

# 2023

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## **Year-end report**

Stockholm Exergi Holding AB (publ)

# Year-end report

## January – December 2023

<b>Net sales (MSEK)</b>	<b>EBITDA (MSEK)</b>	<b>EBIT (MSEK)</b>	<b>Sales (GWh)*</b>
<b>8 289</b>	<b>587</b>	<b>123</b>	<b>9 151</b>
(7 996)	(1 280) <sup>1)</sup>	(843) <sup>1)</sup>	(9 276)

\* Where of 8 137 GWh (7 782) heat

### Consolidated overview

MSEK	JUL-DEC 2023	JUL-DEC 2022 <sup>1)</sup>	YEAR 2023	YEAR 2022 <sup>1)</sup>
Net sales	3 651	3 904	8 289	7 996
EBITDA	1 089	1 104	2 143	2 818
EBIT	294	327	587	1 280
Profit before tax	54	190	161	1 054
Profit after tax	27	157	123	843
Investments	1 173	1 105	1 880	1 621
Cash flow before financing activities	-1 000	-1 404	-491	-131
Return on employed capital %			2,3	5,1
Equity ratio %			36	39
Net debt/EBITDA			6,9	4,8

Figures in the Year-end report have in general been reported in MSEK rounded up or down. This means that when summing up, rounding differences can occur with SEK +/- 1 million. In cases where an underlying number is rounded off to 0 MSEK, this is written as 0. If there is no number to report, the cell is left blank.

Figures in parentheses refer to the comparison period, i.e. the same period last year unless otherwise stated. Stockholm Exergi Holding Group will in the report below be referred to as "Stockholm Exergi".

<sup>1)</sup> Figures for 2022 have, in accordance with IAS 8, been adjusted following a change in accounting principles related to fuel stock valuation. See page 8 for more information.

# Important events during the year

## January

In January, we announced plans to offer our district heating customers the opportunity to sign a letter of intent regarding the purchase of negative emissions from our planned bio-CCS facility.

## March

Stockholm Exergi and E.ON became new majority owners of energy company Täby Miljövärme AB. The company, also co-owned by Täby municipality, has built together Täby's two existing district heating networks.

## June

In June, we welcomed a number of ambassadors and officials to Värtaverket in conjunction with Sweden's presidency of the EU. Bio-CCS and the opportunities that negative emissions offer in terms of achieving climate targets topped the agenda.

We published our 2023 customer satisfaction index (CSI), which had increased by 1.7 points to 73.5 from the previous year. The increase was due to a general improvement in the majority of our focus areas such as brand, product quality, service, and value for money.

In June we also agreed our new climate target: to have net zero climate impact by 2032.

In March, we also submitted an application to Sweden's Land and Environment Court to amend our existing permits to enable the construction of a full-scale bio-CCS facility at Värtaverket in Stockholm.

## August

We unveiled plans to develop the next generation of district heating at Stora Sköndal in southern Stockholm, which promises a modern energy system that uses energy several times over at different temperatures.

## September

Stockholm Exergi announced plans to be property company Genesta's energy partner for a housing battery project to enable the company to participate in Svenska kraftnät's market for support services.

## October

In October, Stockholm Exergi and power provider Polar Capacity brought its battery park online in Haninge, south of Stockholm, part of the company's investment in large-scale battery parks with a combined output of at least 100 MW.

## November/December

Stockholm Exergi participated in the UN Climate Change Conference, COP 28, in Dubai. Our investment in negative emissions and the opportunities this creates attracted considerable attention.

In December, Stockholm Exergi issued new green bonds with a total value of SEK 1.8 billion.

## New sales 2023

New sales of district heating for the year amounted to 64 GWh.

## CEO comment:

# Tough times – but despite challenges, district heating remains stable and competitive

**2023 was a demanding year for Stockholm Exergi.** We were faced with new challenges that emerged suddenly and that had far-reaching impacts on our operations. And while we have adapted to these new conditions effectively, we did not address them fully, which is reflected in our results..

These challenges stemmed from Russia's full-scale invasion of Ukraine. The war has fundamentally changed the geopolitical outlook, and conditions for the energy sector look in many ways completely different now than prior to Russia's invasion. For the Swedish district heating industry, the extensive changes experienced in the biofuel market are the most tangible. When biofuel flows from Russia were cut off, the demand for biofuels from the Baltic countries and Sweden increased, resulting in rapid price rises.

Despite this new landscape, Stockholm Exergi was able to secure the fuel supply for this winter – although at completely different price points from the past. We are striving to increase access to sustainable biofuels and gradually find a long-term financially sustainable deal for all actors in the supply chain. As part of these efforts, we see the untapped potential of using more residues from Swedish forestry are likely to play a significant role.

The economic downturn also resulted in a contraction in demand for our waste treatment with energy recovery service. We worked methodically to offer our treatment capacity to more customers and thereby make full use of our processing capacity. With energy recovery, we minimize fuel use and keep our costs down.

