the Company invites five key employees to acquire warrants of series 2023/2027 in the Company. Each warrant entitles the holder to subscribe for one new ordinary share in Volati on 26 April 2027 and for three months thereafter. The exercise price is SEK 124.97 per ordinary share, corresponding to 126 percent of the reference price.

The calculated fair value on the grant date in May 2023 was SEK 15.82 per option. The fair value was calculated using a Black & Scholes valuation model, taking into account the market conditions at the grant date.

All of the key employees accepted the offer, consisting of a total of 146,578 warrants, of which the subscribed number was 100,098 on the reporting date. Equity increased by SEK 2 million on the grant date. As the warrants were acquired at a market price, no cost has been reported, in accordance with IFRS 2.

Warrant programme Volati 2022

At the Annual General Meeting in April 2022, a resolution was passed, in accordance with the Board's recommendation, to introduce a warrant programme under which the Company invites four key employees to acquire warrants of series 2022/2026 in the company. Each warrant entitles the holder to subscribe for one new ordinary share in Volati on 27 April 2026 and for three months thereafter. The exercise price is SEK 187.64 per ordinary share, corresponding to 139 percent of the reference price.

The calculated fair value on the grant date in May 2022 was SEK 13.59 per option. The fair value was calculated using a Black & Scholes valuation model, taking into account the market conditions at the grant date.

All of the key employees accepted the offer, consisting of a total of 131,026 warrants, of which the subscribed number was 130,059 on the reporting date. Equity increased by SEK 2 million on the grant date. As the warrants were acquired at a market price, no cost has been reported, in accordance with IFRS 2.

Warrant programme	2024	2023
1 January	**230,157**	**130,059**
Granted during the year	338,408	100,098
Exercised during the year	–	–
Forfeited during the year	–	–
31 December	**568,565**	**230,157**

			Warrants	
Grant date	**Expiry**	**Exercise price**	**2024**	**2023**
April 2022	27 July 2026	187.64	130,059	130,059
April 2023	26 July 2027	124.97	100,098	100,098
April 2024	25 May 2028	148.75	338,408	
			568,565	**230,157**

Salix Group warrant programme

At the Annual General Meeting in April 2024, a resolution was passed, in accordance with the Board's recommendation, to introduce a warrant programme for Salix Group AB, under which the company invites three key employees to acquire warrants of series 2024/2028 in the company. Each warrant entitles the holder to subscribe for one new ordinary share in Salix Group AB from 25 April 2028 to 25 May 2028 (inclusive). The exercise price is SEK 40.87 per ordinary share, corresponding to 133 percent of the reference price.

The calculated fair value on the grant date in April 2024 was SEK 3.31 per option. The fair value was calculated using a Black & Scholes valuation model, taking into account the market conditions at the grant date.

All of the key employees accepted the offer, consisting of a total of 241,692 warrants, of which the subscribed number was 241,692 on the reporting date. Equity increased by SEK 1 million on the grant date. As the warrants were acquired at a market price, no cost has been reported, in accordance with IFRS 2. Salix Group has two additional warrant programmes consisting of 831,863 warrants of series 2021/2026 and 597,676 warrants of series 2022/2027. The warrants are held by Salix Group's CEO and by Salix Group. Each warrant of series 2021/2026 entitles the holder to subscribe for one share in Salix Group at a subscription price of SEK 37.00 per share and each warrant of series 2022/2027 entitles the holder to subscribe for one new share in Salix Group at a subscription price of 39.10 per share.

Warrant programme	2024	2023
1 January	**1,429,539**	**1,429,539**
Granted during the year	241,692	
Exercised during the year	–	–
Forfeited during the year	–	–
31 December	**1,671,231**	**1,429,539**

Outstanding warrants at the end of the year have the following expiry dates and exercise prices:

			Warrants	
Grant date	**Expiry**	**Exercise price**	**2024**	**2023**
April 2021	27 July 2026	37.00	831,863	831,863
April 2022	26 July 2027	39.10	597,676	597,676
April 2024	25 May 2028	40.87	241,692	
			1,671,231	**1,429,539**

NOTE 6 | Auditors' fees and remuneration

	2024	2023
KPMG		
Audit services	9	–
Other auditing services	0	–
Tax advisory services	0	–
Ernst & Young AB		
Audit services	1	10
Other auditing services	–	1
Tax advisory services	0	–
Other services	1	–
	12	**11**

Other auditors	2024	2023
Audit services	2	2
Tax advisory services	0	0
Other services	1	0
	3	**2**

NOTE 7 | Finance income and costs

Finance income	2024	2023
Interest income from bank deposits[1]	3	4
Exchange gains	35	46
Other finance income	2	2
	40	**51**

Finance costs	2024	2023
Interest expenses on loans[1]	–123	–104
Interest expenses on leases	–35	–33
Interest expenses on derivatives	0	–1
Discounting effect, contingent consideration	–4	–4
Exchange losses	–32	–55
Other finance costs[2]	–15	–12
	–209	**–208**

[1] Interest income and expenses accounted for using the effective interest method.

[2] Other finance costs are mainly related to bank and factoring charges.

NOTE 8 | Tax

	2024	2023
Current tax expense	–100	–117
Deferred tax	13	2
Tax expense for the year	**–86**	**–115**

	2024		2023	
Reconciliation of effective tax	**SEK million**	**%**	**SEK million**	**%**
Profit before tax	369	–	483	–
Tax at applicable tax rate	–76	20.6%	–99	20.6%
Tax at other tax rates	–5	1.2%	1	–0.2%
Non-deductible expenses	–4	1.2%	–6	1.3%
Non-taxable income	1	–0.3%	3	–0.7%
Standard interest on tax allocation reserve	–4	1.0%	–2	0.5%
Change in tax losses	–	–	–1	0.3%
Tax attributable to prior years	3	–0.7%	–6	1.2%
Other	–2	0.4%	–2	0.5%
Recognised effective tax	**–86**	**23.4%**	**–115**	**23.8%**

Tax recognised in equity was SEK 0 (0) million in 2024.

Deferred tax	2024	2023
Property, plant & equipment and intangible assets	23	18
Inventories	–2	–3
Trade receivables	1	–1
Untaxed reserves	–12	–12
Unused losses from prior years	5	4
Other temporary differences	–1	0
Deferred tax attributable to prior years	–1	–5
Deferred tax on temporary differences for the year	**13**	**2**

Deferred tax assets	2024	2023
Property, plant & equipment and intangible assets	13	12
Inventories	7	6
Unused losses from prior years	14	12
Trade receivables	3	3
Other temporary differences	9	9
	45	**43**

Deferred tax liabilities	2024	2023
Property, plant & equipment and intangible assets	263	197
Untaxed reserves	174	163
Other temporary differences	11	9
	448	**370**

Volati is subject to the OECD Pillar Two Model Rules, which entered into force on 1 January 2024. Volati applies the exception in IAS 12 that allows entities not to recognise or disclose information about deferred tax assets and liabilities related to the Pillar Two income taxes. Under Pillar Two, the Group is liable to pay top-up tax on the difference between its GloBE effective tax rate in each jurisdiction and the lower limit of 15 percent.

Some of the subsidiaries within Volati have an effective tax rate of less than 15 percent as at 31 December 2024. As all subsidiaries in the Group show Safe Harbour compliance as of December 31, 2024, Volati does not recognise any current tax expense relating to Pillar Two adjustments.

NOTE 9 | Earnings per share

The calculation of earnings per ordinary share for 2024 is based on Profit attributable to owners of the Parent, which was SEK 273 (356) million. The figure for earnings per ordinary share has been reduced by the preference shareholders' proportionate share of the dividend for 2024, which was SEK 64 (64) million.

The remaining portion of the profit, SEK 209 million, has been divided by the average number of ordinary shares, which was 79,406,571. The Group has outstanding warrant programmes related to Volati AB and Salix Group AB's shares that may have a dilutive effect in future periods if the value of the share exceeds the exercise price, see note 5.

	2024	2023
Profit attributable to owners of the Parent	273	356
Deduction for preference share dividend	64	64
Profit attributable to owners of the Parent adjusted for preference share dividend	209	292
Ordinary shares outstanding	79,406,571	79,406,571
Average no. of ordinary shares	79,406,571	79,406,571
Basic and diluted earnings per share	2.63	3.68

NOTE 10 | Intangible assets

Cost of acquisition	Goodwill	Patents/ Technology	Brands/Other	Capitalised development expenses	Total
1 January 2023	**1,814**	**17**	**1,076**	**104**	**3,010**
Investments	–	–	–	23	23
Business acquisitions	109	–	75	3	187
Disposals	–	–	–1	0	–1
Reclassifications	0	0	0	11	11
Translation differences	–24	0	–3	0	–27
1 January 2024	**1,899**	**17**	**1,147**	**139**	**3,202**
Investments	–	–	–	20	20
Business acquisitions	163	–	418	–	582
Disposals	–	0	0	–1	–1
Reclassifications	–	–	–	1	1
Translation differences	0	0	3	0	3
31 December 2024	**2,062**	**17**	**1,568**	**160**	**3,807**
Accumulated amortisation					
1 January 2023	**–106**	**–14**	**–185**	**–60**	**–364**
Amortisation/impairment for the year	–	–1	–93	–11	–106
Disposals	–	–	1	0	1
Reclassifications	4	0	1	–10	–5
Translation differences	–	–	–	–	–
1 January 2024	**–102**	**–15**	**–276**	**–81**	**–474**
Amortisation/impairment for the year	0	–1	–117	–17	–134
Business acquisitions	–11	–	–	–	–11
Disposals	–	0	–	0	1
Reclassifications		2		–2	0
Translation differences	0	–	–1	0	0
31 December 2024	**–112**	**–14**	**–394**	**–99**	**–618**
Carrying amount					
31/12/2023	1,797	2	871	59	2,728
31/12/2024	1,950	3	1,174	62	3,189

Distribution of the Group's goodwill and trademarks with indefinite useful lives	2024 Goodwill	2024 Trademarks	2023 Goodwill	2023 Trademarks
Tornum Group	144	–	160	–
Corroventa	84	–	84	–
Ettiketto Group	232	5	233	5
S:t Eriks	274	32	274	32
Scanmast	140	–	140	–
Salix Group	1,076	101	906	101
Total	**1,950**	**139**	**1,797**	**138**

During impairment testing, goodwill and other intangible assets with indefinite useful lives are allocated to the business areas or units which are considered to be cash generating units. The goodwill value of each cash generating unit is tested annually against the calculated recoverable amount, which is either the value in use or the fair value less costs of disposal.

