



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2020 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer:	920 355 390
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	BOREAL HOLDING AS
Forretningsadresse:	Haakon VII's gate 7 4005 STAVANGER

Regnskapsår

Årsregnskapets periode:	01.01.2020 - 31.12.2020
-------------------------	-------------------------

Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	John S. Halvorsen
Dato for fastsettelse av årsregnskapet:	28.04.2021

Grunnlag for avgivelse

År 2020: Årsregnskapet er elektronisk innlevert
År 2019: Tall er hentet fra elektronisk innlevert årsregnskap fra 2020

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 22.06.2022



Resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Kostnader			
Annen driftskostnad		1 403 370	5 020 449
Sum kostnader		1 403 370	5 020 449
Driftsresultat		-1 403 370	-5 020 449
Finansinntekter og finanskostnader			
Inntekt på investering i datter-/tilknyttet selskap		22 219 582	68 862 700
Renteinntekt fra foretak i samme konsern		70 518 392	41 499 075
Annen renteinntekt		31 656 351	33 027 570
Annen finansinntekt		8 349	
Sum finansinntekter		124 402 674	143 389 345
Rentekostnad til foretak i samme konsern		17 347 939	19 237 936
Annen rentekostnad		92 937 160	86 500 768
Annen finanskostnad		17 115 533	10 049 799
Sum finanskostnader		127 400 632	115 788 503
Netto finans		-2 997 958	27 600 842
Ordinært resultat før skattekostnad		-4 401 328	22 580 393
Skattekostnad på ordinært resultat		-961 089	4 967 687
Ordinært resultat etter skattekostnad		-3 440 239	17 612 706
Årsresultat		-3 440 239	17 612 706
Overføringer og disponeringer			
Udekket tap		-5 930 751	-36 100 202
Annen egenkapital		2 490 512	53 712 908
Sum overføringer og disponeringer		-3 440 239	17 612 706



Balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Finansielle anleggsmidler			
Investering i datterselskap		1 912 150 226	1 902 562 076
Lån til foretak i samme konsern		2 111 212 689	1 147 264 134
Sum finansielle anleggsmidler		4 023 362 915	3 049 826 210
Sum anleggsmidler		4 023 362 915	3 049 826 210
Omløpsmidler			
Varer			
Fordringer			
Andre fordringer		43 508 767	28 938 985
Konsernfordringer		748 335 248	1 289 606 178
Sum fordringer		791 844 015	1 318 545 163
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende		625 379 709	148 634 381
Sum bankinnskudd, kontanter og lignende		625 379 709	148 634 381
Sum omløpsmidler		1 417 223 724	1 467 179 544
SUM EIENDELER		5 440 586 639	4 517 005 754
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Aksjekapital (30 aksjer à kr 1 001,00)		30 030	30 030
Overkurs		1 055 999 970	1 055 999 970
Sum innskutt egenkapital		1 056 030 000	1 056 030 000



Balanse

Beløp i: NOK	Note	2020	2019
Opptjent egenkapital			
Annen egenkapital		11 400 525	14 840 764
Sum opptjent egenkapital		11 400 525	14 840 764
Sum egenkapital		1 067 430 525	1 070 870 764
Gjeld			
Langsiktig gjeld			
Utsatt skatt		3 280 670	4 241 759
Sum avsetninger for forpliktelser		3 280 670	4 241 759
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner		363 677 274	57 426 000
Langsiktig konserngjeld		572 000 000	472 000 000
Sum annen langsiktig gjeld		935 677 274	529 426 000
Sum langsiktig gjeld		938 957 944	533 667 759
Kortsiktig gjeld			
Sertifikatlån		2 461 006 944	1 750 000 000
Leverandørgjeld		9 375	
Betalbar skatt			5 694 837
Kortsiktig konserngjeld		952 883 551	1 136 576 672
Annen kortsiktig gjeld		20 298 300	20 195 722
Sum kortsiktig gjeld		3 434 198 170	2 912 467 231
Sum gjeld		4 373 156 114	3 446 134 990
SUM EGENKAPITAL OG GJELD		5 440 586 639	4 517 005 754



Konsernets resultatregnskap

Beløp i: NOK	Note	2020	2019
RESULTATREGNSKAP			
Inntekter			
Salgsinntekt	12	3 160 812 000	3 204 152 000
Sum inntekter		3 160 812 000	3 204 152 000
Kostnader			
Varekostnad		1 226 652 000	1 330 095 000
Lønnskostnad	8,10	1 309 005 000	1 262 466 000
Avskrivning på varige driftsmidler og immaterielle eiendeler	2,3	350 319 000	316 015 000
Annen driftskostnad	10	206 578 000	219 265 000
Sum kostnader		3 092 554 000	3 127 841 000
Driftsresultat		68 258 000	76 311 000
Finansinntekter og finanskostnader			
Inntekt på investering i datterselskap og tilknyttet selskap	4	3 319 000	202 000
Annen finansinntekt		37 822 000	44 969 000
Sum finansinntekter		41 141 000	45 171 000
Annen finanskostnad		173 162 000	163 073 000
Sum finanskostnader		173 162 000	163 073 000
Netto finans		-132 021 000	-117 902 000
Ordinært resultat før skattekostnad		-63 763 000	-41 591 000
Skattekostnad på ordinært resultat	9	5 094 000	10 309 000
Ordinært resultat etter skattekostnad		-68 857 000	-51 900 000
Årsresultat		-68 857 000	-51 900 000
Minoritetsinteresser		154 000	273 000
Årsresultat etter minoritetsinteresser		-69 011 000	-52 173 000