The turbulent geopolitical situation also affects factors that determine the price of district heating. During 2023's "price dialogue" process, we informed our customers that we will raise the district heating price by 12 per cent in 2024. We understand that the price increase is unwelcome for our customers, so it

is important to remember that we are living through exceptional times, and we hope that we will gradually be able to move towards more normal conditions. Regardless of the conditions in which we find ourselves, our priority is always to provide uninterrupted service to our customers, and we work closely with them to meet their needs effectively. It is becoming increasingly clear that different customers have different needs, and we need to be even better at addressing this in the future.

Despite increased costs and higher prices, district heating remains extremely competitive. In turbulent times, our provision of district heating is stable, and we heat Stockholm safely.

While the challenges we face are considerable, it is clear that district heating and the benefits we deliver to society are vital for Stockholm and the surrounding region. We take care of forest residue streams and society's waste and provide society with energy – this is at the core of what we do and the basis on which we develop new benefits for society. In 2023, we also received confirmation that our customers appreciate our products. Our Customer Satisfaction Index (CSI) was 73.5, which is the best result in our history – and extremely encouraging!

As a relatively large actor, Stockholm Exergi affects the environment in more ways than purely through our energy products, especially with our purchases of goods, services and fuels. All our purchases must be made with a great degree of social responsibility, and we make high demands of our suppliers in terms of environmental and social aspects. During the year,

we also worked to ensure safe working conditions in our operations, and we exceeded our goal of preventive activities such as safety walks. We are particularly pleased that we achieved our goal of reducing the number of serious accidents.

Our business strategy is rooted in what society needs today and in the future. Our actions going forward are aligned with the Paris Agreement. Emissions from district heating were lower in 2023 than in 2022, at 44 grams of carbon dioxide per kWh. I can report that we now need to reduce two emission sources in particular: waste treatment emissions and emissions from a smaller proportion of fossil oils – two per cent of our energy mix 2023 – which are used either in cold conditions or as start and support fuel in the cogeneration plants.

The way forward is clear and during the year we made our climate target even more ambitious. Our new goal is to have net zero climate impact by reducing emissions of greenhouse gases and neutralizing the emissions that cannot be reduced – so-called residual emissions – with permanent negative emissions. We want to reach this goal as soon as 2032, although that assumes that the regulatory framework needed to make this happen will be in place in Sweden and the EU very soon.

Ours is an aggressive goal that includes emissions throughout the entire value chain, but we will succeed by continuing to invest in the technologies that will get us there. Because it is investment made in sustainability today that will ensure that we remain relevant tomorrow.

**"While the challenges we face are considerable, it is clear that district heating and the benefits we deliver to society are vital for Stockholm and the surrounding region."**

- Our waste treatment with energy recovery service offers clear benefits for the resource-efficient development of Stockholm. However, we need to work together with society as a whole to identify how we eliminate carbon dioxide emissions from residual waste. Waste treatment emissions account for approximately 80 per cent of our emissions. Politicians need to step up and, crucially, provide leadership on how this could be financed. The proportion of fossil plastics must be reduced, and for those fractions that cannot or should not be recycled, carbon dioxide separation will be necessary. In 2023, Stockholm Exergi continued to prepare for CCS (Carbon Capture and Storage) at our Brista and Högdalen waste treatment facilities.
- Our importance to electricity supply is becoming clearer as the risk of capacity shortages in Stockholm increases as society demands greater electrification to reach climate targets. District heating relieves load levels on the electricity grid, and we also increase electricity production

to meet demand peaks. But we want to do more. In 2023, we continued to develop our operations to support the electricity system even more. We are investing in batteries, and we are also reviewing our existing facilities to assess how we can contribute even more to a stable electricity system. I look forward to the benefits we contribute being priced correctly and I advocate a new electricity market model that encourages us and others to develop the most cost-effective solutions.

- Stockholm, Sweden, Europe, and indeed the world expects us to successfully create negative emissions. We are something of a pioneer in this area, and in 2023 we continued to actively drive our bio-CCS project forward. The environmental permit case is advancing, as are our efforts to develop a full-scale facility and create conditions to secure financing. In 2024, I hope that Stockholm Exergi will make the necessary investment decisions and get spades in the ground.

I am extremely proud of what Stockholm Exergi achieved in 2023, despite the challenging times we are living in. Even in the face of rapidly changing conditions, our employees have shown that they handle situations in the best way possible and have continued to drive us and our investments in the right direction. With the commitment and cutting-edge expertise we possess, I feel confident that we will continue to be the Stockholm Exergi we want to be: a company that is the customer's obvious choice and a company that can be counted on when society's key goals are to be achieved.



Anders Egelrud, CEO  
Stockholm Exergi

## Sales, income, and cash flow

Group net sales for the period January to December 2023 amounted to MSEK 8,289 (7,996). Sales amounted to 9,151 GWh (9,276), of which 8,137 GWh (7,782) related to heating, 680 GWh (1,138) related to electricity, and 335 GWh (356) related to district cooling.

