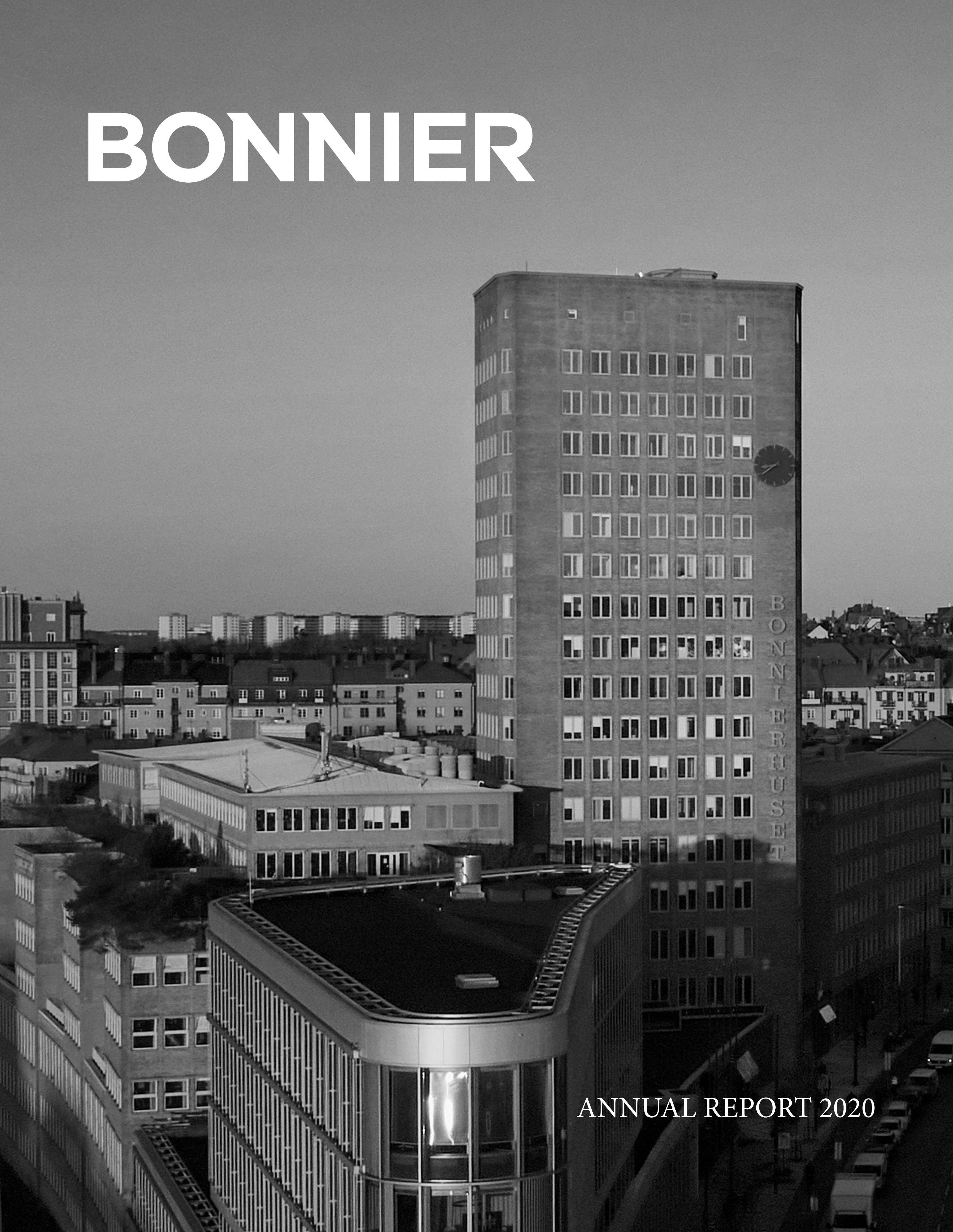
BONNIER



ANNUAL REPORT 2020

Table of Contents

Translation from the Swedish original

Board of Directors' Report

The Board of Directors and the CEO of Bonnier Group AB, corporate registration no. 556576-7463, herewith submit the annual report and consolidated financial statements for the 2020 financial year on pages 3-57.

The Group's business area and business model
Bonnier Group AB is a parent company in a media group with companies in daily newspapers, business media, magazines, film production, books, e-commerce and digital media and services. The Group conducts operations in 12 countries with its base in the Nordic countries and operations in the United States, Germany, United Kingdom and Eastern Europe.

The Group's revenue comes from two main categories: user revenue from consumers and B2B customers in the form of subscriptions, occasional purchases and events; and advertising revenue, primarily from all digital media services, linear TV and print advertising.

The largest external supplier categories are within purchases of rights, printing, books and other goods for sale through e-commerce and IT.

Ownership
Bonnier Group AB is a subsidiary of Albert Bonnier AB. Albert Bonnier AB, organization number 556520-0341, is owned by over 90 members of the Bonnier family, who also own 80% of the shares in Bonnier Group AB, which is not owned by Albert Bonnier AB.

Significant events during the financial year
In April, Hall Media was acquired by Mittmedia and Norwegian Amedia. Hall Media is a local newspaper group based in Jönköping that owns a dozen subscription morning newspaper titles, including Jönköpings-Posten, Falköpings Tidning and Smålands Dagblad, as well as free newspapers and news sites in Småland and the Västra Götaland region. Through the acquisition and coordination of Hall Media, Mittmedia further strengthens its position in the local news market. Mittmedia acquired the remaining shares of Hall Media in December, and after the transaction, Mittmedia owns 100% of Hall Media.

In May, Bonnier Books bought Strawberry Publishing's businesses in Sweden and Denmark and in November, an agreement was signed to buy 70% of the shares in Strawberry's Norwegian publishing business. The deal is pending approval from the Norwegian Competition Authority.

In June, the final part of the purchase price for the divestment of Bonnier Broadcasting to Telia Company was settled based on certain profitability measures, which generated a capital gain of SEK 133 million and has been recognized as profit from discontinued operations.

In October 2020, an agreement was signed with Dun & Bradstreet for the sale of Bonnier's stake in Bisnode. Bonnier owns 30% of Bisnode and after adjustment for net debt will receive a purchase price of approximately SEK 1.7 billion, 25% of which will be in the form of shares in Dun & Bradstreet, which is listed on the NYSE. The sale resulted in a capital gain for Bonnier of approximately SEK 1.2 billion. The deal was completed in January 2021 after the usual competition law review.

In October, Fastighetsnytt acquired the Norwegian company Estate Media through a share transfer in which all shares in the company were acquired. Fastighetsnytt is part of the Bonnier News business area Di group and also includes the magazine Byggindustrin. Estate Media is the leading media player in commercial real estate in Norway and also has a strong position in the Danish market.

[1] A description of the Group's definitions of key ratios may be found on page 54.

[2] As of January 1, 2020, the Group consists of seven cash-generating units. Bonnier Corporation is now included in other and eliminations. The comparative figures have been adjusted accordingly.

Development of the operations, financial position and profit or loss (Group)

SEK million (unless stated otherwise)	2020	2019
Net sales	20,130	20,240
EBITA[1]	945	-48
Operating profit/loss	1,002	-140
Net financial items	1,096	-61
Profit/loss before tax	2,098	-201
Profit/loss for the year	2,114	2,657
EBITA margin	4.7%	-0.2%
Return on operating capital	13.4%	-12.5%
net cash (-)/net debt (+) at year end	-1,134	15
net cash (-)/net debt (+)/equity, multiple	-0.13	0.00

Business areas

Net sales per business area

SEK million	2020	2019	Change, %
Bonnier Books	6,112	5,770	5.9%
Adlibris	2,705	2,282	18.6%
SF Studios	1,876	1,899	-1.2%
Bonnier Ventures	197	386	-49.0%
Bonnier Publications	1,080	1,208	-10.6%
Bonnier News	7,655	7,582	1.0%
Other and eliminations [2]	505	1,114	n/a
Bonnier Group, total	**20,130**	**20,240**	**-0.5%**

EBITA[1] per business area

SEK million	2020	2019	Change
Bonnier Books	392	250	142
Adlibris	50	-217	267
SF Studios	20	36	-16
Bonnier Ventures	-35	-6	-29
Bonnier Publications	86	142	-56
Bonnier News	647	211	437
Other and eliminations [2]	-214	-463	249
Bonnier Group, total	**945**	**-48**	**993**

Bonnier Books consists of publishing companies in Finland, Norway, Poland, Great Britain, Sweden and Germany, bookstores in Sweden, Norway and Finland and the e-book service BookBeat. Bonnier Books performed extremely well in 2020. Sales amounted to SEK 6.1 billion (5.8), where the increase is mainly attributable to the publishing business and the audio and e-book service BookBeat. The year was characterized by improved EBITA amounting to SEK 392 million (250) and a corresponding operating cash flow, despite increased market investments in BookBeat. During a year marked by the pandemic, the publishing segment was particularly strong and reached an EBITA margin of over 12 percent, driven by increased market shares, accelerated sales of digital formats and consistent cost reductions.

On the individual publishers' level, the operations in Germany reached new heights with their highest sales and best results ever. Werner Söderström in Finland also achieved record results and the Swedish Bonnierförlagen showed increases compared to the previous year with critical highlights that included winning the August Prize, among other things. In the British operations, positive results were reported despite the stringent lockdown measures as a result of the pandemic. The 50 percent-owned Cappelen Damm in Norway showed stable results where, above all, general literature and educational titles showed a positive development, while the bookstore chain Tanum, which was sold during the year, continued to show a loss. Naturally, the effects of the pandemic hit hardest on an already exposed physical retail trade, where Pocket Shop's sales declined markedly. Academic Bookstore in Finland also suffered in terms of sales but managed to improve its result compared to the previous year.

During the year, Bonnier Books launched extensive sustainability efforts with high climate goals, established a new publishing business in Denmark and acquired Strawberry Publishing in Sweden and Denmark. As in the previous year, there was a major investment focus on BookBeat, which maintained its planned growth rate in both sales and subscriptions, while expanding its market presence to Denmark and Poland. The number of paying members for the service amounted to just over 420,000 at the end of the year, an increase of 167,000.

Adlibris offers books, toys and office supplies via e-commerce. Adlibris made major improvements in profitability in 2020. Sales amounted to SEK 2.7 billion, which is an increase of 19 percent compared with the previous year. Book sales increased by 22 percent and were mainly driven by private customers' increased digital purchases in connection with the pandemic and increased investment in marketing in digital channels. Sales of articles other than books also increased during the year by 4 percent, with yarn, board games and puzzles on the Adlibris sites, garden products on Odla.nu and gift cards via Morot & Co doing particularly well. The EBITA for the year amounted to SEK 50 million, which is an improvement of SEK 267 million compared with 2019 and was mainly due to higher sales, a stronger margin, inventory optimization and a more efficient logistics chain. In December 2020, Campusbokhandeln was acquired, a company offering used and new course literature via e-commerce and on campus areas in Sweden.

SF Studios produces and distributes films and TV series focusing on the Nordic market. SF Studios was severely affected by the pandemic, which had consequences for the financial results. The EBITA amounted to SEK 20 (36) million. The business was affected by restrictions mainly linked to cinemas, which affected the ability to launch films. The main titles distributed during the year were Tenet and Greenland. Sales of physical products such as DVDs and Blu-rays increased compared to 2019, mainly because SF Studios now also distributes Warner's titles. During the year, agreements were concluded with the American film companies Sony and Universal for the distribution of physical products in the Nordic and Baltic countries.

The production business had a high level of activity, and during the year the collaboration with Netflix was expanded and FLX collaborated with a new partner, Discovery +. Despite challenges from and adaptations to the pandemic, strong titles produced during the year included The Emigrants, The Tale of Karl-Bertil Jonsson's Christmas Eve and the Danish production Margrete the First, as well as TV series such as Badehotellet in Denmark and Snabba Cash for Netflix in Sweden. During the year, the first international production, Horizon Line, was delivered. Part-owned FLX delivered its best year to date, mainly due to the large demand for TV and streaming productions.

The streaming service SF Anytime developed strongly.

Bonnier Ventures focuses on minority investments in digital fast-growing start-ups. The companies have a large presence in the Nordic region and an ambition to grow globally. The holdings in these companies were valued at more than SEK 900 million at the end of 2020. Since the start in 2014, the investments have had an average value increase of 22 percent per year before management costs and 19 percent after management costs.

In 2020, Bonnier Ventures invested SEK 78 million in existing portfolio companies, primarily in Acast and Doktor.se. In addition, three new investments were made for a total of SEK 65 million: We Are Voice, an app for choirs, Winningtemp, a platform to strengthen employee well-being and commitment; and Future Ordering, a cloud service for restaurant orders. With the sale of the agency network Real Agency Group, Bonnier Ventures' operations have been streamlined into start-up investments. During the year, Bonnier Ventures also divested its holdings in Abios and Kitab Sawti, and entered into an agreement to sell all shares in Refunder.

Bonnier Publications, run from Denmark, is the leading Nordic publisher of special-interest media and reported an EBITA of SEK 86 million, lower than the previous year's SEK 142 million. Continued high profitability in traditional print media enabled a higher level of investment in digital products. A reorganization will result in cost savings as early as 2021 as a basis for even more focused work. The EBITA margin amounted to 8 percent compared with 12 percent last year. Demand for print media is declining, affecting the magazine market. Sales for Bonnier Publications amounted to SEK 1.1 billion (1.2) for the year 2020. During the year, another brand - Do It Yourself - was launched in a digital edition and work on digital editions of the magazine titles continued. Although the pandemic had a negative effect on this year's results, the crisis has also shown that there is an interest and willingness to pay for the type of high-quality digital journalism that Bonnier Publications offers.

Bonnier News offers a wide variety of media from daily newspapers and magazines to e-learning and business to business services. The daily newspapers offered include Dagens Industri, Expressen, Dagens Nyheter and HD-Sydsvenskan and a large number of local newspapers. In 2020, Bonnier News had sales of of SEK 7.7 billion (7.6) , which included revenue of SEK 280 million from the newly acquired Hall Media. The EBITA amounted to SEK 647 (211) million, with Hall Media accounting for SEK 3 million.

The coronavirus pandemic had a negative impact on operations in 2020, and mainly affected advertising revenues, single-issue sales and event and training operations. In total, Bonnier News Sweden lost 22 percent of its advertising revenue and 12 percent of single-issue sales compared with the previous year. Part of the reduction in advertising revenues was countered by lower costs in the advertising business, allowing for the contribution margin for the advertising business to be maintained.

At the same time, the coronavirus pandemic led to an increased pace of digitalization, which had a positive impact on the subscriber business. The total number of subscribers increased by 7 percent compared to the previous year, driven by an increase in digital products that rose by 26 percent.

In 2020, the business continued to drive forward digital transformation, which meant continued investments in the technical platform and reduced costs for, among other things, printing and distribution. Cost reductions were primarily driven by streamlining.

Bonnier News continued to reduce the cost base in newly acquired and newly integrated businesses, such as MittMedia, Hall Media and Bonnier Magazines & Brands. Both MittMedia and Hall Media turned to growth in the number of subscribers and profit in 2020 after several years of declining editions and losses.

The international B2B business was affected by the coronavirus pandemic in a similar way to the Swedish business. However, the healthcare business was not affected to the same extent as the Media & Services business, thanks to high activity in the healthcare sector. Cost-saving measures initiated in the spring meant that the results from operations could be maintained on a par with last year, despite reduced revenues.

In 2020, government subsidies for public news media in Sweden were temporarily increased due to the large revenue losses from the coronavirus pandemic. Local newspaper titles were the main recipients of the support, while the national news and business dailies Dagens Nyheter and Dagens industri abstained.

During the year, three acquisitions were made: Hall Media, which is a local publisher in south-eastern Sweden; Estate Media, a Norwegian/Danish business in real estate media; and Hakon Media, with a focus on retail.

Other includes a number of smaller operating companies such as Bonnier Skog, Clio and Bonnier Corporation, which together had sales in 2020 of SEK 505 million (1,114) with an operating loss of SEK 31 million (loss: 1), as well as Group-wide activities and functions.

Capital structure

Operating capital

SEK million	Dec. 31, 2020	Dec. 31, 2019
Property, plant and equipment and intangible assets, excl. goodwill, right-of-use asset	3,411	3,863
Working capital	-2,465	-1,802
Tax	921	973
Other financial assets	3,196	1,472
Goodwill	2,793	2,576
Operating capital	**7,856**	**7,082**
Net debt	-1,134	15
Equity[1)]	8,989	7,067
Financing of operating capital	**7,856**	**7,082**
Net debt/equity, multiple	**-0.13**	**0.00**

[1)] Including non-controlling interests.

