



Interim Report

January–September 2022

“A stable quarter”

Andreas Stenbäck, President and CEO

This interim report has been prepared in Swedish and translated into English. In the event of any discrepancies between the Swedish original and the translation, the Swedish shall have precedence.

Interim Report January–September 2022

Income statements are comparable for 2022 and 2021 and have been restated to describe continuing operations. For financial information about discontinued operations, see note 5.

Quarter Jul–Sep 2022

- Net sales increased by 17 percent to SEK 1,977 (1,693) million
- EBITA declined by 4 percent to SEK 203 (211) million
- Profit after tax declined by 12 percent to SEK 125 (142) million
- Earnings per ordinary share fell by 12 percent to SEK 1.30 (1.48)
- On 26 September, Ettiketto Group, formerly part of the Industry business area, became a new Volati business area.

Period Jan–Sep 2022

- Net sales increased by 27 percent to SEK 5,822 (4,587) million
- EBITA increased by 5 percent to SEK 531 (505) million
- Profit after tax declined by 3 percent to SEK 329 (338) million
- Earnings per ordinary share for continuing operations fell to SEK 3.36 (3.38)
- Earnings per ordinary share declined by 23 percent to SEK 3.36 (4.37²)

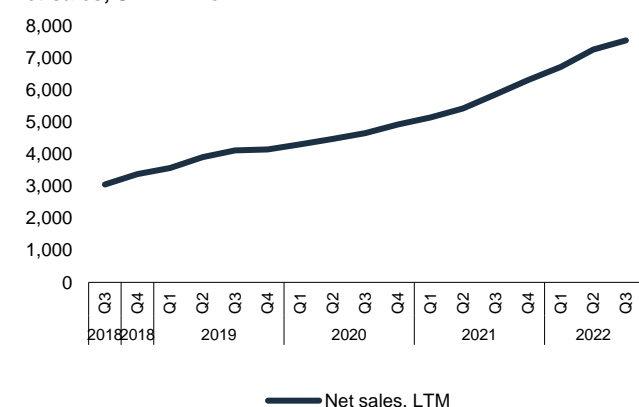
Events after the reporting period

- No significant events have taken place after the end of the reporting period.

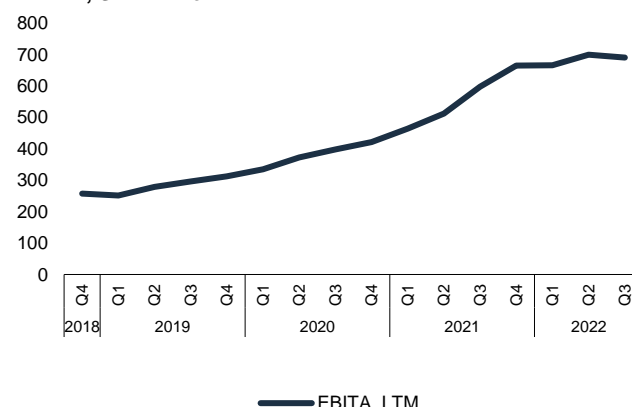
Summary of results and key figures

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Net sales	1,977	1,693	5,822	4,587	7,544	6,309
EBITA ¹⁾	203	211	531	505	690	664
EBIT	180	199	469	476	612	620
Profit after tax	125	142	329	338	433	442
Operating cash flow ¹⁾	144	136	108	197	398	487
Net debt/adjusted EBITDA, x ¹⁾	2.2	1.4	2.2	1.4	2.2	1.3
Basic and diluted earnings per ordinary share, SEK ²⁾	1.30	1.48	3.36	4.37	4.41	5.42
Basic and diluted earnings per ordinary share, continuing operations, SEK	1.30	1.48	3.36	3.38	4.41	4.42
Return on adjusted equity, % ^{1), 2)}	33	74	33	74	33	40

Net sales, SEK million



EBITA¹⁾, SEK million



1) See note 7 for definitions of alternative performance measures. 2) Key figure includes discontinued operations.

A stable quarter

Volati reported an EBITA in line with the previous year's strong Q3. Sales increased by 17 percent compared with the previous year, with all business areas contributing positively to the growth. The Ettiketto Group and Industry business areas showed stable margin development, while Salix Group faced a weaker market, particularly in the consumer-oriented parts of the business.

Ettiketto Group new business area

Ettiketto Group has expanded to such an extent that it was established as a Volati business area during the quarter. This is in line with our strategy to build strong platforms for acquisition-driven growth, which over time can become natural business areas with a clear industrial logic. This is a model that reduces complexity and frees up resources for us as a Group, creating the conditions for continuing growth. It also increases the transparency of reporting and makes visible the values in Ettiketto Group.

Ettiketto Group has developed well since the acquisition in 2011 and is an example of how we develop platforms together with management. Ettiketto Group has very high operational efficiency and good profitability. Over the years, the company has prepared for expansion, including the establishment of governance and systems to facilitate the integration of add-on acquisitions. Since 2020, the company has made five add-on acquisitions. As operational efficiency improves in the acquired companies, margins in the Group strengthen. Acquired growth, together with good organic growth, has resulted in annual sales increasing from approximately SEK 250 million at the beginning of 2020 to approximately SEK 830 million for Q3 2022 (rolling 12 months).

In its first quarter as a business area, Ettiketto Group increased its sales by 25 percent and its earnings by 20 percent. The market has been strong, partly due to pent-up customer demand as a result of a strike in Finland earlier in the year. We expect the market to normalise in the coming quarters as this pent-up demand is worked off. As expected, the margin trend has been slightly negative in the quarter compared with the previous year, which is due to the fact that Ettiketto Group has acquired companies with a lower margin than the Group as a whole. Over time, the company's margins are expected to strengthen as the acquisitions are integrated and synergies are realised.

Industry

Industry increased its sales by 28 percent and earnings by 16 percent. The improvement is despite high comparative figures from the previous year, when Corroventa had an exceptionally strong Q3 due to extensive flooding in Europe. Lower demand at Corroventa is mainly compensated by strong growth in the new platform consisting of Scanmast and Mafi. The margin was in line with expectations, as we successfully met the high



margin sales of the previous year in Corroventa with good results in other businesses.

Salix Group

Salix Group increased its sales by 5 percent during the quarter. The majority of Salix's business targets the professional and industrial segments, which continue to show good demand. The consumer-oriented parts are seeing a clear slowdown in demand. Margins have been negatively affected by the decline in demand and factors such as high freight costs, high material prices and a weak krona. Salix continues to actively address these challenges through disciplined work on customer communication, pricing, cost control and a focus on growth.

Balance sheet and cash flows

During the quarter, we continued to work on freeing up working capital. Our capital commitment is higher than desirable but we are starting to see positive effects of our measures, which are expected to contribute to improved cash flows in the coming quarters. Volati has a strong balance sheet with a net debt/adjusted EBITDA ratio of 2.2 times at the end of the quarter.

Acquisitions

During the last twelve months, we have completed seven acquisitions, adding approximately SEK 1 billion in annual sales with good profitability and significant synergies. We continue to see good acquisition opportunities, in particular value-creating add-on acquisitions for our platforms. Our model is based on primarily reinvesting our own cash flows in acquisitions and not relying on new external equity. As a long-term and industrial owner, we want to continue to grow through acquisitions, although in these times we are keeping an extra eye on cash flow and debt.

Well prepared going forward

Our decentralised governance model and well diversified operations enable us to respond to changing market conditions. We are well prepared to face different market scenarios and we grow primarily through our own efforts with strong cash flows. We therefore feel confident that our business model can create long-term value even in a weaker economy.