Konsernets balanse

Beløp i: NOK	Note	2020	2019
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Goodwill	2	568 537 000	663 462 000
Sum immaterielle eiendeler		568 537 000	663 462 000
Varige driftsmidler			
Tomter, bygninger og annen fast eiendom	3	497 240 000	502 535 000
Maskiner og anlegg	3	80 479 000	75 906 000
Kjøretøy	3	128 442 000	153 800 000
Skip, rigger, fly og lignende	3	1 998 734 000	1 627 919 000
Anlegg under tilvirkning	3	1 000 343 000	554 318 000
Sum varige driftsmidler		3 705 238 000	2 914 478 000
Finansielle anleggsmidler			
Investering i annet foretak i samme konsern	4	13 493 000	7 270 000
Investeringer i aksjer og andeler	4	19 568 000	18 972 000
Andre fordringer		40 309 000	39 772 000
Pensjonsmidler		4 128 000	0
Sum finansielle anleggsmidler		77 498 000	66 014 000
Sum anleggsmidler		4 351 273 000	3 643 954 000
Omløpsmidler			
Varer			
Varer	13	40 047 000	38 646 000
Sum varer		40 047 000	38 646 000
Fordringer			
Kundefordringer		95 740 000	149 002 000
Andre fordringer		164 273 000	156 794 000
Konsernfordringer	5	169 000	0
Sum fordringer		260 182 000	305 796 000
Bankinnskudd, kontanter og lignende			
Bankinnskudd, kontanter og lignende	5	682 597 000	208 155 000



Konsernets balanse

Beløp i: NOK	Note	2020	2019
Sum bankinnskudd, kontanter og lignende		682 597 000	208 155 000
Sum omløpsmidler		982 826 000	552 597 000
SUM EIENDELER		5 334 099 000	4 196 551 000
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Selskapskapital	1,7	1 000 000	1 000 000
Overkurs	1	1 056 000 000	1 056 000 000
Sum innskutt egenkapital		1 057 000 000	1 057 000 000
Opptjent egenkapital			
Annen egenkapital	1	-141 549 000	-72 538 000
Minoritetsinteresser		3 989 000	3 835 000
Sum opptjent egenkapital		-137 560 000	-68 703 000
Sum egenkapital		919 440 000	988 297 000
Gjeld			
Langsiktig gjeld			
Pensjonsforpliktelser	8	0	1 434 000
Utsatt skatt	9	168 874 000	163 989 000
Sum avsetninger for forpliktelser		168 874 000	165 423 000
Annen langsiktig gjeld			
Gjeld til kredittinstitusjoner	11	385 108 000	76 707 000
Langsiktig konserngjeld	5	572 000 000	472 000 000
Øvrig langsiktig gjeld	3,11	2 562 727 000	1 870 388 000
Sum annen langsiktig gjeld		3 519 835 000	2 419 095 000
Sum langsiktig gjeld		3 688 709 000	2 584 518 000
Kortsiktig gjeld			
Leverandørgjeld		42 037 000	58 157 000
Betalbar skatt	9	45 000	5 988 000



Konsernets balanse

Beløp i: NOK	Note	2020	2019
Skyldige offentlige avgifter		72 213 000	73 038 000
Annen kortsiktig gjeld		611 655 000	486 553 000
Sum kortsiktig gjeld		725 950 000	623 736 000
Sum gjeld		4 414 659 000	3 208 254 000
SUM EGENKAPITAL OG GJELD		5 334 099 000	4 196 551 000



Skatteetaten

Vår dato 06.08.2019 Din/Deres dato 04.07.2019 Saksbehandler Joakim Engebretsen

800 80 000 Din/Deres referanse AR328195195 Telefon 92251412

Org.nr 974761076 Vår referanse 2019/6198152 Postadresse Postboks 9200 Grønland 0134 OSLO

U.off. offl. § 13, sctfv. § 3-1

BOREAL HOLDING AS
Haakon Vlls gate 7
4005 STAVANGER

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk

Vi viser til deres brev av 3. juli 2019 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap (selskaps- og konsernregnskap) og årsberetning på norsk språk for Boreal Holding AS' (org.nr. 920 355 390).

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

Bakgrunn

Selskapet er eid av Everbright Overseas Infrastructure Investment Fund LP, et fond administrert av China Everbright Limited. For at eierne skal kunne forstå regnskapet er det opplyst at engelsk språk må benyttes. Eierne er også representert med 3 av 5 medlemmer i styret.

Skattekontores vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."



Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informativ regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter Skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon. I denne sak har Boreal, etter det som er opplyst på konsernets hjemmeside www.boreal.no, 2700 ansatte i Norge og en nasjonal tilstedeværelse. Disse sistnevnte forholdene kan tilsi at dispensasjon ikke skal gis. På den annen side har konsernet i følge samme hjemmeside, i stor grad kunder som utgjøres av offentlig virksomhet og bedriftsmarkedet, og i mindre grad virksomhet direkte rettet mot privatkunder.

Ved vurdering av om dispensasjon skal gis, er det særlig hensynet til brukerne av regnskapsinformasjon som skal vektlegges. Skattekontoret har etter en samlet vurdering, hvor det er lagt særlig vekt på at selskapet er eid 100 % av et utenlandsk selskap, funnet at dispensasjon fra å utarbeide årsregnskap og årsberetning på norsk språk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Roar Thorbjørnsen
underdirektør
Innsats, storbedrift
Skatteetaten

Joakim Engebretsen
seniorrådgiver

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.



Financial Statement for 2020

**Boreal Holding AS
4005 STAVANGER**

Contents

Annual report
Income statement
Balance sheet
Cash flow statement
Notes
Auditor's report



ANNUAL REPORT 2020

BOREAL HOLDING AS

Boreal Holding AS is a holding company investing in and developing mobility solutions, tourism and related services. Through Boreal Norge AS and its subsidiaries, namely Boreal Sjø AS, Boreal Bane AS, Boreal Buss AS and Boreal Travel AS, the group operates buses, ferries, light rail and travel services in addition to 16 real estate and asset companies.

