



Year-end Report January–December 2023

January – December 2023

- During the year, Swedavia's airports had 32.1 million (27.6)¹ passengers, which is an increase of 16.5 per cent compared with last year. Compared with the same period in 2019, before the Covid-19 pandemic, passenger volume was 80 per cent of that figure
- Net revenue was SEK 5,931 M (4,846)
- Operating income was SEK -318 M (-783). Last year's operating income was charged with a provision of SEK 441 M for the potential repayment of restructuring aid and was positively affected by a capital gain of SEK 43 M related to real estate operations
- Operating income excluding restructuring, capital gains, impairment losses and disposals totalled SEK -182 M (-799)
- Net income for the year was SEK -353 M (-709)
- Cash flow from operating activities for the year was positive at SEK 766 M (541), an improvement of SEK 225 M compared with last year
- Investments for the Group totalled SEK 2,010 M (1,814). The rate of investment over the past two years is principally the result of the development programme at Stockholm Arlanda Airport
- The Board of Directors proposes that no dividend be paid for the year

Key metrics, Group³

	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net revenue	1,489	1,350	5,931	4,846
Operating income	-266	-600	-318	-783
Operating income excluding capital gains,	-247	-579	-182	-799
Operating margin, %	-17.9	-44.5	-5.4	-16.2
Operating margin excluding capital gains,	-16.6	-42.9	-3.1	-16.5
Net income for the period	-252	-543	-353	-709
Return on operating capital, %	-1.2	-3.3	-1.2	-3.3
Return on operating capital excluding capital gains, impairment losses, and disposals, %	-0.6	-3.3	-0.6	-3.3
Debt/equity ratio, times	1.0	1.0	1.0	1.0
Cash flow from operating activities	286	234	766	541
Capital spending	488	521	2,010	1,814
Average number of employees	2,603	2,364	2,603	2,364
Passenger, million	7.5	7.3	32.1	27.6
Operating costs per departing passenger, SEK	368.7	316.3	299.8	291.4
Commercial revenues per departing passenger, SEK	98.6	89.3	95.2	88.1

¹ Figures in parentheses in this report are results for the corresponding period for the previous year, except for liquidity, financial position, and contingent liabilities and pledged assets, where the comparison is with the opening balance for the previous year

² This key metric is calculated excluding restructuring costs

³ For definitions of key metrics, see page 21

Strong growth in international travel during the year

Aviation's recovery continued in 2023 with strong growth in international travel and an expanded range of routes and destinations, principally at Stockholm Arlanda Airport.

More than 32 million passengers flew from one of Swedavia's airports during the past year. This is an increase of 17 per cent compared with 2022 and corresponds to around 80 per cent of the pre-pandemic level. International travel increased 19 per cent to almost 24 million passengers, while domestic travel increased by 10 per cent.

More passengers led to an increase in net revenue of SEK 1.1 billion compared with the previous year. Commercial revenue per passenger also continued to increase as a result of our updated commercial strategy, including the new marketplace at Arlanda. As the number of passengers increased, so did costs, which were also pushed up by inflation. The company's operating income continues to develop positively. Cash flow from operating activities was positive during the final three quarters of the year.

Recovery in aviation

Aviation has seen a steady recovery since the end of the pandemic. As expected, however, we saw a slowdown towards the end of the year in light of global economic developments. Historically, aviation has also had a strong correlation with the economy and economic development. In the longer term, however, all the indications point towards continued recovery and long-term growth in passenger volumes. This is driven in particular by a growing middle



class in developing countries and increased global interconnectedness.

Passenger growth at Arlanda has been strong throughout 2023. Nevertheless, we still need to secure the conditions for continued growth in and around the airport. There is currently limited rail and road infrastructure to and from the airport and the range of intercontinental direct routes requires further expansion. Swedavia as a company, other social actors and Sweden as a country therefore need to work together to strengthen Arlanda's competitiveness. It is very encouraging to see that the government has now appointed a coordinator with the specific brief of reviewing how the airport's capacity and accessibility can be improved, and it is important that this work quickly leads to concrete measures.

Safety is always our top priority

During the past year, we were able to successfully install a new state-of-the-art security control at Arlanda. This has helped to enhance the airport experience considerably. For example, the waiting time to pass through the new security control was an average of two minutes in

December. At the same time, the new technology has further improved safety. Safety is always our top priority and 2023 was no exception. On the contrary, given the general security situation in the wider world, we have implemented a number of measures to ensure that passengers feel safe at our airports, even in uncertain times. We are also monitoring the investigation into the tragic airport incident in Tokyo. One of aviation's many strengths is its ability to systematically learn and share information and insights across international borders and then adapt regulations and procedures according to what has been learned. We will be taking note of the investigation's conclusions and examining the extent to which these can contribute to our proactive safety work.

Enhanced commercial offering

During the year, we continued to implement our commercial strategy with an increased focus on having an affordable, broad and varied range of food, drink and shopping. The results of our efforts are clear to see for passengers, in particular in the form of the new marketplaces at Arlanda and Malmö Airport, as well as an expanded range at Göteborg Landvetter Airport and Luleå Airport. Reactions have been positive and we can see how the enhanced commercial offering is contributing to our business and our opportunities to develop the airports and helping us to continue to maintain competitive airport charges.

Future-proofing aviation

In 2023, we consolidated Swedavia's position as a driving force in the climate transition of the aviation industry. Göteborg Landvetter Airport and Malmö Airport were two of the first ten airports in

the world to receive the highest level of certification according to the Airport Carbon Accreditation (ACA) – the international industry standard for climate transition work at the world's airports. The airports in Gothenburg and Malmö are the first, but our ambition is for more of Swedavia's airports to attain the new highest level of certification.

We will continue to drive the development of sustainable aviation in 2024. During the year, we will be implementing our incentive programme for the increased use of sustainable aviation fuel for the fifth year in a row. Under the programme, Swedavia reimburses up to 50 percent of the cost of refuelling with sustainable aviation fuel. For the second year in a row, the programme will be run with a pot of SEK 40 M, which is double the amount for 2022. Since the programme launched in 2020, a total of SEK 100 M has been paid out.

Alongside sustainable aviation fuel, which is a proven technology, and the electrification that is just around the corner, hydrogen is also an important part of aviation's climate transition. We therefore also entered into an exciting partnership towards the end of the year, to investigate the opportunities for the use of hydrogen as aviation fuel at our airports. On the occasion of President Emmanuel Macron's state visit to Sweden at the end of January, the collaboration with Airbus, SAS, Vattenfall and Avinor was established with the signing of a Memorandum of Understanding between the parties.

In 2024, we will implement a number of activities to further enhance the efficiency and competitiveness of our airports. Remote air traffic control (RTS) is one example of this. During the year, Malmö Airport will be given access to the

existing RTS solution. This will conclude a project that has been under way for many years and which has previously provided remote air traffic control to Kiruna, Umeå and Åre Östersund.

World-class employees

The year 2023 was marked by strong operational delivery and increased customer satisfaction at our airports. This has only been possible thanks to the great commitment of our employees, who are the ones that make our business possible and who achieve our results. I am grateful, pleased and proud to be able to work with each and every one of those who every day enable people to meet.

Jonas Abrahamsson
President and CEO

About Swedavia

Swedavia's mission is to own*, operate and develop a network of ten airports in Sweden, from Kiruna in the north to Malmö in the south. The company was formed in 2010 and is wholly owned by the Swedish State.