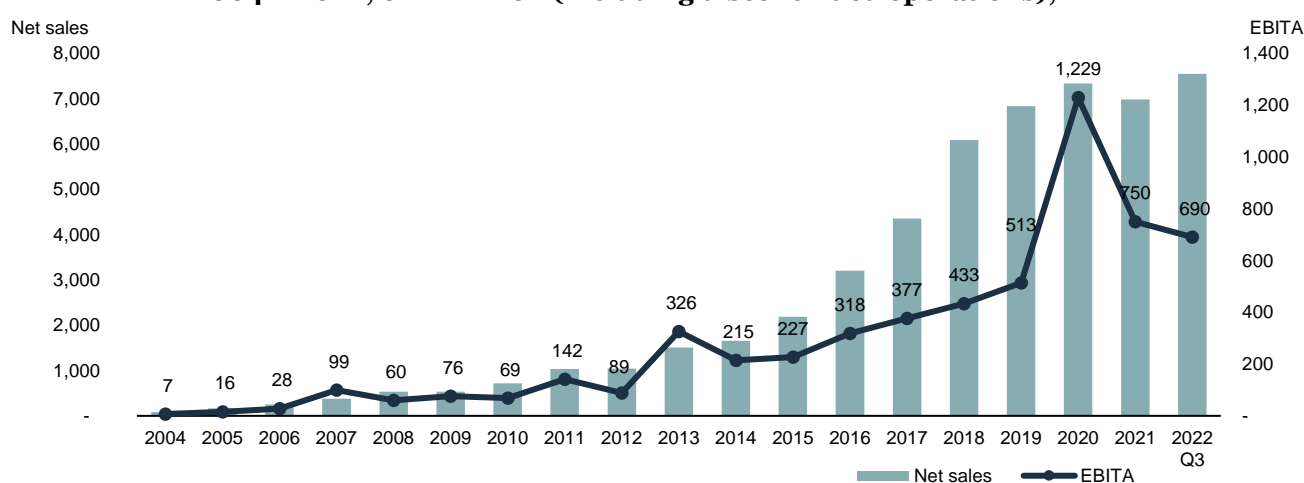
Andreas Stenbäck, President and CEO

This is Volati

Volati acquires well-managed companies with strong cash flows at reasonable valuations, and develops them with a focus on long-term value creation. Acquiring companies that have stable and sustainable cash flows from the outset creates a stable base for operations. These cash flows are then used for further acquisitions. Through active long-term corporate development efforts, Volati creates favourable conditions for organic growth.

Net sales and EBITA trends

2004 – 2022, SEK million (including discontinued operations), LTM



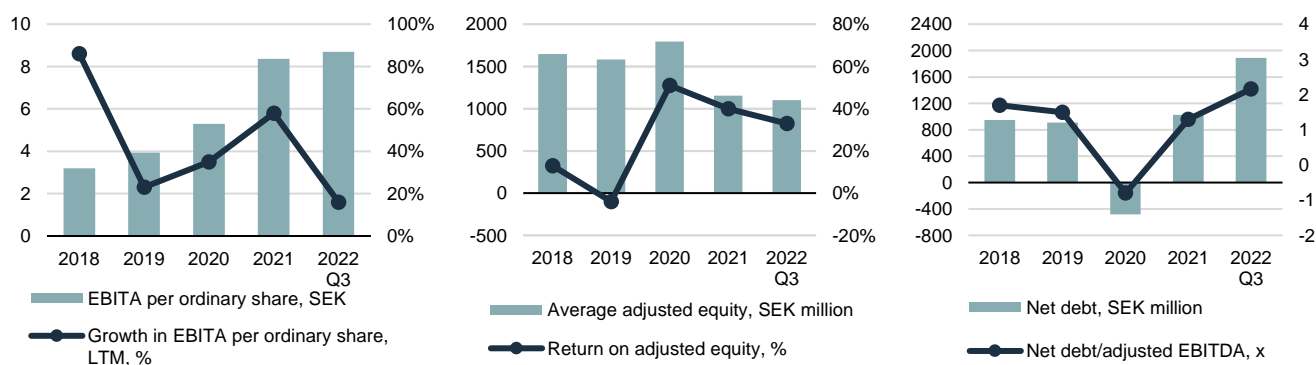
Financial targets

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. The Board has established the following long-term financial targets, which should be evaluated as a whole:

EBITA growth: The target is average annual growth in EBITA¹⁾ 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 equity¹⁾ of 20 percent.²⁾

Capital structure: The target is a net debt/adjusted EBITDA¹⁾ ratio of 2 to 3 times, not exceeding 3.5 times.



1) See note 7 for definitions of alternative performance measures

2) Includes discontinued operations

Consolidated financial trend

Net sales

+17%

Net sales
Q3 2022

The Group's net sales for Q3 2022 amounted to SEK 1,977 (1,693) million, an increase of 17 percent compared with the same period the previous year. Net sales for the last twelve months increased by 29 percent to SEK 7,544 (5,861) million. The increase in sales is mainly due to the effects of acquisitions in Volati's business areas: Salix Group, Ettiketto Group and Industry.

	Jul-Sep 2022	Jul-Sep 2021	Δ %	Jan-Sep 2022	Jan-Sep 2021	Δ %
Net sales, SEK million	1,977	1,693	17	5,822	4,587	27
EBITA ¹⁾ , SEK million	203	211	-4	531	505	5
EBIT, SEK million	180	199	-10	469	476	-2
Profit after tax, SEK million	125	142	-12	329	338	-3

1) See note 7 for definitions of alternative performance measures

Earnings

-4%

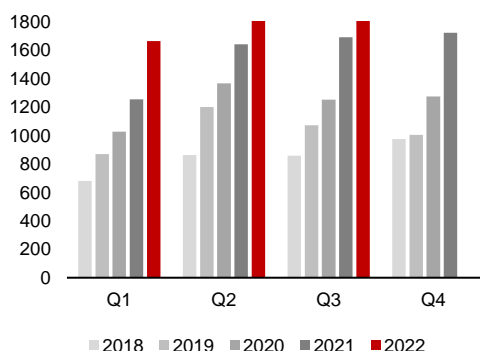
EBITA per ordinary
share
Q3 2022

EBITA for Q3 fell by 4 percent to SEK 203 (211) million. The Industry and Ettiketto Group business areas contributed positively and reported increased earnings compared with the same period in the previous year, while Salix Group's earnings showed a decline from the previous year. Items affecting comparability, mainly remeasurement of additional consideration, made a negative contribution of SEK 9 million during the period.

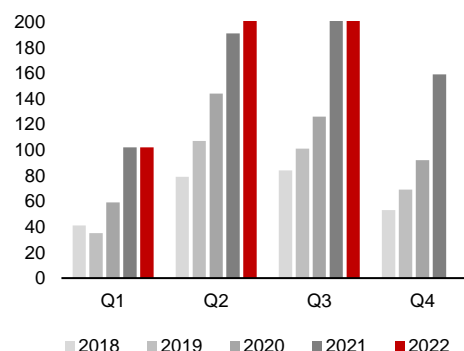
EBITA for the last twelve months increased by 16 percent to SEK 690 (597) million.

Profit after tax for Q3 declined by 12 percent to 125 (142) million and for the last twelve months it increased by 12 percent to SEK 433 (388) million.

