ANNUAL REPORT
THE BRAGANZA GROUP 2022



BRAGANZA

BRAGANZA GROUP 2022

BRAGANZA AB

The board and the managing director of Braganza AB hereby submit the annual report and consolidated group accounts for the financial year 2022.

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.

The Covid pandemic hit all our main portfolio companies hard. For a 24 months period starting in March 2020 most travel related businesses were significantly affected. BRA had to undergo a financial restructuring in 2020 as a consequence of the pandemic. Ticket and the Escape group companies managed to survive and reduce their cost level structurally despite long periods of no sales at all. Dyreparken was able to stay open for business and prospered in 2020 and 2021 after a difficult period at the start of the pandemic.

THE GROUP

By year-end 2022 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 2022 (2021):

BRA	TURNOVER EBITDA FTE	1 373 MSEK -22 MSEK 290	(602 MSEK) (-115 MSEK) (249)
TICKET	TURNOVER EBITDA FTE	4 242 MSEK 38 MSEK 236	(1 320 MSEK) (-71 MSEK) (220)
DYREPARKEN	TURNOVER EBITDA FTE	604 MSEK 76 MSEK 367	(588 MSEK) (116 MSEK) (356)
ESCAPE	TURNOVER EBITDA FTE	785 MSEK 30 MSEK 64	(233 MSEK) (-13 MSEK) (48)

Braathens Regional Airlines (BRA) 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. In October 2021, 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.

BRA improved its financial results considerably during 2022. However, the airline group did not reach its ambition of breaking even due to a combination of the Omicron version of Covid hitting sales in Q1, and the weak SEK and higher fuel prices driving the cost level up. Sales increased some 230% vs 2021. In June 2022 BRA signed a three years' contract with a leading Scandinavian tour operator (VING) under which the airline will deliver jet aircraft capacity starting in Q2 2023.

Ticket Leisure Travel Group AB includes Ticket Privatresor AB and Ticket Feriereiser AS. Ticket is the largest travel agency chain in Sweden and Norway focusing on the leisure market. The head office is in Stockholm. The company sells leisure travel services from leading tour operators, cruise companies, airlines and hotels. Sales are carried out through 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 2022 the turnover increased by 220% compared to 2021 and was just 30% below pre-Covid level (2019).

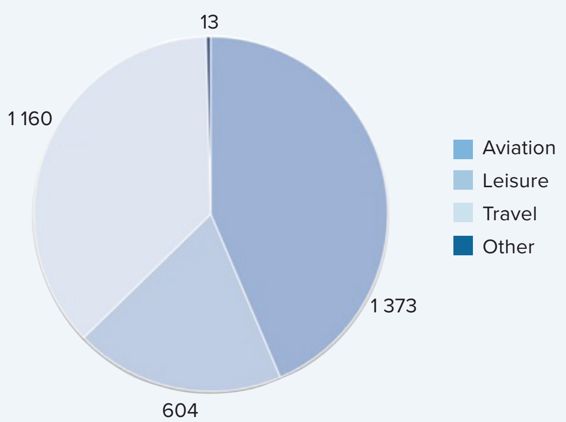
Dyreparken Utvikling AS is the holding company for Dyreparken located in Kristiansand. Over many years, Dyreparken has maintained its position as the largest and most visited family attraction in Norway. With its combination of zoo and amusement park, water park, evening shows and themed accommodation, 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. 2022 was another very good year for Dyreparken with more than 1million guests. The park had a very good peak season in June, July and August and also a strong fall season in September and October. Increased energy prices were the only set back that affected the earnings negatively.

Escape Travel Group 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 is the largest group travel operator in the Norwegian market. Carpe Diem, a brand that is part of Escape Travel AS, is market leader in Norway in the niche for individual holidaymakers who want to travel with a group.

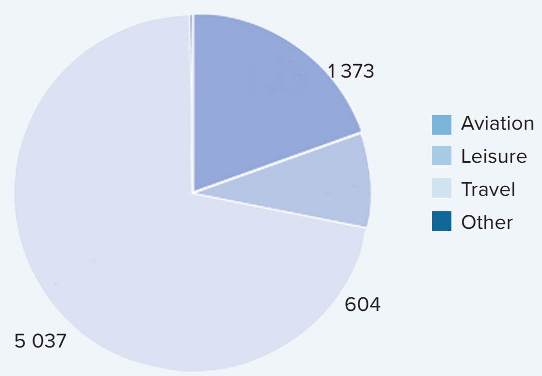
The Norwegian niche sports tour operator Indre Østfold Reisebyrå AS was acquired in June 2021. Escapeaway AS is the group's online tour operator selling flights and hotels for individual travel in Denmark, Sweden and Norway. It has its head office in Oslo in the same location as Escape Travel. In November 2021 the brand Solfaktor became part of Escapeaway. In January 2022 Solfaktor was launched with its own websites in Norway, Sweden and Denmark and more than doubled the Escapeaway' sales compared to the pre-Covid year 2019. Escape Travel in Denmark is an agent for the Escapeaway brands and takes care of customer support for Danish and Swedish customers. In 2022 the tour operators in Escape Travel Group were profitable. Sales for 2023 is by April 2023 at all-time high.

ALLOCATION OF REVENUE BY OPERATING SEGMENTS (MSEK):

NET REVENUES - OPERATING SEGMENTS



GROSS REVENUES - OPERATING SEGMENTS



GOING CONCERN

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

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

RISK FACTORS

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

Financial risk in the Group relates primarily to foreign currency and fuel prices, and particularly exposure to USD and EUR for BRA. The direct consequences of increased interest rates are comparatively limited, but BRA and Dyreparken have some exposure in the form of floating rate liabilities.

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

All companies have some exposure to political risk, e.g. in the form of increased fees and taxes or new legislation affecting operations.