Swedavia operates in a competitive and international market. The company's role is to create the connectivity Sweden needs to facilitate travel, business and meetings – in Sweden, elsewhere in Europe and the rest of the world. The company shall be actively involved in the development of the transport sector and help to achieve the transport policy goals adopted by the Swedish parliament. Swedavia's customers are passengers, airlines and tenants. At the same time, tenants and airlines are important partners in Swedavia's drive to establish connectivity and to offer passengers – the mutual end-customer – a smooth and inspiring travel experience. Swedavia is in competition with other airports to attract airline investments. Safety, security, and sustainable development with a focus on the customer is the basis of everything

that Swedavia does, both in its own operations and in society in general. Operations are run on the basis of solid business principles and the company shall build a long-term sustainable business through development, planning and operational efficiency. Engaged employees and a good workplace environment are crucial to Swedavia's operations. Swedavia is and shall continue to work to be a world leader in operating airports with the least possible environmental impact. Its own airport operations have been fossil-free since 2020, and other sources of emissions at its airports will be phased out in the years ahead through incentives and partnerships. Swedavia is driving the large-scale transition to sustainable aviation fuel (SAF), and the airports of the future are being prepared for electric aircraft, hydrogen gas and other new technology.

In the net-zero airports of the future, transport modes will be linked together to make it easier for people to book their journey door to door.

* Swedavia's operations at Luleå Airport and Ronneby Airport are run by the Swedish Armed Forces' airports. The other eight airports are owned in their entirety by Swedavia.



Mission

Swedavia's mission is to own, operate and develop the airports in Sweden's national basic infrastructure. Swedavia shall also actively help to achieve the transport policy goals adopted by the Swedish parliament based on sound business practices.

Objective

Together, we enable people to meet.

Vision

Swedavia develops the airports of the future and creates sustainable growth for Sweden.

Business

Together with our partners, Swedavia creates added value for customers by offering attractive airports and connectivity that provide smooth, inspiring travel experiences. Swedavia's airports shall be the most important meeting places in the Nordic region. The company shall be an international role model in sustainability and a growth engine for all of Sweden.

Values

- Reliable
- Engaged
- Innovative
- Welcoming

Sustainable development as a strategic focus

Swedavia's strategic focus is based on three sustainability dimensions – social development, economy, and environmental concern – combined with a focus on the customer.



Our strategic goals for sustainable value creation

	Actual ⁴ Dec 31, 2023	Actual ⁴ Dec 31, 2022	Target 2023	Target 2030
Customer experience, % ⁵	69.0	76.0	73.0	85.0
Engaged leaders and employees, %	64.0	60.0	65.0	75.0
Return on operating capital, %	-1.2	-3.3	6.0	6.0
Mixture of sustainable aviation fuel (SAF),	1.6	0.5	1.0	n/a

⁴ Actual figures are for 12 rolling months.

⁵ Actual figures for 2023 and targets for 2023 include all customer groups: passengers, airlines and tenants. The actual figure for the previous year, which amounted to 76, related to only one customer group, passengers, and is therefore not comparable with the actual figure for this year.

⁶ The actual figure for 2023 refers to the period January to November and, owing to a change in the method of data collection, is not comparable with the previous year. The new method, whereby data is obtained from Statistics Sweden, is considered to be more reliable than the previous method. The target is no fossil carbon dioxide emissions from Swedish domestic air travel by 2030, and the actual figure is currently measured by the mixture of sustainable aviation fuel (SAF).

Important events

January – December

Airport report submitted to Swedish government

On May 30, 2022, the previous Swedish government appointed a commission tasked with preparing proposals for a long-term sustainable approach regarding the State's responsibility for the airports in Sweden. This is in order to meet the needs for essential connectivity for citizens, businesses and aviation vital to communities throughout the country.

The commission report was presented on February 15, 2023. Some conclusions in the report were that aviation plays an important role in Sweden's connectivity, that the State needs a broader mandate on the country's system of airports, and that some adjustments should be made in the national basic infrastructure of airports.

Swedavia submitted its consultation response to the commission report to the Swedish Ministry of Rural Affairs and Infrastructure on May 23, 2023.

Swedavia appoints Kristina Ferenius to be new CFO

On February 2, 2023, Swedavia appointed Kristina Ferenius to be the new CFO. She will also be a member of Swedavia's Group management. She has worked most recently as the CFO of Sveaskog and took over the position on July 1. The former CFO, Mats Pålsson, chose to step down from his position at Swedavia and left the company on June 15, 2023.

New Board member elected at AGM

At Swedavia's Annual General Meeting on April 28, 2023, Tor Clausen, Nina Linander, Lars Mydland, Eva Nygren, Per Sjödel, Lottie Svedenstedt, Åke Svensson and Annica Ånäs were re-elected as Board members. Peter Blomqvist was elected as a new Board member and Lotta Mellström stepped down from the Board.

Airline customer applies for corporate restructuring

On October 19, the airline BRA applied for corporate restructuring. BRA has announced that it intends to continue its day-to-day operations as normal while the restructuring takes place. Swedavia has made an initial assessment of the impact of this and will be continuously monitoring the process.

Airport charges 2024

On October 31, following consultation with airlines and ground handling companies, Swedavia decided to increase its airport charges for 2024 by 9 per cent. This measure is based on a market assessment and applies from January 1, 2024.

Swedavia issues hybrid bonds

On November 15, Swedavia issued subordinated hybrid bonds in the amount of SEK 2 billion with a perpetual tenor and a first call date in 5 years. The proceeds from the issue have been used to redeem an existing hybrid bond of SEK 892 M early, as well as to strengthen the company's financial position.

Events after the reporting period

There are no important events to report.

Passenger trends

January – December

In 2023, 32.1 million passengers flew via Swedavia’s airports. This is 4.5 million more passengers compared with the same period last year, which corresponds to an increase of 16.5 per cent.

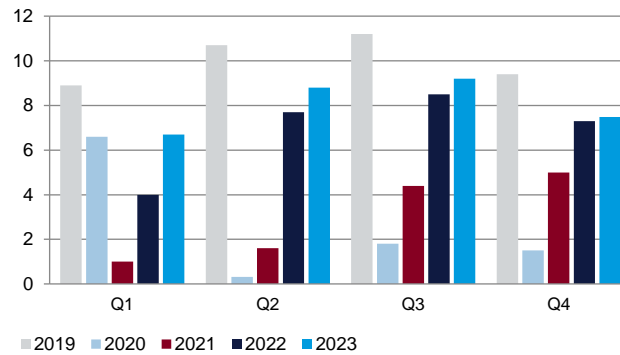
The comparison with last year’s figures is affected by the passenger trend during the first quarter of 2022, which was strongly impacted by restrictions imposed as a result of the increased spread of Covid. Passenger volume was 80 per cent of the level during 2019, with international traffic seeing a faster recovery rate than domestic traffic. The range of destinations and departures on offer gradually increased during the year compared with 2022 but is still at a lower level than in 2019.

October – December

During the fourth quarter, 7.5 million passengers flew via Swedavia’s airports. This is 0.2 million more passengers compared with the same period last year, which corresponds to an increase of 2.6 per cent. Passenger volume was 80 per cent of the level during the fourth quarter of 2019.

