



**AVTECH SWEDEN AB (publ)**

ANNUAL REPORT **2024**  
JANUARY - DECEMBER



## CONTENTS

COMMENTS FROM CEO .....	3
A year of strong growth and strategic advancements .....	3
Conditions ahead.....	4
TODAY'S PRODUCT PORTFOLIO .....	6
Aventus .....	6
ClearPath .....	7
SIGMA .....	7
ProFlight.....	8
BOARD OF DIRECTOR'S REPORT.....	9
Operations in brief.....	9
Multy-year comparison* .....	9
Significant events during the financial year 2024.....	10
Significant events after the period .....	15
Changes in equity.....	19
Appropriation of earnings.....	19
INCOME STATEMENT .....	20
BALANCE SHEET.....	21
NOTES.....	23
INFORMATION FOR INDIVIDUAL ITEMS .....	23
SIGNATURES .....	26

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## COMMENTS FROM CEO

Together with our customers, we contribute to more efficient and sustainable flying. With AVTECH's services, airlines can reduce their emissions by 0.5–2.5% by optimizing flight altitudes and taking advantage of wind conditions, while also avoiding turbulence. More and more airlines are realizing that this is an effective environmental measure with immediate impact that they can quickly introduce.



### A YEAR OF STRONG GROWTH AND STRATEGIC ADVANCEMENTS

2024 has been a year marked by growth, strategic progress, and continued strong demand for our services. We have seen increasing interest from airlines worldwide, leading to both new customer agreements and expanded collaborations with existing clients. Once again, it has been our best year ever, with positive developments in both net sales and net earnings, confirming the value of our products and strategy.

#### Q1 – Strong start with new collaborations

We started the year with record-high net sales and a more than doubled net profit compared to the previous year. SAS signed an agreement for ClearPath after successful tests, and we welcomed Air Caraïbes and French Bee as new customers for Aventus. We also saw an increased interest from airlines who are actively looking for solutions to optimize fuel consumption and reduce their emissions.

#### Q2 – Continued growth and organization development

In the second quarter, we once again set sales records, driven by new agreements and expanded services. The SAS Connect fleet was activated, and Norwegian expanded its use of ClearPath to include the new turbulence module. We also signed an agreement with the Icelandic airline Play. At the same time, we continued to invest in technology and sales to ensure continued strong development. In addition, a dividend of approximately SEK 5.6 million was paid to AVTECH's shareholders for the first time.

#### Q3 – Increased utilization and new contract model

The third quarter includes the summer period when our customers are flying the most and was characterized by continued strong growth and an expanding customer base. The total estimated fuel savings for our customers reached a new milestone of 550,000 tons. We strengthened the technology department with new resources and introduced a new contract model with shorter commitment periods to more quickly convert tests into signed agreements.

#### Q4 – A record quarter and broadened customer base

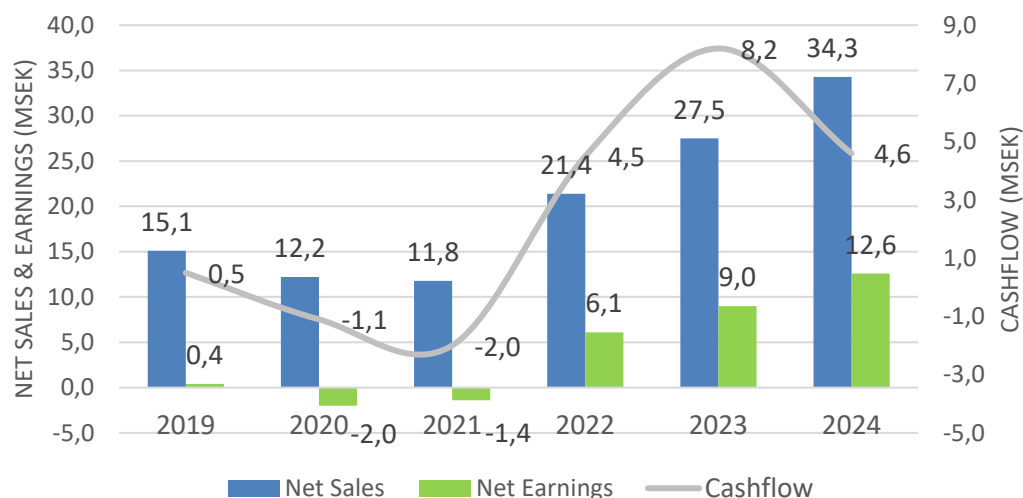
The year ended strongly with our best quarter to date, both in terms of sales and earnings. We signed new agreements with Iberojet and Latam Airlines and saw an increased use of our products. SAS started testing our new ClearPath app for iPad. In addition, our customer SAS was awarded a prestigious award in Skyteam's The Aviation Challenge 2024 for its Fuel Efficiency Program, where AVTECH's technology plays an important role in their fuel savings and reduced emissions. We were pleased to have delivered optimization services to two of the three airlines nominated for the award.

#### Full year 2024 - A strong foundation for the future

In conclusion, 2024 has been a very successful year for AVTECH. We have increased sales by over 25% and net earnings by almost 40%, while broadening our customer base and reducing our reliance on individual



customers. With positive cash flow, AVTECH was able to pay a dividend to the owners of approximately SEK 5.6 million for the first time earlier this year.



For the full year 2024, net sales were SEK 34.3 million (27.5), net earnings were SEK million +12.6 (+9.0) and cash flow was SEK million +4.6 (+8.2) compared to the full year 2023. This means that net sales increased by 25.1% and net earnings by 38.8% compared to 2023. Cash flow from operating activities also increased by 25% compared to 2023, but thanks to the distributed of SEK 5.6 million to owners, cash flow was 44% lower than in 2023.