Net sales, SEK million



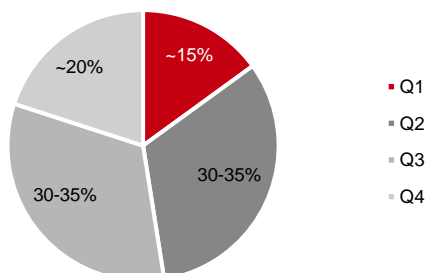
EBITA, SEK million



Seasonal variations

Volati's sales, earnings and cash flow are affected by seasonal variations. This means that Volati's operations, sales and earnings development should ideally be analysed on a rolling twelve-month basis.

Historical breakdown of EBITA by quarter (continuing operations)



SEK
398
million

Operating cash flow
LTM Q3 2022

Cash flow

Operating cash flow (for definition and calculation, see pages 24-25) amounted to SEK 144 (136) million in Q3 2022. Compared with the same period in the previous year, operating cash flow was positively affected by a lower increase in working capital. Operating cash flow for the last 12 months was SEK 398 million, compared with SEK 487 million for the full year 2021, largely due to increased working capital tied up in inventories.

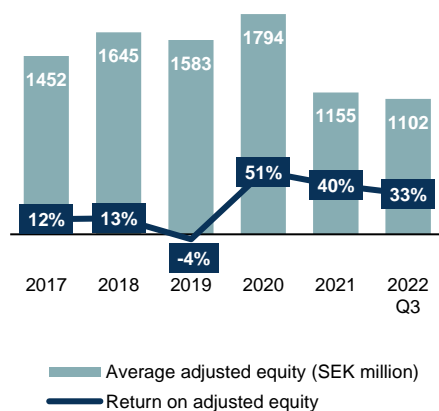
Cash flow from operating activities for Q3 (see page 15) amounted to SEK 160 (160) million. Cash flow from operating activities for the last 12 months was SEK 454 million, compared with SEK 460 million for the full year 2021. Cash flow for the last 12 months has been positively affected by increased earnings and negatively affected by increased inventory levels.

Investments in non-current assets during Q3 amounted to SEK 18 (20) million and were primarily investments in the businesses, including ongoing investments in machinery and equipment, and IT systems. No acquisitions were made during the quarter compared with same period the previous year when investments through company acquisitions had a negative effect of SEK 248 million on cash flow. Total dividends of SEK 18 million were paid in Q3.

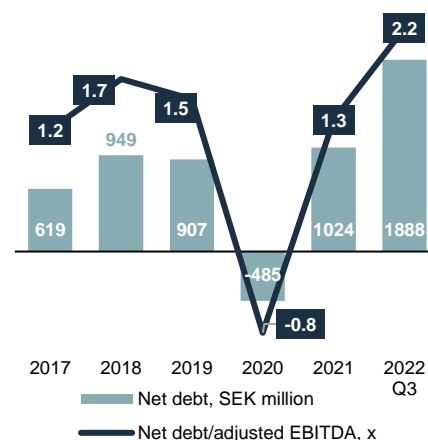
Equity

The Group's equity at the end of the period amounted to SEK 2,009 (1,890) million. The change is mainly attributable to net profit for the period and dividends for the period. The equity ratio was 29 percent on 30 September 2022, compared with 34 percent on 31 December 2021. The return on adjusted equity was 33 (40) percent. In Q3 2022, there remained no effect of the Bokusgruppen distribution to shareholders for return on adjusted equity.

Equity and return on adjusted equity



Capital structure trend



Net debt

The Group had net debt of SEK 1,888 million at the end of the period, compared with SEK 1,024 million on 31 December 2021. The change in debt is mainly due to dividends, repurchase of shares in Salix Group, tied-up working capital and completed acquisitions. Net debt/adjusted EBITDA was 2.2x at the end of the quarter, compared with 1.3x on 31 December 2021. Total liabilities amounted to SEK 4,944 (3,733) million on 30 September 2022, of which interest-bearing liabilities, including pension obligations and lease liabilities, amounted to SEK 2,607 (1,736) million.

2.2x

Net debt/
adjusted EBITDA
Q3 2022

Business acquisitions and divestments

Acquisitions are a core element of Volati's strategy for creating long-term value growth, and the Company continuously evaluates both complementary add-on acquisitions and acquisitions in new lines of business. It is Volati's assessment that there is a lower risk level for add-on acquisitions than for acquisitions in new lines of business, as in-depth industrial know-how and a recipient organisation are already in place in the acquiring company. Add-on acquisitions also enable synergies.

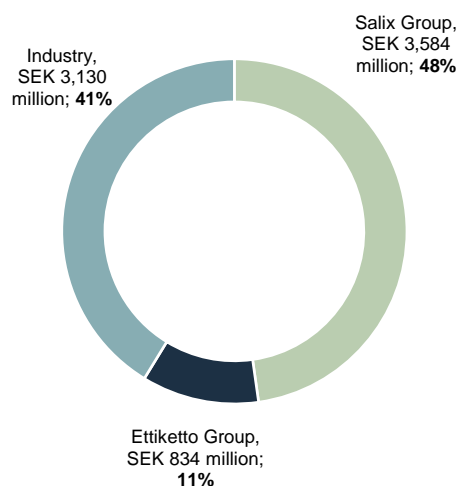
No acquisitions or disposals of property, plant and equipment were made during quarter 3 2022. For acquisitions during Q1 and Q2 2022, see note 4.

Volati's business areas

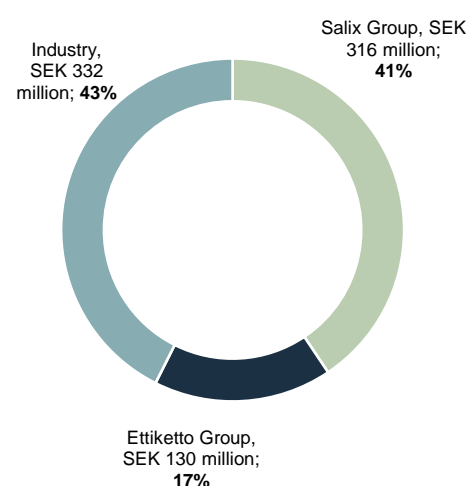
Volati's net sales and earnings by business area

The diagrams relate to the 12-month period 1 October 2021 to 30 September 2022. Acquired operations are included in the relevant business area from the acquisition closing date and their proportion is calculated net of central costs and items affecting comparability.

Net sales by business area



EBITA by business area



Salix Group

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Net sales, SEK million	868	824	2,775	2,452	3,584	3,262
EBITA, SEK million ¹⁾	73	93	252	265	316	329
EBITA margin, % ¹⁾	8	11	9	11	9	10
EBIT, SEK million	69	89	240	254	301	315
ROCE excl. goodwill, % ¹⁾	29	42	29	42	29	40
ROCE incl. goodwill, % ¹⁾	15	19	15	19	15	19

1) See note 7 for definitions of alternative performance measures.

The Salix Group business area offers 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 products consists of both own brands and external brands.

Salix Group's sales for Q3 increased by 5 percent compared with the same period in the previous year. EBITA for the same period fell by 21 percent. Demand remains strong in the professional and industrial segments and activity in the construction sector is expected to be stable throughout the year. A slowdown in the building sector is expected to affect Salix Group in the first half of 2023. Demand from do-it-yourself consumers is showing an increasing slowdown due to inflationary pressures, higher interest rates and heightened geopolitical uncertainty. This is having a short-term impact on demand for Salix Group's consumer-oriented products in the building materials, hardware and garden retail sectors. However, long-term demand for Salix Group's products is good and the shortage of housing in Sweden is driving long term demand for housing construction. The situation of high freight costs, material prices, energy costs, and a weak Swedish krona has continued during the quarter. Salix Group continues to actively address these challenges through disciplined work on customer communication, pricing, cost control and a focus on growth.