The Russian full scale invasion of Ukraine has had a severe impact on the energy sector. Amongst others fuel prices have been impacted resulting in a sharp initial increase. Despite higher net sales, significantly higher fuel prices, relatively low electricity price and

waste shortages in the beginning of the year impacted profitability negatively. Operating profit amounted to MSEK 587 (1,280), a decrease of SEK 693 million compared to previous year.

Group profit before tax amounted to MSEK 161 (1,054), and after tax MSEK 123 (843).

Cash flow from operating activities amounted to MSEK 1,358 (1,567), while funds used in investment activities amounted to MSEK -1,849 (-1,698). Cash flow before financing activities

was MSEK -491 (-131). The deviation compared to the previous year mainly relates to lower operating profit and higher interest costs.

Net debt amounted to 14,809 MSEK (13,469), an increase of 1,340 MSEK due to lower cash flow in the period. Return on equity amounted to 1.0 percent (6.9), and the return on capital employed amounted to 2.3 percent (5.1).

The equity ratio was 36 percent (39).

MSEK	JUL-DEC 2023	JUL-DEC 2022 <sup>1)</sup>	YEAR 2023	YEAR 2022 <sup>1)</sup>
Net sales	3 651	3 904	8 289	7 996
<b>EBITDA</b>	<b>1 089</b>	<b>1 104</b>	<b>2 143</b>	<b>2 818</b>
<b>Operating profit</b>	<b>294</b>	<b>329</b>	<b>587</b>	<b>1 280</b>
Changes in value on revaluation of financial assets/liabilities		-2		
<b>EBIT</b>	<b>294</b>	<b>327</b>	<b>587</b>	<b>1 280</b>
Financial items	-236	-137	-422	-226
Results from shares in associated companies	-5		-5	
<b>Profit before tax</b>	<b>54</b>	<b>190</b>	<b>161</b>	<b>1 054</b>
Tax	-28	-33	-38	-210
<b>Profit after tax</b>	<b>27</b>	<b>157</b>	<b>123</b>	<b>843</b>
Total assets			31 626	32 057
Total shareholder equity			11 400	12 568
Net debt			14 809	13 469
Employed capital			26 339	26 039
Working capital			2 342	2 119
Investments	1 173	1 105	1 880	1 621
Cash flow before financing activities	-1 000	-1 404	-491	-131
Return on equity %			1,0	6,9
Return on employed capital %			2,3	5,1
Equity/assets ratio, %			36	39
Net debt/EBITDA			6,9	4,8

<sup>1)</sup> Figures for 2022 have, in accordance with IAS 8, been adjusted following a change in accounting principles related to fuel stock valuation. See page 8 for more information.

# Financial position and other information

## Net financial items and financing

Net financial items for the year amounted to MSEK -422 (-226). At the end of the period, average borrowing costs had increased to 3.63 percent (2.55) due to increasing market interest rates.

During the period, a loan of nominally MSEK 1,300 was raised with the Nordic Investment Bank and bonds of nominally MSEK 1,800 were issued. During the same period, a bond loan of MSEK 400 and bank loans of MSEK 699 was repaid and borrowing with commercial paper was reduced.

On December 31 2023, the Group had interest-bearing liabilities amounting to MSEK 14,939 (13,471). Cash and cash equivalents amounted to MSEK 130 (1). Interest-bearing net debt amounted to MSEK 14,809 (13,469).

On December 31 2023, cash, cash equivalents and unused credit facilities amounted to MSEK 3,430 (3,300). Credit facilities consisted of a revolving credit facility (RCF) of MSEK 3,000, and an overdraft facility of MSEK 300.

## Equity

Equity on December 31 2023 amounted to MSEK 11,400 (12,568), equalling an equity ratio of 36 percent (39). Equity has been reduced by comprehensive income for the year of MSEK -318 (1,380). Other comprehensive income included valuation effects on financial electricity contracts. Dividend payments to the owners of MSEK 850 (850) were made during the period.

## Tax

Deferred tax liability amounted to MSEK

3,139 (3,357) as of December 31 2023. This liability is mainly attributable to accumulated excess depreciation. Booked deferred tax receivables amounted to 17 MSEK (29) and has for 2023 been net reported against the deferred tax liability. The group has 77 MSEK in remaining negative net interest for 2023.

## Investments

Group gross investments in fixed assets during 2023 amounted to MSEK 1,880 (1,621).

## Staff

The average number of employees during 2023 was 769 (735).

## Significant risks and uncertainties

Stockholm Exergi supplies heating, cooling and electricity to the Stockholm region which is a vital societal function. It is our responsibility to ensure deliveries to our customers and therefore we have plans and routines in place to ensure supply in various types of critical scenarios. The pandemic was an example of such a scenario.

Russia's war against Ukraine continues to affect Sweden's and Europe's energy situation in different ways and the unstable geopolitical situation has led to sharp price increases in several different areas, especially fuel. Inflation and interest rates have been increasing but have slightly reverted at the end of the year. This has affected and will continue to affect the company and the company's customers, which we monitor closely.

