ANNUAL REPORT
THE BRAGANZA GROUP 2020





BRAGANZA

BRAGANZA GROUP 2020

FINANCIAL STATEMENTS

NOTES - GROUP

NOTES – PARENT COMPANY

BRAGANZA AB

The board and the managing director of Braganza AB hereby submit the annual report and consolidated group accounts for the financial year 2020.

Braganza AB is a private investment company owned by Per G. Braathen and his children. Braganza has its office in Stockholm. The Group consists primarily of direct investments within the aviation industry and travel related industries, managed through active ownership. A minor part of the Group assets is classified as financial investments.

Braganza as a group has a long history (1938) and was an active owner of the Norwegian airline company Braathens (SAFE) for more than 50 years, before SAS acquired Braathens in 2001. The current activities of Braganza began with a demerger in 2002 when the equity base was some MSEK 600 equivalent. During the following years the Group has expanded its portfolio, focusing on industrial investments in the form of wholly- or majority owned subsidiaries, developed through active and long-term ownership. Having been a Norwegian based company since 1938, Braganza became a Swedish holding company through a cross border merger in 2013.

THE GROUP

By year-end 2020 the Group consists of the holding companies Braganza AB and Braganza II AB which in turn own the main operating holding companies BRA (Braathens Aviation AB), Dyreparken Utvikling AS, Ticket Leisure Travel AB and Escape Travel Group AS. All group companies are listed in note [24] to the Financial Statements.

FINANCIAL OVERVIEW OF THE MAIN OPERATING COMPANIES 2020 (2019):

		2020	2019
BRA	TURNOVER	481 MSEK	(2 553 MSEK)
	EBITDA	-52 MSEK	(10 MSEK)
	FTE	459	(762)
TICKET	TURNOVER	574 MSEK	(6 500 MSEK)
	EBITDA	-174 MSEK	(54 MSEK)
	FTE	282	(334)
DYREPARKEN	TURNOVER	484 MSEK	(468 MSEK)
	EBITDA	90 MSEK	(71 MSEK)
	FTE	250	(312)
ESCAPE TRAVEL GROUP	TURNOVER	153 MSEK	(714 MSEK)
	EBITDA	-35 MSEK	(-3 MSEK)
	FTE	51	(101)

BRA (Braathens Aviation AB) is the holding company for the airline operations. BRA has its office in Stockholm and was pre-COVID the second largest operator in the Swedish domestic market. Using Stockholm Bromma as a hub, passengers enjoy a broad domestic network, co-ordinated timetables allowing for efficient transfers and frequent flights.

A turnaround plan launched in April 2019 was almost completed in March 2020 when Covid-19 in practice lead to a full stop in domestic flying in Sweden during the course of three weeks. On April 6 2020, BRA and most of its subsidiaries entered a restructuring process supervised by the relevant courts in Stockholm.

BRA and the subsidiaries reached agreement with its creditors and the restructuring processes ended in early September. The planned relaunch of scheduled operations during the fall was delayed several times due to the continued pandemic, and restart took place in May 2021. A limited number of ad hoc charters have been operated since October 2020 in order to keep all licences and competencies in place, and a limited number of aircraft fully operative awaiting restart of scheduled operations.

Ticket Leisure Travel Group AB includes Ticket Privatresor AB and Ticket Feriereiser AS. Ticket is the largest travel agency chain in Sweden and Norway focusing on the leisure market. The head office is in Stockholm. The company sells leisure travel services from leading tour operators, cruise companies, airlines and hotels. Sales are carried out through 68 Ticket shops, by phone, and online through ticket.se and ticket.no. More than half the sales are online, and this channel is growing. Ticket has an online presence in Denmark and Finland through ticket.dk and ticket.fi. In Germany, Austria, the Netherlands, France, Italia and Portugal Ticket sells online through airngo. Airngo is also present in Sweden, Norway, Denmark and Finland as an online only offer. In 2020 the turnover decreased by 93% compared to 2019 and the company had its first loss since it was aquired by Braganza in 2010.

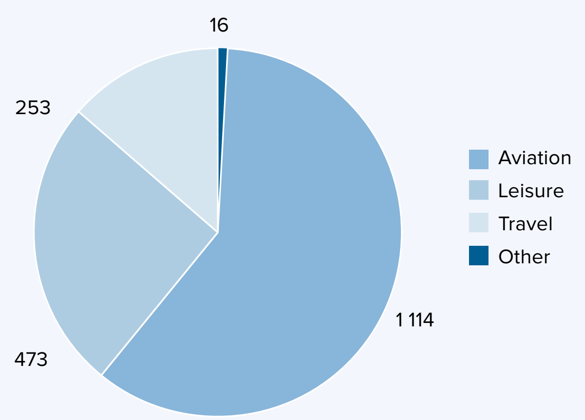
Dyreparken Utvikling AS is the holding company for Dyreparken located in Kristiansand. Over many years, Dyreparken has maintained its position as the largest and most visited family attraction in Norway. With its combination of zoo and amusement park, water park, evening shows and themed accommodation, Dyreparken has become a full-scale destination with around one million visitors each year. With a strong focus on innovation and unique themes, based on Norway´s best known children stories, Dyreparken appeals to people of all ages. Dyreparken plays an important role for animal protection and conservancy worldwide, working closely with WAZA (World Association of Zoos and Aquariums) and EAZA (European Association of Zoos and Aquaria), to help save animals under threat of extinction. 2020 was another very good year for Dyreparken with more than 900.000 guests and profitability above expectations. Park visits were low the first 10 weeks of 2020. The pandemic was declared 11 March which had very negative effect on visits and sales. Enhanced health and safety measures were launched to secure a safe visit in the 160 acre park and the resort hotel and accommodation villages. The park stayed open every day of 2020 and had a very good peak season.

Escape Travel Group AS is the holding company for the tour operators in Braganza. Escape Travel is the fourth largest tour operator in the Norwegian market after Ving, TUI and Apollo. Carpe Diem, a brand under Escape Travel AS, is market leader in Norway in the niche for individual holidaymakers who want to travel as a group. Escape offers quality tours and cruises throughout the world based on scheduled flights. The company has a strong product range, both for group and individual holidays. With the brand Escapeaway the group has a presence in dynamic packing in Norway, Sweden, Denmark and Germany.

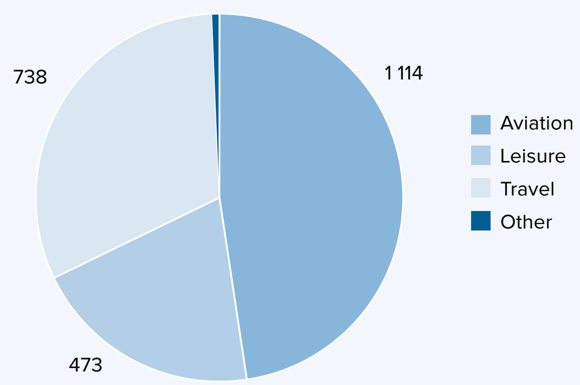
Closed borders from Mid-March till 1 July and reimposed four weeks later severely affected sales and departures. A selection of domestic tours where launched. A domestic ban on travel in Norway stopped these departures from 5 November. Three of the operators in Escape Travel Group filed for bankruptcy in 2020. Göteborgs Idrotts- och Eventarena AB filed for bankruptcy in March, Escape Sport AB and Signatours Germany GmbH filed for bankruptcy in May. Prima Travel AB was in November merged with Escape Travel Sweden AB. Turnover in the remaining three operators fell by more than 70%. The two Escape companies in Norway and Sweden made a loss in 2020. Hideaways made a small profit. For Escape Travel in Norway it was the first loss since the operation was started in 2005.

ALLOCATION OF REVENUE BY OPERATING SEGMENTS (MSEK):

NET REVENUES - OPERATING SEGMENTS



GROSS REVENUES - OPERATING SEGMENTS



GOING CONCERN

In accordance with the Swedish Accounting Act, the board of directors confirms that the financial statements have been prepared under the assumption of a going concern.

Further information about the Group is available on the company's website: www.braganza.com.

RISK FACTORS

Political unrest and natural disasters such as earthquakes, floods and ash clouds, as well as pandemics are typical operational risk factors for the tourism industry. An economic downturn in Scandinavia would also pose a significant risk.

Primarily, financial risk in the Group relates to foreign currency and fuel prices, and particularly exposure to US dollar and EUR through BRA. Such risks are normally reduced through currency and fuel price forward contracts, securing approximately 50% of the next 12 months' estimated requirements of BRA Debt related to finance leases of six ATR 72-600 aircraft is secured long term with support of the Italian and French export finance institutions. Loans are denominated in EUR, which historically correlates with SEK, and all EUR loans at year-end are at fixed interest rates.

The Group is also exposed to currency risk through Escape Travel. Major suppliers are typically paying in Euros, while income is mainly in NOK or SEK. This type of exposure is generally for less than six months. Escape Travel partially hedges such exposure in EUR or USD, not defined as ad-hoc/short term, through forward contracts.

Credit and liquidity risk is low, as the customer prepays most products sold by Group companies.

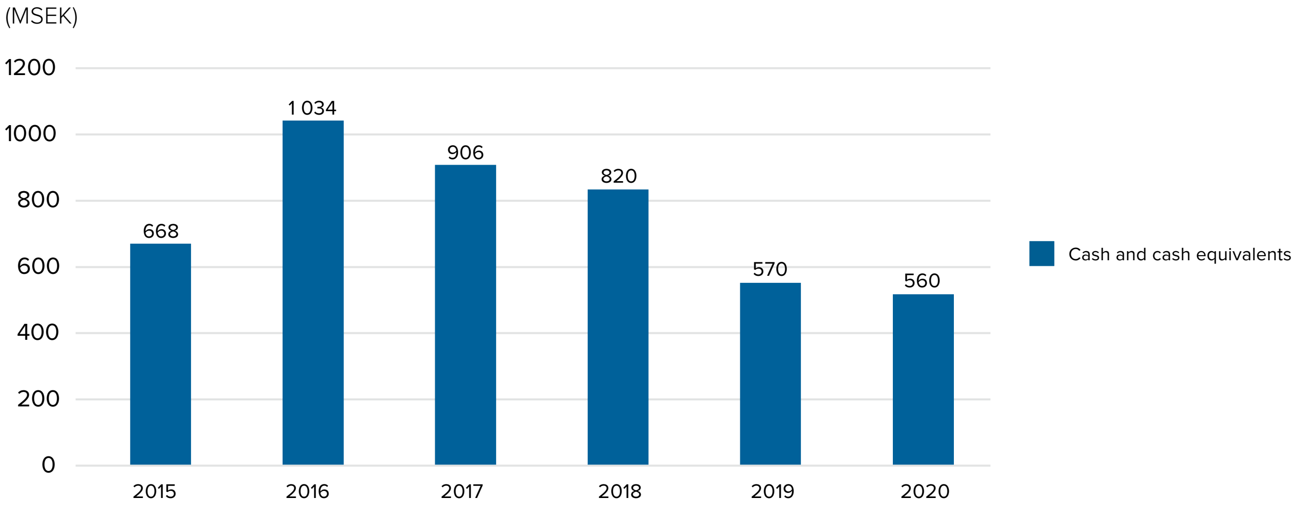
ACCOUNTS – 2020

2020 GROUP	2019 GROUP	2020 PARENT COMPANY	2019 PARENT COMPANY
Net revenue 1 855 MSEK	Net revenue 4 401 MSEK	Net revenue 11 MSEK	Net revenue 12 MSEK
EBITDA -149 MSEK	EBITDA 44 MSEK	EBITDA -14 MSEK	EBITDA -20 MSEK
Operating profit -336 MSEK	Operating profit -179 MSEK	Operating profit -14 MSEK	Operating profit -20 MSEK
Net financial -33 MSEK	Net financial -127 MSEK	Net financial 0 MSEK	Net financial -104 MSEK
EBT -369 MSEK	EBT -305 MSEK	Profit/(loss) -14 MSEK	Profit/(loss) -121 MSEK

The consolidated financial statement for 2020 shows a profit before depreciation and financial items (EBITDA) of MSEK -149, compared to MSEK 44 for 2019. The parent company's result before tax for 2020 was MSEK -14.