The process of integrating and developing Gunnar Eiklid AS and Norholding Invest AS is progressing according to plan. The acquisitions strengthen the business area's offering in locks and fittings in Norway and its offering in kitchen and interior fittings in Norway and Sweden. The business area sees further acquisition opportunities in most of its operations.

Ettiketto Group

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Net sales, SEK million	209	167	645	456	834	644
EBITA, SEK million ¹⁾	34	28	99	79	130	110
EBITA margin, % ¹⁾	16	17	15	17	16	17
EBIT, SEK million	28	24	83	71	109	97
ROCE excl. goodwill, % ¹⁾	58	70	58	70	58	70
ROCE incl. goodwill, % ¹⁾	27	33	27	33	27	32

1) See note 7 for definitions of alternative performance measures.

Ettiketto Group is a leading Nordic supplier of self-adhesive labels for a variety of applications including consumer goods, food and industry. The company also has a comprehensive range of labelling machines that are integrated into customers' production lines.

On 26 September, Ettiketto Group, formerly part of the Industry business area, was established as a new Volati business area..

Ettiketto Group's sales for Q3 increased by 25 percent compared with the same period in the previous year. EBITA for the same period increased by 20 percent. The business area is showing good growth, mainly as a result of completed acquisitions and the synergies realised. Demand remains strong and Ettiketto Group has worked actively during the third quarter to respond to the pent-up demand in the market created by the strike at materials supplier UPM during the year. Ettiketto Group's business is relatively insensitive to the economic situation, as demand for food and other everyday products using labels is less affected by macroeconomic developments. Ettiketto Group continues to work actively on pricing to meet increased material and energy costs in production. The company is also working on expanding production capacity and broadening its product range.

The process of integrating and developing Jigraf and Skipnes Etikett is progressing according to plan. The acquisitions strengthen the business area's offering in self-adhesive labels in Norway and Sweden. The acquisitions also enable significant synergies. The business area has good opportunities to continue its acquisition-driven growth.

Industry¹⁾

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Net sales, SEK million	900	702	2,405	1,681	3,130	2,406
EBITA, SEK million ²⁾	117	101	245	200	332	287
EBITA margin, % ²⁾	13	14	10	12	11	12
EBIT, SEK million	103	95	211	191	290	270
ROCE excl. goodwill, % ²⁾	33	33	33	33	33	36
ROCE incl. goodwill, % ²⁾	22	21	22	21	22	23

1) The periods have been restated excluding Ettiketto Group.

2) See note 7 for definitions of alternative performance measures.

The Industry business area consists of four businesses with leading market positions in their own niches. The businesses 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.

Business units in the Industry business area have continued to develop positively, resulting in 28-percent growth in sales in the third quarter. EBITA for the same period increased by 16 percent. Acquisitions and realised synergies have contributed positively and demand for the business units' products remains strong. The business area is relatively insensitive to cyclical fluctuations as the business is diversified, and demand for the business units' products is mainly driven by factors other economic developments. The impact of Russia's war in Ukraine on Tornum continues to be less than in the first quarter and the business unit has been actively countering lost volumes with new volumes in other markets. Corroventa is facing high comparative figures from the previous year, when major flooding in Europe created high demand for Corroventa's water damage restoration products. 2022 has been a year of historically low rainfall, which has reduced demand for Corroventa's products. Volati's newest platform, consisting of the companies Scanmast and Mafi, performed strongly in the quarter, with Mafi doing particularly well and winning major new contracts during the quarter. High freight and material costs and increased energy costs have continued to have an impact during the quarter. The business units are working actively on price discipline, productivity improvements and good cost control, enabling them to manage these challenges effectively.

The process of integrating and developing the acquired companies Mafi and Terästorni is progressing according to plan. The acquisitions strengthen and complement Volati's offering with telecom products and the operations of the Tornum business unit. The business area sees further acquisition opportunities in most of its operations.

Head office

Head office comprises the central costs in the Parent Company Volati AB and associated operations. Head office costs for the quarter amounted to SEK 12 (12) million.

Other information

Share capital

Volati has two classes of shares: ordinary shares and preference shares. The shares are listed on Nasdaq Stockholm under the tickers VOLO and VOLO PREF. The number of shareholders at the end of Q3 was 11,234.

The number of ordinary shares was 79,406,571 and the number of preference shares was 1,603,774 on 30 September 2022. Share capital amounted to SEK 10 million on the same date.

Related-party transactions

During the period (August 2022), Volati repurchased 20 shares (corresponding to 4%) in the subsidiary Volati Agri Holding AB from a key individual in the subsidiary. Prior to the period (May 2022), Volati repurchased 140,000,000 shares (corresponding to 1.75%) in the subsidiary Volati Communication Holding AB from a key individual in the subsidiary. After the period (October 2022), 22,354 shares (corresponding to 0.02%) in the subsidiary Salix Group AB were repurchased, and Salix Group AB repurchased 330,000 series 2022/2026 warrants in Salix Group AB from a key individual in the subsidiary. These transactions represent a part of Volati's business model that aims to create common interest with key individuals within the business units or business areas through co-investments. All transactions have been conducted at market conditions.

Other related-party transactions are presented in the 2021 Annual Report.

Events after the end of the reporting period

No significant events have taken place after the end of the reporting period.

Financial calendar

Year-end Report 2022:	10 February 2023
Interim Report January–March 2023:	25 April 2023
2023 Annual General Meeting:	26 April 2023
Interim Report January-June 2023:	17 July 2023
Interim Report January-September 2023:	25 October 2023

Declaration by the Board

The Board of Directors and the CEO hereby certify that this interim report provides a fair overview of the Parent Company's and the Group's operations, financial position and performance and describes material risks and uncertainties faced by the Parent Company and Group companies.

Volati AB (publ)

The Board of Directors and CEO

Stockholm, 25 October 2022

Patrik Wahlén

Chairman of the Board

Karl Perlhagen

Board Member

Björn Garat

Board Member

Christina Tillman

Board Member

Louise Nicolin

Board Member

Anna-Karin Celsing

Board Member

Magnus Sundström

Board Member

Andreas Stenbäck

CEO

This interim report has been reviewed by the Company's auditors. See the Auditors' Review Report on page 31.

This information is information that Volati AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons below, at 7.45 a.m. CEST on 25 October 2022.

Conference call

CEO Andreas Stenbäck and CFO Martin Aronsson will present the interim report in a conference call on 25 October at 09.00. The presentation will be conducted in Swedish.