The Group had 2 700 employees in 2020, including both full-time and part-time employees, with consolidated revenue of NOK 3,2 billion. The head office of the group is in Stavanger.

Boreal's ambition is to provide services with the highest possible quality and safety to our customers and clients. The subsidiaries have been certified as ISO 9001 and ISO 14001-compliant by DNV GL.

OPERATION

The group's activities in 2020 were mainly operation of PTA contracts , tourism, mobility solutions and other related activities.

Boreal's Zero mission statement requires its management and staff to operate its businesses with no harm to people, environment and assets. No serious accidents have occurred or been reported during the year.

WORKING ENVIRONMENT, STAFF AND EQUALITY

Boreal Holding AS is a holding company with no employee and operations. At group level, there is a strong focus of sick leave level and working environment. Sick leave in 2020 was at an acceptable level compared to the industry. The working environment is considered good.

The group works actively to prevent discrimination as a result of disability, ethnicity, national origin, skin color, religion or aspirations of life, and no circumstances have been identified that could indicate discrimination of any kind during the year. Its initiatives encompass recruitment, pay and working conditions, promotion, development opportunities and protection against harassment.

ENVIRONMENTAL REPORTING

Boreal aims to be a leader in environmental consciousness and the ISO 14001 environmental certificate underscores the group's compliance with relevant standards.

FUTURE DEVELOPMENT



The group's strategy is to develop the business into one of the leading players in mobility and sustainability.

GOING CONCERN

The annual report has been prepared on a going concern basis. The assumption is supported by the 2021 profit forecast and the group's long-term strategic forecast for the years ahead.

The group has been responding to the global COVID-19 pandemic in the best way possible to protect its customers and employees' best interest. The group continues to operate its businesses, as essential parts of the society, under the pandemic to ensure smooth operation of the communities it serves. Apart from the commercial travel segment, the effect of the pandemic was not significant for the group in 2020.

FINANCIAL RISK

The group is exposed to exchange rate risks from its overseas ferry procurements, mitigating such risks through actual and committed purchase of relevant currencies.

The group is to a lesser extent exposed to credit risk.

RESULTS, INVESTMENTS, FINANCING AND LIQUIDITY

The company had no turnover in 2020 and 2019. The annual profit before tax for the company was TNOK - 4 401 in 2020 and TNOK 22 580 in 2019. The decrease is mainly due to reduced income from subsidiaries and finance costs.


The group's revenue was TNOK 3 160 812 in 2020 and TNOK 3 204 152 in 2019. The annual profit before tax was TNOK - 63 763 in 2020 and TNOK - 41 591 in 2019. The decrease in the result is due to finance costs.

ANNUAL RESULTS AND ALLOCATIONS

The Board of Directors proposes the following allocation of the annual result in Boreal Holding AS:

Transferred to other equity	TNOK - 3 440
Totally allocated	TNOK - 3 440

Stavanger, April 27, 2021



Wai Kwok Hu
Chairman of the Board



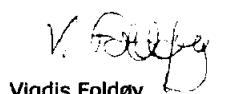
Kjetil Førsvoll
General Manager / Member of the Board



Jiangdong Hu
Member of the Board



Chi Chun Tang
Member of the Board



Vigdis Foldøy
Member of the Board



Reidar Nilsen
Member of the Board



Income Statement 2020

Boreal Holding AS

(NOK x 1.000)

	Note	Parent		Group	
		2020	2019	2020	2019
Operating revenue	12	0	0	3 160 812	3 204 152
Total Revenue		0	0	3 160 812	3 204 152
Cost of goods sold		0	0	-1 226 652	-1 330 095
Personnel expenses	8,10	0	0	-1 309 005	-1 262 466
Depreciation and amortization	2,3	0	0	-350 319	-316 015
Other operating expenses	10	-1 403	-5 020	-206 577	-219 263
Total operating expenses		-1 403	-5 020	-3 092 552	-3 127 839
Operating result		-1 403	-5 020	68 260	76 313
Income from investments in subsidiaries and associated companies	4	22 220	68 863	3 319	202
Other finance income		102 183	74 527	37 822	44 969
Other finance expenses		-127 401	-115 789	-173 162	-163 073
Net financial items		-2 998	27 601	-132 022	-117 903
Ordinary result before tax		-4 401	22 580	-63 762	-41 591
Tax on ordinary result	9	961	-4 968	-5 094	-10 309
Ordinary result after tax		-3 440	17 613	-68 857	-51 900
Net profit for the year		-3 440	17 613	-68 857	-51 900
Minority interest share of net profit				154	273
Majority interest share of net profit				-69 011	-52 173
Allocated as follows					
Additional dividend		0	0		
Transferred to/from other equity	1	-3 440	17 613		
Total		-3 440	17 613		



Balance sheet as of 31 December 2020

Boreal Holding AS

(NOK x 1.000)

		Parent		Group	
	Note	31.12.2020	31.12.2019	31.12.2020	31.12.2019
ASSETS					
FIXED ASSETS					
Intangible assets					
Deferred tax asset	9	0	0	0	0
Goodwill	2	0	0	568 537	663 462
Total intangible assets		0	0	568 537	663 462
Tangible assets					
Vessels	3	0	0	1 998 734	1 627 919
Land, buildings and plants	3	0	0	497 240	502 535
Vehicles	3	0	0	128 442	153 800
Machinery and equipment	3	0	0	80 479	75 906
Assets under construction	3	0	0	1 000 343	554 318
Total tangible assets		0	0	3 705 237	2 914 479
Financial assets					
Investments in subsidiaries	4	1 912 150	1 902 562	0	0
Investments in associated companies	4	0	0	13 493	7 270
Investments in shares	4	0	0	19 568	18 972
Other long term receivables		0	0	40 309	39 772
Loan to group companies	5	2 111 213	1 147 264	0	0
Pension funds		0	0	4 128	0
Total financial assets		4 023 363	3 049 826	77 490	66 014
Total fixed assets		4 023 363	3 049 826	4 351 273	3 643 955
CURRENT ASSETS					
Inventories	13	0	0	40 047	38 646
Receivables					
Trade receivables		0	0	95 740	149 002
Other receivables		43 509	28 939	164 273	156 794
Other receivables group	5	748 335	1 289 606	169	0
Total accounts receivable		791 844	1 318 545	260 182	305 795
Cash and cash equivalents	6	625 380	148 634	682 598	208 155
Total current assets		1 417 224	1 467 180	982 826	552 596
Total assets		5 440 587	4 517 006	5 334 099	4 196 551



