

Volati's proposal to distribute Bokusgruppen to shareholders

Important information

The Board of Directors of Volati AB (publ) has proposed that Volati's shareholders at the Annual General Meeting on 28 April 2021 decide on a dividend of all Volati's shares in the partly owned subsidiary Bokusgruppen AB (publ) to Volati's ordinary shareholders. This presentation contains a summary of the information prior to the Annual General Meeting and is only intended to be used for information purposes and as a basis for decision making for Volati's shareholders prior to their decision. This presentation is not a prospectus.

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Swedish law shall be applied to this presentation.

Table of content

Background and reasons

Distribution proposal in short

Bokusgruppen

Financial information Bokusgruppen

Volati excl. Bokusgruppen

**Financial information Volati excl.
Bokusgruppen**

**Giving companies the
right conditions to grow**



The board's proposal means that Bokusgruppen will be listed on First North Premier in the beginning of June

The Board of Volati has recommended the Annual General Meeting on April 28th to distribute Volati's shares in Bokusgruppen AB (publ) ("**Bokusgruppen**"). Should the Annual General Meeting decide on a separate listing, the Board of Directors of Bokusgruppen intends to list the company on the Nasdaq First North Premier Growth Market during the beginning of June 2021.

A separate listing gives Bokusgruppen the best possible opportunities to further develop its business as well as better conditions to accelerate its growth-oriented agenda. As a stand-alone entity, Bokusgruppen can focus on executing on its plans and growth story.



A dividend of Bokusgruppen clarifies values in the respective companies

Volati consists of the business areas Salix Group and Industry



- Volati will consist of the two fast-growing business areas Salix Group and Industry.
- The business areas have a strong underlying growth and an elaborate process for carrying out add-on acquisitions.
- The dividend of Bokusgruppen creates conditions for an increased focus on further organic development while maintaining a high growth rate - not least through platform acquisitions.

Bokusgruppen consists of three strong brands



- Sweden's leading book retailer with the brands Bokus (e-commerce), Bokus Play (digital subscription service) and Akademibokhandeln (nationwide network of stores and e-commerce).
- Digital channels accounted for 44 percent of sales in 2020 with sales growth of 25 percent.
- Bokusgruppen, as a listed company with a clear online focus, is expected to meet an interest in the stock market among new groups of investors alongside Volati's owners.

Table of content

Background and reasons

Distribution proposal in short

Bokusgruppen

Financial information Bokusgruppen

Volati excl. Bokusgruppen

**Financial information Volati excl.
Bokusgruppen**

**Giving companies the
right conditions to grow**



Short summary of the distribution proposal

- The Board of Directors of Volati has proposed that the Annual General Meeting of Volati on April 28, 2021, decides to distribute all Volati's shares in the partly owned subsidiary Bokusgruppen to Volati's ordinary shareholders.
- The dividend of Bokusgruppen's shares is expected to be implemented in accordance with the requirements of Lex ASEA, which means that the dividend will not be subject to Swedish taxation by Volati's shareholders.
- The intention of the Board of Directors of Volati is that the record date for distribution shall take place at the beginning of June 2021, in close connection with the listing of the shares in Bokusgruppen on Nasdaq First North Premier Growth Market.
- If the Annual General Meeting decides on a distribution in accordance with the Board's proposal, a company description will be published on [Volati's website](https://www.volati.se/en/investors/separate-listing-of-bokusgruppen.aspx)* and on Bokusgruppen's website in late May or early June 2021.

What does this mean for you as a shareholder?

- Provided that Volati's Annual General Meeting on April 28, 2021 decides, in accordance with the Board's proposal, to distribute all Volati's shares in the partly owned subsidiary Bokusgruppen to the ordinary shareholders in Volati, shareholders who on the record date are registered as ordinary shareholders in Volati are entitled to receive shares in Bokusgruppen in proportion to each individual ordinary shareholder's holding of ordinary shares in Volati.
- For five (5) ordinary shares in Volati, one (1) share in Bokusgruppen is received. If the current shareholding cannot be distributed evenly, such shares will be combined into whole shares which, after Bokusgruppen's shares have been admitted to trading on the Nasdaq First North Premier Growth Market, will be sold through Erik Penser Bank's care. No commission will be paid in connection with such a sale and the payment will be paid to the shareholders via Euroclear.
- In addition to being registered as a shareholder on the record date of the dividend (directly registered or through a nominee), no further measures need to be taken to obtain shares in Bokusgruppen.
- The shares in Bokusgruppen are estimated to be available on each shareholder's securities account no later than two banking days after the record date.