ACCOUNTS – 2022

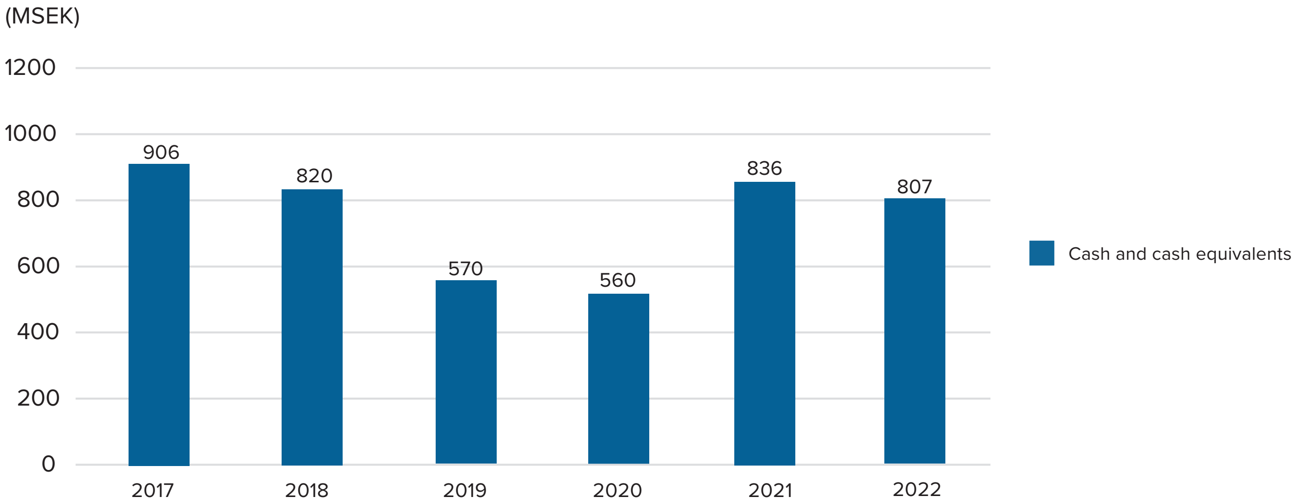
2022 GROUP	2021 GROUP	2022 PARENT COMPANY	2021 PARENT COMPANY
Net revenue 3 150 MSEK	Net revenue 1 610 MSEK	Net revenue 10 MSEK	Net revenue 8 MSEK
EBITDA 170 MSEK	EBITDA -25 MSEK	EBITDA -15 MSEK	EBITDA -13 MSEK
Operating loss 38 MSEK	Operating loss -172 MSEK	Operating loss -15 MSEK	Operating loss -13 MSEK
Net financial -40 MSEK	Net financial 14 MSEK	Net financial 12 MSEK	Net financial 96 MSEK
EBT 2 MSEK	EBT 158 MSEK	Profit/(loss) -3 MSEK	Profit/(loss) 84 MSEK

The consolidated financial statements for 2022 show a profit before depreciation and financial items (EBITDA) of 170 MSEK, compared to -25 MSEK for 2021. The parent company's result before tax for 2022 was -3MSEK.

At 31 December 2022, the Group had an equity base of 999 MSEK. The parent company's equity was 1 176 MSEK as of 31 December 2022. The parent company has distributable reserves of 1 130 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 2022 was 807 MSEK. The parent company's cash position at 31 December 2022 was 295 MSEK. The development in the Group's cash position over the last six years is shown below in MSEK.

CASH AND CASH EQUIVALENTS – GROUP



WORKING CONDITIONS AND ENVIRONMENT

The working environment is satisfactory. There have been no reported serious injuries or serious accidents in the Group in 2022. There have been no reported cases of discrimination. The Group had an average of 992 FTEs in 2022. 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.

In the first quarter of 2023 Escape Travel in Norway became Eco Lighthouse certified. Eco Lighthouse is Norway's most used certificate for businesses that want to document their environmental efforts and demonstrate social responsibility. Over 9,000 businesses are certified as Eco Lighthouse.

OUTLOOK FOR 2023

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

Compared to 2022 the first quarter of 2023 has been a strong one for Ticket and the companies in the Escape Travel group. The inflationary environment has not yet dampened post-Covid optimism for our companies. Consumers seem determined to spend part of their savings on a holiday in 2023.

Dyreparken is on track for another strong year. BRA is facing a relatively slow domestic market in Sweden but is planning to grow by flying jet aircraft for tour operators on fixed contracts.

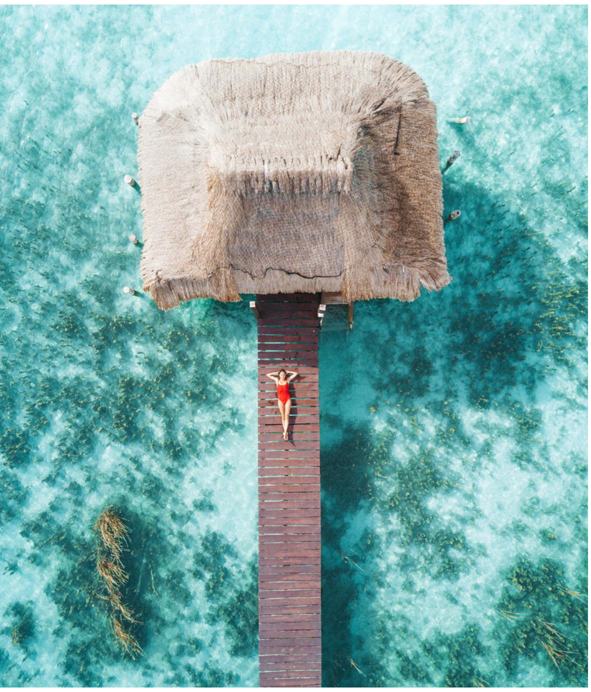
EVENTS AFTER BALANCE SHEET DATE

In February 2023, BRA was granted 133 MSEK in additional deferrals of tax payments from the Swedish Tax Agency. This is part of the Government's continued support measures for companies that were financially affected by the Covid pandemic. In total, BRA's tax deferrals now amount to SEK 282 million. BRA has signed a new three years contract with a leading tour operator (Apollo) starting in October this year.

PROPOSED APPROPRIATION OF 2022 PROFIT

The board of directors propose the following appropriation of the available profit	1 130 254 TSEK
Proposed dividend	26 000 TSEK
To be carried forward	**1 104 254 TSEK**

The board of directors proposes that the ordinary General Meeting in 2023 distribute a dividend of MSEK 26, which is deemed to be justifiable considering the requirements that the businesses nature, scope, and risk place on the size of the equity capital, the company's consolidation needs, liquidity and position in general.



BRAGANZA AB
CONSOLIDATED INCOME STATEMENT 1.1 - 31.12

Amounts in TSEK	Notes	2022	2021
Gross revenue		7.025.947	2.776.751
Net Revenue		3.101.037	1.422.688
Other operating income	3	52.085	186.883
Total revenue		**3.153.122**	**1.609.571**
Cost of goods sold		-721.629	-255.748
Employee benefits expense	4, 5	-743.890	-538.656
Other operating expenses	3, 4	-1.513.597	-839.913
Total operating expenses		**-2.979.116**	**-1.634.317**
EBITDA		**174.006**	**-24.746**
Depreciation and amortisation expenses	6, 7	-136.207	-147.558
Operating profit / (loss)		**37.799**	**-172.304**
Income from investments in associates	9	-3.220	-718
Other interest income		11.161	3.417
Other financial income	8, 10	30.376	11.804
Impairment of financial assets	13	-24.219	37.828
Other interest expense		-30.796	-23.045
Other financial expenses	10	-23.740	-15.465
Net financial income / (loss)		-40.438	13.821
Profit / (loss) before income tax		**-2.639**	**-158.483**
Income tax expense	11	-21.733	-10.668
Net profit / (loss)		-24.372	**-169.151**
Attributable to:			
Braganza shareholders		-6.194	**-166.235**
Non-controlling interests		-18.178	-2.916