For a more detailed description of significant risks and uncertainties see

the Stockholm Exergi Holding AB (publ.) 2022 Annual and Sustainability Report, p. 68-71, notes 3 and 4.

## Related party transactions

The company's owners regulate their transaction through consortium agreements. Potential transactions with owners and related parties take place on market terms.

## Accounting principles

The group applies international accounting standards, International Financial Reporting Standards (IFRS), as adopted by the EU. The Parent Company applies the Annual Accounts Act and RFR 2 Accounting for legal entities.

This interim report has been prepared in accordance with IAS 34, Interim reporting and the Annual Accounts Act.

From July 1 the accounting principle for inventory valuation of fuel was changed. See page 8 for further information.

For details about other applied accounting principles, refer to Stockholm Exergi's Annual and Sustainability Report for 2022, which is available on the company's website.

## Important estimates and assessments

In the company's 2022 Annual and Sustainability Report, page 91, Note 2, reports on key areas where management's estimates and judgments have an impact on reported results and the company's financial position. No change in assessment has taken place since the annual report was published.

## The Parent Company

CFO Åse Lagerqvist von Uthmann:

*"We will continue to work with unrelenting determination to find new ways, to build up the market, and adapt our logistics flows to enable us to do good business."*



The Parent Company's operations consist of owning shares in the operating company Stockholm Exergi AB and assuming responsibility for the Group's financing.

The Parent Company's comprehensive income for the period amounted to MSEK 358 (804).

### Significant events after the balance sheet date

No significant events have occurred after the balance sheet date.

### Change of accounting principle

As per 1 of July 2023, Stockholm Exergi changed the accounting principle regarding valuation of fuel stock.

Previously applied FIFU principle (first in, first out) has from July 2023 been replaced and the fuel stock value is now based on weighted average prices. The fuels Stockholm Exergi uses as inputs in the production process have become price volatile due to external factors. Previously, price differences between units purchased at different points in time was not significant.

Given the current uncertainty in global energy markets, the situation has changed and the price for a unit of fuel held in stock for a number of months may differ significantly from the price of the unit of fuel purchased at the time of consumption.

The company has assessed that a transition to a weighted average valuation of fuel leads to a better presentation of

the valuation of the inventory at each balance sheet date as well as the company's consumption of the inventory over time. The change also provides a more representative view of the company's consumption of resources in the production that generated revenue during the period.

The change of principle is reported in this report according to IAS 8 from January 2022. The effect in the opening balance for 2022 has been assessed as not significant.

Schematically it is a recalculation and restatement of results between 2022 and 2023 with equal amounts.

The effects compared to previous reports for 2022 is presented below.

## Balance sheet

MSEK	Reported	Adjusted	
	December 31, 2022	Adjusted	December 31, 2022
Other longterm receivables	47	27	74
Inventory	1 751	-132	1 619
Equity	12 673	-105	12 658

## Income statement

MSEK	Reported	Adjusted	
	January 1, 2022 - December 31, 2022	Adjusted	January 1, 2022 - December 31, 2022
Raw materials and consumables	-3 148	-132	-3 280
Income tax	-237	27	-210

## Cash flow statement

MSEK	Reported	Adjusted	
	January 1, 2022 - December 31, 2022	Adjusted	January 1, 2022 - December 31, 2022
EBITDA	2 950	-132	2 818
Changes in operating receivables	-1 600	132	-1 468

## Consolidated income statement in summary

SEK million	JUL-DEC 2023	JUL-DEC 2022 <sup>1)</sup>	YEAR 2023	YEAR 2022 <sup>1)</sup>
Sales	3 651	3 904	8 289	7 996
Activated work for own account	38	25	38	48
Other income	79	95	174	140
Materials and consumables	-1 594	-1 763	-4 177	-3 280
Other operating expenses	-711	-787	-1 375	-1 319
Employee benefits	-375	-369	-807	-767
<b>EBITDA</b>	<b>1 088</b>	<b>1 104</b>	<b>2 143</b>	<b>2 818</b>
Depreciation and amortisation of tangible and intangible assets	-795	-777	-1 556	-1 539
<b>OPERATING PROFIT</b>	<b>294</b>	<b>329</b>	<b>587</b>	<b>1 280</b>
Changes in valuation of financial contracts		-2		
<b>EBIT</b>	<b>294</b>	<b>327</b>	<b>587</b>	<b>1 280</b>
Financial income	5	1	8	2
Financial expenses	-241	-138	-430	-228
Shares from associated companies	-5		-5	
<b>PROFIT BEFORE TAX</b>	<b>53</b>	<b>190</b>	<b>161</b>	<b>1 054</b>
Income tax	-28	-33	-38	-210
<b>PROFIT FOR THE PERIOD</b>	<b>26</b>	<b>157</b>	<b>123</b>	<b>843</b>
<b>ATTRIBUTABLE TO:</b>				
Owners of the parent	15	150	113	835
Non-controlling interests	11	7	10	8
<b>PROFIT FOR THE PERIOD</b>	<b>26</b>	<b>157</b>	<b>123</b>	<b>843</b>