## CONDITIONS AHEAD

AVTECH is stronger than ever with good profitability and positive cash flow from operations. Through strategic resource reinforcements, we are well equipped for continued growth. The implementation of our latest agreement with LATAM is in full swing, and with more agreements in the pipeline, we have a very favorable starting point for 2025 – just as we had at the beginning of 2024.

Today, over 1,950 aircraft use our services commercially, and we continue to see good opportunities to increase this number significantly during the year. At the same time, many of these connected aircraft have not yet fully integrated our complete product offering, providing further potential for expansion. We have already carried out test periods with several airlines, while new tests have just begun, and more are expected to start in the spring.

The conditions for increased sales, both in the short and long term, are expected to remain strong. Each new agreement now has a significant positive effect on earnings.

In light of the company's stable financial performance, AVTECH's Board of Directors has decided to propose a dividend of SEK 5.6 million at the upcoming Annual General Meeting for 2025.

### Preparing for the next step

The goal for 2025 is to continue to increase AVTECH's sales significantly, while reinvesting a significant part of this revenue in further development of both the organization and our product offering. In 2024, we implemented a strategic change and strengthening of the sales department under the leadership of a new sales manager. Today, the team consists of salespeople based both in Sweden and in other European

countries, with varying backgrounds and experiences. In addition to pilot expertise, we now also have expertise from the customer side, including fuel efficiency manager, as well as extensive experience in selling IT services to airlines.

The investments in the sales department will continue in 2025 with further resource reinforcements, which is expected to contribute to a broader sales pipeline and more, more frequent announcements of new customer agreements. At the same time, the technology department has grown with two additional software developers in 2024, and further reinforcements are planned in 2025. These resources enable AVTECH to handle more new airline customers while further developing our products and developing completely new products in close collaboration with our existing customers.

In parallel, we continue to identify opportunities for further expansion in related areas with clear synergy effects. Examples of this include solutions involving airline ground staff as well as data sharing with air traffic control, which can optimize air traffic flow in the airspace and thus further increase our customers' savings potential. For 2025, we have allocated additional funds for these initiatives, including collaborations and part-funded research projects with external actors alongside airlines.

### **Another record year in sight**

Demand for our services is strong, and we have built a solid foundation for continued growth. Our goal is to make 2025 a new record year and to take even bigger steps in 2026. With profitability, satisfied customers and a growing customer pipeline, we are well equipped for the next step. By further developing our products and strengthening customer relationships, we look forward to taking AVTECH to the next level.

Thank you for your interest!

David Rytter, CEO AVTECH Sweden AB (publ)

## TODAY'S PRODUCT PORTFOLIO

AVTECH offers an innovative package of optimization solutions that enable more efficient, safer, and comfortable flights. Our services help pilots maximize the benefits of current weather conditions, reduce fuel consumption and avoid dangerous turbulence – fully automated and without increasing the workload in the cockpit. One of the major advantages of our solutions is that they are delivered as smart services, which means that our customers can realize savings and efficiency gains without the need for new investments in hardware.



### AVENTUS

*Accurate weather data that optimizes every flight.*

Aventus is a world-leading automated weather monitoring service for connected aircraft that saves fuel and improves accuracy on every single flight through optimized data.

The service delivers accurate wind and temperature data to the aircraft's computer to improve the aircraft's calculations during the climb, cruise and descent phases. The service uses the most accurate high-resolution weather forecasts from the UK Met Office in combination with AVTECH's patented algorithms.

Through real-time communication with the aircraft, the optimal wind levels that best represent the current wind profile for each flight are calculated. The information is then sent directly to the aircraft computer or as a text message to the cockpit. The service is easy to use and easy to implement with no additional hardware requirements.

The service is based on unique high-resolution weather data from the UK Met Office with an unparalleled accuracy that reduces the error between actual and forecasted winds to a minimum.





## CLEARPATH

*Tactical optimization of every flight on a whole new level*

ClearPath is a ground-based service that communicates with the aircraft via data link. The service calculates the truly cost-optimal flight profile based on the aircraft's route, cost index, actual performance data and the current atmosphere. ClearPath is a natural addition to Aventus but can also be used separately. Pilots receive an easy-to-read report that provides decision support for choosing the most optimal flight level.

ClearPath is easy to use and deploys as a service without requiring any investment in new onboard equipment. The service is ground-based and communicates with the aircraft in real time and calculates the cost-optimal flight profile through the current atmosphere.

The result is delivered to the cockpit in a short message that enables the crew to make the necessary tactical decisions to fly a more cost-effective profile. Pilots can choose the most optimal flight level along the flight, thus saving fuel, carbon emissions and time.

ClearPath is automatically started and executed for each individual flight. The service monitors the flight in real time and sends an updated optimized flight profile a few minutes after departure or whenever a manual request is made by the pilots.



## SIGMA

*More comfortable flight by avoiding turbulence and storms*

SIGMA is an automatic service that presents precise turbulence data and weather hazards (icing, thunderstorms, volcanic ash, etc.) to the pilots in real time during the flight. The service provides tactical updates on hazards related to the actual route in the flight computer. This means that the service automatically picks up route changes and presents relevant weather along the flight route.

The service filters and presents only the hazardous weather that affects the specific flight, significantly reducing data transfer and pilot workload.



Based on up-to-date information on turbulence and other weather hazards, flight crew can make informed tactical decisions to avoid discomfort, damage, and costly aircraft maintenance checks.

SIGMA is based on an advanced high-resolution weather forecast model from the UK Met Office.





## PROFLIGHT

*Decision support during and before the flight*

ProFlight is a unique visual flight weather and optimization tool for use by the professional pilot. The easy-to-use EFB app provides the pilot with real-time decision support by combining several of AVTECH's services in one visual interface, available pre-flight and in-flight. ProFlight offers global weather coverage, based on the UK Met Office 10K high-res flight weather forecast and delivers a tailored optimization for each individual flight.