BRAGANZA AB
CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER

Amounts in TSEK	Notes	2022	2021
Brands and other intangible assets		263.815	258.504
Goodwill		5.942	18.603
Total intangible assets	*6*	**269.757**	**277.106**
Properties and land		705.924	581.015
Aircraft, engines and similar		1.061.321	1.018.716
Construction in progress and pre-payments		4.434	1.545
Equipment		83.476	62.415
Total tangible assets	*7, 12*	**1.855.155**	**1.663.692**
Deferred tax asset	11	868	-
Investments in associates	9	5.141	8.309
Loans to associates		2.187	2.121
Net pension plan asset	5	3.229	2.964
Long term investments	13	168.756	188.514
Long term receivables	14	86.904	66.226
Total financial assets		**267.085**	**268.134**
Total non-current assets		**2.391.997**	**2.208.933**
Finished goods		94.464	51.903
Accounts receivable		80.598	51.073
Other receivables		220.795	236.445
Prepayments and accrued income	16	134.840	89.846
Total receivables		**436.233**	**377.364**
Cash and cash equivalents	17	806.536	836.406
Total current assets		1.337.233	**1.265.673**
Total assets		**3.729.230**	**3.474.606**

BRAGANZA AB
CONSOLIDATED BALANCE SHEET AS OF 31 DECEMBER

Amounts in TSEK	Notes	2022	2021
Share capital	18	46.086	46.086
Additional paid in capital		-	-
Total restricted equity		**46.086**	**46.086**
Free reserves		929.817	1.054.253
Profit for the year		-6.194	-166.235
Total accumulated profits		**923.623**	**888.018**
Non-controlling interests		**28.805**	**39.652**
Total equity		**998.515**	**973.756**
Pension obligations	5	-	-
Deferred tax liability	11	24.364	23.906
Other provisions		98.022	98.721
Total provisions		**122.386**	**122.627**
Liabilities to financial institutions	19	960.418	1.038.138
Other long term liabilities	20	192.376	96.022
Total other non-current liabilities		**1.152.795**	**1.134.160**
Liabilities to financial institutions	19	260.720	203.375
Accounts payable		193.209	173.829
Income tax payable	11	24.373	14.184
Public duties payable		51.428	20.230
Other short term liabilities		112.535	135.706
Accrued expenses and deferred income	20	813.270	696.738
Total current liabilities		**1.455.535**	**1.244.062**
Total Liabilities		**2.730.715**	**2.500.850**
Total equity and liabilities		**3.729.230**	**3.474.606**

BRAGANZA AB
CONSOLIDATED CASH FLOW STATEMENT 1.1 – 31.12

Amount in TSEK	Notes	2022	2021
Cash flow from operating activities			
Operating profit / (loss)		37.799	-172.304
Interest received		11.161	3.417
Interest paid		-30.796	-23.045
Other financial income net		5.224	-3.587
Paid income tax		-6.013	-10.317
Gain (-) / loss from disposal of non-current assets		-384	-18.788
Depreciation, amortisation and impairment expenses	6, 7	136.207	147.559
Cash flow from operating activities		**153.198**	**-77.065**
Cash flow from working capital			
Changes in finished goods		-42.561	-26.539
Changes in accounts receivable		-29.525	-21.912
Changes in accounts payable		19.380	51.564
Difference between recognized pension cost and actual payments		-265	-364
Changes in other accruals		174.097	-64.459
Net cash flow from operating activities		**274.324**	**-138.775**
Cash flow from investing activities			
Proceeds from disposal of tangible non-current assets		543	29.916
Purchase of tangible and intangible assets	6, 7	-222.182	-54.125
Purchase of shares	9, 13	-3.849	-13.397
Aquisition of subsidiary, net of cash aquired	22	-	2.648
Change in long term receivables		-20.744	15.183
Net cash flow from investing activities		**-246.231**	**-19.776**
Cash flow from financing activities			
Proceeds from borrowings	19, 20	192.882	325.526
Down payments borrowings	19, 20	-203.678	-62.783
Equity proceeds / Repayment		-	194.665
Dividends		-2.552	-
Net cash flow from financing activities		**-13.349**	**457.408**
Net change in cash and cash equivalents		14.743	298.858
Effect of exchange rate differences on cash and cash equivalents		-44.613	-22.822
Cash and cash equivalents at 01.01	17	836.406	560.370
Cash and cash equivalents at 31.12	17	**806.536**	**836.406**

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

	Share capital	Additional paid in capital	Retained earnings	Attributable to equity holders of the parent	Non-controlling interests	Total equity
Equity at 1 January, 2021	**46.086**	**0**	**844.319**	**890.405**	**9.382**	**899.787**
Profit for the year		0	-166.235	**-166.235**	-2.916	-169.151
Change in carrying amount for assets and liabilities						
Translation differences			47.427	**47.427**	1.029	**48.456**
Total change in carrying amount	**0**	**0**	**47.427**	**47.427**	**1.029**	**48.456**
Transactions with owners:						
Purchase from (-)/ Sales to (+) non-controlling interests			162.508	**162.508**	32.157	**194.665**
Payment of dividends			0	**0**	0	**0**
Total transactions with owners	**0**	**0**	**162.508**	**162.508**	**32.157**	**194.665**
Equity at December 31, 2021	**46.086**	0	**888.019**	**934.105**	**39.652**	**973.756**
Equity at 1 January, 2022	**46.086**	**0**	**888.019**	**934.105**	**39.652**	**973.756**
Profit for the year		0	-6.194	**-6.194**	-18.178	**-24.372**
Change in carrying amount for assets and liabilities						
Translation differences			44.508	**44.508**	7.174	**51.682**
Total change in carrying amount	**0**	**0**	**44.508**	**44.508**	**7.174**	**51.682**
Transactions with owners:						
Purchase from (-)/ Sales to (+) non-controlling interests		-2.709	-2.709	**2.709**	0	194.665
Payment of dividends		0	0	**-2.552**	-2.552	**-**
Total transactions with owners	**0**	**0**	**-2.709**	**-2.709**	**157**	**-2.552**
Equity at December 31, 2022	**46.086**	**0**	**923.624**	**969.710**	**28.805**	**998.514**

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 domestic services 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.

During 2022 BRA entered into a three years contract with VING, the leading Scandinavian tour operator brand. Under this contract BRA will provide capacity by flying up to five Airbus A319 jet aircraft starting in Q2 2023. In February BRA signed a similar contract with Apollo which calls for the introduction of up to three A320s in Q4 2023.

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

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

TRAVEL

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

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

HEDGE ACCOUNTING

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

INCOME TAX

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

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

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

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

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

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

BALANCE SHEET CLASSIFICATION

Current assets and short term liabilities consist of receivables and payables due within one year, and items related to the inventory cycle. Other balance sheet items are classified as fixed assets / long term liabilities.