Risks and uncertainties

The most significant external factors affecting the Group's results are the development of the Swedish economy, consumer spending, advertising investment and consumer confidence in the future. The corresponding factors in the other Nordic countries, Germany, the US, Eastern Europe and other markets in which the Group operates are also important for the outcome, as well as the competitive situation. The rapid development within digital media results in major changes in the media sector. Development of these external factors constitutes the most significant risks and uncertainties facing the Group.

Covid-19 had a significant impact on the global economy during the year, and thus also on the Bonnier Group. The general decline in economic activity had an impact on advertising revenues for all Group companies. Event revenues, primarily for Bonnier News and Bonnier Corporation, were affected by the various bans and restrictions on large gatherings that have been implemented. Similarly, as a result of the restrictions, opportunities to release films in movie theaters severely impacted the performance of SF Studios. At the same time, digital sales and digital subscriptions were strengthened during the year, contributing to increased revenues primarily in Bonnier Books, Bonnier News and Adlibris.

The Bonnier Group as a whole has a net cash position with available cash and cash equivalents in the form of current investments. Combined with the cost-cutting measures implemented in several of the Group's companies, this means the liquidity risk for the Group as a whole is considered to be low.

The longer term effects on the economy and the companies may affect the assumptions made in connection with impairment tests of, for example, goodwill.

Financial instruments and risk management

Bonnier Group is exposed to different types of financial risks. Risk management is addressed centrally by AB Bonnier Finans and in accordance with the finance policy set by the board. The risks to which the Group is exposed comprise liquidity and refinancing risks, interest rate risks, currency risks, credit risks and counterparty risks. For a more detailed description of the risk levels and the manner in which compliance with these levels is ensured, see Note 4.

Sustainability Report

The Sustainability Report covers the parent company Bonnier Group AB and subsidiaries specified in the parent company's note 24 Group companies. To provide a comprehensive picture of all of Bonnier's sustainability initiatives, Bonnier Fastigheter is also included, even though it is not legally part of Bonnier Group AB.

Bonnier can have the biggest impact on sustainability by helping to make society more open and interesting.

As a family-owned company with a history of over 200 years, a long-term approach is the basis for how we run our businesses. We have a responsibility for our impact on the world, and we want to be a positive force in the communities in which we are present.

We want to contribute to a sustainable society. The world faces major challenges related to health, equality, climate change and more. The UN's 17 Sustainable Development Goals (SDGs) define the path forward in terms of the three dimensions of sustainable development: economic, social and environmental.

Given our traditional core business, we feel particularly responsible for fostering more open, interesting, fun and better-informed societies. This is where Bonnier can have the greatest positive impact on sustainability.

We have identified five key areas for Bonnier's work with sustainability and long-term societal benefit.

The first area involves a unique obligation for Bonnier. We have carried this issue with us throughout the company's history, but in recent years it has become even more important and higher-profile.

Freedom of speech. Bonnier will be Sweden's leading force for wide-ranging freedom of speech and for freedom of the press. Freedom of speech and open mindedness will also characterize our internal corporate cultures. We consider open societies and free speech to be crucial issues of sustainability. Bonnier has excellent opportunities to make a difference in these areas. This is also where we can have the greatest impact.

We share the other four areas with most enterprising companies.

Governance. As a family-owned media company, we consider it important for our businesses to be run with a long-term approach, with well-established ethical guidelines and functioning alarm systems in the event that those guidelines are violated.

Our employees. Attracting, developing and retaining the right skills is a crucial factor for success. Creating environments in which people can grow and successfully manage the pressures of the changing media industry is a central challenge for our businesses.

Diversity. Our companies should offer fair career conditions, regardless of gender or background, and our operations will contribute to an inclusive society in which more people can participate.

The environment and efficient use of resources. Although Bonnier's environmental impact is relatively limited and varies among the different operations, we will work to reduce our direct impact where relevant in our value chain.

How we work – now and in the future Bonnier is and has historically been a decentralized Group. Work with sustainability issues is primarily conducted through the board of each company based on the general governance structure of the Group.

Freedom of speech

Our activities will contribute to strengthening freedom of speech and freedom of the press, and to a knowledgeable, open and inclusive society in which social debate and culture are accessible to as many people as possible. We aim to continue to be the Nordic company associated with free journalism more than any other company. Naturally, Bonnier's contribution to society in this area is at the core of its activities: in the journalism, storytelling and knowledge services that our companies develop. Editorial independence is a guiding principle for Bonnier's media. Above all, the most important guarantee for independent journalism in Bonnier's media is through a clear line from the owners, and a strong culture and tradition of respect for editorial independence, for editorial leaders' unrestricted power over publishing decisions, and for the value of widespread freedom of speech.

Market forces comprise the key challenge in producing quality journalism that contributes to an open and well-informed society. On the advertising side, competition is mainly from the global technology platforms that are capturing almost all growth in digital advertising around the world, and on the consumer side, there is powerful cross-border competition for consumers' time and willingness to pay.

Regarding freedom of expression, work is conducted at editorial offices daily in the name of free speech. Environmental journalism is becoming increasingly important and the impact of the COVID-19 crisis on the environment, travel, consumption patterns and business models continue to be prevalent topics of news, debate and advocacy. In addition to environmental coverage, where for example DN, Di and Danish Børsen have taken initiatives during the year, this commitment characterizes everything from Expressen's fight for the release of Dawit Isaak and Gui Minhai to the importance of local newspapers for democracy and sustainable communities.

Governance

Bonnier has a distinctly long-term perspective in how it operates and conducts business. As a family-owned Group, we are keen to ensure that our companies take a long-term approach and do not risk damaging Bonnier's reputation through short-sightedness. This is manifested in clear ethical guidelines at our companies with which all employees are very familiar, and well-functioning whistleblowing channels and procedures for proper handling when these guidelines are violated.

One challenge for Bonnier as the owner of a decentralized Group with extensive mandates for local company management is to find the right balance between overarching principles and their local application.

All companies within Bonnier must comply with Bonnier's Code of Conduct, and with a number of additional policy documents in areas such as security and IT security, data protection, anti-corruption, accounting, tax and whistleblowing. The policy documents are supplemented with instructions and manuals that provide guidance for the application of the policies. Within the framework of Bonnier's policy documents, the companies are generally free to develop policy documents adapted to the conditions of their own operations. For example, this is the case with Bonnier's Code of Conduct: the companies' respective codes should reflect the principles of Bonnier's code while adapting the language and tone to reflect the nature of the operation, and especially the relevant risk areas. Each company's board of directors is responsible for ensuring comprehensive processes and activities for compliance with Bonnier's policies and policy documents. Compliance with these documents is followed up annually and presented to the Board of Directors of the Bonnier Group.

IT security is an area that received particular attention during the year, as it is a critical area for many companies, both from a general operational security and business perspective, and in terms of the industry-specific matter of maintaining source protection.

The Bonnier Group has a central whistleblowing system in which reports are submitted through an external web-based service and received by the CEO of Bonnier Group AB and an external lawyer. It is possible to submit a report anonymously and for the report to be received and handled exclusively by an external lawyer, if the notifier so wishes.

Our employees

Bonnier's development as a company depends on the ability to attract skilled employees, to offer stimulating tasks and to provide a good work environment in which employees can grow and develop.

We operate in industries that face the pressures associated with change. Great change brings opportunities for development, but also places high demands on employees at all levels of the company, with the risk of psychosocial illness, stress, etc. In general, the risk of occupational injuries at Bonnier is limited. At Bonnier, responsibility for a good, healthy and safe work environment is firmly established in each company. There is developed cooperation and a common platform for human resources, especially among the Group's Swedish businesses. In day-to-day work, this involves following up and acting on indications of risk, and creating common support systems and methods for exchanging knowledge.

Employee surveys are conducted regularly within the Bonnier Group.

In 2020, the Bonnier Group had 8,408 (8,346) employees, of which 2,905 (3,079) worked outside of Sweden. Bonnier News and Bonnier Books have the most employees. Gender distribution among employees is divided equally between women and men. During the year, sickness absence in Sweden was 3 (3) percent of total working hours.

Diversity

Bonnier endeavors to offer employees good career and growth opportunities, and an interesting and welcoming work environment. Creating fair career opportunities that do not confer advantages or disadvantages based on irrelevant factors such as gender, ethnicity, age, sexual orientation or religion is central to this aim. Our activities will also contribute to an inclusive society in which more people can participate. The primary risk is not making the best use of the potential of current or prospective employees and thus damaging the company's development, but there are also risks related to legal and regulatory compliance. Bonnier cannot afford not to make the most of every employee's potential.

At the end of 2020, 43 (43) percent of the management groups in the Bonnier Group were women and 57 (57) percent were men.

Distribution women and men, percent

Share	Women	Men
Bonnier total	50%	50%
Management groups	43%	57%
Board Bonnier Group AB [1]	29%	71%

[1] excluding employee representatives

The environment and efficient use of resources
All companies are affected by global and local challenges related to environmental and climate impact. All of Bonnier's operations shall be characterized by smart and efficient use of physical and financial resources as well as employees' time, in addition to complying with relevant international and local environmental legislation and standards. Given the broad portfolio of activities, Bonnier's direct environmental impact is limited and varied. Each business will work to reduce the direct impact within its part of the value chain through appropriate environmental initiatives.

Bonnier's environmental risks are relatively limited. The industry is working together to reduce the use of some chemicals commonly found at the printers. The businesses are not currently subject to permit requirements. Elsewhere in the business, a significant share of the potential environmental impact comes from office spaces.

In 2020, in accordance with the Act on Energy Audits in Large Enterprises (2014:266), an energy audit was conducted for the Bonnier Group.

One focus area in particular in Bonnier Books is to minimize the carbon footprint through continuous environmental improvements throughout the operations. In fall 2020, the company committed to reducing emissions in line with the Paris Agreement. Based on their own circumstances, all publishing houses must contribute to the overall goal of reducing the company's emissions by 25 percent by 2025, compared to the 2019 level. These efforts include the selection of printers, using paper with the lowest possible environmental impact, and making climate-smart travel and transportation choices. Emissions that are currently unavoidable are offset through certified projects. In addition, Bonnier Books invests 20 percent in offsetting projects; in total, the publishing group offsets 120 percent of its CO_2e emissions.

During the year, Bonnier News also measured its impact on the environment in accordance with the GHG protocol, covering the environmental footprint along the value chain of print, distribution, tech, energy and travel. Printing and distribution account for Bonnier News' biggest impact on the environment and the digital transformation will help to reduce this impact over time. Distribution is shifting toward fossil-free fuel.

Bonnier Fastigheter aims to develop through profitable, sustainable growth. There is significant interest in sustainability in the real estate sector, which is reflected in the increased demand for green leases, which stipulate the environmental ambitions of the tenant and landlord, for example in terms of the use of materials in renovations, energy consumption in the property, environmental certification of the property, environmentally friendly furnishings, etc. By the end of 2020, 80 percent of Bonnier Fastigheter's property portfolio was environmentally certified. Certifying a property is proof that it is being operated precisely and efficiently, with careful consideration for the environment. Certification is also a way, with the help of external independent expertise, to identify opportunities to further improve environmental performance and to make climate-smart investments. As of 2020, Bonnier Fastigheter is reporting greenhouse gas emissions based on the GHG protocol. Heating properties is the primary cause of emissions.

Expected future developments

The Bonnier Group plans to develop Bonnier for the long term, with the ambition of building the Group to ensure it is strong and well-positioned for the future. Bonnier's companies are working to switch their operations to a higher share of new and sustainable revenues. Investments continue in technology and business development in our existing businesses and related areas where we see opportunities for growth. In the coming years, growth in digital services is expected to increase and increased user revenues will be the Group's primary revenue focus. The Bonnier Group has a strong financial position, which creates space for future investments in growth, both within and outside of existing businesses.

The Parent Company

The Parent Company mainly contains Group-wide functions. Net sales amounted to SEK 26 million (25), of which invoicing to other companies in the Group amounted to SEK 25 million (24). Results before appropriations amounted to SEK -113 million (-82).

Proposed appropriation of profits

The Parent Company

The following earnings are at the disposal of the Annual General Meeting:

(SEK)	
Retained earnings	11,501,044,989
Profit/loss for the year	-86,595,115
	11,414,449,874

The Board of Directors proposes the following appropriation of the funds:

Dividend to shareholders, SEK 358 per class A share, in total	180,277,344
Dividend to shareholders, SEK 497 per class A share (extraordinary dividend), in total	250,273,296
To be carried forward	10,983,899,234
	11,414,449,874

Because the board of directors proposes that the Annual General Meeting on May 27, 2021, resolves on an ordinary dividend of SEK 358 per class A share and an extraordinary dividend of SEK 497 per class A share, the board hereby issues the following statement, pursuant to Chapter 18, Section 4 of the Swedish Companies Act.

The Board's statement regarding the proposed dividend

The proposed dividend reduces the Parent Company's equity ratio, calculated as of December 31, 2020, to 92.32% and the Group's equity ratio to 44.68%, which is satisfactory given that the operations are profitable. The Board believes that both the Parent Company and the Group's liquidity can be maintained at a satisfactory level. With regard to the relationship between assets, liabilities and equity both in the Parent Company and in the Group, and with respect to earnings forecasts and required investments as of this date, we believe that the proposed dividend is justifiable considering the requirements which the nature, scope and risks in the operations entail in terms of the required level of equity.

The proposed dividend is also justifiable considering the liquidity and financial position both in the Parent Company and in the Group. The dividend will not affect the Parent Company's ability to meet its short- and long-term commitments or carry out necessary investments. The Board believes that the Parent Company and the Group's financial positions with regard to the proposed dividend are secure as regards the creditors. The Board does not believe that there is any other circumstance which would lead to the conclusion that the dividend should not be paid according to the Board's proposal. The Parent Company's equity would have been unchanged if assets and liabilities were not measured at fair value in accordance with Chapter 4, section 14 of the Swedish Annual Accounts Act.

For additional information regarding the financial position and performance of the Parent Company and the Group, see the following financial reports. All amounts are expressed in SEK millions unless stated otherwise.

