



Press release 18 November 2016

## **Volati publishes prospectus for its initial public offering on Nasdaq Stockholm**

**Volati AB (publ) (“Volati” or the “Company” and together with its subsidiaries the “Group”) announced on 14 November 2016 its intention to list the Company’s common shares and preference shares on Nasdaq Stockholm (the “IPO”), and in connection with the IPO issue approximately 19 million common shares in the Company (the “Offering”). Today, the Company publishes its prospectus for the IPO and the Offering.**

- **The Offering comprises 18,965,518 new common shares, corresponding to approximately 24 percent of the total number of common shares outstanding in the Company following the IPO.**
- **To cover potential overallotment in connection with the Offering, the Company has undertaken to, upon the Joint Global Coordinators’ request, issue an additional not more than 1,896,551 common shares, corresponding to up to 10 percent of the Offering and up to approximately 2 percent of the total number of common shares in the Company, following the IPO.**
- **Price per common share in the Offering is set at SEK 58, corresponding to a total value of the common shares of approximately SEK 4,664 million following the Offering, assuming the overallotment option is exercised in full.**
- **The issue proceeds amount to approximately SEK 1,100 million before issue costs. Assuming the overallotment option is exercised in full, the issue proceeds amount to approximately SEK 1,210 million before issue costs.**
- **Four investors have committed to be cornerstone investors: Didner & Gerge Fonder, The Fourth Swedish National Pension Fund (AP4), Handelsbanken Fonder and Peter Lindell privately and through controlled companies, together committed for a total of SEK 700 million, corresponding to approximately 58 percent of the Offering assuming the overallotment option is exercised in full.**
- **The first day of trading in the Volati shares on Nasdaq Stockholm is expected to begin on 30 November 2016 and settlement is expected to take place on 2 December 2016.**
- **A prospectus with full terms and conditions is published today 18 November 2016 on Volati’s website ([www.volati.se](http://www.volati.se)).**

**Karl Perlhagen and Patrik Wahlén, founders of Volati and Chairman and member of the Board of Directors, respectively:**

“Volati has undergone a strong journey of growth since we founded the Company in 2003. We see today, just like back then, that there are great opportunities to create value through acquiring and, with a long-term emphasis, developing well-functioning companies. Through a share issue and listing on Nasdaq Stockholm we create the preconditions for maintained high growth through acquisitions. We will not sell any shares in the Offering and following the Offering we will together own approximately 65 percent of Volati. In other words we have a strong economic incentive in Volati continuing creating value. We are pleased to have been given the trust from four well-reputed

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cornerstone investors and we now welcome additional new common shareholders to continue building Volati together with us.”

**Mårten Andersson, CEO of Volati:**

“Since we raised capital through a preference share issue in May 2015 we have grown substantially and have completed six acquisitions, one larger and five add-on acquisitions complementing Volati’s existing business units. We have an organisation in place to continue to add well-functioning companies to the Group and at the same time structures and processes to support their continued growth. This makes us well prepared to put new capital to work through additional acquisitions and we look forward to doing it as a listed company on Nasdaq Stockholm.”

**Volati in brief**

Volati is an industrial group comprising 13 business units organised into three business areas: Trading, Industry and Consumer. The Company has some 40 operating companies in 15 countries, with Sweden accounting for the largest share of net sales.

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

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

During the twelve-month period from 1 October 2015–30 September 2016, Volati’s net sales were SEK 3,158 million and Adjusted EBITA<sup>1</sup> SEK 340 million. During the 1 January 2011–30 September 2016 period, Volati reported a CAGR<sup>2</sup> in EBITA of 31 percent. Volati posted an average annual organic EBITA growth of 11 percent over the corresponding period.<sup>3</sup>

**Background and reasons**

Growth by acquisitions is central in Volati’s business concept. Acquisitions comprise either companies that form new separate business units, known as platform acquisitions, or add-on acquisitions to existing business units. Volati primarily sources, and has historically invested in, companies with proven business models, leading market positions and strong cash flows. In the past few years, the rate of completed acquisitions has accelerated and, in June 2015, Volati raised approximately SEK 850 million through a Preference Share issue to finance additional acquisitions. During the 18-month period ended 30 September 2016, Volati completed six acquisitions, of which five were add-on acquisitions and one was a platform acquisition that laid the foundation for the Trading Business Area. To enable further acquisition-driven growth and to capitalise on the acquisition opportunities identified by Volati and its business units, Volati’s board of directors intends to resolve on a new share issue of common shares. Based on full subscription in the Offering and a fully exercised over-allotment option the Company will receive gross proceeds amounting to a maximum of approximately SEK 1,210 million from the share issue, which will be used to finance additional acquisitions in the coming years.

<sup>1</sup> Calculated as EBITA for the last twelve months for the companies consolidated in the Company at the reporting date, as if the companies had been owned for the last twelve-month period and adjusted for transaction related costs, restructuring costs, revaluation of earn-out payments, capital gains/losses on the sale of operations and other revenue and costs deemed as non-recurring.

<sup>2</sup> Compound annual growth rate, using the year prior to the first year of the defined period as base year.

<sup>3</sup> Average organic EBITA growth has been calculated as the average of organic EBITA growth during the periods 2011, 2012, 2013, 2014, 2015 and 1 January–30 September 2016.