Current assets are valued at the lower of cost and fair value. Short term liabilities are recognized at nominal value.

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

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are capitalized and depreciated linearly 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.

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 exceeds 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:

	2022	2021
Gain on sale of fixed assets	384	18.804
Currency translation gain	12.227	634
Profit reconstruction	952	74.159
Gain from discontinued operations	3.547	-
Government grant	15.888	67.602
Other (described below)	19.087	25.684
Total	**52.085**	**186.883**

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

Other operating expenses consists of:

	2022	2021
Aviation related costs	(857.920)	(374.596)
Cost of leases	(126.352)	(95.662)
Marketing costs	(129.277)	(55.371)
IT costs	(122.690)	(93.956)
External consultants, advisors etc.	(73.265)	(75.255)
Cost of travel	(15.914)	(392)
Other	(188.178)	(144.680)
Total	**(1.513.597)**	**(839.913)**

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

(Amounts in SEK 1000)

	Total for all employees	
Salary and personnel costs:	**2022**	**2021**
Salaries	543.015	406.762
Payroll tax	128.444	94.761
Pension costs	41.350	42.007
Other benefits	31.082	(4.873)
Capitalized Wage expenses	-	(1)
Total	**743.890**	**538.656**

Average number of employees by gender and country

	2022	**2022**	**2022**	**2021**	**2021**	**2021**
	Female	Male	Total	Female	Male	Total
Sweden	297	214	**512**	245	185	**430**
Norway	297	183	**480**	299	151	**430**
Total	**595**	**397**	**992**	**544**	**336**	**880**
	60 %	40 %		62%	38%	

Management and board remuneration

	2022	**2021**
Salary and bonus	6.314	5.011
Other benefits	104	91
Total	**6.418**	**5.102**

There is no severance pay agreement.

Split senior management	**2022**	**2021**
Women:		
Members of board	-	-
Other senior management incl. MD	-	-
Men:		
Members of board	6	6
Other senior management incl. MD	3	3
Total	**9**	**9**

Auditor

Specification of auditor's fees 2022 ex VAT

Group	**Statutory audit fee**	**Other assurance services**	**Tax advisory fee**	**Other non-audit services**	**Total 2022**
Deloitte	(4.624)	(665)	(309)	(829)	**(6.427)**
Other auditors	42	-	-	(10)	**(52)**
Total	**(4.665)**	**(665)**	**(309)**	**(839)**	**(6.479)**

Specification of auditor's fee 2020 (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)**
Total	**(3.647)**	**(1.152)**	**(142)**	**(289)**	**(5.230)**

NOTE 5. PENSIONS

(Amounts in SEK 1000)

	2022	2021
Service cost	(3.734)	(3.141)
Interest cost	-	-
Return on pension plan assets	-	-
Social security tax	(526)	(442)
Net pension costs, defined pension plans	(4.260)	(3.583)
Pension cost defined contribution plans	**(37.089)**	**(38.424)**
Total net pension cost	**(41.350)**	**(42.007)**

	2022	2021
Accrued pension obligations at 31.12	17.942	14.999
Estimated effect of future salary increase	-	-
Estimated pension obligations at 31.12	17.942	14.999
Pension plan assets (at market value) at 31.12	14.757	12.985
Unrecognised effects of actuarial gains/ losses	(6.970)	(6.092)
Social security tax	-	-
Currency adjustments	556	1.113
Net benefit obligations	(3.229)	(2.964)
Hereof recognized as Other long term receivables	3.229	2.964
Hereof recognized as Pension obligations	(0)	(0)
Actuarial assumptions:		
Discount rate	3,2 %	1,9 %
Salary increase	3,75 %	2,75 %
Return on plan assets	4,90 %	3,10 %

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

NOTE 6. INTANGIBLE ASSETS

(Amounts in SEK 1000)

	Brands and other intangible assets	Goodwill	Total
1 January - 31 December 2022			
Balance as of 1 January 2021	258.504	18.603	**277.107**
Additions	11.980	-	**11.980**
Additions from purchase of companies	-	-	**-**
Disposals	(159)	-	**(159)**
Disposals from sale of companies	-	-	**-**
Amortisation	(7.443)	(13.167)	**(20.609)**
Currency translation differences	933	506	**1.439**
Balance as of 31 december 2022	**263.815**	**5.942**	**269.758**
As of 31 December 2022			
Cost of acquisition	495.757	119.763	**615.520**
Accumulated amortisation and impairment losses	(231.942)	(113.821)	**(345.762)**
Balance as of 31 December 2022	**263.815**	**5.942**	**269.758**

	Brands and other intangible assets	Goodwill	Total
1 January - 31 December 2021			
Balance as of 1 January 2021	272.936	30.577	**303.513**
Additions	13.028	-	**13.028**
Additions from purchase of companies	-	-	**-**
Disposals	-	-	**-**
Disposals from sale of companies	-	-	**-**
Amortisation	(28.978)	(12.693)	**(41.671)**
Impairment loss	-	-	**-**
Currency translation differences	1.518	718	**2.236**
Balance as of 31 december 2021	**258.504**	**18.603**	**277.107**
As of 31 December 2021			
Cost of acquisition	497.320	117.052	**614.372**
Accumulated amortisation and impairment losses	(238.817)	(98.449)	**(337.265)**
Balance as of 31 December 2021	**258.504**	**18.603**	**277.107**

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	2.472	5 years
Prima Travel	3.470	5 years
Total	**5.942**	

NOTE 7. TANGIBLE ASSETS

(Amounts in SEK 1000)

	Properties and land	Aircraft, engines and similar[1]	Const-ruction in progress	Equipment	Total
1 January - 31 December 2022					
Balance as of 1 January 2022	581.015	1.018.716	1.545	62.415	**1.663.691**
Additions	127.786	26.710	2.889	52.817	**210.202**
Additions from purchase of companies	-	-	-	-	**-**
Disposals	-	-	-	-	**-**
Disposals from sale of companies	-	-	-	-	**-**
Amortisation	(20.305)	(64.312)	-	(30.979)	**(115.595)**
Impairment loss	-	-	-	(3)	**(3)**
Currency translation differences	17.427	80.207	-	(774)	**96.860**
Balance as of 31 december 2022	**705.923**	**1.061.321**	**4.434**	**83.476**	**1.855.154**
As of 31 December 2022					
Cost of acquisition	1.265.041	1.458.331	4.434	364.372	**3.092.178**
Accumulated amortisation and impairment losses	(559.118)	(397.009)	-	(280.896)	**(1.237.024)**
Balance as of 31 December 2022	**705.923**	**1.061.321**	**4.434**	**83.476**	**1.855.154**