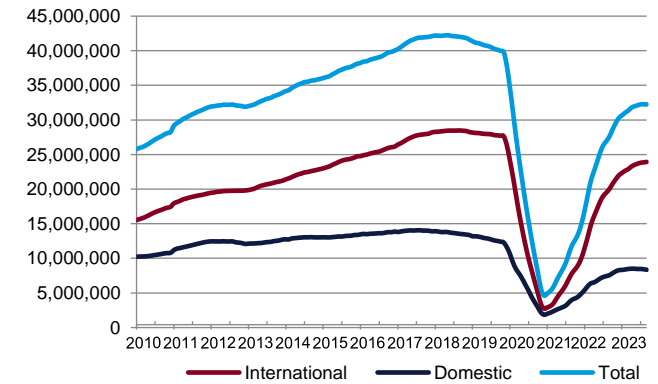
Passenger volume – Swedavia

Quarterly passenger volume, 2019–2023 (in millions)



Passenger trends – Swedavia

Number of passengers, rolling 12-month figures April 2010–December 2023



Passenger volume

Passengers	Number of passengers Jan-Dec			Number of passengers Oct-Dec		
	2023	2022	Per cent change	2023	2022	Per cent change
International	23,770,000	19,976,000	19.0%	5,426,000	5,114,000	6.1%
Domestic	8,331,000	7,577,000	10.0%	2,053,000	2,179,000	-5.8%
Total	32,102,000	27,553,000	16.5%	7,479,000	7,293,000	2.6%



Economic overview, Group

Operating income

January–December

Net revenue was SEK 5,931 M (4,846), which is an increase of SEK 1,085 M or 22 per cent compared with last year. In the Airport Operations segment, net revenue was SEK 1,078 M higher at SEK 5,901 M (4,824). Net revenue in the Real Estate segment was SEK 37 M (40).

Revenue from Aviation Business totalled SEK 3,681 M (2,995), which is 23 per cent higher compared with last year. Revenue from Aviation Business increased more than the upturn in passenger volume, thanks mainly to price effects and an increased cost base for security control, which resulted in higher revenues from externally regulated charges. Revenue from Ground Handling and Other ancillary services exceeded the previous year, due mainly to increased demand for de-icing service.

Revenue from Commercial Services increased by SEK 393 M compared with last year and totalled SEK 2,212 M (1,819). The increase in passenger volume resulted in higher revenue from Parking & Entry as well as from Retail, Food & Beverage (RFB), with a combined total of SEK 1,527 M (1,216) which was 26 per cent higher compared with last year. Revenue from RFB increased more than the upturn in passenger volume which was due to higher average revenue per departing passenger. Last year's RFB's revenue benefited from state aid for rent relief of SEK 8 M. Real Estate revenue was also higher compared with last year, mainly due to higher rental income and increased revenue from the resale of electricity.

Other operating income totalled SEK 45 M (-349), which was SEK 394 M higher than last year. Last year, a reserve of SEK 441 M was made for the potential repayment of restructuring aid. Last year was also positively affected by capital gains of SEK 43 M and restructuring aid received of SEK 20 M. The current year was positively affected by state aid received for electricity of SEK 14 M.

External costs and staff expenses, including own work capitalised, totalled SEK -4,713 M (-3,912) and were SEK 801 M higher. Higher costs are largely

explained by the adjustment of operations to higher passenger volumes. Costs for IT, electricity, winter maintenance and salary reviews, as well as inflation effects, resulted in higher costs compared with last year.

Depreciation, amortisation and impairment losses totalled SEK -1,458 M (-1,363), with the increase due to the completion of several major investment projects and the commissioning of new facilities.

Other operating costs amounted to SEK -122 M (-5) due to the disposal of existing fixed assets in connection with the implementation of investment projects at Stockholm Arlanda Airport.

Consolidated operating income totalled SEK -318 M (-783) and the consolidated operating margin was -5.4% (-16.2).

Excluding restructuring costs, impairment losses, disposals and capital gains, operating income was SEK -182 M (-799).

Operating income in the Airport Operations segment was SEK 516 M higher compared with last year and amounted to SEK -312 M (-828), with last year being charged with a reserve of SEK 441 M for the potential repayment of restructuring aid.

In the Real Estate segment, operating income was SEK -46 M (7), with operating income for last year positively affected by capital gains of SEK 43 M.

October–December

Net revenue for the fourth quarter was SEK 1,489 M (1,350), which is an increase of SEK 140 M or 10 per cent compared with last year. In the Airport Operations segment, net revenue increased SEK 134 M to SEK 1,467 M (1,333). Net revenue in the Real Estate segment was SEK 11 M (8).

Revenue from Aviation Business totalled SEK 897 M (835), which is 7 per cent higher compared with last year, mostly because of higher passenger volumes, increased charges and greater revenues from externally regulated charges as a result of an increased cost base for security control.

Revenue from Commercial Services increased by 16 per cent compared with last year and totalled SEK 569 M (490). Revenues from Parking & Entry as

well as from Retail, Food & Beverage (RFB) increased more than the upturn in passenger volume, thanks mainly to higher average revenue per departing passenger in Retail and in Parking & Entry. Real Estate revenue was also higher compared with last year, primarily due to higher rental income and increased revenue from the resale of electricity and heat.

Other operating income totalled SEK 22 M (-429) which was SEK 451 M higher, mainly as a result of a reserve being made last year of SEK 441 M for the potential repayment of restructuring aid. State aid received for electricity was SEK 4 M (-).

External costs and staff expenses, including capitalised work for the company's own account, totalled SEK -1,372 M (-1,147), with external costs increasing SEK 181 M and staff costs increasing SEK 58 M compared with last year. The increase in costs is mainly due to the fact that operations have been adapted to handle the upswing in traffic and passengers. Costs for IT, maintenance, real estate, winter maintenance and salary reviews were higher for the fourth quarter compared with last year. Inflationary effects also resulted in higher costs.

Depreciation, amortisation and impairment losses totalled SEK -396 M (-370), with the increase largely due to the commissioning of new facilities.

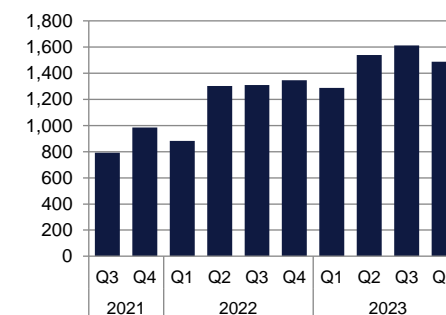
Consolidated operating income totalled SEK -266 M (-600) and the consolidated operating margin was -17.8% (-44.5).

Excluding restructuring costs, impairment losses, disposals and capital gains, operating income was SEK -247 M (-579).

Operating income in the Airport Operations segment was SEK 335 M higher compared with last year and amounted to SEK -272 M (-607), with last year being charged with a reserve of SEK 441 M for the potential repayment of restructuring aid.

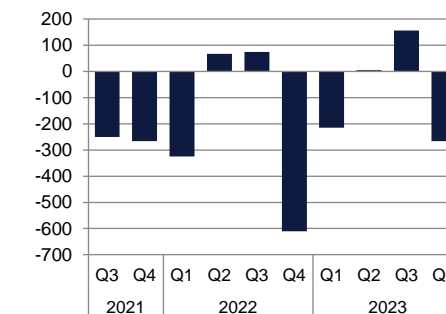
In the Real Estate segment, operating income was SEK -18 M (-14).

Net revenue, SEK M



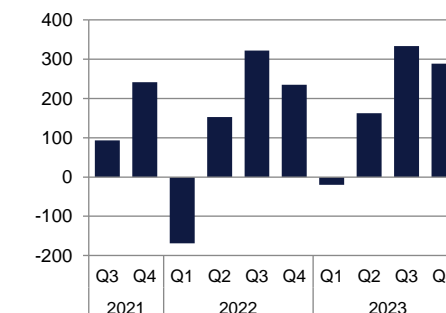
Operating income¹, SEK M

(Including capital gains)



¹ A reserve of SEK 441 M was charged to operating income for the fourth quarter of 2022 for the potential repayment of restructuring aid

Cash flow from operating activities, SEK M



Financial items

Financial items for the year were a net expense of SEK -191 M (-86), which is SEK 105 M higher than last year. The difference is explained by higher financial costs of SEK 319 M (182), mostly as a result of increased borrowing and a higher average interest rate. Reduced income from holdings in associate companies of SEK 52 M (72) also had a negative impact, while higher interest income of SEK 52 M (20) had a positive impact. Net financial items for the fourth quarter totalled SEK -60 M (-29).