With ProFlight, pilots get a basis for decision-making that enables a more comfortable and fuel-efficient flight, by avoiding turbulence, thunderstorms and smarter choice of flight altitudes with better winds.

The data warehouses included come from well-known suppliers such as the UK Met Office, NOAA, IATA and WxFUSION.





## BOARD OF DIRECTOR'S REPORT

Board of Directors report for AVTECH Sweden AB (publ), 556568-3108. The Annual Report has been prepared in Swedish kronor, SEK.

## OPERATIONS IN BRIEF

AVTECH conducts development and sales of software services as well as some technical consulting in the aerospace industry. The company is an established provider of information services that are connected in real time to the aircraft, increasing efficiency and predictability for each individual flight. This means lower environmental impact, fuel savings and increased precision in our customers' operations.

The company has its registered office and office in Kista, Stockholm County.

## MULTY-YEAR COMPARISON\*

The amount in the Multy-Year Comparison is presented in KSEK

	2024	2023	2022	2021	2020	2019
Net turnover	34 332	27 453	21 396	11 796	12 274	15 138
Earnings before taxes	12 557	9 044	6 097	-1 401	-1 985	368
Equity ratio (%)	91,37	92,94	93,23	89,83	86,50	91,06

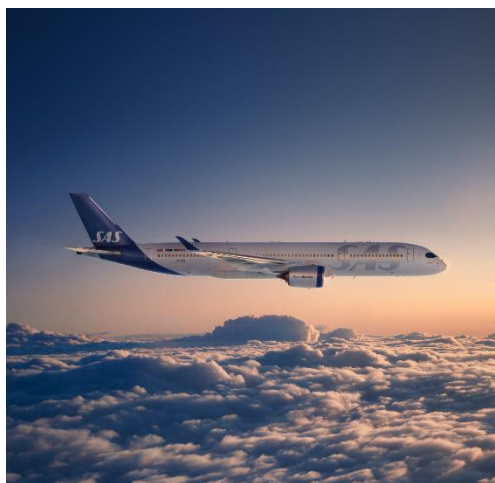
\*Definitions of key figures, see notes.



## EVENTS DURING THE FINANCIAL YEAR 2024

### EVENTS DURING THE FIRST QUARTER

- On January 8th it was announced that SAS Scandinavian Airlines System Denmark-Norway-Sweden has entered into a 2-year agreement for AVTECH's ClearPath service, with an expected start date in January 2024 and an expected total value in the range of 5.0 to 6.5 MSEK dependent on the number of SAS group aircraft and flights operating with the service. The ClearPath flight optimization service, based on state-of-the-art high-resolution aviation weather forecasting from the Met Office, provides precise and tailored tactical decision support for SAS pilots to improve the efficiency of each individual flight. By providing its flight crews with up-to-date guidance on the most efficient flight altitudes, SAS can take maximum advantage of prevailing winds and temperatures to reduce its overall carbon emissions. In addition, ClearPath also warns of turbulence along the flight path which increases the comfort for all passengers travelling with SAS. With the ClearPath service, SAS is estimated to be able to reduce its carbon dioxide emissions by 6,000 tons per year, which is equivalent to the annual emissions of 1,626 Swedes.



### EVENTS DURING THE SECOND QUARTER

- On April 25, it was announced that AVTECH Sweden AB (publ) has entered into a one-year agreement with Air Caraïbes and French bee for AVTECH's Aventus wind uplink service. The start date was in January 2024 and expected total value in the range of MSEK 0.2 to 0.4 depending on the



fleet and EUR's exchange rate development. These two airlines belong to the same group (Dubreuil Group) and with their fleet of a total of about 15 larger Airbus A350 and A330 aircraft, they link Paris with destinations in the Caribbean, Guyana, Reunion Island, French Polynesia and destinations in North America.

The Aventus service, which uses the latest high-resolution aviation weather forecasts from the UK Met Office, provides accurate and tailored in-flight wind and temperature information to its users, including Air Caraïbes and French bee. This leads to improved flight efficiency, punctuality, and reduced workload for pilots.

Clément Cibot, Head of Flight Ops Engineering Department for Air Caraïbes Atlantique & French Bee added: *"We are very pleased with this enhancement with the Aventus system, which will enable us to use the most up-to-date weather data in our inflight flight management systems. It is a big step forward for our long-haul operations. The best flight paths will be calculated using the very latest weather data available, which means optimized flight safety and fuel consumption. We*



*are very excited about this new technology that Aventus offers us and are very confident in the positive impact it will have on our operations."*

- On May 2, a new Aircraft IT Live Webinar was held with an overview of AVTECH's services. In connection with this, a brand new function for speed optimization was launched in ClearPath and in addition, AVTECH's new dashboard function was demonstrated. The webinar attracted just over 200 registered participants from 82 airlines.



- On May 15, AVTECH's Annual General Meeting was held. More information is available on the company's website [www.avtech.aero/annual-general-meeting](http://www.avtech.aero/annual-general-meeting) and in the [bulletin](#) published afterwards. After the meeting, an informational presentation was carried out by the Chairman of the Board and the CEO. A recording of this is subsequently available via this [link](#).
- In connection with the Annual General Meeting, the current Board member Jonny Olsson resigned at his own request and the Annual General Meeting proposed the election of new Board members Martin Lagerqvist and Per Jensen.

Martin was born in 1971 and has a degree in electrical engineering. He is a long-term shareholder in AVTECH, since before the IPO, and has extensive experience in several different IT industries and works as an advisor in IT architecture to various companies. Martin has previously founded and worked in IT and e-commerce companies. He is now a partner in the integration company Connect Excellent Companies Sweden AB, which focuses on integration solutions and proprietary software for that purpose. Martin is also a board member of Connect Excellent Companies Sweden AB and Lideko AB.