Consolidated Income Statements

SEK million

	Note	2020	2019
Net sales	5	20,130	20,240
Other operating revenues		681	180
Total revenues		**20,811**	**20,420**
Raw materials and consumables		-1,837	-2,012
Goods for resale		-5,641	-5,588
Personnel costs	6, 7	-6,308	-6,544
Other external costs	7, 8, 9	-4,998	-5,250
Depreciation, amortization and impairment losses	8, 14, 15	-1,115	-1,065
Profit or loss from participations in associated companies and joint ventures	10	61	-18
Other operating expenses		-29	10
EBITA		**945**	**-48**
Items related to acquisitions, divestments and close-downs together with amortization/impairment losses of Group excess values	11	57	-92
		57	-92
Operating profit/loss		**1,002**	**-140**
Interest income		32	12
Interest expenses		107	-209
Other financial income and expenses		1,186	241
Net financial income/expenses from participations in associated companies and joint ventures	10	-15	-105
Net financial income/expenses	8, 12	**1,096**	**-61**
Profit/loss before tax		**2,098**	**-201**
Tax	13	-118	-183
Result from discontinued operations	16	133	3,041
Profit/loss for the year		**2,114**	**2,657**
Profit/loss for the year attributable to:			
-Shareholders of the Parent Company		2,069	2,634
-Non-controlling interests		45	24

Consolidated Statements of Comprehensive Income

SEK million

	2020	2019
Profit/loss for the year	**2,114**	**2,657**
Other comprehensive income		
Items which are not reclassified to profit or loss		
Revaluation of defined benefit pension plans	-80	-305
Items which may subsequently be reclassified to profit or loss		
Translation differences	-16	-708
Cash flow hedges	-	52
Translation differences attributable to participations in associated companies and joint ventures	-	0
Other comprehensive income for the year, net after tax	**-96**	**-962**
Other comprehensive income for the year, net after tax, continuing operations	-	-633
Other comprehensive income for the year, net after tax, discontinued operations	-	-329
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**2,018**	**1,695**
Total comprehensive income attributable to:		
-Shareholders of the Parent Company	1,974	1,670
-Non-controlling interests	44	25

Consolidated Statements of Financial Position

SEK million

	Note	Dec. 31, 2020	Dec. 31, 2019
ASSETS			
Non-current assets			
Intangible assets	14		
Goodwill		2,793	2,576
Film and program rights		389	379
Other intangible assets		626	772
		3,807	3,728
Property, plant and equipment	15		
Buildings and land		490	353
Plants and machinery		49	58
Equipment, tools, fixtures and fittings		146	201
Construction in progress and advances		8	1
		693	614
Right-of-use asset	8	1,704	2,098
Financial assets			
Non-interest-bearing			
Participations in associated companies and joint ventures	17	383	377
Other long-term investments	18	2,812	1,095
		3,196	1,472
Interest-bearing			
Derivatives	19	0	1
Long-term receivables	20	106	132
		107	133
Deferred tax assets	13	1,156	1,113
Total non-current assets		**10,662**	**9,157**
Current assets			
Non-interest-bearing			
Inventories	21	1,287	1,369
Trade receivables	22	1,947	2,236
Other short-term receivables	23	354	395
Prepaid expenses and accrued income	24	995	1,093
		4,583	5,092
Interest-bearing			
Derivatives	19	2	17
Other short-term receivables	23	965	991
Prepaid expenses and accrued income		6	3
Cash and cash equivalents	24	3,370	4,559
		4,343	5,570
Total current assets		**8,926**	**10,662**
TOTAL ASSETS		**19,588**	**19,819**

Consolidated Statements of Financial Position

SEK million

	Note	Dec. 31, 2020	Dec. 31, 2019
EQUITY AND LIABILITIES			
Equity attributable to shareholders of the Parent Company			
Share capital	25	64	64
Other contributed capital		175	0
Reserves	25	-790	-775
Retained earnings including profit/loss for the year		9,310	7,597
Total equity attributable to shareholders of the Parent Company		**8,759**	**6,886**
Non-controlling interests	25	230	181
Total equity		**8,989**	**7,067**
Non-current liabilities			
Interest-bearing			
Liabilities to credit institutions	26	6	108
Provisions for pensions	27	663	2,049
Provisions	28	36	44
Lease liabilities	8	1,313	1,659
Other non-current liabilities	29	264	201
		2,281	4,061
Non-interest-bearing			
Deferred tax liabilities	13	154	208
Provisions	28	81	62
		235	270
Total non-current liabilities		**2,516**	**4,331**
Current liabilities			
Interest-bearing			
Liabilities to credit institutions	26	22	563
Derivatives	19	4	4
Provisions	28	44	108
Other current liabilities	30	609	597
Lease liabilities	8	356	384
Accrued expenses and deferred income	31	0	0
		1,035	1,656
Non-interest-bearing			
Trade payables		1,387	1,529
Subscription liabilities and other advances from customers	32	1,086	1,141
Current tax liabilities		203	55
Provisions	28	173	39
Other current liabilities	30	868	844
Accrued expenses and deferred income	31, 32	3,330	3,156
		7,047	6,764
Total current liabilities		**8,082**	**8,420**
TOTAL EQUITY AND LIABILITIES		**19,588**	**19,819**

For information concerning the Group’s pledged assets and contingent liabilities, see Note 33.

Consolidated Statements of Changes in Equity

SEK million

	Share capital	Other contributed capital	Reserves	Retained earnings including profit/loss for the year	**Total equity attributable to share-holders of the Parent Company**	Non-control-ling interests	**Total Equity**
Opening balance, Jan. 1, 2019	**64**	**175**	**-116**	**5,208**	**5,331**	**102**	**5,433**
Comprehensive income							
Profit/loss for the year				2,634	**2,634**	24	**2,657**
Other comprehensive income							
Cash flow hedges			64		**64**	-	**64**
Translation differences			-710		**-710**	2	**-708**
Revaluation of defined benefit pension plans				-388	**-388**	-	**-388**
Other comprehensive income attributable to participations in associated companies and joint ventures			-	-	**-**	-	**0**
Tax on items in other comprehensive income			-13	83	**70**	-	**70**
Total Other comprehensive income, after tax			-659	-305	**-964**	2	**-962**
Total comprehensive income			**-659**	**2,329**	**1,670**	**25**	**1,695**
Transactions with shareholders							
Dividends to Parent Company shareholders				-106	**-106**		**-106**
Dividends to non-controlling interests					**0**	-40	**-40**
Change in conjunction with acquisitions and divestments of non-controlling interests				-7	**-7**	34	**27**
Change in value of options attributable to acquisitions of non-controlling interests				-2	**-2**	-	**-2**
Shareholders' contributions				-	**-**	60	**60**
Group contributions				-	**-**		
Tax on group contributions				-	**-**		**0**
Total transactions with shareholders	**0**	**0**	**0**	**-115**	**-115**	**54**	**-62**
Closing balance, Dec. 31, 2019	**64**	**175**	**-775**	**7,421**	**6,886**	**181**	**7,067**

Opening balance, Jan. 1, 2020	**64**	**175**	**-775**	**7,421**	**6,886**	**181**	**7,067**
Comprehensive income							
Profit/loss for the year				2,069	**2,069**	45	**2,114**
Other comprehensive income							
Cash flow hedges			-		**-**	-	**-**
Translation differences			-15		**-15**	-1	**-16**
Revaluation of defined benefit pension plans				-105	**-105**	-	**-105**
Other comprehensive income attributable to participations in associated companies and joint ventures			-	-	**-**	-	**-**
Tax on items in other comprehensive income			-	25	**25**	-	**25**
Total Other comprehensive income, after tax			-15	-80	**-95**	-1	**-96**
Total comprehensive income			**-15**	**1,989**	**1,974**	**44**	**2,018**
Transactions with shareholders							
Dividends to Parent Company shareholders				-	**-**		**-**
Dividends to non-controlling interests						-37	**-37**
Share redemption, Parent Company shareholders				-74	**-75**		**-75**
Change in conjunction with acquisitions and divestments of non-controlling interests				-1	**-1**	43	**41**
Change in value of options attributable to acquisitions of non-controlling interests				-25	**-25**	-	**-25**
Shareholders' contributions				-	**-**		**-**
Group contributions				-	**-**		**-**
Tax on group contributions				-	**-**		**-**
Total transactions with shareholders	**-**	**-**		**-100**	**-101**	**5**	**-95**
Closing balance, Dec. 31, 2020	**64**	**175**	**-790**	**9,310**	**8,759**	**230**	**8,989**

Consolidated Statements of Cash Flow

SEK million

	Note	2020	2019
Operating activities			
Profit/loss before tax		2,098	-201
Adjustments for items in cash flow	34	-1,030	232
Paid income tax		-96	-166
Cash flow from operating activities before change in working capital		**973**	**-135**
Change in inventories		38	456
Change in trade receivables		191	-145
Change in other short-term receivables		481	-1,125
Change in trade payables		-148	43
Change in subscription debt and advances from customers		-61	-46
Change in other current liabilities		401	1,000
Change in working capital		**901**	**183**
Cash flow from operating activities		**1,874**	**48**
Investing activities			
Acquisition of shares in subsidiaries, net debt effect	16	-376	-482
Reversal of net debt items in the acquisition of shares in subsidiaries that are not cash or cash equivalents		70	283
Investments in other financial assets		-432	-189
Acquisition of property, plant and equipment		-100	-114
Acquisition of intangible assets		-399	-445
Lending to Group companies		-393	-185
Divestments of shares in subsidiaries, net debt effect		212	10,062
Reversal of net debt items on divestments of shares in subsidiaries and other financial assets that are not cash or cash equivalents		48	-436
Divestments of other financial assets		43	136
Divestments of property, plant and equipment		172	21
Divestments of intangible assets		401	64
Cash flow from investing activities		**-753**	**8,713**
Financing activities			
Divestments to non-controlling interests, net debt effect		0	2
Repayments/lending of interest-bearing receivables		428	-197
Change in current financing		-26	-36
Borrowings		0	15
Amortization of debt		-2,056	-4,365
Amortization of lease liabilities		-847	-676
Group contributions		-	0
Shareholders’ contribution received		-	0
Dividends to owners of the Parent Company		-	-106
Dividends to non-controlling interests		-37	-37
Share redemption, Parent Company shareholders		-37	-
Cash flow from financing activities		**-2,576**	**-5,400**
Cash flow for the year from continuing operations		**-1,455**	**3,361**
Cash flow from discontinued operations			
-from operating activities		-	5,001
-from investing activities		133	-4,086
-from financing activities		-	0
Sum of cash flow from discontinued operations		**133**	**915**
Cash and cash equivalents at the beginning of the year		4,559	328
Translation differences in cash and cash equivalents		133	-45
Cash and cash equivalents at the end of the year		**3,370**	**4,559**

Notes to the Consolidated Financial Statements

NOTE 1 **General Information**

Bonnier Group AB, Corporate Registration No. 556576-7463, is a limited liability company incorporated in Sweden with its registered office in Stockholm. The address of the headquarters is Torsgatan 21, 113 21 Stockholm. The mailing address for the Bonnier Group AB is SE-113 90 Stockholm. The internet address is www.bonnier.se.

Bonnier Group AB, 556576-7463, is a subsidiary of Albert Bonnier AB, which is owned by more than 90 members of the Bonnier family.

The parent company for the largest and smallest group in which Bonnier Group AB is a subsidiary and for which consolidated accounts are prepared is Albert Bonnier AB, Corporate Registration No. 556520-0341.

NOTE 2 **Significant accounting policies**

The consolidated financial statements for Bonnier Group AB have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the EU and the interpretations of the IFRS Interpretations Committee (IFRIC).

In addition, the Group applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 1 "Supplementary rules for group accounting."

The financial statements are presented in millions of Swedish krona (SEK). Rounding may apply in tables and calculations, which means that the stipulated total amounts are not always an exact total of the rounded amounts. Items in the consolidated financial statements have been prepared on a cost basis, except for certain financial instruments which are stated at fair value. The significant accounting principles applied in the preparation of these consolidated financial statements are described below.

Amended standards effective from January 1, 2020

The following standards and amendments are applied by the Group for the first time for the financial year beginning January 1, 2020.

- Definition of Material - amendments to IAS 1 and IAS 8.
- Definition of Business - amendments to IFRS 3
- Interest Rate Benchmark Reform - amendments to IFRS 9, IAS 39 and IFRS 7.
- Revised Conceptual Framework for Financial Reporting
- Annual Improvements to IFRS Standards 2018-2020 Cycle.
- Covid-19-Related Rent Concessions - amendments to IFRS 16.

The amendments listed above have not had any impact on the Group's financial statements.

New and amended standards and interpretations that have not yet entered into force and that have not been adopted early by the Group

New and amended IFRS and interpretations that have not yet entered into force are not expected to have any material impact on the Group's financial statements.

Consolidated Financial Statement

The consolidated financial statements cover the Parent Company Bonnier Group AB and all companies over which the Parent Company has control (subsidiaries). Control is achieved when the Group is exposed to, or has rights to, variable returns from its involvement with another company and has the ability to affect the returns through its power over that company.

Subsidiaries are consolidated from the acquisition date until the date when control ceases.

Profit or loss and each component of other comprehensive income are attributable to shareholders in the Parent Company and to non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries in order to bring their accounting principles in line with the Group's accounting principles. All intra-Group transactions, balances and unrealized gains and losses attributable to intra-Group transactions have been eliminated in full on consolidation.

Transactions with holdings with non-controlling interests

Changes in the Parent Company's participations in subsidiaries that do not result in a loss of control are accounted for as equity transactions, i.e., as transactions with the Group's owners. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognized directly in equity and allocated to shareholders of the Parent Company.

When the Parent Company loses control of a subsidiary, the gain or loss on the sale is calculated as the difference between:

i) the aggregate of the fair value of the consideration received and the fair value of any retained participation, and

ii) the previous carrying amount of the subsidiary's assets (including goodwill), liabilities and any non-controlling interests.

The fair value of any investment retained in the former subsidiary on the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39 "Financial Instruments: Recognition and Measurement" or, when applicable, as the cost on initial recognition of an investment in an associated or a jointly controlled entity.

Business combinations

Business combinations are accounted for using the acquisition method.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, the liabilities incurred by the former owners of the acquiree and the equity interests issued in exchange for control of the acquiree. Acquisition-related costs are recognized in the income statement as incurred.

The consideration transferred by the Group in a business combination also includes the fair value of any assets and liabilities resulting from a contingent consideration arrangement. Changes in the fair value of contingent consideration qualify as measurement period adjustments, with corresponding adjustment against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the measurement period about facts and circumstances that existed at the acquisition date. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. In other cases, subsequent changes in the fair value of the contingent consideration are recognized in profit for the year.

On the acquisition date, the identifiable assets acquired and the liabilities assumed, as well as any contingent assets, are recognized at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests, and the acquisition-date fair value of any previously held equity interests in the acquiree over the identifiable net assets acquired. If, after reassessment, this difference is negative, it is recognized directly in the income statement as a bargain purchase gain.

For each business combination, any non-controlling interest in the acquiree is measured either at fair value or at the non-controlling interests' proportional share of the recognized amounts of the acquiree's identifiable net assets.

When a business combination is achieved in stages, previously held equity interest in the acquiree is remeasured to its acquisition-date fair value (i.e., when control is achieved) and the resulting gain or loss, if any, is recognized in the income statement. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are classified to the income statement where such treatment would be appropriate if that interest were disposed of.

NOTE 2 **cont.**

Goodwill
Goodwill is carried at cost as established at the date of acquisition of the company less any impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the cash-generating units that is expected to benefit from the acquisitions' goodwill. These units are the Group's business areas.

Goodwill is tested for impairment annually or more often if there is an indication. If the recoverable amount of a cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then the carrying amount of goodwill attributable to other assets in a unit is reduced. A recognized impairment loss for goodwill is not reversed in subsequent periods.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the capital gain or loss.

Participations in associated companies and joint ventures
An associated company is a company over which the Group has a significant influence, generally accompanying a shareholding, directly or indirectly, of between 20-50% of the voting rights.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control exists when two or more parties contractually agree to exercise joint control over an arrangement.

Associated companies and joint ventures are accounted for in accordance with the equity method. Under the equity method, the initial recognized cost is adjusted to recognize changes in the Group's share of the associated company's or joint venture's net assets, as well as consolidated goodwill and any other remaining consolidated surplus and deficit values. When the Group's share of losses in an associated company or a joint venture equals or exceeds its interest in the associated company or joint venture, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associated company or joint venture. On acquisition of the investment in an associated company or joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included in the carrying amount of the investment. When necessary, the carrying amount of the investment (including goodwill) is tested for impairment.

When a Group company transacts with an associated company or a joint venture of the Group, unrealized gains or losses corresponding to the Group's investments in the associated company or joint venture are eliminated. Dividends received from associated companies or joint ventures reduce the carrying amount of the investment.

Revenue recognition
The Group recognizes revenue when it transfers control over a product or service to a customer. Revenue is measured based on the consideration specified in the contract with the customer to which the Group expects to be entitled, and excludes amounts collected on behalf of third parties, e.g., value added tax.

The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

For the policies for revenue recognition for the Group's main types of products and services, see below.

Advertising
The performance obligation for advertising is satisfied when the advertisement is actually shown, published or displayed and the revenue is recognized at that time. A receivable is recognized when the advertisement is actually shown, published or displayed as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due. The revenue is reduced for volume rebates; see heading "Volume rebates." The payment is generally due within 14-30 days.

For some sales of advertising the Group involves a third party as seller of the advertisement; for policies, see heading "Agent versus principal."

Subscription
The performance obligation is satisfied when the newspaper or magazine is delivered to the customer and revenue is recognized upon delivery. For digital subscriptions the revenue is recognized when the newspaper or magazine is published on the web or when the content is available for the user. The payment for subscription is in advance, 1-12 months, or on ongoing basis. A subscription liability is recognized until the newspaper or magazine is delivered to the customer.

Goods (chiefly books, magazines and newspaper - newsstands)
The performance obligation is satisfied upon delivery of the goods and the revenue is recognized at that time. The payment is generally due within 30 to 90 days from delivery. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional, because only the passage of time is required before the payment is due. Some contracts provide customers with a right of return and volume rebates, which give rise to variable consideration; for description, see heading "Rights of return" and "Volume rebates."

For newsstand sales of magazines and newspapers the Group involves a third party as seller of the magazines and newspapers. The Group pays commissions to the third party which are recognized as cost, while the Group assesses that the Group acts as principal while it controls the goods before transferring them to the customer and records the revenue on a gross basis.