Net income for the period

Net income before tax for the year totalled SEK -509 M (-870), and net income for the period totalled SEK -353 M (-709). Net income before tax for the fourth quarter totalled SEK -326 M (-629) and net income for the fourth quarter totalled SEK -252 M (-543).

Investments

Investments for the full year totalled SEK 2,010 M (1,814), with investments in the Airport Operations segment totalling SEK 1,974 M (1,798). Most investments were made in the development programme at Stockholm Arlanda Airport to increase capacity and improve the range of services available.

Investments in Real Estate and property development totalled SEK 36 M (16).

During the fourth quarter, the Group's investments amounted to SEK 488 M (521).

Cash flow

Cash flow for the year was SEK -242 M (-840). Cash flow from operating activities for the full year was positive at SEK 766 M, which is SEK 225 M better compared with last year. The improved cash flow is due to higher cash flow from operating activities before changes in working capital. Cash flow from changes in working capital was negative, as a result of seasonal fluctuations, and totalled SEK -237 M (-56).

Cash flow from investing activities totalled SEK -1,824 M (-1,767). Payments made for investments totalled SEK 2,010 M (1,814). The sale of subsidiaries last year resulted in a positive cash flow of SEK 64 M. During the period, short-term investments provided a net cash flow of SEK 96 M (-95). Cash flow from financing activities was positive and

totalled SEK 817 M (385), primarily as a result of new financing in hybrid bonds of SEK 2,000 M, while previous hybrid bonds were repaid in the amount of SEK 892 M. Interest paid and transaction costs related to hybrid bonds had a negative effect of SEK 187 M (81) on cash flow. Lease liabilities totalling SEK 106 M (107) were repaid.

Cash flow from operating activities for the fourth quarter was positive and totalled SEK 286 M (234), while cash flow for the quarter totalled SEK 173 M (-1,464).

Liquidity and financial position

Equity at year-end totalled SEK 11,212 M (11,084). This increase is mainly the result of the issuance of hybrid bonds in the amount of SEK 2,000 M in November. Equity was reduced by the early repurchase of hybrid bonds issued in November 2019 in the amount of SEK 892 M, comprehensive income for the year of SEK -794 M and interest paid and transaction costs for hybrid bonds of SEK -185 M.

Swedavia's loan liabilities at the end of the quarter totalled SEK 11,144 M (11,144). Swedavia's loan liabilities are broken down into bank loans of SEK 4,800 M (4,200), bonds of SEK 6,000 M (6,050) and commercial papers of SEK 344 M (893). At the end of the year, the average capital tie-up period, which includes the effect of interest rate derivatives, was 3.7 years (3.6) and the average interest rate lock-in period was 4.1 years (4.2). The average interest rate as of December 31 was 2.8 per cent (2.2). On December 31, the nominal total of interest rate derivatives was SEK 6,850 M (7,100).

Liquid assets decreased SEK 242 M and at the end of the year totalled SEK 1,018 M (1,260). Short-term investments decreased SEK 96 M during the year, from SEK 392 M to SEK 297 M. Net liabilities increased SEK 473 M, from SEK 11,157 M to SEK 11,630 M.

The debt/equity ratio was 1.0 (1.0) times.

At the end of the fourth quarter, Swedavia had unused credit facilities of SEK 4,050 M (3,550).

Return on operating capital, excluding restructuring costs, capital gains, impairment losses and disposals, was -0.6 per cent (-3.3) at the end of the quarter.

Swedavia's financial targets

	Actual Dec 31, 2023	Target
Return on operating capital, %	-1.2	6.0
Debt/equity ratio, times	1.0	0,7-1,5
Dividend target, %	-	10-50

Key financial metrics

	Actual Dec 31, 2023	Actual Dec 31, 2022	Policy
Average interest rate, %	2.9	2.2	n/a
Average interest rate lock-in period, year	4.1	4.2	1-5
Average capital tie-up period, years	3.7	3.6	2-5

Employees

The average number of employees for the period January 1–December 31, 2023, was 2,603 (2,364). The average number of employees increased during the year to handle the upswing in traffic and passengers.

Risks and uncertainties

Risk is defined here as an event that affects the Group's prospects of achieving its operational goals and implementing its strategies. Swedavia works continuously to map, monitor and manage risks in its operations. Risk reports are prepared and presented to the Board of Directors on a quarterly basis. Swedavia's significant risks are described in the Annual and Sustainability Report for 2022 on pages 82–87 and in Note 43.

Swedavia's biggest risks are related to the air traffic trend. Passenger volume during the fourth quarter of 2023 was 80 per cent of the pre-pandemic level. The risks that can have a negative impact on operations are a deterioration in the global situation, high inflation and interest rates, and price increases for energy, fuels and materials. This has an adverse impact on global economic growth, which in turn affects growth in the aviation industry. Swedavia works on a continuous basis with different scenarios of potential future trends and develops action plans based on these. Swedavia has a large number of customers, and it may have a major impact on Swedavia's operations if one of these were to have financial problems.

Potential financial challenges for airlines could have a negative impact on Swedavia through immediate customer credit losses as well as poorer connectivity in the form of a decrease in air traffic, a smaller range of routes available and lower capacity.

If passenger volumes decrease, there is a risk of a negative impact on Swedavia's commercial business. Many tenants and partners at the airports are affected by lower passenger volume and the fall in revenue this entails, which in turn means lower sales-based rental income for Swedavia.

If demand for air travel increases, this entails a risk of capacity challenges at times when there is a lot of traffic, which has a negative effect on quality and customer satisfaction.

There is also a risk of disruptions or interruptions in service in the airport's aviation and commercial operations as a result of cyberattacks or other external events. There is furthermore a risk of not being able to convert insights and customer needs quickly enough into new business opportunities.

Ongoing investments at the airports could affect tenants, who may have to relocate their premises. During the second quarter of 2020, Swedavia was sued in court over a rental dispute at Stockholm Arlanda Airport. Swedavia has contested the claim in full, but the amount involved is significant. The District Court issued a ruling on the case on March 24, 2022, in Swedavia's favour. This ruling was appealed against and the case was heard on November 1, 2023, in the Court of Appeal, which subsequently ruled in Swedavia's favour. The counterparty has appealed against the ruling to the Supreme Court, which has not yet announced whether leave to appeal will be granted.

Following a complaint to the European Commission, the Swedish Legal, Financial and Administrative Services Agency decided in 2022 to recover some of the capital contribution that Swedavia received in 2020. This may, in turn, affect the restructuring aid Swedavia received on account of the Covid-19 pandemic. In 2022, Swedavia therefore repaid SEK 879 M of the capital contribution and set aside a reserve in its annual accounts for 2022 to repay restructuring aid of SEK 441 M in line with the recovery made by the Swedish Legal, Financial and Administrative Services Agency. The European Commission has not yet issued a final decision on the complaint and there is therefore some uncertainty concerning possible further repayment of the capital contribution, as well as the amount of restructuring aid to be repaid.

Climate-related risks may affect Swedavia's operations in both the short term and the long term in relation to the valuation of its assets, as well as its future earnings trend.

