



Interim Report okt-dec 2024

Andreas Stenbäck, CEO

Martin Aronsson, CFO

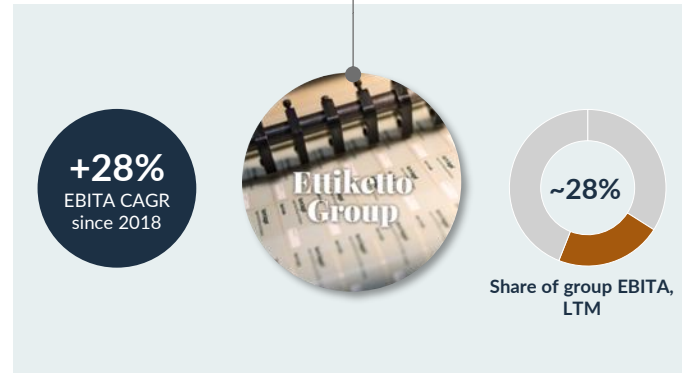
12 February 2025

Volati is a growing group of well-managed companies with strong earnings



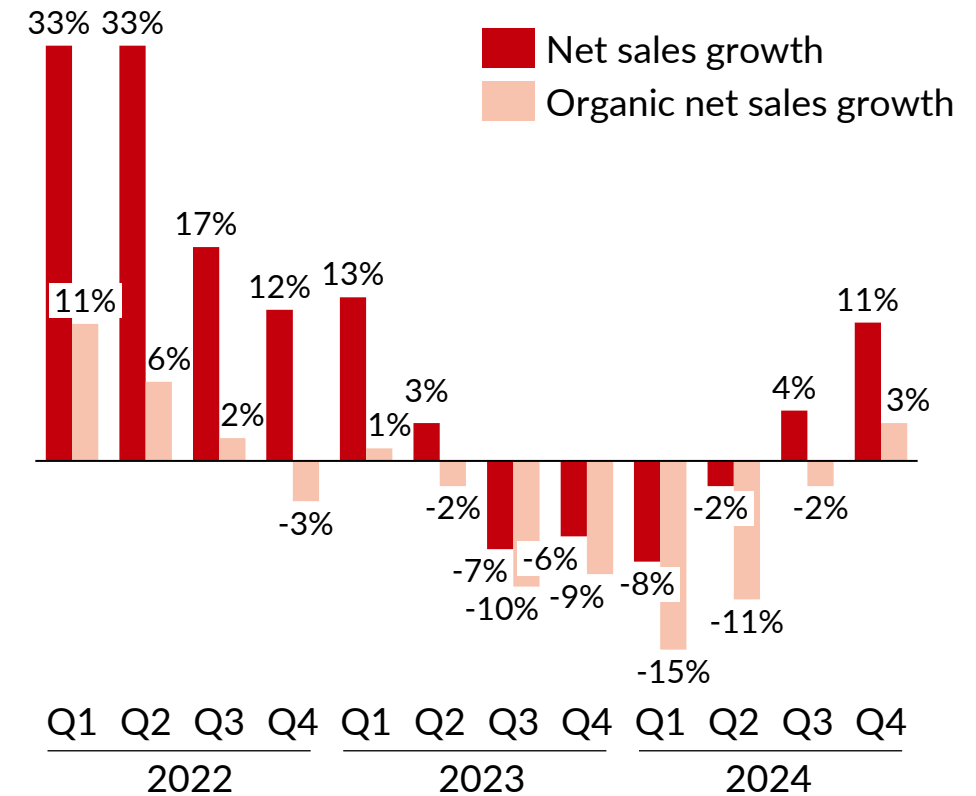
Volati	
Net sales, 2024	SEK 7,866 m
EBITA, 2024	SEK 658 m

+17%
EBITA CAGR
since 2018



Return of organic growth in Q4

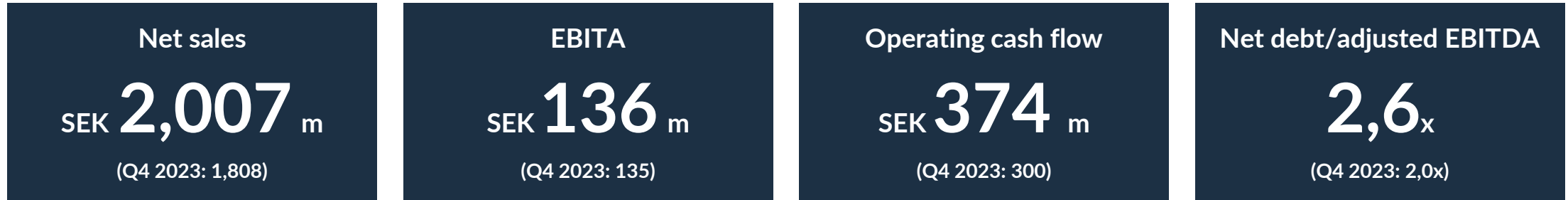
- Sales increased by 11 percent to SEK 2,007 million in the fourth quarter.
- Organic sales growth of 3%, and the first quarter since Q1 2022 with organic sales growth in all business areas
- Margin development in line with or better than last year except for platform Tornum Group within business area industry which has faced challenging market circumstances in combination with low margins in a couple of projects
- Earnings per share increased by 36 percent in the quarter