	Properties and land	Aircraft, engines and similar[1]	Const-ruction in progress	Equipment	Total
1 January - 31 December 2021					
Balance as of 1 January 2021	545.691	1.061.958	4.448	59.939	**1.672.036**
Additions	27.327	-	(2.903)	16.673	**41.097**
Additions from purchase of companies	-	-	-	6	**6**
Disposals	-	(11.491)	-	363	**(11.128)**
Disposals from sale of companies	-	-	-	(0)	**(0)**
Amortisation	(29.176)	(59.708)	-	(16.622)	**(105.506)**
Impairment loss	-	-	-	(381)	**(381)**
Currency translation differences	37.173	27.957	-	2.436	**67.567**
Balance as of 31 december 2021	**581.015**	**1.018.716**	**1.545**	**62.415**	**1.663.691**
As of 31 December 2021					
Cost of acquisition	1.104.156	1.211.780	1.545	275.631	**2.593.112**
Accumulated amortisation and impairment losses	(523.141)	(193.064)	-	(213.216)	**(929.420)**
Balance as of 31 December 2021	**581.015**	**1.018.716**	**1.545**	**62.415**	**1.663.691**

[1] The balance sheet item includes leasing assets held under finance leases with carrying amounts amounting to 944 753 (899 054). See note 12 for more information.

Depreciation of intangible assets:

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

NOTE 8. SIGNIFICANT TRANSACTIONS AND EVENTS

(Amounts in SEK 1000)

In February 2022, Ticket Leisure Travel Group repaid the government guaranteed loan in Norway of MNOK 50. In September 2022 the loan from the parent company of MSEK 50 given in February 2021 was repaid.

In June 2022 BRA signed a three years' contract with a leading Scandinavian tour operator (VING) under which the airline will deliver jet aircraft capacity starting in Q2 2023.

NOTE 9. INVESTMENTS IN ASSOCIATED COMPANIES

(Amounts in SEK 1000)

A specification of investments in associated companies follow below:

	2022	2021
Book value as of 1.1.	8.309	7.903
Additions	-	1.015
Profit/(loss)	(3.219)	(718)
Currency and other adjustments	51	109
Book value as of 31.12.	**5.141**	**8.309**

Specification of profit/(loss)

	2022	2021
Share of profit/(loss) from associates	(3.220)	(718)
Elimination of internal gains/losses	-	-
Net profit/(loss) from associates	**(3.220)**	**(718)**

	Location	Ownership 2)	Equity as of 31 12	Profit/(loss) 2022
Peer Gynt AS, org nr 965 407 375	Nord-Fron	50,0 %	10.281	(2.424)
Qondor AS	Trondheim	33,0 %	(200)	(2.866)

[2)] Ownership equalling the percentage of voting shares

	Acquisition cost	Acquisition date	Equity at acquisition date	Book value 2022	Book value 2021
Peer Gynt AS	5.270	2008	10.000	5.141	6.353
Qondor AS	8.041	2017	7.096	0	1.956
Sum				**5.141**	**8.309**

NOTE 10. OTHER FINANCIAL INCOME AND EXPENSES

(Amounts in SEK 1000)

Other financial income

	2022	2021
Gain from sale of shares	-	-
Dividends	10.732	-
Gain on foreign exchange	18.922	11.791
Other financial income	721	13
Total other finance income	**30.376**	**11.804**

Other financial expenses

	2022	2021
Loss /changes in value of equity investments	-	-
Loss on foreign exchange	(22.755)	(15.046)
Other financial expenses	(985)	(419)
Total other finance expenses	**(23.740)**	**(15.465)**

NOTE 11. TAXES

(Amounts in SEK 1000)

	2022	2021
Income tax expense		
Tax payable	17.453	84
Changes in deferred tax	4.280	10.584
Total income tax expense (+) / tax income (-)	**21.733**	**10.668**
Changes in deferred tax		
Changes recognized in profit and loss	4.280	10.584
Changes due to business combinations	-	(11)
Other	(4.998)	(8.174)
Currency adjustments	308	727
Total changes in deferred tax	**(410)**	**3.126**
Profit before tax	(2.639)	(158.483)
Tax rate 20,6% tax expense (+) / tax income (-)	**(544)**	**(32.648)**
Effect of unrecognized timing differences and tax loss	29.185	40.182
Revaluation of unrecognized timing differences and tax loss prior years	(4.938)	860
Adjustments for prior years	81	-
Permanent differences	(3.930)	4.529
Tax on profit from associates	663	718
Effect of change in tax rate	-	(2.766)
Effect of different tax rates	1.195	(205)
Other	20	(3)
Income tax expense (+) / tax income (-)	**21.733**	**10.668**
Temporary differences		
Deferred tax assets		
Inventory	85	310
Intangible assets	94	108
Tangible assets	12.309	12.266
Accounts receivables and other receivables	-	24
Provisions and short term debt	2.321	2.677
Gains and losses	6.594	7.995
Tax loss carried forward	314.497	274.230
Other differances assets	4.001	3.204
Deferred tax assets	**339.902**	**300.814**
Deferred tax liabilities		
Intangible assets	39.069	39.882
Tangible assets	127.175	99.609
Accounts receivables	331	-
Other differences	710	652
Deferred tax liabilities	**167.284**	**140.144**
Net deferred tax assets (-liability)	172.618	160.670
Hereof not recognized in the balance sheet	196.113	184.576
Net deferred tax assets (-liability)	(23.496)	(23.906)
Hereof recognized as deferred tax asset	868	-
Hereof recognized as deferred tax liability	24.364	23.906

NOTE 12. LEASES

(Amounts in SEK 1000)

Finance leases

	2022	2021
Aircraft, engines, property, plant and similar	944.753	899.054
Balance as of 31 December	**944.753**	**899.054**

Minimum finance lease payments

	2022	2021
Next year	116.618	107.185
Between year 1 and 5	315.403	415.482
After year 5	-	-
Total minimum finance lease payments	**432.021**	**522.667**

Operating leases

	Lease payments		Durability
	2022	2021	
Aircraft, engines, property, plant and similar	132.923	110.999	1-4 years
Equipment	-	640	1-3 years
Other	-	77	
Lease expenses	**132.923**	**111.716**	

Minimum Operating lease payments	2022	2021
Next year, operating leases	149.999	126.807
Between year 1 and 5, operating leases	497.973	445.013
After year 5, operating leases	162.115	217.478
Total minimum operating lease payments	**810.087**	**789.298**

NOTE 13. LONG TERM INVESTMENTS

(Amounts in SEK 1000)

Long term investments

Company	**Book value**	**Share**
Lea Bank ASA	88.261	11,0 %
Scandic Hotel Group	46.253	0,7 %
Topcamp AS	20.665	9,0 %
Piolin II S.A.R.L	10.892	0,2 %
Other	2.685	
Total	**168.756**	

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

Changes during the year	2022	2021
Book value 1 January	188.514	137.011
Additions	3.849	12.382
Disposals	-	-
Value adjustment	(24.219)	37.754
Currency translation differences	612	1.367
Book value as of 31 December	**168.756**	**188.514**

