

# ANNUAL REPORT

## THE BRAGANZA GROUP 2021



**BRAGANZA**

# BRAGANZA GROUP 2021

## DIRECTORS' REPORT BRAGANZA GROUP

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# BRAGANZA AB

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The board and the managing director of Braganza AB hereby submit the annual report and consolidated group accounts for the financial year 2021.

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 aviation 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 600 MSEK 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.

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## THE GROUP

By year-end 2021 the Group consists of the holding companies Braganza AB and Braganza II AB which in turn own the main operating holding companies Dyreparken Utvikling AS, Ticket Leisure Travel AB, Escape Travel

Group AS and 81% of Braathens Regional Airlines (BRA) AB. All group companies are listed in note [24] to the Financial Statements.

## FINANCIAL OVERVIEW OF THE MAIN OPERATING COMPANIES 2021 (2020):

BRA	TURNOVER	602 MSEK	(1 123 MSEK)
	EBITDA	-115 MSEK	(-52 MSEK)
	FTE	249	(459)
TICKET	TURNOVER	1 320 MSEK	(574 MSEK)
	EBITDA	-71 MSEK	(-174 MSEK)
	FTE	220	(282)
DYREPARKEN	TURNOVER	588 MSEK	(473 MSEK)
	EBITDA	116 MSEK	(88 MSEK)
	FTE	356	(250)
ESCAPE	TURNOVER	233 MSEK	(162 MSEK)
	EBITDA	-13 MSEK	(-34 MSEK)
	FTE	48	(51)

**Braathens Regional Airlines (BRA) AB** AB is the holding company for the airline operations. BRA has its office in Stockholm and has for many years been the second largest operator in the Swedish domestic market. With Stockholm Bromma as a hub, passengers enjoy a broad domestic network and coordinated timetables allowing for efficient transfers and frequent flights.

As a direct consequence of the Covid pandemic, BRA and most of its subsidiaries went through a financial restructuring ending in September 2020. During the first quarter of 2021, BRA's finances were considerably strengthened by new equity of 100 MSEK and a bank loan of 200 MSEK guaranteed by the Swedish State as part of its Covid-related support measures.

Only in May 2021 did the airline restart scheduled operations, and by September all 12 aircraft were back in operation. The restart was better or at par with the plan until the Omicron variant took hold just before year end. In October, AMF invested 200 MSEK for a 19% stake in BRA, and at year end the airline had a strong cash position. BRA has relaunched operations with a strong emphasis on environmental issues including an industry leading ambition of reaching "net zero" by 2030.

**Ticket Leisure Travel Group AB** includes Ticket Privatesor 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 some 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 2021 the turnover increased by 130% compared to 2020.

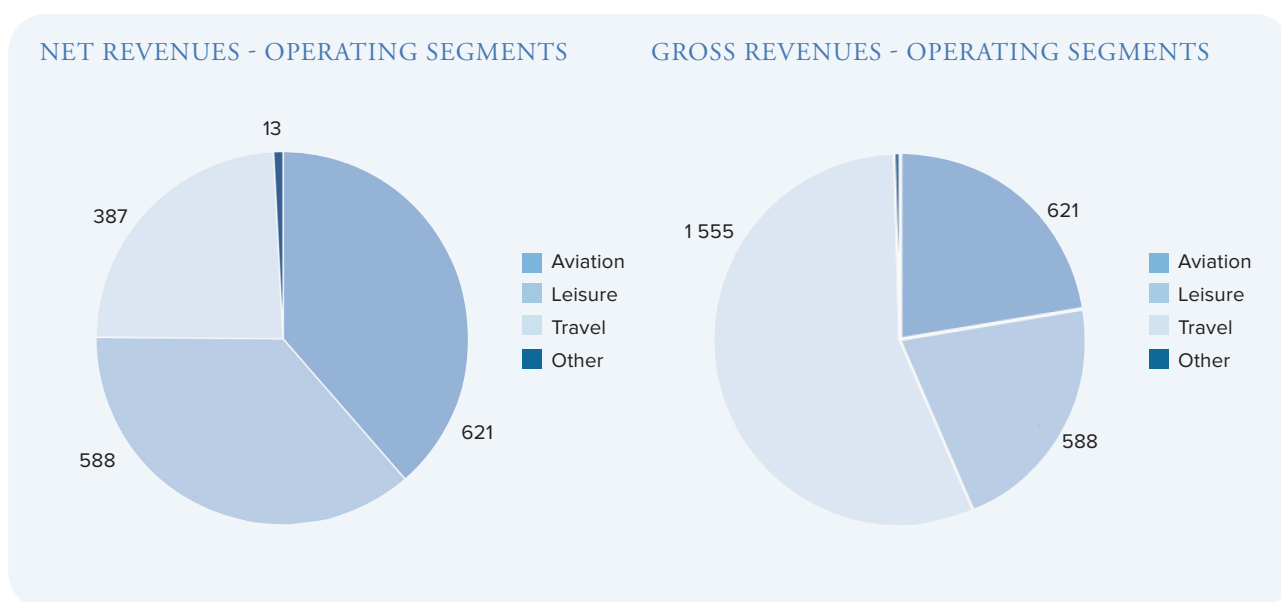
**Dyreparken Utvikling AS** is the holding company for Dyreparken located in Kristiansand. Over many years, Dyreparken has maintained its position as the largest and most visited family attraction in Norway. With its combination of zoo and amusement park, water park, evening shows and themed accommodation, Dyreparken is an all-round, four seasons destination. 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 conservation 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. 2021 was another very good year for Dyreparken with more than 1.1million guests and profitability above expectations. Enhanced health and safety measures were in place to secure a safe visit in the 160 acres park and the resort hotel and accommodation villages. The park stayed open every day of 2021 and had a very good peak season.

**Escape TravelGroup AS** is the holding company for the tour operators in Braganza. Escape Travel Sweden focuses on group travel and has its strengths in active holidays, sport tours, river cruises, conferences and events. Escape

Travel Norway was until 2020 the fourth largest tour operator in the Norwegian market after Ving, TUI and Apollo. In 2021 it was surpassed by its Oslo-based sister company Escapeaway AS – the online tour operator selling flights and hotels for individual travel in Denmark, Sweden and Norway. In November 2021 the brand Solfaktor became part of Escapeaway. In January 2022 Solfaktor was launched with its own websites in Norway, Sweden and Denmark. Carpe Diem, a brand under Escape Travel AS, is market leader in Norway in the niche for individual holidaymakers who want to travel with a group. Escape Travel in Denmark is an agent for the Escapeaway brands. The second year of the pandemic saw increased departure volumes from July until December compared to 2020 for the tour operators in the group.

## ALLOCATION OF REVENUE BY OPERATING SEGMENTS (MSEK):



## 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](http://www.braganza.com).

## RISK FACTORS

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

Financial risk in the Group relates primarily to foreign currency and fuel prices, and particularly exposure to US

dollar and EUR for 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 are low, as the customer prepays most products sold by Group companies.

## ACCOUNTS – 2021

2021 GROUP	2020 GROUP	2021 PARENT COMPANY	2020 PARENT COMPANY
Net revenue 1 610 MSEK	Net revenue 1 855 MSEK	Net revenue 8 MSEK	Net revenue 11 MSEK
EBITDA -25 MSEK	EBITDA -149 MSEK	EBITDA -13 MSEK	EBITDA -14 MSEK
Operating loss -171 MSEK	Operating loss -336 MSEK	Operating loss -13 MSEK	Operating loss -14 MSEK
Net financial 14 MSEK	Net financial -33 MSEK	Net financial 96 MSEK	Net financial -0 MSEK
EBT -158 MSEK	EBT -369 MSEK	Profit/(loss) 84 MSEK	Profit/(loss) -14 MSEK

The consolidated financial statements for 2021 show a loss before depreciation and financial items (EBITDA) of -25 MSEK, compared to -149 MSEK for 2020. The parent company's result before tax for 2021 was 84 MSEK.