At 31 December 2020, the Group had an equity base of MSEK 900. The parent company's equity was MSEK 1 096 as of 31 December 2020. The parent company has distributable reserves of MSEK 1 049. The Board confirms that the going concern assumption is valid and that the accounts have been prepared on a going concern basis. Ticket, Escape Travel, Dyreparken Utvikling, Dyreparken Eiendom, Badelandet Eiendom and BRA are the companies within the Group with interest bearing debt at year-end 2020. The Group's cash position at 31 December 2020 was MSEK 560. The parent company's cash position at 31 December 2020 was MSEK 206. The development in the Group's cash position over the last six years is shown below in MSEK.

CASH AND CASH EQUIVALENTS – GROUP



WORKING CONDITIONS AND ENVIRONMENT

The working environment is satisfactory. There have been no reported serious injuries or serious accidents in the Group in 2020. There have been no reported cases of discrimination. The Group had a total of 1 055 FTEs in 2020. Historically, companies in the Group have had a majority of female employees, and equality is sought in areas where this is deemed relevant. The parent company had three employees on a part time basis by year-end.

The Group has significant airline operations through BRA. The business contributes to greenhouse gas emissions. However, focus is on reducing emissions through efficient utilization of the fleet and the use of modern technology. Renewal of the aircraft fleet is an important step in the Group's environmental commitment. CO2 quotas are required for 100 % of BRA's emissions.

OUTLOOK FOR 2021

In the coming years, the Group will continue to develop its industrial investments through active ownership and support.

The coronavirus pandemic is still impacting all Braganza's travel related companies in May 2021. 2021 started with lockdowns and restrictions due to a second wave in Europe that increased in strength in the fourth quarter of 2020. A third wave led to new restrictions in February and March. The lockdowns were still in place at the end of April. From May both Denmark and Norway have started a slow reopening. The vaccination programs started in January in all our markets. By the end of May some 30% of the adult population have received the first dose and 15% have been fully vaccinated. Domestic travel restrictions in Norway were eased from 27 May while the ban on international travel runs until 1 July. Denmark opened 17 May for travel to Portugal, Mallorca, the Canary Islands and Malta for people with a valid corona pass.

The online travel agent Ticket and the tour operators in Escape Travel Group have all experienced low demand in the first quarter of 2021. From April they have seen a modest increase in sales of domestic and international travel with departures in the fall of 2021 and in 2022. BRA restarted with regular traffic in May, 2021. Ticket sales began on 8 April. From 12 May, BRA operates five destinations, at the end of June another five lines will be added and at the end of August, the timetable will be strengthened and additional lines will be launched.

Kristiansand Dyrepark has stayed open since 1 January. The water park opened 24 April. Sales for the summer peak season are strong since most Norwegians plan to spend their summer in Norway.

EVENTS AFTER BALANCE SHEET DATE

In February 2021, Ticket Leisure Travel Group received a loan from the parent company of MSEK 50 and a government guaranteed loan in Norway of MNOK 50.

By the end of March Braganza injected MSEK 100 as new equity into Braathens Aviation AB. At the same time, Braathens Regional Airways AB drew down a bank loan of MSEK 200. The loan is backed by a Swedish State guarantee.

During the first quarter, Braathens Aviation AB negotiated with the company's aircraft financiers and lessors and an agreement was reached on relief in lease payments during 2021, corresponding to a positive cash flow effect of approximately SEK 60 million. The company restarted regular traffic on 12 May.

PROPOSED APPROPRIATION OF 2020 PROFIT

The board of directors propose the following appropriation of the available profit	1 049 463 TSEK
To be carried forward	**1 049 463 TSEK**

Please refer to the income statements, balance sheets, cash flow statements and supplementary disclosures regarding the Group's and the parent company's profits and financial position in other respects.

BRAGANZA AB
CONSOLIDATED INCOME STATEMENT 1.1 - 31.12

Amounts in TSEK	Notes	2020	2019
Gross revenue		2 340 057	10 204 184
Net Revenue		1 151 485	4 336 935
Other operating income	3	703 534	64 215
Total revenue		**1 855 019**	**4 401 150**
Cost of goods sold		-108 055	-597 458
Employee benefits expense	4, 5	-770 395	-1 265 197
Other operating expenses	3, 4	-1 125 539	-2 494 129
Total operating expenses		**-2 003 989**	**-4 356 784**
EBITDA		**-148 970**	**44 366**
Depreciation and amortisation expenses	6, 7	-179 742	-224 273
Income/Loss from discontinued operations		-7 377	1 067
Operating profit / (loss)		**-336 089**	**-178 840**
Income from investments in associates	9	-823	-2 122
Other interest income		6 131	17 220
Other financial income	8, 10	81 729	34 783
Impairment of financial assets	13	-34 414	-135 562
Other interest expense		-19 932	-20 212
Other financial expenses	10	-65 519	-20 909
Net financial income / (loss)		**-32 828**	**-126 802**
Profit / (loss) before income tax		**-368 917**	**-305 642**
Income tax expense	11	50 641	-46 664
Net profit / (loss)		**-318 276**	**-352 306**
Attributable to:			
Braganza shareholders		-317 625	-353 851
Non-controlling interests		-652	1 545

BRAGANZA AB
CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER

Amounts in TSEK	Notes	2020	2019
Brands and other intangible assets		229 474	270 550
Goodwill		30 577	62 484
Total intangible assets	6	**260 051**	**333 034**
Properties and land		545 692	602 248
Aircraft, engines and similar		1 061 958	1 201 034
Construction in progress and pre-payments		4 448	5 527
Equipment		59 939	89 458
Total tangible assets	7, 12	**1 672 036**	**1 898 267**
Deferred tax asset	11	32 206	-
Investments in associates	9	7 903	9 052
Loans to associates		1 975	2 188
Net pension plan asset	5	2 600	1 901
Long term investments	13	137 009	179 984
Long term receivables	14	81 556	291 277
Total financial assets		**263 248**	**484 403**
Total non current assets		**2 195 336**	**2 715 704**
Finished goods		25 364	49 946
Accounts receivable		29 156	92 878
Other receivables		119 426	178 807
Prepayments and accrued income	16	87 774	218 605
Total receivables		**236 355**	**490 291**
Cash and cash equivalents	17	560 370	569 698
Total current assets		**822 090**	**1 109 934**
Total assets		**3 017 426**	**3 825 639**

BRAGANZA AB
CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER

Amounts in TSEK	Notes	2020	2019
Share capital	18	46 086	46 086
Additional paid in capital		-	-
Total restricted equity		**46 086**	**46 086**
Free reserves		1 161 944	1 584 694
Profit for the year		-317 625	-353 851
Total accumulated profits		**844 319**	**1 230 843**
Non-controlling interests		**9 382**	**34 816**
Total equity		**899 787**	**1 311 745**
Pension obligations	5	-	3 735
Deferred tax liability	11	9 524	43 598
Total provisions		**9 524**	**47 334**
Liabilities to financial institutions	19	914 584	968 082
Other long term liabilities	20	47 898	51 045
Total other non current liabilities		**962 482**	**1 019 127**
Liabilities to financial institutions	19	109 358	105 783
Accounts payable		122 038	249 185
Income tax payable	11	9 998	19 745
Public duties payable		33 587	98 466
Other short term liabilities		196 108	84 548
Accrued expenses and deferred income	20	674 543	889 707
Total current liabilities		**1 145 633**	**1 447 434**
Total Liabilities		**2 117 639**	**2 513 895**
Total equity and liabilities		**3 017 426**	**3 825 639**

BRAGANZA AB
CONSOLIDATED CASH FLOW STATEMENT 1.1 – 31.12

Amount in TSEK	Notes	2020	2019
Cash flow from operating activities			
Operating profit / (loss)		-336 089	-178 840
Interest received		6 131	7 545
Interest paid		-19 932	-20 212
Other financial income net		16 501	13 874
Income tax payable		-14 600	-15 280
Gain (-) / loss from disposal of non current assets		-55 349	-8 924
Gain (-) / loss from disposal of operations		5 406	-1 067
Depreciation and amortisation expenses	6, 7	170 490	214 790
Impairment of non current assets	6	9 250	9 483
Cash flow from operating activities		**-218 191**	**21 369**
Cash flow from working capital			
Changes in finished goods		24 582	8 734
Changes in accounts receivable		63 722	19 881
Changes in accounts payable		-127 148	-129 399
Difference between recognized pension cost and actual payments		-4 434	-1 944
Changes in other accruals		10 944	40 494
Net cash flow from operating activities		**-250 524**	**-40 865**
Cash flow from investing activities			
Proceeds from disposal of tangible non current assets		47 757	107 211
Proceeds from disposal of operations		54	-247
Purchase of tangible and intangible non current assets	6, 7	-58 394	-81 359
Purchase of shares	13	-60 295	-127 574
Proceeds from disposal of intangible assets		-	-
Net proceeds from disposal of shares		117 717	-
Aquisition of subsidiary, net of cash aquired	22	-	-24 014
Change in long term receivables		209 935	-84 739
Net cash flow from investing activities		**256 774**	**-210 722**
Cash flow from financing activities			
Net proceeds from recent borrowings/down payments		**-56 645**	23 376
Changes in bank overdraft		**3 575**	6 266
Equity proceeds / Repayment		**-**	10 441
Dividends		**-19 263**	-15 471
Net cash flow from financing activities		**-72 333**	**24 612**
Net change in cash and cash equivalents		**-66 083**	**-226 975**
Effect of exchange rate differences on cash and cash equivalents		**56 756**	**-23 669**
Cash and cash equivalents at 01.01	17	**569 698**	**820 341**
Cash and cash equivalents at 31.12	17	**560 370**	**569 698**

BRAGANZA AB
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS OF 31 DECEMBER