Value in use

Value in use is calculated as the Group's share of the present value of projected future cash flows generated by the cash generating unit.

The cash flow projection is based on reasonable and verifiable assumptions that represent Volati's best estimate of the economic conditions that will exist, and considerable emphasis is therefore placed on external factors. We have taken into account factors such as the potential impact of climate change on our operations. The assessment of future cash flows is based on forecasts arising from the most recent budgets, projections and business plans submitted by each cash generating unit. These include the budget for the coming years and a projection for the subsequent four to five years. Cash flows after the forecast period are estimated based on an assumption of a long-term annual growth rate of 2 percent after the forecast period.

Cash flow projections do not include cash inflows and outflows 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 its own unique conditions. The key assumptions used for each subsidiary group are described below

Key assumptions used for value in use per cash generating unit

Discount rate

Future cash flows for each cash generating unit have been discounted to present value using a discount rate. Volati has chosen to calculate the present value of cash flows after tax. The discount rate reflects market assessments of the time value of money and the risks specific to each cash generating unit. The discount rate 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 incremental borrowing rate and other market interest rates on loans independent from Volati's capital structure. The required rate of return for loan capital is based on an interest expense for risk-free loans of 2.0 percent adjusted for an interest margin of 1.0 percent and a tax rate of 20.6 percent. The required rate of return for equity is based on a risk-free interest rate, plus a market risk premium of 6.5 percent, a company-specific risk premium of 3.0 percent and a beta value for each cash generating unit of 0.65-1.30. The post-tax discount rates used by Volati vary between 10.1 and 12.8 percent depending on the conditions for each cash generating unit.

Tornum Group
The cash flow projection for Tornum Group is based on the company's capacity to leverage its market position in the markets where it is established, with local financing and EU grants enabling the start-up of projects in these countries. The key assumptions used to calculate Tornum Group's value in use are net sales growth, EBITDA margin and investment needs. Volati considers that long-term demand for Tornum Group's products in the company's established markets remains good and that there is a need for modernisation and expansion investments in these markets. Based on this, Volati assumes that growth in net sales will be higher than GDP growth, while the EBITDA margin is expected to show a slightly increasing trend during the forecast period. Major macroeconomic events adversely affecting development and willingness to invest in Eastern Europe, Russia and Ukraine may have a negative effect on the trend. However, the lost volumes from the exit from Russia and the decline in activity in Ukraine are not sufficiently large for the ongoing conflict to cause Tornum Group's calculated value in use to fall below its carrying amount. The assessment is also that no other reasonable changes in key assumptions will result in Tornum Group's calculated value in use falling below its carrying amount.

Corroventa
Corroventa's projected cash flows have been based on the company's ability to obtain returns on investments in developing the product range and to leverage its geographic establishment. The key assumptions used to calculate Corroventa's value in use are net sales growth, EBITDA margin and investment needs. In addition, it is considered likely that the historic frequency and extent of weather-related flooding will continue into future forecast periods. Based on these factors, Volati anticipates that net sales growth will be higher than GDP growth and that the EBITDA margin will show a marginal increase during the forecast period. If the frequency of weather-related flooding falls in the future, the trend may be below the forecast. The assessment is that no reasonable changes in key assumptions will result in Corroventa's calculated value in use falling below the carrying amount.

S:t Eriks
The forecast cash flows for S:t Eriks have been based on the companies' ability to obtain returns on the investments and efficiency improvements that are taking place, and on no significant changes taking place in the market. Volati's assessment is that long-term demand for S:t Eriks' products in the Swedish market, where the company is established, is good. Based on this, Volati assumes that growth in net sales will be somewhat higher than GDP growth, while the EBITDA margin is expected to improve during the forecast period. The assessment is that no reasonable changes in key assumptions will result in S:t Eriks' calculated value in use falling below the carrying amount.

Communication
The forecast cash flows for Communication have been based on the companies continuing to benefit from their established market positions and continuing to broaden their customer portfolios. The key assumptions used to calculate value in use for Communication are net sales growth and EBITDA margin. It is Volati's assessment that Communications is well placed to gain market share in the future through geographical expansion and to broaden the customer portfolio, and Volati assumes net sales growth above GDP growth. At the same time, the EBITDA margin is expected to increase during the period. The assessment is that no reasonable changes in key assumptions will result in Communication's calculated value in use falling below the carrying amount.

Ettiketto Group
The forecast cash flows for Ettiketto Group have been based on the company's ability to obtain returns on its existing non-current assets and on no significant changes in the behaviour of the company's major customers. The key assumptions used to calculate Ettiketto Group's value in use are net sales growth, EBITDA margin and investment needs. Based on this, Volati assumes net sales growth slightly above GDP growth, with the EBITDA margin increasing during the forecast period as synergies from recently acquired companies are realised. The assessment is that no reasonable changes in key assumptions will result in Ettiketto Group's calculated value in use falling below the carrying amount.

Salix Group
The Salix Group business area is treated as one cash-generating unit as its components largely share the same platform. The projected cash flows for Salix Group are based on the fact that the companies can benefit from their market position in the Nordic region, while the underlying economy does not decline significantly in the long term. The key assumptions used to calculate value in use for Salix Group are net sales growth and EBITDA margin. Volati's assessment is that long-term demand for Salix Group's products in the markets where the company is established is relatively good. Based on this, Volati assumes that growth in net sales will be higher than GDP growth, while the EBITDA margin is expected to show an increase during the forecast period. Should major macroeconomic events occur that negatively affect developments and willingness to invest in the Nordic region throughout the forecast period, growth may be lower than the forecast. The assessment is neither the current decline in demand nor other reasonable changes in key assumptions will result in Salix Group's calculated value in use falling below the carrying amount.

Sensitivity analysis

The value in use for each cash generating unit is dependent on the assumptions used to calculate discounted cash flows. Volati has made simulations of value in use in the event of changes to key assumptions used for the calculation. When testing the carrying amount in relation to value in use, with an assumption of EBITDA at twenty percent below the forecasts for all years in the forecast period, the value in use for all cash generating units would be higher than the carrying amount. For corresponding testing of growth after the end of the forecast period, i.e. year 5 and beyond, annual growth of one percent rather than two percent in the forecast would still result in the value in use for all units being higher than the carrying amount. In a simulation where the discount rate is increased by one percentage point, the value in use for all units would still be higher than the carrying amount.

Impairment

No impairment losses on goodwill or intangible assets were recognised during 2024. No impairment was identified at the end of 2024 after comparing the companies' value in use with the Group's carrying amount for each cash generating unit. No impairment losses were recognised in 2023.

NOTE 11 | Property, plant & equipment

Cost of acquisition	Land and buildings	Machinery and equipment	Total
1 January 2023	**174**	**476**	**650**
Investments	2	79	81
Business acquisitions	–	31	31
Completed contracts	–1	–38	–39
Translation differences	0	–4	–4
Reclassifications	25	145	170
1 January 2024	**199**	**688**	**887**
Investments	2	80	82
Business acquisitions	11	6	16
Completed contracts	0	–61	–62
Translation differences	1	3	3
Reclassifications	0	–1	0
Discontinued operations	–	0	0
31 December 2024	**212**	**715**	**927**
Accumulated depreciation			
1 January 2023	**–19**	**–248**	**–267**
Depreciation for the year	-7	–66	–71
Sales/disposals	1	34	35
Reclassifications	–21	–152	–173
Translation differences	0	3	3
1 January 2024	**–47**	**–428**	**–475**
Depreciation for the year	–7	–70	–77
Sales/disposals	0	59	59
Reclassifications	–	–1	–1
Translation differences	0	–1	–1
Discontinued operations	–	0	0
31 December 2024	**–54**	**–441**	**–495**
Carrying amount			
31/12/2023	152	260	412
31/12/2024	159	273	432

NOTE 12 | Leases

Right-of-use assets

Volati's right-of-use assets and lease liabilities are mainly related to rents for premises and warehouses etc, and leased cars, trucks and machinery.

Some leases also involve exposure regarding non-lease components such as costs of water, heating etc. However, their value is considered non-material to the Group.

The future lease payments are discounted at the interest rate implicit in the lease, if that rate can be readily determined, Otherwise, the incremental borrowing rate is calculated based on the type of leased asset it refers to, the geographical location of the asset and the estimated financial risk associated with the lessee. The discount rate used for obligations varies between 3 and 24 percent depending on these different assumptions.

Volati's calculation of the length of the obligations is based on the remaining lease terms, but extension options have been taken into account if the exercise of such options is reasonably certain.

Cost of acquisition	Premises and warehouses	Cars, trucks and machines	Total
1 January 2023	**856**	**157**	**1,012**
Investments	70	60	131
Business acquisitions	12	1	13
Completed contracts	–50	–34	–84
Reclassifications	–35	60	22
Translation differences	–7	–2	–9
1 January 2024	**842**	**243**	**1,085**
Investments	98	67	165
Business acquisitions	31	4	35
Completed contracts	–59	–61	–120
Reclassifications	16	–16	0
Translation differences	2	1	2
Discontinued operations	–	–1	–1
31 December 2024	**930**	**236**	**1,166**
Accumulated depreciation			
1 January 2023	**–367**	**–65**	**–432**
Depreciation for the year	–90	–54	–144
Completed contracts	39	37	77
Reclassifications	24	–43	–19
Translation differences	3	2	5
1 January 2024	**–391**	**–123**	**–514**
Depreciation for the year	–123	–71	–194
Completed contracts	57	58	114
Reclassifications	–1	1	0
Translation differences	–1	0	–1
Discontinued operations	–	2	2
31 December 2024	**–459**	**–133**	**–592**
Carrying amount			
31/12/2023	451	120	571
31/12/2024	471	104	574

Amounts reported in income statement	2024	2023
Depreciation of right-of-use assets	–194	–184
Interest expenses for lease liabilities	–35	–33
Costs attributable to short-term leases	–3	–3
Costs attributable to low-value leases	–5	–4
Total earnings effect	**–237**	**–225**

Cash flow from leases	2024	2023
Lease interest paid	–35	–33
Repayment of lease liabilities	–194	–182
Lease payments for short-term leases	–3	–3
Lease payments for low-value leases	–4	–3
Total cash flow	**–235**	**–222**

For a maturity analysis of lease liabilities, see note 22.

On 31 December 2024, the Group's obligations under short-term leases were SEK 3.4 (3.9) million.

Future cash flows

There are future cash flows to which the Group could potentially be exposed that are not reflected in the measurement of the lease liability. These include exposure attributable to:

- Extension options
- Residual value guarantees
- Leases agreed but not yet commenced

Assessment of the extension options is on the basis that exercise of such options is reasonably certain. For Volati, residual value guarantees do not represent a material amount.