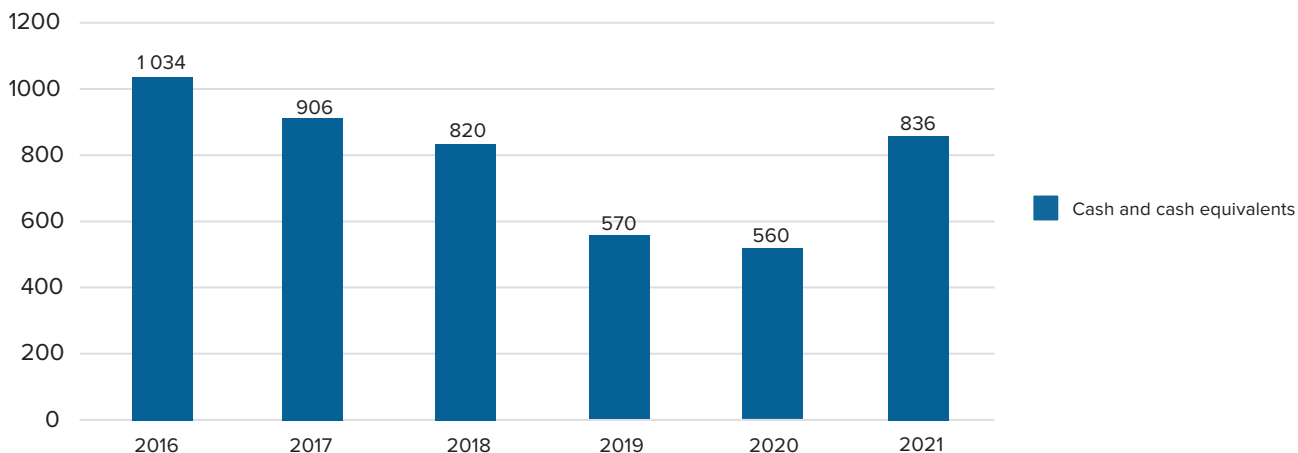
At 31 December 2021, the Group had an equity base of 974 MSEK. The parent company's equity was 1 179 MSEK as of 31 December 2021. The parent company has distributable

reserves of 1 133 MSEK. The Board confirms that the going concern assumption is valid and that the accounts have been prepared on a going concern basis.

The Group's cash position at 31 December 2021 was 836 MSEK. The parent company's cash position at 31 December 2021 was 149 MSEK. The development in the Group's cash position over the last six years is shown below in MSEK.

## CASH AND CASH EQUIVALENTS – GROUP

(MSEK)



## WORKING CONDITIONS AND ENVIRONMENT

The working environment is satisfactory. There have been no reported serious injuries or serious accidents in the Group in 2021. There have been no reported cases of discrimination. The Group had an average of 880 FTEs in 2021. 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 2022

The Group intends to continue developing its industrial investments through active ownership and support.

The coronavirus pandemic is only to a limited extent impacting Braganza's travel related companies as of May 2022. The Russian invasion of Ukraine on 24 February led to reduced sales for Ticket and the Group's tour operator. Since April sales have picked up again. The inflationary environment has not yet dampened post-Covid optimism for our companies. After two years with limited travel, consumers seem determined to spend savings on a holiday.

Dyreparken is on track for another strong year. All other portfolio companies are currently experiencing significantly stronger trading than last year.

## EVENTS AFTER BALANCE SHEET DATE

In February 2022, Ticket Leisure Travel Group repaid its government guaranteed loan in Norway of MNOK 50.

## PROPOSED APPROPRIATION OF 2021 PROFIT

The board of directors propose the following appropriation of the available profit	1 133 242 TSEK
<b>To be carried forward</b>	<b>1 133 242 TSEK</b>

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	2021	2020
Gross revenue		2.776.751	2.340.057
Net Revenue		1.422.688	1.151.485
Other operating income	3	186.883	703.534
<b>Total revenue</b>		<b>1.609.571</b>	<b>1.855.019</b>
Cost of goods sold		-255.748	-171.416
Employee benefits expense	4, 5	-538.656	-770.395
Other operating expenses	3, 4	-839.913	-1.062.178
<b>Total operating expenses</b>		<b>-1.634.317</b>	<b>-2.003.989</b>
<b>EBITDA</b>		<b>-24.746</b>	<b>-148.970</b>
Depreciation and amortisation expenses	6, 7	-147.558	-179.742
Income/Loss from discontinued operations		-	-7.377
<b>Operating profit / (loss)</b>		<b>-172.304</b>	<b>-336.089</b>
Income from investments in associates	9	-718	-823
Other interest income		3.417	6.131
Other financial income	8, 10	11.804	81.729
Impairment of financial assets	13	37.828	-34.414
Other interest expense		-23.045	-19.932
Other financial expenses	10	-15.465	-65.519
<b>Net financial income / (loss)</b>		<b>13.821</b>	<b>-32.828</b>
<b>Profit / (loss) before income tax</b>		<b>-158.483</b>	<b>-368.917</b>
Income tax expense	11	-10.668	50.641
<b>Net profit / (loss)</b>		<b>-169.151</b>	<b>-318.276</b>
<b>Attributable to:</b>			
Braganza shareholders		-166.235	-317.624
Non-controlling interests		-2.916	-652

## BRAGANZA AB CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER

Amounts in TSEK	Notes	2021	2020
Brands and other intangible assets		258.504	272.936
Goodwill		18.603	30.577
<b>Total intangible assets</b>	6	<b>277.106</b>	<b>303.513</b>
Properties and land		581.015	545.692
Aircraft, engines and similar		1.018.716	1.061.958
Construction in progress and pre-payments		1.545	4.448
Equipment		62.415	59.939
<b>Total tangible assets</b>	7, 12	<b>1.663.692</b>	<b>1.672.036</b>
Deferred tax asset	11	-	-
Investments in associates	9	8.309	7.903
Loans to associates		2.121	1.975
Net pension plan asset	5	2.964	2.600
Long term investments	13	188.514	137.009
Long term receivables	14	66.226	81.556
<b>Total financial assets</b>		<b>268.134</b>	<b>231.042</b>
<b>Total non current assets</b>		<b>2.208.933</b>	<b>2.206.591</b>
Finished goods		51.903	25.364
Accounts receivable		51.073	29.156
Other receivables		222.345	119.426
Prepayments and accrued income	16	103.947	87.774
<b>Total receivables</b>		<b>377.364</b>	<b>236.355</b>
Cash and cash equivalents	17	836.406	560.370
<b>Total current assets</b>		<b>1.265.673</b>	<b>822.090</b>
<b>Total assets</b>		<b>3.474.606</b>	<b>3.028.681</b>

## BRAGANZA AB CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER

Amounts in TSEK	Notes	2021	2020
Share capital	18	46.086	46.086
Additional paid in capital		-	-
<b>Total restricted equity</b>		<b>46.086</b>	<b>46.086</b>
Free reserves		1.054.253	1.161.944
Profit for the year		-166.235	-317.625
<b>Total accumulated profits</b>		<b>888.018</b>	<b>844.319</b>
<b>Non-controlling interests</b>		<b>39.652</b>	<b>9.382</b>
<b>Total equity</b>		<b>973.756</b>	<b>899.787</b>
Pension obligations	5	-	-
Deferred tax liability	11	23.906	20.780
Heavy Maintenance		98.721	-
<b>Total provisions</b>		<b>122.627</b>	<b>20.780</b>
Liabilities to financial institutions	19	1.038.138	914.584
Other long term liabilities	20	96.022	47.898
<b>Total other non current liabilities</b>		<b>1.134.160</b>	<b>962.482</b>
Liabilities to financial institutions	19	203.375	109.358
Accounts payable		173.829	122.038
Income tax payable	11	14.184	9.998
Public duties payable		20.230	33.587
Other short term liabilities		135.706	196.108
Accrued expenses and deferred income	20	696.738	674.543
<b>Total current liabilities</b>		<b>1.244.062</b>	<b>1.145.633</b>
<b>Total Liabilities</b>		<b>2.500.850</b>	<b>2.128.894</b>
<b>Total equity and liabilities</b>		<b>3.474.606</b>	<b>3.028.681</b>