Balance sheet as of 31 December 2020


Boreal Holding AS

(NOK x 1.000)

		Parent		Group	
	Note	31.12.2020	31.12.2019	31.12.2020	31.12.2019
EQUITY AND LIABILITIES					
Equity					
Paid-in capital					
Share capital	1,7	30	30	1 000	1 000
Share premium	1,7	1 056 000	1 056 000	1 056 000	1 056 000
Total paid-in capital		1 056 030	1 056 030	1 057 000	1 057 000
Retained earnings					
Retained earnings	1	11 401	14 841	-141 549	-72 538
Total retained earnings		11 401	14 841	-141 549	-72 538
Minority interest		0	0	3 989	3 835
Total equity		1 067 431	1 070 871	919 440	988 297
Liabilities					
Provisions					
Pension obligations	8	0	0	0	1 434
Total provisions		0	0	0	1 434
Other long term liabilities					
Deferred tax	9	3 281	4 242	168 874	163 989
Long term intercompany loan	5	572 000	472 000	572 000	472 000
Debt to financial institutions	11	363 677	57 426	385 108	76 707
Other long term liabilities	3,11	2 461 007	1 750 000	2 562 727	1 870 388
Total other long term liabilities		3 399 965	2 283 668	3 688 709	2 583 085
Total long-term liabilities		3 399 965	2 283 668	3 688 709	2 584 519
Short term liabilities					
Trade payables		9	0	42 037	58 157
Tax payable	9	0	5 695	45	5 988
Public duties payable		0	0	72 213	73 038
Short term intercompany loan	5	952 884	1 136 577	0	0
Other short term liabilities		20 298	20 196	611 656	486 552
Total short term liabilities		973 191	1 162 467	725 950	623 735
Total liabilities		4 373 156	3 446 135	4 414 659	3 208 254
Total equity and liabilities		5 440 587	4 517 006	5 334 099	4 196 551





Stavanger, 27 April 2021

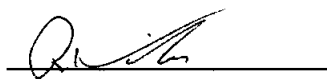

Wai Kwok Hu
Chairman of the Board


Kjetil Førsvoll
General Manager / Member of the Board


Jiangdong Hu
Member of the Board


Chi Chuan Yang
Member of the Board


Vigdis Foldøy
Member of the Board


Reidar Nilsen
Member of the Board



Cash flow statement 2020

Boreal Holding AS

(NOK x 1.000)

	Parent		Group	
	2020	2019	2020	2019
Cash flow from operating activities				
Generated from this year's operating activities*	-26 621	-46 282	275 501	272 540
Taxes paid	-5 695	-2 122	-5 988	-2 319
Changes in inventories, trade receivables and trade payables	9	0	39 959	54 444
Changes in other current balance sheet items	296 467	-179 817	109 864	-49 741
Net cash flow from operating activities	264 161	-228 222	419 336	274 924
Cash flow from investing activities				
Additions through business combinations	0	0	0	-22 518
Additions of tangible fixed assets (purchase price)	0	0	-1 058 767	-471 789
Sale of tangible fixed assets (sales price)	0	0	20 490	5 219
Investments in subsidiaries	-9 588	-331 114	0	0
Changes in other investments	0	0	-7 356	-4 780
Net cash flow from investing activities	-9 588	-331 114	-1 045 633	-493 868
Cash flow from financing activities				
Group contribution/dividend	68 863	48 428	0	0
Changes in debts to group companies	100 000	0	100 000	0
Changes in loans to group companies	-963 949	406 000	0	0
Changes in debts to financial institutions	306 251	57 426	289 733	57 426
Changes in bond debt	711 007	-50 000	711 007	-50 000
Changes in other long term debts/receivables	0	0	0	-10 712
Net cash flow from financing activities	222 172	461 854	1 100 740	-3 286
Net change in cash and cash equivalents	476 745	-97 482	474 443	-222 230
Cash and cash equivalents at 01.01	148 634	246 116	208 155	430 385
Cash and cash equivalents at 31.12.	625 380	148 634	682 598	208 155
* This number is calculated as follows:				
Generated from this year's operating activities				
Ordinary result before taxes	-4 401	22 580	-63 762	-41 591
Ordinary depreciation and amortization	0	0	350 319	316 015
Share of profit from subsidiaries and associated companies	-22 220	-68 863	-3 319	-202
Gain/loss from sale of fixed assets	0	0	-7 737	-1 682
Total	-26 621	-46 282	275 501	272 540



BOREAL HOLDING AS Notes to the accounts for 2020 (figures in 1000 kroner)

ACCOUNTING PRINCIPLES

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

Basis for consolidation

The Group's consolidated financial statements comprise Boreal Holding AS and companies in which Boreal Holding AS has a controlling interest.

A controlling interest is normally obtained when the Group owns more than 50% of the shares in the company and can exercise control over the company. The consolidated financial statements have been prepared applying the same accounting principles for both parent and all subsidiaries. All significant transactions between group companies have been eliminated in the consolidated financial statement. 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 significant influence, but does not have control (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 significant influence is achieved and until the date when such influence ceases. Other shares and investments in entities where Boreal Holding AS does not have significant influence are stated at cost. The investments are written down to fair value if the impairment is not temporary. Dividends received and other profit distributions from the companies are recognized as other financial income.