Digital distribution
The performance obligation is satisfied over time and the revenue is recognized at the same time as the customer uses the services, because the customer simultaneously receives and consumes the benefits provided by the Group. In general the payment is due 30 days after the performance is satisfied.

For distribution of TV the revenue is recognized on net basis; see heading "Agent versus principal."

Film
Revenue for film includes distribution and production of films. The performance obligation for distribution is when the rights to the film are transmitted to the customer. The revenue is royalty sales-based for the theatrical and home entertainment windows, but for the other windows (TV/SVOD/EXPORT) the revenue is license-based. The revenue is recognized when the sale occurs and when the film is delivered.

The performance obligation for production of film is satisfied over time because the Group does not create an asset with alternative use and has an enforceable right to payment for the performance completed to date. The output method is used for measuring the progress toward complete satisfaction of the performance obligation, i.e., the revenue is based on the value to the customer relative to the remainder of the goods promised in the contract. The Group considers that this output method is an appropriate measure of the progress toward complete satisfaction of the performance obligations.

Payment is made at set times during the production period, such as signing of agreement, first day of principal photography, last day of shooting and premiere.

Any amount previously recognized as a contract asset is reclas-

NOTE 2 **cont.**

sified to trade receivables at the point at which it is invoiced to the customer.

Variable consideration
For contracts that include a variable consideration, for example discounts, the Group estimates the amount of consideration to which it will be entitled.

Information about the consideration allocated to performance obligations that are unsatisfied is not disclosed due to the fact that the majority of the contracts have a duration of one year or less.

Rights of return
Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will not be returned based on historical returns because this method best predicts the amount of variable consideration to which the Group will be entitled. For goods that are expected to be returned, instead of revenue the trade receivables are reduced; for further information see Note 22 “Trade receivables and accrued income.”

Volume rebates
The Group provides volume rebates once the quantity of products purchased during the period exceeds a threshold specified in the contract. Volume rebates are typically offered to all high-volume customers and reflect the stand-alone selling price. The volume rebates are recognized as reduced revenue when the customer reaches a certain volume and are offset against amounts payable by the customer.

Royalties
For licensing of book rights and distribution of film the Group receives royalties which are sales-based. The revenue is recognized when the sales occur; see also heading “Film.” In general, the Group receives a fixed amount for licensing of book rights that is not contingent on future sales and is not subject to clawback. The fixed payment is recognized as revenue when the license is granted.

Financing components
For certain goods and services, the Group receives short-term advances (one year or less between the transfer of goods and services and the received payment). The Group uses the practical expedient, so it does not adjust any of the transaction prices for the time value of money.

Agent versus principal
For revenue related to advertising, sales of newspapers and magazines and distribution of TV there are other parties involved in providing the goods and services.

The Group is assessed to be principal for sales of advertising, while the Group controls the promised service before transferring that service to the customer and therefore records revenue on a gross basis, except for sales of advertising to media agencies which are recognized based on the invoiced amount.

For newsstand sales the Group involves a third party in providing the newspapers or magazines. The Group is assessed to be principal, while revenue is recognized as gross and the commission to the third party is recognized as cost. The assessment is based on the fact that the Group has the risk in that the newspapers or magazines may not be sold and has the right to establish the price.

The Group is acting as a principal for the distribution of film while the Group controls the film before distribution to the customer and therefore records royalties on a gross basis.

Revenue from distribution of TV is recognized on the invoiced amount from the operator.

The Group recognizes royalties for sales of rights of books on a gross basis, i.e., the royalties which are paid to authors are recognized as costs and received royalties are recognized as revenue. The assessment is based on the fact that the Group has the right to decide the price and the risk that the rights might not be sold.

Receivables
Receivables represent the Group’s right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Receivables consist of Trade receivables and Accrued income.

Contract liability
If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized. Contract liabilities are recognized for prepaid subscriptions, other advances from customers and deferred income.

Leases
A finance lease is a contract under which the economic risks and benefits associated with the ownership of an object are transferred from the lessor to the lessee. Other leases are classified as operating leases.

The Group leases various office, warehouse and retail premises, as well as machinery and vehicles. Leases are normally written for fixed periods between 6 months and 8 years, but there may be options for extension, as described below.

Contracts can contain both lease and non-lease components. The Group allocates the remuneration in the contract to lease and non-lease components based on their relative stand-alone prices. However, for lease payments for properties in which the Group is a tenant, the Group has chosen not to separate lease and non-lease components and instead recognizes them as a single lease component.

Conditions are negotiated separately for each lease and contain a wide range of different contractual terms. The leases do not contain any specific conditions or restrictions, except that the lessor retains the rights to pledged leased assets and in some cases a commitment for the Group to restore leased premises to their original state in the event of a future relocation.

Leased property, plant and equipment were classified as either finance or operating leases until the end of the financial year 2018. As of January 1, 2019, the leases are recognized as rights-of-use with a corresponding liability, on the date on which the leased asset is available for use by the Group.

Assets and liabilities arising from leases are initially recognized at present value. Lease liabilities include the present value of the following lease payments:

- fixed payments (including payments that are in all essential respects fixed), less any benefits associated with the signing of the lease that are to be received, variable lease payments relating to an index or price, initially measured on the basis of the index or price at the start date
- amounts expected to be paid by the lessee under residual value guarantees
- the exercise price of any option to buy if the Group is reasonably confident of exercising any such option
- penalties payable in the event of termination of the lease, if the lease term reflects the possibility that the Group will make use of an opportunity to terminate the lease.

Lease payments that will be made for options to extend that are reasonably certain to be exercised are also included in the measurement of the liability.

Lease payments are discounted using the interest rate implicit in the lease. If this interest rate cannot be easily determined, as is

NOTE 2 **cont.**

normally the case for the Group's leases, the marginal borrowing rate of the lessee shall be used, which is the interest rate that the individual lessee would have to pay to borrow the necessary funds to purchase an asset of a similar value to the right of use in a similar economic environment with similar conditions and collateral.

The Group determines the marginal borrowing rate on the basis of the interest rate on the external loans held by the Group at the start of the year, with some variability depending on the location of the market in which the subsidiary leases the asset.

The Group is exposed to any future increases in variable lease payments based on an index or interest rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or interest rate take effect, the lease liability is remeasured and adjusted in relation to the right of use.

Lease payments are apportioned between the reduction of the outstanding liability and the interest charge. The interest charge is recognized in the income statement over the lease term such as to produce a constant periodic rate of interest on the remaining balance of the lease liability.

The assets with right of use are measured at cost and include the following:

• the amount at which the lease liability was originally measured

• lease payments paid on or before the start date, after deduction of any benefits received in connection with signing of the lease

• initial direct expenditure

• expenditure for restoring the asset to the condition stated in the terms and conditions of the lease.

Rights of use are usually amortized on a straight-line basis over the useful life or lease term, whichever is the shorter. If the Group is reasonably certain to exercise a purchase option, the right of use is amortized over the useful life of the underlying asset. Although the Group remeasures buildings and land recognized as property, plant and equipment, it has chosen not to do so for the Group's rights of use.

Payments for short-term leases on equipment and vehicles and all low-value leases are expensed on a straight-line basis in the income statement. Short-term leases are those with a term of 12 months or less. Low-value leases include those on IT equipment and minor items of office furniture.

Variable lease payments

Some leases for rent of buildings include turnover-based rentals in stores. Variable payments are used for various reasons, such as to minimize fixed expenses for newly established stores. Turnover-based rents are recognized in the income statement in the period in which the condition triggering the fee arises.

Options to extend and terminate leases

Options to extend and terminate leases are included in a number of the Group's leases on buildings and equipment. The terms and conditions are used to maximize flexibility in the management of the assets used in the Group's businesses. The majority of the options that provide for the possibility to extend and terminate leases can only be exercised by the Group and not by the lessors.

Foreign currencies

Transactions in foreign currencies are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at that date when the fair value was determined. Non-monetary items measured in terms of historical cost in a foreign currency are not translated.

Currency futures that are used for hedging and meet the requirements for hedge accounting are recognized at fair value in the statement of financial position. The changes in fair value are recognized in other comprehensive income and are accumulated in the hedging reserve. When the hedged item is recognized in profit or loss, the accumulated fair value changes in the hedging reserve are reclassified to profit or loss through other comprehensive income.

For the purpose of presenting the consolidated financial statement, the assets and liabilities of the Group's foreign subsidiaries are translated into Swedish krona using the exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rate for the period, unless the exchange rate has fluctuated significantly during that period, in which case the exchange rate at the date of transaction is used. Exchange differences arising are recognized in other comprehensive income and accumulated in the translation reserve. On disposal of a foreign subsidiary, such translation differences are recognized in the income statement as a part of the capital gain or loss.

Goodwill and fair value adjustments to identify assets acquired and liabilities assumed through acquisition of a foreign entity are treated as though these were assets and liabilities held by this entity and translated at the rate of exchange prevailing at the end of each reporting period.

Employee benefits

Employee benefits including salaries, bonuses, holiday pay, paid sick leave, etc., and pensions are recognized as the related service is rendered. Pensions are classified as defined contribution or defined benefit pension plans.

The defined contribution plan

For defined contribution pension plans, the Company pays fixed contributions into a separate, independent legal entity and the Group has no legal or constructive obligations to pay further contributions. Payments are recognized as an expense when employees have rendered service entitling them to the contributions, and this usually corresponds to when the contributions are due.

Defined benefit retirement benefit plan

For defined benefit pension plans, the cost of providing benefits is determined using actuarial calculations in accordance with the Projected Unit Credit Method. Remeasurement, including actuarial gains and losses, effects of changes to the asset ceiling and the return on plan assets (excluding the interest, which is recognized in the income statement), are reflected in other comprehensive income in the period in which they occur.

Remeasurement recognized in other comprehensive income is reflected directly in retained earnings and profit brought forward and will not be reclassified to the income statement. Past service cost is recognized in the income statement in the period of plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period on the net defined liability or asset.

Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service costs as well as gains and losses on curtailments and/or settlements)
- Net interest expense or income
- Remeasurement

The first two categories are presented as personnel cost (current service cost) and as net financial income (net interest expense) in the income statement. Gains and losses referring to curtailments and settlements are accounted for as past service costs. Remeasurements are recognized in other comprehensive income.

The defined benefit pension obligation recognized in the state-

NOTE 2 **cont.**

ment of financial position represents the actual surplus or deficit in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Tax
The tax expense comprises current and deferred tax.

Current tax
Current tax is based on taxable profit for the period. Taxable profit differs from "profit before tax" as reported in the income statements because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible.
The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax
The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Intangible assets
Separately acquired intangible assets
Intangible assets with finite useful lives that have been acquired separately are carried at cost less accumulated amortization and any impairment losses. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Film and program rights are usually accounted for as intangible assets when the program is available for viewing. The useful life for these rights is based on the license period or views, and normally amounts to no more than three years, but in certain cases to no more than five years.

Intangible assets acquired through business combinations
Intangible assets acquired in a business combination are identified and recognized separately from goodwill when they meet the definition of an intangible asset and when their fair value can be reliably measured. The cost of such intangible assets comprises their fair value at the acquisition date. Intangible assets with definite useful lives are amortized over the estimated useful life, usually a period of 2-10 years. Identified intangible assets with indefinite useful lives such as trademarks and distribution rights are not amortized, but are tested for impairment annually or more frequently when there is an indication that the asset may be impaired. Subsequent to initial recognition, intangible assets acquired in a business combination are carried at cost less accumulated amortization and any accumulated impairment losses, on the same basis as separately acquired intangible assets.

Property, plant and equipment
Property, plant and equipment are carried at cost less accumulated depreciation and any impairment losses.

Depreciation is recognized so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives are as follows:

Buildings and land improvements	20-100 years
Plants and machinery	3-20 years
Equipment, tools, fixtures and fittings	2-20 years

Impairment of property, plant and equipment and intangible assets other than goodwill
At the end of each reporting period, the Group reviews the carrying amount of its property, plant and equipment and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount for an individual asset, the Group estimates the recoverable amount for the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

The recoverable amount is the higher of the fair value less cost of disposal and the value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value, using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is determined to be an amount below the carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized in the income statements.

If an impairment loss subsequently reverses, the carrying amount of the asset (or the cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the asset (or the cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the income statement.

Financial instruments
Recognition and derecognition
Trade receivables are initially recognized in the statement of financial position when they are originated. All other financial assets and financial liabilities are initially recognized in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument. A financial asset or a part of a financial asset is derecognized when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. A financial liability or a part of a financial liability is derecognized when the obligations have been discharged or canceled or when they expire.

Measurement
Financial assets and financial liabilities that are not subsequently measured at fair value through the income statement are initially carried at fair value with additions and deductions for transaction costs. Trade receivables are initially measured at the transaction price. Financial assets and financial liabilities that are subsequently measured at fair value through the income statement are initially carried at fair value.

Equity instruments
Investments in equity instruments are recognized at fair value to the income statement, "Other financial income and expenses."

Trade receivables
Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are initially measured at the transaction price and subsequently at amortized cost.

NOTE 2 **cont.**

Liabilities to credit institutions and other borrowings
Interest-bearing bank loans, credit lines and other liabilities are measured at amortized cost in accordance with the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings.

Trade receivables
The Group uses the historical observed default rates to calculate expected credit losses for trade receivables. The historical observed default rates are adjusted with current conditions and forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

Derivative instruments and hedge accounting
The Group enters into derivative transactions to manage foreign exchange risk and interest risks. When possible, the Group applies hedge accounting. Derivatives are initially measured at fair value. Changes in the fair value of derivatives are recognized in either the net financial income/expenses or the operating profit, depending on the instrument's purpose.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in income statement.

Inventories
Inventories are stated at the lower of cost and net realizable value. The cost is determined using the first-in, first-out method (FIFO). The cost of finished goods and work in progress consists of the purchase price, direct salary expenses, other direct manufacturing expenses and indirect expenses attributable to the item (based on normal manufacturing capacity). An item's purchase price also includes transport expenses and other expenses attributable to moving the item to its current location and bringing the item to its current condition.

Net realizable value represents the estimated selling price less estimated cost of completion and cost necessary to make the sale.

Provisions
Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the payments expected to be required to settle the obligation, its carrying amount is the present value of these payments.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Group contribution
Group contribution received or paid to the parent company is recognized directly in equity with related tax effect.

IFRS 5 Discontinued operations
A discontinued operation is a component of a company that has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale. Bonnier has classified Bonnier Broadcasting, which was divested on 2 December 2019 following a competition investigation, as a discontinued operation as it represented a separate major line of business. Result from discontinued operations is reported as a separate income statement item.

Key definitions
A description of the Group's definitions of key ratios may be found on page 54.

NOTE 3 **Key sources of uncertainty in estimations**

Below are the key assumptions concerning future development, as well as other important sources of uncertainty in the estimations at the balance sheet date which imply a significant risk of major adjustments in the carrying amount of assets and liabilities during the upcoming financial year.

Pension obligations
The value of pension obligations for defined benefit pension plans is determined on the basis of actuarial calculations and is based on assumptions regarding the discount rate, expected return on plan assets, future salary increases, inflation and demographic circumstances. Any change in these assumptions affects the calculated value of pension obligations.

The discount rate is the most significant assumption and is based on the market yields of high-quality corporate bonds with maturity dates matching those of the pension obligations. The Group's defined benefit pension plans are primarily found in Sweden and the Group has determined that mortgage bonds are comparable with first-class corporate bonds, and therefore a selection of AAA-rated mortgage bonds are being used. A lower discount rate increases the present value of the pension obligation and their costs, while a higher discount rate has the opposite effect. Due to changing market conditions and economic circumstances, the underlying assumptions can deviate from the actual development and lead to significant changes in pension provisions.

The defined benefit pension plans, with deduction for any plan assets, are reported under Provisions for pensions. The reported net debt of the Group's pension obligations amounted at the balance sheet date to SEK 663 million (2,049). For more information, see Note 27, Pensions.

Testing for impairment of goodwill
The carrying amount for consolidated goodwill is SEK 2,793 million (2,576). Goodwill is tested annually or whenever events or changes in circumstances indicate that the value of goodwill may have decreased. Recoverable amounts for cash-generating units have been determined by calculation of the value in use. These calculations involve certain estimates, above all regarding sales growth, operating margin and discount rate. The assumptions used are described in Note 15, Intangible assets.