NOTE 14. LONG TERM RECEIVABLES

(Amounts in SEK 1000)

Long term receivables consist of:

	2022	2021
Loan to BRABank	14.481	13.345
Deposits	55.234	44.916
Other	17.191	7.966
Total	**86.905**	**66.227**

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 Arlines (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:

	2022	2021
Prepaid expenses	83.320	46.018
Accrued income	24.656	3.752
Other short term receivables	26.864	40.076
Total	**134.840**	**89.846**
Hereof:		
Due within 1 year	134.840	89.846
Due above 1 year	-	-

NOTE 17. CASH AND CASH EQUIVALENTS

(Amounts in SEK 1000)

Cash and cash equivalents consists of:

	2022	2021
Bank deposits	806.536	836.406
Total	**806.536**	**836.406**
Whereof restricted	13.572	10.336

NOTE 18. SHARE CAPITAL

(Amounts in SEK 1000)

Shareholders as of 31 December

	Number of shares	In percent
Per G. Braathen	238.876	52 %
Eline B. Braathen	73.998	16 %
Ida P. Braathen	73.998	16 %
Peer G. Braathen	73.998	16 %
Total	**460.870**	**100 %**

The shares have a face value of 100,-

NOTE 19. INTEREST BEARING DEBT

(Amounts in SEK 1000)

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

	Short term		Long term	
	2022	**2021**	**2022**	**2021**
Interest bearing debt by type				
Loan from financial institutions	149.479	98.618	519.952	530.086
Finance leases, note 12	111.241	104.757	440.466	508.052
Other loans	-	-	-	-
Total	**260.720**	**203.375**	**960.418**	**1.038.138**
Time to maturity				
Due between year 1 and 5			527.699	565.405
Due after year 5			432.719	472.733
Total			**960.418**	**1.038.138**
Secured debt				
Debt secured by collateral	884.891	941.899		
Type of security				
Aircraft, engines and similar	944.753	899.054		
Property and plant	624.229	503.823		
Other equipment	54.778	2.817		
Inventory	-	29.138		
Receivables	1.647	6.228		
Other	3.867	3.702		
Total book value of security	**1.629.274**	**1.444.762**		

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

(Amounts in SEK 1000)

Other long term liabilities consist of:

	2022	2021
Loan from Shareholders	27.570	41.567
Deposits	712	691
Deffered respite on public duties payable	139.094	53.764
Other	25.000	-
Total other long term liabilities	**192.376**	**96.022**
Time to maturity		
Due between year 1 and 5	192.376	96.022
Due after year 5	-	-
Total	**192.376**	**96.022**

Accrued expenses and deferred income consist of:

	2022	2021
Tickets and other prepayments from customers	525.444	457.074
Salaries and other employee benefits	78.826	68.466
Accrued leasing cost	77.418	80.797
Accrued carbon cost	37.752	10.801
Other	93.830	79.600
Total accrued expenses and deferred income	**813.270**	**696.738**

NOTE 21. GUARANTEE LIABILITIES AND PLEDGED ASSETS

(Amounts in SEK 1000)

The pledged assets for the group consist of:

	2022	2021
Aircraft	944.753	899.054
Chattel mortgages	-	-
Deposits	49.218	23.105
Restricted cash	5.098	6.710
Property and plant	623.429	503.823
Inventory	54.305	29.138
Other	120.965	63.685
Total	**1.797.768**	**1.525.515**

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

	2022	2021
Travel insurance	93.134	60.914
Rental guarantees	474	5.745
Total	**93.608**	**66.659**

NOTE 22. ACQUISITIONS AND DISPOSALS OF BUSINESSES

(Amounts in SEK 1000)

Disposal of business

	Acquisitions		Divestments	
	2022	**2021**	**2022**	**2021**
Other intangible assests	-	-	-	-
Tangible assets	-	6	-	-
Financial assets	-	11	-	-
Current assets	-	5.729	-	-
Total assets	**-**	**5.746**	-	-
Non-current liabilities	-	2.953	-	-
Current liabilities	-	2.253	-	-
Total liabilities	**-**	**5.205**	-	-

NOTE 23. OPERATING SEGMENTS

(Amounts in SEK 1000)

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

.

Allocation between segments in 2022	Aviation	Travel	Leisure	Other	Total
External gross revenue	1.372.568	5.036.807	603.556	13.016	7.025.947
Net revenue	1.356.453	1.144.430	588.582	11.572	3.101.037
Other operating income	16.115	16.005	14.974	4.991	52.085
Total external revenues	**1.372.568**	**1.160.435**	**603.556**	**16.563**	**3.153.122**
Internal revenues	-	-	-	19.176	19.176
Total revenues	**1.372.568**	**1.160.435**	**603.556**	**35.739**	**3.172.298**
Cost of goods sold	-	(654.906)	(13.841)	(5.251)	(673.998)
Employee benefits expense	(257.526)	(222.759)	(237.235)	(26.370)	(743.890)
Other operating expenses	(1.122.873)	(214.323)	(231.478)	(11.730)	(1.580.404)
EBITDA	**(7.831)**	**68.447**	**121.002**	**(7.612)**	**174.006**

Geografical areas	Norway	Sweden	Other	Total
External gross revenue	2.550.073	4.475.840	34	7.025.947
Net revenue	1.492.543	1.608.494	-	3.101.037
Other operating income	26.070	25.981	34	52.085
Total external revenues	**1.518.613**	**1.634.475**	**34**	**3.153.122**
Internal revenues	18.938	7.544	-	26.482
Total revenues	**1.537.551**	**1.642.019**	**34**	**3.179.604**

Allocation between segments in 2021	Aviation	Travel	Leisure	Other	Total
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
Total external revenues	**620.545**	**387.559**	**588.228**	**13.239**	**1.609.571**
Internal revenues	-	-	863	60.408	61.271
Total revenues	**620.545**	**387.559**	**589.091**	**73.647**	**1.670.842**
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)
EBITDA	**(86.410)**	**(84.848)**	**116.160**	**30.352**	**(24.746)**

Geografical areas	Norway	Sweden	Other	Total
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
Total external revenues	**866.402**	**732.946**	**10.223**	**1.609.571**
Internal revenues	13.589	1.445	-	15.034
Total revenues	**879.991**	**734.391**	**10.223**	**1.624.605**

NOTE 24. SUBSIDIARIES

Company	Acquisition/ incorporation date	Company no.	Location	Country	Share ownership 2022	Share ownership 2021
Braganza AS	2013	912 414 353	Oslo	Norway	100 %	100 %
Braathens Travel Group AB[1])	2010	556445-4170	Stockholm	Sweden	100 %	100 %
Ticket Leisure Travel Group AB[1)]	2010	556428-9592	Stockholm	Sweden	97 %	97 %
Dyreparken Utvikling AS[1)]	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[1)]	2006	989 332 619	Oslo	Norway	95 %	95 %
Braathens Regional Airlines AB[1)]	2007	556747-6592	Malmö	Sweden	81 %	81 %
Braathens IT AS	2002	884 729 432	Lysaker	Norway	100 %	100 %
Braconda AS	2003	986 007 423	Oslo	Norway	100 %	100 %
Escape Travel Group AS[1)]	2018	921 380 496	Oslo	Norway	95 %	95 %
Ticket Commercial Ltd	2012	7110286	London	United Kingdom	100 %	100 %
Braathens Domains Ltd	2012	7110139	London	United Kingdom	100 %	100 %
Bralanta AB	2013	556938-7375	Stockholm	Sweden	100 %	100 %
Bradana AS	2014	945 736 755	Oslo	Norway	0 %	100 %
ATR 72 MSN 1341 AS	2017	919 407 360	Oslo	Norge	100 %	100 %

[1)] Including subsidiaries not listed in this note.