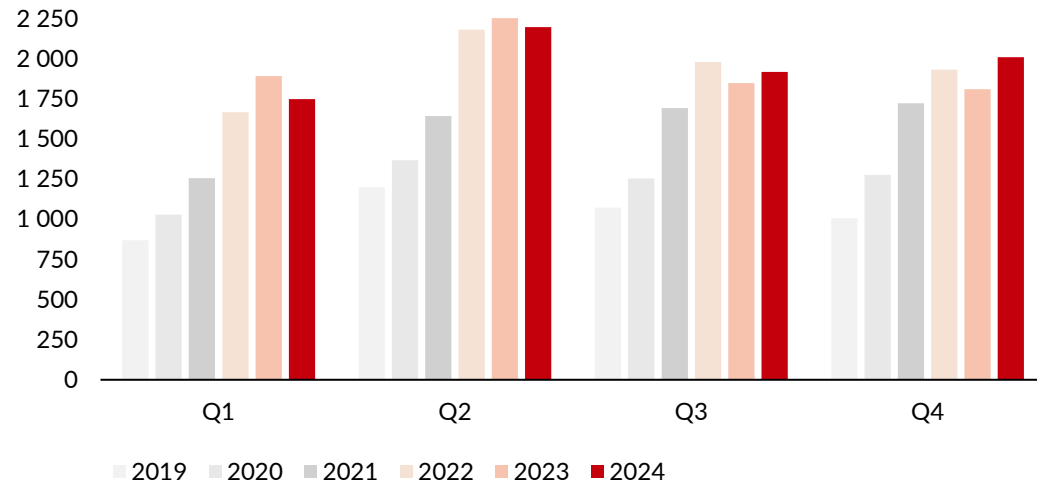
Time to close the growth gap

- Cash flow was strong during both the fourth quarter and the full year 2024. Cash conversion in excess of 100% for the second year in a row
- Two strategic acquisitions made after Q3: Salix Group acquired Timberman in Denmark, and Ettiketto Group acquired Clever Etiketten in Germany, adding approximately SEK 710 million in annual revenue.
- After three years of challenging market conditions, we have created a growth gap. Volati's financial goal is to increase EBITA by 15% annually, doubling EBITA in every five years
- We have taken several long term structural measures, for example reviewed the cost base, improved organisational efficiency and synergies within the platforms
- We have also during the same period acquired 15 companies totaling SEK 2,2 bn of yearly revenue
- This puts us in a great position to show accelerated growth once the markets starts returning towards normal levels