Deferred tax assets
Calculation of deferred tax assets necessarily involves assumptions with regard to future taxable income. An assessment has been made of nondeductible expenses and nontaxable revenue in accordance with current tax rules. Changes in tax legislation in the countries in which the Group operates, as well as changes in interpretations and implementations under current legislation, may affect the amounts of the deferred tax assets. At every balance sheet date, an assessment is made of the likelihood as to whether the tax asset arising will be utilized. Where required, the carrying amount of the deferred tax asset is adjusted. The assessment may affect income for the period, either negatively or positively. Deferred tax assets amount to SEK 1,156 million (1,113). See also Note 13, Tax.

NOTE 4 **Financial risk management and financial instruments**

The Bonnier Group is exposed to various types of financial risks. The Group's financial risks are managed by Bonnier Finans in accordance with the treasury policy that is reviewed and adopted by the Board. The treasury policy strives to minimize the financial risks to which the Group is exposed, primarily liquidity and refinancing risks, interest rate risks, currency risks, credit risks and counterparty risks. Within Bonnier Finans there are instructions, systems and a division of duties in place to achieve good internal control and monitoring of the operations. Risk is monitored on Group level and is reported to the Board.

Liquidity and refinancing risks
Liquidity risk refers to the risk that the Group will have difficulty meeting future liquidity requirements in the form of payment obligations and will be unable to finance or refinance the Group's assets. Refinancing risk refers to the inability of the Group to refinance outstanding debt at a given point in time and on acceptable terms.

In order to optimize the Group's liquidity, there is a centralized cash-management function. As of December 31, 2020, the Group achieved its liquidity goal, cash and cash equivalents, bank deposits, short term investments and unutilized credit facility amounting to SEK 3,370 million (4,559).

Refinancing risk is managed by ensuring that no more than 40% of net debt matures within 12 months[1]. As of December 31, 2020, the Group complies with these goals. As of December 31, 2020 there are no external loans outstanding.

As of December 31, 2020, the Group does not have any financial commitments or covenants. Information on current loans and credit facilities is also provided in Note 26, Liabilities to credit institutions.

The terms to maturity for all contractual payment obligations related to the Group's financial liabilities are presented in the following tables. The amounts refer to the contractual, undiscounted cash flows of the Group's financial liabilities based on the remaining contracted maturities as of December 31, 2020. Variable interest flows are derived from interest rates at the end of the reporting period. Cash flows in foreign currencies are converted to SEK at closing rate.

[1] Applicable if net debt exceeds SEK 2,000 million.

NOTE 4 Cont.

Maturity structure of financial liabilities Dec. 31, 2020

SEK million	Within 3 months	3-12 months	1-5 years	More than 5 years	Total
Liabilities to credit institutions	-	0	-	-	0
Derivatives	0	3	-	-	4
Lease liabilities	93	266	976	460	1,795
Other interest-bearing liabilities	232	356	186	78	851
Account payable	1,354	33	0	-	1,387
Total	**1,679**	**658**	**1,161**	**538**	**4,037**

Maturity structure of financial liabilities Dec. 31, 2019

SEK million	Within 3 months	3-12 months	1-5 years	More than 5 years	Total
Liabilities to credit institutions	509	1	101	-	611
Derivatives	2	3	-	-	5
Lease liabilities	100	293	1,141	683	2,217
Other interest-bearing liabilities	41	541	116	82	780
Account payable	1,425	31	73	0	1,529
Total	**2,077**	**869**	**1,431**	**765**	**5,141**

Interest rate risks

The Bonnier Group is exposed to interest rate risks through the debt portfolio and interest-bearing assets. Interest rate risks refer to the risk of changes in interest rates which will lead to fluctuations in the Group's results. The Group strives to minimize the effect on the results of changes in interest rates arising as a result of fluctuations in the financial markets. As of December 31, 2020, the Group has no external financing and is therefore no longer exposed to interest rate risk.

Sensitivity analysis

The table below shows the estimated effect on profit or loss and equity with an increase or decrease of 1% (100 basis points) on all interest rates on external loans and interest rate swaps hedging the loans. All interest rate swaps are closed as of December 31, 2019 and there are no remaining external liabilities to credit institutions as of December 31, 2020.

Interest rate sensitivity	**Dec. 31, 2020**		**Dec. 31, 2019**	
SEK million	**Profit/loss impact**	**Equity impact**	**Profit/loss impact**	**Equity impact**
Effect on future financial expenses +1%	-	-	-5	-
Effect on future financial expenses -1%	-	-	5	-
Revaluation effect +1%	-	-	-	-
Revaluation effect -1%	-	-	-	-

Currency risks

The Bonnier Group is an international group and is accordingly exposed to foreign currency risks. This exposure refers to translation exposure and transaction exposure.

Translation risk

Translation exposure is the risk that the value of the Group's net assets in foreign currency will be negatively affected by changes in exchange rates. The Group's operations in different geographical locations give rise to currency effects when companies with functional currencies other than SEK are translated to Swedish krona in the consolidated financial statement. The effect on income is not hedged as regards changes in exchange rates when translating the operating profit/loss and equity in foreign subsidiaries.

Instead, the Group strives to reduce the translation exposure by matching receivables and liabilities in the same currency.

Transaction risk

The Group is subject to transaction exposure given that purchases and sales take place in currencies other than Swedish krona. Subsidiaries are responsible for monitoring this risk so that the transaction exposure in their operations is within the limits of the Group's financial policy. Transaction exposure is limited in light of the fact that inflows and outflows take place in the same currency, because there is a local presence in the different geographical areas. When a major purchase is carried out in a currency other than the functional currency, this is hedged through foreign currency forwards or currency options.

NOTE 4 **Cont.**

Credit risks and counterparty risks

Credit risk refers to the risk that a counterparty will default on its obligations to the Group, resulting in credit losses. Credit risk is divided into financial credit risks and operational risks.

Financial credit risk is the risk that banks or other financial institutions with which the Group has financial investments, liquidity or other investments in financial assets will be unable to meet their obligations to the Group, which can lead to a credit loss. Under the Group's policy on credit risk in financial transactions, investments may be made in companies with different levels of risk. Each counterparty is assigned a separate credit limit to decrease risk concentration, and investments shall be made in securities with low credit risk and high liquidity. During the year, the credit losses amounted to SEK 0 million (3).

The credit risk on trade receivables is that the Group would not receive payment for recognized trade receivables. To prevent this, there are procedures for the follow-up of these items and, for larger sales amounts, credit information is obtained. The Group's trade receivables are spread among a large number of customers, both private individuals and businesses. An age analysis for trade receivables is presented in Note 22.

The Group's maximum exposure to credit risks is deemed to correspond to the carrying value of all financial assets and, on December 31, 2020, amounted to SEK 9,337 million (9,208).

Outstanding derivatives - Maturity structure

Fair value	**Dec. 31, 2020**				**Dec. 31, 2019**			
SEK million	**Assets**	**Nominal amount**	**Liabilities**	**Nominal amount**	**Assets**	**Nominal amount**	**Liabilities**	**Nominal amount**
Currency derivatives								
Within 3 months	1	50	0	97	16	1,802	2	405
Between 3-12 months	2	45	3	91	0	18	3	105
Between 1-5 years	0	6			1	22	-	-
More than 5 years					-	-	-	-
Total	**3**		**4**		**18**		**4**	
of which cash flow hedges	-		-		-		-	

Offset of financial assets and liabilities

All financial assets or liabilities are recognized gross in the statement of financial position. Derivatives are covered by ISDA agreements, which implies the right of offset between assets and liabilities with the same counterparty, e.g., insolvency under certain conditions. Derivatives subject to netting agreements are shown in the table below.

	Dec. 31, 2020		**Dec. 31, 2019**	
SEK million	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Gross value of derivatives recognized in the statement of financial position	3	4	18	4
Offset amount	-2	-2	-2	-2
Net position	1	2	16	2

NOTE 4 **Cont.**

Carrying amounts and fair values of financial assets and liabilities

SEK million		Dec. 31, 2020 Carrying amount	Dec. 31, 2019 Carrying amount
FINANCIAL ASSETS IFRS 9			
Measured at amortized cost			
Trade receivables		1,947	2,236
Other receivables		1,201	1,298
Cash and cash equivalents		3,370	4,559
Measured at fair value through income statement or other comprehensive income			
Derivatives [1]	Level 2	3	18
Measured at fair value through income statement			
Equity instruments	Level 3	2,816	1,098
Total financial assets		**9,337**	**9,208**
FINANCIAL LIABILITIES IFRS 9			
Measured at amortized cost			
Liabilities to credit institutions	Level 2	27	693
Measured at fair value through income statement or other comprehensive income			
Derivatives [1]	Level 2	4	4
Contingent considerations	Level 3	120	87
Measured at fair value through income statement or equity			
Liabilities attributable to put options in noncontrolling interests	Level 3	156	126
Measured at amortized cost			
Trade payables		1,387	1,529
Subscription liabilities and other advance payments from customers		1,086	1,141
Lease liabilities		1,669	2,043
Other liabilities		1,347	1,270
Total financial liabilities		**5,796**	**6,892**

[1] The total P/L effect related to interest rate swaps amounts to SEK 0 million (-10); see Note 12 for further information.

There have been no transfers between the levels during the periods.

Fair value

Financial assets and financial liabilities carried at fair value are classified in one of the three levels in the fair-value hierarchy, based on the information used to determine the fair value. All of the Group's financial assets and liabilities carried at fair value are classified according to Level 2, with the exceptions of contingent considerations and liabilities attributable to put options in non-controlling interests and unlisted equity instruments classified at Level 3.

For the Group's other financial assets and liabilities, the carrying amounts are deemed to comprise a good approximation of the fair values. A calculation of fair value based on discounted future cash flows, where a discount rate reflecting the counterparty's credit risks represents the most significant input data, is not expected to result in any significant difference, compared with the carrying value.

Valuation of derivatives (Level 2)

Valuation in accordance with Level 2 is performed by using observable market data at the end of the reporting period. The fair value of interest rate swaps is determined by discounting estimated future cash flows, based on yield curves at the closing date. The fair value of each foreign currency contract is determined by the interest rate differential in the spot rate and the rate at the future date in each currency at closing date. The value is determined by discounting the actual forward rates at the closing date.

Measurement of unlisted equity instruments (Level 3)

The fair value of unlisted equity instruments is based on discounting future cash flows using a risk-adjusted interest rate and the value of the most recent transactions or capital raises in the holdings. Important assumptions in discounting are the discount rate and future cash flows. Measurements are performed continuously during the year and on the occasions of transactions and capital raises. The fair value would increase/decrease if the anticipated cash flows were to be higher/lower, or if the risk-adjusted interest rate were to be lower/higher.

Capital management

The capital management objectives of the Group are to minimize the effect on its financial position of fluctuations on the financial markets by securing the Group's short- and long-term capital requirement by ensuring that liquidity management is as efficient as possible, and by hedging interest rate and currency risks in order to minimize the effect on the Group's profit/loss and cash flow by minimizing fluctuations in profit/loss due to volatility in the financial markets. The Group defines capital as net debt and equity including non-controlling interests. Net debt amounted on December 31, 2020, to SEK -1,134 million (15) and equity amounted to SEK 8,989 million (7,067).

The Group monitors capital management by following various key ratios such as debt ratios and interest coverage ratios.

NOTE 5 Distribution of net sales

Bonnier Books

	Sweden		Other Nordic countries		Europe		Other		Total	
SEK million	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Advertising	-	-	-	-	-	-	-	-	0	0
Subscription	349	292	241	169	84	26	0	0	674	487
Goods	591	702	421	456	3,151	3,020	219	377	4,381	4,554
Digital distribution	205	157	91	34	388	355	17	12	702	558
Film	-	-	-	-	-	-	-	-	0	0
Other	27	16	13	-	69	2	63	3	172	20
Net sales, external	**1,172**	**1,167**	**766**	**659**	**3,692**	**3,403**	**299**	**392**	**5,929**	**5,620**
								Net sales, Group	**183**	**149**
								Total net sales	**6,112**	**5,770**

Adlibris

	Sweden		Other Nordic countries		Europe		Other		Total	
SEK million	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Advertising	-	-	-	-	-	-	-	-	0	0
Subscription	99	33	15	12	-	0	-	-	114	46
Goods	1,778	1,551	688	561	0	-	-	-	2,466	2,111
Digital distribution	35	33	10	9	-	-	-	-	44	41
Film	-	-	-	-	-	-	-	-	0	0
Other	41	47	19	18	0	0	-	-	60	65
Net sales, external	**1,953**	**1,664**	**731**	**599**	**0**	**0**	**0**	**0**	**2,685**	**2,263**
								Net sales, Group	**20**	**19**
								Total net sales	**2,705**	**2,282**

SF Studios

	Sweden		Other Nordic countries		Europe		Other		Total	
SEK million	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Advertising	-	-	-	-	-	-	-	-	0	0
Subscription	17	16	2	3	-	-	-	-	19	19
Goods	30	23	26	16	-	-	-	0	56	39
Digital distribution	296	236	149	176	25	16	-	-	469	428
Film	552	649	502	622	24	25	191	16	1,269	1,313
Other	64	33	-8	16	1	1	0	9	57	59
Net sales, external	**959**	**957**	**671**	**833**	**49**	**43**	**191**	**25**	**1,870**	**1,857**
								Net sales, Group	**6**	**41**
								Total net sales	**1,876**	**1,899**

Bonnier Ventures

	Sweden		Other Nordic countries		Europe		Other		Total	
SEK million	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Advertising	1	5	-	-	-	-	-	-	1	5
Subscription	-	-	-	-	-	-	-	-	0	0
Goods	0	7	-	-	-	-	-	-	0	7
Digital distribution	-	-	-	-	-	-	-	-	0	0
Film	-	-	-	-	-	-	-	-	0	0
Other	144	288	41	73	1	3	-	1	187	365
Net sales, external	**146**	**299**	**41**	**73**	**1**	**3**	**0**	**1**	**188**	**376**
								Net sales, Group	**9**	**10**
								Total net sales	**197**	**386**

Bonnier Publications

	Sweden		Other Nordic countries		Europe		Other		Total	
SEK million	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Advertising	74	83	91	120	17	18	0	0	182	221
Subscription	207	242	449	478	17	16	-	0	673	736
Goods	38	39	97	102	28	25	0	0	163	167
Digital distribution	1	1	4	4	0	0	-	0	5	6
Film	-	-	-	-	-	-	-	-	0	0
Other	-1	3	35	48	4	4	0	1	38	56
Net sales, external	**319**	**368**	**677**	**753**	**65**	**63**	**1**	**1**	**1,061**	**1,185**
								Net sales, Group	**19**	**23**
								Total net sales	**1,080**	**1,208**

NOTE 5 **Cont.**

	Bonnier News									
	Sweden		Other Nordic countries		Europe		Other		Total	
SEK million	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Advertising	1,843	2,057	221	242	151	163	22	22	2,237	2,483
Subscription	3,307	2,765	287	275	183	170	0	0	3,776	3,210
Goods	817	856	14	12	13	14	0	0	844	882
Digital distribution	29	41	0	0	2	1	0	0	31	43
Film	-	-	-	-	-	-	-	-	0	0
Other	545	679	63	60	146	202	0	0	754	941
Net sales, external	**6,542**	**6,398**	**584**	**589**	**495**	**549**	**23**	**22**	**7,643**	**7,559**
								Net sales, Group	**12**	**23**
								Total net sales	**7,655**	**7,582**

	Other [1]									
	Sweden		Other Nordic countries		Europe		Other		Total	
SEK million	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Advertising	-	-	-	-	-	-	203	381	203	381
Subscription	-	-	-	-	-	-	113	176	113	176
Goods	9	-9	-	-	-	-	5	14	14	5
Digital distribution	-	-	-	-	-	-	-	0	0	0
Film	-	-	-	-	-	-	-	-	0	0
Other	75	52	132	136			214	626	421	814
Net sales, external	**84**	**43**	**132**	**136**	**0**	**0**	**535**	**1,197**	**752**	**1,376**
								Net sales, Group	**130**	**133**
								Total net sales	**882**	**1,509**

	Total									
	Sweden		Other Nordic countries		Europe		Other		Total	
SEK million	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Advertising	1,919	2,144	312	362	168	180	226	403	2,624	3,090
Subscription	3,978	3,348	994	938	284	211	113	177	5,369	4,674
Goods	3,264	3,169	1,245	1,146	3,192	3,059	224	391	7,925	7,765
Digital distribution	566	468	254	223	415	372	17	12	1,252	1,076
Film	552	649	502	622	24	25	191	16	1,269	1,313
Other	896	1,118	295	350	221	212	278	639	1,689	2,319
Net sales, external	**11,175**	**10,897**	**3,601**	**3,642**	**4,302**	**4,061**	**1,049**	**1,637**	**20,128**	**20,237**
								Net sales, Group	**379**	**399**
								Eliminations	**-377**	**-396**
								Total net sales	**20,130**	**20,240**

[1] As of January 1, 2020, the Group consists of seven cash-generating units. Bonnier Corporation is now included in Other. The comparative figures have been adjusted accordingly.