Table of content

Background and reasons

Distribution proposal in short

Bokusgruppen

Financial information Bokusgruppen

Volati excl Bokusgruppen

Financial information Volati excl
Bokusgruppen

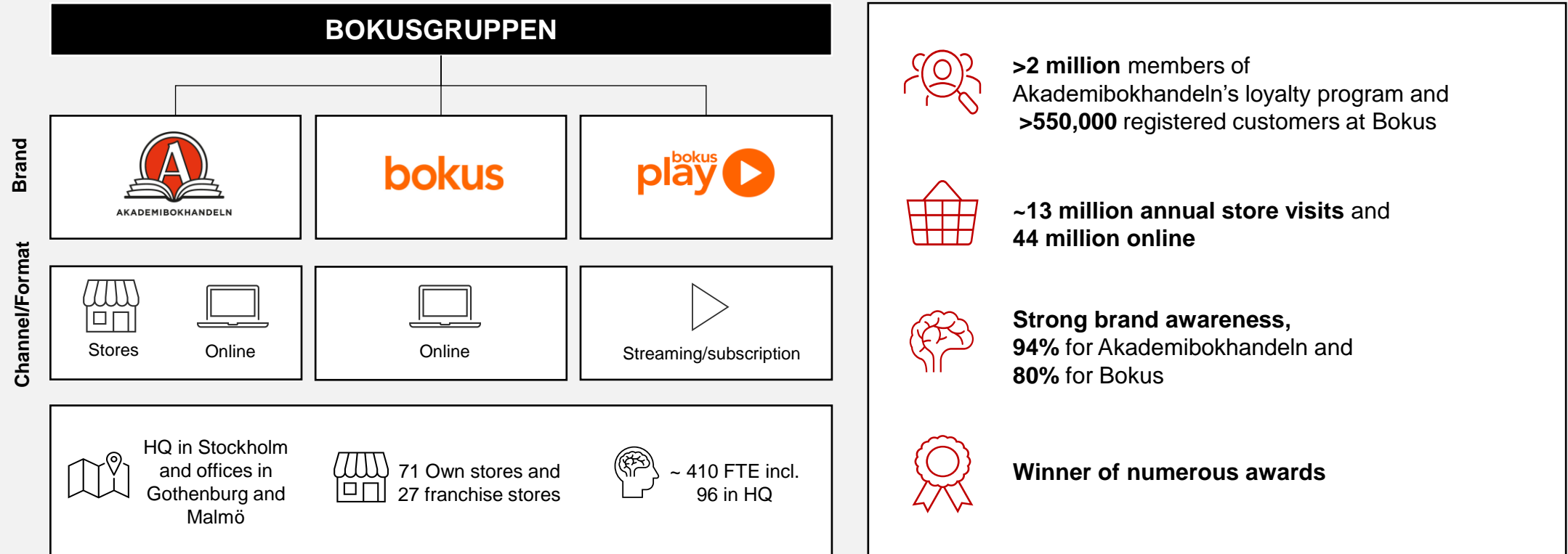
**Giving companies the
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Bokusgruppen is a market leader with three strong and complementary customer offerings

VISION

Everyone should experience the joy of reading, every day



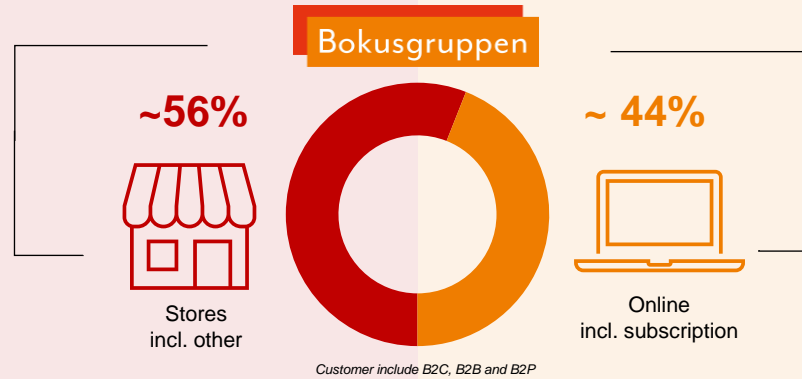
Strong and unique market position both online and in stores



Book stores

#1

>70% market share of channel



bokus

Online

#2

30% market share of channel

60%

of net sales 2020

40%

of net sales 2020¹



Net sales stores/online

MSEK 1001 (MSEK 1216 incl. franchise) / **MSEK 65** 2020



Profitable stores

92% profitable stores



Competitors – bookstores and online

Adlibris, (Amazon)



Net sales Bokus incl. subscription

MSEK 710 2020



Profitability Bokus

Profitable since 2014



Competitors online

Adlibris, Storytel, (Amazon)

¹ Incl. Bokus play



Books: 80%
Other*: 20%

***Board games, jig-saw-puzzles, toys, art supplies and stationery**
Wrap and cards, Private label

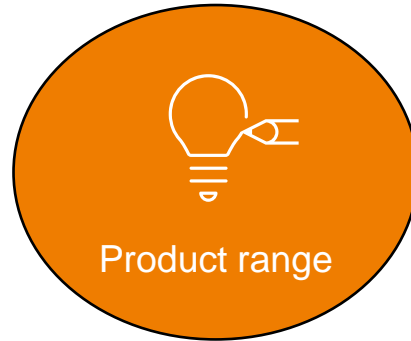


Sustainability is an important competitive advantage and a natural part of Bokusgruppen

Sustainability strategies



Contribute to the joy of reading to the general public through reading promotion initiatives.



Make sure products have high quality and long durability, made with sustainability in focus.



Reduce climate and environmental impact.



A safe, developing and comfortable workplace that utilises people's differences and conditions.

25% of consumers wish e-tailers have more sustainability focus¹

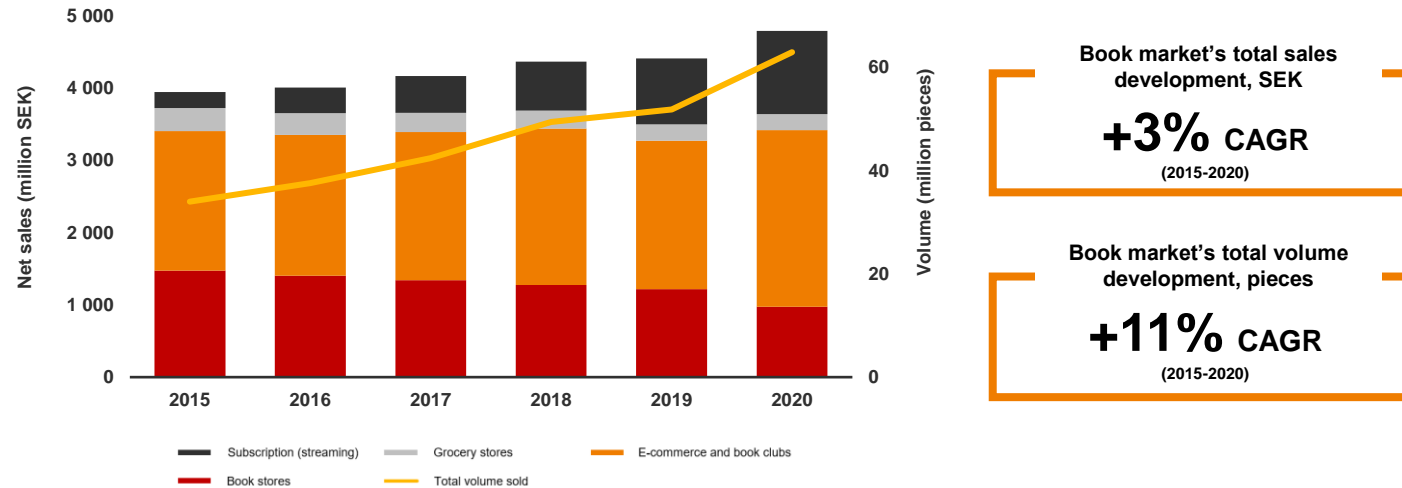
62% of consumers rate sustainability as important or very important¹