Per Jensen was born in 1960. He is the principal owner and responsible for business development within Air Support AS in Denmark. Air Support is one of the three major providers of flight plans for all the world's flying vehicles. Per has more than 30 years of experience in commercial aviation and is involved in a few smaller development companies with a focus on streamlining existing aviation operations. Per is also a trained pilot and holds a valid commercial pilot's license for both aircraft and helicopters. Per is a member of the Board of Directors of the following companies in the aviation industry, ADSB Support (Flight tracking data), Tail log (EFB), Aeroplan (Compliance and SMS systems), Selca soft (App and web development), Mesh-Data (cost controlling for airlines), Asistim GmbH Germany (Dispatch education and flight service provider) and Musketeer SA (Scheduling Software).

- On May 23, a dividend of SEK 0.10 per share, corresponding to a total of approximately SEK 5.6 million, was paid in accordance with the resolution of the Annual General Meeting. *"Thanks to an ongoing positive result and good financial strength, it was proposed and the Annual General Meeting approved a dividend of SEK 0.10 per share. Even after the dividend, we have good financial liquidity and will be able to continue to invest in the business to further strengthen our position."*, said Chairman of the Board Ingvar Zöögling.

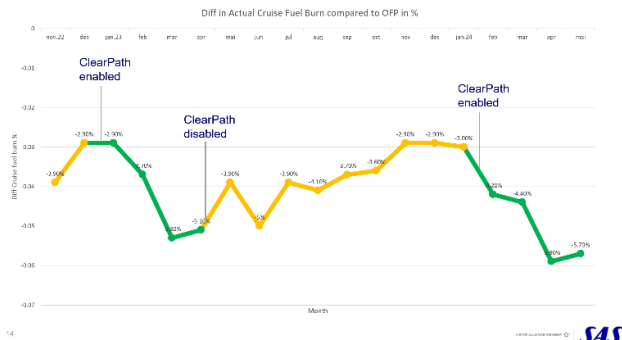
- On June 4-5, AVTECH participated in the Flight Ops IT fair in Amsterdam. The event was primarily attended by airlines flying within or into Europe. During the show,



ClearPath was presented together with SAS's fuel efficiency manager, Svein Erik Jackwitz, who shared SAS's positive results and experiences with ClearPath. Svein Erik noted, among other things, that SAS has increased its fuel efficiency by 1% since 2019, largely through the pilots' efforts to fly more eco-efficiently (so-called "eco-flying") and now the pilots also have



access to ClearPath. SAS presented how the service interacts seamlessly with all their flights and how it helps pilots choose more optimal flight altitudes while avoiding areas of turbulence and critically low air temperatures. SAS can already see positive results on fuel consumption for the period that ClearPath has been in operation.



- On June 28, it was announced that AVTECH Sweden AB (publ) and the airline PLAY have entered into an agreement for AVTECH's Aventus and ClearPath services, with a start date in April 2024 and an expected annual value of around SEK 0.5 million depending on the number of aircraft and EUR exchange rate development. AVTECH's ClearPath and Aventus services, both based on state-of-the-art high-resolution flight weather forecasts from the UK Met Office, deliver accurate and tailored tactical decision support in real-time to PLAY's pilots to improve the efficiency of each individual flight. By providing its flight crews with the latest weather data and guidance on the most effective flight altitudes, PLAY can take maximum advantage of prevailing winds and temperatures to reduce its overall carbon emissions. This leads to improved flight execution and efficiency, increased situational awareness and reduced workload for the pilots. In addition, the system also warns of turbulence along the flight path, which increases comfort for all passengers travelling with PLAY.

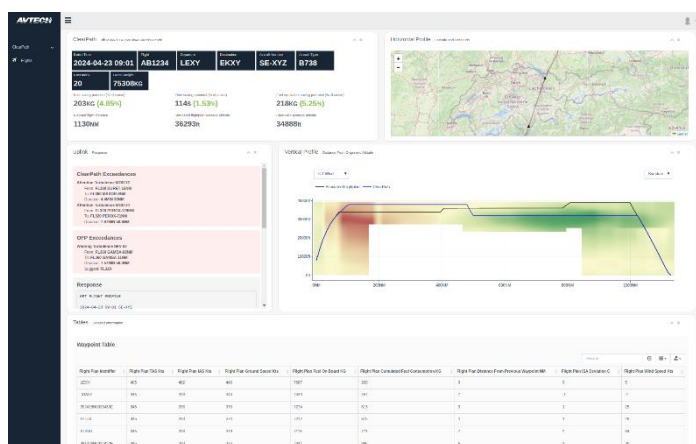




- A brand new Speed Optimizer add-on to ClearPath was launched at the beginning of the period. The new module was also presented in connection with a new Aircraft IT webinar on May 2. The computer calculates an optimal flight speed at each point depending on the airline's prioritization of time versus fuel, the prevailing weather and the weight of the aircraft. Due to limited weather input and capacity in the flight computer, this often results in the flight's speed profile not being cost-optimal. ClearPath flight speed optimizer, by taking into account the entire high-resolution weather profile and aircraft performance, finds the optimal speeds in each segment of the flight and provides pilots with a simple tool to optimize these. The result is a saving of fuel, CO2 emissions and time and varies from flight to flight. According to early results, up to 60% of flights can be speed optimized with an average cost saving of about 0.2% on top of the savings from optimized flight level.