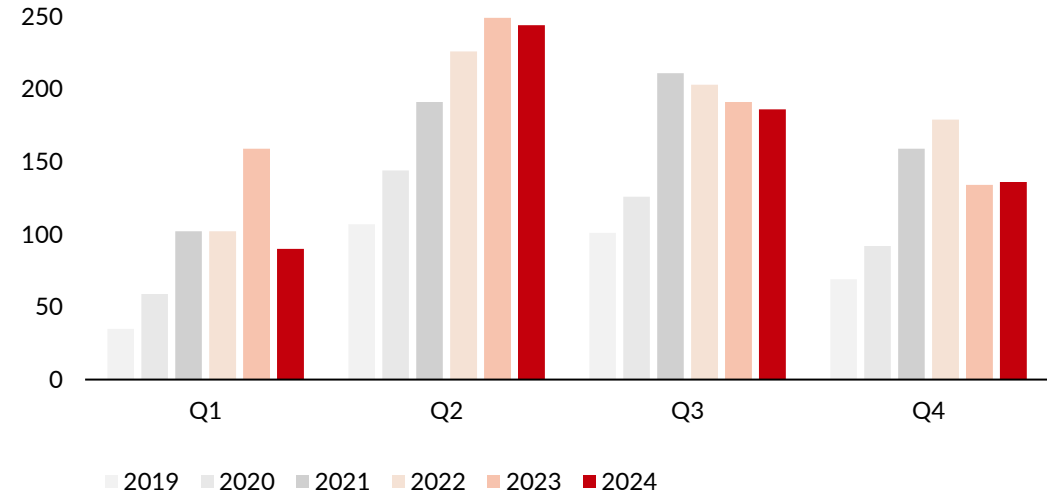
Financial development, Q4 2024



Net sales, SEK m



EBITA, SEK m

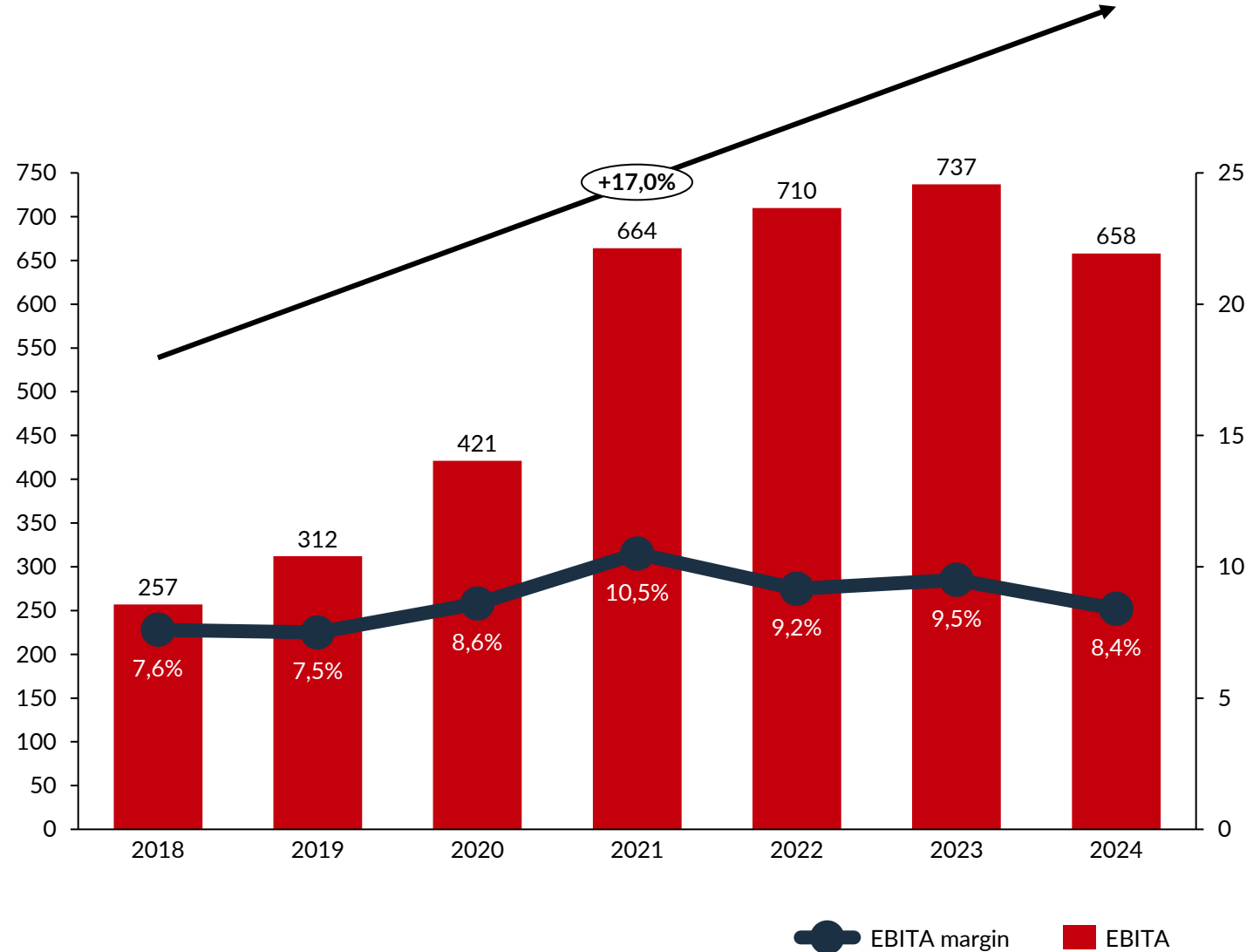


Financial development 2024

Net sales
SEK **7,866** m
(FY 2023: 7,796)

EBITA
SEK **658** m
(FY 2023: 737)

Operating cash flow
SEK **779** m
(FY 2023: 836)



Financial targets

EBITA growth

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

Growth in EBITA per ordinary share, LTM

-11%

2023: 4%

Five year average²: 19%

Return on adjusted equity

The long-term target is a return on adjusted equity¹⁾ of 20 percent.

Return on adjusted equity

16%

2023: 22 %

Five year average: 32%

Capital structure

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

Net debt/adjusted EBITDA

2.6x

2023: 2,0x

Five year average: 1,4x

1) See pages 137-141 of the 2023 Annual Report for definitions of alternative performance measures. 2) Excluding divested operations.

Three business areas with growth focus



Products and materials for builder's hardware, consumables, construction, home & garden, packaging and forestry & agriculture.



Self-adhesive labels and machines for various applications; from decorative labels to technically advanced labels in medical technology.