	Share capital	Additional paid in capital	Retained earnings	Attributable to equity holders of the parent	Non-controlling interests	Total equity
Equity at 1 January, 2019	**46 086**	**0**	**1 570 117**	**1 616 203**	**26 026**	**1 642 229**
Profit for the year		0	-353 851	-353 851	1 545	-352 306
Change in carrying amount for assets and liabilities						
Translation differences			22 890	22 890	854	23 744
Total change in carrying amount	**0**	**0**	**22 890**	**22 890**	**854**	**23 744**
Transactions with owners:						
Purchase from (-)/ Sales to (+) non-controlling interests			4 687	4 687	8 862	13 549
Payment of dividends			-13 000	-13 000	-2 471	-15 471
Total transactions with owners	**0**	**0**	**-8 313**	**-8 313**	**6 391**	**-1 922**
Equity at December 31, 2019	**46 086**	0	**1 230 842**	**1 276 928**	**34 816**	**1 311 745**
Equity at 1 January, 2020	**46 086**	**0**	**1 230 842**	**1 276 928**	**34 816**	**1 311 745**
Profit for the year		0	-317 625	-317 625	-652	-318 277
Change in carrying amount for assets and liabilities						
Translation differences			-70 429	-70 429	-3 989	-74 418
Total change in carrying amount	**0**	**0**	**-70 429**	**-70 429**	**-3 989**	**-74 418**
Transactions with owners:						
Purchase from (-)/ Sales to (+) non-controlling interests			1.530	1.530	-1.530	0
Payment of dividends			0	0	-19.263	-19.263
Total transactions with owners	**0**	**0**	**1 530**	**1 530**	**-20 793**	**-19 263**
Equity at December 31, 2020	**46 086**	**0**	**844 318**	**890 404**	**9 382**	**899 787**

NOTE 1. ABOUT THE GROUP

Braganza is a privately held investment company based in Stockholm. Braganza is owned by Per G. Braathen and his immediate family. Historically, Braganza owned the airline Braathens (SAFE) for 50 years. Investments in the airline industry, tourism, leisure and distribution of tourism products account for the majority of the investment portfolio. Braathens Aviation, Kristiansand Dyrepark, Ticket and Escape Travel Group are the company's largest single investments. A significant proportion of the industrial business is located in Sweden.

Braganza's wholly owned aviation business in Sweden is organised with Braathens Aviation AB as the holding company. The airline is trading under the brand BRA, short for Braathens Regional Airlines and is a continuation of the previous brands Malmö Aviation and Sverigeflyg (including various sub-brands).

BRA is a regional airline that primarily operates from Stockholm's city-airport, Bromma. The airline operates a fleet of young ATR 72-600s, the world's most climate friendly regional aircraft type. BRA in a normal year transports more than two million passengers and has been named Sweden's best domestic airline for several successive years. During 2020 the airline group completed a court supervised formal restructuring as a consequence of the COVID19 pandemic.

Kristiansand Dyrepark (Zoo and Amusement Park) was established some 60 years ago, and has evolved into the largest and foremost family attraction in Norway, including a water park and different modes of accomodation. Dyreparken is a fullservice holiday resort including the pirate themed accommodation Abra Havn, which alone has a capacity of 1000 guests.

Ticket is the leading leisure travel agency in the Nordic region, with 68 stores and a broad digital platform. The company sells leisure travel from all leading tour operators, in addition to cruises, airline tickets and hotel accommodation. Ticket assists and advises the customer with easy access to a wide range of travel products.

Escape Travel Group is a tour operator focusing on customers throughout the Scandinavian countries, with Escape Travel as common brand. The Escape companies particularly specialise in group travel and dynamic packaging of flights plus hotels. In Norway Escape Travel is the fourth largest tour operator.

NOTE 2 ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with the Swedish Accounting Act (1995:1554) and generally accepted accounting principles in Sweden by the Accounting Committee BFNAR 2012:1 ("K3").

PRESENTATION

The income statement is presented by nature. The group distinguishes between gross and net revenue in the income statement. Gross revenue in the travel segment represents the gross purchase value (paid by the ultimate customer) of travels arranged on behalf of customers. Net revenue represents the fee expected to be received from customers based on the arrangements made. There are no significant differences between gross and net revenue in other segments of the Group.

The cash-flow statement is based on the indirect method. Cash includes cash in hand and bank-deposits.

BASIS FOR CONSOLIDATION

The Group's consolidated financial statements comprise Braganza AB and companies in which Braganza AB has a controlling interest. A controlling interest is normally obtained when the Group owns more than 20-50% of the shares in the company and can exercise control over the company. Non-controlling interest are included in the Group's equity. Transactions between group companies have been eliminated in the consolidated financial statement. Identical accounting principles have been applied for both parent and subsidiaries.

The purchase method is applied when accounting for business combinations. Companies which have been bought or sold during the year are included in the consolidated financial statements from the date when control is achieved and until the date when control ceases.

An associate is an entity in which the Group has a significant influence but does not exercise control of the management of its finances and operations, normally when the Group owns 20%-50% of the company. The consolidated financial statements include the Group's share of the profits/losses from associates, accounted for using the equity method, from the date when a significant influence is achieved and until the date when such influence ceases.

When the Group's share of a loss exceeds the Group's investment in an associate, the amount carried in the Group's balance sheet is reduced to zero and further losses are not recognized unless the Group has an obligation to cover any such loss.

FOREIGN CURRENCY TRANSLATION

Presentation of subsidiaries in foreign currency
The Group's reporting currency is SEK. This is also the parent company's functional currency. The balance sheet figures of subsidiaries with a different functional currency are translated at the exchange rate prevailing at the end of the reporting period while the income statement figures are translated at the transaction exchange rate. The yearly average exchange rates are used as an approximation of the transaction exchange rate. Exchange differences are recognized in equity. When investments in foreign subsidiaries are sold, the accumulated translation differences relating to the subsidiary are recognized in the income statement.

Translation of foreign currency transactions and balances
Transactions in foreign currency are translated at the rate applicable on the transaction date.

Presentation in the income statement
Profit and loss effects arising from translation of balance sheet items related to operating activities, such as accounts receivables and accounts payable, are presented as operating activities. Translation of balance sheet items related to the financing of the group, such as long term loan and bank accounts, are presented as finance cost/income. Gains and losses from financial instruments, including hedge accounting, are recognized in the income statement when due. Until the due date, these instruments are kept off balance sheet. Financial instruments used for hedging purposes, but not regarded as a hedge accounting relationship, are presented at fair value. All changes in fair value of financial instruments, except those kept off balance sheet, are recognized as financial cost/income in the income statement. The use of financial instruments is explained in more detail in the notes to the consolidated financial statements.

SEGMENT REPORTING

For management and reporting purposes, the Group has identified four reporting segments. These segments consist of Aviation, Travel, Leisure and Other and comprise the basis for the primary segment reporting. Segment figures are presented in accordance with Swedish GAAP. Please see separate note.

REVENUE RECOGNITION

Revenues from the sale of goods are recognized in the income statement once delivery has taken place and most of the risk and return has been transferred. Revenues from the sale of services are recognized when the service has been provided and the group has obtained a right to receive the payment.

AVIATION

Passenger revenue
Passenger revenue is recognized as revenue when the transport has been carried out. The value of valid tickets sold but not used at the reporting date is reported as short term liability in the balance sheet. This liability is reduced either when transportation is carried out or when the passenger requests a refund.

Other revenue
Other revenue comprises sales of ticket-related products and services, such as baggage fees and freight revenues. Some of these products and services are considered earned when the transport is carried out and accordingly recognized in the same manner as passenger revenue. Other products and services are immediately recognized upon a sale in the income statement.

Customer loyalty program
A customer loyalty program has been established. Within the program the passengers acquire bonus points based on their bought flights. Bonus points can be used as payments for future travels. A short term liability is recognized when a sale is made. The liability is based on all passengers and an average market price for tickets sold is derived. Last year's use of loyalty points is then used as the basis for calculating a liability related to the customer loyalty program.

TRAVEL

Income from distributed sale
Revenues from mediated sales are recognized in the income statement at the time the work attributable to the transaction has been performed. Revenues are recognized at the fair value of the consideration received or expected to be received, less any discounts. Ticket sales are partly distributed by the Group acting as a sales agent where the Group performs a reservation service for the customer, and partly sales in the Group's own name acting as an organizer of the actual journey being sold, also known as "package tours".

Revenues from services for group and conference business are recognized in the income statement when the outcome of the services provided can be measured reliably. This is normally the day of departure. If there is significant uncertainty regarding the payment, associated costs or the acceptance of the service provided no revenue is recognized. Revenues are recognized at the fair value of the consideration received or expected to be received, less any discounts.

HEDGE ACCOUNTING

The Group seeks to reduce the risk related to fluctuations in fuel prices and currency rates. The Group uses financial instruments such as foreign exchange forward contracts. Financial instruments used as a part of a hedge accounting are kept off balance sheet until the due date of the instrument. The due date of the instrument is set to match the secured transaction.

INCOME TAX

The tax expense consists of the tax payable and changes to deferred tax. Deferred tax/tax assets are calculated on all differences between the book value and tax value of assets and liabilities, with the exception of:

- temporary differences related to goodwill that are not tax deductible
- temporary differences related to investments in subsidiaries, associates or joint ventures that the Group controls when the temporary differences are to be reversed and this is not expected to take place in the foreseeable future.

Deferred tax assets are recognized when it is probable that the company will have a sufficient profit for tax purposes in subsequent periods to utilise the tax asset. The companies recognise previously unrecognized deferred tax assets to the extent it has become probable that the company can utilise the deferred tax asset. Similarly, the company will reduce a deferred tax asset to the extent that the company no longer regards it as probable that it can utilise the deferred tax asset.

Deferred tax and deferred tax assets are measured on the basis of the expected future tax rates applicable to the companies in the Group where temporary differences have arisen.

Deferred tax and deferred tax assets are recognized at their nominal value and classified as non-current asset investments (long-term liabilities) in the balance sheet.

Current and deferred taxes are recognized directly in equity to the extent that they relate to equity transactions.

BALANCE SHEET CLASSIFICATION

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.
Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

Fixed assets are valued at cost, less depreciation and impairment losses. Long term liabilities are recognized at nominal value.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are capitalized and depreciated linearly the estimated useful life. Assets recognized in the balance sheet based on a finance lease agreement are depreciated over the expected lease term. All significant assets are disaggregated to the extent necessary to ensure accurate depreciation costs.

Depreciation is calculated using the straight-line method over the estimated useful life, as further specified in the notes to the consolidated financial statements.

Depreciation period and method are assessed annually. An estimate of the residual value is recognized at the end of each year and changes in the estimated residual value are recognized as a change in an estimate.

The Group capitalizes prepayments on purchase of aircraft. The prepayments are classified as tangible assets in the balance sheet. When the aircraft are delivered, prepayments are included in acquisition cost of the aircraft and reclassified as aircraft in the balance sheet.

If carrying value of a non-current asset exceeds the estimated recoverable amount, the asset is impaired to the recoverable amount. The recoverable amount is the greater of the net realisable value and value in use. In assessing value in use, the discounted estimated future cash flows from the asset are used.