- Testing and analysis of results after completed tests can often take longer than expected. A new AVTECH dashboard that speeds up this manual process has been developed. The analysis tool



automatically and over time reports data, statistics and results from our various services. The dashboard will be an important part of the delivery of our Aventus and ClearPath services as it gives each customer the opportunity to follow up on overall statistics and the results for each flight. This transparency builds further credibility and simplifies the work of AVTECH's team in connection with test periods as the

customer can now follow up on the results themselves from day one, which means reduced workload on our technical resources. We believe that this will be an obvious and integrated analysis part of our systems, which in the long term will both speed up the sales and testing processes and contribute to continued customer satisfaction. It now runs in Amazon's cloud service and has been deployed with several airline customers during the first and second quarters.

## EVENTS DURING THE THIRD QUARTER

- In July, Norwegian activated the turbulence module in ClearPath. The service avoids and warns against clear air turbulence along the flight path, thereby enhancing comfort for all passengers traveling with Norwegian.



- The rollout of AVTECH's ClearPath service has continued within the SAS group in accordance with the agreement signed earlier this year. In August, the service was activated for SAS Connect with its fleet of approximately 30 aircraft.



- On September 10-11, AVTECH participated in the MRO & Flight Ops IT, Americas Conference in Miami, Florida, attended by airlines primarily from North, Central, and South America. We



have observed significant interest in optimization solutions among airlines in South America for some time, and this market has been



particularly prioritized this year. The exhibition in Miami is an excellent opportunity to meet many of the airlines we are already in dialogue with to initiate the next steps toward testing and

agreements.

- In early September, AVTECH's technical department was expanded with the hiring of two new software developers. This resource reinforcement is part of the effort to prepare AVTECH for growth and will enhance our ability over time to manage the deployment and operation of services for more airline customers, as well as the further development of our products in close collaboration with our customers.


## EVENTS DURING THE FOURTH QUARTER

- On November 4, an agreement was signed with the airline Iberojet for AVTECH's Aventus and ClearPath services, starting in mid-September 2024 and an expected annual value of approximately SEK 0.4 million depending on the number of aircraft and the EUR exchange rate.



*"Iberojet, following its strong commitment in emissions reduction and safety assurance, has chosen Avtech due to the extreme precision of its forecasts, which have helped us save fuel while avoiding areas of severe turbulence. In this way, we can operate our flights in a safer and more sustainable manner",* says Mateo Vicens, Director of Flight Operations of the airline.

- On December 19, it was announced that Latam Airlines Group S.A. and AVTECH Sweden AB had entered into a subscription agreement for AVTECH's Aventus and ClearPath services, with a start date in December 2024 and an expected annual value of SEK 10 to 15 million depending on the number of aircraft and the EUR exchange rate. The ClearPath and Aventus services, both of which use state-of-the-art high-resolution flight weather forecasts from the UK Met Office, deliver accurate and tailored tactical decision support in real time for Latam's pilots to improve efficiency on each individual flight. By providing flight crews with the latest weather data and guidance on the most effective flight altitudes, Latam can take maximum advantage of prevailing winds and temperatures to reduce its overall carbon emissions. This leads to improved flight execution and efficiency, increased situational awareness and reduced workload for the pilots. In addition, ClearPath also warns of turbulence along the flight path, increasing comfort for all passengers traveling with Latam. The Aventus service was rolled out to around 60 aircraft in December with a continued planned roll-out to the rest of the fleet in 2025 together with ClearPath. The subscription is automatically renewed monthly with an expected term of 3 years.


- AVTECH's services are currently aimed at airlines, helping them optimize operations to save valuable fuel and reduce environmental impact. However, we know that maximum savings and benefits can be realized if additional parties, such as air traffic control and airports, are included. These effects can only be achieved when all parties share the same information with each other. Through the communication our services currently have with aircraft actively using our optimization services, valuable data is available that could be shared with other stakeholders in the system to create further value. At the end of December, it was confirmed that AVTECH is participating, together with Linköping University (LiU) and the Swedish Civil Aviation Administration (LFV), in a research project called CONTRA, funded by Trafikverket. Over the next four years, the project will investigate strategies for minimizing the contrails (clouds) generated by aviation, focusing particularly on feasibility and the impact on aviation efficiency. AVTECH is also involved with the same consortium in an application for another research project aimed at improving the flow of incoming air traffic to airports.