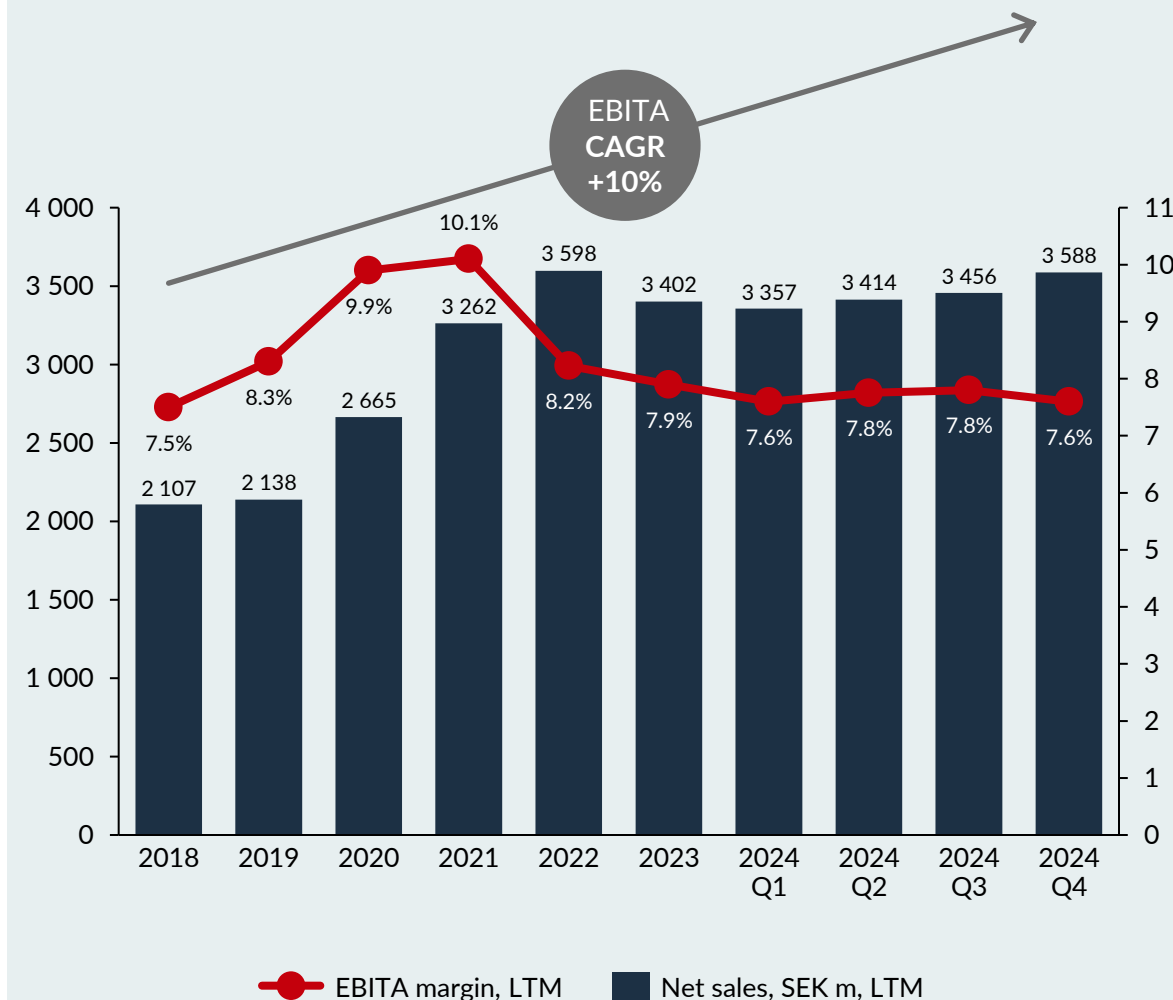


Four businesses with leading market positions in their niches; Products and solutions for grain management. Products for dampness and water damage management. Infrastructure for telecom, lighting and solar panels. Stone and cement products for infrastructure and construction.

Salix Group

- Sales increase of 17 percent in the quarter, mainly driven by acquisitions but also through organic growth, with slightly lower EBITA margin.
- Continued challenging market, however signs of increased activity from building hardware store customer.
- Full year 2024 revenue increase of 5 percent.
- Visible benefits from cost control measures, coordination benefits, synergy realisation and active market development.
- Construction market growth expected in 2025.
- The acquisition of Timberman A/S was completed in Q4 2024, a market-leading flooring supplier in Denmark.
- Well positioned for further acquisitions.

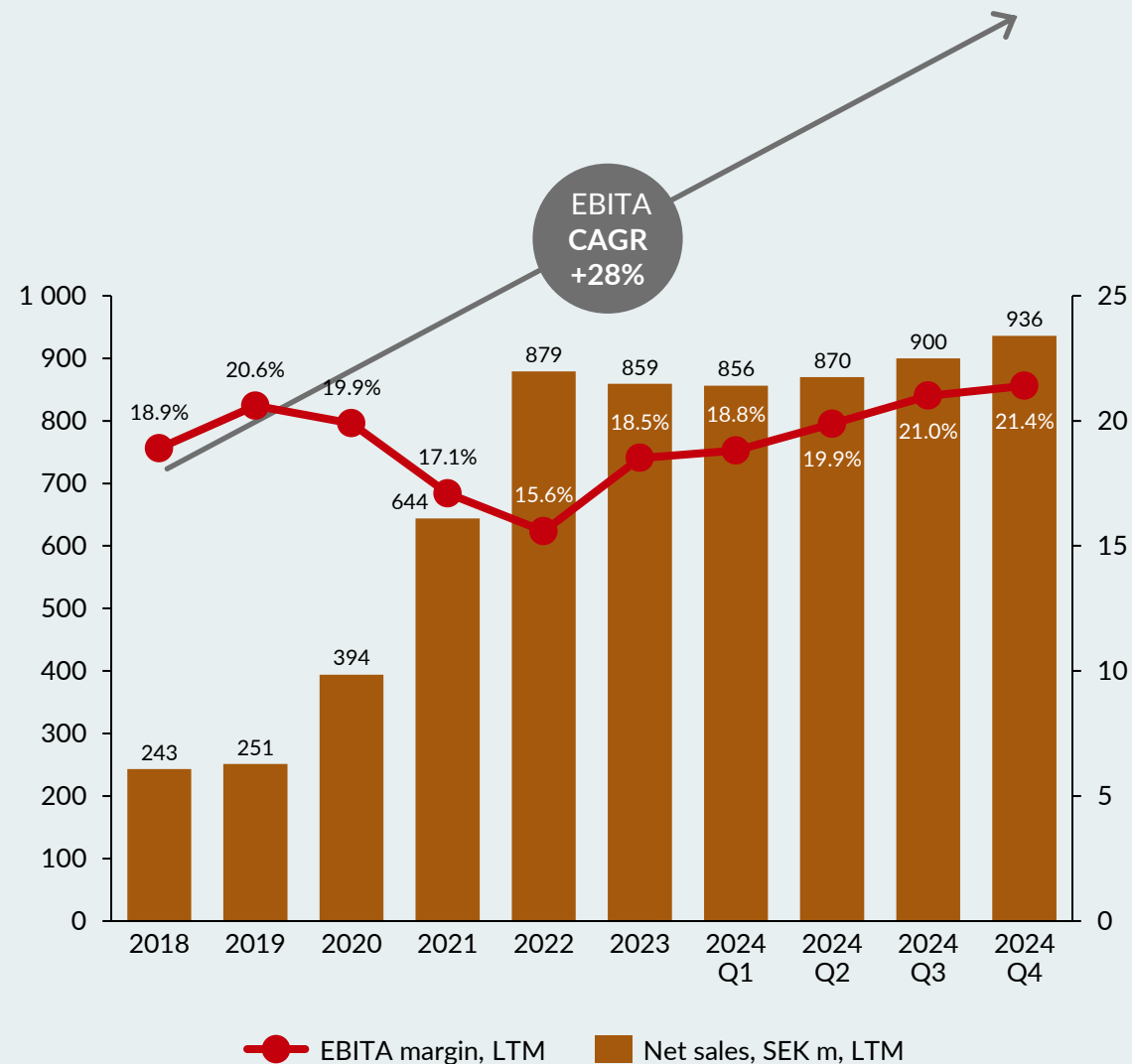
	Oct-Dec 2024	Oct-Dec 2023	FY 2024	FY 2023
Net sales, SEK m	892	759	3588	3402
EBITA, SEK m	50	45	273	269
EBITA-margin, %	6	6	8	8
ROCE excl. goodwill, %	24	25	24	25