25% of customers consider Akademibokhandeln socially responsible²

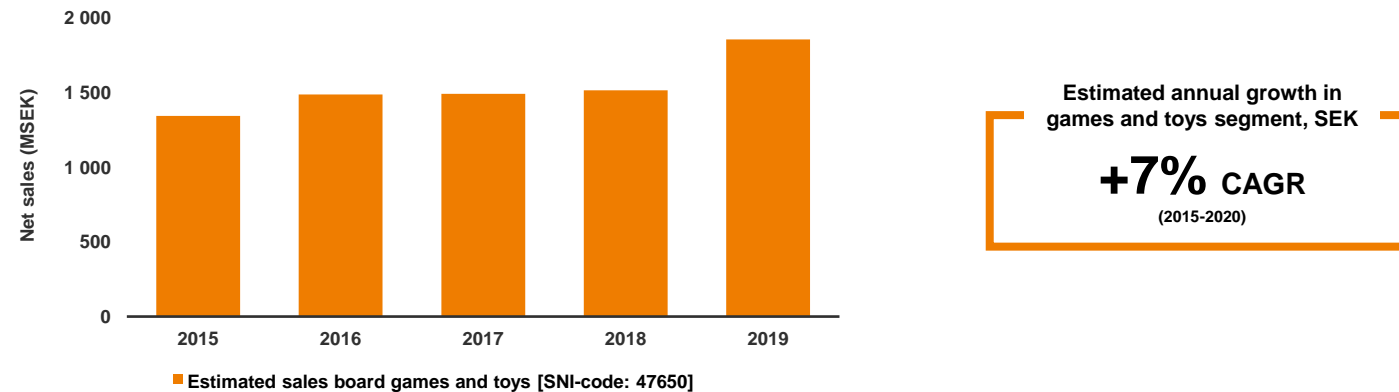
1. E-barometer (2020)
2. Internal documents

Bokusgruppen is in a growing market

Book market's size and sales development per channel, 2015-2020, MSEK¹



Estimated sales of board games and toys in Sweden 2015-2019, MSEK²



OTHER COMMENTS

- ~ 43% of the population engages in book reading on an average day (2019)³.
- Books are a popular and desired Christmas present.
- Audiobook subscriptions have driven growth in the book market as it is often used as a complement to reading physical books.
- Lack of comprehensive and complete market data for the non-books segment.

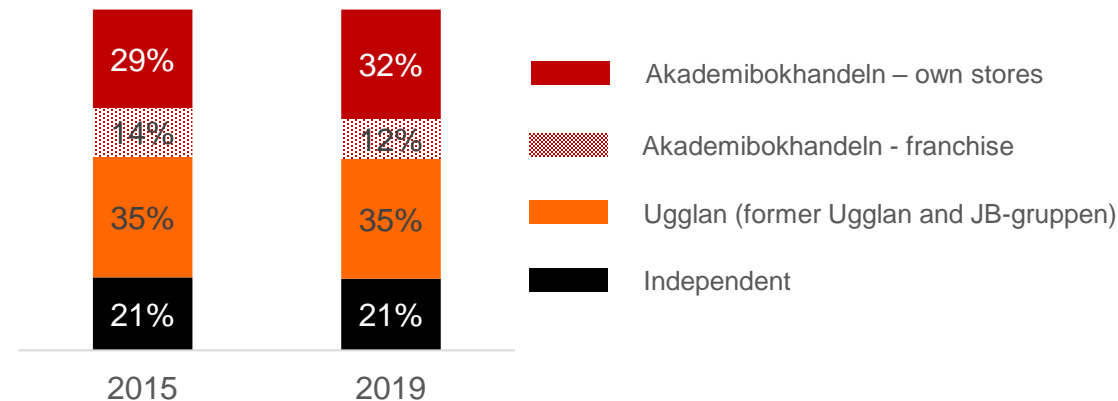
1. Statistics on book sales 2015-2020
 2. Estimation based on SNI code (47650 – Retail sale of games and toys in specialised stores)
 3. Meda barometer, 2019

The book industry has a 15-year lead in the retail channel shift – Bokusgruppen is a winner

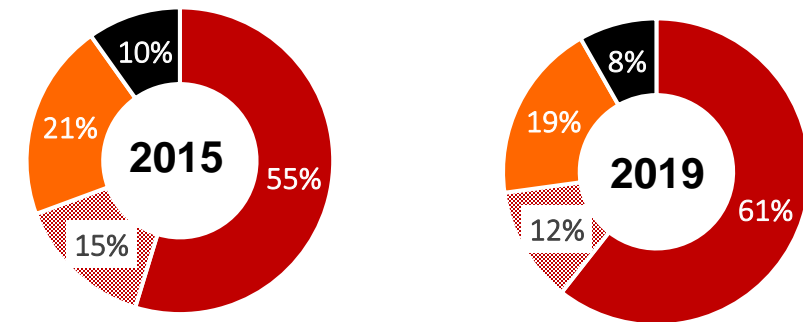
E-commerce share by retail segment (2020,%)¹



Number of book stores (%) in Sweden 2015 and 2019²



Market share (%) based on sales, 2015 and 2019²



The book industry was one of the first industries to be digitalised to a greater extent. In 2020, approximately 67% of book sales was online, which is significantly more than other retail categories. Thus, the consolidation of the bookstore market has already taken place. Akademibokhandeln has increased its market shares, both in terms of number of stores and sales, and maintained profitability.