Phone number to access the conference call: 08-505 583 64

For a webcast of the conference call, go to: <https://ir.financialhearings.com/volati-q3-2022>

For more information, please contact:

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Financial Statements

Condensed consolidated income statement

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Operating income						
Net sales	1,977	1,693	5,822	4,587	7,544	6,309
Operating expenses						
Raw materials and supplies	-1,255	-1,065	-3,694	-2,848	-4,743	-3,897
Other external costs	-121	-91	-360	-254	-467	-361
Personnel expenses	-335	-277	-1,052	-842	-1,411	-1,201
Other operating income and expenses	-1	6	2	11	9	18
EBITDA	266	266	717	654	932	869
Depreciation	-64	-54	-186	-149	-241	-204
EBITA	203	211	531	505	690	664
Acquisition-related amortisation	-23	-13	-62	-28	-78	-45
EBIT	180	199	469	476	612	620
Finance income and costs						
Finance income and costs	-19	-11	-41	-43	-52	-54
Profit before tax	160	188	428	434	560	566
Tax	-35	-45	-99	-96	-127	-124
Profit from continuing operations	125	142	329	338	433	442
Profit from discontinued operations	-	-	-	80	-	80
Net profit	125	142	329	418	433	522
Attributable to:						
Owners of the Parent	119	134	315	396	414	496
Non-controlling interests	6	9	14	22	18	26
Earnings per ordinary share, continuing operations, SEK						
Basic and diluted earnings per ordinary share, SEK	1.30	1.48	3.36	3.38	4.41	4.42
Earnings per ordinary share						
Basic and diluted earnings per ordinary share, SEK	1.30	1.48	3.36	4.37	4.41	5.42
No. of ordinary shares	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571
Average no. of ordinary shares	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571
Average no. of ordinary shares after dilution	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571
No. of preference shares	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774
Preference share dividend, SEK	10.00	10.00	30.00	50.80 ¹⁾	40.00	60.80 ¹⁾

1) Dividend on preference shares including outstanding amount as adopted by EGM on 4 February 2021.

Consolidated statement of comprehensive income

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Net profit	125	142	329	418	433	522
Items that may be <i>reclassified</i> subsequently to profit or loss						
Translation differences for the period	0	2	11	8	18	15
Total	0	2	11	8	18	15
Total comprehensive income for the period	125	145	340	426	451	537
Owners of the Parent	119	136	326	405	432	511
Non-controlling interests	6	9	14	22	19	26
Total comprehensive income for the period attributable to owners of the Parent has arisen from:						
Continuing operations	119	136	326	326	432	432
Discontinued operations	-	-	-	79	-	79

Condensed consolidated statement of financial position

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
ASSETS			
Non-current assets			
Intangible assets	2,648	2,080	2,188
Property, plant and equipment	371	297	368
Right-of-use assets	590	504	557
Financial assets	11	7	10
Deferred tax assets	41	44	40
Total non-current assets	3,660	2,931	3,162
Current assets			
Inventories	1,518	1,028	1,169
Trade receivables	1,241	1,084	922
Other current receivables	351	218	166
Cash and cash equivalents	183	198	203
Total current assets	3,293	2,528	2,461
Total assets	6,953	5,459	5,623
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the Parent	1,992	1,793	1,872
Non-controlling interests	17	15	18
Total equity	2,009	1,808	1,890
Liabilities			
Non-current interest-bearing liabilities	24	29	24
Non-current lease liabilities	463	406	448
Other non-current liabilities and provisions	274	319	306
Deferred tax	342	240	293
Total non-current liabilities	1,103	995	1,071
Current interest-bearing liabilities	1,974	1,144	1,132
Current lease liabilities	145	122	132
Trade payables	822	644	689
Other current liabilities	900	746	709
Total current liabilities	3,841	2,656	2,662
Total liabilities	4,944	3,651	3,733
Total equity and liabilities	6,953	5,459	5,623

Condensed consolidated cash flow statement¹⁾

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Operating activities						
Profit before tax incl. discontinued operations	160	188	428	505	560	637
Adjustment for other non-cash items	107	76	292	165 ²⁾	377	250 ²⁾
Interest paid and received, excl. interest on lease liabilities	-8	-10	-18	-22	-25	-29
Interest paid on lease liabilities	-9	-7	-24	-25	-31	-32
Income tax paid	-17	-6	-94	-67	-108	-82
Cash flow from operating activities before changes in working capital	234	241	583	556	771	744
Cash flow from changes in working capital						
Change in inventories	-24	-5	-232	-87	-333	-189
Change in operating receivables	24	17	-349	-260	-126	-37
Change in operating liabilities	-74	-93	132	-68	143	-58
Cash flow from changes in working capital	-73	-81	-448	-415	-317	-284
Cash flow from operating activities	160	160	135	141	454	460
Investing activities						
Net investments in property, plant & equipment and intangible assets	-15	-11	-47	-55	-66	-74
Acquisitions and disposals	14	-248	-472	-557	-666	-751
Net investments in financial assets	0	0	0	0	2	2
Cash flow from investing activities	-2	-259	-519	-612	-730	-823
Financing activities						
Dividend	-18	-19	-187	-982	-203	-998
New borrowings and repayment of borrowings, excl. leases	-85	210	799	616	779	596
Repayment of lease liabilities	-37	-33	-129	-126	-169	-166
Other financing activities	-13	-	-125	-	-154	-29
Cash flow from financing activities	-152	158	358	-492	253	-598
Cash flow for the period	6	59	-26	-964	-23	-961
Cash & cash equivalents at beginning of period	174	138	203	1160	198	1160
Exchange differences	3	1	6	2	8	5
Cash & cash equivalents at end of period	183	198	183	198	183	203

1) Condensed cash flow statement for discontinued operations, see note 5.

2) Includes adjustment of SEK -115 million for capital gain on Bokusgruppen distribution.

Consolidated statement of changes in equity

SEK million	Share capital	Other paid-in capital	Other reserves	Retained earnings incl. net profit	Non-controlling interests	Total equity
Closing balance, 31 Dec 2020	10	1,995	14	1,200	16	3,235
Net profit	-	-	-	396	22	418
Other comprehensive income	-	-	8	-	0	8
Comprehensive income for the period	-	-	8	396	22	426
Dividend	-	-	-	-1,717	-3	-1,720
Remeasurement of non-controlling interests	-	-	-	-115	-19	-134
Other owner transactions	-	-	-	-	-	-
Closing balance, 30 Sep 2021	10	1,995	23	-235	15	1,808

SEK million	Share capital	Other paid-in capital	Other reserves	Retained earnings incl. net profit	Non-controlling interests	Total equity
Closing balance, 31 Dec 2021	10	1,995	29	-162	18	1,890
Net profit	-	-	-	315	14	329
Other comprehensive income	-	-	11	-	0	11
Comprehensive income for the period	-	-	11	315	14	340
Warrants	-	-	-	2	-	2
Dividend	-	-	-	-201	-2	-203
Remeasurement of non-controlling interests	-	-	-	-7	-13	-20
Other owner transactions	-	-	-	0	-	0
Closing balance, 30 Sep 2022	10	1,995	40	-54	17	2,009

Key figures¹⁾

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Net sales, SEK million	1,977	1,693	5,822	4,587	7,544	6,309
Net sales growth, %	17	35	27	26	29	28
EBITDA, SEK million	266	266	717	654	932	869
EBITA, SEK million	203	211	531	505	690	664
EBITA margin, %	10	12	9	11	9	11
EBITA growth, %	-4	68	5	53	16	58
EBITA growth per ordinary share, %	-4	68	5	53	16	58
EBIT, SEK million	180	199	469	476	612	620
Profit after tax, SEK million	125	142	329	338	433	442
Basic and diluted earnings per ordinary share, continuing operations, SEK	1.30	1.48	3.36	3.38	4.41	4.42
Basic and diluted earnings per ordinary share, SEK ²⁾	1.30	1.48	3.36	4.37	4.41	5.42
Return on equity, %	22	51	22	51	22	26
Return on adjusted equity, %	33	74	33	74	33	40
Equity ratio, %	29	33	29	33	29	34
Cash conversion, LTM, %	51	68	51	68	51	66
Operating cash flow, SEK million	144	136	108	197	398	487
Net debt/EBITDA, x	2.2	1.4	2.2	1.4	2.2	1.3
No. of employees	1,932	1,678	1,932	1,678	1,932	1,839
Ordinary shares outstanding	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571
Average no. of ordinary shares outstanding	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571
Preference shares outstanding	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774	1,603,774

¹⁾ All performance measures, apart from net sales, EBIT, profit after tax and earnings per share, are non-IFRS performance measures – see also Alternative performance measures below.