PROVISION FOR HEAVIER MAINTENANCE COSTS

Aircraft are subject to regulatory reviews, so-called heavy maintenance. Expenditures on the review at frequent intervals has been expensed directly. For the overhaul that run at sparser intervals, the cost is handled differently depending on whether each aircraft is recognized as a material fixed asset or as an operational lease.

For aircraft classified as property, plant and equipment (financially leased and owned planes), the costs of heavier maintenance are activated in the context of the overhaul and depreciation is made in the period up to the next maintenance review. The heavier maintenance is handled as a component of the aircraft.

For operationally leased aircraft, where heavier maintenance is closely associated with the return obligations included in the leases, the cost of heavier maintenance is reported on an ongoing basis based on cost estimates and the date of the expected review.

The provisions for maintenance are calculated based on different parameters depending on the part of the aeroplane. For engines, maintenance reserves are calculated based on the number of landings (cycles) and the number of flight hours. For other parts, the hull as an example, maintenance reserves take place in accordance with current regulations from the Swedish Civil Aviation Authority that are updated on an annual basis.

LEASING

Finance leases

Finance leases are leases under which the Group assumes most of the risks and return associated with the ownership of an asset. At the inception of the lease, finance leases are recognized as fixed assets in the Group's balance sheet at fair value at the beginning of the lease term or at the present value of the minimum lease payments if this is lower.

The lease payments are divided between interest and amortization of the liability. The interest is allocated over the lease term so that each accounting period is charged with an amount corresponding to a fixed interest rate liability recognized during each period. Interest expense is recognized directly in the income statement if they are not directly attributable to the acquisition of an asset that necessarily takes significant time to complete for the intended use or sale, and the activation principle is applied. If possible, the implicit interest rate is used in the calculation of the current value of the lease. Otherwise, the company's marginal interest rate is used. Direct costs related to the establishment of the lease are included in the cost of the asset.

The depreciation period will normally follow the underlying contract. If it is not reasonably certain that the company will assume ownership when the term of the lease expires, the asset is depreciated over the term of the lease or the asset's economic life, whichever is the shorter.

Operating leases

Leases for which most of the risk and return associated with the ownership of the asset have not been transferred to the Group are classified as operating leases. Lease payments are classified as operating costs and recognized in the income statement in a straight line during the contract period.

Deposits made at the beginning of the lease are recognized as amortized cost. The difference between the nominal value of a deposit paid, which is recognized at the lower of the market rate and its fair value, constitutes additional rent. This additional rent shall be paid to the lessor and expensed on a straight-line basis over the lease period.

Some of the Group's operating leases contain terms/clauses on the physical condition of the aircraft when they are returned and how the lessor will be compensated is based on the service/check and maintenance intervals the aircraft are in at the time of return. The cost of compensating the lessor for service/check and maintenance consumed is estimated and reserved on an ongoing basis during the lease period based on the number of flight hours and number of landings and is reported as provision for heavier maintenance.

INTANGIBLE ASSETS

Intangible assets that have been acquired separately are carried at cost. The costs of intangible assets acquired through a business combination are recognized at their fair value. Capitalized intangible assets are recognized at cost less any amortisation and impairment losses.

Intangible assets, which have a defined economic life, are amortised over their economic life and tested for impairment if there are any indications of reduced value. The amortisation method and period are assessed at least once a year. Changes to the amortisation method and/or period are accounted for as a change in estimate. Intangible assets without any defined economic life are not depreciated, but are instead tested for impairment at least once a year.

Slots and line are also reported as intangible fixed assets in the consolidated balance sheet. A Slot is a right to land or take off from an airport including access to the airport terminal for passengers and crew. The item Slots and line in the consolidated balance sheet has arisen in connection with the acquisition of Braathens Regional Airways AB. The asset's recoverable amount is tested once a year and no depreciation has been made during 2020.

Development costs
Development costs related to IT/software are capitalized providing that a future economic benefit associated with development of the intangible asset can be established and costs can be measured reliably. Otherwise, the costs are expensed as incurred. Capitalized development costs are amortized over its useful life.

Goodwill
The difference between the cost of an acquisition and the fair value of net identifiable assets on the acquisition date is recognized as goodwill. For investment in associates, goodwill is included in the investment's carrying amount.

Goodwill is recognized at cost in the balance sheet, minus any accumulated impairment losses, and amortised. Goodwill is amortised over five years unless otherwise specified.

Assets and liabilities acquired in a business combination are carried at their fair value in the Group's balance sheet. The non-controlling interest is calculated on the basis of the minority's share of these assets and liabilities.

The allocation of costs in a business combination is changed if new information on the fair value becomes available and is applicable on the date when control is assumed. The allocation may be altered until the annual accounts are presented or prior to the expiry of a 12-month period.

If the fair value of the equity exceeds the acquisition cost in a business combination, the difference ("negative goodwill") is recognized as income immediately on the acquisition date.

At each reporting date, the group considers if there are indications of reduced value of the goodwill. Goodwill is evaluated as a part of a cash generating unit. A value is considered reduced if the recoverable amount of the assets of the cash generating unit is less than book value. The recoverable amounts of cash generating units are determined based on value-in-use calculations.

Patents and licences
Amounts paid for patents and licences are capitalized and amortised on a straight line basis over the expected useful life.

Software
Expenses related to the purchase of new software are capitalized as an intangible asset provided these expenses do not form part of the hardware acquisition costs. Software is normally depreciated over the expected useful life. Costs incurred as a result of maintaining or upholding the future utility of software is expensed unless the changes in the software increase the future economical benefits from the software.

Brands
Brands are either capitalized as part of an acquisition, or separate purchases of brands. Brands are not depreciated. The value of brands which are capitalized as part of an acquisition is determined by comparing renting cost for brands for similar businesses, using international databases as a basis. A discount for maintaining the brand is applied, and a DCF analysis gives the value of the brand, less any impairment losses. Purchased brands are capitalized at cost, less any impairment losses.

At each reporting date, the group considers if there are indications of reduced values of the brands. Brands are evaluated as a part of a cash generating unit. A value is considered reduced if the recoverable amount of the assets of the cash generating unit is less than book value. The recoverable amounts of cash generating units are determined based on value-in-use calculations.

SUBSIDIARIES AND INVESTMENT IN ASSOCIATES

Subsidiaries and investments in associates are valued at cost in the company accounts. The investment is valued at cost, less any impairment losses. Impairment loss is recognized if the impairment is not considered temporary, in accordance with generally accepted accounting principles. Impairment losses are reversed if the reason for the impairment loss disappears in a later period.

Dividends, group contributions and other distributions from subsidiaries are recognized in the same year as they are recognized in the financial statement of the provider. If dividends / group contribution exceed withheld profits after the acquisition date, the excess amount represents repayment of invested capital, and the distribution will be deducted from the recorded value of the acquisition in the balance sheet for the parent company.

INVENTORIES

Inventories are recognized at the lowest of cost and net selling price. The net selling price is the estimated selling price in the case of ordinary operations minus the estimated completion, marketing and distribution costs. The cost is calculated by using the FIFO method and includes the costs incurred in acquiring the goods and the costs of bringing the goods to their current state and location.

EMISSION ALLOWANCES

The aviation sector is part of the European ETS where the Group pays for its CO2 emissions. Purchases of allowances are recognized as inventories from financial year 2018. Allowances received free of charge are recognized at face amounts in the current year, i.e. zero. Spent allowances are recognized as an accrued cost in the balance sheet, valued at cost. If the allowances used exceed the allowances held, this part is valued at the current market price. The corresponding reserved cost in the balance sheet is recognized as an expense also in the income statement.

ACCOUNTS RECEIVABLE AND OTHER RECEIVABLES

Accounts receivable and other current receivables are recognized in the balance sheet at nominal value less provisions for doubtful accounts. Provisions for doubtful accounts are based on an individual assessment of the different receivables. For the remaining receivables, a general provision is estimated based on expected loss.

SHORT TERM INVESTMENTS

Short term investments (securities traded at an open market) are valued at market value. Dividends and other distributions are recognized as other financial income.

EMPLOYEE BENEFITS

Employee benefits in the form of salaries, bonuses, paid holiday, paid sick leave etc. and pensions are recognized as they are vested. Pensions and other post-employment benefits are classified as defined contribution or defined benefit plans.

Defined contribution plans

For defined contribution plans, the Group pays set contributions to a separate independent legal entity and does not have any obligation to pay further contributions. Expenses are charged against group earnings as the benefits are vested, which normally coincides with the time when premiums are paid.

Defined benefit plans

The Group's net obligation concerning defined benefit plans is calculated by estimating the future benefit the employees have earned through their employment in both current and previous periods; this benefit is discounted to a present value and the fair value of any assets under management is deducted. Changes in the pension obligations due to changes in pension plans are recognized over the estimated average remaining service period.

GOVERNMENT GRANTS

Grant income is recognized when there is 1) entitlement to the grant, 2) virtual certainty that it will be received and 3) sufficient measurability of the amount. Government grants are recognized as income over the periods necessary to match them with the related costs which they are intended to compensate. Government grants relating to purchases of non-current assets are deducted from the cost of the respective asset. The amount of depreciation and amortization is based on the cost of purchase after deduction of such grants.

CONTINGENT LIABILITIES AND ASSETS

Contingent liabilities are recognized in the annual accounts if the probability that the cost will be incurred is more than 50 % and the liability can be estimated reliably. The liability is recognized based on the best estimate of the future settlement. If the probability is regarded less than 50 % information about the contingent liability is disclosed.

Contingent assets are not recognized in the annual accounts but are disclosed if there is a certain probability that a benefit will be added to the Group.

EVENTS AFTER THE REPORTING PERIOD

New information on the company's financial position at the end of the reporting period which becomes known after the reporting period is recorded in the annual accounts. Events after the reporting period that do not affect the company's financial position at the end of the reporting period but which will affect the company's financial position in the future are disclosed if material.

IMPORTANT ESTIMATES AND ASSESSMENTS

Preparing the annual accounts and the financial statements requires the company management to make assessments and estimates and make assumptions that affect the application of the accounting policies and the amounts recognised for assets, liabilities, income and expenses. These assessments and estimates and the assumptions in connection with them are based on previous experience and other factors considered to be relevant. The estimates and assumptions are reviewed regularly. The actual outcome may nevertheless differ from these estimates and assessments. Changes to the estimates are recognised in the period in which the change is made, if the change has only affected that period, or in the period in which the change is made and future periods if the change affects both the current period and future periods.

Intangible assets
The intangible asset relates to the different brands in the group and slots and routes which arose in connection with the acquisition of Braathens Regional Airways AB. Intangible assets, which have a defined economic life, are amortised over their economic life and tested for impairment if there are any indications of reduced value. The amortisation method and period are at least once a year. Intangible assets without any defined economic life are not depreciable, instead they are tested for impairment at least once a year.

Expected economic useful lives of property, plant and equipment
The Group carries out periodic reviews to ensure that the economic useful lives of property, plant and equipment are correct. The review is based on the current state of the assets, the period for which they are expected to continue to be economically beneficial to the Group, information on previous assets of the same kind and trends in the industry. Any changes in the economic useful life for property and equipment are recognised prospectively in profit or loss.