Bokusgruppen has a strong digital platform thanks to investments

Average CAPEX of SEK 27 million / year (2016-2020) in primarily the following three areas...



Digital subscription service

Bokus Play, a competitive audio and e-book subscription launched 2018.

- Three price-worthy and flexible subscription forms: basic, premium and family subscriptions
- Discounts and benefits at Akademibokhandeln and Bokus
- +60,000 Swedish and international audio and e-book titles



Established omnichannel

Integration of Akademibokhandeln stores and online enhances the customer experience.

- E-commerce was launched in 2016
- The integration, which has aimed to enhance the customer experience, includes:
 - Buy online, return in store (2018)
 - Online reservation with pick-up in store (2018)



Digital platform and channels

Modernised IT platform and strengthened digital offering.

- Faster and more flexible development at a lower cost
- Improved customer offering
- Increased conversion in e-commerce stores

→ Bokusgruppen has built a strong platform from which the company can accelerate the digital growth journey

Further investments to generate future growth

Growth in Online channels

- Smoother customer experience in all contact points:
 - Payment options
 - Deliveries
 - Returns
 - Customer service

Increased growth and market share.

Growth in subscriptions

- Cost-effective recruitment via the group's customer bases of more than +2.5 million customers and the nationwide store network.
- Leverage the unique position of combining and packaging offers across formats/channels.
- Possibility to consume purchased digital books.

Increased growth and market share.

Enhanced consumer centric Omnichannel

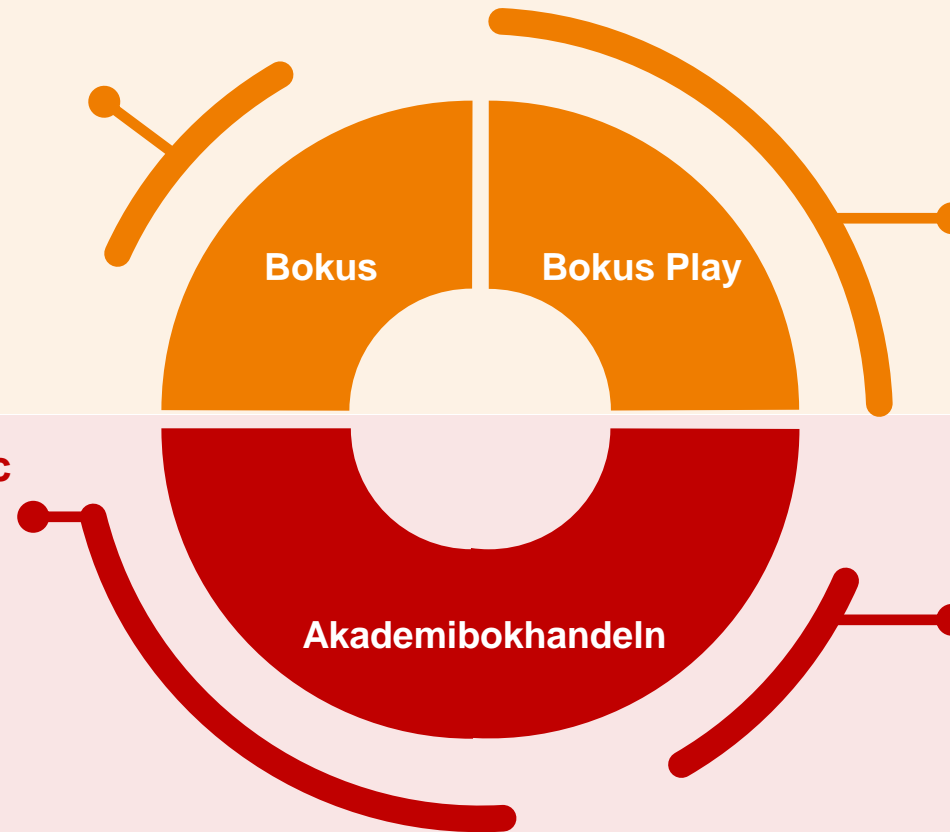
- Improve the customer experience in stores by developing new formats, concepts and new tools.
- Develop further integration between store and online to meet customer needs and preferences.
- Utilise store inventory for faster deliveries for e-commerce.

Increased share online, stable EBITDA contribution from store.

Accelerating non-book growth

- Make the range of non-books assortment available online.
- Accelerate sales growth in existing categories.
- Widen the range with new categories and services.

Accelerated sales growth and margin strengthening.



All Bokusgruppen's segments are profitable




	Segments	2019	2020
Net sales (MSEK)	Bokus Online	588	709
	Akademibokhandeln Online	29	65
	Akademibokhandeln Stores	1176	1001
	Total	1793	1775
EBITA %	Bokus Online	2%	5%
	Akademibokhandeln Online	3%	9%
	Akademibokhandeln Stores	7%	5%
	<i>Central functions and IFRS effects</i>	-0.2%	-0.3%
	Total	5.0%	4.7%

Dividend policy and financial targets

Dividend policy:

Bokusgruppen strives to provide a long-term stable and gradually rising dividend together with a long-term efficient capital structure. When the business' cash flow in the long term exceeds the need for investments in profitable expansion and stipulated goals for Bokusgruppen's capital structure are met, the surplus can be distributed to the shareholders.