## BRAGANZA AB CONSOLIDATED CASH FLOW STATEMENT 1.1 – 31.12

Amount in TSEK	Notes	2021	2020
<b>Cash flow from operating activities</b>			
Operating profit / (loss)		-172.304	-336.089
Interest received		3.417	6.131
Interest paid		-23.045	-19.932
Other financial income net		-3.587	16.501
Income tax payable		-10.317	-14.600
Gain (-) / loss from disposal of non current assets		-18.788	-55.349
Gain (-) / loss from disposal of operations		-	5.406
Depreciation and amortisation expenses	6, 7	147.178	170.490
Impairment of non current assets	6	381	9.250
<b>Cash flow from operating activities</b>		<b>-77.065</b>	<b>-218.191</b>
<b>Cash flow from working capital</b>			
Changes in finished goods		-26.539	24.582
Changes in accounts receivable		-21.912	63.722
Changes in accounts payable		51.564	-127.148
Difference between recognized pension cost and actual payments		-364	-4.434
Changes in other accruals		-64.459	10.944
Currency adjustments operating activities		-	-
<b>Net cash flow from operating activities</b>		<b>-138.775</b>	<b>-250.524</b>
<b>Cash flow from investing activities</b>			
Proceeds from disposal of tangible non current assets		29.916	47.757
Proceeds from disposal of operations		-	54
Purchase of tangible and intangible assets	6, 7	-54.125	-58.394
Purchase of shares	9, 13	-13.397	-60.295
Net proceeds from disposal of shares		-	117.717
Aquisition of subsidiary, net of cash aquired	22	2.648	-
Change in long term receivables		15.183	209.935
Currency adjustments investing activities		-	-
<b>Net cash flow from investing activities</b>		<b>-19.776</b>	<b>256.774</b>
<b>Cash flow from financing activities</b>			
Proceeds from borrowings	19, 20	325.526	-
Down payments borrowings	19, 20	-62.783	-56.645
Changes in bank overdraft		-	3.575
Equity proceeds / Repayment		194.665	-
Dividends		-	-19.263
<b>Net cash flow from financing activities</b>		<b>457.408</b>	<b>-72.333</b>
Net change in cash and cash equivalents		298.858	-66.083
Effect of exchange rate differences on cash and cash equivalents		-22.822	56.756
Cash and cash equivalents at 01.01	17	560.370	569.698
<b>Cash and cash equivalents at 31.12</b>	17	<b>836.406</b>	<b>560.370</b>

## 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
<b>Equity at 1 January, 2020</b>	<b>46.086</b>	-	<b>1.230.842</b>	<b>1.276.928</b>	<b>34.816</b>	<b>1.311.744</b>
Profit for the year		-	-317.624	<b>-317.624</b>	-652	-318.276
<b>Change in carrying amount for assets and liabilities</b>						
Translation differences			-70.429	<b>-70.429</b>	-3.989	<b>-74.418</b>
<b>Total change in carrying amount</b>	-	-	<b>-70.429</b>	<b>-70.429</b>	<b>-3.989</b>	<b>-74.418</b>
<b>Transactions with owners:</b>						
Purchase from (-)/ Sales to (+) non-controlling interests			1.530	<b>1.530</b>	-1.530	-
Payment of dividends			-	-	-19.263	<b>-19.263</b>
<b>Total transactions with owners</b>	-	-	<b>1.530</b>	<b>1.530</b>	<b>-20.793</b>	<b>-19.263</b>
<b>Equity at December 31, 2020</b>	<b>46.086</b>	-	<b>844.319</b>	<b>890.405</b>	<b>9.382</b>	<b>899.787</b>
<b>Equity at 1 January, 2021</b>	<b>46.086</b>	-	<b>844.319</b>	<b>890.405</b>	<b>9.382</b>	<b>899.787</b>
Profit for the year		-	-166.235	<b>-166.235</b>	-2.916	<b>-169.151</b>
<b>Change in carrying amount for assets and liabilities</b>						
Translation differences			47.427	<b>47.427</b>	1.029	<b>48.456</b>
<b>Total change in carrying amount</b>	-	-	<b>47.427</b>	<b>47.427</b>	<b>1.029</b>	<b>48.456</b>
<b>Transactions with owners:</b>						
Purchase from (-)/ Sales to (+) non-controlling interests			162.508	<b>162.508</b>	32.157	194.665
Payment of dividends			-	-	-	-
<b>Total transactions with owners</b>	-	-	<b>162.508</b>	<b>162.508</b>	<b>32.157</b>	<b>194.665</b>
<b>Equity at December 31, 2021</b>	<b>46.086</b>	-	<b>888.019</b>	<b>934.105</b>	<b>39.652</b>	<b>973.756</b>

## 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. BRA, Dyreparken, Ticket and Escape Travel are the company's largest single investments. A significant proportion of the industrial business is located in Sweden.

Braganza's aviation business in Sweden is organised with Braathens Regional Airlines (BRA) AB as the holding company. The company is 81% owned by Braganza and 19% by AMF. The airline is trading under the brand BRA 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 pre-Covid transported more than two million passengers and has been named Sweden's best domestic airline for several successive years. After the court supervised formal restructuring in 2020, BRA has relaunched operations with a strong emphasis on environmental issues including an industry leading ambition of reaching "net zero" by 2030.

Dyreparken (Zoo and Amusement Park) was established some 60 years ago. 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 is an all-round, four seasons destination.

Ticket is the leading leisure travel agency in the Nordic region, with some 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 is a tour operator group focusing on customers throughout Scandinavia. The Escape companies particularly specialise in group travel and dynamic packaging of flights plus hotels.

## 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.

### USE OF ESTIMATES

Management has used estimates and assumptions that have affected assets, liabilities, income, expenses and information on potential liabilities in accordance with generally accepted accounting principles in Sweden. The most critical judgments and sources of potential uncertainty related to the preparation of the consolidated financial statements are detailed below.

Provisions for estimated costs of periodic overhaul and maintenance of aircraft are recognized except for less extensive/ongoing maintenance performed at least each year which is expensed as incurred. To some extent, the calculation of future maintenance costs is based on assumptions and estimates. No provision will be recognized for new aircraft and scheduled maintenance will be capitalized at the time for such maintenance and depreciated up until next scheduled maintenance.

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.

At each reporting date, the group considers if there are indications of reduced values of tangible and intangible assets. A value is considered reduced when the recoverable amount is less than book value. The recoverable amounts of cash generating units are determined based on value-in-use calculations. These calculations require use of estimates.

A customer loyalty program has been established. Bonus points can be used as payment for future ticket purchases etc. A current liability is recognized at the time of sale of tickets. The previous year's utilization of bonus points has been used to calculate the liability of the customer loyalty program and is in the balance sheet recognized at fair value.

### 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*

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.

*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 over the estimated useful life. Assets recognized in the balance sheet based on a financial lease agreement are depreciated over the expected leasing period. All significant assets are disaggregated to the extent necessary to ensure correct 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.

The depreciation period and method are assessed each year. A residual value is estimated at each year-end, and changes to the estimated residual value are recognized as a change in an estimate.

The cost of current maintenance, except for extensive aircraft maintenance described below, are expensed as incurred, whereas costs for improving and upgrading property, plant and equipment are added to the acquisition cost and depreciated with the related asset. 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.