Impairment of assets
The Group reviews the book values of its assets in order to determine whether there is any indication of a need for impairment of these assets.

Provision for consumed heavier maintenance for aircraft under operating leases
The Group holds a number of aircraft under operating leases that have a continuous need for maintenance. Lighter maintenance is directly expensed, while reservation is made for the cost of heavier maintenance on an ongoing basis as a provision. Estimated costs of this future heavier maintenance contain large elements of estimation, both in relation to the actual cost of maintenance and when in time it needs to be performed. The provision made in 2020 is based on a best estimate of consumed heavier maintenance up to the end of the year and also represents the handback obligation estimated to be linked to the contracts with the lessor.

Deferred tax
The group recognizes deferred tax assets to the extent it is probable that taxable profit will be generated. Judgement by management is required to determine which deferred tax assets can be recognized, based on the expected timing, level of future taxable profits and future tax planning strategies.

PARENT COMPANY – ACCOUNTING PRINCIPLES

The differences between the group's and the parent company's accounting principles are explained below.

Subsidiaries
Interests in subsidiaries are recognized at cost. Dividends from subsidiaries are recognized as income when the right to receive dividend is deemed to be certain and can be calculated in a reliable manner.

Group contribution
Group contributions received and paid are recognized as appropriations in the income statement.

Taxes
Untaxed reserves, including deferred tax liability, are recognized in the parent company. In the consolidated financial statements, on the other hand, untaxed reserves are divided into deferred tax liability and shareholders' equity.

NOTE 3. OTHER OPERATING INCOME AND EXPENSES

(Amounts in SEK 1000)

Other operating income consists of:

	2020	2019
Gain on sale of fixed assets	28 636	8 924
Currency translation gain	61 705	22 656
Profit reconstruction	463 890	-
Government grant	88 082	-
Other (described below)	61 221	32 635
Total	**703 534**	**64 215**

Other income consists of market contribution and release of liability for tickets, bonus points, agent commision and other accruals.

Other operating expenses consists of:

	2020	2019
Aviation related costs	340 030	1 536 299
Cost of leases	212 491	195 916
Marketing costs	69 949	187 268
IT costs	87 283	168 349
External consultants, advisors etc.	55 589	78 090
Cost of travel	16 355	71 259
Other	343 842	256 948
Total	**1 125 539**	**2 494 129**

NOTE 4. SALARY AND PERSONNEL COSTS, NUMBER OF EMPLOYEES, LOANS TO EMPLOYEES AND AUDITOR'S FEE

(Amounts in SEK 1000)

	Total for all employees	
Salary and personnel costs:	**2020**	**2019**
Salaries	554 473	864 217
Payroll tax	134 496	244 591
Pension costs	46 858	104 639
Other benefits	34 623	53 216
Capitalized Wage expenses	(56)	(1 465)
Total	**770 395**	**1 265 197**

Average number of employees by gender and country

	2020	2020	2020	2019	2019	2019
	Female	Male	Total	Female	Male	Total
Sweden	400	292	**692**	579	465	**1 044**
Norway	241	118	**359**	321	142	**463**
Spain	2	2	**3**	3	3	**6**
Denmark	-	-	**0**	7	8	**15**
Other	0	0	**0**	6	2	**8**
Total	**643**	**412**	**1 055**	**916**	**620**	**1 537**
	61 %	39 %		60 %	40 %	

Management and board remuneration

	2020	2019
Salary and bonus	5 793	7 168
Other benefits	90	120
Total	**5 883**	**7 288**

There is no severance pay agreement.

Split senior management	2020	2019
Women:		
Members of board	0	0
Other senior management incl. MD	0	0
Men:		
Members of board	3	3
Other senior management incl. MD	3	3
Total	**6**	**6**

Auditor

Specification of auditor's fees 2019 ex VAT

Group	Statutory audit fee	Other assurance services	Tax advisory fee	Other non-audit services	Total 2020
Deloitte	-4 101	-766	-224	-62	**-5 153**
Other auditors	-156	-174	0	-142	**-472**
Total	**-4 256**	**-941**	**-224**	**-204**	**-5 625**

Specification of auditor's fee 2019 (ex VAT)

Group	Statutory audit fee	Other assurance services	Tax advisory fee	Other non-audit services	Total 2019
Deloitte	-3 759	-343	-457	-181	**-4 740**
Other auditors	-275	-191	0	0	**-466**
Total	**-4 034**	**-534**	**-457**	**-181**	**-5 206**

NOTE 5. PENSIONS

(Amounts in SEK 1000)

	2020	2019
Service cost	(2 307)	(2 655)
Interest cost	-	-
Return on pension plan assets	-	-
Social security tax	(325)	(375)
Net pension costs, defined pension plans	(2 632)	(3 030)
Pension cost defined contribution plans	**-44 226**	**-101 609**
Total net pension cost	**(46 858)**	**(104 639)**

	2020	2019
Accrued pension obligations at 31.12	14 914	14 188
Estimated effect of future salary increase	-	-
Estimated pension obligations at 31.12	14 914	14 188
Pension plan assets (at market value) at 31.12	10 238	9 501
Unrecognised effects of actuarial gains/ losses	(5 819)	(3 193)
Social security tax	-	-
Currency adjustments	(1 457)	340
Net benefit obligations	(2 600)	1 834
Hereof recognized as Other long term receivables	2 600	1 901
Hereof recognized as Pension obligations	(0)	3 735
Actuarial assumptions:		
Discount rate	1,7 %	2,3 %
Salary increase	2,25 %	2,25 %
Return on plan assets	2,70 %	3,80 %

The actuarial assumptions are based on assumptions of demographical factors normally used within the insurance industry. The main pension schemes in the group are defined contribution plans, or similar schemes, and such pension costs are current accounted for in the income statement.

NOTE 6. INTANGIBLE ASSETS

(Amounts in SEK 1000)

	Brands and other intangible assets	Goodwill	Total
1 January - 31 December 2020			
Balance as of 1 January 2020	270 550	62 484	**333 034**
Additions	6 812	-	**6 812**
Additions from purchase of companies	-	-	**-**
Disposals	-	-	**-**
Disposals from sale of companies	(382)	(5 024)	**(5 406)**
Amortisation	(44 945)	(15 970)	**(60 915)**
Impairment loss	(141)	(9 109)	**(9 250)**
Currency translation differences	(2 420)	(1 804)	**(4 223)**
Balance as of 31 december 2020	**229 474**	**30 577**	**260 051**
As of 31 December 2020			
Cost of acquisition	439 134	151 441	**590 575**
Accumulated amortisation and impairment losses	(209 661)	(120 864)	**(330 525)**
Balance as of 31 December 2020	**229 474**	**30 577**	**260 051**

	Brands and other intangible assets	Goodwill	Total
1 January - 31 December 2019			
Balance as of 1 January 2019	298 845	59 670	**358 515**
Additions	19 101	-	**19 101**
Additions from purchase of companies	55	25 949	**26 004**
Disposals	-	-	**-**
Disposals from sale of companies	-	-	**-**
Amortisation	(49 528)	(21 109)	**(70 637)**
Impairment loss	-	(3 078)	**(3 078)**
Currency translation differences	2 077	1 052	**3 129**
Balance as of 31 december 2019	**270 550**	**62 484**	**333 034**
As of 31 December 2019			
Cost of acquisition	443 106	209 307	**652 413**
Accumulated amortisation and impairment losses	(172 556)	(146 823)	**(319 379)**
Balance as of 31 December 2019	**270 550**	**62 484**	**333 034**

Depreciation of intangible assets:
Brands are tested for impairment on a yearly basis. Other intangible assets are depreciated according to their estimated economic useful life.

Goodwill for each acquisition	Carrying amount 31 December	Useful economic life
Dyreparken/Kaptein Sabeltann	-	20 years
Signatours	11 143	5 years
Cruise.no	9 023	5 years
Prima Travel	10 411	5 years
Total	**30 577**	

NOTE 7. TANGIBLE ASSETS

	Properties and land	Aircraft, engines and similar[1]	Const-ruction in progress	Equipment	Total
1 January - 31 December 2020					
Balance as of 1 January 2020	602 247	1 201 034	5 527	89 458	**1 898 266**
Additions	36 843	3 339	1 848	9 552	**51 582**
Disposals	(8 443)	(15 590)	(2 927)	(17 115)	**(44 075)**
Disposals from sale of companies	-	-	-	(55)	**(55)**
Amortisation	(28 501)	(62 245)	-	(18 830)	**(109 576)**
Impairment loss	-	(0)	-	-	**(0)**
Currency translation differences	(56 454)	(64 580)	-	(3 070)	**(124 105)**
Balance as of 31 december 2020	**545 692**	**1 061 958**	**4 448**	**59 940**	**1 672 038**
As of 31 December 2020					
Cost of acquisition	1 003 908	1 387 463	4 448	253 636	**2 649 456**
Accumulated amortisation and impairment losses	(458 216)	(325 506)	-	(193 697)	**(977 418)**
Balance as of 31 December 2020	**545 692**	**1 061 958**	**4 448**	**59 940**	**1 672 038**

	Properties and land	Aircraft, engines and similar[1]	Const-ruction in progress	Equipment	Total
1 January - 31 December 2019					
Balance as of 1 January 2019	594 641	1 311 670	-	114 612	**2 020 923**
Additions	49 630	5 286	5 527	1 815	**62 258**
Additions from purchase of companies	21 239	-	-	297	**21 536**
Disposals	(45 884)	(51 848)	-	(556)	**(98 288)**
Disposals from sale of companies	-	-	-	(140)	**(140)**
Amortisation	(31 560)	(87 424)	-	(25 168)	**(144 153)**
Impairment loss	(4 509)	-	-	(1 896)	**(6 405)**
Currency translation differences	18 691	23 351	-	495	**42 537**
Balance as of 31 december 2019	**602 248**	**1 201 034**	**5 527**	**89 458**	**1 898 268**
As of 31 December 2019					
Cost of acquisition	1 088 455	1 725 145	5 527	321 513	**3 140 640**
Accumulated amortisation and impairment losses	(486 206)	(524 111)	-	(232 055)	**(1 242 372)**
Balance as of 31 December 2019	**602 248**	**1 201 034**	**5 527**	**89 458**	**1 898 268**

[1] The balance sheet item include leasing assets held under finance leases with carrying amounts amounting to 932 836 (1 022 936).
See note 12 for more information.

Depreciation of intangible assets:

	Properties and land	Aircraft, engines and similar[1]	Const-ruction in progress	Equipment
Depreciation method	Straight line	Straight line	NA	Straight line
Expected useful economic life	25 – 50 years	5 - 20 years	NA	3-10 years

NOTE 8. SIGNIFICANT TRANSACTIONS AND EVENTS

(Amounts in SEK 1000)

In February 2020, Musti Group Holding Oy was listed on the stock exchange. Braganza sold 48% of its stocks in the IPO. This resulted in a gain of MSEK 29.5. The Vendor loan of MSEK 106 was repaid at the same time. The remaining shareholding was sold in April 2020 and this sale resulted in a further gain of MSEK 23.