Financial targets

	Net sales growth in digital channels in the medium to long term (3-5 years)	+10% average per year	44% of total sales was generated by digital channels (2020)
	Net sales growth in stores	On par with economy	56% of total sales was generated by stores (2020)
	EBITA% in the medium to long term (3-5 years)	6%	4,7% EBITA (%) (2020)

Investment highlight

- 1** Market leader on a market with 3% annual growth and over 50% online penetration
- 2** Clear vision, dedicated employees and focus on sustainability
- 3** Competitive offerings in all formats and channels, with 44% of turnover from online and subscription
- 4** Strong brands and large customer base
- 5** Stable historic turnover and earnings with favourable growth opportunities
- 6** Experienced company management that can master the transition from brick-and-mortar to digital



Table of content

Background and reasons

Distribution proposal in short

Bokusgruppen

Financial information Bokusgruppen

Volati excl. Bokusgruppen

Financial information Volati excl.
Bokusgruppen

**Giving companies the
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Income statement

SEK million	2020	2019
Net sales	1,775	1,793
Operating income	1,775	1,793
Operating expenses		
Merchandise	-1,107	-1,073
Other external expenses	-175	-173
Personnel expenses	-272	-310
Other operating expenses	0	-2
EBITDA	222	235
Depreciation of operating lease assets	-125	-133
Depreciation of property, plant & equipment	-12	-13
EBITA	84	89
Amortisation of intangible assets	-17	-16
Acquisition-related amortisation	-24	-24
Operating profit	43	50
Finance income	0	2
Finance costs	-28	-39
Financial items – net	-28	-37
Profit after financial items	15	13
Income tax	-11	33
Net profit	4	46
Other comprehensive profit:		
Other comprehensive profit for the year	-	-
Total comprehensive profit for the year	4	46

Balance sheet

SEK million	2020-12-31	2019-12-31
ASSETS		
Non-current assets		
Intangible assets		
Goodwill	410	410
Brands	240	240
Customer relationships	104	124
Capitalised R&D	62	61
Total intangible assets	817	836
Property, plant and equipment		
Equipment and installations	25	30
Total property, plant and equipment	25	30
Right-of-use assets	274	213
Deferred tax asset	3	19
Total non-current assets	1,119	1,099
Current assets		
Inventories		
Finished goods and merchandise	194	198
Trade receivables	22	28
Other receivables	23	21
Receivables from Group companies	22	16
Current tax receivables	-	0
Prepayments and accrued income	18	15
Cash and cash equivalents	2	3
Total current assets	282	281
TOTAL ASSETS	1,401	1,380

SEK million	2020-12-31	2019-12-31
EQUITY AND LIABILITIES		
EQUITY		
Share capital	0	0
Other contributed capital	87	70
Retained earnings, including net profit	390	391
Total equity attributable to holders of the parent company	478	461
LIABILITIES		
Non-current liabilities		
Bonds	-	-
Lease liabilities	152	98
Deferred tax liabilities	92	106
Total non-current liabilities	244	204
Current liabilities		
Liabilities to Group companies	150	215
Lease liabilities	105	87
Current tax liabilities	12	0
Trade payables	240	254
Advance payment from customers	1	1
Other current liabilities	58	58
Accruals and deferred income	114	100
Total current liabilities	679	715
Total liabilities	923	919
TOTAL EQUITY AND LIABILITIES	1,401	1,380

Financing

- As a subsidiary of Volati, Bokusgruppen has financed its operations through internal loans from Volati and through a cash pool with Volati. In connection with the dividend, Volati intends to settle internal loans of approximately SEK 165 million by offsetting against new shares in Bokusgruppen.
- In connection with the distribution of the shares in Bokusgruppen, Bokusgruppen's cash pool arrangement with Volati will be terminated and Bokusgruppen instead intends to enter into an agreement on an overdraft facility with Nordea of SEK 200 million. In connection with the dividend, Bokusgruppen (through the utilisation of its own cash and overdraft facilities) will settle the remaining internal loans from Volati of approximately SEK 150 million.
- Bokusgruppen's main financing arrangement after the dividend will consist of the overdraft facility that runs until 31 December 2022. The agreement on the overdraft facility contains financial covenants that require that Bokusgruppen's debt/equity ratio may not exceed 2.0 times (except that it may for one quarter per year exceed it and then amount to a maximum of 2.5 times) and that Bokusgruppens's equity ratio must not be less than 25 percent.

Table of content

Background and reasons

Distribution proposal in short

Bokusgruppen

Financial information Bokusgruppen

Volati excl. Bokusgruppen

**Financial information Volati excl.
Bokusgruppen**

**Giving companies the
right conditions to grow**



Volati is a diversified industrial group consisting of well-managed companies with good earnings