NOTE 6 **Personnel**

Average number of employees	**2020** Number of employees	of whom women, %	**2019** Number of employees [1]	of whom women, %
Bonnier Group AB	**7**	**54**	**9**	**44**
Subsidiaries				
Sweden	5,496	44	5,259	44
Denmark	734	51	742	50
Germany	656	75	655	75
United Kingdom	292	68	311	69
United States	271	54	349	50
Poland	244	57	263	59
Finland	209	73	216	78
Estonia	195	74	209	72
Lithuania	99	70	121	70
Slovenia	99	62	103	66
Norway	85	45	91	42
Croatia	14	43	14	43
China	4	75	4	75
Luxembourg	2	0	2	0
Subsidiaries	**8,401**	**50**	**8,337**	**51**
Group	**8,408**	**50**	**8,346**	**51**

[1] Average number of employees in 2019 is adjusted with 1,071 for Bonnier Broadcasting.

Board members and senior executives	**Dec. 31, 2020** Number of employees	of whom women, %	**Dec. 31, 2019** Number of employees	of whom women, %
Bonnier Group AB				
Board members	9	22	10	20
CEO and other senior executives	5	20	5	20
Group total				
Board members	694	27	679	27
CEO and other senior executives	524	43	503	43

Wages, salaries, other remuneration and social security costs

	2020				**2019**			
SEK million	Wages/salaries and other remuneration	Social security costs	Special payroll tax and tax return on pension	Pension costs	Wages/salaries and other remuneration	Social security costs	Special payroll tax and tax return on pension	Pension costs
Bonnier Group AB	34	6	21	8	25	1	3	10
Subsidiaries [2]	4,724	1,084	57	307	4,852	1,052	74	448
Group total	**4,758**	**1,090**	**77**	**315**	**4,877**	**1,053**	**76**	**458**

Remuneration to Board members, CEO and other employees

	2020			**2019**		
SEK million	Board members and CEO	of which variable salaries	Other employees	Board members and CEO	of which variable salaries	Other employees
Bonnier Group AB	25	5	9	10	-	15
Subsidiaries [2]	217	70	4,507	209	51	4,644
Group total	**242**	**75**	**4,516**	**219**	**51**	**4,659**

[2] Salaries, remuneration and social security costs for 2019 have been adjusted for Bonnier Broadcasting. Salaries, remuneration and social security costs totaled SEK 1,046 million.

NOTE 6 **cont.**

Board and CEO

The period of notice for the CEO is 6 months if termination is initiated by the CEO and 12 months if initiated by the company. No severance pay will be paid. The CEO's agreed retirement age is 60 years and pension premiums are paid regularly. The retirement pension between the ages of 60 and 75 corresponds to 65% of the pensionable salary.

The Group's pension costs for the Board of Directors and CEOs amount to SEK 14 million (22). The Group's pension commitments to these individuals amount to SEK 157 million (172).
The Parent Company's pension costs for present and former Boards of Directors and CEOs amount to SEK 3 million (5).
The Parent Company's pension commitments to these individuals amounts to SEK 19 million (18).

Other senior executives

For certain senior executives within the Group there are agreements on pensions, severance pay and bonuses. Pension obligations and bonuses for them have been recognized in full.

For other senior executives, the period of notice varies, mainly between 6 and 12 months. The notice period for termination initiated by the company is regulated by contract and there are also certain agreements on severance pay.

NOTE 7 **Restructuring costs**

SEK million	2020	2019
Restructuring costs, employees	61	45
Restructuring costs, other	0	27
Total	**61**	**72**

NOTE 8 **Lease agreements**

Right-of-use assets	**Buildings**		**Cars**		**Other**		**Total**	
SEK million	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Cost								
Opening balance	2,441	2,671	68	33	21	3	**2,530**	**2,707**
Adjustment for additional right-of-use assets	457	200	59	8	3	0	**519**	**208**
Acquired companies	0	114	0	31	0	22	**0**	**166**
Terminated leases	-622	-	-23	-	-	-	**-644**	**0**
Divested companies	0	-550	0	-3	0	-3	**0**	**-557**
Translation differences	-39	6	-	0	-	0	**-39**	**6**
Closing balance	**2,238**	**2,441**	**104**	**68**	**24**	**21**	**2,366**	**2,530**
Depreciation								
Opening balance	-408	-	-25	-	0	-	**-433**	**0**
Divested companies	-404	-478	-35	-26	-10	-1	**-448**	**-505**
Terminated leases	189	-	18	-	-	-	**208**	**0**
Depreciation for the year	-	74	0	2	-	1	**0**	**76**
Translation differences	11	-4	0	0	-	0	**11**	**-4**
Closing balance	**-612**	**-408**	**-42**	**-25**	**-10**	**0**	**-663**	**-433**
Carrying amount December 31	**1,626**	**2,033**	**62**	**43**	**14**	**21**	**1,704**	**2,097**

Lease liabilities

SEK million	Dec. 31, 2020	Dec. 31, 2019
Current	356	384
Non-current	1,313	1,659
Total	**1,669**	**2,043**

Values displayed in the Income statement

SEK million	Dec. 31, 2020	Dec. 31, 2019
Interest component	-65	-75
Cost for short-term leases and assets of low value	-77	-114

Total payments in 2020 regarding lease contracts amounted to SEK 578 (592) million.

NOTE 9 Fees to auditors

SEK million	2020	2019
PricewaterhouseCoopers		
Audit assignment	23	27
Audit-related activities in addition to audit assignment	1	1
Tax advice	1	1
Other services	3	9
Other auditors		
Audit assignment	2	2
Audit-related activities in addition to audit assignment	0	-
Tax advice	3	3
Other services	0	0
Total	**33**	**41**

NOTE 10 Profit or loss from participations in associated companies and joint ventures

	Operating profit or loss		Net financials		Tax		Total	
SEK million	2020	2019	2020	2019	2020	2019	2020	2019
Associated companies								
Borås Tidning Tryckeri AB	-	-2	-	0	-	1	0	-2
Other	10	24	0	2	-4	-6	6	20
	10	**22**	**0**	**2**	**-4**	**-6**	**7**	**18**
Joint ventures								
Cappelen Damm Holding AS	51	-40	-15	-107	-6	34	31	-113
	51	**-40**	**-15**	**-107**	**-6**	**34**	**31**	**-113**
Total associated companies and joint ventures	**61**	**-18**	**-15**	**-105**	**-9**	**28**	**37**	**-95**

NOTE 11 Items related to acquisitions, divestments and close-downs together with amortization/impairment losses of group excess values

SEK million	2020	2019
Capital gains on divestments and close-downs of operations	181	115
Capital losses on divestments and close-downs of operations	0	-77
Transaction costs on acquisitions	-12	-18
Change of future consideration	-11	12
Depreciation, amortization and impairment losses of Group excess values	-20	-21
Impairment losses of goodwill [1]	-81	-104
Other	-	-
Total	**57**	**-92**

[1] For information about impairment losses of goodwill, see Note 14, Intangible assets.

NOTE 12 Financial income and expenses

SEK million	2020	2019
Interest income on assets measured at amortized cost	32	12
Interest income	**32**	**12**
Interest expenses on financial liabilities measured at amortized cost	-9	-66
Interest expenses on derivatives designated as hedging instruments	-	-10
Interest expenses on pensions, net	-33	-58
Interest expenses on leasing	-65	-75
Interest expenses	**-107**	**-209**
Net interest income/expenses	**-75**	**-197**
Derivatives, non-hedge accounting, changes in fair value	-27	-9
Ineffective cash flow hedges	-	0
Gains/losses on equity instruments measured at fair value through the income statement	1,267	-95
Impairment losses on financial assets	0	-3
Foreign exchange rate gain, net	-149	301
Other	95	47
Other financial income and expenses	**1,186**	**241**
Net financial income/expenses from participations in associated companies and joint ventures	**-15**	**-105**
Net financial income/expenses	**1,096**	**-61**

NOTE 13 **Tax**

SEK million	2020	2019
Current tax		
Current tax on profit/loss for the year	-159	-110
Adjustment of current taxes for previous years	-33	-1
Total current tax	**-192**	**-112**
Deferred tax	84	-99
Share of joint ventures and associated companies' tax	-9	28
Total tax	**-118**	**-183**

Reconciliation of tax expense

SEK million	2020	2019
Profit/loss before tax	2,098	-201
Reversal of capital gains	-122	-
Reversal of profit or loss from participations in associated companies and joint ventures	-46	123
Non-taxable income	-1,444	-109
Non-deductible expenses	310	506
Taxable profit/loss	**795**	**319**
Income tax calculated according to the Swedish tax rate (21.4%)	-170	-67
Difference in tax rates in foreign subsidiaries	-36	-21
Utilization of previously non-reported loss carry-forwards	341	28
Revaluation due to changes of tax rate	3	-17
Deferred tax arising from revaluation of tax loss carry-forwards	-2	-6
Increase in tax loss carry-forwards without corresponding utilization of deferred tax	-213	-149
Other	2	22
Total	**-76**	**-210**
Adjustments reported in the current year relating to prior years' taxes	-33	-1
Tax related to associated companies and joint ventures	-9	28
Recognized tax expense	**-118**	**-183**

Tax related to components of other comprehensive income

SEK million	2020	2019
Deferred tax		
Revaluation of defined benefit pension plans	25	83
Cash flow hedges	-	-13
Total tax recognized directly in other comprehensive income	**25**	**70**

Deferred tax assets

SEK million	Dec. 31, 2020	Dec. 31, 2019
Intangible assets	24	13
Property, plant and equipment	74	82
Inventories	2	2
Trade receivables and other receivables	1	1
Pension obligations	129	243
Other provisions	39	29
Trade payables and other liabilities	33	38
Loss carry-forward	866	719
Offset	-12	-14
Carrying amount	**1,156**	**1,113**

Deferred tax liabilities

SEK million	Dec. 31, 2020	Dec. 31, 2019
Intangible assets	79	148
Property, plant and equipment	24	3
Financial assets	1	-
Inventories	3	3
Other provisions	1	-
Derivatives	0	1
Untaxed reserves	59	68
Offset	-12	-14
Carrying amount	**154**	**208**
Deferred tax assets/tax liabilities, net	**1,001**	**905**

Tax loss carry-forward

Deferred tax assets related to tax loss carry-forwards are recognized to the extent that it is probable that these amounts can be utilized against future taxable profit before tax loss carry-forwards expire.

As of December 31, 2020, tax loss carry-forwards amounted to SEK 3,791 million (3,254) and relate to countries with indefinite periods of use, above all in Sweden, Luxembourg and the U.K. The tax effect from tax loss carry-forwards is accounted as an asset.

In addition to deferred tax assets relating to deficits reported, there are substantial tax loss carry-forwards that have not been valued.

NOTE 14 **Intangible assets**

SEK million	Goodwill 2020	Goodwill 2019	Film and program rights 2020	Film and program rights 2019	Other intangible assets 2020	Other intangible assets 2019	Total 2020	Total 2019
Cost								
Opening balance	4,557	9,575	2,520	5,994	2,546	3,235	9,623	18,804
Investments	362	629	190	4,199	208	301	760	5,129
Sales and disposals	-	-	-	549	-113	-46	-113	503
Acquisitions and divestments of companies	-	-6,395	0	-8,004	-7	-1,128	-7	-15,527
Reclassifications	-	-	-	-305	76	132	76	-173
Translation differences	-312	749	-5	87	-110	52	-426	888
Closing balance	**4,607**	**4,557**	**2,705**	**2,520**	**2,601**	**2,546**	**9,914**	**9,623**
Amortization								
Opening balance			-2,141	-3,279	-1,597	-1,784	-3,738	-5,063
Sales and disposals			-	-60	87	16	87	-44
Acquisitions and divestments of companies			-	4,862	8	592	8	5,454
Amortization for the year			-181	-3,905	-307	-395	-488	-4,300
Reclassifications			-	305	-15	9	-15	315
Translation differences			5	-65	81	-36	86	-100
Closing balance			**-2,317**	**-2,141**	**-1,743**	**-1,597**	**-4,060**	**-3,738**
Impairment								
Opening balance	-1,981	-2,728	0	0	-177	-169	-2,158	-2,897
Sales and disposals	-	-			20	30	20	30
Acquisitions and divestments of companies	-	922			-	-	0	922
Impairment losses for the year and reversed impairments	-65	-100			-90	-39	-156	-138
Reclassifications	-	0			0	5	0	5
Translation differences	232	-76			15	-4	247	-79
Closing balance	**-1,814**	**-1,981**	**0**	**0**	**-232**	**-177**	**-2,046**	**-2,158**
Carrying amount, December 31	**2,793**	**2,576**	**389**	**379**	**626**	**772**	**3,807**	**3,728**

The Group's contractual commitments regarding future payments for contractual rights amounted to SEK 102 million (144) as of December 31, 2020. The carrying amount of intangible assets with indefinite useful lives, excluding goodwill, amounted to SEK 40 million (40). These assets in the form of trademarks have a strong position in each of their markets and the cash flows are not expected to change within the foreseeable future.

Impairment test

Goodwill and other intangible assets with indefinite useful lives acquired in a business combination are allocated to each cash-generating unit of the Group expected to benefit from the acquisition. Goodwill has been allocated as follows:

Company	Goodwill Dec. 31, 2020	Goodwill Dec. 31, 2019
Bonnier Books	667	670
Adlibris	268	205
SF Studios	220	221
Bonnier Publications	202	209
Bonnier News	1,204	984
Other[1]	232	286
Carrying amount	**2,793**	**2,576**

Company	Trademark Dec. 31, 2020	Trademark Dec. 31, 2019
SF Studios	40	40
Carrying amount	**40**	**40**

[1] As of January 1, 2020, the Group consists of seven cash-generating units. Bonnier Corporation is now included in Other. The comparative figures have been adjusted accordingly.

The recoverable value for a cash-generating unit at impairment testing of goodwill and other intangible assets with indefinite useful lives is determined based on a value-in-use. The calculation which uses cash flow projections is based on financial budgets approved by management covering a 3-5-year period. The key assumptions used in the assessment of future cash flow relate to sales growth, operating margin and discount rate. The estimated growth rate is based on forecasts in the industry. The forecasted operating margin has been based on past performance and management's expectations of market development. The discount rate of 12% (9) after taxes reflects specific risks related to the asset and market assessments of the time value of money. In some cases, a higher or lower discount rate may be used depending on circumstances such as the market in the country. For cash flows beyond the 5-year period, a growth rate amounting to 1% (2) is applied, which agrees with the Group's long-term assumptions regarding inflation and the long-term growth in the market.

Goodwill impairment in Other was recognized during 2020. Goodwill impairment was recognized in connection with specific trademarks within Other and Adlibris during 2019. The reasons for the impairment were that the forecasts were not achieved and a site within the Adlibris Group was closed. A sensitivity analysis has been conducted for all CGUs, focusing mainly on changes in the WACC and growth after the forecast period. Negative adjustments to assumptions would result in impairment for SF Studios.

For other goodwill and trademarks with indefinite useful life, based on the assumptions presented, the value in use exceeds the carrying amount. Reasonable changes in the presented assumptions would not result in any impairment.