²⁾ When calculating earnings per ordinary share, the preference share dividend of SEK 16 million per quarter is deducted for the period.

Notes to consolidated financial statements

Note 1 Accounting policies

The Group applies International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and RFR 1 Supplementary Accounting Rules for Groups. The report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. The accounting policies are consistent with those applied by the Group in the 2021 annual report.

Some figures in this report have been rounded, which means that certain tables do not always add up exactly. This applies where figures are stated in thousands, millions or billions. Pages 1-11 of this report are an integral part of the interim report.

Note 2 Risks and uncertainties

In February 2022, Russia attacked Ukraine. In 2021, Volati had net sales of SEK 32 million in these two countries through Tornum. In addition to the direct exposure, the attack increases macroeconomic uncertainty. Since the start of the war, inflation and interest rates have risen.

In November 2021, the Swedish Government 2021 decided to grant Cementa a temporary permit to continue quarrying limestone in Slite. Cement is a key input, particularly for S:t Eriks, one of the Industry business area's five business units. S:t Eriks' supply of cement is assured for 2022, and we are continuing to monitor developments closely.

It is the assessment that the Group's other material risks and uncertainties are unchanged from those described in detail in the 2021 Annual Report.

Note 3 Segment reporting

On 26 September, Ettiketto Group, formerly part of the Industry business area, was established as a new business area.. This meant that, at the end of Q3 2022, Volati consisted of the three business areas Salix Group, Ettiketto Group and Industry. The change is in line with Volati's strategy to build strong platforms for acquisition-driven growth that over time can become natural business areas within Volati with a clear industrial logic. The transition of Ettiketto Group to a business area has involved a change to internal reporting, and Ettiketto Group is now also a separate segment under IFRS 8. In other respects, segment reporting follows the principles set out in the 2021 Annual Report. Historical periods for Industry have been restated to exclude Ettiketto Group.

Net sales, SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Salix Group	868	824	2,775	2,452	3,584	3,262
Ettiketto Group	209	167	645	456	834	644
Industry	900	702	2,405	1,681	3,130	2,406
Internal eliminations	-1	-1	-4	-2	-4	-3
Total net sales	1,977	1,693	5,822	4,587	7,544	6,309

Sales between segments are immaterial.

EBITA, SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Salix Group	73	93	252	265	316	329
Ettiketto Group	34	28	99	79	130	110
Industry	117	101	245	200	332	287
Items affecting comparability ¹⁾	-9	2	-26	-1	-35	-10
Central costs	-12	-12	-39	-38	-53	-52
Total EBITA	203	211	531	505	690	664
Acquisition-related amortisation	-23	-13	-62	-28	-78	-45
Net financial items	-19	-11	-41	-43	-52	-54
Profit before tax from continuing operations	160	188	428	434	560	566

EBIT, SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Salix Group	69	89	240	254	301	315
Ettiketto Group	28	24	83	71	109	97
Industry	103	95	211	191	290	270
Items affecting comparability ¹⁾	-9	2	-26	-1	-35	-10
Central costs	-12	-12	-40	-38	-54	-52
Total EBIT	180	199	469	476	612	620

¹⁾ See note 7 for definition and specification.

Note 4 Business acquisitions

On 17 January 2022, Volati acquired all shares in the label producer Skipnes Etikett AS. The acquisition is an add-on acquisition for the Ettiketto Group business unit in the Industry business area. The acquisition was consolidated with effect from 17 January.

On 1 March, Volati acquired all shares in the lock and fittings company Gunnar Eiklid AS. The acquisition is an add-on acquisition for the Salix Group business area. The acquisition was consolidated with effect from 1 March.

On 8 April, Volati acquired all shares in Terästorni OY, a global market leader supplying equipment and tanks specifically designed for the pulp and paper industry. The acquisition is an add-on acquisition for the Tornum business unit within the Industry business area. The acquisition was consolidated with effect from 8 April.

On 25 April, Volati acquired all shares in MAFI Group AB, a global market leader in mounting solutions, primarily for telecom equipment and solar panels. MAFI is a good complement to our Scanmast business in the Industry business area. The acquisition was consolidated with effect from 25 April.

On 4 May, Volati acquired all shares in the kitchen and interior fittings company Norholding Invest AS. The acquisition is an add-on acquisition for the Salix Group business area. The acquisition was consolidated with effect from 4 May.

The Group's earnings were affected by transaction costs of SEK 9 million for the above acquisitions. Goodwill of SEK 222 million arising from the transactions is supported by several factors, largely attributable to the acquired companies' synergies, employees and market shares. Cash settlements of additional consideration during the year amounted to SEK 13 million. Liabilities of SEK 8 million related to the acquisitions been repaid during the year. Following the acquisition, the variable purchase consideration was remeasured and had a negative effect of SEK 8 million on the quarter's EBITA.

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	290
Property, plant and equipment	111
Deferred tax asset	2
Inventories	107
Trade receivables	66
Other receivables	36
Cash and cash equivalents	86
Deferred tax liability and other provisions	-61
Non-current interest-bearing liabilities	-64
Current interest-bearing liabilities	-63
Current liabilities	-118
Net assets	394
Goodwill	222
Purchase price for shares	616
Purchase price for shares	-616
Repaid liabilities at the acquisition date	-8
Deferred variable consideration	63
Cash & cash equivalents in acquired companies at the acquisition date	86
Acquisition-date impact of acquisitions on the Group's cash & cash equivalents	-475

Impact of acquisitions on income statement (SEK million)	Net sales		EBITDA		EBITA		EBIT	
	Jul-Sep	Jan-Sep	Jul-Sep	Jan-Sep	Jul-Sep	Jan-Sep	Jul-Sep	Jan-Sep
Salix Group	41	85	7	18	6	16	6	15
Ettiketto Group	34	81	4	9	1	3	0	1
Industry	199	321	50	74	46	66	40	55
Volati Group	274	486	61	101	53	84	46	70

If the acquisitions had been consolidated with effect from 1 January 2022, their contribution to the Group's income statement, excluding transaction costs, for the period 1 January to 30 September 2022 would have been as follows: sales SEK 704 million, EBITDA SEK 148 million, EBITA SEK 127 million and operating profit SEK 106 million.

Note 5 Discontinued operations

A non-cash distribution of the shares in Bokusgruppen to Volati AB's ordinary shareholders was carried out on 4 June 2021. A capital gain of SEK 115 million on the distribution was recognised in Volati AB, while Volati AB's equity was reduced by the corresponding amount and no cash flows arose from the distribution.

The income statement and cash flow information for Bokusgruppen for the period January to the distribution date is presented as a discontinued operation in this report in accordance with IFRS 5.

The income statement and cash flow information below for the divested operation Bokusgruppen is for the period up to the distribution date in 2021.