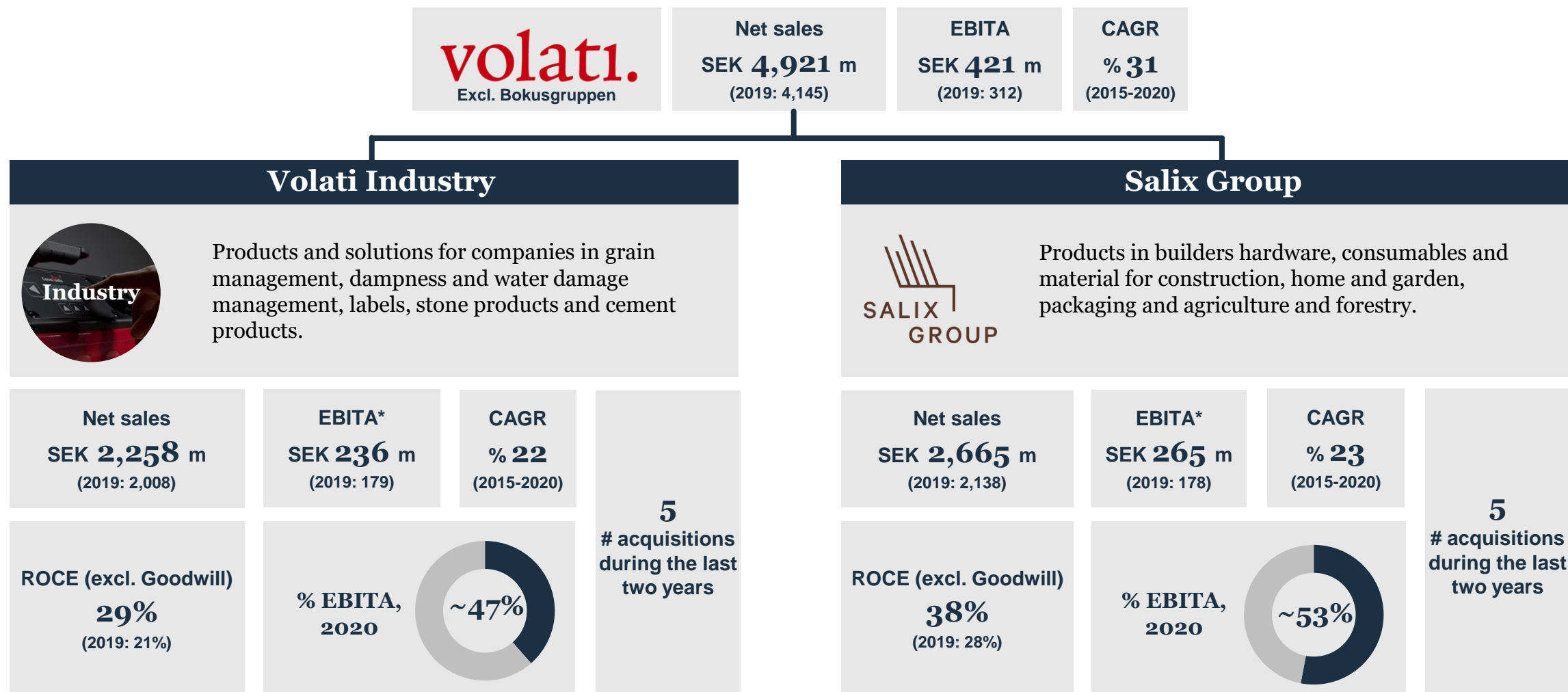
Volati	
Salix Group Five business units Business in 7 countries	Industry Four business units Business in 14 countries

- Volati is a Swedish industrial group that acquires and develops well-managed companies with the goal of creating long-term value growth.
- Through an active acquisition strategy and the vision to be Sweden's best owner of medium-sized companies, Volati has delivered sustainable and strong profitability growth since the start in 2003.
- Volati primarily owns Nordic companies with a focus on Sweden.
- The company has been listed on Nasdaq Stockholm since 2016.



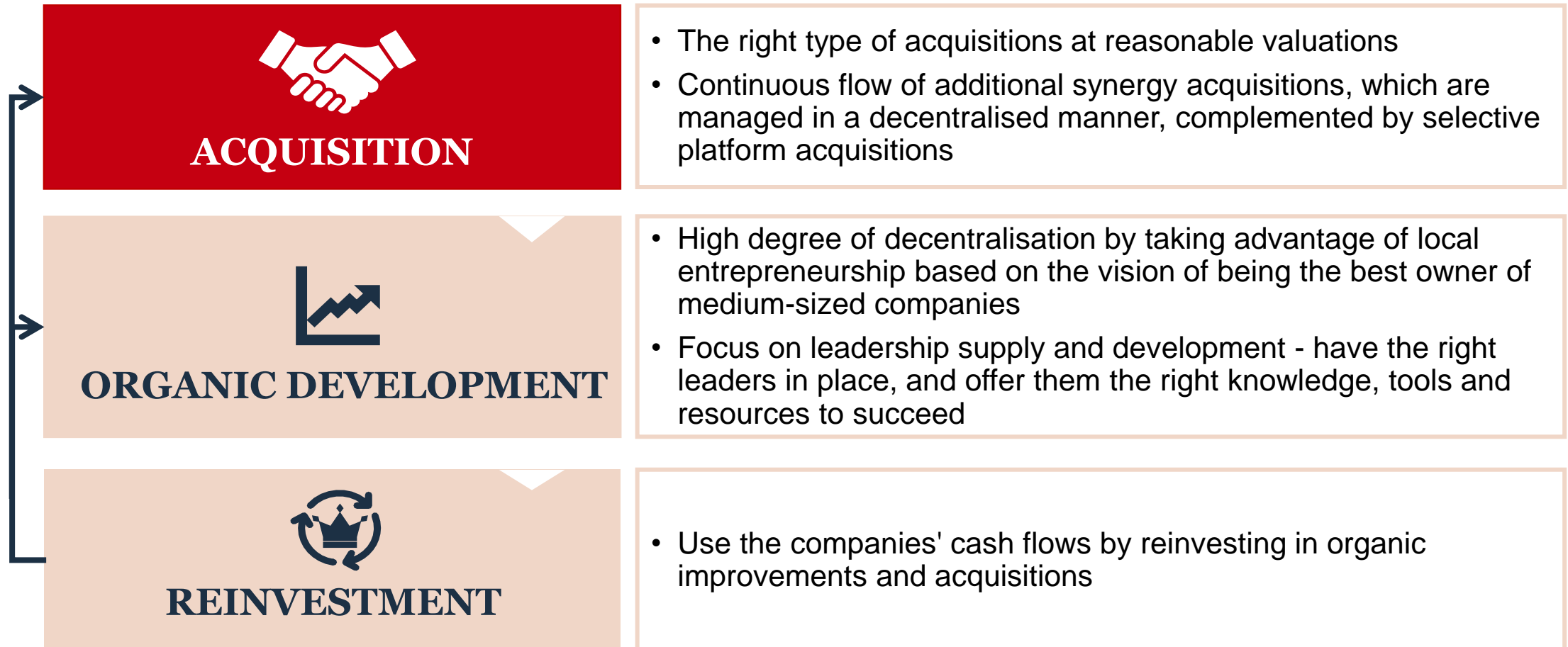
■ Domestic markets
■ Subsidiaries (+ Russia and Thailand)

Two fast growing decentralised business areas with established processes for synergistic add-on acquisitions



* Excluding overhead costs

Established model for long term, sustainable and scalable value creation



Six synergistic add-on acquisitions since 2020 with a total turnover of one billion

Heco Nordiska

Add-on acquisition for business area Salix Group

Acquired in January 2020

Reason for acquisition

- Creates Sweden's second-largest company in fittings for the hardware and building materials retail sector.
- Cross-fertilisation through synergies
- Accelerates internationalisation.