Leases that have been agreed but have not yet commenced are not considered to have any material impact on cash flow.

NOTE 13 | Non-current financial assets

Other shares and interests	2024	2023
Opening cost	2	2
Reclassifications	–	0
	2	**2**

Other non-current financial assets	2024	2023
Opening cost	4	8
Investments	9	1
Reclassifications	–	–5
Disposals	–8	-
Translation effect	0	0
	4	**4**

NOTE 14 | Inventories

	2024	2023
Raw materials and supplies	131	158
Products in progress	20	11
Finished goods and merchandise	1,276	1,162
Work in progress for third parties	29	31
Advances to suppliers	105	28
	1,561	**1,391**

Of which obsolescence write-down of SEK –41 (–40) million.

NOTE 15 | Prepayments and accrued income

	2024	2023
Accrued supplier bonus	34	35
Accrued income, percentage of completion projects	54	119
Prepaid cost of sale	4	7
Prepaid rent	6	8
Prepaid insurance	7	8
Other prepayments	34	29
Other accrued income	11	7
	150	**213**

NOTE | 16 Equity

Share capital

Class of shares	Number	Voting rights per share	Number of votes	Share of capital	Share of votes
Ordinary shares	79,406,571	1.0	79,406,571.0	98.0%	99.80%
Preference shares	1,603,774	0.1	160,377.4	2.0%	0.20%
Total	**81,010,345**	**–**	**79,566,948.4**	**100.0%**	**100.0%**

	Ordinary shares	Preference shares
No. of shares outstanding at beginning of period	79,406,571	1,603,774
No. of shares outstanding at end of period	**79,406,571**	**1,603,774**

All shares issued by the Parent Company are fully paid up. No shares in the Company are held by the Company itself, on its behalf or by its subsidiaries.

All shareholders with voting rights may vote for the full number of shares owned and represented, without any restrictions on voting rights.

Preference shares carry preferential rights to a dividend of SEK 40 per preference share Following a decision by the Board, the preference shares may be redeemed at a fixed amount that is reduced from SEK 725 per share up to the fifth anniversary of the issue to SEK 675 per share up to the tenth anniversary and to SEK 625 per share for the period thereafter.

Reserves – translation reserve

The translation reserve includes all exchange differences arising on translation of the financial statements of foreign operations. These entities prepare their financial statements in a different currency than the Group and the Parent Company, which report in Swedish kronor.

SEK million	31/12/2024	31/12/2023
Translation reserve		
Opening translation reserve	24	61
Translation effect for the year	4	–37
Closing translation reserve	**28**	**24**

Dividend

Dividends paid during the year, in accordance with the Board’s proposal to the 2024 AGM, were as follows: SEK 151 million to ordinary shareholders, corresponding to SEK 1.90 per ordinary share, and SEK 64 million to preference shareholders, corresponding to SEK 40 per preference share.

After the reporting date, the Board has proposed a dividend of SEK 159 million to ordinary shareholders, corresponding to SEK 2.00 per ordinary share, and SEK 64 million to preference shareholders, corresponding to SEK 40 per preference share, for the 2024 financial year.

The dividend is subject to approval by the Annual General Meeting on 28 April 2025.

NOTE 17 | Interest-bearing liabilities

Non-current liabilities	2024	2023
Lease liabilities	402	426
Liabilities to credit institutions	2,350	1,721
	2,753	**2,146**

Current liabilities	2024	2023
Overdraft facilities	–	–
Liabilities to credit institutions	7	16
Lease liabilities	185	159
	191	**175**

At the end of 2024, the unutilised portion of the overdraft facility was SEK 300 (300) million, the unutilised portion of the revolving credit facility was SEK 250 (885) million and cash & cash equivalents were SEK 317 (96) million.

NOTE 18 | Changes to loans in cash flow from financing

	2024	2023
31 December	2,553	2,626
Non-cash changes		
Business acquisitions	18	55
Loans in divested companies	–	–
Lease liabilities in acquired companies	35	13
Lease liabilities in divested companies	–1	–
Remeasurement	63	42
Translation differences	2	–7
Non-cash change in lease liabilities	161	166
Other non-cash changes	–27	–47
Cash changes		
Proceeds from borrowings	635	70
Repayment of borrowings	–24	–141
Repayment of lease liabilities	–194	–182
Settlement of put option liability	–16	–42
31 December	**3,206**	**2,553**

NOTE 19 | Contract assets and liabilities

	Contract assets	Contract liabilities			
2024	**Accrued income from projects[1)]**	**Advances from customers - short-term[1)]**	**Advances from customers - long-term[1)]**	**Total advances from customers**	**Provisions for extended warranties**
Opening balance, 1 Jan 2024	**118**	**152**	**7**	**159**	**4**
Invoiced projects	–95				
Projects accrued during the year	28	–98	2	**–96**	
Acquisitions	–	20	–	**20**	–
Translation differences	2	2	–	**2**	–
Reclassifications	1	–	–	–	–
Advances for time not yet worked		55	–	**55**	
Change through comprehensive income/ recognised through profit or loss					–
Provision for the year					–2
Closing balance, 31 Dec 2024	**54**	**131**	**9**	**140**	**2**
Timing of revenue recognition, contract liabilities					
Within 1 year		131		**131**	2
1–2 years			4	**4**	–
2–5 years			3	**3**	–
After 5 years			2	**2**	–
		131	**9**	**140**	**2**
Contract liabilities recognised as revenue during the year that were included in opening balance					
Opening contract liabilities		**152**	**7**	**159**	**4**
of which recognised as revenue during the year		46	–	**46**	2

1) Advances and accrued income from projects consist mainly of installations, assembly and paving.

2023	Contract assets: Accrued income from projects[1)]	Contract liabilities: Advances from customers - short-term[1)]	Advances from customers - long-term[1)]	Total advances from customers	Provisions for extended warranties
Opening balance, 1 Jan 2023	**84**	**142**	**–**	**142**	**4**
Invoiced projects	–87				
Projects accrued during the year	119	–72	7	**–65**	
Acquisitions	0	0	–	**0**	–
Translation differences	2	4	–	**4**	–
Reclassifications	–	–	–	**–**	–
Advances for time not yet worked		79	–	**79**	
Change through comprehensive income/ recognised through profit or loss					–
Provision for the year					0
Closing balance, 31 Dec 2023	**118**	**152**	**7**	**159**	**4**
Timing of revenue recognition, contract liabilities					
Within 1 year		152		**152**	2
1–2 years			1	**1**	2
2–5 years			3	**3**	–
After 5 years			2	**2**	–
		152	**7**	**159**	**4**
Contract liabilities recognised as revenue during the year that were included in opening balance					
Opening contract liabilities		**142**	**–**	**142**	**4**
of which recognised as revenue during the year		*120*	–	**120**	*2*

1) Advances and accrued income from projects consist mainly of installations, assembly and paving.

The contract assets are included in the item Prepayments and accrued income in the balance sheet. Contract liabilities are included in the items Advances from customers, Non-current non-interest-bearing liabilities and Warranty commitments and other provisions in the balance sheet.

NOTE 20 | Warranty commitments and other provisions

	2024	2023
Opening balance, 1 Jan	17	15
Warranty provisions in acquired companies	5	–
Warranty provisions	3	5
Provisions used	–1	0
Reversal of unused provisions	–2	–3
Translation differences	0	0
Closing balance, 31 December	**21**	**17**

NOTE 21 | Accruals and deferred income

Accrued expenses	2024	2023
Accrued personnel expenses	218	200
Accrued customer bonuses	95	95
Accrued interest expenses	18	18
Accrued rental discounts	9	12
Accrued cost of goods sold	22	20
Cost of premises	4	2
Accrued audit expenses	8	5
Other	38	36
Accrued expenses	**410**	**389**
Deferred income	9	2
Total	**419**	**391**

NOTE 22 | Financial risk management and financial instruments

The Volati Group is exposed to various types of financial risk in the course of its operations. Some of Volati's operations are conducted outside Sweden. This exposes the Group to several different types of financial risks which could result in fluctuations in net profit, cash flow or equity, due to exchange rate movements. In addition, Volati has exposure in the form of loan financing with floating interest expenses and various risks associated with the duration of financing. The Parent Company manages the financial risks attributable to loan financing.

For currency risks, each unit has its own procedures for when and how to manage currency exposure.

Credit risk

Credit risk involves exposure to losses if a counterparty fails to discharge its financial obligations to the Group. If counterparties are unable to fulfil their financial obligations to the Group, this may have a negative effect on the Company's operations, financial position and earnings.

In its ongoing sales, Volati is exposed to credit risk in outstanding trade receivables. This risk is reduced as most companies in the Group have trade receivables with a short expected maturity, distributed among a large number of customers at low amounts per customer. These are measured without discounting at the amounts initially invoiced less an allowance for expected losses. In addition, the risk in some larger and longer projects is reduced by means of credit insurance. Historically, overall customer losses have been low throughout the Group. The total gross value of outstanding trade receivables at 31 December was SEK 1,011 (928) million. These were written down by a total of SEK –19 (–12) million. The age analysis of trade receivables at 31 December and the Group's loss allowance policy is described later in this note.

Currency risk

Volati's main currency risks are associated with the translation of equity and earnings in foreign subsidiaries, and the effect on earnings of the flows of goods between countries with different currencies.

Currency risk is based on exchange rate changes having an impact on the Company's earnings, and arises when transactions take place in foreign currency, i.e. when the Group makes purchases or sales in foreign currency, and when assets and liabilities are held in foreign currency. When consolidating foreign subsidiaries, the relevant country's currency is translated to Swedish kronor, which may have a negative effect on the Group's financial position. Large amounts of purchases are from suppliers in countries with different currencies, while sales are often in another currency. Future currency fluctuations can therefore have a negative effect on the Group's earnings and financial position. Volati's main exposure is to USD, EUR, NOK and DKK. USD exposure is due to a certain proportion of the Group's purchases being transacted in this currency, while revenue in USD is considerably lower. The Group's exposure to EUR is mainly due to net purchases being higher than revenue in EUR for certain of the Group companies, but revenue in EUR is higher than expenditure for some other companies and the exposure varies from business area to business area, which means that financial development for a business area can be affected by EUR exchange rate movements. Exposure to NOK and DKK is related to revenue in the currencies being significantly higher than expenditure. From time to time, the units may use financial instruments to temporarily hedge their cash flows.