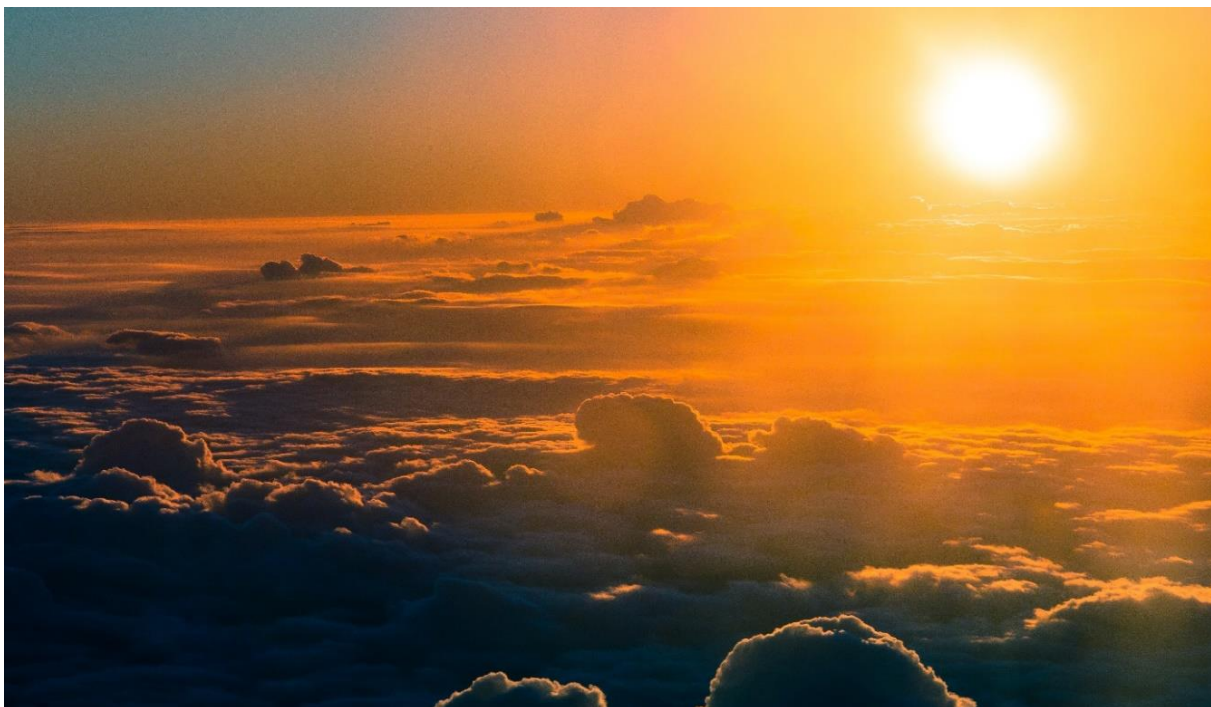
## SIGNIFICANT EVENTS AFTER THE PERIOD

- On January 21 it was communicated that the Board of Directors of AVTECH once again proposes a dividend of SEK 0.10 per share, corresponding to approximately SEK 5.6 million, and will convene the Annual General Meeting for a decision. The Annual General Meeting will be held on Wednesday, May 14, 2025. *"With this year's strong results AVTECH's Board of Directors has once again decided to propose a dividend of SEK 0.10 per share for the upcoming Annual General Meeting in May. Even after the dividend, AVTECH has a strong liquidity position that allows us to continue investing in the business to further strengthen our position,"* says Chairman of the Board Ingvar Zöögling. If the Annual General Meeting decides on a dividend in accordance with the Board's proposal, the first day of trading without the right to dividend will be Thursday, May 15, 2025. The record date for the right to the dividend is proposed to be Friday, May 16, 2025.



Provided that the AGM approves the Board's proposal, the dividend is expected to be paid on Friday, May 23, 2025, through Euroclear Sweden AB.

- [SAS wins prestigious sustainability award.](#) SAS was in January honored with two prestigious awards at The Aviation Challenge (TAC) 2024, organized by SkyTeam. SAS participated in TAC for the first time with a flight from Copenhagen to Los Angeles, which took place in October. For this flight, AVTECH provided information on optimal flight altitudes and turbulence. TAC is an annual SkyTeam event where member airlines showcase operational excellence, sustainability efforts, and innovations. TAC is one of the aviation industry's most influential global competitions, aiming to drive meaningful progress in sustainability. SAS was nominated in three categories and won the award in the category Best Scaled FlightOps Solution for its fuel efficiency program, which has contributed to significant reductions in CO2 emissions. The year 2024 marked the 70th anniversary of SAS's groundbreaking achievement as the first airline to fly over the North Pole – an innovation that significantly shortened the journey between Europe and North America, saved fuel, and reduced emissions. The SAS flight to Los Angeles achieved a nearly 20% reduction in CO2 emissions per passenger, demonstrating the significant impact of meticulous planning and strategic route optimization in reducing aviation's environmental footprint. SAS also received special recognition from SkyTeam for operating the flight with the lowest CO2 emissions, underscoring the airline's commitment to sustainability and operational excellence. (Photo credit: SAS)





## MATERIAL RISKS AND UNCERTAINTIES

The company's operations are affected by risks that may affect earnings or the financial position to varying degrees. When assessing developments, it is important to take into account relevant risk factors and uncertainties in addition to the potential for profit growth. All of these cannot be described in this section, but should be evaluated together with other information in this interim report and a general external assessment. The Group and the Parent Company are exposed to risks of both an operating nature and a financial nature in their operations, which the Company can partly influence itself. A process is ongoing to identify and manage these risks. The market for AVTECH Group's products is characterized by long sales times. The Group operates in a market with great potential, but with a shaky sales trend. AVTECH conducts operational activities, whereby the risks in the company are not limited to liquidity risk.

The Covid-19 pandemic has had a negative impact on the airline industry, including AVTECH, in recent years. The restrictions have today been lifted in connection with the infection being brought under control. AVTECH has weathered the crisis well, and as the pandemic in 2022 has subsided and travel restrictions have been lifted, our airline customers have once again been able to resume their traffic. At present, our customers fly unusually much thanks to pent-up travel demand. AVTECH is monitoring developments and is ready to deal with any effects of new COVID-19 outbreaks. The introduction of new restrictions could lead to a reduction in demand for air travel and thus cost-cutting programs, reprioritization and a reduction in staff.

The war in Ukraine is affecting the world situation in many areas. In addition to changed travel patterns, the restrictions imposed by the rest of the world on Russia have had a negative impact on the global economy and thus also on the travel industry, which is sensitive to economic cycles. An uncertain security situation in Europe and the world could have a negative impact on AVTECH's future prospects, operating income and cash flow. AVTECH has so far not been negatively affected but continues to follow developments closely.

Energy crisis, inflation and recession can also lead to reduced demand for air travel. At the same time, increased energy and fuel prices are leading to an increased demand for AVTECH's services that save fuel and costs for airlines. A future low fuel price, on the other hand, may temporarily reduce airlines' willingness to invest in fuel-saving solutions.

There is also a long-term concern and uncertainty within the aviation industry regarding the effects of global warming and the transition to fossil-free aviation. AVTECH's services reduce the climate impact of each individual flight, thereby contributing to such a transition.

Through the sale of services in a global market, AVTECH is exposed to currency risks over time, such as sales in USD in North America and EUR in Europe. AVTECH currently does not use any currency hedging methods. A negative change in the exchange rate for foreign currencies could therefore negatively impact the company's results and financial position.