NOTE 15 **Property, plant and equipment**

	Buildings and land		Plants and machinery		Equipment, tools, fixtures and fittings		Construction in progress and advances		Total	
SEK million	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Cost										
Opening balance	539	542	2,616	2,508	988	1,079	1	13	4,144	4,141
Investments	30	19	4	30	57	88	9	-4	100	134
Sales and disposals	-28	-6	-176	-25	-119	-81	0	0	-324	-112
Acquisitions and divestments of companies	12	-22	49	68	-7	-116	1	13	55	-57
Reclassifications	12	0	-2	25	-15	1	-2	-20	-8	6
Translation differences	-3	7	0	9	-24	17	0	0	-27	33
Closing balance	**562**	**539**	**2,491**	**2,616**	**880**	**988**	**8**	**1**	**3,941**	**4,144**
Depreciation										
Opening balance	-179	-205	-1,706	-1,649	-771	-826	0	0	-2,657	-2,680
Sales and disposals	19	3	175	24	94	65			289	93
Acquisitions and divestments of companies	-1	61	-33	-62	7	98			-26	97
Depreciation for the year	-13	-34	-16	-10	-78	-96			-107	-140
Reclassifications	0	0	-10	1	11	0			1	0
Translation differences	2	-4	0	-9	18	-13			21	-26
Closing balance	**-172**	**-179**	**-1,590**	**-1,706**	**-718**	**-771**	**0**	**0**	**-2,480**	**-2,656**
Revaluations										
Opening balance	0	0							0	0
Revaluations	106	0							106	0
Acquisitions and divestments of companies	0	0							0	0
Closing balance	**106**	**0**							**106**	**0**
Impairment										
Opening balance	-7	-5	-852	-852	-16	-15	0	0	-874	-871
Sales and disposals	3	0	0	0	20	14			24	15
Acquisitions and divestments of companies	-	0	-	-	-	2			0	2
Impairment losses for the year	-3	-3	0	-	-21	-16			-24	-19
Reclassifications	-	-	-	0	-	-			0	0
Translation differences	-	0	-	-	1	0			1	0
Closing balance	**-7**	**-7**	**-852**	**-852**	**-16**	**-16**	**0**	**0**	**-874**	**-874**
Carrying amount December 31	**490**	**353**	**49**	**58**	**146**	**201**	**8**	**1**	**693**	**614**

NOTE 16 Business combinations and divestments

Business combinations

In 2020, the Bonnier Group acquired Hall Media, Estate Media and a number of minor business combinations. The acquisitions correspond to net assets of SEK 61 million (-200). Acquisition-related costs amounting to SEK 12 million (18) are recognized as "Items related to acquisitions, divestments and close-downs together with amortization/impairment losses of group excess values" in the income statement. For those acquisitions that include a contingent consideration clause, the fair value of the contingent consideration has been calculated based on the expected outcome of the contractual agreements and on a discount rate of 3.5%.

The acquisition of Hall Media took place on April 7, 2020, with 51% of the shares and votes being acquired. The remaining 49% of the shares and votes were acquired in December. On October 21, 2020, 100% of the shares and votes in Estate Media were acquired. In both of the acquisitions the Bonnier Group received control of the operations upon the date of closing the acquisitions. The goodwill is not deductible for tax purposes. The contingent considerations are based on fulfilling certain profitability measures.

The acquisition calculations are preliminary and subject to final adjustment occurring within one year after the acquisition date. No material adjustments are expected.

The carrying amount of net assets acquired	Hall Media	Estate Media	Övrigt	Total	
SEK million	2020	2020	2020	2020	2019
Non-current assets	95	5	9	**108**	**309**
Interest-bearing current assets	68	7	23	**98**	**34**
Interest-bearing non-current liabilities	-	-	-	**-**	**-122**
Non-interest-bearing non-current liabilities	-	-	0	**0**	**-5**
Interest-bearing current liabilities	-12	0	-7	**-19**	**-74**
Non-interest-bearing operating capital, net	-117	-7	-4	**-127**	**-332**
Deferred tax liabilities	-3	0	0	**-3**	**-10**
Net assets acquired	**31**	**5**	**21**	**57**	**-200**
Non-controlling interests	-	-	-	**-**	**-21**
Goodwill	142	102	118	**362**	**629**
Fair value on previously owned share	-	-	-	**-**	**-94**
Total consideration	**173**	**107**	**139**	**419**	**314**
Consideration paid in cash	-88	-83	-136	**-307**	**-183**
Paid in cash, contingent considerations	-85	-	-5	**-90**	**-18**
Paid in cash for put options and step acquisitions	-	-	-	**-**	**-16**
Less cash and cash equivalent balances acquired	68	3	21	**91**	**18**
Net cash flow	**-105**	**-80**	**-120**	**-306**	**-200**
Net debt items, excluding cash and cash equivalents, and contingent consideration and put options	-12	2	-5	**-15**	**-181**
Transaction costs	-6	-1	-3	**-10**	**-14**
Changes in contingent consideration and put options	-	-24	-21	**-45**	**-88**
Net debt effect	**-124**	**-103**	**-149**	**-376**	**-482**

Impact of acquisitions on the profit or loss of the Group

The Group's revenues for the year include SEK 389 million (1,449) attributable to business combinations in 2020. Hall Media contributed SEK 311 million and Estate Media contributed SEK 12 million. The acquisitions have contributed SEK -11 million (-39) to the Group's profit or loss in 2020, Hall Media contributed SEK 8 million and Estate Media contributed SEK -2 million. If the acquisitions had been made on January 1, 2020, the Group's revenues would have amounted to SEK 20,407 million (20,796) and the Group's profit or loss to SEK 2,166 million (1,951).

Divestments of subsidiaries/businesses (exklusive of Bonnier Broadcasting)

During 2020, the Bonnier Group made a number of minor divestments of subsidiaries/businesses. The divestments generated a capital gain of SEK 129 million (17) and the divestment of assets during the year led to a tax expense of SEK 112 million. The net effect on debt of these divestments was SEK 346 million (38).

NOTE 16 Cont.

Divestment of Bonnier Broadcasting

The divestment of Bonnier Broadcasting to Telia Company was performed on December 2, 2019 after approval from the European Commission. Income statement and cash flow for the period are presented as discontinued operations. The contingent consideration was settled in 2020, generating a capital gain of SEK 133 million and a net debt effect of SEK 133 million (9,807).

Income statement discontinued operations

SEK million	2020	2019
Revenues	-	8,075
Expenses	-	-7,015
Profit before tax	-	1,060
Tax	-	-252
Result from discontinued operations after tax	-	**808**
Result from divestment of shares in subsidiaries	133	2,233
Profit for the period from discontinued operations	**133**	**3,041**
Translation differences recycled	-	-334
Other comprehensive income from discontinued operations	-	**-334**
Purchase price		
Cash	-	8,461
Fair value of contingent consideration	-	389
Total purchase price	-	**8,850**
Carrying amount of divested net assets	-	6,636
Profit before recycled translation difference	-	**2,214**
Translation difference recycled	-	334
Transaction costs	-	-315
Profit for the period from discontinued operations	-	**2,233**
Carrying amount of divested assets and liabilities		
Goodwill	-	4,742
Intangible assets	-	3,182
Tangible assets	-	568
Operating assets	-	1,064
Total assets	-	**9,556**
Operating liabilities	-	1,521
Other liabilities	-	1,399
Total liabilities	-	**2,920**
Net assets	-	**6,636**

NOTE 17 **Participations in associated companies and joint ventures**

	Associated companies		Joint ventures		Total	
SEK million	2020	2019	2020	2019	2020	2019
Carrying amount, opening balance	231	240	146	250	377	490
Profit/loss before tax	10	24	36	-147	46	-123
Tax	-4	-6	-6	34	-9	28
Other comprehensive income	-1	1	-15	10	-17	11
Dividends	-1	-24	-	-	-1	-24
Acquisitions	3	28	-	-	3	28
Divestments	-17	-88	-	0	-17	-88
Impairment	0	-3	0	-	0	-3
Reclassifications	1	58	-	-	1	58
Carrying amount, closing balance	**221**	**231**	**162**	**146**	**383**	**377**

Participations in joint ventures	Dec. 31, 2020 Ownership	Dec. 31, 2019 Ownership	Dec. 31, 2020 Carrying amount	Dec. 31, 2019 Carrying amount
Cappelen Damm Holding AS, Norway	50%	50%	162	146
Participations in joint ventures			**162**	**146**

The operations in Cappelen Damm Holding AS include bookstores, book clubs, distribution and publishing in Norway. The business is equally owned by Bonnier Group and Egmont Media Group.

The Group's share of net assets in significant joint ventures SEK million	Dec. 31, 2020 Cappelen Damm Holding AS	Dec. 31, 2019 Cappelen Damm Holding AS
Current assets	679	576
Non-current assets	726	985
Current liabilities	756	771
Non-current liabilities	176	331
Net assets (100%)	**473**	**459**
Ownership	50%	50%
The Group's share of net assets	**237**	**230**

The Group's share of profit in significant joint ventures SEK million	2020 Cappelen Damm Holding AS	2019 Cappelen Damm Holding AS
Revenues	1,221	1,519
Amortization and depreciation	-89	-263
Interest income	0	0
Interest expenses	-29	-42
Tax	-9	68
Profit or loss for the year	61	-225
Other comprehensive income	-	-
Total comprehensive income for the year (100%)	**61**	**-225**
Ownership	50%	50%
The Group's share of total comprehensive income for the year	**31**	**-113**
Dividends received	-	-

The financial information in respect of the joint ventures represents the amounts shown in the respective joint venture's financial statements. Joint ventures apply IFRS in their reporting to the Group.

NOTE 18 **Other long-term investments**

SEK million	2020	2019
Cost		
Opening balance	1,095	1,170
Investments	493	133
Divestments	-49	-155
Reclassification	1	18
Change in fair value [1)]	1,273	-71
Closing balance	**2,812**	**1,095**
Impairment	-	0
Carrying amount	**2,812**	**1,095**

[1)] The change in fair value is recognized in the income statement under the heading Other financial income and expense.

NOTE 19 **Derivatives**

	Dec. 31, 2020		Dec. 31, 2019	
SEK million	Nominal amount	Carrying amount	Nominal amount	Carrying amount
Foreign exchange derivatives				
-Assets	101	3	1,842	18
-Liabilities	188	-4	510	-4
Carrying amount, net		**-1**		**13**

In the statement of financial position, the above derivative instruments have been classified as:

	Dec. 31, 2020	Dec. 31, 2019
Financial assets	0	1
Current assets	2	17
Non-current liabilities	-	-
Current liabilities	-4	-4
Carrying amount, net	**-1**	**13**

For more information regarding derivative instruments, see Note 4.

NOTE 20 **Long-term receivables**

SEK million	2020	2019
Cost		
Opening balance	162	110
Investments	47	86
Divestments/amortization	-51	-34
Reclassification	-11	0
Other	-4	1
Closing balance	**143**	**162**
Impairment	-30	-30
Opening balance	-7	-
Other	-	0
Closing balance	**-37**	**-30**
Of which		
Non-interest-bearing	0	0
Interest-bearing	106	132
Carrying amount	**106**	**132**

NOTE 21 **Inventories**

SEK million	Dec. 31, 2020	Dec. 31, 2019
Raw materials and consumables	44	52
Semi-finished goods	143	146
Finished goods	428	462
Goods for resale	258	360
Advance payments to suppliers	414	349
Carrying amount	**1,287**	**1,369**

NOTE 22 **Trade receivables**

SEK million	Dec. 31, 2020	Dec. 31, 2019
Trade receivables, gross	2,367	2,621
Reserve for doubtful debt	-126	-124
Reserve for returned products	-294	-262
Carrying amount	**1,947**	**2,236**

Reserve for doubtful debt

SEK million	2020	2019
Reserve for doubtful debt, opening balance	-124	-127
Reported reserves for doubtful debt	-91	-61
Reversal of unutilized reserves	37	42
Utilized reserves	44	14
Acquired and divested companies	-4	13
Reclassification	1	-3
Translation differences	11	-2
Reserve for doubtful trade receivables, closing balance	**-126**	**-124**

Reserve for returned products

SEK million	2020	2019
Reserve for returned products, opening balance	-262	-280
Reserve for the year	-286	-204
Reversal for the year	240	229
Divested companies	0	1
Reclassification	-	0
Translation differences	13	-8
Reserve for returned products, closing balance	**-294**	**-262**

Age analysis

	Dec. 31, 2020			
SEK million	**Gross**	**Reserve for doubtful debt**	**Reserve for returned products**	**Trade receivables**
Not overdue	1,896	-11	-277	1,607
Overdue 1-7 days	110	-10	0	100
Overdue 8-30 days	148	-2	-3	143
Overdue 31-90 days	102	-23	-2	77
Overdue > 90 days	111	-80	-12	20
Total	**2,367**	**-126**	**-294**	**1,947**

Age analysis

	Dec. 31, 2019			
SEK million	**Gross**	**Reserve for doubtful debt**	**Reserve for returned products**	**Trade receivables**
Not overdue	1,935	-10	-244	1,681
Overdue 1-7 days	142	0	-	142
Overdue 8-30 days	197	-2	-1	193
Overdue 31-90 days	82	-12	-3	67
Overdue > 90 days	265	-100	-13	152
Total	**2,621**	**-124**	**-262**	**2,236**

The Group's assessment is that payments will be received for trade receivables which are due but which have not been written down. These receivables refer to a large number of geographically dispersed customers.

Non invoiced income amounts to SEK 305 million (356), which is included in non-interest-bearing "Prepaid expenses and accrued income" for a total of SEK 995 million (1,093).

NOTE 23 Other short-term receivables

SEK million	Dec. 31, 2020	Dec. 31, 2019
Non-interest-bearing		
Receivables from Group companies	0	0
Receivables from associated companies	6	4
Tax receivables	124	124
Other receivables	224	267
Carrying amount, non-interest-bearing	**354**	**395**

SEK million	Dec. 31, 2020	Dec. 31, 2019
Interest-bearing		
Receivables from Group companies	582	190
Receivables from associated companies	16	24
Receivables from joint ventures	119	132
Other receivables	247	645
Carrying amount, interest-bearing	**965**	**991**

NOTE 24 Cash and cash equivalents

SEK million	Dec. 31, 2020	Dec. 31, 2019
Short-term investments	2,686	3,917
Cash and bank balances	684	642
Carrying amount	**3,370**	**4,559**

NOTE 25 Equity

Information regarding shares (quantity)	Dec. 31, 2020	Dec. 31, 2019
Class A shares	512,000	512,000
Class C shares	128,000	128,000
Total number of shares	**640,000**	**640,000**

The Parent Company’s shares are divided into two classes, A and C. The shares grant the same rights, except that shares in Class A grant one vote per share while shares in Class C grant 10 votes per share.

The quotient value is 100. Share capital amounts to SEK million 64 (64).

A buyback of shares from shareholders of the Parent Company was conducted in 2020. Following the submission of the 2019 Annual Report, including the latest adopted balance sheets and income statements, an EGM on December 2, 2020 adopted a reduction of SEK 843,200 in share capital, corresponding to the total quotient value of the shares. It was decided to pay out a total of SEK 74,640,064, corresponding to the quotient value of the shares plus surplus value. The number of Class A shares after the redemption is 503,568 (512,000). A bonus issue of SEK 843,200 was adopted in order to restore share capital to its original level. The reduction in the number of shares and restoration of share capital through a bonus issue were registered by the Companies Registration Office on February 3, 2021.

NOTE 25 Cont.

Reserves

SEK million	2020	2019
Translation reserves		
Opening balance	-776	-66
Transferred to profit or loss	1	-327
Translation differences for the year	-16	-384
Translation differences on participations in associated companies and joint ventures	-	0
Closing balance	**-790**	**-776**
Hedging reserve		
Opening balance	0	-50
Transferred to profit or loss	-	64
Change in value during the year	-	1
Divested business	-	-1
Translation differences for the year	-	0
Tax attributable to changes during the year	-	-13
Closing balance	**0**	**0**
Carrying amount, December 31	**-790**	**-776**

Translation reserves

The translation reserves consist of all foreign translation differences arising on the translation of the foreign operations’ financial statements.

Hedging reserve

The hedging reserve consists of the effective portion of net changes in the fair value of certain instruments used for cash flow hedges. There are no cash flow hedges outstanding as of December 31, 2020.

Non-controlling interests

SEK million	2020	2019
Opening balance	181	102
Share of profit or loss	45	24
Share of other comprehensive income for the year, net after tax	-1	2
Dividends to non-controlling interests	-37	-40
Shareholders’ contributions	0	60
Change in conjunction with acquisitions and divestments of non-controlling interests	43	34
Closing balance	**230**	**181**

The majority of the subsidiaries are wholly owned by the Bonnier Group and are therefore controlled by the Bonnier Group.

Information about the Group’s composition and shares of non-controlling interests is disclosed in the Parent Company’s Note 24, Group companies.