Braganza invested in 2017 in BRAbank ASA, a new consumer bank focusing on credit cards, consumer loans and check-out financing. In October 2020, BRAbank ASA and Easybank ASA merged, with Easybank as the acquiring unit, and the bank changed name to BRAbank. Braganza has invested a total of MNOK 34 in new equity (MNOK 20,8) and subordinated loan (MNOK 13) in BRAbank during 2020.

Three insignificant entities in Escape Travel Group filed for bankruptcy in 2020 due to the pandemic. Göteborgs Idrotts- och Eventarena AB filed for bankruptcy in March, and Escape Sport AB and Signatours Germany GmbH filed in May. In November our two remaining Swedish tour operators Prima Travel AB and Escape Travel Sweden AB merged to form a larger tour operator with the brand name Escape Travel Sweden.

On April 6 2020, Braathens Aviation AB and six of its subsidiaries were admitted into formal restructuring by the relevant courts in Stockholm. All seven companies reached agreement with its creditors and were allowed by the courts to exit the restructuring in early September. Unsecured creditors got a 25% dividend, payable with 1/4 in November 2020 and ¾ in July 2021.

NOTE 9. INVESTMENTS IN ASSOCIATED COMPANIES

(Amounts in SEK 1000)

A specification of investments in associated companies follow below:

	2020	2019
Book value as of 1.1.	9 052	11 157
Disposals	-	-
Profit/(loss)	(823)	(2 122)
Currency and other adjustments	(327)	17
Book value as of 31.12.	**7 903**	**9 052**

Specification of profit/(loss)

	2020	2019
Share of profit/(loss) from associates	(823)	(2 122)
Elimination of internal gains/losses	-	-
Net profit/(loss) from associates	**(823)**	**(2 122)**

	Location	Owner-ship 2)	Equity as of 31 12	Profit/(loss) 2020
Peer Gynt AS, org nr 965 407 375	Nord-Fron	50,0 %	12 116	871
Qondor AS	Trondheim	33,0 %	(520)	(1 636)

2) Ownership equalling the percentage of voting shares

	Acquisition cost	Acquisition date	Equity at acquisition date	Book value 2020	Book value 2019
Peer Gynt AS	5 270	2008	10 000	6 058	5 315
Qondor AS	8 041	Dec 2017	7 096	1 846	3 737
Sum				**7 903**	**9 052**

NOTE 10. OTHER FINANCIAL INCOME AND EXPENSES

(Amounts in SEK 1000)

Other financial income

	2020	2019
Gain from sale of shares	51 667	-
Gain on foreign exchange	29 370	27 882
Other financial income	692	6 901
Total other finance income	**81 729**	**34 783**

Other financial expenses

	2020	2019
Loss /changes in value of equity investments	-	-
Loss on foreign exchange	(64 980)	(19 594)
Other financial expenses	(539)	(1 315)
Total other finance expenses	**(65 519)**	**(20 909)**

NOTE 11. TAXES

(Amounts in SEK 1000)

	2020	2019
Income tax expense		
Tax payable	2 870	19 745
Changes in deferred tax	(53 505)	26 864
Tax effect of group contribution	-	(0)
Adjustments for prior years	(6)	56
Other changes	-	-
Total income tax expense (+) / tax income (-)	**(50 641)**	**46 664**
Changes in deferred tax		
Changes recognized in profit and loss	(53 505)	26 864
Changes due to business combinations	(5)	414
Other	(10 025)	(98)
Currency adjustments	(2 745)	(105)
Total changes in deferred tax	**(66 280)**	**27 074**
Profit before tax	368 917	305 642
Tax rate 21,4%	**(78 948)**	**(65 407)**
Effect of unrecognized timing differences and tax loss	131 575	63 912
Revaluation of unrecognized timing differences and tax loss prior years	0	(436)
Adjustments for prior years	(6)	107
Permanent differences	(105 018)	45 838
Share of net profit from associates	823	-
Effect of change in tax rate	958	3 015
Effect of different tax rates	(43)	(376)
Other	18	12
Income tax expense (+) / tax income (-)	**(50 641)**	**46 664**
Temporary differences		
Deferred tax assets		
Pensions	-	-
Inventory	746	333
Intangible assets	-	8
Tangible assets	11 714	10 313
Accounts receivables and other receivables	1 787	33
Provisions and short term debt	-	1
Gains and losses	46	60
Tax loss carried forward	228 686	107 623
Other differances assets	2 905	2 313
Deferred tax assets	**245 883**	**120 684**
Deferred tax liabilities		
Intangible assets	-	6 144
Tangible assets	79 874	77 573
Accounts receivables	-	-
Construction contracts	-	-
Gains and losses	(3 805)	5 297
Untaxed reserves	-	2 167
Other differences	572	237
Deferred tax liabilities	**76 641**	**91 418**
Net deferred tax assets (-liability)	169 242	29 265
Hereof not recognized in the balance sheet	146 561	72 863
Net deferred tax assets (-liability)	22 682	(43 598)
Hereof recognized as deferred tax asset	32 206	(0)
Hereof recognized as deferred tax liability	9 524	43 598

NOTE 12. LEASES

(Amounts in SEK 1000)

Finance leases

	2020	2019
Aircraft, engines, property, plant and similar	932 836	1 022 936
Balance as of 31 December	**932 836**	**1 022 936**

Minimum finance lease payments

	2020	2019
Next year	105 233	102 074
Between year 1 and 5	420 812	419 133
After year 5	80 815	202 866
Total minimum finance lease payments	**606 860**	**724 073**
Interest rate		
Present value of minimum finance lease payments		
- Whereof short term debt	105 233	102 074
- Whereof long term debt	501 627	621 999

Operating leases

	Lease payments		Durability
	2020	2019	
Aircraft, engines, property, plant and similar	162 980	168 633	1-4 years
Equipment	-	-	1-3 years
Other	589	847	
Lease expenses	**163 569**	**169 479**	

Minimum Operating lease payments	2020	2019
Next year, operating leases	76 295	28 547
Between year 1 and 5, operating leases	394 837	36 805
After year 5, operating leases	294 582	-
Total minimum operating lease payments	**765 714**	**65 352**

NOTE 13. LONG TERM INVESTMENTS

(Amounts in SEK 1000)

Long term investments

Company	Book value	Share
BRA Bank ASA	63 612	10,7 %
Scandic Hotel Group	49 879	0,7 %
Topcamp AS	15 996	9,0 %
Other	7 522	
Total	**137 009**	

Individual valuation is made for each investment. All investments market value exceeds book value.

Changes during the year	2020	2019
Book value 1 January	179 985	187 209
Additions	60 295	127 574
Disposals	(66 050)	-
Disposals from divestment of companies	-	(49)
Value adjustment	(34 705)	(135 562)
Currency translation differences	(2 516)	812
Book value as of 31 December	**137 009**	**179 984**

NOTE 14. LONG TERM RECEIVABLES

(Amounts in SEK 1000)

Long term receivables consist of:

	2019	2018
Loan to Musti ja Mirri Group	-	108 749
Deposits	60 605	128 640
Pre-delivery payment	-	31 678
Other	20 951	22 210
Total	**81 556**	**291 278**

NOTE 15. TRANSACTIONS WITH RELATED PARTIES

Loan from shareholders are disclosed in note 20.

Three ATR 72-600 is on an operating lease from the Bramora LTD to Braathens Aviation AB. Terms and conditions related to the leases are on market terms.

NOTE 16. PREPAYMENTS AND ACCRUED INCOME

(Amounts in SEK 1000)

Prepayments and accrued income consist of:

	2020	2019
Prepaid expenses	31 459	76 577
Accrued income	8 258	68 021
Tax receivable	7 128	17 915
Other short term receivables	40 929	56 092
Total	**87 774**	**218 605**
Hereof:		
Due within 1 year	87 774	218 605
Due above 1 year	-	-

NOTE 17. CASH AND CASH EQUIVALENTS

(Amounts in SEK 1000)

Cash and cash equivalents consists of:

	2020	2019
Bank deposits	560 370	454 694
Excess cash invested in Alfred Berg Kapitalforvaltning	-	115 004
Total	**560 370**	**569 698**
Whereof restricted	547	1 929

NOTE 18. SHARE CAPITAL

(Amounts in SEK 1000)

Shareholders as of 31 December

	Number of shares	In percent
Per G. Braathen	238 876	52 %
Eline B. Braathen	73 998	16 %
Ida P. Braathen	73 998	16 %
Peer G. Braathen	73 998	16 %
Total	**460 870**	**100 %**

The shares have a face value of 100,-

NOTE 19. INTEREST BEARING DEBT

(Amounts in SEK 1000)

The Group´s interest bearing debt have the following characteristics:

	Short term		Long term	
	2020	**2019**	**2020**	**2019**
Interest bearing debt by type loan				
Loan from financial institutions	6 728	3 703	353 461	346 192
Bond	-	-	-	-
Finance leases, note 12	102 630	102 080	561 123	621 890
Other loans	-	-	-	-
Total	**109 358**	**105 783**	**914 584**	**968 082**
Time to maturity				
Due between year 1 and 5			557 945	419 024
Due after year 5			356 639	549 058
Total			**914 584**	**968 082**
Secured debt				
Debt secured by collateral	81 344	84 631		
Type of security				
Aircraft, engines and similar	-	-		
Property and plant	470 843	535 884		
Other equipment	5 993	9 723		
Inventory	23 899	18 993		
Receivables	322	1 922		
Other	3 433	3 804		
Total book value of security	**504 490**	**570 326**		

NOTE 20. OTHER LONG TERM LIABILITIES AND ACCRUED EXPENSES AND DEFERRED INCOME

(Amounts in SEK 1000)

Other long term liabilities consist of:

	2020	2019
Loan from Shareholders	47 898	51 045
Deposits	-	-
Other	-	-
Total other long term liabilities	**47 898**	**51 045**
Time to maturity		
Due between year 1 and 5	47 898	51 045
Due after year 5	-	-
Total	**47 898**	**51 045**

Accrued expenses and deferred income consist of:

	2020	2019
Tickets sold not used	219 826	302 683
Salaries and other employee benefits	66 317	196 164
Other prepayments from customers	179 449	218 416
Other	208 951	172 444
Total accrued expenses and deferred income	**674 543**	**889 707**

NOTE 21. GUARANTEE LIABILITIES AND PLEDGED ASSETS

(Amounts in SEK 1000)

The pledged assets for the group consist of:

	2020	2019
Aircraft	932 836	1 022 936
Chattel mortgages	50 000	50 700
Deposits	56 451	126 827
Restricted cash	612	873
Travel Guarantees	-	-
Property and plant	470 843	535 884
Inventory	23 899	18 993
Other	63 676	65 898
Total	**1 598 317**	**1 822 111**

Other pledged assets, see note 20.

In the ordinary course of business the Group has given the following guarantees:

	2020	2019
Travel insurance	79 709	201 046
Rental guarantees	7 340	8 050
Other garantees	1 909	-
Total	**88 958**	**209 096**

Braathens Aviation AB (publ) became in February 2016 a guarantor of the operating leases between Braathens Regional Airways (lessee) and subsidiaries of Bramora Ltd (lessor) regarding three ATR 72-600.