For a complete account of the identified risks and the company's work to manage these, please refer to pages 11 - 13 and page 40 of the 2013 new issue prospectus, sections "Risk factors" and "Legal issues and supplementary information". The prospectus is available on AVTECH's website [www.avtech.aero](http://www.avtech.aero).

## PROSPECTS

The Board of Directors has a positive view of the company's business areas now that flying and fuel prices are increasing. The market is showing clear signs of an increasing interest in efficient IT solutions that support airlines' increasing need to save fuel, become more environmentally friendly and increase passenger comfort during flights. The board interprets this as positive signals for

AVTECH's ability to attract new customers. The increased customer interest shows the market's acceptance of AVTECH as a competent developer and supplier of robust and practically applicable IT tools.

AVTECH's turnover today consists mainly of revenue from one product, Aventus. Looking ahead, we see great interest and potential in our portfolio of newly developed products ClearPath, ProFlight and SIGMA.



## CHANGES IN EQUITY

	Share capital	Reservfund	Fund dev. expenses	Balanced result	Total equity
Opening equity at the beginning of the year	5 630 265	20 000	13 634 958	20 947 279	40 232 502
Capitalized expenditure for development work			5 603 514	-5 603 514	0
Dissolution of the develop. expend. reserve			-5 106 909	5 106 909	0
Dividend				- 5 647 956	-5 647 956
This year's results				12 556 538	12 556 538
Amount at year end	5 630 265	20 000	14 131 563	27 359 256	47 141 084

## APPROPRIATION OF EARNINGS

Proposal for appropriation of the company's result

At the disposal of the Annual General Meeting

Balanced result	14 802 718
The earnings of the year	12 556 538
	<u>27 359 256</u>

The Board of Directors suggestion

Distributed to the shareholders	5 647 956
To be carried forward	21 711 300
	<u>27 359 256</u>

Regarding the company's profit and position in general, reference is made to the subsequent income statements and balance sheets with associated notes.

**INCOME STATEMENT**

<b>Operating income etc.</b>	<b>Note</b>	<b>2024-01-01 2024-12-31</b>	<b>2023-01-01 2023-12-31</b>
Net sales		34 331 763	27 452 885
Capitalized expenditure for development work, etc.		5 603 514	4 232 312
Other operating income		948 459	520 601
		<u>40 883 736</u>	<u>32 205 798</u>
<b>Operating expenses</b>			
Other external expenses		-13 210 358	-10 597 580
Personnel costs	2	-10 730 124	-8 249 257
Depreciation and amortization of tangible and intangible fixed assets		-5 106 909	-4 336 816
		<u>-29 047 391</u>	<u>-23 183 653</u>
<b>Total operating income</b>		<b>11 836 345</b>	<b>9 022 145</b>
<b>Financial income and expenses</b>			
Other interest income and similar items		722 955	23 045
Interest costs and income items		-2 762	-1 103
<b>Total financial income and expenses</b>		<u>720 193</u>	<u>21 942</u>
<b>Earnings before tax</b>		<b>12 556 538</b>	<b>9 044 087</b>
<b>Result of the year</b>		<u><b>12 556 538</b></u>	<u><b>9 044 087</b></u>



## BALANCE SHEET

Assets	Note	2024-12-31	2023-12-31
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Balanced expenses for development etc.	3	14 131 563	13 634 958
<b>Total intangible fixed assets</b>		<b>14 131 563</b>	<b>13 634 958</b>
<b>Tangible fixed assets</b>			
Inventory	4	0	0
<b>Total tangible fixed assets</b>		<b>0</b>	<b>0</b>
<b>Financial fixed assets</b>			
Shares in Group companies	5	104 558	104 558
Deposition	6	392 000	392 000
<b>Total financial fixed assets</b>		<b>496 558</b>	<b>496 558</b>
<b>Total fixed assets</b>		<b>14 628 121</b>	<b>14 131 516</b>
<b>Current assets</b>			
<b>Receivables</b>			
Accounts receivable		8 478 027	5 501 188
Current tax asset		223 099	185 863
Other receivables		0	9 000
Prepayments and accrued income		858 401	751 794
<b>Total current receivables</b>		<b>9 559 527</b>	<b>6 447 845</b>
<b>Cash and bank balances</b>			
Cash and bank balances		27 408 353	22 827 445
<b>Total cash and bank</b>		<b>27 408 353</b>	<b>22 827 445</b>
<b>Total current assets</b>		<b>36 967 880</b>	<b>29 275 290</b>
<b>Total assets</b>		<b>51 596 001</b>	<b>43 406 806</b>

Equity and liabilities	Note	2024-12-31	2023-12-31
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital		5 630 265	5 630 265
Reserve Fund		20 000	20 000
Development expenditure fund		14 131 563	13 634 958
<b>Total restricted equity</b>		<b>19 781 828</b>	<b>19 285 223</b>
<b>Unrestricted equity</b>			
Balanced result		14 802 718	11 903 192
This year's result		12 556 538	9 044 087
<b>Total unrestricted equity</b>		<b>27 359 256</b>	<b>20 947 279</b>
<b>Total equity</b>		<b>47 141 084</b>	<b>40 232 502</b>
Long-term liabilities			
Liabilities to Group companies	7	78 964	0
<b>Total long-term liabilities</b>		<b>78 964</b>	<b>0</b>
Current liabilities			
Account payable		1 249 820	1 056 605
Current tax liability		186 942	161 224
Other liabilities		288 968	217 363
Accrued costs and prepaid income		2 650 223	1 739 111
<b>Total current liabilities</b>		<b>4 375 953</b>	<b>3 174 303</b>
<b>Total equity and liabilities</b>		<b>51 596 001</b>	<b>43 406 805</b>

## NOTES

### Note 1      Accounting and valuation principles

The Annual Report has been prepared in accordance with the Annual Accounts Act and BFNAR 2012:1 Annual Report and Consolidated Financial Statements. The principles are unchanged compared to the previous year.