Provisions are made for estimated costs of scheduled overhaul and maintenance of aircraft except for less extensive/ongoing maintenance performed at least each year which is expensed as incurred. The provision for overhaul and maintenance is based on cost estimates and historical data. The cost is allocated between the periods covered by the maintenance on a straight line basis. Differences between the provision and actual costs when the maintenance/overhaul is performed are recognized in the income statement. The provision is presented as "Other long term liabilities" in the balance sheet. No provision will be recognized for new aircraft and scheduled maintenance will be capitalized at the time for such maintenance and depreciated up until next scheduled maintenance.

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.

## LEASING

### *Finance leases*

Finance leases are leases under which the Group assumes most of the risk and return associated with the ownership of the asset. At the inception of the lease, finance leases are recognized at the lower of their fair value and the present value of the minimum lease payments, minus accumulated depreciation and impairment losses. When calculating the lease's present value, the implicit interest rate in the lease is used if it is possible to calculate this. If this cannot be calculated, the company's marginal borrowing rate is used. Direct costs linked to establishing the lease are included in the asset's cost price.

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 inception of operating leases are carried at amortized cost. The difference between the nominal value of a deposit paid, carried at less than market interest and its fair value, is considered as additional rent, payable to the lessor and is expensed on a straight-line basis over the lease term.

## **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.

#### *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 RIGHTS

The aviation sector is part of the European Emissions Trading Scheme (EU-ETS), where the Group pays for its carbon dioxide emissions. Obtained and purchased emission rights are reported from the 2018 financial year as inventories. Freely allocated emission rights that are received without consideration are market valued and reported as income when they are received. Consumed emission rights are expensed at acquisition value. If consumed allowances exceed the allowances held, this part is valued at the current market price at the time of closing. The emission rights are reported according to the FIFO method at the lower of acquisition price and replacement value.

#### 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 2019 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.

### 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:

	2021	2020
Gain on sale of fixed assets	18.804	28.636
Currency translation gain	634	61.705
Profit reconstruction	74.159	463.890
Government grant	67.602	88.082
Other (described below)	25.684	61.221
<b>Total</b>	<b>186.883</b>	<b>703.534</b>

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

Other operating expenses consists of:

	2021	2020
Aviation related costs	(374.596)	(340.030)
Cost of leases	(95.662)	(156.483)
Marketing costs	(55.371)	(69.949)
IT costs	(93.956)	(79.930)
External consultants, advisors etc.	(75.255)	(55.589)
Cost of travel	(392)	(16.355)
Other	(144.680)	(343.842)
<b>Total</b>	<b>(839.913)</b>	<b>(1.062.178)</b>

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

(Amounts in SEK 1000)

Salary and personnel costs:	Total for all employees	
	2021	2020
Salaries	406.762	554.473
Payroll tax	94.761	134.496
Pension costs	42.007	46.858
Other benefits	(4.873)	34.623
Capitalized Wage expenses	(1)	(56)
<b>Total</b>	<b>538.656</b>	<b>770.395</b>

### Average number of employees by gender and country

	2021			2020		
	Female	Male	Total	Female	Male	Total
Sweden	245	185	430	400	292	692
Norway	299	151	450	241	118	359
Spain	-	-	-	2	2	3
Denmark	-	-	-	-	-	-
Other	-	-	-	-	-	-
<b>Total</b>	<b>544</b>	<b>336</b>	<b>880</b>	<b>643</b>	<b>412</b>	<b>1.055</b>
	62 %	38 %		61 %	39 %	

### Management and board remuneration

	2021	2020
Salary and bonus	5.011	5.793
Other benefits	91	90
<b>Total</b>	<b>5.102</b>	<b>5.883</b>

There is no severance pay agreement.

Split senior management	2021	2020
Women:		
Members of board	-	-
Other senior management incl. MD	-	-
Men:		
Members of board	3	3
Other senior management incl. MD	3	3
<b>Total</b>	<b>6</b>	<b>6</b>

### Auditor

Specification of auditor's fees 2021 ex VAT

Group	Statutory audit fee	Other assurance services	Tax advisory fee	Other non-audit services	Total 2021
Deloitte	-3.647	-1.152	-142	-259	-5.200
Other auditors	-	-	-	-30	-30
<b>Total</b>	<b>-3.647</b>	<b>-1.152</b>	<b>-142</b>	<b>-289</b>	<b>-5.230</b>

Specification of auditor's fee 2020 (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	-	-142	-472
<b>Total</b>	<b>-4.256</b>	<b>-941</b>	<b>-224</b>	<b>-204</b>	<b>-5.625</b>

## NOTE 5. PENSIONS

(Amounts in SEK 1000)

	2021	2020
Service cost	(3.141)	(2.307)
Interest cost	-	-
Return on pension plan assets	-	-
Social security tax	(442)	(325)
Net pension costs, defined pension plans	(3.583)	(2.632)
<b>Pension cost defined contribution plans</b>	<b>-38.424</b>	<b>-44.226</b>
<b>Total net pension cost</b>	<b>(42.007)</b>	<b>(46.858)</b>
	<b>2021</b>	<b>2020</b>
Accrued pension obligations at 31.12	14.999	14.914
Estimated effect of future salary increase	-	-
Estimated pension obligations at 31.12	14.999	14.914
Pension plan assets (at market value) at 31.12	12.985	10.238
Unrecognised effects of actuarial gains/ losses	(6.092)	(5.819)
Social security tax	-	-
Currency adjustments	1.113	(1.457)
Net benefit obligations	(2.964)	(2.600)
Hereof recognized as Other long term receivables	2.964	2.600
Hereof recognized as Pension obligations	-	-
<b>Actuarial assumptions:</b>		
Discount rate	1,9 %	1,7 %
Salary increase	2,75 %	2,25 %
Return on plan assets	3,10 %	2,70 %

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
<b>1 January - 31 December 2021</b>			
Balance as of 1 January 2021	272.936	30.577	<b>303.513</b>
Additions	13.028	-	<b>13.028</b>
Additions from purchase of companies	-	-	-
Disposals	-	-	-
Disposals from sale of companies	-	-	-
Amortisation	(28.978)	(12.693)	<b>(41.671)</b>
Impairment loss	-	-	-
Currency translation differences	1.518	718	<b>2.236</b>
<b>Balance as of 31 december 2021</b>	<b>258.504</b>	<b>18.603</b>	<b>277.107</b>

<b>As of 31 December 2021</b>			
Cost of acquisition	497.320	117.052	<b>614.372</b>
Accumulated amortisation and impairment losses	(238.817)	(98.449)	<b>(337.265)</b>
<b>Balance as of 31 December 2021</b>	<b>258.504</b>	<b>18.603</b>	<b>277.107</b>

	Brands and other intangible assets	Goodwill	Total
<b>1 January - 31 December 2020</b>			
Balance as of 1 January 2020	270.550	62.484	<b>333.034</b>
Additions	6.812	-	<b>6.812</b>
Additions from purchase of companies	-	-	-
Reclassification	43.462	-	43.462
Disposals	-	-	-
Disposals from sale of companies	(382)	(5.024)	<b>(5.406)</b>
Amortisation	(44.945)	(15.970)	<b>(60.915)</b>
Impairment loss	(141)	(9.109)	<b>(9.250)</b>
Currency translation differences	(2.420)	(1.804)	<b>(4.223)</b>
<b>Balance as of 31 december 2020</b>	<b>272.936</b>	<b>30.577</b>	<b>303.513</b>

<b>As of 31 December 2020</b>			
Cost of acquisition	482.596	151.441	<b>634.037</b>
Accumulated amortisation and impairment losses	(209.661)	(120.864)	<b>(330.525)</b>
<b>Balance as of 31 December 2020</b>	<b>272.936</b>	<b>30.577</b>	<b>303.513</b>

**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
Signatours	6.815	5 years
Cruise.no	4.846	5 years
Prima Travel	6.942	5 years
<b>Total</b>	<b>18.603</b>	

## NOTE 7. TANGIBLE ASSETS

(Amounts in SEK 1000)