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From a capital structure perspective, the Company will initially use the issue proceeds to reduce the utilisation of credit facilities, to subsequently increase this utilisation in conjunction with acquisitions. The current shareholders of common shares are not selling any shares in the Offering but Patrik Wahlén, Mårten Andersson and Mattias Björk have separately committed to sell in total 1,379,311 common Shares, corresponding to a value of SEK 80 million, to a minority owner in the Group. In conjunction with this, the minority owner has committed to sell the existing minority holding in the parent company within the Group's Trading business area to the Group.

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

### **Prospectus**

A prospectus will be available on Volati's website ([www.volati.se](http://www.volati.se)), Carnegie's website for on-going offerings ([www.carnegie.se/om-carnegie/kontakt/pagaende-erbjudanden/](http://www.carnegie.se/om-carnegie/kontakt/pagaende-erbjudanden/)), Nordea's website ([www.nordea.se](http://www.nordea.se)) and Nordnet's website ([www.nordnet.se](http://www.nordnet.se)).

### **Preliminary timetable**

Publication of prospectus:	18 November 2016
Application period for the general public in Sweden:	21 – 28 November 2016
Application period for institutional investors:	21 – 29 November 2016
First day of trading on Nasdaq Stockholm:	30 November 2016
Settlement date:	2 December 2016

### **Advisors**

Carnegie and Nordea are acting as Joint Global Coordinators and Joint Bookrunners in connection with the IPO. Gernandt & Danielsson Advokatbyrå KB is acting as legal advisor to the Company and Advokatfirman Vinge as legal advisor to Joint Global Coordinators.

### **For further information, please contact:**

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This information is such that Volati AB is obliged to disclose under the EU Market Abuse Regulation (MAR). The information was submitted for publication, through the agency of the contact person set out above, at 6 p.m. CET on 18 November 2016.

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### **About Volati**

Volati is a Swedish industrial group formed in 2003, comprising some 40 operating companies divided into 13 business units organised in three business areas: Trading, Consumer and Industry. Volati acquires mainly companies with proven business models, leading market positions and strong cashflow at reasonable valuations and develops these with an emphasis on long-term value creation. Volati's strategy is to build on the identity and entrepreneurial spirit of the companies, adding, leadership, expertise, processes and financial resources. Volati has operations in 15 countries, with a total of about 1,300 employees and annual sales of more than SEK 3 billion. Volati's preference share is traded on Nasdaq First North Premier and Avanza Bank is the company's Certified Adviser. Further information is available at [www.volati.se](http://www.volati.se).

### **Important information**

This announcement is not and does not form a part of any offer to sell or a solicitation of an offer to purchase, any shares or other securities in the Company.

This announcement has not been distributed, and will not be distributed or in any other way sent, into the United States, Canada, Japan, Australia, New Zealand, South Africa, Hong Kong or Singapore or any other jurisdiction in which such distribution would violate local securities laws or regulations in such jurisdiction or would require registration or other measures.

These materials are not an offer for sale of securities in the United States. Securities may not be offered or sold in the United States. The Company does not intend to register any part of the Offering in the United States or to conduct a public offering in the United States.

This announcement is an advertisement and is not a prospectus for the purposes of the Directive 2003/71/EC (together with any applicable implementing measures in any member state, the "Prospectus Directive"). A prospectus prepared pursuant to the Prospectus Directive will be published, which, when published, can be obtained from the Company. Investors should not subscribe for any securities referred to in this announcement except on the basis of information contained in the prospectus.

In any EEA member state other than Sweden that has implemented the Prospectus Directive, this announcement is only addressed to and is only directed at qualified investors in that member state within the meaning of the Prospectus Directive, i.e., only to investors who can participate in the Offering without an approved prospectus in such EEA member state.

This announcement is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons in (i), (ii) and (iii) above together being referred to as "relevant persons"). The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this announcement or any of its contents. Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements refer to statements which do not refer to historical facts and events, and statements which are attributable to the future, such as expressions as "deem", "assess", "expect", "await", "judge", "assume", "predict", "can", "will", "shall", "should or ought to", "according to estimates", "consider", "may", "plan", "potential", "calculate", "as far as is known" or similar expressions suitable for identifying information that refers to future events. This applies in particular to statements referring to future results, financial position, cash flow, plans and expectations for the Company's business and management, future growth and profitability and general economic and regulatory environment and other circumstances which affect the Company. Forward-looking statements are based on current estimates and assumptions which are based on the Company's current intelligence. Such future looking statements are subject to risks, uncertainties and other factors which may result in actual results, including the Company's financial position, cash flow and profits, deviating considerably from the results which expressly or indirectly form the basis of, or are described in, statements, or may result in the expectations which, expressly or indirectly, form the basis of or are described in statements not being met or turning out to be less advantageous compared to the results, which expressly or indirectly formed the basis of or were described in the statements. The Company's business is exposed to a number of risks and uncertainties which may result in forward-looking statements being inaccurate or an estimate or calculation being incorrect. Therefore, potential investors should not place undue reliance on the forward-looking statements herein and are strongly advised to read detailed description of factors which have an effect on the Company's business and the market in which the Company operates that will be included in the prospectus. The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.