Ettiketto Group

- Organic revenue increase of 16 percent and an EBITA-margin increase of 2pp in the quarter.
- Full year organic revenue increase of 9 percent.
- The LTM EBITA margin has consistently increased over the past nine quarters and is now at 21 percent
- The margin expansion stem from Ettiketto Group systematically improving the operational efficiently and realising synergies in the companies they have acquired.
- Good order intake in the Swedish operations where capacity expansions ensure that Ettiketto Group can meet the demand.
- The acquisition of Clever Etiketten GmbH in Q1 2025 opens a new platform in Central Europe, enabling continued acquisition-driven growth.

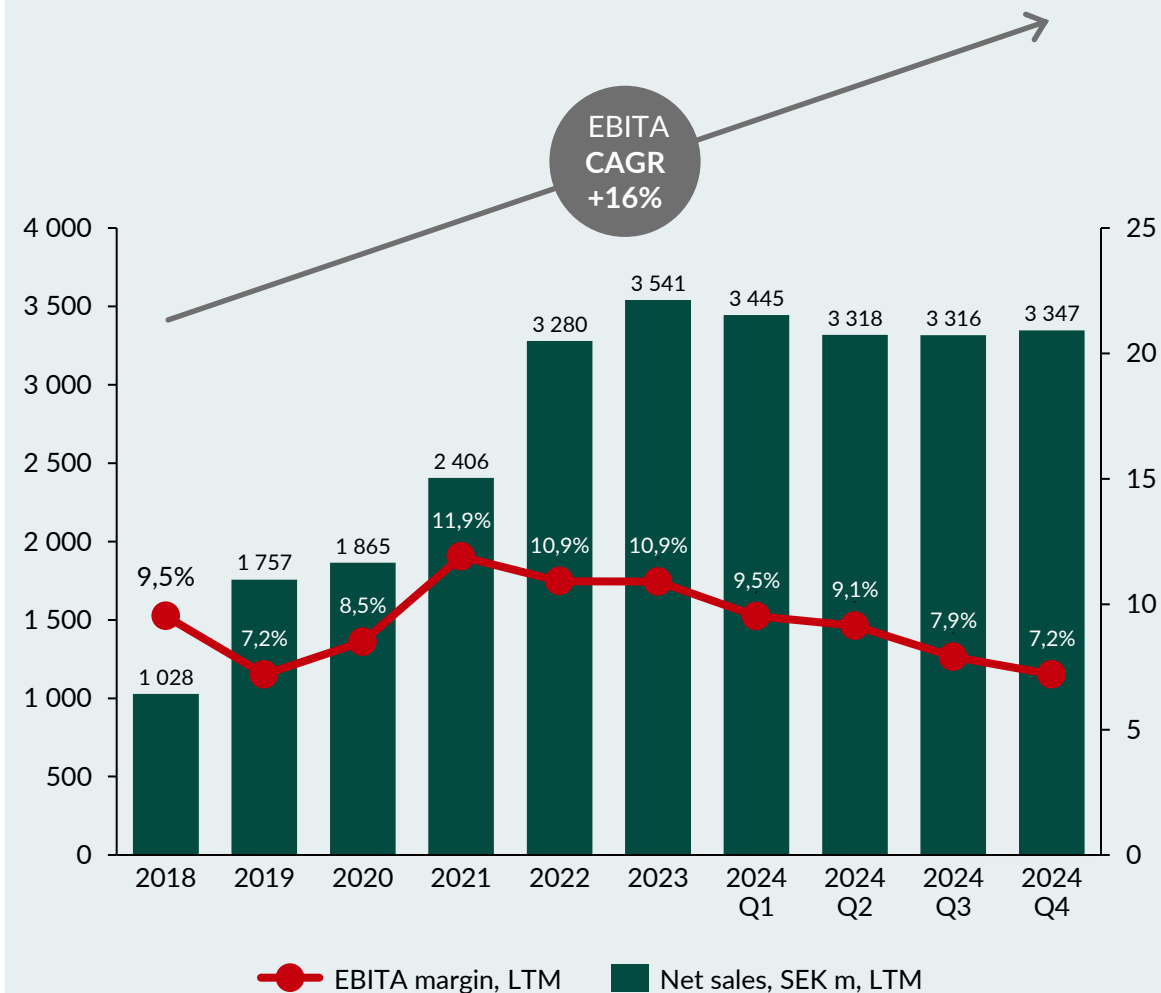
	Oct-Dec 2024	Oct-Dec 2023	FY 2024	FY 2023
Net sales, SEK m	252	216	936	859
EBITA, SEK m	51	39	200	159
EBITA-margin, %	20	18	21	18
ROCE excl. goodwill, %	78	67	78	67