	Properties and land	Aircraft, engines and similar <sup>1</sup>	Construction in progress	Equipment	Total
<b>1 January - 31 December 2021</b>					
Balance as of 1 January 2021	545.691	1.061.958	4.448	59.939	<b>1.672.036</b>
Additions	27.327	-	(2.903)	16.673	<b>41.097</b>
Additions from purchase of companies	-	-	-	6	<b>6</b>
Disposals	-	(11.491)	-	363	<b>(11.128)</b>
Disposals from sale of companies	-	-	-	-	<b>-</b>
Amortisation	(29.176)	(59.708)	-	(16.622)	<b>(105.506)</b>
Impairment loss	-	-	-	(381)	<b>(381)</b>
Currency translation differences	37.173	27.957	-	2.436	<b>67.567</b>
<b>Balance as of 31 december 2021</b>	<b>581.015</b>	<b>1.018.716</b>	<b>1.545</b>	<b>62.415</b>	<b>1.663.691</b>

**As of 31 December 2021**

Cost of acquisition	1.104.156	1.211.780	1.545	275.631	<b>2.593.112</b>
Accumulated amortisation and impairment losses	(523.141)	(193.064)	-	(213.216)	<b>(929.420)</b>
<b>Balance as of 31 December 2021</b>	<b>581.015</b>	<b>1.018.716</b>	<b>1.545</b>	<b>62.415</b>	<b>1.663.691</b>

	Properties and land	Aircraft, engines and similar <sup>1</sup>	Construction in progress	Equipment	Total
<b>1 January - 31 December 2020</b>					
Balance as of 1 January 2020	602.247	1.201.034	5.527	89.458	<b>1.898.266</b>
Additions	36.843	3.339	1.848	9.552	<b>51.582</b>
Additions from purchase of companies	-	-	-	-	<b>-</b>
Disposals	(8.443)	(15.590)	(2.927)	(17.115)	<b>(44.075)</b>
Disposals from sale of companies	-	-	-	(55)	<b>(55)</b>
Amortisation	(28.501)	(62.245)	-	(18.830)	<b>(109.576)</b>
Impairment loss	-	-	-	-	<b>-</b>
Currency translation differences	(56.454)	(64.580)	-	(3.071)	<b>(124.106)</b>
<b>Balance as of 31 december 2020</b>	<b>545.692</b>	<b>1.061.958</b>	<b>4.448</b>	<b>59.939</b>	<b>1.672.037</b>

**As of 31 December 2020**

Cost of acquisition	1.003.908	1.387.463	4.448	253.635	<b>2.649.455</b>
Accumulated amortisation and impairment losses	(458.216)	(325.506)	-	(193.697)	<b>(977.418)</b>
<b>Balance as of 31 December 2020</b>	<b>545.692</b>	<b>1.061.958</b>	<b>4.448</b>	<b>59.939</b>	<b>1.672.037</b>

<sup>1</sup> The balance sheet item includes leasing assets held under finance leases with carrying amounts amounting to 899 054 (932 836). See note 12 for more information.

**Depreciation of intangible assets:**

	Properties and land	Aircraft, engines and similar <sup>1</sup>	Construction 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 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.

In March 2021 BRA's finances were considerably strengthened by new equity of 100 MSEK and a bank loan of 200 MSEK guaranteed by the Swedish State as part of its Covid-related support measures.

During the first quarter, BRA also 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.

In October, AMF invested 200 MSEK for a 19% stake in BRA. BRA has relaunched operations with a strong emphasis on environmental issues including an industry leading ambition of reaching "net zero" by 2030.

## NOTE 9. INVESTMENTS IN ASSOCIATED COMPANIES

(Amounts in SEK 1000)

A specification of investments in associated companies follow below:

	2021	2020
Book value as of 1.1.	7.903	9.052
Disposals	1.015	-
Profit/(loss)	(718)	(823)
Currency and other adjustments	109	(327)
<b>Book value as of 31.12.</b>	<b>8.309</b>	<b>7.903</b>

### Specification of profit/(loss)

	2021	2020
Share of profit/(loss) from associates	(718)	(823)
Elimination of internal gains/losses	-	-
<b>Net profit/(loss) from associates</b>	<b>(718)</b>	<b>(823)</b>

	Location	Owner-ship 2)	Equity as of 31.12	Profit/(loss) 2021
Peer Gynt AS, org nr 965 407 375	Nord-Fron	50,0 %	12.705	589
Qondor AS	Trondheim	33,0 %	2.620	(1.295)

2) Ownership equalling the percentage of voting shares

	Acquisition cost	Acquisition date	Equity at acquisition date	Book value 2021	Book value 2020
Peer Gynt AS	5.270	2008	10.000	6.353	6.058
Qondor AS	8.041	2017	7.096	1.956	1.846
<b>Sum</b>				<b>8.309</b>	<b>7.903</b>

## NOTE 10. OTHER FINANCIAL INCOME AND EXPENSES

(Amounts in SEK 1000)

### Other financial income

	2021	2020
Gain from sale of shares	-	51.667
Gain on foreign exchange	11.791	29.370
Other financial income	13	692
<b>Total other finance income</b>	<b>11.804</b>	<b>81.729</b>

### Other financial expenses

	2021	2020
Loss /changes in value of equity investments	-	-
Loss on foreign exchange	(15.046)	(64.980)
Other financial expenses	(419)	(539)
<b>Total other finance expenses</b>	<b>(15.465)</b>	<b>(65.519)</b>

## NOTE 11. TAXES

(Amounts in SEK 1000)

	2021	2020
<b>Income tax expense</b>		
Tax payable	84	2.870
Changes in deferred tax	10.584	(53.505)
Tax effect of group contribution	-	-
Adjustments for prior years	-	(6)
Other changes	-	-
<b>Total income tax expense (+) / tax income (-)</b>	<b>10.668</b>	<b>(50.641)</b>
<b>Changes in deferred tax</b>		
Changes recognized in profit and loss	10.584	(53.505)
Changes due to business combinations	(11)	(5)
Other	(8.174)	(10.025)
Currency adjustments	727	(2.745)
<b>Total changes in deferred tax</b>	<b>3.126</b>	<b>(66.280)</b>
Profit before tax	158.483	368.917
<b>Tax rate 20,6%</b>	<b>(32.648)</b>	<b>(78.948)</b>
Effect of unrecognized timing differences and tax loss	40.182	131.575
Revaluation of unrecognized timing differences and tax loss prior years	860	-
Adjustments for prior years	-	(6)
Permanent differences	4.529	(105.018)
Tax effect of group contribution	-	-
Share of net profit from associates	718	823
Effect of change in tax rate	(2.766)	958
Effect of different tax rates	(205)	(43)
Other	(3)	18
<b>Income tax expense (+) / tax income (-)</b>	<b>10.668</b>	<b>(50.641)</b>
<b>Temporary differences</b>		
<u>Deferred tax assets</u>		
Pensions	-	-
Inventory	310	746
Intangible assets	108	-
Tangible assets	12.266	11.714
Accounts receivables and other receivables	24	1.787
Provisions and short term debt	2.677	-
Gains and losses	39	46
Tax loss carried forward	274.230	228.686
Other differences assets	3.204	2.905
<b>Deferred tax assets</b>	<b>292.858</b>	<b>245.883</b>
<u>Deferred tax liabilities</u>		
Intangible assets	39.882	43.462
Tangible assets	99.609	79.874
Accounts receivables	-	-
Construction contracts	-	-
Gains and losses	(7.956)	(3.805)
Untaxed reserves	-	-
Other differences	652	572
<b>Deferred tax liabilities</b>	<b>132.188</b>	<b>120.103</b>
Net deferred tax assets (-liability)	160.670	125.780
Hereof not recognized in the balance sheet	184.576	146.561
Net deferred tax assets (-liability)	(23.906)	(20.780)
Hereof recognized as deferred tax asset	-	-
Hereof recognized as deferred tax liability	23.906	20.780