Revenue recognition

The revenues primarily consist of passenger receipts and remuneration from the County Councils and are recognized in the income statement once they are earned. Net gain/loss related to the sale of tangible fixed assets are recognized at the time of the sale and classified as other operating revenues. Other operating revenues are recognized as they are earned.

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, but written down to fair value if the impairment is not temporary. Long term liabilities are recognized at nominal value.

Inventories

Inventories are recognized at the lowest of cost using the FIFO method and fair value.

Accounts receivable and other receivables

Accounts receivable and other current receivables are recorded 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.

Leasing agreements

Fixed assets leased under terms which transfer economic risk and control to the company (financial leases) are recognized as fixed assets in the balance sheet. Financial lease agreements are recognized in the balance sheet from the beginning of the rental period to the lower of the fair value and the present value of the minimum lease payments. When calculating the present value of the lease, the implicit interest rate in the leasing agreement is used. Direct expenses related to the establishment of the lease are included in the cost of the asset.

Operating leases

Leases in which the majority of the economic risk and control associated with ownership of the asset are not taken over by the company are classified as operating leases. Rental payments are classified as operating expenses and are recognized in the income statement over the contract period.

Intangible fixed assets

Expenses related to the development of intangible assets are capitalized when it becomes probable that the future economic benefits arising from the assets will accrue to the company, and the cost of the assets can be reliably measured. Intangible assets with a limited economic life are depreciated over the expected useful life of the asset. In case of a fall in value that is not expected to be temporary, the asset is written down to fair value. Intangible assets that are not expected to give a future economic benefit are expensed as incurred.

Fixed assets

Fixed assets are capitalized and depreciated linearly over the estimated useful life, if the estimated useful life is more than 3 years and the cost price exceeds TNOK 15. Costs for maintenance 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. Periodic maintenance related to vessels is capitalized and depreciated over the period until a new periodic maintenance is performed.



Pensions

The parent company has no employees and, consequently, no pension scheme. In the subsidiaries, both defined contribution pension plans and defined benefit pension plans are used. The defined contribution schemes have a total of 2,480 active members as of 31.12.2020. Defined benefit schemes have a total of 16 active members as of 31.12.2020.

Pension costs and pension obligations on defined benefit plans are calculated on a straight-line basis, based on assumptions related to discount rates, future regulation of wages, pensions and benefits from the National Insurance Scheme, future return of pension funds, and actuarial assumptions related to mortality, voluntary resignations etc.

Pension assets are valued at fair value and deducted from the net pension obligation on the balance sheet. Changes in the pension obligations due to changes in retirement age are recognized over the estimated average remaining service period.

The accumulated effect of changes in estimates and in financial and actuarial assumptions (actuarial gains or losses) that is less than 10% of the higher of defined benefit pension obligations and pension plan assets at the beginning of the year is not recognized. When the accumulated effect is above the 10% limit in the beginning of the financial period, the excess amount is recognized in the income statement over the estimated average remaining service period. The company participates in the agreement between LO and NHO, and employees therefore have the opportunity to become a member of the Common Scheme for AFP. Private contractual pension (AFP) is a tariff-based pension scheme that provides a lifelong supplement in addition to the ordinary pension from NAV. From the age of 62, employees can choose to receive pension from AFP, and at the same time continue to work. The AFP scheme is based on a tripartite cooperation between the employer, the employee and the state. The state covers 1/3 of the expenses, while the company covers 2/3, which is financed through a fixed premium based on the salary. Currently, there is no reliable measurement and allocation of obligations and funds in the scheme. In accounting terms, the scheme is treated as a defined contribution-based pension scheme. Premium payments are expensed as incurred, and no provisions are made in the financial statement. The premium is currently set to 2.5% of the company's total wage payments between 1 G and 7.1 G.

Cash flow statement

The cash flow statement is presented using the indirect method. Cash and cash equivalents includes cash, bank deposits and other short term highly liquid investments.

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. Deferred tax is calculated as 22 percent of temporary differences and the tax effect of tax losses carried forward. Temporary differences both positive and negative, are netted out within the same period. When the equity method is used for ownerships in companies that are own tax subjects, tax is deducted from the recognized share of profit.

NOTE 1 EQUITY

PARENT	Share capital	Other equity	Share premium		Total
Equity per 01.01.20	30	14 841	1 056 000		1 070 871
Profit for the year	-	(3 440)	-		-3 440
Paid dividend	-	-	-		-
Equity per 31.12.20	30	11 401	1 056 000		1 067 431

GROUP	Share capital	Other equity	Share premium	Minority interest	Total
Equity per 01.01.20	1 000	-72 538	1 056 000	3 835	988 297
Profit for the year	-	(69 011)	-	154	(68 857)
Paid dividend	-	-	-	-	-
Equity per 31.12.20	1 000	(141 549)	1 056 000	3 989	919 440



NOTE 2 INTANGIBLE ASSETS

PARENT

There are no capitalized intangible assets in the company as of 31.12.20.

GROUP	Goodwill	Total
Acquisition cost 31.12.19	810 422	810 422
Additions	2 324	2 324
Disposals	(10 139)	-10 139
Acquisition cost 31.12.20	802 608	802 608
Accumulated depreciation per 31.12.20	(234 071)	(234 071)
Accumulated impairment per 31.12.20	-	-
Carrying value 31.12.20	568 537	568 537
Depreciation for the year	(87 691)	(87 691)
Impairment loss for the year	-	-
Useful economic life	1-10 years	
Goodwill per business acquisition	Carrying value 31.12.20	
Boreal Holding	564 834	
Tbuss AS	1 379	
North Adventure AS	2 324	

Recognized goodwill from the acquisition of Boreal Holding AS with subsidiaries is depreciated over 10 years, based on the underlying values and the trust in the market that Boreal Holding and its employees have gained over more than 100 years.