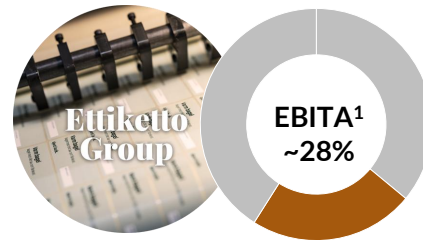
Industry

- Revenue growth of 4 percent in the quarter with an EBITA-margin decline to 7 percent from 10 percent in Q4 last year.
- Corroventa performed well in the quarter but lowered the result compared to the strong Q4 2023.
- Tornum Group faced a challenges with lower demand in the agricultural segment and low profitability in a few Spanish projects.
- S:t Eriks continues to face a challenging construction market, while the demand in the infrastructure segment is stable.
- Good growth for Communication due to increased demand and to some extent due to weak comparison figures from last year.

	Oct-Dec 2024	Oct-Dec 2023	FY 2024	FY 2023
Net sales, SEK m	864	834	3347	3541
EBITA, SEK m	59	81	240	385
EBITA-margin, %	7	10	7	11
ROCE excl. goodwill, %	20	34	20	34



26 acquisitions and SEK 4,2 billion of annual sales since 2020



Heco January 2020	SALES 180
Pisla September 2020	SALES 240
Duschy March 2021	SALES 100
Gunnar Eiklid March 2022	SALES 40
Nibu/SkanCo May 2022	SALES 150
Embo Import November 2022	SALES 25
Sweja May 2023	SALES 100
Trejon December 2023	SALES 300
Beslag Design February 2024	SALES 190

Timberman December 2024	SALES 420
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Beneli June 2020	SALES 160
Märkas September 2020	SALES 170
Strongpoint June 2021	SALES 190
Skipnes January 2022	SALES 70
Jigraf March 2022	SALES 30
Clever Etiketten February 2025	SALES 290

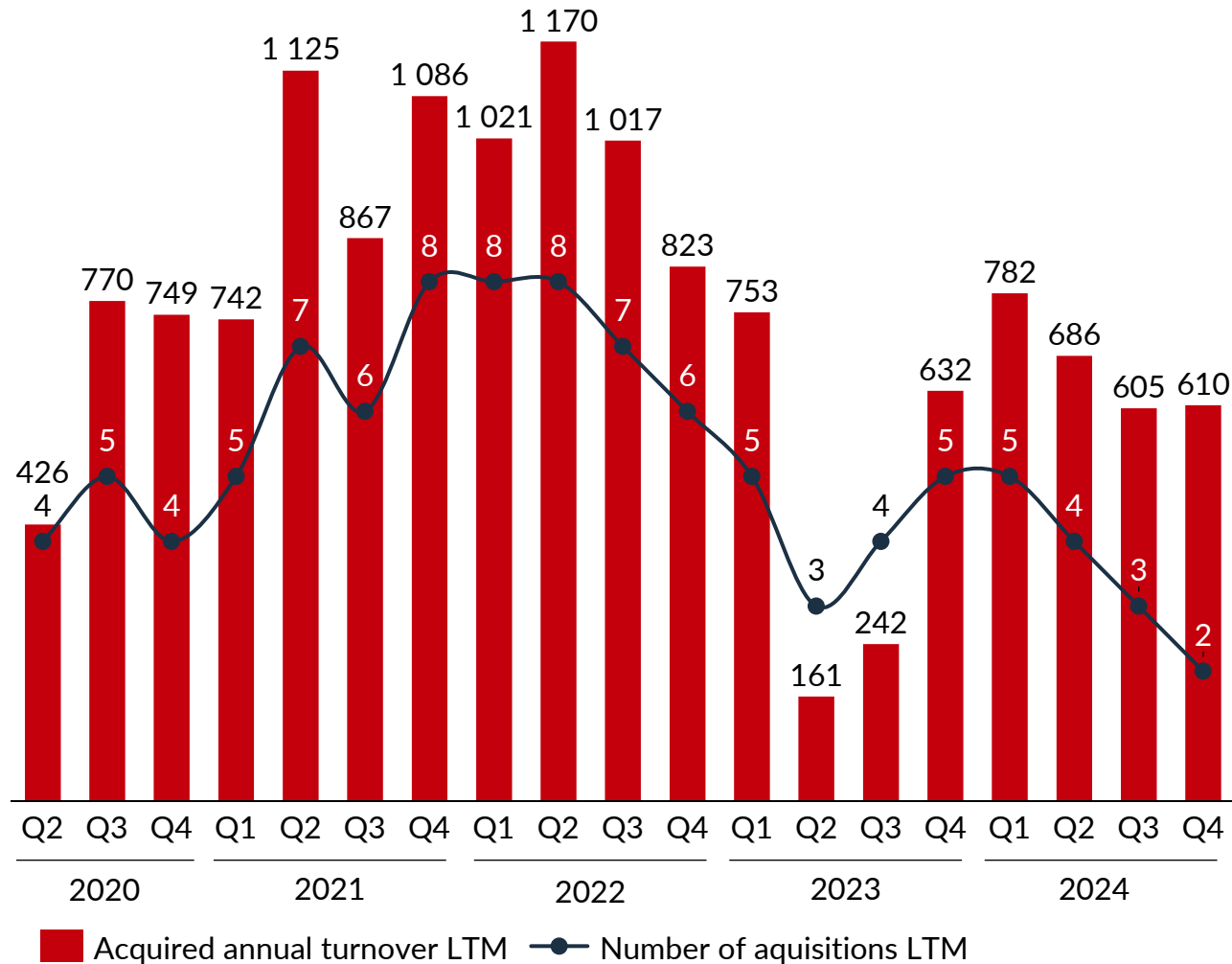
Corroventa

JPT January 2021	SALES 80
Apisa July 2021	SALES 170
Terästorni April 2022	SALES 220
JWI March 2023	SALES 40
SIMEZA November 2023	SALES 110