## NOTE 12. LEASES

(Amounts in SEK 1000)

### Finance leases

	2021	2020
Aircraft, engines, property, plant and similar	899.054	932.836
<b>Balance as of 31 December</b>	<b>899.054</b>	<b>932.836</b>

### Minimum finance lease payments

	2021	2020
Next year	107.185	105.233
Between year 1 and 5	415.482	420.812
After year 5	-	80.815
<b>Total minimum finance lease payments</b>	<b>522.667</b>	<b>606.860</b>

Interest rate

### Present value of minimum finance lease payments

- Whereof short term debt	107.185	105.233
- Whereof long term debt	415.482	501.627

### Operating leases

	Lease payments		Durability
	2021	2020	
Aircraft, engines, property, plant and similar	110.999	162.980	1-4 years
Equipment	640	-	1-3 years
Other	77	589	
<b>Lease expenses</b>	<b>111.716</b>	<b>163.569</b>	

### Minimum Operating lease payments

	2021	2020
Next year, operating leases	126.807	76.295
Between year 1 and 5, operating leases	445.013	394.837
After year 5, operating leases	217.478	294.582
<b>Total minimum operating lease payments</b>	<b>789.298</b>	<b>765.714</b>

## NOTE 13. LONG TERM INVESTMENTS

(Amounts in SEK 1000)

### Long term investments

Company	Book value	Share
BRA Bank ASA	106.478	11,0 %
Scandic Hotel Group	52.255	0,7 %
Topcamp AS	17.183	9,0 %
Other	12.598	
<b>Total</b>	<b>188.514</b>	

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

### Changes during the year

	2021	2020
Book value 1 January	137.011	179.984
Additions	12.382	60.295
Disposals	-	(66.050)
Value adjustment	37.754	(34.705)
Currency translation differences	1.367	(2.515)
<b>Book value as of 31 December</b>	<b>188.514</b>	<b>137.009</b>

## NOTE 14. LONG TERM RECEIVABLES

(Amounts in SEK 1000)

### Long term receivables consist of:

	2021	2020
Loan to BRABank	13.345	-
Deposits	44.916	60.605
Pre-delivery payment	-	-
Other	7.966	20.951
<b>Total</b>	<b>66.227</b>	<b>81.556</b>

## 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 Regional Airlines (BRA) 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:

	2021	2020
Prepaid expenses	46.018	31.459
Accrued income	3.752	8.258
Tax receivable	14.100	7.128
Other short term receivables	40.077	40.929
<b>Total</b>	<b>103.947</b>	<b>87.774</b>

### Hereof:

Due within 1 year	103.947	87.774
Due above 1 year	-	-

## NOTE 17. CASH AND CASH EQUIVALENTS

(Amounts in SEK 1000)

### Cash and cash equivalents consists of:

	2021	2020
Bank deposits	836.406	560.370
<b>Total</b>	<b>836.406</b>	<b>560.370</b>
Whereof restricted	10.336	547



## 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 %
<b>Total</b>	<b>460.870</b>	<b>100 %</b>

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	
	2021	2020	2021	2020
<b>Interest bearing debt by type</b>				
<b>loanRentebærende gjeld per lånetype</b>				
Loan from financial institutions	98.618	6.728	530.086	353.461
Finance leases, note 12	104.757	102.630	508.052	561.123
Other loans	-	-	-	-
<b>Total</b>	<b>203.375</b>	<b>109.358</b>	<b>1.038.138</b>	<b>914.584</b>
<b>Time to maturity</b>				
Due between year 1 and 5			565.405	557.945
Due after year 5			472.733	356.639
<b>Total</b>			<b>1.038.138</b>	<b>914.584</b>
<b>Secured debt</b>				
Debt secured by collateral	941.899	977.763		
<b>Type of security</b>				
Aircraft, engines and similar	899.054	935.415		
Property and plant	503.823	470.843		
Other equipment	2.817	5.993		
Inventory	29.138	23.899		
Receivables	6.228	322		
Other	3.702	3.433		
<b>Total book value of security</b>	<b>1.444.762</b>	<b>1.439.905</b>		

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

(Amounts in SEK 1000)

### Other long term liabilities consist of:

	2021	2020
Loan from Shareholders	41.567	47.898
Deposits	691	-
Other	53.764	-
<b>Total other long term liabilities</b>	<b>96.022</b>	<b>47.898</b>
<b>Time to maturity</b>		
Due between year 1 and 5	96.022	47.898
Due after year 5	-	-
<b>Total</b>	<b>96.022</b>	<b>47.898</b>

### Accrued expenses and deferred income consist of:

	2021	2020
Tickets and other prepayments from customers	457.074	399.275
Salaries and other employee benefits	68.466	66.317
Other	171.198	208.951
<b>Total accrued expenses and deferred income</b>	<b>696.738</b>	<b>674.543</b>

## NOTE 21. GUARANTEE LIABILITIES AND PLEDGED ASSETS

(Amounts in SEK 1000)

### The pledged assets for the group consist of:

	2021	2020
Aircraft	899.054	932.836
Chattel mortgages	-	50.000
Deposits	23.105	56.451
Restricted cash	6.710	612
Property and plant	503.823	470.843
Inventory	29.138	23.899
Other	63.685	63.676
<b>Total</b>	<b>1.525.515</b>	<b>1.598.317</b>

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

	2021	2020
Travel insurance	60.914	79.709
Rental guarantees	5.745	7.340
Other guarantees	-	1.909
<b>Total</b>	<b>66.659</b>	<b>88.958</b>

Braathens Regional Airlines (BRA) AB 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	
	2021	2020	2021	2020
Other intangible assests	-	-	-	-
Tangible assets	6	-	-	-
Financial assets	11	-	-	-
Current assets	5.729	-	-	-
<b>Total assets</b>	<b>5.746</b>	-	-	-
Non-current liabilities	-	-	-	-
Current liabilities	-	-	-	-
<b>Total liabilities</b>	-	-	-	-

Escape Travel acquired Indre Østfold Reisebyrå, which is a specialist in training camps for age-specific teams in handball, football and swimming. The total net purchase price was TSEK 541.

There were no divestments in 2021.

## 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.

<b>Allocation between segments in 2021</b>	<b>Aviation</b>	<b>Travel</b>	<b>Leisure</b>	<b>Other</b>	<b>Total</b>
External gross revenue	620.546	1.554.742	588.228	13.235	2.776.751
Net revenue	489.820	340.061	580.005	12.802	1.422.688
Other operating income	130.725	47.498	8.223	437	186.883
<b>Total external revenues</b>	<b>620.545</b>	<b>387.559</b>	<b>588.228</b>	<b>13.239</b>	<b>1.609.571</b>
Internal revenues	-	-	863	60.408	61.271
<b>Total revenues</b>	<b>620.545</b>	<b>387.559</b>	<b>589.081</b>	<b>73.647</b>	<b>1.670.842</b>
Cost of goods sold	-	(187.862)	(61.965)	(6.552)	(256.379)
Employee benefits expense	(135.406)	(164.003)	(216.570)	(22.675)	(538.654)
Other operating expenses	(571.549)	(120.542)	(194.396)	(14.068)	(900.555)
<b>EBITDA</b>	<b>(86.410)</b>	<b>(84.848)</b>	<b>116.160</b>	<b>30.352</b>	<b>(24.746)</b>
<b>Geographical areas</b>	<b>Norway</b>	<b>Sweden</b>	<b>Other</b>	<b>Total</b>	
External gross revenue	1.124.815	1.641.683	10.253	2.776.751	
Net revenue	837.882	574.553	10.253	1.422.688	
Other operating income	28.520	158.393	(30)	186.883	
<b>Total external revenues</b>	<b>866.402</b>	<b>732.946</b>	<b>10.223</b>	<b>1.609.571</b>	
Internal revenues	13.589	1.445	-	15.034	
<b>Total revenues</b>	<b>879.991</b>	<b>734.391</b>	<b>10.223</b>	<b>1.624.605</b>	
<b>Allocation between segments in 2020</b>	<b>Aviation</b>	<b>Travel</b>	<b>Leisure</b>	<b>Other</b>	<b>Total</b>
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
<b>Total external revenues</b>	<b>1.113.700</b>	<b>252.767</b>	<b>473.044</b>	<b>15.508</b>	<b>1.855.019</b>
Internal revenues	-	-	859	52.756	53.615
<b>Total revenues</b>	<b>1.113.700</b>	<b>252.767</b>	<b>473.903</b>	<b>68.264</b>	<b>1.908.634</b>
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)
<b>EBITDA</b>	<b>(48.965)</b>	<b>(210.041)</b>	<b>87.786</b>	<b>22.250</b>	<b>(148.970)</b>
<b>Geographical areas</b>	<b>Norway</b>	<b>Sweden</b>	<b>Other</b>	<b>Total</b>	
External gross revenue	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	
<b>Total external revenues</b>	<b>675.902</b>	<b>1.176.735</b>	<b>2.382</b>	<b>1.855.019</b>	
Internal revenues	16.717	3.677	-	20.394	
<b>Total revenues</b>	<b>692.619</b>	<b>1.180.412</b>	<b>2.382</b>	<b>1.875.413</b>	