NOTE 3 FIXED ASSETS

PARENT

There are no capitalized tangible fixed assets in the company as of 31.12.20.

GROUP	Land, buildings and plants	Vessels	Machinery and equipment	Vehicles	Total fixed assets
Acquisition cost 01.01.20	538 429	1 842 614	102 423	228 959	2 712 425
Additions	19 322	527 302	33 566	40 367	620 557
Disposals	(18 701)	(23 395)	(8 786)	(77 860)	(128 742)
Acquisition cost 31.12.20	539 050	2 346 521	127 203	191 466	3 204 240
Accumulated depreciation per 31.12.20	-41 810	(347 787)	(46 724)	(63 024)	(499 345)
Carrying value 31.12.20	497 240	1 998 734	80 479	128 442	2 704 895
Depreciation for the year	(21 541)	(145 780)	(26 441)	(58 160)	(251 922)
Amortization for the year	-	(10 706)	-	-	(10 706)
Useful economic life	20 - 40 years	12 - 30 years	4 - 10 years	4 - 12 years	

Facilities under construction listed in the balance sheet of TNOK 1,000,343 mainly relate to building of new vessels and vessel improvements.

The category "Vehicles" includes financial leasing. The book value of this amounted to TNOK 79,857 per 31.12.20. Depreciation for the year was TNOK 32,247 and the balance sheet liability as at 31.12.20 was TNOK 89,387.

Rental of fixed assets	Agreement duration	Annual lease
Buses/rental cars	1 - 8 years	107 281
Buses (financial leasing)	8 years	34 037

The agreements contain no purchase options. The majority of leased assets are based on agreements with fixed interest terms.



NOTE 4 SUBSIDIARIES, ASSOCIATED COMPANIES

The following subsidiaries are accounted for using the acquisition method in the parent company:

	Profit for the year 31.12.2020	Equity 31.12.2020	Book value 31.12.2020
Boreal Norge AS	102	514 727	1 898 343
Boreal Asset AS	3 234	49 518	13 807
Total	3 336	564 245	1 912 150

The following subsidiaries are consolidated into the consolidated financial group statements:

Company	Acq. date/ Date of est.	Office	Share ownership	Voting rights
Boreal Norge AS	05.05.2011	Stavanger	100 %	100 %
Rutebilstasjonen nr. 2 AS	29.11.2011	Stavanger	100 %	100 %
Fitnodatgeaidnu 41 AS	29.11.2011	Hammerfest	100 %	100 %
Øyvind Lambesvei 3 AS	29.11.2011	Hammerfest	100 %	100 %
Helgelandsgate 1 AS	29.11.2011	Hammerfest	100 %	100 %
Klemetsiadveien 1 AS	29.11.2011	Hammerfest	100 %	100 %
Hamnegata 3 AS	29.11.2011	Hammerfest	100 %	100 %
Normannseth AS	29.11.2011	Hammerfest	100 %	100 %
Tana Bygg AS	29.11.2011	Hammerfest	100 %	100 %
Tanaveien 10 AS	29.11.2011	Hammerfest	100 %	100 %
Øyvind Lambesvei 17 AS	29.11.2011	Hammerfest	100 %	100 %
Hessengveien 7 AS	29.11.2011	Hammerfest	100 %	100 %
Bjørn Wirkolasvei 11 AS	29.11.2011	Hammerfest	100 %	100 %
Rossmollgata 86 AS	29.11.2011	Hammerfest	100 %	100 %
Revheim Eiendom AS	30.04.2012	Stavanger	100 %	100 %
TIRB Eiendom AS	04.09.2014	Finnsnes	100 %	100 %
Boreal Sjø AS	05.05.2011	Hammerfest	100 %	100 %
FFR Buss AS	05.05.2011	Hammerfest	100 %	100 %
Boreal Sjø Drift AS	05.05.2011	Hammerfest	100 %	100 %
Boreal Buss AS	05.05.2011	Stavanger	100 %	100 %
Nord-Norsk Trafikksenter AS	01.09.2016	Lenvik	56 %	56 %
Boreal Travel AS	05.05.2011	Stavanger	100 %	100 %
Tbuss AS	11.06.2019	Trondheim	100 %	100 %
Boreal Bane AS	05.05.2011	Trondheim	100 %	100 %
Boreal Asset AS	08.08.2019	Hammerfest	100 %	100 %

Associated company

Company	Acquisition date	Office	Share ownership	Voting rights
AS A-Rep 1)	05.05.2011	Sandnes	34 %	34 %
Mobility Forus AS 3)	01.07.2019	Stavanger	50 %	50 %
Flybussen.no DA 4)	03.03.2017	Oslo	38 %	38 %
Fjordbris AS 3)	22.12.2020	Tau	50 %	50 %

	Acquisition cost	Share of profit this year	Share of profit total	Book value 31.12.2020
AS A-Rep 1)	974	3 319	6 328	7 303
Mobility Forus AS 3)	3 000	-	-	3 000
Flybussen.no DA 4)	90	-	-	90
Midnightsun Tourist Service AS 4)	100	-	-	100
Fjordbris AS 3)	3 000	-	-	3 000
Total	7 164	3 319	6 328	13 493

Other shares

	2020
Helgelandsbase Holding AS 2)	15 361
Helgeland Invest AS 2)	2 000
Norway Bussekspress 4)	1 500
Other companies 1) 3) 4) 5)	707
Total	19 568

- 1) Ownership held by Boreal Buss AS
- 2) Ownership held by Boreal Sjø AS
- 3) Ownership held by Boreal Norge AS
- 4) Ownership held by Boreal Travel AS
- 5) Ownership held by Tbuss AS



NOTE 5 INTERCOMPANY BALANCES GROUP COMPANIES

PARENT

The parent company had the following balances with companies in the group at the end of the financial year:

	2020	2019
Short term receivables	748 335	1 289 606
Accounts payable	-	-
Short term debt	952 884	1 136 577
Long term receivables	2 111 213	1 147 264
Long term debt	-	-
Long term debt to group companies abroad	572 000	472 000

Long term receivables with maturities later than 5 years are TNOK 1,029,949.