Transaction exposure

As the Group's companies have revenues and expenses in different currencies, it is exposed to risks associated with currency fluctuations. Transaction risks are managed in the units based on each unit's circumstances, risks and controls, which are formulated and adopted separately for each subsidiary. Some of the units engage in active currency hedging, whereby purchases and income are hedged to varying degrees by forward exchange contracts. The degree of currency hedging varies from unit to unit, mainly in terms of the companies' ability to transfer currency exposures to customers or suppliers. At the reporting date, forward exchange contracts, with a total nominal value of SEK 59 million, were as follows: USD hedged against SEK, duration 2 months, EUR hedged against SEK, 2–3 months, DKK hedged against EUR, 1–12 months, and PLN hedged against SEK, duration 2 months.

The table below shows the Group's net currency exposure of assets and liabilities at the reporting date (assets + and liabilities –) in the largest currencies.

Net currency exposure of assets and liabilities, major currencies	Currency exposure 2024	2023
USD	–58	–1
NOK	37	34
PLN	35	32
EUR	–58	–11

Translation exposure

Volati AB presents its income statements and balance sheets in SEK. Foreign companies have different presentation currencies. This means that the Group's earnings and equity are exposed during consolidation when foreign currencies, primarily EUR, NOK and GBP, are translated to SEK. At the reporting date, there was a significant amount of translation exposure, primarily NOK, EUR and DKK. DKK translation exposure in equity has increased from the previous year due to the year's add-on acquisition of the Danish company Timberman A/S in Salix Group. Although Volati AB can hedge its translation exposure by borrowing in matching currencies, equity hedging had not been used at the reporting date.

The table below shows the Group's translation exposure in equity in the three largest currencies at the reporting date.

Translation exposure in equity in the balance sheet, major currencies, SEK million	Currency exposure 2024	2023
NOK	555	538
EUR	415	415
DKK	186	–

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 other variables remaining constant.

Translation exposure in the income statement, major currencies, SEK million	Currency exposure 2024	2023
NOK	–5	–5
EUR	–4	–6
USD	–3	0

Capital risk

The Group strives to achieve a solvency ratio that enables it to conduct operations in accordance with the strategic plan. However, the solvency ratio for the entire Group is not a true indicator of the Company's assessment of its financial position as it does not take into account the value growth of underlying holdings when calculating equity. The capital structure reflects the Group's relatively low operational risks. The level of debt gives scope for generating a good return for shareholders, while equity is sufficient to safeguard the Group's long-term ability to continue operating. Volati does not have a financial target for the size of equity. The financial target for Volati's capital structure is a net debt/adjusted EBITDA ratio of 2–3x, and not exceeding 3.5x. The outcome on 31 December 2024 was 2.6x (2.0). Cash and cash equivalents that cannot be invested in accordance with the Company's objectives and investment strategy are distributed to the owners within the framework of Volati's dividend policy. Volati's target for ordinary shares is to distribute 10–30 percent of the Group's net profit attributable to the Parent Company's shareholders. When determining dividends, net debt in relation to the Company's targets is taken into account, together with future acquisition opportunities, scope for development in existing companies and other factors that Volati's Board considers significant. Dividends on preference shares are issued at an annual amount of SEK 40.00 per preference share, in quarterly payments of SEK 10.00, in accordance with the Articles of Association.

Interest rate risk

Interest rate risk is the risk that the Volati's net financial items will be affected by changes in market interest rates. In the longer term, interest rate changes will have a significant effect on Volati's earnings and cash flow. The Group's total interest expenses for bank loans for the financial year 2024 amounted to SEK 123 (104) million and for lease obligations SEK 35 (33) million. The average interest rate on outstanding bank loans at 31 December 2024 was approximately 4.4 percent. The discount rate used for lease obligations varies between 3 and 24 percent.

If the prevailing interest rates were to change and/or the Company failed to pay interest in the future, the Company's operations, earnings and financial position could be adversely affected.

Outstanding bank loans have a duration of three months. Based on net debt at the reporting date, a change of one (1) percentage point in the borrowing interest rate would have an effect of SEK 17 million on Volati's profit after tax.

Volati continuously monitors interest rate trends and, on this basis, assesses which interest terms are best for the Group in the long and short term.

Financing and liquidity risk

Financing risk is defined as the risk of being unable to discharge payment obligations as a result of insufficient liquidity or difficulties in obtaining external financing. Liquidity risk is the risk of the Company being unable to discharge its payment obligations as a result of insufficient liquidity at the due date without a significant increase in the associated cost of obtaining funds. If the Company's sources of financing prove to be inadequate, this could have a material adverse effect on the Group's operations, earnings and financial position.

Volati is dependent on obtaining financing through lenders. The Company's financing needs include both operating activities and preparedness for future investments. The availability of financing is influenced by factors such as general availability of risk capital and the Group's creditworthiness.

Volati manages financing risk at a consolidated level. Volati endeavours to have available cash and cash equivalents or unutilised credit facilities in order to manage any significant disruptions in the financing market. The available liquidity margin varies during the year and is dependent on whether there have been any significant acquisitions or divestments.

Volati's borrowing from credit institutions is mainly in SEK and at floating interest rates.

Volati has a sustainability-linked credit agreement of SEK 2,900 million with Nordea and SEB. Volati's borrowing from credit institutions consists of three different financing frameworks: a loan facility of SEK 1,200 million, a revolving credit facility of SEK 1,400 million, with the option for different maturities for the tranches, and an overdraft facility of SEK 300 million. The terms of the sustainability-linked loan are tied in with Volati Group's ability to reduce its carbon footprint, to reduce the carbon footprint of cement consumption in S:t Eriks and to ensure gender equality in management teams. In 2024, the credit agreement was extended by one year and now runs until April 2027, but there is also a one-year extension option. At the end of 2024, the unutilised portion of the revolving credit facility was SEK 250 (885) million, the unutilised portion of the overdraft facility was SEK 300 (300) million and cash & cash equivalents were SEK 317 (96) million. The overdraft facility has a duration of 12 months and is automatically extended by another 12 months each year unless the bank has stated otherwise. The credit agreement of SEK 2,900 million with Nordea and SEB is dependent on the Company's financial performance fulfilling certain covenants on a quarterly basis. The covenant for the the credit agreement is net debt divided by adjusted EBITDA. Volati AB has not breached any covenants during 2024.

In addition, Volati has chosen to make certain investments in property, plant & equipment under finance leases. See note 12 for information about these lease liabilities.

Volati has agreements with shareholders with non-controlling interests in certain units which include put options on their company shares. The shareholder agreements entitle these shareholders, under certain conditions and on certain occasions, to sell the shares to Volati at market prices. On the reporting date, these put options were measured at a market value based on a multiple analysis adjusted for the net debt in each unit.

Due dates

The due dates for non-interest-bearing and interest-bearing financial assets are mainly within one year.

The liquidity risk table below shows the due dates for Volati's financial assets and liabilities. The amounts in the table are undiscounted and include known future interest payments.The amounts do not therefore correspond to those presented in the balance sheet.

Liquidity risk

	2024			2023		
	Within one year	1–5 years	>5 years	Within one year	1–5 years	>5 years
Assets						
Cash and cash equivalents	317	–	–	96	–	–
Trade receivables	992	–	–	916	–	–
Other shares and interests	2	–	–	2	–	–
Other non-current financial assets	–	0	4	0	0	4
Derivatives	0	–	–	–	–	–
Liabilities						
Liabilities to credit institutions[1]	–116	–2,490	–	–113	–1,850	–
Overdraft facilities	–1	–1	–	–1	–1	–
Contingent consideration	–25	–21	–	–27	–31	–
Put options	–216	–	–	–174	–	–
Lease liabilities	–174	–406	–80	–191	–425	–74
Derivatives	–	–	–	1	–	–
Other current liabilities	–16[2]	–	–	–16[3]	–	–
Trade payables	–747	–	–	–577	–	–
Net	**17**	**–2,919**	**–76**	**–85**	**–2,307**	**–70**

[1] Maturities based on the contractual terms of each loan. However, management intends to extend the majority of the loans under its existing credit agreement.

[2] Refers to adopted dividend to preference shareholders for Q1 2025. A new decision on dividends to preference shareholders will be made at the 2025 AGM.

[3] Refers to adopted dividend to preference shareholders for Q1 2024. A new decision on dividends to preference shareholders will be made at the 2024 AGM.

Financial instruments: carrying amounts and fair values by measurement category

	2024			2023		
	Classification[1]	Carrying amount	Fair value	Classification[1]	Carrying amount	Fair value
Financial assets						
Other shares and interests	2	2	2	2	2	2
Other non-current financial assets	1.2	4	4	1.2	4	4
Derivatives held for trading	2	0	0	2	–	–
Financial liabilities						
Loans from credit institutions	4	2,357	2,357	4	1,744	1,744
Derivatives held for trading	5	–	–	5	1	1
Contingent consideration	5	46	46	5	58	58
Put options	6	216	216	6	174	174
Other current liabilities	4	16	16	4	16	16

[1] applicable classifications:

1 = Financial assets at amortised cost
2 = Financial assets at fair value through profit or loss
3 = Financial assets at fair value through OCI
4 = Financial liabilities at amortised cost
5 = Financial liabilities at fair value through profit or loss
6 = Financial liabilities at fair value through equity

The fair value of non-current borrowing is based on observable data from discounted cash flows to market interest rates, while the fair value for current receivables and liabilities is considered to correspond to the carrying amount. As interest charges are variable in relation to the debt, the carrying amount represents the fair value.

Financial instruments measured at fair value

	2024				2023			
	Carrying amount	Quoted prices	Observable inputs	Unobservable inputs	Carrying amount	Quoted prices	Observable inputs	Unobservable inputs
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets								
Other shares and interests	2	–	–	2	2	–	–	2
Derivatives	0	0	–	–	–	–	–	–
Financial liabilities								
Derivatives	–	–	–	–	1	1	–	–
Put options	216	–	–	216	174	–	–	174
Contingent consideration[1)]	46	–	–	46	58	–	–	58

[1)] Additional consideration that is contingent on the financial performance of the acquired business over a specific period and measured based on management's best estimate. Discounting to present value is applied for large amounts or long durations.