Other external factors may also affect Swedavia's performance.

Dividend

Despite continued passenger growth in 2023, passenger volumes and earnings capacity have not yet recovered to a balanced level. The uncertain situation around the world also means that it is difficult to determine the future financial trend for the company in both the short and long term. The company is also facing extensive capacity investments at Stockholm Arlanda Airport. In view of this, the Board of Directors, in line with Swedavia's dividend policy, proposes that no dividend be paid at the Annual General Meeting to be held on April 29, 2024, and that the funds available, including the profit for the year, SEK 8,637 M, be carried forward.

Parent Company

Net revenue and operating income

Net revenue for the full year totalled SEK 5,901 M (4,824), which is an increase of SEK 1,077 M compared with last year, mainly due to increased passenger volumes. Other operating income, SEK 45 M (-392), was affected last year by a reserve for potential repayment of restructuring aid of SEK 441 M. This year was positively affected by state aid received for electricity of SEK 14 M and the previous year by restructuring aid of SEK 20 M. Operating income for the year was negative at SEK -129 M (-890) and the operating margin was -2.2 per cent (-18.4). Net income before tax for the period totalled SEK -190 M (-183). Net income for the period was SEK -87 M (-25). Net income for the period was positively affected by dividends of SEK 25 M (700) received from subsidiaries.

Net income before tax for the fourth quarter totalled SEK -97 M (-464) and net income for the quarter totalled SEK -67 M (-411).

Consolidated income statement

Amounts in SEK M	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net revenue	2, 3	1,489	1,350	5,931	4,846
Other operating revenue	6	22	-429	45	-349
Total revenue		1,512	921	5,975	4,497
Work performed by the company for its own use and		45	31	133	121
External costs		-894	-713	-2,943	-2,370
Staff expenses		-523	-465	-1,903	-1,664
Depreciation/amortisation and impairment losses on fixed assets and intangible assets		-396	-370	-1,458	-1,363
Other operating costs		-10	-4	-122	-5
Operating income		-266	-600	-318	-783
Income from financial items					
Income from holdings in associate companies		16	20	52	72
Interest income and similar items		4	16	53	24
Interest expenses and similar items		-81	-65	-296	-182
Income after financial items		-326	-629	-509	-870
Tax		74	86	156	161
Net income for the period	2	-252	-543	-353	-709
Earnings per share before and after dilution, SEK		-0.22	-0.40	-0.37	-0.55
The total number of shares was 1,441,403,026 for all					

Consolidated statement of comprehensive income

Amounts in SEK M	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net income for the period		-252	-543	-353	-709
Other comprehensive income					
Items that can be reclassified to the income statement					
Cash flow hedges:					
Items reclassified to the income statement		47	28	49	35
Change in fair value for the period		-390	-229	-480	629
Tax		71	42	89	-137
Other comprehensive income from joint ventures, net after		-14	-1	-16	39
Items that cannot be transferred to profit or loss (after)					
Revaluations of defined benefit pensions		-94	-26	-104	271
Tax		19	5	21	-56
Total other comprehensive income, net after tax		-362	-181	-441	782
Comprehensive income for the period		-613	-726	-794	73

Condensed consolidated balance sheet

Amounts in SEK M	Note	Dec 31, 2023	Dec 31, 2022
Assets	2		
NON-CURRENT ASSETS			
Intangible fixed assets		649	695
Fixed assets		20,485	19,810
Right of use asset		1,034	1,031
Deferred tax asset		408	138
Derivative instruments		244	665
Total financial assets		1,514	1,439
Total non-current assets		24,334	23,778
Current assets			
Materials and supplies		90	78
Accounts receivable	5	492	489
Receivables from associate companies		8	11
Other receivables		272	126
Prepaid expenses and accrued income		206	146
Derivative instruments		-	7
Short-term investments		297	392
Liquid assets		1,018	1,260
Total current assets		2,383	2,509
Total assets		26,717	26,288

Amounts in SEK M	Note	Dec 31, 2023	Dec 31, 2022
Equity and liabilities	2		
Equity			
Share capital		1,441	1,441
Other contributed capital		3,783	3,783
Hedge reserve		191	533
Hybrid bonds		4,608	3,500
Retained earnings including income for the year		1,190	1,827
Total equity		11,212	11,084
Non-current liabilities			
Provisions		1,157	915
Interest-bearing liabilities		9,950	8,800
Derivative instruments	4	2	2
Lease liabilities		968	972
Other non-current liabilities		14	13
Total non-current liabilities		12,090	10,700
Current liabilities			
Provisions		77	49
Interest-bearing liabilities		1,193	2,344
Derivative instruments	4	7	4
Lease liabilities		133	122
Trade payables		621	613
Liabilities to associated companies		0	33
Other liabilities		591	629
Accrued expenses and prepaid income		792	710
Total current liabilities		3,414	4,503
Total equity and liabilities		26,717	26,288

Consolidated changes in equity

Amounts in SEK M	Note	Dec 31, 2023	Dec 31, 2022
Equity, opening balance		11,084	11,990
Hybrid bond issue		2,000	-
Repurchase of hybrid bonds		-892	-
Hybrid bond transaction costs, net after tax		-1	-
Hybrid bond interest		-184	-81
Total transactions with owner and others		923	-979
Income for the year		-353	-709
Other comprehensive income for the year		-441	782
Total comprehensive income for the year		-794	73
Equity, closing balance		11,212	11,084

Consolidated cash flow statement

Amounts in SEK M	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Operating activities					
Income after financial items		-326	-629	-509	-870
Adjustments for non-cash items		498	752	1,510	1,524
Tax paid		31	27	2	-57
		203	149	1,003	597
Cash flow from changes in working capital					
Increase(-)/Decrease(+) in materials and supplies		-2	-8	-12	-16
Increase(-)/Decrease(+) in operating receivables		-155	-160	-389	-92
Increase(+)/Decrease(-) in operating liabilities		241	255	164	52
Cash flow from operating activities		286	234	766	541
Investing activities					
Disposal of subsidiaries	6	-	-	-	64
Purchase of intangible assets		-28	-28	-53	-56
Acquisitions/disposal of fixed assets		-460	-492	-1,957	-1,758
Acquisitions short-term investments		-198	-766	-1,220	-2,199
Disposal short-term investments		74	724	1,316	2,104
Dividends from associated companies		90	79	90	79
Cash flow from (-used in) investing activities		-522	-483	-1,824	-1,767
Financing activities					
Hybrid bond issue		2,000	-	2,000	-
Repurchase of hybrid bonds		-892	-	-892	-
Interest and transaction costs, hybrid bonds		-64	-32	-187	-81
Repayment of unconditional shareholder contribution plus interest		-	-898	-	-898
Borrowings raised		148	1,397	4,681	3,694
Borrowings repaid		-755	-1,655	-4,679	-2,223
Repayment of lease liabilities		-28	-28	-106	-107
Cash flow from financing activities		408	-1,216	817	385
Cash flow for (-used in) the period		173	-1,464	-242	-840
Cash and cash equivalents at the beginning of the		845	2,724	1,260	2,100
Cash and cash equivalents at the end of the period		1,018	1,260	1,018	1,260