#### *Receivables*

Receivables have been entered at the amounts by which they are estimated to accrue.

#### *Other assets, provisions and liabilities*

Other assets, provisions and liabilities have been measured at cost unless otherwise stated below.

#### *Income statement recognition*

Sales is reported at the fair value of what has been or will be received. The company therefore reports the sale at face value (invoice amount) if the compensation is received in cash and cash equivalents immediately upon delivery. Deductions are made for discounts provided.

#### *Tangible fixed assets*

Tangible fixed assets are recognized at cost less accumulated depreciation and any impairment losses. The assets are depreciated on a straight-line basis over the estimated useful life of the assets, except for land that is not depreciated. The useful life period is reassessed as of each balance sheet date. The following usage periods apply:

	Number of years
Inventory	5

#### *Intangible fixed assets*

Intangible fixed assets are recognized at cost less accumulated depreciation and any impairment charges. The assets are depreciated on a straight-line basis over the estimated useful life of the assets. The useful life period is reassessed as of each balance sheet date. Ongoing projects are not written off but are depreciated annually. The following usage periods apply:

	Number of years
Balanced expenditure for development work	5

#### *Income tax*

The tax in question is income tax for the current financial year, which refers to the year's taxable profit and the part of the previous financial year's income tax that has not yet been reported. The current tax is valued at the probable amount according to the tax rates and tax rules that apply on the balance sheet date.

## INFORMATION FOR INDIVIDUAL ITEMS

Note 2	Average number of employees	2024	2023
	<b>Average number of employees</b>		
	The average number of employees is based on hours paid by the company related to normal working hours.		
	The average number of employees has been	11,00	10,00
Note 3	Balanced expenditure for development work and other related activities	2024-12-31	2023-12-31
	Initial acquisition value	59 419 118	55 186 806
	Purchase	5 603 514	4 232 312
	Closing accumulated acquisition value	65 022 632	59 419 118
	Initial depreciation	-45 784 160	-41 447 344
	Depreciation for the year	-5 106 909	-4 336 816
	Outgoing accumulated depreciation	-50 891 069	-45 784 160
	Outgoing reported balance	14 131 563	13 634 958
Note 4	Inventory, tools and installations	2024-12-31	2023-12-31
	Initial acquisition value	997 074	997 074
	Closing accumulated value	997 074	997 074
	Initial depreciation	-997 074	-997 074
	Depreciation for the year	0	0
	Outgoing accumulated depreciation	-997 074	-997 074
	Outgoing reported balance	0	0
Note 5	Shares in Group companies AviaQ AB Share	2024-12-31	2023-12-31
	Organization number 556573-7607 100%		
	Initial acquisition value	104 558	104 558
	Closing accumulated value	104 558	104 558
	Outgoing reported balance	104 558	104 558



Not 6	Deposition	2024-12-31	2023-12-31
	Initial acquisition value	392 000	392 000
	Closing accumulated value	392 000	392 000
	Outgoing reported balance	392 000	392 000

Note 7	Long-term liabilities	2024-12-31	2023-12-31
	Amortization within 5 to 10 years	0	0
		0	0

Note 8	Collateral provided	2024-12-31	2023-12-31
	Business mortgages	2 500 000	2 500 000

**Note 9      Group Relations**

The company is the parent company, but pursuant to Chapter 7, Section 3 of the Annual Accounts Act, no consolidated financial statements are prepared.

**Note 10      Definition of key performance indicators**

Equity ratio  
Adjusted equity as a percentage of total assets

## SIGNATURES

Kista 2025-03-28

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Ingvar Zöögling

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Christer Fehrling

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Martin Lagerqvist

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Per Jensen

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David Rytter, VD

My audit report has been submitted on 28/3–2025

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Camilla Beijron, Authorized Public Accountant



## AUDITOR'S REPORT

To the general meeting of the shareholders of AVTECH Sweden AB (publ)  
Corporate identity number 556568-3108

### Report on the annual accounts

#### *Opinions*

I have audited the annual accounts of AVTECH Sweden AB (publ) for the year 2024.

In my opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of AVTECH Sweden AB (publ) as of 31 December 2024 and its financial performance for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts.

I therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet.

#### *Basis for Opinions*

I conducted my audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the "Auditor's Responsibilities" section. I am independent of AVTECH Sweden AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

#### *Responsibilities of the Board of Directors and the Managing Director*

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

#### *Auditor's responsibility*

My objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that

includes my opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to my audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts. I also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify my opinion about the annual accounts. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

I must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. I must also inform of significant audit findings during my audit, including any significant deficiencies in internal control that I identified.

## **Report on other legal and regulatory requirements**

### ***Opinions***

In addition to my audit of the annual accounts, I have also audited the administration of the Board of Directors and the Managing Director of AVTECH Sweden AB (publ) for the year 2024 and the proposed appropriations of the company's profit or loss.

I recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

### ***Basis for Opinions***

I conducted the audit in accordance with generally accepted auditing standards in Sweden. My responsibilities under those standards are further described in the "Auditor's Responsibilities" section. I am independent of AVTECH Sweden AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled my ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinions.

### ***Responsibilities of the Board of Directors and the Managing Director***

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's type of operations, size and risks place on the size of the company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### ***Auditor's responsibility***

My objective concerning the audit of the administration, and thereby my opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

My objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby my opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, I exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on my professional judgment with starting point in risk and materiality. This means that I focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. I examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to my opinion concerning discharge from liability. As a basis for my opinion on the Board of Directors' proposed appropriations of the company's profit or loss I examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

Stockholm

Camilla Beijron

Authorized Public Accountant