## Consolidated statement of comprehensive income in summary

SEK million	JUL-DEC 2023	JUL-DEC 2022 <sup>1)</sup>	YEAR 2023	YEAR 2022 <sup>1)</sup>
<b>PROFIT FOR THE PERIOD</b>	<b>26</b>	<b>157</b>	<b>123</b>	<b>843</b>
<b>Items that will not reclassified to profit or loss in subsequent periods:</b>				
Revaluation of the pension obligations	-5	78	-4	78
Deferred taxes	1	-16	1	-16
<b>Items that me be reclassified to profit or loss in susequent periods:</b>				
Cash flow hedges				
Fair value gains/losses	-243	499	-469	622
Transefers to the income statement	8	-32	-49	-81
Transfers to inventory/fixed assets	-33	56	-33	58
Deferred taxes	55	-108	113	-123
<b>OTHER COMPREHENSIVE INCOME/EXPENSES FOR THE PERIOD, NET OF DEFERRED TAXES</b>	<b>-217</b>	<b>476</b>	<b>-441</b>	<b>537</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-191</b>	<b>633</b>	<b>-318</b>	<b>1 380</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:</b>				
Parent company shareholders	-202	626	-328	1 372
Non-controlling interests	11	7	10	8
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-191</b>	<b>633</b>	<b>-318</b>	<b>1 380</b>

<sup>1)</sup> Figures for 2022 have, in accordance with IAS 8, been adjusted following a change in accounting principles related to fuel stock valuation. See page 8 for more information.

## Consolidated balance sheet in summary

SEK million	31 DEC 2023	31 DEC 2022 <sup>1)</sup>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Intangible fixed assets	334	261
Tangible fixed assets	26 310	26 339
Plan assets and other long-term receivables	302	74
Derivative financial instruments	35	338
<b>Total non-current assets</b>	<b>26 981</b>	<b>27 012</b>
<b>Current assets</b>		
Materials and consumables	1 656	1 619
Derivative financial instruments	204	396
Trade receivables	2 033	1 738
Other receivables	622	1 292
Cash and cash equivalents	130	1
<b>Total current assets</b>	<b>4 645</b>	<b>5 046</b>
<b>TOTAL ASSETS</b>	<b>31 626</b>	<b>32 057</b>
<b>EQUITY</b>		
<b>Equity attributable to the owners of the parent</b>		
Share capital	2	2
Reserve fund	135	573
Retained earnings	11 238	11 979
<b>Total</b>	<b>11 374</b>	<b>12 552</b>
Non-controlling interests	26	16
<b>TOTAL EQUITY</b>	<b>11 400</b>	<b>12 568</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Interest-bearing liabilities	11 904	11 069
Derivative financial instruments	44	0
Deferred tax liabilities	3 139	3 357
Other provisions	37	41
Pension obligations	3	3
<b>Total non-current liabilities</b>	<b>15 127</b>	<b>14 469</b>
<b>Current liabilities</b>		
Interest-bearing liabilities	3 036	2 402
Derivative financial instruments	22	13
Trade payables	739	988
Other payables	1 302	1 607
Tax liabilities	0	7
Other provisions	1	3
<b>Total current liabilities</b>	<b>5 099</b>	<b>5 020</b>
<b>TOTAL LIABILITIES</b>	<b>20 227</b>	<b>19 490</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>31 626</b>	<b>32 057</b>

<sup>1)</sup> Figures for 2022 have, in accordance with IAS 8, been adjusted following a change in accounting principles related to fuel stock valuation. See page 8 for more information.

## Consolidated report of changes in equity

MSEK	Share capital	Retained earnings including profit for the year	Reserves Cashflow hedges	Total equity attributable to Parent Company shareholders	Non-controlling interests	Total equity
<b>Opening balance 1 January 2022</b>	<b>2</b>	<b>11 930</b>	<b>97</b>	<b>12 029</b>	<b>8</b>	<b>12 037</b>
Profit for the period as previously reported		940		940	8	948
Profit for the period, adjustment for chg, in acc. princ. <sup>1)</sup>		-105		-105		-105
Other comprehensive income for the year		62	476	537		537
<b>Total comprehensive income</b>		<b>897</b>	<b>476</b>	<b>1 372</b>	<b>8</b>	<b>1 380</b>
Transactions with shareholders						
Dividends		-850		-850		-850
<b>Closing balance at 31 December 2022</b>	<b>2</b>	<b>11 977</b>	<b>573</b>	<b>12 552</b>	<b>16</b>	<b>12 568</b>
<b>Opening balance 1 January 2023</b>	<b>2</b>	<b>11 977</b>	<b>573</b>	<b>12 552</b>	<b>16</b>	<b>12 568</b>
<b>Profit for the period</b>		113		113	10	123
Other comprehensive income for the year		-3	-437	-441		-441
<b>Total comprehensive income</b>		<b>110</b>	<b>-437</b>	<b>-328</b>	<b>10</b>	<b>-318</b>
Transactions with shareholders						
Dividends		-850		-850		-850
<b>Closing balance at 31 December 2023</b>	<b>2</b>	<b>11 238</b>	<b>135</b>	<b>11 374</b>	<b>26</b>	<b>11 400</b>

<sup>1)</sup> Figures for 2022 have, in accordance with IAS 8, been adjusted following a change in accounting principles related to fuel stock valuation. See page 8 for more information.