## NOTE 24. SUBSIDIARIES

Company	Acquisition/ incorporation date	Company no.	Location	Country	Share ownership 2021	Share ownership 2020
Braganza AS	2013	912 414 353	Oslo	Norway	100 %	100 %
Braathens Travel Group AB <sup>1)</sup>	2010	556445-4170	Stockholm	Sweden	100 %	100 %
Ticket Leisure Travel Group AB <sup>1)</sup>	2010	556428-9592	Stockholm	Sweden	97 %	97 %
Dyreparken Utvikling AS <sup>1)</sup>	2001	990 903 700	Kristiansand	Norway	94 %	94 %
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	2007	991 353 305	Oslo	Norway	93 %	93 %
Braganza II AB	1999	556575-4438	Stockholm	Sweden	100 %	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 <sup>1)</sup>	2006	989 332 619	Oslo	Norway	95 %	95 %
Braathens Regional Airlines (BRA) AB (formerly Braathens Aviation AB) <sup>1)</sup>	2006	556747-6592	Malmö	Sweden	81 %	100 %
Braathens IT AS	2007	884 729 432	Lysaker	Norway	100 %	100 %
Braconda AS	2002	986 007 423	Oslo	Norway	100 %	100 %
Escape Travel Group AS <sup>1)</sup>	2003	921 380 496	Oslo	Norway	95 %	95 %
Ticket Commercial Ltd	2018	7110286	London	United Kingdom	100 %	100 %
Braathens Domains Ltd	2012	7110139	London	United Kingdom	100 %	100 %
Bralanta AB	2012	556938-7375	Stockholm	Sweden	100 %	100 %
Bradana AS	2013	945 736 755	Oslo	Norway	100 %	100 %
ATR 72 MSN 1341 AS	2014	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 2021.

In February 2022, Ticket Leisure Travel Group repaid its government guaranteed loan in Norway of MNOK 50.

The coronavirus pandemic is only to a limited extent impacting Braganza's travel related companies as of May 2022. The Russian invasion of Ukraine on 24 February led to reduced sales for Ticket and the group's tour operator. Since April sales have picked up again. The inflationary environment has not yet dampened post-Covid optimism for our companies. After two years with limited travel, consumers seem determined to spend savings on a holiday.

## BRAGANZA AB – PARENT COMPANY

The board and managing director of Braganza AB hereby submit the annual report for the financial year 1 January 2021 - 31 December 2021.

### ADMINISTRATION REPORT

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#### 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	1 049 462 562
Profit for the year	83 779 862
<b>Sum</b>	<b>1 133 242 424</b>

#### The board and managing director proposes that:

To be carried forward	1 133 242 424
<b>Sum</b>	<b>1 133 242 424</b>

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)

<b>INCOME STATEMENT</b>	<b>Note</b>	<b>2021</b>	<b>2020</b>
Net sales		8 062	10 294
Other income		-	581
<b>Revenue</b>		<b>8 062</b>	<b>10 875</b>
Other external costs	1	-17 837	-21 181
Personnel costs	2	-3 548	-4 090
<b>Operating expenses</b>		<b>-21 385</b>	<b>-25 271</b>
<b>Operating profit</b>		<b>-13 323</b>	<b>-14 396</b>
<b><i>Result from financial investments</i></b>			
Result from participations in group companies	3	47 193	-
Result from long-term securities	4	39 824	12 859
Other interest income and similar items	5	14 948	34 498
Interest expense and similar items	6	-6 240	-46 325
Write-downs of financial fixed assets and short-term investments	3	-	-859
<b>Financial items</b>		<b>95 727</b>	<b>173</b>
<b>Profit/ after financial items</b>		<b>82 402</b>	<b>-14 223</b>
Change in tax allocation reserve		-	-
Received group contribution		1 378	-
Tax on profit for the year	7	-	-
<b>NET PROFIT FOR THE YEAR</b>		<b>83 780</b>	<b>-14 223</b>



## BALANCE SHEET

(Amount in TSEK)

ASSETS	Note	2021	2020
<b>Fixed assets</b>			
<i>Intangible assets</i>			
Intellectual property rights, brands and other intangible assets	9	3 510	3 438
<b>Total intangible assets</b>		<b>3 510</b>	<b>3 438</b>
<i>Financial assets</i>			
Shares in group companies	3	900 277	909 842
Receivables from group companies		220 846	253 613
Shares in associated companies	8	5 270	5 270
Other long-term securities	4	167 762	117 605
Other long-term receivables		21 310	20 479
<b>Total financial assets</b>		<b>1 315 465</b>	<b>1 306 809</b>
<b>Total fixed assets</b>		<b>1 318 975</b>	<b>1 310 247</b>
<b>Current assets</b>			
<i>Current receivables</i>			
Accounts receivables		33	33
Receivables from group companies		3 802	2 064
Other receivables		21	19
<b>Total current receivables</b>		<b>3 856</b>	<b>2 116</b>
<b>Cash and bank balances</b>		<b>148 556</b>	<b>205 927</b>
<b>Total current assets</b>		<b>151 048</b>	<b>208 043</b>
<b>TOTAL ASSETS</b>		<b>1 471 387</b>	<b>1 518 290</b>

## BALANCE SHEET

(Amount in TSEK)

EQUITY AND LIABILITIES	Note	2021	2020
Equity			
<b>Restricted equity</b>			
Share capital		46 087	46 087
<b>Total restricted equity</b>		<b>46 087</b>	<b>46 087</b>
<b>Non-restricted equity</b>			
Profit brought forward		1 049 463	1 063 686
Profit for the year		83 780	-14 223
<b>Total non-restricted equity</b>		<b>1 133 243</b>	<b>1 049 462</b>
<b>Total equity</b>		<b>1 179 330</b>	<b>1 095 550</b>
<b>Liabilities</b>			
<b>Long-term liabilities</b>			
Liabilities to group companies		132 824	163 662
Other long-term liabilities		41 567	47 898
<b>Total long-term liabilities</b>		<b>174 391</b>	<b>211 560</b>
<b>Current liabilities</b>			
Accounts payable – trade		112	190
Liabilities to group companies		114 762	191 403
Other short-term debt		88	17 071
Accrued expenses and deferred income		2 704	2 517
Income tax liability	7	-	-
<b>Total current liabilities</b>		<b>117 666</b>	<b>211 180</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 471 387</b>	<b>1 518 290</b>

## CHANGE IN EQUITY

(Amounts in SEK 1000)