Byggsystem June 2021	SALES 60
Meag October 2021	SALES 190
Gunnar Prefab September 2023	SALES 80

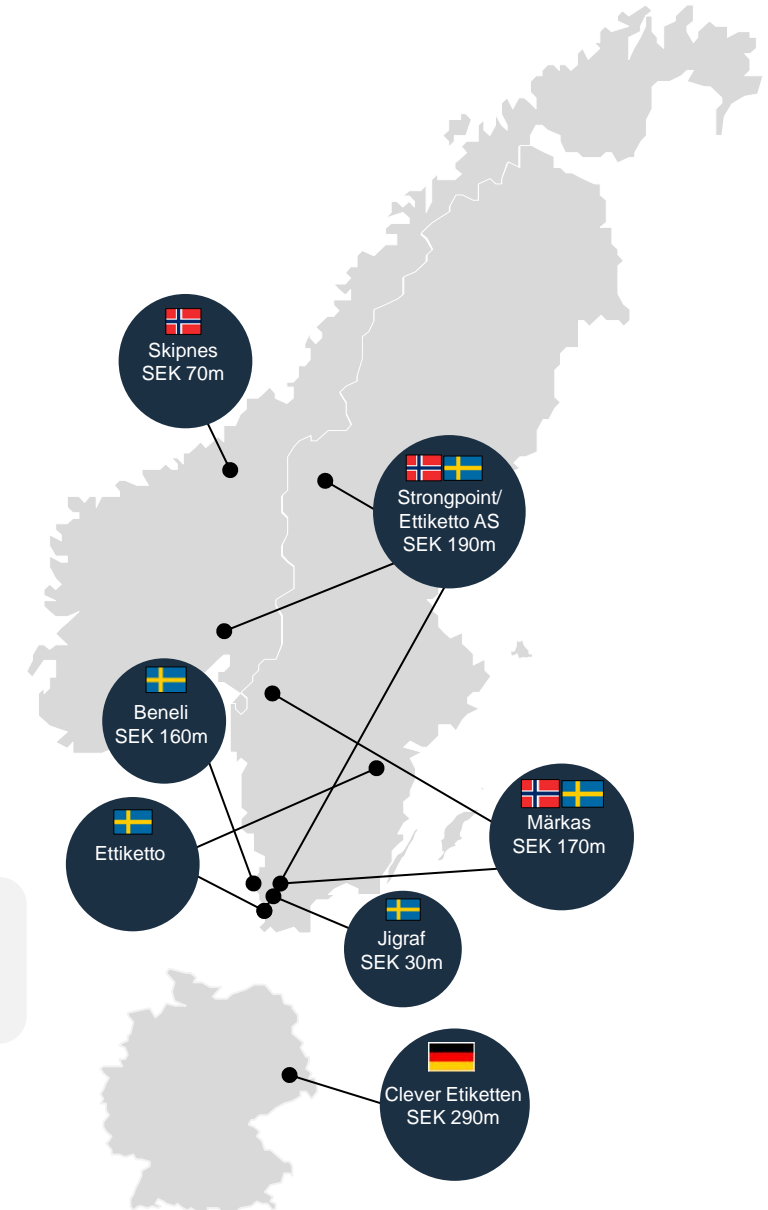
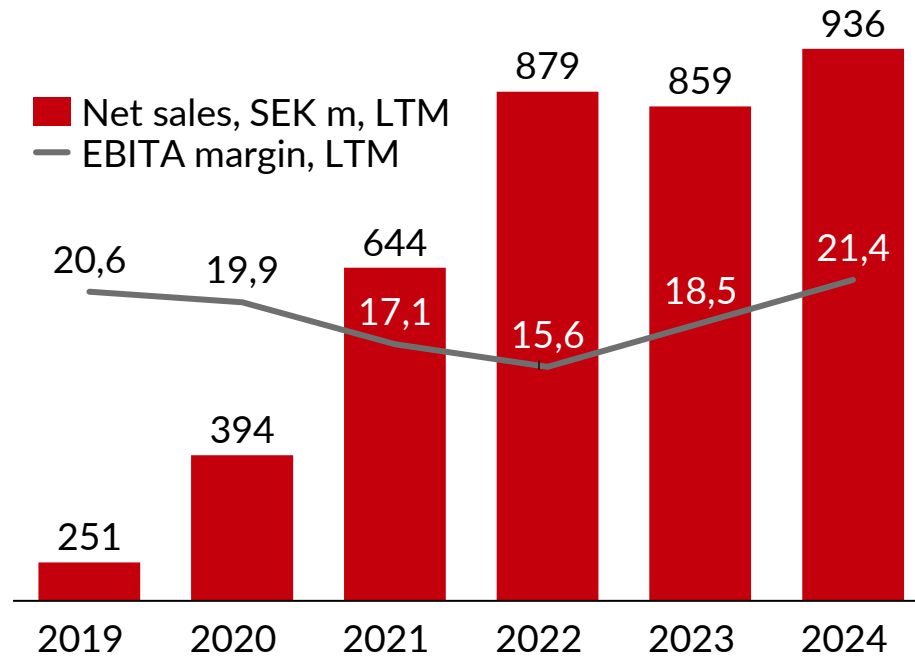
Scanmast June 2021	SALES 290
MAFI April 2022	SALES 330

