

Press release

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Volati redeems Akademibokhandeln's bond, signs new bank loan agreement and reduces finance costs by SEK 15 million

Volati has entered into a new loan agreement with Nordea for a revolving credit facility and overdraft facility. Part of the amount will be used to finance the subsidiary Akademibokhandeln's early redemption of outstanding bonds. This gives Volati an improved financing structure, extends the loan framework for continued acquisitions and reduces the Company's finance costs by about SEK 15 million per year.

The new loan agreement replaces Volati's previous and existing loan agreements with Nordea and consists of a revolving credit facility of SEK 700 million and an overdraft facility of SEK 200 million. The new loan agreement has an initial maturity of three years, but with an option to extend it by up to two years. The renegotiation has resulted in financially attractive terms for Volati, which mean that interest expenses will be reduced.

"Volati has a strong financial position. Just as in previous years, we generated a strong cash flow from operations in 2018, which amounted to SEK 448 million. Net debt at the end of 2018 was 1.7x EBITDA, which gives us considerable scope for acquisitions in relation to our financial target for net debt not to exceed 3.0x. In addition to reducing our finance costs, the new loan agreement strengthens our capacity to act quickly when we identify the right acquisition opportunities," says Volati CFO Mattias Björk.

Part of the amount provided under the new loan agreement will be used to finance the Volati subsidiary Akademibokhandeln Holding AB (publ)'s redemption of outstanding 2017/2021 bonds, ISIN SE0009690084, amounting to SEK 301 million. The redemption date has been set for 19 March 2019. After redemption of Akademibokhandeln's bond, all associated collateral will be released and Akademibokhandeln will then become part of Volati's cash pool.

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About Volati

Volati is a Swedish industrial group, founded in 2003, consisting of four business areas: Trading, Consumer, Akademibokhandeln and Industry. 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. The strategy is to build on the companies' identity and entrepreneurial spirit, adding leadership, expertise, processes and financial resources. Volati has operations in 16 countries, over 2,000 employees and after the acquisition of S:t Eriks annual sales of approximately SEK 6.7 billion. Volati's ordinary shares and preference shares are listed on Nasdaq Stockholm. Further information is available at www.volati.se.