SALES
2020

220

MSEK

Pisla

Add-on acquisition for business area Salix Group

Acquired in September 2020

Reason for acquisition

- Market leadership in fittings in Finland and access to the Baltic markets.
- Enables internationalisation of strong new consumer brands.
- Realises synergies.

SALES
2020

260

MSEK

Beneli

Add-on acquisition for business area Industry and Ettiketto business unit

Acquired in June 2020

Reason for acquisition

- Complements Ettiketto's offering in graphic labels, which brings cost synergies.
- Expands the range to a new product area - smart labels, e.g. for medical applications.

SALES
2020

155

MSEK

JPT

Add-on acquisition for business area Industry and business unit Tornum

Acquired in January 2021

Reason for acquisition

- Leading supplier in Finland – strengthens market position in the Nordic region.
- The offer is extended to nearby applications and equipment.

SALES
2020

102

MSEK

Märkas

Add-on acquisition for business area Industry and Ettiketto business unit

Acquired in September 2020

Reason for acquisition

- Complements Ettiketto's offering in graphic labels.
- Significant cost synergies from moving production.
- Larger offering.

SALES
2020

169

MSEK

Duschprodukter Sweden

Add-on acquisition for business area Salix Group

Acquired in March 2021

Reason for acquisition

- Leads to an expansion towards plumbing and bathroom segment.
- Creates a stronger presence in the Baltics.
- Enables geographical expansion of existing product range.

SALES 2020

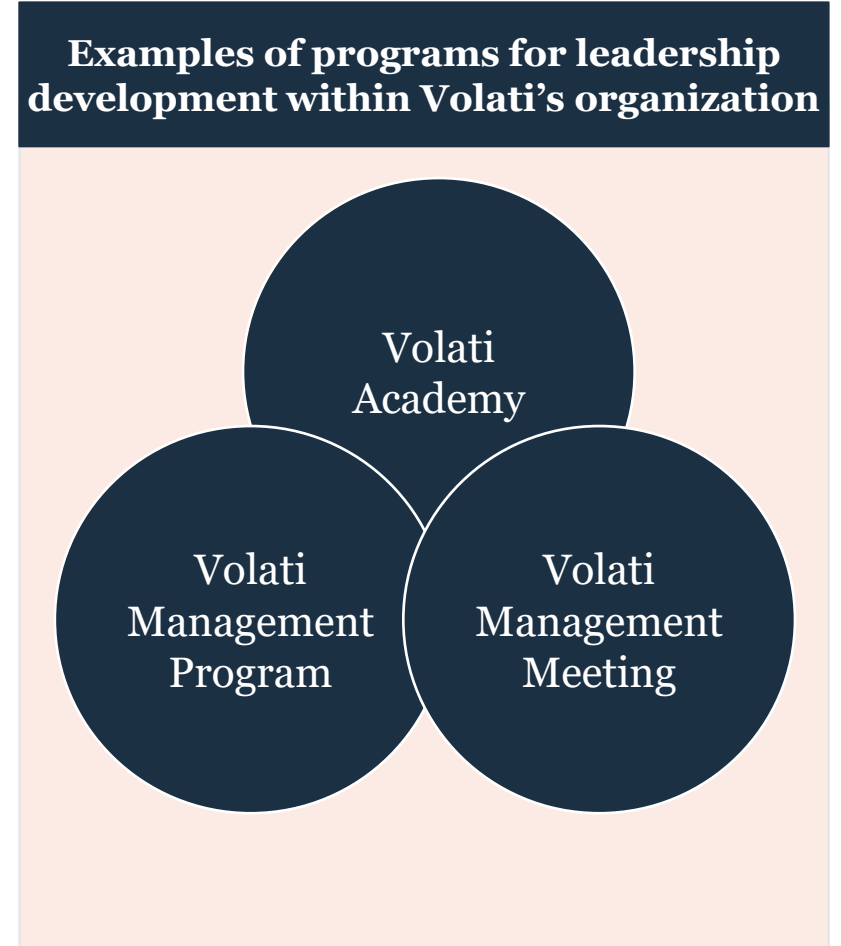
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MSEK

Decentralised and scalable model for add-on acquisitions where business areas and business unit are responsible for identification, implementation and integration.

Volati has a strong position as an acquirer and contributes to the companies' continued organic development

- Volati has a strong brand as an acquirer and offers several benefits that appeal to sellers, for example
 - A long-term, responsible and sustainable owner
 - Reliable counterparty that handles processes quickly and easily
 - Experience from handling complex situations
- In the case of platform acquisitions, Volati can offer co-ownership and a large degree of continued self-determination, which is based on our belief in local entrepreneurship.
- Upon acquisition, Volati wants to be able to give companies a better opportunity to succeed with us than would be possible on their own. This is achieved, among other things, by Volati contributing business development expertise, leadership development and supply, knowledge and financial resources.
- In the case of add-on acquisitions, the industrial evaluation of the acquisitions is important, where Volati seeks synergies on both the revenue and cost side. In these cases, Volati can also contribute with relevant industry knowledge, and benefit from our existing platforms. An example of this is within Salix Group, where Volati can benefit from central functions for warehousing, logistics, IT and finance.



Increased central focus on acquisitions creates better conditions for new platforms

- Organisational changes create an increased focus for Volati to drive acquisitions centrally
 - Sales of Besikta and NaturaMed Pharma
 - Increased self-determination for Salix Group
 - Separate listing of Bokusgruppen
 - New acquisition-oriented CEO for Volati
- Significant acquisition space enables selective platform acquisitions of medium-sized companies that can broaden Volati's operations to new attractive areas.
- The goal is that a selection of these can eventually become independent business areas with clear industrial logic.