NOTE 22. ACQUISITIONS AND DISPOSALS OF BUSINESSES

(Amounts in SEK 1000)

Disposal of business

	Acquisitions		Divestments	
	2020	**2019**	**2020**	**2019**
Other intangible assests	-	20 485	-	-
Tangible assets	-	21 536	-	(100)
Financial assets	-	-	-	(35)
Current assets	-	15 096	-	(361)
Total assets	**-**	**57 117**	-	(496)
Non-current liabilities	-	11 415	-	-
Provisions				
Current liabilities	-	13 906	-	-
Total liabilities	**-**	**25 321**	-	-

There has been none acquisitions or divestments in 2020.

NOTE 23. OPERATING SEGMENTS

(Amounts in SEK 1000)

The group has four reportable segments which are the strategic business units of the group.
All transactions between the segments are, according to the groups transfer pricing guidelines, based on the arm length principle.

Allocation between segments in 2020	**Aviation**	**Travel**	**Leisure**	**Other**	**Total**
External gross revenue	1 113 700	737 805	473 044	15 508	2 340 057
Net revenue	481 226	208 418	446 648	15 193	1 151 485
Other operating income	632 474	44 349	26 396	315	703 534
Total external revenues	**1 113 700**	**252 767**	**473 044**	**15 508**	**1 855 019**
Internal revenues	-	-	859	52 756	53 615
Total revenues	**1 113 700**	**252 767**	**473 903**	**68 264**	**1 908 634**
Cost of goods sold	-	(116 623)	(48 598)	(6 465)	(171 686)
Employee benefits expense	(367 933)	(195 289)	(175 523)	(25 216)	(763 961)
Other operating expenses	(794 732)	(150 896)	(161 996)	(14 333)	(1 121 957)
EBITDA	**(48 965)**	**(210 041)**	**87 786**	**22 250**	**(148 970)**

Geografical areas	**Norway**	**Sweden**	**Other**	**Total**
Grossrevenue	810 077	1 527 598	2 382	2 340 057
Net revenue	631 242	517 861	2 382	1 151 485
Other operating income	44 660	658 874	-	703 534
Total external revenues	**675 902**	**1 176 735**	**2 382**	**1 855 019**
Internal revenues	16 717	3 677	-	20 394
Total revenues	**692 619**	**1 180 412**	**2 382**	**1 875 413**

Allocation between segments in 2018	**Aviation**	**Travel**	**Leisure**	**Other**	**Total**
External gross revenue	2 748 640	6 946 049	494 227	15 268	10 204 184
Net revenue	2 555 465	1 272 754	494 227	14 489	4 336 935
Other operating income	55 589	148	7 841	637	64 215
Total external revenues	**2 611 054**	**1 272 902**	**502 068**	**15 126**	**4 401 150**
Internal revenues	-	-	931	63 237	64 168
Total revenues	**2 611 054**	**1 272 902**	**502 999**	**78 363**	**4 465 318**
Cost of goods sold	-	(616 221)	(55 991)	(6 782)	(678 994)
Employee benefits expense	(738 424)	(295 900)	(200 558)	(30 315)	(1 265 197)
Other operating expenses	(1 976 110)	(310 308)	(170 500)	(19 843)	(2 476 761)
EBITDA	**(103 480)**	**50 473**	**75 950**	**21 423**	**44 366**

Geografical areas	**Norway**	**Sweden**	**Other**	**Total**
Gross revenue	2 293 217	7 804 428	106 539	10 204 184
Net revenue	728 183	3 502 526	106 226	4 336 935
Other operating income	16 769	46 988	458	64 215
Total external revenues	**744 952**	**3 549 514**	**106 684**	**4 401 150**
Internal revenues	40 036	5 129	-	45 165
Total revenues	**784 988**	**3 554 643**	**106 684**	**4 446 315**

NOTE 24. SUBSIDIARIES

Subsidiaries directly or indirectly controlled as of 31 December

Company	Acquisition/ incorporation date	Company no.	Location	Country	Share ownership 2020	Share ownership 2019
Braganza AS	2013	912 414 353	Oslo	Norway	100 %	100 %
Braathens Travel Group AB [1]	2010	556445-4170	Stockholm	Sweden	100 %	100 %
Ticket Leisure Travel Group AB [1]	2010	556428-9592	Stockholm	Sweden	97 %	96 %
Dyreparken Utvikling AS [1]	2001	990 903 700	Kristiansand	Norway	94 %	97 %
Kristiansand Hotell AS	2016	980.406.563	Kristiansand	Norway	100 %	100 %
Badeland Eiendom AS	2018	894 542 012	Kristiansand	Norway	100 %	100 %
Dyreparken Eiendom AS	2018	990 690 480	Kristiansand	Norway	100 %	100 %
Wayday Travel AS [1]	2007	991 353 305	Oslo	Norway	93 %	93 %
Braganza II AB	1999	556575-4438	Stockholm	Sweden	100 %	100 %
Braathens Group AB	2007	556727-6224	Stockholm	Sweden	Merged	100 %
Braathens Aviation AS	1989	955 309 847	Oslo	Norway	100 %	100 %
Formentera AS	1997	978 666 259	Oslo	Norway	100 %	100 %
Bramora AS	2005	988 030 635	Oslo	Norway	100 %	100 %
Breibukt Holding AS [1]	2006	989 332 619	Oslo	Norway	95 %	95 %
Braathens Aviation AB [1]	2007	556747-6592	Malmö	Sweden	100 %	100 %
Braathens IT AS	2002	884 729 432	Lysaker	Norway	100 %	100 %
LG Braathens Rederi AS	2004	887 434 972	Oslo	Norway	Liquidated	51 %
Braconda AS	2003	986 007 423	Oslo	Norway	100 %	100 %
Braathens Travel Group AS	2002	984 686 625	Oslo	Norway	Merged	100 %
Bralanta AS	2008	992 958 650	Oslo	Norway	Merged	100 %
Escape Travel Group AS [1]	2018	921 380 496	Oslo	Norway	95 %	95 %
Stay AS	2008	986 572 155	Oslo	Norway	Merged	100 %
Ticket Commercial Ltd	2012	7110286	London	United Kingdom	100 %	100 %
Braathens Domains Ltd	2012	7110139	London	United Kingdom	100 %	100 %
Braganza Group 2 AB	2013	556938-7524	Stockholm	Sweden	Merged	100 %
Bramora AB	2013	556938-7367	Stockholm	Sweden	Merged	100 %
Bralanta AB	2013	556938-7375	Stockholm	Sweden	100 %	100 %
Braconda AB	2013	556938-7516	Stockholm	Sweden	Merged	100 %
Ludv. G. Braathens Rederi AB	2013	556938-7508	Stockholm	Sweden	Merged	100 %
Bradana AS	2014	945 736 755	Oslo	Norway	100 %	100 %
ATR 72 MSN 1341 AS	2017	919 407 360	Oslo	Norge	100 %	100 %

1) Including subsidiaries not listed in this note.

NOTE 25. EVENTS AFTER THE REPORTING PERIOD

Subsequent to year end no events have occurred that would have affected the financial statements in a significant way as of 31 December 2020.

In February 2021, Ticket Leisure Travel Group received a loan from the parent company of MSEK 50 and a government guaranteed loan in Norway of MNOK 50.

By the end of March Braganza injected MSEK 100 as new equity into Braathens Aviation AB. At the same time, Braathens Regional Airways AB drew down a bank loan of MSEK 200. The loan is backed by a Swedish State guarantee.
During the first quarter, Braathens Aviation AB negotiated with the company's aircraft financiers and lessors and an agreement was reached on relief in lease payments during 2021, corresponding to a positive cash flow effect of approximately SEK 60 million. BRA restarted with regular traffic in May, 2021. Ticket sales began on 8 April. From 12 May, BRA operates five destinations. At the end of June another five lines will be added and at the end of August, the timetable will be strengthened and additional lines will be launched.

COVID-19
2021 started with lockdowns and restrictions due to the continued second wave in Europe. A third wave led to new restrictions in February and March. Many restrictions are still in place at the end of May.

The travel agents in Ticket and the tour operators in Escape Travel Group have experienced low demand in the first quarter of 2021. Ticket has in the first four months of 2021 sales that are 19 percent ahead of a modest budget. In Escape Travel the sales for 2021 are in line with budget for the first four months of the year. For Escape the early bookings per May for 2022 are strong with a 60 percent increase compared to early bookings for 2020 as of May 2019.

The lockdowns were still in place at the end of April. From May both Denmark and Norway started a slowly reopening. Domestic travel restrictions in Norway were eased from 27 May while the ban on international travel runs until 1 July. Denmark opened 17 May for travel to Portugal, Mallorca, the Canary Islands and Malta for people with a valid corona pass. The vaccination programs started slowly in January in all our markets. By the end of May some 30% of the adult population have received the first dose and 15% have been fully vaccinated.

Kristiansand Dyrepark has stayed open since 1 January. The water park opened 24 April. Sales for the summer peak season are strong reflecting most Norwegians' plan of spending summer in Norway.

BRAGANZA AB – PARENT COMPANY

The board and managing director of Braganza AB hereby submit the annual report for the financial year 1 January 2020 – 31 December 2020.

ADMINISTRATION REPORT

Accounting principles

The Annual Report is prepared in accordance with BFNAR 2012: 1 Annual Report ("K3").

Proposal for the appropriation of profits

The following profits are available for appropriation at the annual general meeting:

Profit brought forward	1 063 685 749
Profit for the year	-14 223 187
Sum	**1 049 462 562**

The board and managing director proposes that:

To be carried forward	1 049 462 562
Sum	**1 049 462 562**

Please refer to the following income statement, balance sheet, cash flow statement and additional information regarding the company's profits and financial position in general. All amounts are in thousand Swedish kronor unless otherwise indicated.