Profit/loss attributable to discontinued operations, SEK millions	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Net sales	-	-	-	674	-	674
Operating expenses	-	-	-	-645	-	-645
EBITDA	-	-	-	29	-	29
Depreciation	-	-	-	-58	-	-58
EBITA	-	-	-	-28	-	-28
Acquisition-related amortisation	-	-	-	-10	-	-10
EBIT	-	-	-	-38	-	-38
Finance income and costs	-	-	-	-5	-	-5
Profit before tax	-	-	-	-43	-	-43
Tax for the period	-	-	-	9	-	9
Profit/loss from discontinued operations	-	-	-	-35	-	-35
Gain/loss on sale of operation	-	-	-	115	-	115
Total profit/loss attributable to discontinued operations	-	-	-	80	-	80
Attributable to:						
Owners of the Parent	-	-	-	79	-	79
Non-controlling interests	-	-	-	1	-	1
Earnings per ordinary share attributable to owners of the Parent	-	-	-	0.99	-	0.99

Cash flow from discontinued operations, SEK millions	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Cash flow from operating activities	-	-	-	-78	-6	-83
Cash flow from investing activities	-	-	-	-18	-	-18
Cash flow from financing activities	-	-3	-2	66	-2	66
Total cash flow from discontinued operations	-	-3	-2	-29	-8	-35

Bokusgruppen's impact on the balance sheet on the distribution date is shown below.

Impact on the balance sheet on the distribution date, SEK millions

Intangible assets	814
Property, plant and equipment	24
Right-of-use assets	259
Other non-current assets	2
Current operating assets	216
Cash and cash equivalents	2
Total assets	1,317
Non-current non-interest-bearing liabilities	6
Deferred tax liabilities	93
Non-current lease liabilities	156
Current interest-bearing liabilities	103
Current lease liabilities	103
Current operating liabilities	270
Total liabilities	731
Net assets	586

Note 6 Financial Instruments

Financial instruments: carrying amounts and fair values by measurement category

SEK million	30 Sep 2022			31 Dec 2021		
	IFRS 9 category ¹⁾	Carrying amount	Fair value	IFRS 9 category ¹⁾	Carrying amount	Fair value
Financial assets						
Other shares and interests	2	2	2	2	2	2
Other non-current financial assets	1.2	8	8	1.2	8	8
Derivatives held for trading	2	0	0	2	0	0
Financial liabilities						
Loans from credit institutions	4	1,996	1,996	4	1,155	1,155
Additional consideration	5	81	81	5	24	24
Put options	6	173	173	6	280	280
Other current liabilities	4	32	32	4	16	16

1) applicable IFRS 9 categories

- 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

For a description of what is included in the various items and the measurement method, see note 22 of the 2021 annual report.

Financial instruments measured at fair value

SEK million	30 Sep 2022				31 Dec 2021			
	Carrying amounts	Quoted prices Level 1	Observable inputs Level 2	Unobservable inputs Level 3	Carrying amounts	Quoted prices Level 1	Observable inputs Level 2	Unobservable inputs Level 3
Financial assets								
Other shares and interests	2	-	-	2	2	-	-	2
Derivatives	0	0	-	-	0	0	-	-
Financial liabilities								
Put options	173	-	-	173	280	-	-	280
Additional consideration ¹⁾	81	-	-	81	24	-	-	24

¹⁾ Additional consideration is often contingent on the financial performance of the acquired business over a specific period and is measured on the basis of 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	Additional consideration	
Balance, 1 Jan 2021	5	-145	-26	
Additions through acquisitions	-	-	-16	
Cash settled	0	-	20	
Change in value recognised in OCI	-	-	-1	
Change in value recognised in equity	-	-136	-	
Balance, 30 Sep 2021	5	-281	-23	
Balance, 1 Jan 2022	2	-280	-24	
Additions through acquisitions	-	-	-63	
Cash settled	-	127	13	
Change in value recognised in OCI	0	-	-7	
Change in value recognised in equity	-	-20	-	
Investments	-	-	-	
Balance, 30 Sep 2022	2	-173	-81	

Note 7 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 defined in IFRS. 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 items include transaction-related costs, restructuring costs, remeasurement of additional consideration, capital gains/losses on the sale of operations and non-current assets, and other income and expenses considered to be non-recurring.	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 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 transaction-related costs, restructuring costs, remeasurement of additional consideration, capital gains/losses on the sale of operations and non-current assets, and other income and expenses considered to be non-recurring.	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 purchase consideration, capital gains/losses on the sale of operations and assets, and other income and expenses considered to be non-recurring.	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 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 relevant business unit had been owned for the same length of time in the comparative period as the length of time it has 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.
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 twelve months divided by EBITDA excl. IFRS 16.	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, 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.

Non-IFRS APMs and key metrics	Description	Reason for use
Net debt/Adjusted EBITDA	Net debt, excl. IFRS 16 adjustments, at the end of the period in relation to adjusted EBITDA for the period.	The metric can be used to assess financial risk.
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 including 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.

1) Key figure includes discontinued operations

Calculations of alternative performance measures are presented separately below.

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Items affecting comparability, SEK million						
Transaction costs	0	-4	-11	-8	-13	-10
Restructuring costs	0	0	-1	0	-8	-7
Additional consideration remeasurement	-8	-1	-7	-1	-7	-1
Capital gains/losses on sale of operations and non-current assets	3	6	3	6	2	6
Impairment of assets in Ukraine and Russia	0	0	-7	0	-7	0
Other non-recurring income and expenses	-4	1	-3	1	-2	3
Items affecting comparability	-9	2	-26	-1	-35	-10

Adjusted EBITDA, LTM, SEK million

EBITDA, LTM	932	791	932	791	932	869
Reversal of IFRS 16 effect	-158	-126	-158	-126	-158	-134
Acquired companies	64	69	64	69	64	56
Reversal of items affecting comparability	35	21	35	21	35	10
Adjusted EBITDA	873	754	873	754	873	801

Calculation of organic EBITA growth, %

EBITA	203	211	531	505	690	664
Adjustment for items affecting comparability	9	-2	26	1	35	10
EBITA excl. items affecting comparability	212	209	557	506	725	674
Total acquired/divested EBITA	-38	-25	-92	-48	-112	-63
Currency effects	-1	0	-3	0	0	0
Comparative figure for previous year	174	184	462	458	613	612
Organic EBITA growth, %	-17	41	-9	35	-1	36

Calculation of EBITA growth per ordinary share, %

EBITA	203	211	531	505	690	664
No. of ordinary shares outstanding at end of period	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571
EBITA per ordinary share, SEK	2.55	2.66	6.69	6.36	8.69	8.36
EBITA per ordinary share for same period in previous year	2.66	1.59	6.36	4.14	7.52	5.30
EBITA growth per ordinary share, %	-4	68	5	53	16	58

	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Basic and diluted earnings per ordinary share						
Net profit attributable to owners of the Parent	119	134	315	396	414	496
Deduction for preference share dividend	16	16	48	49	64	65
Net profit attributable to owners of the Parent, adjusted for preference share dividend	103	118	267	347	350	430
Average no. of ordinary shares	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571
Earnings per ordinary share, SEK	1.30	1.48	3.36	4.37	4.41	5.42
Basic and diluted earnings per ordinary share, continuing operations						
Total profit attributable to continuing operations	125	142	329	338	433	442
Deduction for profit attributable non-controlling interests	6	9	14	20	18	25
Deduction for preference share dividend	16	16	48	49	64	65
Net profit attributable to owners of the Parent, adjusted for preference share dividend	103	118	267	268	350	351
Average no. of ordinary shares	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571	79,406,571
Earnings per ordinary share, SEK	1.30	1.48	3.36	3.38	4.41	4.42
Calculation of return on equity						
(A) Net profit, LTM, including non-controlling interests	433	1,172	433	1,172	433	522
Adjustment for preference share dividends, including dividends accrued but not yet paid	-64	-65	-64	-65	-64	-65
(B) Net profit, adjusted	369	1,106	369	1,106	369	457
(C) Average total equity	1,930	2,319	1,930	2,319	1,930	1,983
(D) Average adjusted equity	1,102	1,491	1,102	1,491	1,102	1,155
(A/C) Return on total equity, %	22	51	22	51	22	26
(B/D) Return on adjusted equity, %	33	74	33	74	33	40
Calculation of equity ratio, %						
Equity including non-controlling interests	2,009	1,808	2,009	1,808	2,009	1,890
Total assets	6,953	5,459	6,953	5,459	6,953	5,623
Equity ratio, %	29	33	29	33	29	34
Calculation of operating cash flow and cash conversion, %						
EBITDA	266	266	717	654	932	869
Reversal of IFRS 16 effect	-42	-35	-121	-97	-158	-134
(A) EBITDA excl. IFRS 16 effect	224	231	596	557	774	735
(B) adjustment for non-cash items	7	-2	9	-5	8	-5
Change in working capital	-73	-82	-450	-319	-318	-187
Net investments in property, plant & equipment and intangible assets	-15	-11	-47	-37	-66	-56
(C) Operating cash flow	144	136	108	197	398	487
(C/A) Cash conversion, %	64	59	18	35	51	66