NOTE 25. EVENTS AFTER THE REPORTING PERIOD

Subsequent to year end no events have occurred that would have affected the financial statements in a significant way as of 31 December 2022.

In February 2023, BRA was granted 133 MSEK in additional deferrals of tax payments from the Swedish Tax Agency. This is part of the Government's continued support measures for companies that were financially affected by the Covid pandemic. In total, BRA's tax deferrals now amount to SEK 282 million.

BRA has signed a new three years contract with a leading tour operator (Apollo) starting in October this year.

BRAGANZA AB – PARENT COMPANY

The board and managing director of Braganza AB hereby submit the annual report for the financial year 1 January 2022 - 31 December 2022.

ADMINISTRATION REPORT

Accounting principles

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

Proposal for the appropriation of profits

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

Profit brought forward	1 133 242 561
Profit for the year	-2 988 198
Sum	**1 130 254 363**

The board and managing director proposes that:

Proposed dividend	26 000 000
To be carried forward	1 104 254 363
Sum	**1 130 254 363**

The board of directors proposes that the General Meeting in 2023 distribute a dividend of MSEK 26, which is deemed to be justifiable considering the requirements that the businesses nature, scope, and risk place on the size of the equity capital, the company’s consolidation needs, liquidity and position in general.

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

BRAGANZA AB – PARENT COMPANY

(Amount in TSEK)

INCOME STATEMENT	Note	2022	2021
Net sales		9 962	8 062
Other income		-	-
Revenue		**9 962**	**8 062**
Other external costs	1	-22 909	-17 837
Personnel costs	2	-2 324	-3 548
Operating expenses		**-25 233**	**-21 385**
Operating profit		**-15 271**	**-13 323**
Result from financial investments			
Result from participations in group companies	3	59 996	47 193
Result from long-term securities	4	7 451	39 824
Other interest income and similar items	5	27 309	14 948
Interest expense and similar items	6	-18 406	-46 325
Write-downs of financial fixed assets and short-term investments	3, 4	-64 067	-6 240
Financial items		**12 283**	**95 727**
Profit/ after financial items		**-2 988**	**82 402**
Dispositions		-	-
Received group contribution		-	1 378
Provided group contribution		-	-
Dispositions		-	1 378
Profit/loss before taxes			
Taxes			
Tax on profit for the year	7		
NET PROFIT FOR THE YEAR		**-2 988**	**83 780**

BALANCE SHEET

(Amount in TSEK)

ASSETS	Note	2022	2021
Fixed assets			
Intangible assets			
Intellectual property rights, brands and other intangible assets	9	3 669	3 510
Total intangible assets		**3 669**	**3 510**
Financial assets			
Shares in group companies	3	860 825	900 277
Receivables from group companies		111 193	220 846
Shares in associated companies	8	5 270	5 270
Other long-term securities	4	144 461	167 762
Other long-term receivables		19 837	21 310
Total financial assets		**1 141 586**	**1 315 465**
Total fixed assets		**1 145 255**	**1 318 975**
Current assets			
Current receivables			
Accounts receivables		-	33
Receivables from group companies		34 094	3 802
Other receivables		188	21
Total current receivables		**34 282**	**3 856**
Cash and bank balances		**294 899**	**205 927**
Total current assets			**148 556**
TOTAL ASSETS		**1 474 436**	**1 471 387**

BALANCE SHEET

(Amount in TSEK)

EQUITY AND LIABILITIES	**Note**	**2022**	**2021**
Equity			
Restricted equity			
Share capital		46 087	46 087
Total restricted equity		**46 087**	**46 087**
Non-restricted equity			
Profit brought forward		1 133 242	1 049 463
Profit for the year		-2 988	83 780
Total non-restricted equity		**1 130 254**	**1 133 243**
Total equity		**1 176 342**	**1 179 330**
Liabilities			
Long-term liabilities			
Liabilities to group companies		34 418	132 824
Other long-term liabilities		27 570	41 567
Total long-term liabilities		**61 988**	**174 391**
Current liabilities			
Accounts payable – trade		7	112
Liabilities to group companies		233 777	114 762
Other short-term debt		47	88
Income tax liability	7	-	1
Accrued expenses and deferred income		2 275	2 704
Total current liabilities		**236 106**	**117 666**
TOTAL EQUITY AND LIABILITIES		**1 474 326**	**1 471 387**

CHANGE IN EQUITY

(Amount in TSEK)

	Restricted equity	Non-restricted equity		
	Share capital	Retained earnings	Profit for the period	Total equity
Equity at January 1, 2021	**46 087**	**1 063 685**	**-14 223**	**1 095 550**
Profit brought forward		-14 223	14 223	-
Net profit for the year			**83 780**	**83 780**
Dividend				
Equity at December 31, 2021	**46 087**	**1 049 463**	**83 780**	**1 179 330**

	Share capital	Retained earnings	Profit for the period	Total equity
Equity at January 1, 2022	**46 087**	**1 049 463**	**83 780**	**1 179 330**
Profit brought forward		83 780	-83 780	-
Net profit for the year			**-2 988**	**-2 988**
Dividend				
Equity at December 31, 2022	**46 087**	**1 133 242**	**-2 988**	**1 176 342**

CASH FLOW STATEMENT 1.1 – 31.12

(Amount in TSEK)

			2022	2021
Cash flows from operating activities				
Profit/loss after financial items			-2 988	82 402
Adjustment for non-cash items				
Write-downs shares in subsidiaries		3	39 848	-
Write-downs long-term securities		4	24 219	-
Reversal of write-down long-term securities holdings		4	-	-39 824
Stock dividend			-33 140	-
Capital gains			-426	-47 193
Anticipated dividend			-26 429	-
Unrealized change in value			-180	-
Income tax paid			-	-
Cash flow from operating activities before changes in working capital			**904**	**-4 615**
Changes in working capital				
Changes in current receivables			-3 995	-335
Changes in current liabilities			118 440	-76 932
Cash flows from operating activities			**115 349**	**-81 882**
Cash flows from investing activities				
Disposal of shares in subsidiaries	3	3	-	-
Acquisition of other long-term securities	4	4	-	-
Cash flow after investing activities			**-898**	**29 741**
Cash flows from financing activities				
Group contribution received / paid			33 169	-
Shareholder contributions			-	-100 000
Changes in non-current receivables			111 126	131 939
Changes in non-current liabilities			-112 403	-37 169
Cash flow from financing activities			**31 892**	**-5 230**
Cash flow of the year			**146 343**	**-57 371**
Cash & cash equivalents at beginning of period			**148 556**	**205 927**
Change in value in cash & cash equivalents			**-**	**-**
CASH & CASH EQUIVALENTS AT END OF YEAR			**294 899**	**148 556**