Parent Company income statement

Amounts in SEK M	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net revenue		1,467	1,345	5,901	4,824
Other operating revenue		22	-428	45	-392
Total revenue		1,489	917	5,946	4,431
Work performed by the company for its own use and		45	31	133	121
External costs		-914	-680	-3,047	-2,486
Staff expenses		-420	-492	-1,695	-1,701
Depreciation/amortisation and impairment losses on fixed assets and intangible assets		-366	-348	-1,343	-1,251
Other operating costs		-10	-3	-122	-5
Operating income		-176	-575	-129	-890
Income from financial items					
Profit from holdings in Group companies		-	-	25	700
Interest income and similar profit/loss items		10	21	83	35
Interest expenses and similar profit/loss items		-84	-68	-322	-186
Income after financial items		-250	-622	-343	-340
Appropriations		153	157	153	157
Income after financial items		-97	-465	-190	-183
Tax		30	54	102	158
Net income for the period		-67	-411	-87	-25

Parent Company statement of comprehensive income

Amounts in SEK M	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Net income for the period		-67	-411	-87	-25
Other comprehensive income		-	-	-	-
Comprehensive income for the period		-67	-411	-87	-25

Condensed Parent Company balance sheet

Amounts in SEK M	Note	Dec 31, 2023	Dec 31, 2022
Assets			
NON-CURRENT ASSETS			
Intangible fixed assets		452	523
Fixed assets		19,458	18,858
Total financial assets		2,255	2,022
Total non-current assets		22,165	21,402
Current assets			
Materials and supplies		90	78
Current receivables		2,033	1,826
Short-term investments		297	392
Liquid assets		1,018	1,260
Total current assets		3,438	3,557
Total assets		25,603	24,959

Amounts in SEK M	Note	Dec 31, 2023	Dec 31, 2022
Equity and liabilities			
Equity			
Restricted equity			
Share capital (1,441,403,026 shares)		1,441	1,441
Reserve for development expenditures		6	9
Non-restricted equity			
Share premium reserve		2,161	2,161
Hybrid bonds		4,608	3,500
Retained earnings		1,955	2,162
Income for the year		-87	-25
Total equity		10,085	9,249
Untaxed reserves		858	988
Provisions		1,424	1,491
Non-current liabilities		9,951	8,800
Current liabilities		3,286	4,431
Total equity and liabilities		25,603	24,959

Notes

NOTE 1 Accounting principles

General

This Year-end Report was prepared in conformity with IAS 34 and applicable standards in Sweden's Annual Accounts Act. Disclosure requirements set out in IAS 34 and in the Annual Accounts Act, Chapter 9 "Interim Reports" have been applied both in the notes and elsewhere in the Year-end Report. For the Group and Parent Company, the same accounting principles and bases for calculation have been applied as in the most recent annual report except for the changes in accounting principles described below.

The Group's reporting is in millions of Swedish kronor (SEK M) unless otherwise indicated. Rounding differences may occur.

New accounting principles for 2023

None of the new and revised standards and interpretations that came into effect on January 1, 2023, has had a material effect on Swedavia's financial reports.

New and revised standards and interpretations that enter into effect in 2024 or later

The effects on the Group's financial reports and position of revisions that are mandatory for the financial year 2024 are not expected to have any material impact on the Group's future financial reports. The effects on the Group's financial reports of new and revised standards that enter into force in 2025 or later still need to be assessed.

State aid

Swedavia receives support from both the Swedish government and the EU, relating mainly to the following:

- Electricity support for companies from the Swedish government, which relates to future electricity costs but is calculated on the basis of Swedavia's electricity consumption between October 1, 2021, and September 30, 2022, in electricity areas 3 and 4. Swedavia has applied for and received the maximum support of SEK 20 M from the Swedish Tax Agency. As this support relates to both Swedavia's own consumption and its resale to customers and tenants, the support will be divided equally between Swedavia and eligible customers based on consumption volumes. The state aid relating to Swedavia's own consumption totals SEK 12 M and has been recognised as other operating income in the income statement. The remaining portion, SEK 8 M, has been disbursed to eligible customers

- Electricity cost support for electricity-intensive companies from the Swedish government, which is intended for companies with high electricity consumption in their processes. The support period is October to December 2022. Swedavia has applied for and received SEK 2 M in support from the Swedish Energy Agency. This support has been recognised as other operating income in the income statement
- Grants from EU research and development funding programmes. Swedavia participates in research and development programmes relating to the provision of Air Navigation Services (ANS) to support the operation of commercial or chartered traffic within the EU. State aid received through the project in relation to costs is reported as a reduction of the corresponding cost in the income statement. State aid received in relation to the financing of ongoing projects is reported as a reduction in the carrying amount of the asset

Related party transactions

Related party transactions involve transactions with state-owned companies and enterprises as well as government agencies. Related parties also include companies over which Swedavia can exercise a controlling interest. Costs arise mostly from the purchase of meteorological services, fees to government authorities and Air Traffic Services, which are largely included in the costs reimbursed by the Swedish Transport Agency. The transactions take place at market prices and are based on standard commercial terms.

NOTE 2 Segment reporting

Swedavia's operations are organised and managed in two operating segments, Airport Operations and Real Estate. The highest executive decision-maker at Swedavia is identified as the president and CEO of the Parent Company. The basis of segment reporting is the Group's internal reporting.

- Airport Operations – owns, operates and develops Swedavia's airports. Most revenue consists of passenger-related revenue
- Real Estate – owns, develops and manages properties and developable land at and around Swedavia's airports. Most revenue consists of rental income
- Eliminations and adjustments – capitalisation of borrowing expenses in accordance with IAS 23, IFRS 16 "Leases", remeasurement of biological assets and financial instruments at fair value are not monitored at segment level but are instead handled at Group level and are included in the elimination of intra-Group items in this column. The accounting principles otherwise conform to those applied in the consolidated financial accounts

Income statement Oct-Dec Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	2023	2022	2023	2022	2023	2022	2023	2022
Net revenue	1,467	1,333	11	8	11	9	1,489	1,350
Other operating revenue	22	-428	-	-1	-	-	22	-429
Total revenue	1,489	905	11	7	11	9	1,512	921
Work performed by the company for its own use	45	31	-	-	-	-	45	31
Operating costs	-1,437	-1,203	-22	-15	42	40	-1,417	-1,179
Depreciation and amortization	-360	-336	-7	-6	-29	-28	-396	-370
Other operating costs	-10	-3	-	0	-0	-	-10	-4
Operating income	-272	-607	-18	-14	24	21	-266	-600
Income from holdings in subsidiaries	-	-	-	-	-	-	-	-
Interest income and similar items	10	21	16	20	-6	-6	20	36
Interest expenses and similar items	-90	-72	-5	-4	15	11	-81	-65
Income after financial items	-329	-609	-30	-46	33	26	-326	-629
Tax	78	84	4	8	-7	-5	74	86
Net income for the period	-252	-526	-26	-38	26	20	-252	-543
Other segment information								
Income from holdings in associate companies	-	-	16	20	-	-	16	20
Capital spending	477	511	11	10	-	-	488	521
Restructuring costs	4	3	-	-	-	-	4	3
Impairment losses/disposals	18	18	-	-	-	-	18	18

Segment reporting, cont.