Specification of financial instruments Level 3:

	Financial assets	Financial liabilities	
	Other shares and interests	Put options	Contingent consideration
Balance, 1 Jan 2023	**2**	**–169**	**–78**
Additions through acquisitions	–	–	–29
Cash settled	–	42	50
Change in value recognised through profit or loss	–	–	–2
Change in value recognised in equity	–	–40	–
Reclassifications	0	–7	–
Balance, 31 Dec 2023	**2**	**–174**	**–58**
Balance, 1 Jan 2024	**2**	**–174**	**–58**
Additions through acquisitions	–	–	–10
Cash settled	–	16	23
Change in value recognised through profit or loss	–	–	–6
Change in value recognised in equity	–	–58	–
Reclassifications	0	–	–
Other changes	–	–	5
Balance, 31 Dec 2024	**2**	**–216**	**–46**

Derivatives outstanding at 31 December

	31 December 2024			31 December 2023		
Instruments	Positive market value	Negative market value	Nominal value	Positive market value	Negative market value	Nominal value
Currency derivatives	0	–	59	–	1	7
Total	0	–	**59**	–	1	**7**

Trade receivables

	2024	2023
Trade receivables	1,011	928
Allowance for expected credit losses	–19	–12
	992	**916**

	2024			2023		
Maturity analysis	**Nominal**	**Impairment**	**Carrying amount**	**Nominal**	**Impairment**	**Carrying amount**
Not past due	859	–2	858	772	0	772
Past due, less than 3 months	119	–2	117	130	–1	129
Past due, more than 3 months	33	–15	18	26	–11	15
Total	**1,011**	**–19**	**992**	**928**	**–12**	**916**

As the Group includes companies within widely differing sectors, there is no general scale for loss allowances. Instead, the loss allowance is assessed for each unit. The allowance is distributed as follows: receivables not overdue, less than one percent, up to 30 days, about one percent to a few percent, 30–90 days, a few percent to 100 percent, and over 90 days, often 100 percent.

Loss allowance

The Volati Group's loss allowance model is based on expected losses, which means that the reduction in value is recognised immediately when the receivable arises. Volati applies the simplified approach for trade receivables. As the Group's units operate in very different sectors and have different counterparties as customers, from government authorities to private individuals in other countries, the calculation basis for the loss allowance also differs. The underlying calculation for the loss allowance has therefore been adapted to each unit. Generally, expected credit losses on trade receivables have been estimated for all companies using a provision matrix, which is based on the debtor's payment history, and an analysis of the debtor's current financial position, adjusted for factors specific to the debtor, the general economic situation in the debtor's industry and an assessment of both current and forecast conditions on the reporting date.

The average credit period differs greatly within the companies in the Group, from a large proportion of advance payments in certain operations to over 90 days in other units, but the majority have payment terms of 30 days. The Group writes off a trade receivable when there is information that indicates that the debtor is in financial hardship and there are no realistic prospects of recovery, e.g. when the debtor has gone into liquidation or has filed for bankruptcy.

Year's change in allowance for expected credit losses	2024	2023
Opening balance	12	15
Acquisitions and disposals	1	1
Established losses	–2	–3
Reversal of unused amounts	–2	–6
Allowance for expected credit losses	10	5
Currency effects	0	0
Closing balance	**19**	**12**

Trade receivables by currency	2024	2023
SEK	634	610
EUR	181	165
NOK	90	96
DKK	46	14
USD	21	8
GBP	13	16
PLN	12	3
Other currencies	14	15
	1,011	**928**

NOTE 23 | Pledged assets and contingent liabilities

Pledged assets	2024	2023
Floating charges	20	20
Bank guarantees issued	146	119
Other guarantees provided	14	18
	180	**157**

Contingent liabilities	2024	2023
Customs bonds	4	4
	4	**4**

An environmental risk related to previous activities at a Salix Group property was identified in 2023. The risk has not yet been quantified as the size of the risk and the question of liability have still not been sufficiently investigated.

NOTE 24 | Investments in Group companies

Subsidiary, corp. reg. no., registered office	Number	Holding
Corroventa		
Volati Luftbehandling Holding AB, 559046-2239, Bankeryd	960	96%
Volati Luftbehandling AB, 556717-4122, Bankeryd	1,000	100%
Corroventa Avfuktning AB, 556393-4669, Bankeryd	1,000	100%
Corroventa Entfeuchtung GmbH, Willich, Germany	–	100%
Corroventa Entfeuchtung GmbH, Vienna, Austria	–	100%
Corroventa Ltd, Manchester, UK	50,000	100%
Corroventa Finland Oy Ab, Esbo, Finland	100	100%
Corroventa Avfuktning Norge AS, Oslo, Norway	–	100%
Corroventa Déshumidification S.A., Paris, France	–	100%
Corroventa Osuszanie Sp.z.o.o, Poland	250	100%
Ventotech AB, 556699-5485, Bankeryd	142,513	100%
Ettiketto Group		
Volati 1 Holding AB, 559026-2282, Stockholm	480	96%
Ettiketto Group AB, 556656-4786, Stockholm	6,096,991	100%
Ettiketto AB, 556195-2465, Malmö	10,000	100%
Ettiketto Fastighets AB, 556186-7804, Åtvidaberg	30,000	100%
Beneli AB, 556913-9719, Helsingborg	50,000	100%
Ettiketto Produktion Malmö AB, 556233-1883, Burlöv	5,000	100%
Ettiketto Trondheim AS, 968 808 257, Trondheim	560	100%
Etiprint Aktiebolag, 556389-8104, Malmö	1,000	100%
Jägersro Fastighets AB, 559414-0781, Malmö	500	100%
Ettiketto Holding Germany GmbH, HRB 18452 Cottbus	25,000	100%
Salix Group		
Salix Group AB, 559016-1500, Malmö	97,443,441	97.4%
Habo Gruppen AB, 556199-2149, Habo	25,000	100%
Habo Danmark A/S, 10367484, Hinnerup, Denmark	10,000	100%
Habo Finland Oy, 1524026-9, Vanda, Finland	5,000	100%
Habo Norge AS, 979 746 881, Trondheim, Norway	4,416,016	100%
Pisla Group Oy, 3122950-2, Helsinki, Finland	100	100%
Pisla Oy, 2659337-7, Viitasaari, Finland	2,000	100%
Sørbø Industribeslag AS, 998 327 865, Trondheim, Norway	333,984	100%
Salix Industri AS, 927 396 823, Trondheim, Norway	3,000	100%

Subsidiary, corp. reg. no., registered office	Number	Holding
Miljöcenter i Malmö AB, 556424-9018, Arlöv	2,000	100%
Miljöcenter Green Technology Hong Kong Limited, 2234277, Hong Kong	100	100%
Salix Lantbruk, Skog och Entreprenad AB, 556795-4325, Skara	1,000	100%
Kellfri AB, 556471-9101, Skara	10,000	100%
Oy Kellfri AB, 20299787-6, Helsinki, Finland	1,000	100%
Kellfri Aps, 29404569, Fredericia, Denmark	1,000	100%
Salix Bygg och Emballagelösningar AB, 556251-0999, Malmö	10,000	100%
TECCA AB, 556191-0737, Vetlanda	10,000	100%
T-Emballage AB, 556497-9986, Vetlanda	2,000	100%
Väggmaterial Sverige AB, 556597-3996, Kungsbacka	1,000	100%
Salix Järn och Byggg, 559233-6753, Malmö	1,000	100%
Thomée Gruppen AB, 556014-1896, Malmö	12,000	100%
Heco Nordiska AB, 556370-9954, Hillerstorp	8,000	100%
Salix Business Partner AB, 556805-9090, Malmö	1,000	100%
Salix Hem och Beslag AB, 559267-3536, Habo	25,000	100%
Duschprodukter Sweden AB, 559171-8274, Gothenburg	1,000	100%
SIA Duschy Marketing, 40003368826, Riga, Latvia	100	100%
UAB Duschy, 300604740, Kaunas, Lithuania	400	100%
Arrow Norge AS, 968942332, Viken, Norway	1,000	100%
Salix Forbruksvaror Industri AS, 984 698 569, Tiller, Norway	50,000	100%
Nibu AS, 924 748 842, Asker, Norway	250	100%
Skandinavisk Beslagskompani AB, 556598-6618, Stockholm	3,000	100%
Miljöcenter AS, 932 524 686, Skien, Norway	3,000	100%
Trejon Försäljnings AB, 556684-5391, Umeå	1,000	100%
Beslag Design AS, 912327906, Norway	100	100%
BeslagOnline i Båstad AB, 559023-4430, Båstad, Sweden	50,000	100%
Beslag Design i Båstad AB, 556166-4409, Båstad, Sweden	2,000	100%
Timberman Denmark AS, 25776380, Hadsund, Denmark	4,387,000	100%
Timberman Golv AB, 559102-7221, Sweden	1,000	100%
Timberman Holding ApS, Hadsund, Denmark	40,000	90%
S:t Eriks		
Volati Infrastruktur AB, 559162-9612, Stockholm	997	99.7%
Stenentreprenader i Hessleholm AB, 556509-4702, Hässleholm	5,000	100%
S:t Eriks Group AB, 556993-9829, Staffanstorp	782,500	100%
S:t Eriks Holding AB, 556793-4970, Staffanstorp	1,000,000	100%
S:t Eriks AB, 556203-4750, Staffanstorp	22,222	100%
NoFo2 AB, 556777-2255, Staffanstorp	100,000	100%
NoFo3 AB, 556777-6736, Staffanstorp	100,000	100%
S:t Eriks Norge AS, 990918635, Slattum, Norway	1,000	100%
Vinninga Cementvarufabrik AB, 556693-3957, Vinninga	300	100%
Nordskiffer AB, 556443-1103, Höganäs	1,000	100%
Håle Stenbrott AB, 556949-2068, Staffanstorp	500	100%
S:t Eriks Blommedal, 559245-5504, Staffanstorp	250	100%
S:t Eriks Stenåsen AB, 559300-7262, Staffanstorp	25,000	100%
Byggsystem Direkt Sverige AB, 556674-6417, Laholm	6,000	100%
Betong Direkt Sverige AB, 556737-7295, Laholm	1,000	100%
MEAG VA-system AB, 556166-1454, Västerås	50,000	100%
Gunnar Prefab AB, 556265-6677, Rättvik	1,000	100%
SGs Blockbrytning AB, 559460-0644, Staffanstorp	250	100%