NOTES

(Amount in TSEK)

NOTE 1. DISCLOSURE OF AUDIT FEE AND COST REIMBURSEMENTS

	2022	2021
Deloitte AB		
Statutory audit fee	304	242
Other assurance services	-	-
Tax advisory fee	-	-
Other non-audit services	-	-
Total	**304**	**242**

NOTE 2. PERSONNELL

Average number of employees, distribution between men and woman	2022	2021
Women	-	-
Men	3	1
Total	**3**	**1**

Distribution senior management	2022	2021
Women:		
- The board of directors	-	-
- Senior management and managing director	-	-
Men:		
- The board of directors	6	6
- Senior management and managing director	3	3
Total	**9**	**9**

Salaries and remunerations	2022	2021
The board and managing director	979	1 061
Other employees	887	1 611
Total salaries and remunerations	**1 866**	**2 672**
Social security charges according to law and union contract	458	876
Pension costs	-	-
Total salaries, remunerations, social security charges and pension costs	**2 324**	**3 548**

NOTE 3. SHARES IN GROUP COMPANIES

	2022	2021
Acquisition value brought forward	900 277	909 842
Write-down Braathens Aviation AS	-39 848	-
Liquidation of Bradana AS	-32 742	-
Disposal shares Dyreparken Utvikling AS	-	-9 565
Shares received in ATR 72 MSN 1341 AS through Sakutdelning	33 140	-
Residual value carried forward	**860 825**	**900 277**

Directly controlled	Corporate identity number	Location	Number of shares	Share ownership	Book value
Braganza AS	912 414 353	Oslo	101 410	100 %	15 183
Braathens Aviation AS	955 308 847	Oslo	1 400 000	100 %	58 779
Wayday Travel AS	991 353 305	Oslo	9 300	93 %	-
Braganza II AB	556575–4438	Stockholm	2 000	100 %	357 626
Bramora AS	988 030 635	Oslo	10 000	100 %	28 191
Breibukt Holding AS	989 332 619	Oslo	890 910	95 %	15 836
Braathens Travel Group AB	556445–4170	Stockholm	33 518 360	100 %	208 978
Dyreparken Utvikling AS	990 903 700	Kristiansand	846 090	94 %	86 092
Formentera AS	978 668 259	Oslo	10 000	100 %	57 002
ATR 72 MSN AS	919 407 360	Oslo	20 000	100 %	33 140
Sum					**860 825**

Result from participations in group companies	2022	2021
Capital gains	427	47 193
Dividend	33 140	-
Write-down of shares	- 39 848	-
Anticipated dividend	26 429	-
Total	**20 148**	**47 193**

NOTE 4. OTHER LONG-TERM SECURITIES

	2022	2021
Book value brought forward	297 900	287 567
Acquisitions	899	27 018
Disposals	-	-16 685
Total	**298 797**	**297 900**
Write-down brought forward	**-130 138**	**-169 962**
Write-downs	-24 219	-
Reversal of previous write-downs	-	39 824
Total	**-154 356**	**-130 138**
Total	**144 441**	**167 762**

Result from other long-term securities	2022	2021
Capital gains	-	-
Write-downs	-24 219	-
Reversal of previous write downs	-	39 824
Dividend	7 451	-
Sum	**-16 768**	**39 824**

NOTE 5. OTHER INTEREST INCOME AND SIMILAR ITEMS

	2022	2021
Interest income	7 042	2 519
Interest income, subsidiaries	5 864	7 465
Unrealized change in value	718	-
Exchange differences	13 685	4 694
Total	**27 309**	**14 948**

NOTE 6. INTEREST EXPENSE AND SIMILAR ITEMS

	2022	2021
Interest expenses	-4 130	-3 369
Interest expenses, subsidiaries	-4 399	-2 755
Exchange differences	-9 877	-116
Total	**- 18 406**	**- 6 240**

NOTE 7. TAX

	2022	2021
Current tax	-	-
Total	**-**	**-**
Components of tax on profit for the year:		
Profit before tax	-2 988	82 402
Tax rate 20,6 %	616	3 044
Tax effect of:		
Non-deductible expenses	-13 247	36
Non-taxable income	13 894	-18 296
Deficit for which deferred tax has not been accounted for	-1 689	5 102
Net interest income from other group companies	426	-
Total	**-**	**-**

NOTE 8. SHARES IN ASSOCIATED COMPANIES

	2022	2021
Book value brought forward	5 270	5 270
Acquisition of shares in Peer Gynt AS	-	-
Total	**5 270**	**5 270**

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

NOTE 9. INTANGIBLE ASSETS

	2022	2021
Acquisition value brought forward	3 510	3 438
Investment of the year	158	72
Accumulated acquisition value carried forward	**3 669**	**3 510**
Depreciation value brought forward	-	-
Depreciations	-	-
Accumulated depreciation carried forward	**-**	**-**
Total	**3 669**	**3 510**

NOTE 10. PROPOSAL FOR THE APPROPRIATIONS OF PROFITS

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

Profit brought forward	1 133 242 561
Profit for the year	-2 988 198
Sum	**1 130 254 363**

The board and managing director proposes that:

Proposed dividend	26 000 000
To be carried forward	1 104 254 363
Sum	**1 130 254 363**

The board of directors proposes the above appropriation of profits on the ordinary General Meeting in 2023, 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

	2022	2021
Pledged assets	None	None
Contingent liabilities	None	None

NOTE 12. SUBSEQUENT EVENTS

Subsequent to year end no events have occurred that would have affected the financial statements in a significant way as of 31 December 2022.

Stockholm 2023

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 2023

Deloitte AB

Richard Peters
Authorized public accountant

AUDITOR'S REPORT

Deloitte.

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 2022-01-01 - 2022-12-31.

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 2022 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 Responsibilitie*s 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 2022-01-01 - 2022-12-31 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 the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

Date according to electronic signing

Deloitte AB

Signature on Swedish original

Richard Peters
Authorised Public Accountant

BRAGANZA AB
P.O. BOX 61
KÖPSVÄNGEN 22, HUS M, VÅNING 6
KSE-16126 BROMMA

BRAGANZA

BRAGANZA AS
PARKVN. 55
N-0256 OSLO