BRAGANZA AB – PARENT COMPANY

(Amount in TSEK)

INCOME STATEMENT	Note	2020	2019
Net sales		10 294	11 746
Other income		581	324
Revenue		**10 875**	**12 070**
Other external costs	1	-21 181	-28 542
Personnel costs	2	-4 090	-3 345
Operating expenses		**-25 271**	**-31 887**
Operating profit		**-14 396**	**-19 817**
Result from financial investments			
Result from participations in group companies	3	0	16 679
Result from long-term securities	4	12 859	-132 141
Other interest income and similar items	5	34 498	41 569
Interest expense and similar items	6	-46 325	-21 672
Write-downs of financial fixed assets and short-term investments	3	-859	-8 898
Financial items		**173**	**-104 465**
Profit/ after financial items		**-14 223**	**-124 282**
Change in tax allocation reserve		-	-
Received group contribution		-	3 708
Tax on profit for the year	7	-	-
NET PROFIT FOR THE YEAR		**-14 223**	**-120 574**

BALANCE SHEET

(Amount in TSEK)

ASSETS	Note	2020	2019
Fixed assets			
Intangible assets			
Intellectual property rights, brands and other intangible assets	9	3 438	3 438
Total intangible assets		**3 438**	**3 438**
Financial assets			
Shares in group companies	3	909 842	907 751
Receivables from group companies		253 613	332 091
Shares in associated companies	8	5 270	5 270
Other long-term securities	4	117 605	153 231
Other long-term receivables		20 479	109 593
Total financial assets		**1 306 809**	**1 507 936**
Total fixed assets		**1 310 247**	**1 511 374**
Current assets			
Current receivables			
Accounts receivables		33	0
Receivables from group companies		2 064	64 470
Other receivables		19	-
Total current receivables		**2 116**	**64 470**
Cash and bank balances		**205 927**	**241 599**
Total current assets		**208 043**	**306 069**
TOTAL ASSETS		**1 518 290**	**1 817 443**

BALANCE SHEET

(Amount in TSEK)

EQUITY AND LIABILITIES	Note	2020	2019
Equity			
Restricted equity			
Share capital		46 087	46 087
Total restricted equity		**46 087**	**46 087**
Non-restricted equity			
Profit brought forward		1 063 686	1 184 259
Profit for the year		-14 223	-120 574
Total non-restricted equity		**1 049 462**	**1 063 686**
Total equity		**1 095 550**	**1 109 773**
Liabilities			
Long-term liabilities			
Liabilities to group companies		163 662	169 366
Other long-term liabilities		47 898	51 045
Total long-term liabilities		**211 560**	**220 411**
Current liabilities			
Accounts payable – trade		190	166
Liabilities to group companies		191 403	483 720
Other short-term debt		17 071	525
Accrued expenses and deferred income		2 517	2 848
Income tax liability	7	-	-
Total current liabilities		**211 180**	**487 259**
TOTAL EQUITY AND LIABILITIES		**1 518 290**	**1 817 443**

CHANGE IN EQUITY

(Amounts in SEK 1000)

	Restricted equity	Non-restricted equity		
	Share capital	**Retained earnings**	**Profit for the period**	**Total equity**
Equity at January 1, 2019	**46 087**	**1 184 838**	**12 421**	**1 243 346**
Profit brought forward		12 421	-12 421	**0**
Net profit for the year			**-120 574**	**-120 574**
Dividend		-13 000		-13 000
Equity at December 31, 2019	**46 087**	**1 184 259**	**-120 574**	**1 109 773**

	Share capital	Retained earnings	Profit for the period	Total equity
Equity at January 1, 2020	**46 087**	**1 184 259**	**-120 574**	**1 109 773**
Profit brought forward		-120 574	120 574	**0**
Net profit for the year			**-14 223**	**-14 223**
Dividend				
Equity at December 31, 2020	**46 087**	**1 063 685**	**-14 223**	**1 109 550**

CASH FLOW STATEMENT 1.1 – 31.12

(Amount in TSEK)

		2020	2019
Cash flows from operating activities			
Profit/loss after financial items		-14 223	-124 282
Adjustment for non-cash items			
Write-downs shares in subsidiaries	3	859	8 898
Write-downs shares in subsidaries	4	34 414	135 548
Capital gains		-49 283	-16 752
Unrealized change in value		-	1 568
Income tax paid		-	-
Cash flow from operating activities before changes in working capital		**-28 233**	**4 981**
Changes in working capital			
Changes in current receivables		62 325	-25 833
Changes in current liabilities		-276 078	65 713
Cash flows from operating activities		**-241 986**	**44 861**
Cash flows from investing activities			
Paid shareholder contribution		-	-
Acquisition of intangible assets		-	-
Acquisition of shares in associated companies		-	-
Disposal of shares in associated companies		-	-
Acquisition of shares in subsidiaries	3	- 2 950	-
Disposal of shares in subsidiaries		-	20 576
Acquisition of other long-term securities	4	-60 038	-127 574
Disposal of other long-term securities		110 550	
Cash flow after investing activities		**47 562**	**-106 998**
Cash flows from financing activities			
Group contribution received / paid		-	3 709
Paid dividend		-	-13 000
Changes in non-current receivables		167 603	-98 927
Changes in non-current liabilities		-8 851	-33 611
Cash flow from financing activities		**158 752**	**-141 879**
Cash flow of the year		**-35 672**	**-204 016**
Cash & cash equivalents at beginning of period		**241 599**	**447 183**
Change in value in cash & cash equivalents		**-**	**-1 568**
CASH & CASH EQUIVALENTS AT END OF YEAR		**205 927**	**241 599**

NOTES

(Amount in TSEK)

NOTE 1. DISCLOSURE OF AUDIT FEE AND COST REIMBURSEMENTS

	2020	2019
Deloitte AB		
Statutory audit fee	275	275
Other assurance services	-	-
Tax advisory fee	-	-
Other non-audit services	-	-
Total	**275**	**275**

NOTE 2. PERSONNELL

Average number of employees, distribution between men and woman	2020	2019
Women	-	-
Men	1	1
Total	**1**	**1**

Distribution senior management	2020	2019
Women:		
- The board of directors	-	-
- Senior management and managing director	0	0
Men:		
- The board of directors	6	6
- Senior management and managing director	3	3
Total	**9**	**9**

Salaries and remunerations	2020	2019
The board and managing director	1 061	1 280
Other employees	2 299	1 473
Total salaries and remunerations	**3 360**	**2 753**
Social security charges according to law and union contract	728	592
Pension costs	-	-
Total salaries, remunerations, social security charges and pension costs	**4 088**	**3 345**

NOTE 3. SHARES IN GROUP COMPANIES

	2020	2019
Acquisition value brought forward	907 751	920 475
Write-down Waday Travel AS	-859	-4 800
Write-down Bradana AS	-	-4 100
Disposal shares Breibukt Holding AS	-	-833
Disposal shares Dyreparken Utvikling AS	-	-2 991
Shares bought in Gyreparken Utvikling AS	2 950	-
Residual value carried forward	**909 842**	**907 751**

Directly controlled	Corporate identity number	Location	Number of shares	Share ownership	Book value
Braganza AS	912414353	Oslo	101 410	100 %	15 183
Braathens Aviation AS	955308847	Oslo	1 400 000	100 %	98 627
Wayday Travel AS	991353305	Oslo	9 300	93 %	-
Braganza II AB	556575-4438	Stockholm	2 000	100 %	357 626
Bramora AS	988030635	Oslo	10 000	100 %	28 191
Breibukt Holding AS	989332619	Oslo	890 910	95 %	15 836
Braathens Travel Group AB	556445-4170	Stockholm	33 518 360	100 %	208 978
Dyreparken Utvikling AS	990903700	Kristiansand	940 100	94 %	95 657
Formentera AS	978668259	Oslo	10 000	100 %	57 002
Bradana AS	945736755	Oslo	5 000	100 %	32 742
Sum					**909 842**

Result from participations in group companies	2020	2019
Capital gains	0	6 885
Dividend	0	9 794
Total	**0**	**16 679**

NOTE 4. OTHER LONG-TERM SECURITIES

	2020	2019
Book value brought forward	288 779	161 205
Acquisitions	60 038	127 574
Disposals	-61 250	
Total	**287 567**	**288 779**
Write-down brought forward	**-135 548**	**-**
Write-downs	-34 414	-135 548-
Total	**117 605**	**153 231**

Result from other long-term securities	2020	2019
Capital gains	47 273	1 809
Write-downs	-34 414	135 548
Dividend	0	1 597
Sum	**12 859**	**138 954**

NOTE 5. OTHER INTEREST INCOME AND SIMILAR ITEMS

	2020	2019
Interest income	5 097	13 566
Interest income, subsidiaries	9 991	9 239
Unrealized change in value	0	1 568
Exchange differences	19 410	17 196
Total	**34 498**	**41 589**

NOTE 6. INTEREST EXPENSE AND SIMILAR ITEMS

	2020	2019
Interest expenses	-2 591	-1 760
Interest expenses, subsidiaries	-5 488	-9 554
Exchange differences	-38 246	-10 359
Total	**- 46 325**	**- 21 672**

NOTE 7. TAX

	2020	2019
Current tax	-	-
Total	**-**	**-**
Components of tax on profit for the year:		
Profit before tax	-14 223	-120 574
Tax rate 21,4% (22%)	3 044	25 803
Tax effect of:		
Non-deductible expenses	- 16 032	- 30 912
Non-taxable income	18 090	3 660
Deficit for which deferred tax has not been accounted for	5 102	668
Net interest income from other group companies	-	2 116
Total	**-**	**-**

NOTE 8. SHARES IN ASSOCIATED COMPANIES

	2020	2019
Book value brought forward	5 270	5 270
Acquisition of shares in Peer Gynt AS	-	-
Total	**5 270**	**5 270**

Company	Corporate identity number	Location	Number of shares	Share ownership %	Book value
Peer Gynt AS	965 407 375	Nord-Fron	5 000 000	50 %	5 270
Total					**5 270**

NOTE 9. INTANGIBLE ASSETS

	2020	2019
Acquisition value brought forward	3 438	-
Investment of the year	-	3 438
Accumulated acquisition value carried forward	**3 438**	**3 438**
Depreciation value brought forward	-	-
Depreciations	-	-
Accumulated depreciation carried forward	**-**	**-**
Total	**3 438**	**3 438**

NOTE 10. PROPOSAL FOR THE APPROPRIATIONS OF PROFITS

The following profits are available for appropriation at the annual general meeting:

Profit brought forward	1 063 685 749
Profit for the year	-14 223 187
Sum	**1 095 549 562**

The board and managing director proposes that:

To be carried forward	1 095 549 562
Sum	**1 095 549 562**

The board of directors proposes the above appropriation of profits on the ordinary General Meeting in 2021, which is deemed to be justifiable taking into account the nature and risk of the business as well as the equity and cash position.

NOTE 11. PLEDGED ASSETS AND CONTINGENT LIABILITIES

	2020	2019
Pledged assets	None	None
Contingent liabilities	None	None

NOTE 12. SUBSEQUENT EVENTS

Subsequent to year end no events have occurred that would have affected the financial statements in a significant way as of 31 December 2020.

Stockholm 2021

Per G. Braathen
Managing Director

Björn Fröling

Gunnar Grosvold

Geir Stormorken

Stephan Lange Jervell

Vagn O. Sørensen

Our audit report was submitted on 2021

Deloitte AB

Richard Peters
Authorized public accountant

AUDITOR'S REPORT

To the general meeting of the shareholders of Braganza AB
corporate identity number 556930-1541

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Braganza AB for the financial year 2020-01-01 - 2020-12-31.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company and the group as of 31 December 2020 and their financial performance and cash flow 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 and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 consolidated 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 and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group'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

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

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

- Identify and assess the risks of material misstatement of the annual accounts and consolidated 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 our 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 our 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 and consolidated accounts. We 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 and the group´s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to

draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

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

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Braganza AB for the financial year 2020-01-01 - 2020-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the loss to be dealt with 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

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 and the group's type of operations, size and risks place on the size of the parent company's and the group'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 and the group´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

Our objective concerning the audit of the administration, and thereby our 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.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our 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, we 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 our professional judgment with starting point in risk and materiality. This means that we 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. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Malmö / 2021

Deloitte AB

Signature on Swedish original

Richard Peters
Authorized Public Accountant

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