Subsidiary, corp. reg. no., registered office	Number	Holding
Tornum Group		
Tornum Group AB,559214-8638, Kvänum	500	100%
Volati Agri AB, 556744-8955, Kvänum	1,000	100%
Tornum AB, 556552-1399, Kvänum	1,000	100%
Tornum Polska Sp. z.o.o., 7752500766, Kutno, Poland	100	100%
Tornum Kft., 01-09-880602, Debrecen, Hungary	100	100%
SIA Tornum, 40203393692, Akācijas, Latvia	5,000	100%
Tornum S.R.L., 24851384, Bucharest, Romania	100	100%
OOO Tornum, 1123444005640, Volgograd, Russia	100	100%
Tornum LLC, 38908992, Kiev, Ukraine	100	100%
JPT Industria Oy , 2161684-0, Iljmajoki, Finland	30	100%
Apisa, B22005524, Huesca, Spain	69,602	100%
Tornum Asia Co., Ltd., 0105559188441, Bangkok, Thailand	–	100%
Volati Agri 1 AB, 559372-3918, Kvänum	920	92%
Terästorni OY, 2012386-8, Lappenranta, Finland	1,000	100%
SIMEZA SLU, B50035294, Zaragosa, Spain	10,000	100%
Tornum LTD, 03703617, UK	8	100%
Volati Communication		
Volati Communication Holding AB, 559322-1640, Mora	7,964,466,688	99.6%
Scanmast AB, 556775-5938, Mora	120,000	100%
Scanmast AS, 915 115 829, Österås, Norway	100	100%
Scanmast Oy, 3256147-8, Helsinki, Finland	1,000	100%
MAFI Group AB, 556679-4417, Mora	2,165	100%
MAFI US Inc,7331918, Lewisville, USA	1,000	100%
MAFI AB, 556441-9140, Mora	1,000	100%
MAFI Shanghai Trading Ltd, 91310115MA1K4E7P69, Shanghai, China	–	100%
MAFI Norge AS, 998531713, Oslo, Norway	1,000	100%
MAFI Mexico, MFI2202171M5, Guadalajara, Mexico	10,000	100%
MAFI India Ltd, U26109HR2023FTC113905, HARYANA, India	1,730,000	100%
Other		
LHJHA Förvaltning AB, 556722-1410, Stockholm	300,000	100%
Oxid Finans AB, 556683-6812, Stockholm	1,000	100%
Piplöken 3 AB, 556714-0123, Stockholm	1,000	100%
Volati 2 AB, 556809-7975, Stockholm	1,051,854	100%
Volati Angelo AB, 556151-8258, Stockholm	5,000	100%
Volati Bok Holding AB, 559233-6746, Stockholm	1,000	100%
Volati Finans AB, 556762-3334, Stockholm	1,000	100%
Volati Industri AB, 556880-6235, Stockholm	500	100%
Volati Italiano AB, 556345-3108, Stockholm	100,000	100%
Volati Konsument AB, 556947-0064, Stockholm	1,000	100%
Volati Ostran AB, 556036-8101, Stockholm	25,000	100%
Volati Tako AB 556495-9327, Stockholm	5,000	100%

As of the reporting date, there are non-controlling interests within the Group's platforms and business areas. This is part of Volati's business model aimed at creating common interest with key individuals in the Group through co-investments.

31 December	Non-controlling interests, % 2024	2023
Salix Group AB	2.6	2.5
Timberman Holding ApS	10.0	–
Volati 1 Holding AB	4.0	4.0
Volati Industri AB	–	–
Volati Luftbehandling AB	4.0	6.0
Volati Agri 1 AB	6.0	8.0
Tornum Group AB	–	6.0
Volati Communication AB	0.4	0.3
Volati Infrastruktur AB	0.3	0.3

On the reporting date, liabilities to non-controlling interests with put option rights amounted to SEK 216 (174) million and liabilities to other non-controlling interests amounted to SEK 10 (9) million Profit for the year attributable to non-controlling interests amounted to SEK 10 (12) million.

Dividends for the year attributable to non-controlling interests amounted to SEK 7 (9) million.

For further information about non-controlling interests see notes 1 and 22.

NOTE 25 | Events after the reporting period

On 3 February, the German label producer Clever Etiketten GmbH, including sister companies, was acquired as an add-on acquisition for Ettiketto Group. The companies have annual sales of around SEK 290 million.

NOTE 26 | Related parties

Personnel expenses for Board members and senior executives who are also shareholders are presented in note 5.

During the year, two units rented premises from companies owned by a member of Volati's Board. Rent for these premises during the year amounted to SEK 7 (6) million.

In April 2024, 338,408 warrants in Volati AB and 241,691 warrants in Salix Group AB were issued to key personnel in the companies. The warrants were issued in accordance with the resolution adopted by the Annual General Meeting on 25 April 2024. In May 2024, Volati repurchased 20 shares in Volati Agri 1 AB from a key individual in the company. In May and June 2024, Volati AB sold 87,862 shares in Salix Group AB to key personnel in the company. In June 2024, Volati sold 13,143,084 shares in Volati Communication Holding AB to a key individual in the company. In July 2024, Volati repurchased 30 shares in Tornum Group AB and 20 shares in Volati Luftbehandling Holding AB from key personnel in the companies. In December 2024, through the company Hem och Beslag AB in Salix Group, Volati sold 4,000 shares in Timberman Holding A/S to a key individual in the company. These transactions represent a part of Volati's business model aimed at creating common interest with key individuals within the units or business areas through co-investments. All transactions have been conducted at market conditions.

There are no loans between minority shareholders of Volati AB's subsidiaries.

NOTE 27 | Alternative performance measures

The financial reports published by Volati include alternative performance measures (APMs), which supplement the metrics defined or specified in the applicable rules for financial reporting, such as revenue, profit or loss and earnings per share. APMs 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 APMs is that they are used by management to assess financial performance and can thus be considered to give analysts and other stakeholders valuable information.

Volati regularly uses APMs as a complement to the key metrics that represent generally accepted accounting policies. The APMs 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 APMs is presented separately below.

Non-IFRS APMs and key metrics	Description	Reason for use
EBITDA	Earnings before interest, taxes, depreciation and amortisation.	EBITDA is used together with EBITA to clarify earnings before the effects of depreciation and impairment, and before amortisation of acquisition-related intangible assets, in order to provide a view of the profit generated by operating activities.
Items affecting comparability	These include transaction-related costs, restructuring costs, contingent consideration remeasurement, capital gains/losses on the sale of operations and non-current assets, and other items that affect comparability over time.	Items affecting comparability represent income and expenses that are not attributable to the underlying performance of the business.
Adjusted EBITDA	Calculated as EBITDA, excl. IFRS 16 operating lease adjustments, for the last 12 months for the companies included in the Group at the reporting date, as if they had been owned for the last 12 months, and adjusted for items affecting comparability such as transaction-related costs, restructuring costs, contingent consideration remeasurement, capital gains/losses on the sale of operations and non-current assets, and other items that affect comparability over time.	Adjusted EBITDA provides management and investors with a view of the size of the operations included in the Group at the reporting date, as it does not include items not directly attributable to day-to-day operations. Also used in our covenant calculations for the bank.
EBITA	Earnings before interest, taxes and amortisation.	Together with EBITDA, EBITA provides a view of the profit generated by operating activities.
EBITA excl. items affecting comparability	Calculated as EBITA, adjusted for transaction-related costs, restructuring costs, remeasurement of consideration, capital gains/losses on the sale of operations and assets, and other items that affect comparability over time.	Used by management to monitor the underlying earnings growth for the Group.
EBITA growth per ordinary share	Calculated as EBITA divided by the number of ordinary shares outstanding at the end of the period compared with the same period the previous year.	Used to illustrate earnings per ordinary share generated by operating activities.
Organic net sales growth	Calculated as net sales for the period, adjusted for acquired and divested net sales and currency effects, compared with net sales for the same period the previous year as if the businesses had been owned for the same length of time in the comparative period as the length of time they have been legally consolidated in the current period.	This metric is used by management to monitor the underlying net sales growth in existing operations.

Non-IFRS APMs and key metrics	Description	Reason for use
Organic EBITA growth	Calculated as EBITA excluding items affecting comparability for the period, adjusted for total acquired and divested EBITA and currency effects, compared with EBITA excluding items affecting comparability for the same period the previous year, as if the businesses had been owned for the same length of time in the comparative period as the length of time they have been legally consolidated in the current period.	Used by management to monitor the underlying earnings growth for existing operations.
Return on equity	Net profit (including share attributable to non-controlling interests) divided by average equity for the last four quarters (including share attributable to non-controlling interests).	Shows the return generated on the total capital invested in the Company by shareholders.
Return on adjusted equity	Net profit (including share attributable to non-controlling interests) less preference share dividend divided by average equity for the last four quarters (including share attributable to non-controlling interests) less preference share capital.	Shows the underlying return generated on ordinary share capital invested in the Company by owners of ordinary shares.
Return on capital employed (ROCE excl. goodwill)	EBITA excluding items affecting comparability for the last 12 months divided by average capital employed for the last 12 months.	Shows the return on capital employed generated by each business area and the Group without taking into consideration acquisition-related intangible assets with indefinite useful lives.
Return on capital employed incl. goodwill (ROCE incl. goodwill)	EBITA excluding items affecting comparability for the last 12 months divided by average capital employed including goodwill and other intangible assets with indefinite useful lives for the last 12 months.	Shows the return on capital employed generated by each business area and the Group.
Equity ratio	Equity (including share attributable to non-controlling interests) as a percentage of total assets.	The metric can be used to assess financial risk.
Cash conversion	Calculated as operating cash flow for the last 12 months divided by EBITDA excl. IFRS 16 Leases.	Cash conversion is used by management to monitor how efficiently the Company is managing working capital and ongoing investments.
Operating cash flow	Calculated as EBITDA, excl. IFRS 16 Leases, adjusted for non-cash items, less the difference between investments in/divestments of property, plant & equipment and intangible assets, after adjustment for cash flow from changes in working capital, excl. IFRS 16.	Operating cash flow is used by management to monitor cash flow generated by operating activities.
Net debt/Adjusted EBITDA	Net debt, excl. IFRS 16 Leases, at the end of the period in relation to adjusted EBITDA for the period,	The metric can be used to assess financial risk.

Calculations of alternative performance measures are presented separately below.