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

	Share capital	Retained earnings	Profit for the period	Total equity
	<b>Equity at January 1, 2021</b>	<b>46 087</b>	<b>1 063 685</b>	<b>-14 223</b>
Profit brought forward		-14 233	14 233	-
Net profit for the year			<b>83 780</b>	<b>83 780</b>
Dividend				
<b>Equity at December 31, 2021</b>	<b>46 087</b>	<b>1 049 463</b>	<b>83 780</b>	<b>1 179 330</b>

## CASH FLOW STATEMENT 1.1 – 31.12

(Amount in TSEK)

		2021	2020
<b>Cash flows from operating activities</b>			
Profit/loss after financial items		82 402	-14 223
<i>Adjustment for non-cash items</i>			
Write-downs shares in subsidiaries	3	-	859
Write-downs long-term securities	4	-39 824	34 414
Capital gains		-47 193	-49 283
Unrealized change in value		-	-
Income tax paid		-	-
<b>Cash flow from operating activities before changes in working capital</b>		<b>-4 615</b>	<b>-28 233</b>
<b>Changes in working capital</b>			
Changes in current receivables		-335	62 325
Changes in current liabilities		-76 932	-276 078
<b>Cash flows from operating activities</b>		<b>-81 882</b>	<b>-241 986</b>
<b>Cash flows from investing activities</b>			
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	56 759	- 2 950
Disposal of shares in subsidiaries		-	-
Acquisition of other long-term securities	4	-27 018	-60 038
Disposal of other long-term securities		-	110 550
<b>Cash flow after investing activities</b>		<b>29 741</b>	<b>47 562</b>
<b>Cash flows from financing activities</b>			
Group contribution received / paid		-	-
Paid dividend		-100 000	-
Changes in non-current receivables		131 939	167 603
Changes in non-current liabilities		-37 169	-8 851
<b>Cash flow from financing activities</b>		<b>-5 230</b>	<b>158 752</b>
<b>Cash flow of the year</b>		<b>-57 371</b>	<b>-35 672</b>
<b>Cash &amp; cash equivalents at beginning of period</b>		<b>205 927</b>	<b>241 599</b>
Change in value in cash & cash equivalents		-	-
<b>CASH &amp; CASH EQUIVALENTS AT END OF YEAR</b>		<b>148 556</b>	<b>205 927</b>

## NOTES

(Amount in TSEK)

## NOTE 1. DISCLOSURE OF AUDIT FEE AND COST REIMBURSEMENTS

	2021	2020
<b>Deloitte AB</b>		
Statutory audit fee	242	275
Other assurance services	-	-
Tax advisory fee	-	-
Other non-audit services	-	-
<b>Total</b>	<b>242</b>	<b>275</b>

## NOTE 2. PERSONNELL

Average number of employees, distribution between men and woman	2021	2020
Women	-	-
Men	1	1
<b>Total</b>	<b>1</b>	<b>1</b>

Distribution senior management	2021	2020
Women:		
- The board of directors	-	-
- Senior management and managing director	-	-
Men:		
- The board of directors	6	6
- Senior management and managing director	3	3
<b>Total</b>	<b>9</b>	<b>9</b>

Salaries and remunerations	2021	2020
The board and managing director	1 061	1 061
Other employees	1 611	2 299
<b>Total salaries and remunerations</b>	<b>2 672</b>	<b>3 360</b>
Social security charges according to law and union contract	876	728
Pension costs	-	-
<b>Total salaries, remunerations, social security charges and pension costs</b>	<b>3 548</b>	<b>4 088</b>

## NOTE 3. SHARES IN GROUP COMPANIES

	2021	2020
Acquisition value brought forward	909 842	907 751
Write-down Waday Travel AS	-	-859
Write-down Bradana AS	-	-
Disposal shares Breibukt Holding AS	-	-
Disposal shares Dyreparken Utvikling AS	-9 565	-
Shares bought in Gyreparken Utvikling AS	-	2 950
<b>Residual value carried forward</b>	<b>900 277</b>	<b>909 842</b>

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	846 090	94 %	86 092
Formentera AS	978668259	Oslo	10 000	100 %	57 002
Bradana AS	945736755	Oslo	5 000	100 %	32 742
<b>Sum</b>					<b>900 277</b>

<i>Result from participations in group companies</i>	2021	2020
Capital gains	47 193	-
Dividend	-	-
<b>Total</b>	<b>47 193</b>	<b>-</b>

## NOTE 4. OTHER LONG-TERM SECURITIES

	2021	2020
Book value brought forward	287 567	288 779
Acquisitions	27 018	60 038
Disposals	-16 685	-61 250
<b>Total</b>	<b>297 900</b>	<b>287 567</b>
<b>Write-down brought forward</b>	<b>-169 962</b>	<b>-135 548</b>
Write-downs	-	-34 414
Reversal of previous write-downs	39 824	-
<b>Total</b>	<b>167 762</b>	<b>117 605</b>

<i>Result from other long-term securities</i>	2021	2020
Capital gains	-	47 273
Write-downs	-	-34 414
Reversal of previous write downs	39 824	-
Dividend	-	-
<b>Sum</b>	<b>39 824</b>	<b>12 859</b>

## NOTE 5. OTHER INTEREST INCOME AND SIMILAR ITEMS

	2021	2020
Interest income	2 519	5 097
Interest income, subsidiaries	7 465	9 991
Unrealized change in value	-	-
Exchange differences	4 694	19 410
<b>Total</b>	<b>14 948</b>	<b>34 498</b>

## NOTE 6. INTEREST EXPENSE AND SIMILAR ITEMS

	2021	2020
Interest expenses	-3 369	-2 591
Interest expenses, subsidiaries	-2 755	-5 488
Exchange differences	-116	-38 246
<b>Total</b>	<b>- 6 240</b>	<b>- 46 325</b>

## NOTE 7. TAX

	2021	2020
Current tax	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Components of tax on profit for the year:</b>		
Profit before tax	83 780	-14 223
Tax rate 20,6 %	-17 259	3 044
Tax effect of:		
Non-deductible expenses	-36	-16 032
Non-taxable income	18 296	18 090
Deficit for which deferred tax has not been accounted for	-1 285	5 102
Net interest income from other group companies	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

## NOTE 8. SHARES IN ASSOCIATED COMPANIES

	2021	2020
Book value brought forward	5 270	5 270
<b>Total</b>	<b>5 270</b>	<b>5 270</b>

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
<b>Total</b>					<b>5 270</b>



## NOTE 9. INTANGIBLE ASSETS

	2021	2020
Acquisition value brought forward	3 438	3 438
Investment of the year	72	-
<b>Accumulated acquisition value carried forward</b>	<b>3 510</b>	<b>3 438</b>
Depreciation value brought forward	-	-
Depreciations	-	-
<b>Accumulated depreciation carried forward</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>3 510</b>	<b>3 438</b>

## NOTE 10. PROPOSAL FOR THE APPROPRIATIONS OF PROFITS

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

Profit brought forward	1 049 462 562
Profit for the year	83 779 862
<b>Sum</b>	<b>1 133 242 424</b>

The board and managing director proposes that:

To be carried forward	1 133 242 424
<b>Sum</b>	<b>1 133 242 424</b>

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

	2021	2020
<b>Pledged assets</b>	None	None
<b>Contingent liabilities</b>	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 2021.

**Stockholm 2022**

Per G. Braathen  
Managing Director

Nils Björn Allan Fröling

Gunnar Grosvold

Geir Stormorken

Stephan Lange Jervell

Vagn O. Sørensen

Our audit report was submitted on 2022

Deloitte AB

Richard Peters  
Authorized public accountant

## AUDITOR'S REPORT



## 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 2021-01-01 - 2021-12-31.

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 2021 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 2021-01-01 - 2021-12-31 and the proposed appropriations of the company's profit or loss.

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

### Basis for Opinions

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 / 2022

Deloitte AB

*Signature on Swedish original*

Richard Peters  
Authorized public accountant

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