## Consolidated cash flow statement in summary

MSEK	JUL-DEC 2023	JUL-DEC 2022 <sup>1)</sup>	YEAR 2023	YEAR 2022 <sup>1)</sup>
<b>EBITDA</b>	<b>1 089</b>	<b>1 104</b>	<b>2 143</b>	<b>2 818</b>
Adjustments for items not included in cash flow <sup>1)</sup>	4	-43	4	18
Received interest	2	0	5	2
Paid interest	-251	-119	-439	-218
Paid tax	-26	-117	-131	-225
<b>Cash flow from operating activities before changes in working capital</b>	<b>818</b>	<b>826</b>	<b>1 582</b>	<b>2 395</b>
Changes in operating receivables	- 655	- 2 416	353	-1 468
Changes in operating liabilities	-19	1 245	-576	641
<b>CASH FLOW FROM CURRENT OPERATIONS</b>	<b>143</b>	<b>-345</b>	<b>1 358</b>	<b>1 567</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>				
Paid investments	-1 142	-1059	-1 849	-1 698
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>-1 142</b>	<b>-1 059</b>	<b>-1 849</b>	<b>-1 698</b>
<b>CASH FLOW BEFORE FINANCING ACTIVITIES</b>	<b>-999</b>	<b>-1 404</b>	<b>-491</b>	<b>-131</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings	2 340	1 356	3 100	3 150
Payment of loans	-1 078	-327	-1 459	-2 140
Change in overdraft facility	-134	173	-172	-29
Dividends paid			-850	-850
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>1 128</b>	<b>1 202</b>	<b>619</b>	<b>131</b>
<b>Total increase (+)/decrease (-) in cash and cash equivalents</b>	<b>129</b>	<b>-202</b>	<b>128</b>	<b>0</b>
Opening balance cash and cash equivalents	0	204	1	1
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>129</b>	<b>1</b>	<b>129</b>	<b>1</b>

<sup>1)</sup> Figures for 2022 have, in accordance with IAS 8, been adjusted following a change in accounting principles related to fuel stock valuation. See page 8 for more information.

<sup>2)</sup> Items that do not affect cash flow mainly refer to adjustments for unrealized gains and losses attributable to changes in value in the event of revaluation of financial assets / liabilities that secure future cash flows and changes in provisions.

## Fair value of derivatives and interest-bearing liabilities

### Outstanding derivative instruments (financial assets/liabilities) reported at fair value

MSEK	31 DEC 2023	31 DEC 2022
<b>ASSETS</b>		
<b>Fixed assets</b>		
Derivative instruments	35	338
<b>Current assets</b>		
Derivative instruments	204	396
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
Derivative instruments	44	0
<b>Current liabilities</b>		
Derivative instruments	22	13

The reported fair value of the Group's outstanding derivatives and interest-bearing liabilities are shown in the tables to the left and below.

Under interest-bearing liabilities 31 December 2023 in the table below, interest-bearing leasing liabilities of 491 MSEK (514) are excluded.

### Reported value and fair value for interest-bearing liabilities excluding leasing liabilities

MSEK	31 DEC 2023	31 DEC 2022
<b>Interest-bearing liabilities</b>		
Reported value	14 448	12 957
Fair value	14 351	12 536

### Netting information 2023-12-31

MSEK	Derivative Gross fair value	Financial instruments, netting agreement	Net amount
<b>ASSETS</b>			
Derivative instruments	278	-39	239
<b>LIABILITIES</b>			
Derivatinstrument	104	-39	66

## Revenue recognition

### Group net sales distributed by significant products

MSEK	JUL-DEC 2023	JUL-DEC 2022	YEAR 2023	YEAR 2022
Heat	3 042	2 635	6 665	5 889
Electricity	483	881	1 136	1 457
Cooling	114	130	219	232
Other net sales	12	259	269	417
<b>Total</b>	<b>3 651</b>	<b>3 904</b>	<b>8 289</b>	<b>7 996</b>

Revenue is reported when goods have been delivered or services have been performed, ie when delivery commitments have been fulfilled and the inspection of the goods or the service included in the delivery commitment has been transferred to the customer. Only a marginal part of the revenue is reported over time. Revenue is recognized at the price that the company is expected to receive in accordance with the agreement and is reported reduced for discounts, price deductions and VAT.