Items affecting comparability, SEK millions	Full year 2024	Full year 2023
Transaction costs	–7	–4
Restructuring costs	–	–22
Contingent consideration remeasurement	–2	2
Capital gains/losses on sale of operations and non-current assets	0	5
Impairment of assets in Ukraine and Russia	–	1
Other non-recurring income and expenses	6	–4
Items affecting comparability	**–3**	**–23**

Adjusted EBITDA, SEK millions	Full year 2024	Full year 2023
EBITDA	941	1,003
Reversal of IFRS 16 effect	–190	–179
Acquired companies	70	25
Reversal of items affecting comparability	3	23
Adjusted EBITDA	**824**	**872**

Calculation of organic net sales growth, %	Full year 2024	Full year 2023
Net sales	7,866	7,796
Total acquired/divested net sales	–617	–360
Currency effects	21	–54
Comparative figure for previous year	7,270	7,382
Organic net sales growth, %	**–7**	**–5**

Calculation of organic EBITA growth, %	Full year 2024	Full year 2023
EBITA	658	737
Adjustment for items affecting comparability	3	23
EBITA excl. items affecting comparability	**661**	**760**
Total acquired/divested EBITA	–60	–55
Currency effects	0	–5
Comparative figure for previous year	601	699
Organic EBITA growth, %	**–21**	**–5**

Calculation of EBITA growth per ordinary share, %	Full year 2024	Full year 2023
EBITA	658	737
No. of ordinary shares outstanding at end of period	79,406,571	79,406,571
EBITA per ordinary share, SEK	**8.29**	**9.28**
EBITA per ordinary share for same period previous year	9.28	8.94
EBITA growth per ordinary share, %	**–11**	**4**

Basic and diluted earnings per ordinary share	Full year 2024	Full year 2023
Net profit attributable to owners of the Parent	273	356
Deduction for preference share dividend	64	64
Net profit attributable to owners of the Parent, adjusted for preference dividend	**209**	**292**
Average no. of ordinary shares	79,406,571	79,406,571
Earnings per ordinary share, SEK	**2.63**	**3.68**

Calculation of return on equity	Full year 2024	Full year 2023
(A) Net profit, LTM, including non-controlling interests	283	368
Adjustment for preference dividend, including dividend accrued but not yet paid	–64	–64
(B) Net profit, adjusted	**218**	**304**
(C) Average total equity	2,186	2,181
(D) Average adjusted equity	1,358	1,353
(A/C) Return on total equity, %	**13**	**17**
(B/D) Return on adjusted equity, %	**16**	**22**

Calculation of equity ratio	Full year 2024	Full year 2023
Equity including non-controlling interests	2,215	2,206
Total assets	7,451	6,552
Equity ratio, %	**30**	**34**

Calculation of operating cash flow and cash conversion	Full year 2024	Full year 2023
EBITDA	941	1,003
Reversal of IFRS 16 effect	–190	–179
(A) EBITDA excl. IFRS 16 effect	**751**	**824**
(B) adjustment for non-cash items	–7	–8
Change in working capital	142	117
Net investments in property, plant & equipment and intangible assets	–107	–96
(C) Operating cash flow	779	836
(C/A) Cash conversion, %	**104**	**102**

Calculation of Net debt/adjusted EBITDA, x	Full year 2024	Full year 2023
Net debt		
Cash & cash equivalents and other interest-bearing assets	–322	–100
Non-current interest-bearing liabilities	2,396	1,774
Current interest-bearing liabilities	31	39
Net debt	**2,105**	**1,713**
Adjusted EBITDA	824	872
Net debt/adjusted EBITDA, x	**2.6**	**2.0**

ROCE %, 31 December 2024	Salix Group	Ettiketto Group	Industry	Central costs	Volati Group
1) EBITA LTM	**273**	**200**	**240**	**–53**	**661**
Capital employed, 31 December 2024					
Intangible assets	1,694	364	1,148		3,189
Adjustment for goodwill, patent/technology, brands	–1,682	–357	–1,105		–3,127
Property, plant and equipment	42	96	294		432
Right-of-use assets	248	57	266		574
Operating receivables	1,396	243	1,142		2,784
Operating liabilities	–649	–139	–626		–1,422
Capital employed, 31 December 2024	**1,050**	**264**	**1,119**		**2,429**
Adjustment for average capital employed, LTM	77	–8	82		140
1) Average capital employed, LTM	**1,126**	**256**	**1,200**		**2,569**
ROCE excl. goodwill 1)/2), %	**24**	**78**	**20**		**26**
3) Average capital employed, LTM, incl. goodwill and other intangible assets with indefinite useful lives	**2,242**	**494**	**1,877**		**4,512**
ROCE incl. goodwill 1)/3), %	**12**	**41**	**13**		**15**

ROCE %, 31 December 2023	Salix Group	Ettiketto Group	Industry	Central costs	Volati Group
1) EBITA LTM	**269**	**159**	**385**	**–53**	**760**
Capital employed, 31 December 2023					
Intangible assets	1,176	377	1,193		2,728
Adjustment for goodwill, patent/technology, brands	–1,167	–374	–1,146		–2,670
Property, plant and equipment	46	64	302		412
Right-of-use assets	235	78	252		571
Operating receivables	1,164	202	1,225		2,592
Operating liabilities	–503	–108	–632		–1,250
Capital employed, 31 December 2023	**951**	**239**	**1,195**		**2,384**
Adjustment for average capital employed, LTM	139	–1	–64		75
1) Average capital employed, LTM	**1,090**	**238**	**1,131**		**2,459**
ROCE excl. goodwill 1)/2), %	**25**	**67**	**34**		**31**
3) Average capital employed, LTM, incl. goodwill and other intangible assets with indefinite useful lives	**2,100**	**476**	**1,747**		**4,286**
ROCE incl. goodwill 1)/3), %	**13**	**33**	**22**		**18**

Income Statement, Parent Company

SEK million	Note	2024	2023
Operating income			
Net sales		17	17
Operating expenses			
Other external costs	2	–19	–19
Personnel expenses	3	–33	–32
Other operating expenses		–2	–1
Depreciation of property, plant and equipment		0	0
Operating profit		**–36**	**–36**
Profit/loss from financial investments			
Profit/loss from investments in Group companies	4	1,270	82
Interest and similar income	5	234	189
Interest and similar expenses	6	–142	–112
Profit after financial items		**1,326**	**123**
Appropriations	7	36	32
Tax	8	0	0
Net profit		**1,361**	**155**

Statement of Comprehensive Income, Parent Company

SEK million	Note	2024	2023
Net profit and Comprehensive income for the year		**1,361**	**155**

Statement of Financial Position, Parent Company

SEK million	Note	31/12/2024	31/12/2023
ASSETS			
Non-current assets			
Property, plant and equipment	9	1	0
Other shares and interests		1	1
Other non-current financial assets		4	3
Investments in subsidiaries	10	1,762	1,697
Total non-current assets		**1,768**	**1,702**
Current assets			
Receivables from Group companies		5,018	3,134
Prepayments and accrued income		3	3
Current tax receivables		0	1
Other receivables		–	–
Cash and cash equivalents		159	1
Total current assets		**5,181**	**3,138**
Total assets		**6,949**	**4,841**
EQUITY AND LIABILITIES			
Equity	11		
Restricted equity			
Share capital		10	10
Unrestricted equity			
Share premium reserve		2,376	2,376
Retained earnings		–186	–128
Net profit		1,361	155
Total equity		**3,561**	**2,414**
Untaxed reserves			
Tax allocation reserve		0	0
Liabilities			
Non-current liabilities			
Non-current non-interest-bearing liabilities		16	16
Non-current interest-bearing liabilities		2,343	1,708
Pension obligations		4	3
Total non-current liabilities		**2,362**	**1,727**
Current liabilities			
Liabilities to Group companies		982	657
Trade payables		4	1
Other current liabilities		20	21
Accruals and deferred income	13	20	21
Total current liabilities		**1,025**	**700**
Total equity and liabilities		**6,949**	**4,841**

For information on the Parent Company's pledged assets and contingent liabilities, see note 12.

Cash Flow Statement, Parent Company

SEK million	2024	2023
Operating activities		
Profit after financial items	1,326	123
Adjustment for non-cash items		
Depreciation	0	0
Reversal of dividend from subsidiary	–1,268	–82
Reversal of gain/loss on divestment of shares in subsidiaries	–2	–
Reversal of financial items	–93	–77
Total adjustments for non-cash items	**–1,363**	**–159**
Interest paid	–142	–105
Interest received	5	5
Tax paid	0	-2
Cash flow from operating activities before changes in working capital	**–173**	**–139**
Cash flow from changes in working capital		
Change in receivables	–2	0
Change in operating liabilities	1	0
Cash flow from changes in working capital	**–1**	**0**
Cash flow from operating activities	**–174**	**–139**
Investing activities		
Investments in property, plant & equipment	0	–
Investments in subsidiaries	1	–156
Dividends received	168	–
Cash flow from investing activities	**168**	**–156**
Financing activities		
Dividends paid	–215	–207
Change in intra-Group transactions	–260	398
Acquisitions and disposals of shares in Group companies held by NCI	2	0
Issue of warrants	1	–1
Proceeds from borrowings	635	65
Cash flow from financing activities	**163**	**254**
Cash flow for the year	**157**	**–40**
Cash and cash equivalents at beginning of year	1	42
Cash and cash equivalents at end of year	**159**	**1**

Statement of Changes in Equity, Parent Company

SEK million	Share capital	Share premium reserve	Retained earnings	Net profit	Total equity
Closing balance, 31 Dec 2022	**10**	**2,376**	**–54**	**134**	**2,467**
Other appropriations of profits	–	–	134	–134	0
Dividend on ordinary shares	–	–	–143	–	–143
Dividend on preference shares	–	–	–64	–	–64
Incentive programmes	–	–	–1	–	–1
Comprehensive income for the year	–	–	–	155	155
Closing balance, 31 Dec 2023	**10**	**2,376**	**–128**	**155**	**2,414**
Other appropriations of profits	–	–	155	–155	0
Dividend on ordinary shares	–	–	–151	–	–151
Dividend on preference shares	–	–	–64	–	-64
Issue of warrants	–	–	2	–	2
Comprehensive income for the year	–	–	–	1,361	1,361
Closing balance, 31 Dec 2024	**10**	**2,376**	**–186**	**1,361**	**3,561**

Notes to the Parent Company's accounts

NOTE 1 | Accounting policies

The Parent Company's annual report is prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Corporate Reporting Board's recommendation RFR 2 Accounting for Legal Entities and its issued statements for listed companies. RFR 2 requires the Parent Company, as a legal entity, to prepare financial statements in accordance with IFRS reporting standards and statements adopted by the EU to the extent allowed within the framework of the Swedish Annual Accounts Act, and taking into account the relationship between tax expense and accounting profit. The recommendation also specifies permissible IFRS exemptions and additions, and the Company has decided to use the exemption from applying IFRS 9 in its reporting. Differences between the Group's and the Parent Company's accounting policies are described below.

The accounting policies described below have been applied consistently to all periods presented in the Parent Company's financial statements.

Revenue recognition

Dividends to the Parent Company are recognised as revenue.

Leases

The Parent Company applies the exemption rule in RFR 2 and recognises lease payments as an expense on a straight-line basis over the lease term.

Property, plant and equipment

The Parent Company recognises property, plant and equipment at cost less accumulated depreciation and impairment.