Income statement Jan-Dec Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	2023	2022	2023	2022	2023	2022	2023	2022
Net revenue	5,901	4,824	37	40	-8	-18	5,931	4,846
Other operating revenue	45	-392	-	43	-	0	45	-349
Total revenue	5,946	4,431	37	84	-8	-18	5,975	4,497
Work performed by the company for its own use	133	121	-	-	-	-	133	121
Operating costs	-4,950	-4,150	-59	-54	164	171	-4,846	-4,033
Depreciation and amortization	-1,318	-1,226	-24	-22	-116	-114	-1,458	-1,363
Other operating costs	-122	-5	-	-1	-	-0	-122	-5
Operating income	-312	-828	-46	7	40	38	-318	-783
Income from holdings in subsidiaries	25	700	-	-	-25	-700	-	-
Interest income and similar items	83	35	52	72	-30	-11	105	96
Interest expenses and similar items	-347	-199	-21	-9	71	26	-296	-182
Income after financial items	-528	-244	-38	21	56	-647	-509	-870
Tax	172	171	1	1	-17	-11	156	161
Net income for the period	-356	-73	-37	22	39	-658	-353	-709
Other segment information								
Income from holdings in associate companies	-	-	52	72	-	-	52	72
Capital spending	1,974	1,798	36	16	-	-	2,010	1,814
Capital gains	-	-	-	43	-	-	-	43
Restructuring costs	6	6	-	-	-	-	6	6
Impairment losses/disposals	130	22	-	-	-	-	130	22
Balance sheet as of Dec 31								
Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	2023	2022	2023	2022	2023	2022	2023	2022
NON-CURRENT ASSETS	21,978	21,100	1,565	1,632	791	1,047	24,334	23,778
Current assets	3,438	3,557	121	144	-1,176	-1,191	2,383	2,509
Total assets	25,416	24,656	1,686	1,776	-385	-144	26,717	26,288
Equity	10,945	10,461	607	685	-340	-62	11,212	11,084
Liabilities	14,470	14,195	1,079	1,091	-45	-82	15,505	15,204
Total equity and liabilities	25,416	24,656	1,686	1,776	-385	-144	26,717	26,288

NOTE 3 Net revenue

Swedavia's geographic market is Sweden. Swedavia's airports are run, consolidated and reported internally as a single integrated airport system.

For the full year, revenue from contracts with customers under IFRS 15 totalled SEK 4,991 M (4,100), which pertains to total net revenue excluding revenue from Retail, Food and Beverage of SEK 674 M (500), and rental income under IFRS 16 of SEK 266 M (245).

Breakdown of net revenue Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	Oct-Dec 2023	Oct-Dec 2022	Oct-Dec 2023	Oct-Dec 2022	Oct-Dec 2023	Oct-Dec 2022	Oct-Dec 2023	Oct-Dec 2022
Aviation Business								
Passenger-related revenue	372	350	-	-	-	-	372	350
Aircraft-related revenue	151	150	-	-	-	-	151	150
Externally regulated charges	244	217	-	-	-	-	244	217
Ground handling	84	80	-	-	-	-	84	80
Other ancillary services	45	39	-	-	-	-	45	39
Total Aviation Business	897	835	-	-	-	-	897	835
Commercial Services								
Parking & entry	211	195	-	-	-	-	211	195
Retail, food & beverage	160	135	-	-	-	-	160	135
Real estate revenue	133	114	9	8	-3	-3	140	119
Advertising	27	22	-	-	-	-	27	22
Other commercial services	32	21	1	0	-2	-1	31	20
Total Commercial Services	564	486	10	8	-5	-4	569	490
Other net revenue	6	12	0	0	17	12	23	23
Total	1,467	1,333	11	8	11	9	1,489	1,350

Breakdown of net revenue Amounts in SEK M	Airport Operations		Real Estate		Eliminations/adjustments		Group	
	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022	Jan-Dec 2023	Jan-Dec 2022
Aviation Business								
Passenger-related revenue	1,543	1,278	-	-	-	-	1,543	1,278
Aircraft-related revenue	714	585	-	-	-	-	714	585
Externally regulated charges	984	781	-	-	-	-	984	781
Ground handling	257	208	-	-	-	-	257	208
Other ancillary services	183	143	-	-	-	-	183	143
Total Aviation Business	3,681	2,995	-	-	-	-	3,681	2,995
Commercial Services								
Parking & entry	854	716	-	-	-	-	854	716
Retail, food & beverage	674	500	-	-	-	-	674	500
Real estate revenue	488	438	35	32	-12	-13	511	457
Advertising	95	83	-	-	-	-	95	83
Other commercial services	82	67	2	8	-5	-12	79	63
Total Commercial Services	2,192	1,804	37	39	-17	-24	2,212	1,819
Other net revenue	29	25	0	1	9	5	38	32
Total	5,901	4,824	37	40	-8	-18	5,931	4,846

NOTE 4 Financial instruments, fair value**Measurement at fair value**

For current receivables and liabilities, such as trade receivables and trade payables, with a remaining life of less than six months, the carrying amount is considered to reflect the fair value.

Fair value for interest-bearing liabilities is calculated by discounting future cash flows of the principal and interest discounted at the current market interest rate. At the balance sheet date, all derivatives are classified under Level 2, which means that prices can be determined for the derivatives through directly or indirectly quoted prices based on observable market data.

The Group has entered into ISDA agreements for derivatives, which allow set-off, for instance, against payments. There is no net accounting.

Carrying amount and fair value of financial instruments, SEK M	Jan-Dec 2023						
	Financial assets measured at fair value via income statement	Financial assets measured at amortized cost	Financial liabilities reported at fair value via income statement	Financial liabilities reported at net historical acquisition cost	Derivatives under hedge accounting	Net carrying amount	Fair value
Assets	-	2,247	-	-	244	2,491	2,491
varav derivat	-	-	-	-	244	244	244
Liabilities	-	-	-9	-12,040	-	-12,049	-12,032
of which loan liabilities	-	-	-	-11,143	-	-11,143	-11,126
of which derivatives	-	-	-9	-	-	-9	-9
Total assets and liabilities by category	-	2,247	-9	-12,040	244	-9,558	-9,541

Carrying amount and fair value of financial instruments, SEK M	Jan-Dec 2022						
	Financial assets measured at fair value via income statement	Financial assets measured at amortized cost	Financial liabilities reported at fair value via income statement	Financial liabilities reported at net historical acquisition cost	Derivatives under hedge accounting	Net carrying amount	Fair value
Assets	-	2,448	-	-	672	3,120	3,120
of which derivatives	-	-	-	-	672	672	672
Liabilities	-	-	-6	-12,050	-	-12,056	-11,941
of which loan liabilities	-	-	-	-11,144	-	-11,144	-11,029
of which derivatives	-	-	-6	-	-	-6	-6
Total assets and liabilities by category	-	2,448	-6	-12,050	672	-8,936	-8,821

NOTE 5 Trade receivables

In accordance with IFRS 9 “Financial instruments”, at each balance sheet date Swedavia assesses whether there are objective indications that an impairment loss needs to be taken on a financial asset or group of financial assets even from the date of initial recognition. Impairment losses are calculated and recognised for financial assets measured at amortised cost and for financial assets measured at fair value through other comprehensive income. A provision for credit losses is calculated and recognised initially based on twelve months’ expected credit losses. If the credit risk has increased significantly since initial recognition of the financial asset, a provision for credit losses is calculated and recognised based on expected credit losses. Swedavia applies the simplified method for calculating expected credit losses. The calculation of expected credit losses is based on a combination of historical data, based on customer type and due date, which are considered in relation to future economic prospects. The assessment of future economic prospects is based on market data, credit ratings and other financial information.

NOTE 6 Acquisitions and sales of subsidiaries

On March 21, 2022, four wholly owned subsidiaries – Logistic 4.1 Landvetter AB, Logistic 4.2 Landvetter AB, Logistic 4.3 Landvetter AB and Logistic 4.4 Landvetter AB – in the logistics park at Göteborg Landvetter Airport were sold. The underlying property value was SEK 60 M, the capital gain was SEK 43 M, and the purchase price was SEK 54 M. The transaction generated a positive cash flow of SEK 60 M.