Calculation of Net debt/adjusted EBITDA, LTM, x	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Net debt						
Cash & cash equivalents and other interest-bearing assets	-186	-201	-187	-201	-187	-206
Non-current interest-bearing liabilities	75	75	75	75	75	69
Current interest-bearing liabilities	2,000	1,176	2,000	1,176	2,000	1,162
Net debt	1,888	1,049	1,888	1,049	1,888	1,024
Adjusted EBITDA	873	754	873	754	873	801
Net debt/adjusted EBITDA, x	2.2	1.4	2.2	1.4	2.2	1.3

ROCE %, 30 September 2022	Salix Group	Ettiketto Group	Industry	Central costs	Volati Group
1) EBITA, LTM	316	130	332	-53	725
Capital employed, 30 September 2022					
Intangible assets	1,160	403	1,085		2,648
Adjustment for goodwill, patent/technology, brands	-1,156	-401	-1,051		-2,608
Property, plant and equipment	51	54	265		371
Right-of-use assets	255	76	251		590
Operating receivables	1,494	271	1,284		3073
Operating liabilities	-611	-135	-753		-1,526
Capital employed, 30 September 2022	1,193	268	1,083		2,548
Adjustment for average capital employed, LTM	-111	-45	-90	0	-252
2) Average capital employed, LTM	1,082	223	992		2,296
ROCE excl. goodwill 1)/2), %	29	58	33		32
3) Average capital employed, LTM, incl. goodwill and other intangible assets with indefinite useful lives	2,061	479	1,541		4,035
ROCE incl. goodwill 1)/3), %	15	27	22		18

ROCE %, 31 December 2021	Salix Group	Ettiketto Group	Industry	Central costs	Volati Group
1) EBITA, LTM	329	110	287	-52	674
Capital employed, 31 December 2021					
Intangible assets	1,014	377	796		2,188
Adjustment for goodwill, patent/technology, brands	-1,009	-375	-771		-2,155
Property, plant and equipment	51	49	254		368
Right-of-use assets	219	67	260		557
Operating receivables	1,203	187	862		2,254
Operating liabilities	-583	-120	-555		-1,265
Capital employed, 31 December 2021	896	184	847		1,945
Adjustment for average capital employed, LTM	-74	-28	-52	0	-172
2) Average capital employed, LTM	822	156	796		1,773
ROCE excl. goodwill 1)/2), %	40	70	36		38
3) Average capital employed, LTM, incl. goodwill and other intangible assets with indefinite useful lives	1,735	347	1,258		3,295
ROCE incl. goodwill 1)/3), %	19	32	23		20

Parent Company Volati AB (publ)

The Parent Company Volati AB acts as a holding company and the members of Volati's management are employed within the Parent Company.

Parent Company condensed income statement

SEK million	Jul-Sep 2022	Jul-Sep 2021	Jan-Sep 2022	Jan-Sep 2021	LTM	Full year 2021
Net sales	5	5	14	14	20	20
Operating expenses	-10	-12	-31	-39	-38	-47
Operating profit¹⁾	-5	-8	-16	-25	-18	-27
Profit/loss from financial investments	54	18	95	103	97	106
Profit after financial items	50	10	78	78	79	79
Appropriations	-	-	-	-	32	32
Tax for the period	0	-2	-3	-5	2	0
Net profit	49	8	75	73	113	111

Parent Company comprehensive income for the period

Comprehensive income for the period	49	8	75	73	113	111
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Parent Company condensed statement of financial position

SEK million	30 Sep 2022	30 Sep 2021	31 Dec 2021
Non-current assets	1,419	1,216	1,301
Current assets	3,563	2,929	3,070
Total assets	4,982	4,145	4,372
Equity	2,408	2,496	2,534
Untaxed reserves	48	49	48
Pension obligations	3	2	2
Non-current liabilities	29	22	29
Current liabilities	2,494	1,577	1,758
Total equity and liabilities	4,982	4,145	4,372

Quarterly overview

SEK million	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Operating income									
Net sales	1,977	2,180	1,665	1,722	1,693	1,641	1,254	1,275	1,253
Operating expenses									
Raw materials and supplies	-1255	-1,387	-1,053	-1,049	-1,065	-1,026	-757	-758	-796
Other external costs	-121	-130	-110	-107	-91	-84	-79	-85	-61
Personnel expenses	-335	-374	-343	-359	-277	-292	-273	-288	-224
Other operating income and expenses	-1	2	1	7	6	1	4	-6	-1
EBITDA	266	290	161	215	266	240	148	137	170
Depreciation	-64	-64	-58	-56	-54	-48	-46	-45	-44
EBITA	203	226	102	159	211	191	102	92	126
Acquisition-related amortisation	-23	-22	-17	-16	-13	-8	-8	-9	-7
EBIT	180	204	86	143	199	183	94	83	119
Finance income and costs									
Finance income and costs	-19	-12	-10	-11	-11	-23	-9	-24	-20
Profit before tax	160	192	76	132	188	161	85	60	99
Tax	-35	-42	-22	-28	-45	-32	-19	-10	-21
Profit from continuing operations	125	150	54	104	142	129	66	50	78
Net profit from discontinued operations	-	-	-	-	-	93	-13	704	20
Net profit	125	150	54	104	142	221	54	754	97
Attributable to:									
Owners of the Parent	119	146	50	99	134	213	50	753	95
Non-controlling interests	6	4	4	5	9	9	4	0	2

Net sales, SEK million	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Salix Group	868	1,029	878	809	824	898	730	687	675
Ettiketto Group	209	220	216	188	167	147	142	150	95
Industry	900	933	572	725	702	596	382	438	483
Internal eliminations	-1	-2	-1	-1	-1	-1	-1	-1	-1
Total net sales	1,977	2,180	1,665	1,722	1,693	1,641	1,253	1,275	1,253

EBITA, SEK million	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020
Salix Group	73	107	71	65	93	107	65	62	79
Ettiketto Group	34	34	32	31	28	26	25	22	20
Industry	117	110	18	87	101	74	25	42	44
Items affecting comparability	-9	-10	-7	-9	2	-2	-1	-20	-5
Central costs	-12	-15	-12	-14	-12	-13	-12	-14	-12
Total EBITA	203	226	102	159	211	191	102	92	126

Auditor's Review Report

To the Board of Directors of Volati AB (publ.), corporate identity number 556555-4317

Introduction

We have reviewed the interim report for Volati AB (publ.) as of September 30, 2022 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

Stockholm, 25 October 2022

Ernst & Young AB

Rickard Andersson
Authorised Public Accountant