Depreciation

Depreciation is applied on a straight-line basis over the useful life of the asset.

	Number of years
Equipment	3–10

The residual values and useful lives of assets are reviewed annually.

Financial instruments

The Parent Company applies the IFRS 9 exemption rules in RFR 2 and financial instruments are therefore recognised at cost less impairment.

Group contributions

The Parent Company recognises Group contributions paid and received as appropriations in the income statement.

Tax

Deferred tax assets arising from tax loss carryforwards or other future tax deductions are recognised to the extent that it is likely that the loss can be offset against future profits.

Investments in subsidiaries

The Parent Company only recognises an impairment loss on the carrying amount of investments in subsidiaries when the value of a subsidiary is less than its value in use, as described in Group note 10.

NOTE 2 | Auditors' fees and remuneration

	2024	2023
KPMG		
Audit	2	–
Other auditing services	0	–
Tax advisory services	0	–
Ernst & Young AB		
Audit	–	2
Other auditing services	–	0
Tax advisory services	–	–
	2	**2**

The items 'audit' and 'other auditing services' refer to examination of the annual financial statements, accounting records and administration of the business by the CEO and Board, other procedures required to be carried out by the Company's auditors and advice or other assistance relating to observations made during the performance of these other procedures. Anything else is classified as other services.

NOTE 3 | Employees and personnel expenses

The average number of employees in the Parent Company was 15 (16), of whom 7 (7) were men. As at the end of 2024, three of the senior executives are employed by the Parent Company. Two are employed in the Group (Salix Group & Ettiketto Group).

	2024	2023
Salaries and other benefits		
Board and CEO	6	6
Other employees	14	15
	21	**20**
Social security contributions		
Contractual and statutory social security contributions	7	6
Pension costs, Board and CEO (incl. payroll tax)	0	0
Other pension costs	3	4
	11	**11**

NOTE 4 | Profit/loss from investments in subsidiaries

	2024	2023
Dividends from subsidiaries	1,268	82
Gains/losses on disposal of shares to NCI	2	0
	1,270	**82**

NOTE 5 | Interest and similar income

	2024	2023
Interest income from Group companies	233	188
Interest income from bank deposits	1	1
Other interest income	0	0
	234	**189**

NOTE 6 | Interest and similar expenses

	2024	2023
Interest expenses to Group companies	–19	–11
Interest expenses on loans	–113	–85
Other interest expenses	–9	–15
Exchange losses	–1	–0
Other finance costs	0	0
	–142	**–112**

NOTE 7 | Appropriations

	2024	2023
Group contributions paid	–	–17
Group contributions received	36	–
Change in tax allocation reserve	–	48
Change in accelerated depreciation	0	0
	36	**32**

NOTE 8 | Tax

	2024	2023
Current tax expense	0	0
Deferred tax	0	0
Tax expense for the year	**0**	**0**

Reconciliation of effective tax	2024	2023
Profit before tax	1,361	154
Tax at applicable tax rate	–280	–32
Tax effect of non-taxable income	262	17
Tax effect of non-deductible expenses	0	0
Taxable net interest income received	19	16
Tax effect, other	0	–1
Recognised effective tax	**0**	**0**

NOTE 9 | Property, plant & equipment

Equipment	2024	2023
Accumulated cost		
Opening cost	0	0
Investments	0	–
Disposals	–	–
Closing accumulated cost	**1**	**0**
Accumulated scheduled depreciation		
Opening depreciation	0	0
Depreciation for the year	0	0
Disposals	–	–
Closing accumulated depreciation	**0**	**0**
Closing scheduled residual value	1	0

NOTE 10 | Investments in Group companies

Accumulated cost	2024	2023
1 January	1,697	1,467
Shareholder contributions	65	81
Acquisition of subsidiaries	–	100
Owner transactions	–1	50
31 December	**1,762**	**1,697**

			Carrying amount	
Subsidiary, corp. reg. no., registered office	**Number**	**Holding**	**2024**	**2023**
Salix Group AB, 559016-1500, Malmö	97,443,441	97.4%	712	703
Volati 2 AB, 556809-7975, Stockholm	1,051,854	100%	5	5
Volati Bok Holding AB, 559233-6746, Stockholm	1,000	100%	1	1
Volati Finans AB, 556762-3334, Stockholm	1,000	100%	23	23
Volati Industri AB, 556880-6235, Stockholm	500	100%	783	783
Volati Konsument AB, 556947-0064, Stockholm	1,000	100%	1	1
Volati 1 Holding AB, 559026-2282, Stockholm	480	96%	237	181
			1,762	**1,697**

NOTE | 11 Equity

Dividend
In 2024, Volati AB adopted a dividend of SEK 151 (143) million to ordinary shareholders and SEK 64 (64) million to preference shareholders.

Retained earnings
Retained earnings comprise unrestricted equity from previous years. Together with net profit for the year, this comprises total unrestricted equity, i.e., the amount that is available for distribution to shareholders.

Proposed appropriation of profits
Information on the Board's proposed appropriation of profits can be found in the administration report in this Annual Report and below.

The Board of Directors proposes that:

	SEK
Retained earnings	–186,482,415.96
Net profit	1,361,167,617.56
Share premium reserve	2,376,398,417.10
Total	**3,551,083,618.70**
be appropriated as follows:	
Dividend of SEK 2.00 per ordinary share, total	158,813,142.00
Dividend of SEK 40 per preference share, total	64,150,960.00
Carried forward	3,328,119,516.70
Total	**3,551,083,618.70**

NOTE 12 | Pledged assets and contingent liabilities

Pledged assets	2024	2023
Shares in subsidiaries	–	–

Contingent liabilities	2024	2023
Rental guarantee	10	13
Parent company guarantee	47	47
	57	**60**

See Group note 23 for information on the Group's pledged assets.

NOTE 13 | Accrued expenses

Accumulated cost	2024	2023
Accrued personnel expenses	2	2
Accrued social security contributions on accrued personnel expenses	2	2
Accrued liability for preference share dividend	16	16
Other accruals	1	2
	20	**21**

NOTE 14 | Related parties

The Parent Company has a related party relationship with its Group companies and owners. See Group note 26. During the year, Group contributions and dividends were received from subsidiaries. During the year, 338,408 warrants in Volati AB were issued to key personnel in Volati AB. The warrants were issued in accordance with the resolution adopted by the Annual General Meeting on 25 April 2024. In May and June 2024, Volati AB sold 87,862 shares in Salix Group AB to key personnel in the company. The transactions were conducted at market conditions. In addition, the Parent Company has invoiced its subsidiaries SEK 17 (17) million for services rendered during the year. Personnel expenses for owners are shown in Group note 5.

The Board and CEO hereby confirm that the consolidated annual financial statements have been prepared in accordance with international financial reporting standards (IFRS), as adopted by the EU, and provide a true and fair view of the Group's financial performance and position. The Parent Company's annual financial statements have been prepared in accordance with generally accepted accounting principles in Sweden and provide a true and fair view of the Company's financial performance and position. The Board of Directors' Report for the Group and the Parent Company provides a fair overview of the development of the Group and the Parent Company's operations, financial position and performance and describes material risks and uncertainties faced by the Parent Company and Group companies.

Stockholm, 20 March 2025

Patrik Wahlén
Chairman of the Board

Karl Perlhagen
Board Member

Björn Garat
Board Member

Maria Edsman
Board Member

Christina Tillman
Board Member

Anna-Karin Celsing
Board Member

Magnus Sundström
Board Member

Andreas Stenbäck
CEO

Our audit report was submitted on 25 March 2025

KPMG AB

Helena Nilsson
Authorised Public Accountant
Chief Auditor

Ola Larsmon
Authorised Public Accountant

Auditor's Report

To the general meeting of the shareholders of Volati AB (publ.), corp. id 556555-4317

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Volati AB (publ.) for the year 2024, except for the corporate governance statement on pages 58–71 and the sustainability report on pages 72–104. The annual accounts and consolidated accounts of the company are included on pages 49–164 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 58–71 and sustainability report on pages 72–104. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the income statement and statement of financial position for the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Matter

The audit of the annual accounts for year 2023 was performed by another auditor who submitted an auditor´s report dated 26 March 2024, with unmodified opinions in the Report on the annual accounts and consolidated accounts.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Valuation of acquired intangible assets

See disclosure 10 and accounting principles on page 112 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The carrying value of acquired intangible assets, consisting of goodwill and brands/other amount to SEK 3,127 million as at 31 December 2024, representing 42% of total assets.

Goodwill and other intangible assets with indefinite lifetimes shall be subject to impairment testing annually. Other intangible assets should be tested if there are indicators of impairment. The impairment tests are both complex and involves significant elements of judgement from group management.

According to current regulations, the prescribed method for carrying out impairment tests involves management making forecasts for how internal as well as external conditions and plans may impact the business. Examples of such forecasts include future cash flows, which in turn require assumptions to be made about future market conditions. Another important assumption is which discount rate to use in order to correctly reflect the time value of money of forecast future cash in-flows, which carry a certain level of risk.

This area, therefore, involves significant levels of judgement which are in turn significant to the group's financial statements.

Response in the audit

We have inspected the company's impairment testing in order to assess whether it is in line with the prescribed methodology.

Furthermore, we have evaluated management's future cash flow forecasts and the underlying assumptions, which includes the long-term growth rate and the assumed discount rate, by obtaining and evaluating the group's written documentation and plans. We have also considered previous years' forecasts in relation to the actual outcome.

A critical part of our work has also been evaluation of the sensitivity analysis performed by management that shows how changes in the assumptions can affect the overall valuation and performance of our own sensitivity analysis.

We have also considered the disclosures in the annual accounts for completeness and assessed whether they are in line with the assumptions used by the group in its impairment testing and whether the information is sufficient to provide understanding of management's judgements.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–48, 72–104 and 172–174. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit

evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company’s and the group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor’s report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Auditor's audit of the administration and the proposed appropriations of profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Volati AB (publ.) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of

Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Volati AB (publ.) for year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Volati AB (publ.) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor’s examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 58–71 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR´s standard RevR 16 The auditor´s examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

The auditor’s opinion regarding the statutory sustainability report

The Board of Directors is responsible for the sustainability report on pages 72–104, and that it is prepared in accordance with the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024.

Our examination has been conducted in accordance with FAR´s standard RevR 12 The auditor’s opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Volati AB (publ.) by the general meeting of the shareholders on the 25 April 2024. KPMG AB or auditors operating at KPMG AB have been the company’s auditor since 2024.

Stockholm 25 March 2025

KPMG AB

Helena Nilsson
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Auditor in charge

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