Heating and cooling revenues arise from fees directly to the customer and usually consist of a fixed monthly fee and a variable fee based on the heating and cooling volume delivered in the current period.

Under the heading Electricity, all electricity-related income is reported, such as sales of physical electricity, electricity certificates and electricity power and emergency preparedness. Electricity revenues for physical electricity arise from the net delivery of electricity to Nord Pool, which takes place via Fortum at market price. Valuation of electricity certificates takes place through a combination of the market value at the balance sheet date and sales revenues for sold electricity certificates.

Other net sales include service deliveries and sales of fuels.

## Parent company income statement in summary

MSEK	JUL-DEC 2023	JUL-DEC 2022	YEAR 2023	YEAR 2022
<b>Operating expenses</b>				
Other operating expenses	-3	0	-6	0
<b>OPERATING PROFIT</b>	<b>-3</b>	<b>0</b>	<b>-6</b>	<b>0</b>
<b>RESULT FROM FINANCIAL ITEMS</b>				
Other interest income and similar income	84	31	138	42
Interest expenses and similar expenses	-245	-135	-439	-214
<b>RESULT AFTER FINANCIAL ITEMS</b>	<b>-164</b>	<b>-104</b>	<b>-306</b>	<b>-173</b>
<b>APPROPRIATIONS</b>				
Group contribution	757	1 185	757	1 185
<b>PROFIT BEFORE INCOME TAX</b>	<b>594</b>	<b>1 081</b>	<b>451</b>	<b>1 012</b>
Income tax	-85	-223	-93	-208
<b>PROFIT FOR THE PERIOD</b>	<b>509</b>	<b>858</b>	<b>358</b>	<b>804</b>

There is no other comprehensive income in the Parent Company, which is why the total comprehensive income for the Parent Company corresponds to the profit for the period

## Parent company balance sheet in summary

MSEK	31 DEC 2023	31 DEC 2022
<b>ASSETS</b>		
<b>Fixed assets</b>		
<b>Financial fixed assets</b>		
Shares in group companies	11 888	11 888
Other long-term receivables	3 734	3 734
<b>Total fixed assets</b>	<b>15 622</b>	<b>15 622</b>
<b>Current assets</b>		
Receivables from group companies	3 308	2 434
Other receivables	8	1
Cash and cash equivalents	128	0
<b>Total current assets</b>	<b>3 445</b>	<b>2 435</b>
<b>TOTAL ASSETS</b>	<b>19 067</b>	<b>18 057</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
<b>Restricted equity</b>		
Share capital	2	2
Reserve fund	1 000	1 000
<b>Total restricted equity</b>	<b>1 002</b>	<b>1 002</b>
<b>Unrestricted equity</b>		
Retained earnings	3 313	3 359
Profit for the year	358	804
<b>Total unrestricted equity</b>	<b>3 670</b>	<b>4 163</b>
<b>TOTAL EQUITY</b>	<b>4 672</b>	<b>5 164</b>
<b>LIABILITIES</b>		
Deferred tax liabilities	-16	
Interest-bearing liabilities	11 333	10 446
<b>Total non-current liabilities</b>	<b>11 317</b>	<b>10 446</b>
<b>Current liabilities</b>		
Interest-bearing liabilities	2 974	2 356
Liabilities to group companies	19	10
Tax liabilities	1	17
Accrued expenses and prepaid income	85	63
<b>Total current liabilities</b>	<b>3 078</b>	<b>2 447</b>
<b>TOTAL LIABILITIES</b>	<b>14 395</b>	<b>12 893</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>19 067</b>	<b>18 057</b>

## Consolidated multi-year overview

MSEK	2023	2022 <sup>1)</sup>	2021	2020	2019 <sup>2)</sup>
Net sales	8 289	7 996	7 294	6 180	6 864
<b>EBITDA</b>	<b>2 143</b>	<b>2 818</b>	<b>2 919</b>	<b>2 811</b>	<b>2 835</b>
<b>Operating profit</b>	<b>587</b>	<b>1 280</b>	<b>1 409</b>	<b>1 316</b>	<b>783</b>
<b>EBIT</b>	<b>587</b>	<b>1 280</b>	<b>1 424</b>	<b>1 302</b>	<b>737</b>
Net financial items	-422	-226	-170	-190	-190
Results from shares in associated companies	-5				
<b>Profit before tax</b>	<b>161</b>	<b>1 054</b>	<b>1 254</b>	<b>1 111</b>	<b>547</b>
Tax	-38	-210	-284	-234	-114
<b>Profit after tax</b>	<b>123</b>	<b>843</b>	<b>970</b>	<b>878</b>	<b>433</b>
Total assets	31 626	32 057	29 784	29 479	29 740
Total equity	11 400	12 568	12 037	11 646	11 762
Interest-bearing liabilities	14 939	13 471	12 476	12 363	12 595
Net debt	14 809	13 469	12 475	12 352	12 593
Capital employed	26 339	26 039	24 513	24 009	24 357
Working capital	2 342	2 119	1 300	1 366	1 626
Investments	1 880	1 621	1 411	1 734	1 550
Cash flow before financing activities	-491	-131	732	1 100	489
Return on equity %	1,0	6,9	8,2	7,5	3,6
Return on capital employed %	2,3	5,1	5,9	5,4	3,0
Equity ratio %	36	39	40	40	40
Debt/equity ratio	1,8	1,6	1,5	1,5	1,5
Net debt/EBITDA (LTM)	6,9	4,8	4,3	4,4	4,4

<sup>1)</sup> Figures for 2022 have, in accordance with IAS 8, been adjusted following a change in accounting principles related to fuel stock valuation. See page 8 for more information.