Long term debt to the group companies abroad with maturity later than 5 years is TNOK 572,000.

There are no other receivables with due date later than one year after the end of the financial year.

GROUP

The group held the following balances with companies at a higher level in the group structure at the end of the financial year:

	2020	2019
Short term receivables	3 375	-
Short term debt	69 576	52 228
Long-term debt with maturity within 5 years	-	-
Long-term debt to group abroad	572 000	472 000

Long term receivables with maturities later than 5 years are TNOK 0.

Long term debt to the group companies abroad with maturity later than 5 years is TNOK 572,000.

There are no other receivables with due date later than one year after the end of the financial year.

NOTE 6 BANK

PARENT

The company has no employees and thus does not have restricted employee tax deductions at the end of the financial year.

The company is part of the group's cash pool arrangement, which has a credit limit of TNOK 40,000 in total.

All companies in the group who are part of this scheme are jointly and severally liable to the bank.

Top account (net balance) in the cash pool arrangement is classified as bank deposits, sub accounts with negative balances are shown as group receivables and sub accounts with positive balances are shown as group debt.

GROUP

Of the deposits in the bank, TNOK 44,685 are restricted for employee tax deductions. The amount covers tax payable as of 31.12.20.

A cash pool arrangement with an overdraft limit of TNOK 40,000 has been established. All the companies included in the cash pool arrangement are jointly and severally liable to the bank. Most of the Group's companies participate in the scheme.

The group has guarantee obligations with various banks mainly related to licenses and tenders of TNOK 167,245. These are secured by the same pledge as the bond loan, see note 11.

NOTE 7 SHARE CAPITAL AND SHAREHOLDER INFORMATION

The share capital consists of:

	Number	Face value	Book value
	30	kr 1 001,00	30 030
Shareholders per 31.12.20:		Shares	Share class of shares
Echidna Investment B.V.		30	100,00 %



NOTE 8 PENSIONS

Actuarial calculations apply to pension obligations in active defined benefit plans and completed public schemes with annual regulations.

Financial assumptions	2020	2019
Discount rate	1,50 %	1,80 %
Salary growth	2,00 %	2,25 %
G-regulation	1,75 %	2,00 %
Pension adjustment	1,24 %	1,24 %
Expected return on plan assets	40,00 %	4,20 %
Payroll tax rate	0,00 %	0,00 %
Amortization period	100,00 %	100,00 %
Corridor	10,00 %	10,00 %

The actuarial assumptions are based on common assumptions used in insurance when it comes to demographic factors and retirements.

This year's pension cost related to defined benefit scheme:

Current service costs	-	2 001
Interest expense on pension obligations	2 597	8 904
Expected return on plan assets	(4 083)	(13 942)
Administration costs	265	1 391
Payroll tax on pension costs	(97)	18
Actuarial loss	-	4 443
Amortized change in plan	-	1 310
Total benefit pension cost	(1 318)	4 124

Pension obligation due to actuarial calculations:	Not posted actuarial calculations		Posted actuarial calculations	
	2020	2019	2020	2019
Net pension obligations as of 31.12 (DBO)	356 130	239 657	8 235	133 137
Pension funds as of 31.12	333 922	223 626	6 942	115 637
Over/under cover as of 31.12	(22 207)	(16 031)	(1 293)	(17 500)
Payroll tax	(881)	(258)	-	(1 259)
Actuarial loss not recognized in profit	67 572	50 530	905	17 323
This year's net pension assets / (obligations) recognized	44 484	34 241	(388)	(1 436)
Of which payroll tax	1 211	766	35	305
	(Net assets)	(Net assets)		

(Net assets are not recognized in accordance with the precautionary principle.)



NOTE 9 INCOME TAX

PARENT	2020	2019
This year's income tax expenses are distributed as follows:		
Change in deferred tax	(961)	(727)
Tax payable on profit for the year	-	5 695
Tax on group contributions paid	-	-
Total income tax expense	(961)	4 968
Temporary differences per 31.12		
Losses carried forward	(17 820)	-
Other temporary differences	32 732	19 281
Total	14 912	19 281
Deferred tax	3 281	4 242
Explanation as to why the current year's tax expense is not 22 % of the profit before tax:		
22 % tax on ordinary result before tax	(968)	4 968
Change in tax rate deferred tax	-	-
Permanent differences	7	-
Total	(961)	4 968

GROUP

	2020	2019
This year's income tax expenses are distributed as follows:		
Change in deferred tax	5 049	4 321
Tax payable on profit for the year	45	5 988
Tax on group contributions paid	-	-
Total income tax expense	5 094	10 309
Temporary differences per 31.12		
Fixed assets	764 455	736 962
Pensions	4 313	3 264
Provision in accordance with generally accepted accounting principles	(54 336)	(38 224)
Losses carried forward	(18 419)	(9 410)
Other temporary differences	71 594	52 814
Total	767 607	745 406
Deferred tax	168 874	163 989
Explanation as to why the current year's tax expense is not 22 % of the profit before tax:		
22 % tax on ordinary result before tax	(14 028)	(9 150)
Change in tax rate deferred tax	-	-
Permanent differences	19 122	19 459
Total	5 094	10 309

NOTE 10 WAGE COSTS, NUMBER OF EMPLOYEES, REMUNERATION, LOANS TO EMPLOYEES AND AUDITOR'S FEE

PARENT

The company has no employees and has thus not had any salary costs in the financial year. No board remunerations have been paid to any of the members of the board in 2020.