Selective acquisitions of new platforms will create opportunities for a high growth rate, continuing in the future.

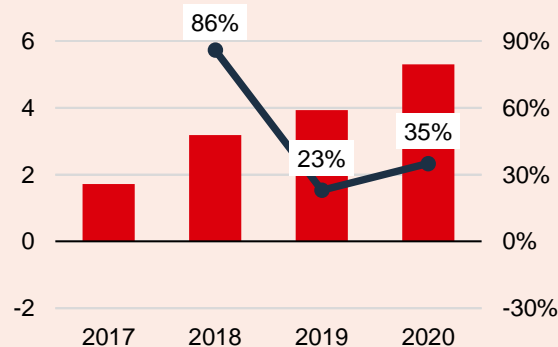
Good conditions to meet the long-term financial targets

EBITA growth

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

Background to the target: The target reflects Volati's continuing ambition to grow, both through acquisitions and organic growth, with a strong focus on creating long-term value for our shareholders.

Outcome 2020: 35 percent



EBITA per ordinary share, SEK

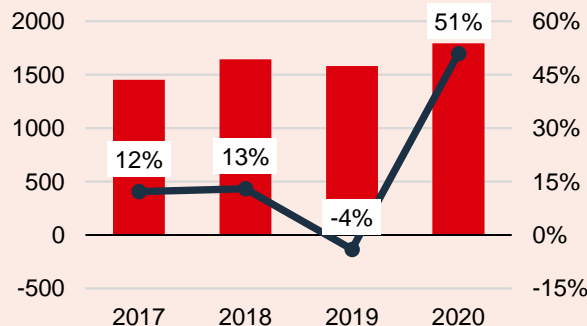
Growth in EBITA per ordinary share, LTM, %

Return on adjusted equity

The long-term target is a return on adjusted equity* of 20 percent.

Background to the target: Volati aims to generate good returns on shareholders' invested capital. The target is defined on the basis of a balanced capital structure in line with Volati's capital structure target.

Outcome 2020: 51 percent



Average adjusted equity, SEK million

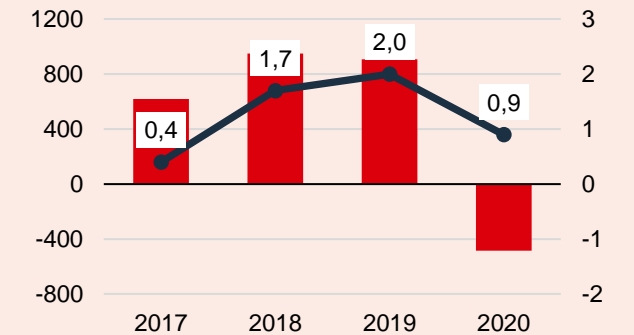
Return on adjusted equity, %

Capital structure

The target is a net debt/adjusted EBITDA* ratio of 2 to 3 times as an average over the last four quarters, and not exceeding 3.5 times.

Background to the target: In addition to using cash flow from its own activities, Volati is also able to raise capital for acquisitions. The target is based on a balanced level of borrowing to avoid excessive financial risk while ensuring an attractive return on equity.

Outcome 2020: 0,9 times



Net debt, SEK million

Net debt/adjusted EBITDA, average last 4 quarters, x

Table of content

Background and reasons

Distribution proposal in short

Bokusgruppen

Financial information Bokusgruppen

Volati excl. Bokusgruppen

**Financial information Volati excl.
Bokusgruppen**

**Giving companies the
right conditions to grow**



Income statement and balance sheet

SEK million	2020	2019
Operating income		
Net sales	4,921	4,145
Operating expenses		
Operating expenses	-4,327	-3,672
EBITDA	594	473
Depreciation	-173	-161
EBITA	421	312
Acquisition-related amortisation and depreciation	-27	-19
Operating profit/EBIT	394	292
Financial income and costs		
Financial income and costs	-85	-59
Profit before tax	309	233
Tax	-63	-49
Profit for the year from continuing operations	246	184
Profit from discontinued operations	731	-186
Net profit	977	-2
Attributed to:		
Owners of the Parent	967	74
Non-controlling interests	10	-77

SEK million	2020-12-31	2019-12-31
ASSETS		
Non-current assets		
Intangible assets	1,597	2,017
Property, plant and equipment	772	925
Other non-current receivables	39	46
Total Non-current assets	2,408	2,987
Current assets		
Current receivables	1,557	1,355
Receivables from Bokusgruppen	150	970
Cash and cash equivalents	1,157	445
Total current assets	2,864	2,770
Total assets	5,272	5,757
EQUITY AND LIABILITIES		
Total equity	2,601	1,899
Liabilities		
Non-current liabilities	1,354	1,327
Total non-current liabilities	1,354	1,327
Current liabilities	1,129	1,761
Liabilities to Bokusgruppen	187	770
Total current liabilities	1,316	2,531
Total liabilities	2,671	3,858
Total equity and liabilities	5,272	5,757

Capital structure

- Equity of SEK 3,235 million, of which preference shares amount to SEK 828 million.
- Unutilised revolving credit facility of SEK 900 million.
- Unutilised overdraft facility of SEK 300 million.
- Bond of SEK 600 million. The loan is unsecured and non-subordinated with an interest rate of STIBOR (3 months) plus 350 interest points. The bond will be repaid in June 2021 if a decision is made on the dividend and special listing of Bokusgruppen.
- Cash and cash equivalents, pro forma excluding Bokusgruppen and with regards to extra dividends, amount to SEK 288 million based on the balance sheet as of December 31, 2020.
- Proforma net debt/EBITDA is estimated, after completed cash dividends and non-cash distribution by Bokusgruppen during the period January-June 2021, to preliminarily amount to 0.7x based on the balance sheet as of 31 December 2020.

volat1.