<sup>2)</sup> The profit after depreciation was effected by a write-down of -582 MSEK due to the decided decommissioning of KVV6 in Värtnan.

## Alternative key figures

	2023	2022
<b>EBITDA</b>		
EBIT	587	1 280
Depreciations	1 556	1 539
<b>EBITDA</b>	<b>2 143</b>	<b>2 818</b>
<b>Net debt</b>		
Non-current interest-bearing liabilities	11 904	11 069
Current interest-bearing liabilities	3 036	2 402
Cash and cash equivalents	-130	-1
<b>Net debt</b>	<b>14 809</b>	<b>13 469</b>
<b>Capital employed</b>		
Equity	11 400	12 568
Interest-bearing liabilities	14 939	13 471
<b>Capital employed</b>	<b>26 339</b>	<b>26 039</b>
<b>Equity ratio</b>		
Equity	11 400	12 568
Balance sheet total	31 626	32 059
<b>Equity ratio %</b>	<b>36</b>	<b>39</b>
<b>Working capital</b>		
<b>Operating assets</b>		
Materials and consumables	1 656	1 619
Derivative instruments (part not classified for hedge accounting)	0	1
Trade receivables	2 033	1 738
Other receivables	607	1 292
<b>Total operating assets</b>	<b>4 296</b>	<b>4 650</b>
<b>Operating liabilities</b>		
Derivative instruments (part not classified for hedge accounting)	0	-1
Trade payables	-739	-988
Other payables (reduced by accrued interest expense)	-1 215	-1 541
<b>Total operating liabilities</b>	<b>-1 954</b>	<b>-2 530</b>
<b>Working capital</b>	<b>2 342</b>	<b>2 119</b>
<b>Return on equity</b>		
Equity OB	12 568	12 037
Equity CB	11 400	12 568
<b>Average equity</b>	<b>11 984</b>	<b>12 303</b>
Profit after tax	123	843
<b>Return on equity %</b>	<b>1,0</b>	<b>6,9</b>

Continue

Forts.	2023	2022
<b>Return on capital employed</b>		
Capital employed OB	26 038	24 513
Capital employed CB	26 339	26 038
<b>Average capital employed</b>	<b>26 189</b>	<b>25 276</b>
EBITDA	587	1 280
Interest income	8	2
<b>Return on capital employed %</b>	<b>2,3</b>	<b>5,1</b>
<b>Debt/equity ratio</b>		
Non-current liabilities	15 441	14 469
Current liabilities	4 784	5 020
<b>Total liabilities</b>	<b>20 226</b>	<b>19 489</b>
Equity	11 400	12 568
<b>Debt/equity ratio</b>	<b>1,8</b>	<b>1,6</b>

Definitions for alternative key figures and reconciliation for the full years 2019-2021 can be found in the Annual and Sustainability Report 2022 on the company's website, [stockholmexergi.se/om-stockholm-exergi/finansuell-information](https://stockholmexergi.se/om-stockholm-exergi/finansuell-information)

# Certification

The Board of Directors and the CEO assure that the Year-end report 2023 provides a fair overview of the Parent Company's and the Group's operations, position and results, and describes significant risks and uncertainties that are facing the Parent Company and the companies of the Group.

Stockholm, February 22, 2024

Stockholm Exergi Holding AB (publ)

On behalf of the board,

Anders Egelrud  
CEO

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This Interim report has not been subject to special review by the company's auditors.  
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## **About Stockholm Exergi**

Stockholm Exergi is Stockholm's energy company. Around the clock, all year round, we secure the growing Stockholm region's access to heating, cooling, electricity and waste management services. Today, more than 800,000 Stockholmers and more than 400 hospitals, data centers and other businesses are connected to the district heating network which in turn is connected to our heating and cogeneration plants from Högdalen in the south to Brista in the north. Together, we contribute to driving Stockholm forward towards the possibility of becoming the world's first climate-positive capital.

## **Financial reports**

Annual and Sustainability Report 2023, March 26, 2024

Interim report January-June 2024, August 2024

Year-end report 2024, February 2025

All reports are available after publication on the company's website: [stockholmexergi.se](https://stockholmexergi.se)

The information in this year-end report is such that Stockholm Exergi Holding AB (publ) publishes in accordance with Swedish law for the securities market.

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