NOTE 7 Pledged assets and contingent liabilities

Swedavia’s pledged assets consist of shares and holdings in the joint ventures Swedish Airport Infrastructure KB and Swedish Airport Infrastructure AB in the amount of SEK 871 M (926) and pension obligations in endowment insurance owned by the company in the amount of SEK 10 M (13).

Swedavia also has obligations related to environmental requirements. In its operations, Swedavia handles chemical substances and products and is responsible for waste, atmospheric emissions, discharges to water, contamination and other environmental impacts at Swedavia’s airports. Swedavia’s obligations cover events after the company was formed.

NOTE 8 Supplementary information for key metrics**Debt/equity ratio**

The debt/equity ratio is affected by the pension liability trend. The pension liability was SEK 702 M as of December 31, 2023, and SEK 572 M as of December 31, 2022.

Return on operating capital excluding capital gains, impairment losses, disposals and restructuring costs

In calculating this key metric as of December 31, 2023, operating income for the rolling 12 months was adjusted by restructuring costs of SEK 6 M and impairment losses and disposals of SEK 130 M. Operating income as of December 31, 2022, for the rolling 12 months was adjusted by restructuring costs of SEK 6 M, impairment losses and disposals of SEK 22 M and capital gains of SEK 43 M.

NOTE 9 Events after the reporting period

There are no important events to report.

Definitions

AVIATION BUSINESS

Infrastructure services aimed at airlines and ground handling companies, such as take-off and landing services and security screening.

RETURN ON OPERATING CAPITAL*

Operating income plus income from holdings in associate companies for a rolling twelve-month period divided by average operating capital. This financial ratio is the owner's metric for profitability at Swedavia and one of the Group's strategic targets for sustainable value creation. The measurement reflects the Group's capital costs.

RETURN ON OPERATING CAPITAL EXCLUDING RESTRUCTURING COSTS, CAPITAL GAINS, IMPAIRMENT LOSSES AND DISPOSALS*

Operating income excluding restructuring costs (mainly due to staff changes), capital gains, impairment losses and disposals plus income from holdings in associate companies for a rolling twelve-month period divided by average operating capital. This financial ratio for profitability is considered to provide a better understanding of the Group's cost of capital based on operating income from operations.

BALANCE SHEET TOTAL

Total assets.

COMMERCIAL SERVICES

Services connected to the airports such as leasing of premises for retail operations, offices, warehousing and logistics as well as land leases, parking operations and leasing of advertising space.

OPERATING COSTS PER DEPARTING PASSENGER*

Airport Operations' total external costs plus staff expenses minus restructuring costs (mainly due to staff changes) and own work capitalised divided by the number of departing passengers for the same period. Swedavia considers it a key metric for monitoring improvements in cost-effectiveness.

EBITDA

Earnings before interest, tax, depreciation and amortisation – in other words, operating income excluding depreciation, amortisation and impairment losses.

AIRPORT OPERATIONS

Airport Operations is one of Swedavia's two operating segments. Owns, operates and develops Swedavia's airports.

AVERAGE OPERATING CAPITAL

The closing balance of operating capital on the balance sheet date plus the closing balance of operating capital on the balance sheet date for the previous year divided by two.

INVESTMENTS*

Swedavia's investments in fixed assets and long-term intangible assets including investment projects in progress.

CAPITAL TIE-UP PERIOD

Volume-weighted average remaining maturity for interest-bearing liabilities at the end of the period. This metric tracks the Group's financial risk.

COMMERCIAL REVENUE PER DEPARTING PASSENGER*

Revenue from Retail, Food & Beverage and Parking & Entry divided by the number of departing passengers for the same period. A metric that the Group considers crucial for monitoring changes in commercial revenue.

AVERAGE NUMBER OF EMPLOYEES

The average number of employees is calculated based on hours worked, restated as the total number of hours worked divided by the normal working time as defined by the Swedish Accounting Standards Board. Calculated on a rolling twelve-month basis.

TARGETS FOR SUSTAINABLE VALUE CREATION

Swedavia's strategic targets for sustainable value creation are monitored continuously based on the

latest verified data for each target and in accordance with the same accounting principles described in the Annual and Sustainability Report 2022.

NET LIABILITIES

Interest-bearing liabilities plus pension liability minus liquid assets and short-term investments.

NET REVENUE

Swedavia's net revenue includes revenue from Aviation Business and Commercial Services.

OPERATING CAPITAL

Equity plus net liabilities.

PASSENGER

The term "passenger" refers to the statistical event in which a person has departed from or arrived at one of Swedavia's airports by air. The term "departing passenger" thus refers to a statistical event in which a person has departed from one of Swedavia's airports by air. The number of departing passengers is approximated by dividing the number of passengers by two.

NET INCOME FOR THE PERIOD

Net income after tax.

REAL ESTATE

Real Estate is the second of Swedavia's two operating segments. Owns, develops and manages properties and developable land at and around Swedavia's airports.

EARNINGS PER SHARE

Earnings per share is calculated as net income for the period less costs related to hybrid bonds divided by the total number of shares.

INTEREST RATE LOCK-IN PERIOD

Volume-weighted average interest rate lock-in period at the end of the period for interest-bearing liabilities as regards interest rate derivatives. The metric reflects the Group's interest rate risk.

INTEREST-BEARING LIABILITIES

Interest-bearing liabilities on the balance sheet consist of liabilities to credit institutions, bonds, notes,

commercial papers, liabilities to leasing companies and other liabilities.

OPERATING MARGIN*

Operating income as a percentage of net revenue. For the operating margin excluding capital gains, see calculation of "Operating income excluding capital gains".

OPERATING INCOME EXCLUDING CAPITAL GAINS*

Operating income excluding capital gains from material transactions. This metric is crucial since Swedavia's management monitors operating income excluding capital gains.

OPERATING INCOME EXCLUDING RESTRUCTURING COSTS, CAPITAL GAINS, IMPAIRMENT LOSSES AND DISPOSALS*

Operating income excluding restructuring costs (mainly due to staff changes), capital gains, impairment losses and disposals. The metric is crucial as it is considered to provide a better understanding of the operating income trend.

DEBT/EQUITY RATIO*

Net liabilities divided by equity. This leverage ratio is what the owner uses as a capital structure target for the Group. The metric is considered to be directly related to the Group's actual funding and financial risk.

DIVIDEND PAY-OUT RATIO

The normal dividend shall be between 10 and 50 per cent of net income after tax. Annual dividend decisions shall take into account the company's operations, implementation of the company's strategy and its financial position. In determining this, special consideration shall be given to the company's assessed ability to achieve its capital structure target (a debt/equity ratio of 0.7–1.5 times) going forward.

Alternative performance measures (APMs) as specified in the guidelines issued by the European Securities and Markets Authority (ESMA) are marked by an asterisk (*).

Calendar

Annual and Sustainability Report 2023	March 20, 2024
Annual General Meeting 2024	Apr 29, 2024
Interim Report Jan–Mar 2024	Apr 29, 2024
Interim Report Jan–Jun 2024	Jul 17, 2024
Interim Report Jan–Sep 2024	Oct 30, 2024
Year-End Report Jan–Dec 2024	Feb 13, 2025

Swedavia's financial reports are published on Swedavia's website www.swedavia.se.

Swedavia AB (publ) is required to disclose the information in this Year-End Report under the EU Market Abuse Regulation and the Securities Market Act. The information was provided by the contact persons listed here for publication on February 15, 2024, at 4.00 p.m. CET.

This Year-End Report was not reviewed by Swedavia's auditors.

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On behalf of the Board of Directors, the CEO hereby presents Year-end report for the period January–December 2023

Stockholm-Arlanda, February 15, 2024

Jonas Abrahamsson
President and CEO

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