Add-on acquisitions are an important value driver for Volati and our platforms



- M&A have over time contributed with annual sales of SEK 600–1,200 million
- Annual pace of 6-8 acquisitions
- Majority of the acquisitions are value creating add-on acquisitions, enabling substantial synergy realisation
- Platforms, financial capacity and processes in place to continue to grow through acquisitions

Ettiketto Group is an example of how Volati builds strong platforms



Ettiketto has significantly improved the margins in the acquired companies resulting in an EBITA growth of approximately SEK 50 million to SEK 200 million the last five years.

Clever Etiketten GmbH

- Annual sales of SEK~290 million
- Clever is a leading supplier of label solutions in Germany with approximately 200 employees, founded in 1992
- The acquisition marks the entry into the German market for Ettiketto Group
- Potential to further develop Clever through operational improvements and synergy realisation
- A platform in Central Europe is established where Ettiketto Group can leverage their proven ability to generate profitable growth through acquisitions

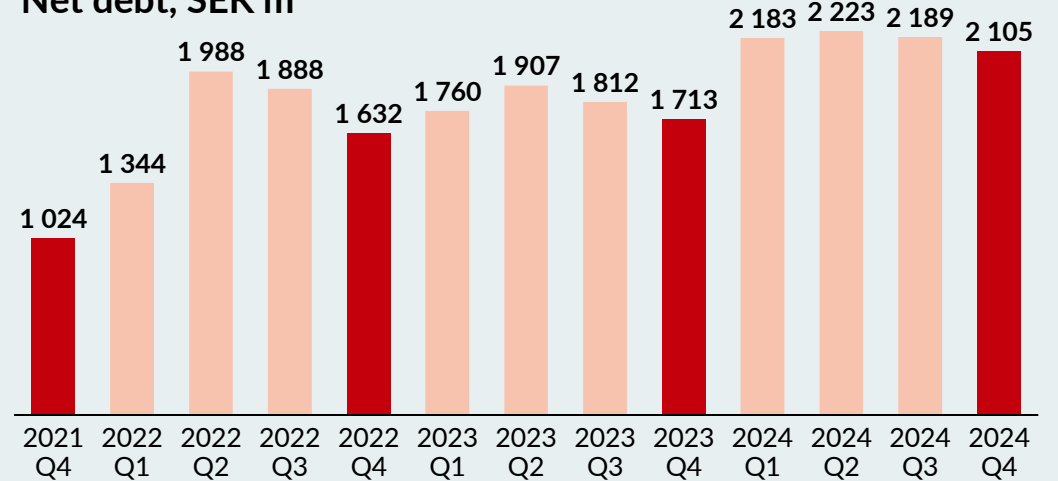


Well positioned for further acquired growth

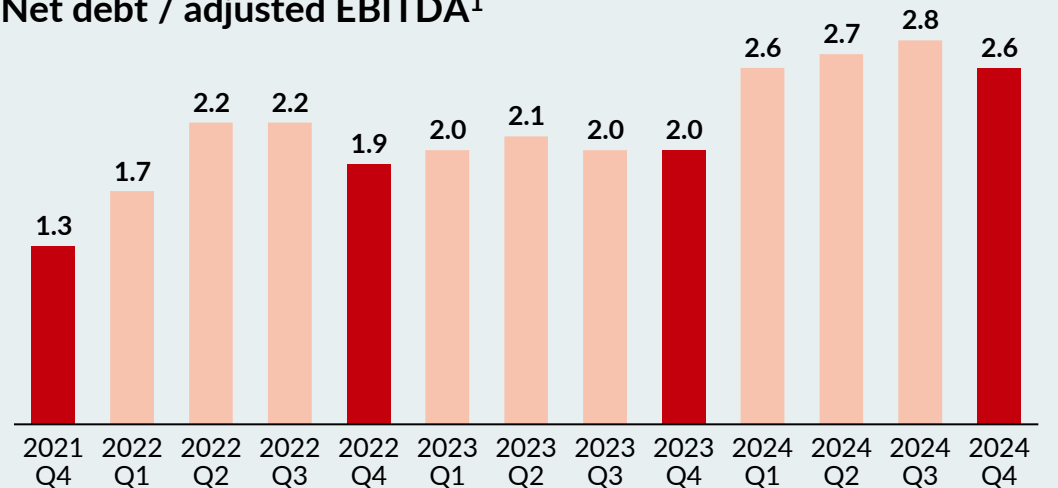
- Operational cash flow of SEK 374 million in Q4 2024 compared to SEK 300 million same period last year
- FY2024 Cash flow of SEK 779 million
- Total cash generation of 104% during last twelve months.
- Net debt decrease with SEK 84 million in the quarter due to
 - Operating cash flow of SEK +374 million
 - Acquisitions SEK -287 million
 - Tax, interest, dividend outflow and other net debt items of SEK -4 million
- Once markets normalise, we will see a positive effect on our net debt / EBITDA ratio

1) See pages 137–141 of the 2023 Annual Report for definitions of alternative performance measures.

Net debt, SEK m



Net debt / adjusted EBITDA¹



Summary

- Returning to organic sales growth in Q4
- Two acquisitions since the end of last quarter
- In a great position to show accelerated EBITA growth once the markets starts returning towards normal levels

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