Auditor's fee

Auditor's fee for 2020 amounted to TNOK 15 excl. VAT. Fees in connection with consulting totalled TNOK 208 excl. VAT.

GROUP

Salaries	2020	2019
Wages and salaries	1 100 597	1 077 799
Payroll tax	86 001	87 634
Pension costs	66 112	80 684
Other payments	56 295	16 349
Total	1 309 005	1 262 466

The average number of employees during the financial year has been 2 730. This corresponds to 2 032 full-time equivalents.

Management remuneration

The CEO receives his remuneration from Boreal Norge AS.

Auditor's fee

Auditor's fee for 2020 amounted to TNOK 1 607 excl. VAT. Fees in connection with consulting totalled TNOK 779 excl. VAT.



NOTE 11 DEBT TO FINANCIAL INSTITUTIONS

PARENT

Long term debt maturing later than 5 years	2020	2019
Bonds	-	1 060 000
Debt to financial institutions	24 225	-
Debt to group abroad	572 000	472 000
Total	596 225	1 532 000
Debt secured by pledge	2 461 007	1 750 000
Pledged assets		
Warehouse	4 200 000	4 200 000
Operating Accessories	4 200 000	4 200 000
Receivables	4 200 000	4 200 000

The pledged assets relates to the bond loan, and the pledge is common for the parent company and all subsidiaries.

GROUP

Long-term debt maturing later than 5 years	2020	2019
Bonds	-	1 060 000
Debt to financial institutions	32 390	12 867
Debt to group companies abroad	572 000	472 000
Total	604 390	1 544 867
Debt secured by pledge	2 571 824	1 873 772
Pledged assets		
Operating equipment/inventory/receivables	4 551 814	4 482 533
Vessel	4 812 000	4 284 000
Vehicles	4 205 000	4 205 000
Land, buildings and plants	4 215 525	4 216 130
Total	17 784 339	17 187 663

An interest rate agreement related to the former external loan has been signed. This agreement continues until 2022. The agreement has a fair value of TNOK -1,485.

NOTE 12 SALES REVENUE

PARENT

The company does not engage in operational activity, and therefore has no sales revenue.

GROUP

Per business area	2020	2019
Fast boat operation	500 670	566 249
Ferry operation	720 800	447 325
Bus operation	1 327 591	1 481 432
Track operation	49 705	33 830
Distribution and sale of oil products	426 331	506 940
Other	135 715	168 376
Total	3 160 812	3 204 152
Geographical distribution		
Norge	3 160 812	3 204 152



NOTE 13 INVENTORIES

PARENT

The company has no inventory as of 31.12.2020.

GROUP

	2020	2019
Inventory valued at cost	40 047	38 646
Total inventory	40 047	38 646

NOTE 14 GOING CONCERN

The company has been responding to the global COVID-19 pandemic in the best way possible to protect its customers and employees' best interest. The company continues to operate its businesses, as essential parts of the society, under the pandemic to ensure smooth operation of the communities it serves. Apart from the commercial travel segment, the effect of the pandemic was not significant for the group in 2020.



Building a better
working world

Statsautoriserte revisorer
Ernst & Young AS

Vassbotnen 11a Forus, NO-4313 Sandnes
Postboks 8015, NO-4068 Stavanger

Foretaksregisteret: NO 976 389 387 MVA
Tlf: +47 24 00 24 00

Fax:
www.ey.no
Medlemmer av Den norske revisorforening

INDEPENDENT AUDITOR'S REPORT

To the Annual Shareholders' Meeting of Boreal Holding AS

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Boreal Holding AS, which comprise the financial statements for the parent company and the Group. The financial statements for the parent company and the Group comprise the balance sheets as at 31 December 2020, the income statements and statements of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements have been prepared in accordance with laws and regulations and present fairly, in all material respects, the financial position of the Company and the Group as at 31 December 2020 and their financial performance and cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for opinion

We conducted our audit in accordance with laws, regulations, and auditing standards and practices generally accepted in Norway, including International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Company and the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Norway, and we have fulfilled our ethical responsibilities as required by law and regulations. We have also complied with our other ethical obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Other information consists of the information included in the Company's annual report other than the financial statements and our auditor's report thereon. The Board of Directors and Chief Executive Officer (management) are responsible for the other information. Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



Building a better
working world

going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 financial statements.

As part of an audit in accordance with law, regulations and generally accepted auditing principles in Norway, including ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also

- ▶ identify and assess the risks of material misstatement of the financial statements, 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 opinion. 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 internal control relevant to the 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 management;
- ▶ conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. 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 the Company to cease to continue as a going concern;
- ▶ evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- ▶ obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Opinion on the Board of Directors' report

Based on our audit of the financial statements as described above, it is our opinion that the information presented in the Board of Directors' report concerning the financial statements, the going concern assumption and proposal for the allocation of the result is consistent with the financial statements and complies with the law and regulations.

Independent auditor's report - Boreal Holding AS

A member firm of Ernst & Young Global Limited



Building a better
working world

3

Opinion on registration and documentation

Based on our audit of the financial statements as described above, and control procedures we have considered necessary in accordance with the International Standard on Assurance Engagements (ISAE) 3000, *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, it is our opinion that management has fulfilled its duty to ensure that the Company's accounting information is properly recorded and documented as required by law and bookkeeping standards and practices accepted in Norway.

Stavanger, 27 April 2021
ERNST & YOUNG AS

Stig Toje Strand
State Authorised Public Accountant (Norway)

Independent auditor's report - Boreal Holding AS

A member firm of Ernst & Young Global Limited