NOTE 26 **Liabilities to credit institutions**

(Amounts in SEK million unless otherwise stated)	Due	Confirmed facility and loans	Borrowed nominal amount	Currency	Interest rate type	Dec. 31, 2020 Carrying amount	Dec. 31, 2019 Carrying amount
Commercial paper	2020			SEK	Variable	-	509
Syndicated bank loan	2022	SEK 100 M	-	SEK	Variable	-	100
Other bank loans						6	8
Less short-term portion of long-term loans						-	-509
Non-current liabilities to credit institutions, total						**6**	**108**
Short-term portion of long-term loans						0	509
Short-term loans						22	54
Current liabilities to credit institutions, total						**22**	**563**
Liabilities to credit institutions, total						**27**	**671**

The average interest rate for all loans is 0% (0.58). The fair value equals the carrying amount for all liabilities to credit institutions.

All external non-current liabilities have been repaid in 2019, during 2020 the remaining parts for the external liabilities have been repaid. See Note 4 for more information regarding the Group's exposure to interest rate risk.

NOTE 27 **Pensions**

The Group's pension obligations include both defined contribution and defined benefit pension plans. Most of the Group's pension plans are defined contribution pension plans and these are used in Sweden and other countries. The defined benefit pension plans are primarily used in Sweden.

Defined benefit pension plans

In Sweden, white collar workers born in or before 1978 are covered by ITP 2. Pension plans secured through policies issued by Alecta are reported as defined contribution plans and are described in the next section. Other ITP 2 plans are reported as defined benefit where the obligations remain within the Group or are secured through Group pension foundations. The ITP 2 plans cover retirement pension, disability pension and survivor's pension. The retirement pension within ITP 2 is defined benefit, and the benefit is based on the employee's final salary. During the year, Bonnier AB, Bonnier Magazines & Brands AB, Sydsvenska Dagbladets AB, Sydsvenska Dagbladets Försäljnings AB and AB Svensk Filmindustri redeemed their entire pension liability under the ITP plan with Alecta. AB Dagens Nyheter and AB Kvällstidningen Expressen also redeemed their entire pension liability, including the portion of the company's pension liability secured in pension foundations, under the ITP plan with Alecta. Redeemed pension liabilities were related to retirement pensions for employees and former employees under the ITP plan. The Group has now switched to paying premiums to Alecta instead. The resulting effect of the adjustments is included in the line "Past service cost".

The ITP 2 plans were previously partly funded through foundations and partly unfunded. The present value of the unfunded plans and the fair value of plan assets are summarized in this note.

The present value of the funded and unfunded obligations, and the present value of the plan assets, are summarized in this note.

The present value of the defined benefit obligation, the related current service costs, and past service costs have been calculated by external actuaries based on the Project Unit Credit Method.

Reported liability for pension obligations

SEK million	Dec. 31, 2020	Dec. 31, 2019
Present value of unfunded obligations	722	2,948
Total present value of defined pension obligations	**722**	**2,948**
Fair value of plan assets	0	-572
Less advance for pension insurance premiums	-10	-47
Less liabilities for special payroll tax included in other current liabilities[1]	-49	-280
Reported liabilities for pension obligations	**663**	**2,049**

[1] Bonnier Group recognizes special payroll tax as an other current liability

Expenses for defined benefit pension plans reported in the profit or loss for the year

SEK million	2020	2019
Current service costs	-15	-5
Past service costs and gains/losses on settlements	-108	30
Net interest income/expenses	33	58
Total	**-90**	**84**

NOTE 27 Cont.

Expenses related to service are recognized as "Personnel costs" in the consolidated income statement. Amounts exclude the costs for the defined benefit pension obligations financed by a policy with Alecta (see below).

Expenses reported in other comprehensive income

SEK million	2020	2019
Revaluations:		
Return on plan assets [1]	-26	58
Actuarial gains and losses arising from changes in financial assumptions	-94	-414
Actuarial gains and losses arising from experience gains/losses	15	-32
Reported in other comprehensive income, total	**-105**	**-388**

[1] Excluding amounts included in net interest expenses

Changes in obligations for defined benefit pension plans

SEK million	2020	2019
Obligations for defined benefit plans, opening balance	2,948	3,229
Current service costs, incl. special payroll tax	-15	-5
Net interest expense	37	71
Past service cost, previous year, and gains/losses from settlement	-108	30
Actuarial gains (-) and losses (+) relating to:		
Changes in financial assumptions	94	414
Gains/losses based on experience	-15	32
Pension payments, incl. special payroll tax	-273	-131
Pension payments in correlation with settlement	-1,942	-692
Effects of acquisitions/divestments of companies	0	-1
Exchange rate differences	-3	2
Other	0	0
Obligations for defined benefit plans, closing balance	**722**	**2,948**

Changes in plan assets' fair value

SEK million	2020	2019
Plan assets' fair value, opening balance	572	531
Net interest income	4	13
Actuarial gains (-) and losses (+) relating to:		
Return on plan assets, excluding amounts included in net interest income	-26	58
Pension payments	-28	-29
Pension payments related to settlements	-522	-
Fair value of plan assets, closing balance	**-**	**572**

Plan assets divided by class of assets

	Dec. 31, 2020	Dec. 31, 2019
(%)	Share	Share
Shares[1]	-	38
Interest-bearing securities[2]	-	50
Properties	-	0
Risk capital and hedge funds	-	11
Cash and cash equivalents	-	1
Total	**-**	**100**

[1] Quoted prices in an active market are available for 100% (100) of the share portion.

[2] Quoted prices in an active market are available for 100% (100) of the interest-bearing securities portion.

Assumptions applied in the actuarial calculations

(%)	Dec. 31, 2020	Dec. 31, 2019
Discount rate	1.34	1.78
Future salary growth	3.64	3.88
Pension growth	1.64	1.88
Mortality assumptions used	DUS14 tjm	DUS14 tjm
Inflation	1.64	1.88

Sensitivity analysis

The table below shows the manner in which possible changes in the actuarial assumptions at period end, with other assumptions unchanged, would affect the defined benefit pension obligations.

SEK million	Dec. 31, 2020	Dec. 31, 2019
Discount rate - increase of 1%	-101	-555
Discount rate - decrease of 1%	133	739
Inflation - increase of 0.5%	64	357
Inflation - decrease of 0.5%	-56	-311

Funding

The weighted average maturity for the defined benefit obligation is 21 years. Expected pension payments for the upcoming year amount to SEK 18 million (51).

Multi-employer defined benefit pension plan - Alecta plan

For white collar workers in Sweden, the defined benefit pension obligation for combined retirement and family pension (or family pension) under ITP 2 is secured through a policy issued by Alecta. According to a statement by the Swedish Financial Reporting Board UFR 10 Reporting for Pension Scheme ITP 2 that is financed through insurance with Alecta,this is a multi-employer plan.

For the 2020 financial year, the Company did not have access to information needed to report its proportional share of the plan's obligations, managed assets or costs, making it impossible to report the plan as a defined benefit plan. The ITP 2 pension plan that is secured through a policy issued by Alecta is accordingly reported as a defined contribution plan.

The premium for the defined benefit retirement and family pension is individually calculated and is dependent on salary, previously earned pensions and expected remaining working time. The expected premium for the next reporting period for ITP 2 insurance with Alecta amounts to SEK 78 million (74). The Group's share of the total contributions to the plan and the Group's share of the total number of active members in the plan amounts to 6.1% (4.1) and 0.24% (0.23).

The collective consolidation level is the market value of Alecta's assets as a percentage of the insurance commitments, calculated according to Alecta's actuarial methods and assumptions, which are not consistent with IAS 19. Usually, the collective consolidation level may vary between 125% and 175%.

If Alecta's collective consolidation level is below 125% or above 175%, measures must be taken in order to create conditions for the consolidation level to return to normal. With low consolidation, one measure can be to increase the agreed price for new subscriptions and the expansion of existing benefits. In conjunction with high consolidation, one measure can be to introduce premium reductions. At the end of 2020, Alecta's surplus at the collective consolidation level amounted to 148% (148).

Defined contribution pension plans

The defined contribution pension plans are plans for which the Group has paid premiums to independent organizations which then assume the obligations to the employees. Payments to defined contribution plans are continuous according to the plan rules. Defined contribution pension plans in Sweden are primarily for employees born in 1979 or later who are linked to ITP 1. Pension plans in other countries are primarily defined contribution plans.

SEK million	2020	2019
Expenses for defined contribution pension plans	438	542

The ITP plans financed through Alecta are also included in the defined contribution pension plans reported above.

NOTE 27 **Cont.**

Defined contribution pension plans covered by company-owned endowment policies amounted to SEK 118 million (112) at the end of the year. These have been reported net in the statement of financial position.

NOTE 28 **Provisions**

	Restructuring		Other provisions		Total	
SEK million	2020	2019	2020	2019	2020	2019
Opening balance	110	200	143	194	253	394
Provisions during the year	61	82	180	30	241	111
Utilization during the year	-145	-193	-29	-79	-175	-271
Reversals during the year	0	0			0	0
Reclassification			3	0	3	0
Other, incl. acquisitions and divestments of operations	19	20	-4	-3	15	17
Translation differences	0	1	-3	1	-4	2
Closing balance	**44**	**110**	**290**	**143**	**334**	**253**
of which						
Long-term provisions						
Interest-bearing					36	44
Non-interest-bearing					81	62
Short-term provisions						
Interest-bearing					44	108
Non-interest-bearing					173	39
Closing balance					**334**	**253**

NOTE 29 **Non-current liabilities, interest-bearing**

	Contingent considerations		Liabilities attributable to put options in non-controlling interests		Liabilities to associated companies		Total	
SEK million	2020	2019	2020	2019	2020	2019	2020	2019
Opening balance	87	72	126	61	15	0	228	133
Additional	54	65	0	70	0	15	54	151
Settled	-27	-34	-9	-7	-	-	-36	-40
Changes in fair value	8	-18	44	0	-	-	52	-18
Translation differences	-1	1	-4	2	-	-	-5	3
Closing balance	**120**	**87**	**156**	**126**	**16**	**15**	**292**	**228**
Less short-term portion (Note 30)	-6	-27	-23	0	-	-	-29	-27
Other non-current liabilities, closing balance	**115**	**60**	**133**	**126**	**16**	**15**	**264**	**201**

Liabilities related to contingent considerations are recognized at fair value, and changes in fair value are recognized in the income statement on line items as “Items related to acquisitions, divestments and close-downs together with amortization/impairment losses of Group excess values.”

Liabilities attributable to holdings of non-controlling put options are initially recognized at fair value. Changes in fair value are recognized in equity as “Change in value of options attributable to acquisitions of non-controlling interests,” except when the liabilities are linked to any wage and salary-related remunerations. Wage and salary-related remunerations are recognized in the income statement on line “Items related to acquisitions, divestments and close-downs together with amortization/impairment losses of group excess values.”

NOTE 30 Other current liabilities

SEK million	Dec. 31, 2020	Dec. 31, 2019
Interest-bearing		
Liabilities to Group companies	559	532
Liabilities to associated companies	0	0
Contingent considerations and liabilities attributable to put options in non-controlling interests (Note 29)	29	27
Other liabilities	22	38
Carrying amount, interest-bearing	**609**	**597**

SEK million	Dec. 31, 2020	Dec. 31, 2019
Non-interest-bearing		
Liabilities to Group companies	1	9
Liabilities to associated companies	30	37
Personnel-related liabilities	284	223
Value added tax	113	111
Other liabilities	440	465
Carrying amount, non-interest-bearing	**868**	**844**

NOTE 31 Accrued expenses and deferred income

SEK million	Dec. 31, 2020	Dec. 31, 2019
Interest-bearing		
Accrued interest expenses	-	0
Carrying amount	**-**	**0**

SEK million	Dec. 31, 2020	Dec. 31, 2019
Non-interest-bearing		
Personnel-related	1,389	1,296
Accrued royalties	622	469
Accrued distribution expenses	88	101
Accrued marketing expenses	48	64
Deferred income	241	539
Other	942	684
Program rights	0	3
Carrying amount	**3,330**	**3,156**

NOTE 32 Contract liability

SEK million	Deferred income		Advances from customers		Subscription liabilities	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
Opening balance	**241**	**328**	**69**	**72**	**1,071**	**906**
Payments from customers	711	438	54	69	3,042	3,073
Revenue recognized	-716	-497	-46	-64	-2,954	-3,106
Acquisition of companies	-	118	-	-	-	200
Divested companies	-2	-109	-50	-8	-77	-
Reclassifications	5	-37	0	-	-	-1
Translation differences	-28	0	0	-	-23	0
Closing balance	**211**	**241**	**26**	**69**	**1,059**	**1,071**

NOTE 33 Pledged assets and contingent liabilities

Pledged assets

SEK million	Dec. 31, 2020	Dec. 31, 2019
Other pledged assets	64	250
Total	**64**	**250**

Other pledged assets in 2020 consist of the escrow account in favor of PRI pension and collateral for bank loans.

Contingent liabilities

SEK million	Dec. 31, 2020	Dec. 31, 2019
Guarantee commitments, FPG/PRI	7	27
Guarantee commitments to associated companies	-	-
Guarantees, other	45	20
Total	**52**	**47**

NOTE 34 Cash flow

Adjustments for items in cash flow

SEK million	2020	2019
Depreciation, amortization and impairment losses	1,115	1,064
Profit or loss from participations in associated companies and joint ventures	-46	123
Capital gains/losses	-183	-21
Impairment losses of goodwill	65	100
Depreciation, amortization and impairment losses of group excess values	59	12
Impairment losses of operations during close-downs	0	0
Acquisition and divestment related items	-12	-17
Change in fair value of equity instruments	-1,265	4
Accrued interest	-3	0
Translation differences	149	-314
Dividends from participations in associated companies	1	24
Other	-909	-814
Adjustments for items included in the cash flow	**-1,030**	**161**

SEK million	2020	2019
Paid interest	11	110
Received interest	31	22

NOTE 34 **Cont.**

Change in liabilities within financing activities

		Liabilities to credit institutions		Liabilities to Group companies		Liabilities to associated companies		Lease liabilities		Other current interest-bearing liabilities	
SEK million		**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
	Opening balance	**671**	**4,271**	**532**	**496**	**-**	**48**	**2,043**	**-**	**15**	**-**
	Adjustment for changed accounting policy	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,630**	**-**	**0**
	Adjusted opening balance	**671**	**4,271**	**532**	**496**	**0**	**48**	**2,043**	**2,630**	**15**	**0**
Cash items	Amortization of debt/ Lease liability	-643	-3,637	-	-	0	-48	-847	-676		
	Borrowings	-	-	-	-	-	0	-	-	0	15
	Change in current financing	-	-	26	36	-	-	-	-	-	-
Non-cash items	Acquired/divested companies	0	20	-	-	0	0	0	-318	-	-
	New lease contracts			-	-			498	401	-	-
	Translation differences	-1	17	-	-	0		-25	5	-	-
	Closing balance	**28**	**671**	**559**	**532**	**0**	**0**	**1,669**	**2,043**	**16**	**15**

NOTE 35 **Transactions with related parties**

Transactions between Bonnier Group AB and its subsidiaries have been eliminated in the consolidated financial statements and information about these transactions is, therefore, not disclosed in this note. Remuneration to senior executives is disclosed in Note 6.

All transactions with related parties are performed on market conditions.

Income

SEK million	**2020**	**2019**
Albert Bonnier AB	1	1
AB Boninvest	0	0
Bonnier Fastigheter AB, incl. subsidiaries	7	2
Associated companies	16	15
Joint ventures	7	8
Total	**31**	**26**

Expenses

SEK million	**2020**	**2019**
Albert Bonnier AB	2	9
Bonnier Fastigheter AB, incl. subsidiaries	113	150
Associated companies	360	279
Total	**475**	**438**

Receivables from related parties

SEK million	**Dec. 31, 2020**	**Dec. 31, 2019**
Bonnier Fastigheter AB, incl. subsidiaries	583	190
Associated companies	55	90
Joint ventures	120	133
Carrying amount	**757**	**413**

Liabilities to related parties

SEK million	**Dec. 31, 2020**	**Dec. 31, 2019**
Albert Bonnier AB	480	488
AB Boninvest	78	45
Bonnier Fastigheter AB, incl. subsidiaries	1	9
Associated companies	45	52
Carrying amount	**605**	**593**

2019 income and expenses of Bonnier Broadcasting are not included in the note displaying transactions with related parties.

NOTE 36 **Events after balance sheet date**

The sale of Bisnode was completed in January 2021 and as the holding is measured at its fair value on December 31, 2020, no further gains have been generated in 2021.

In February, it was announced that Stina Andersson would be taking over as the new CEO of Bonnier Group. Bengt Braun, Chairman of the Board of Bonnier Group, has decided not to seek re-election after 32 years on the Board of the Parent Company. Erik Haegerstrand, the current CEO of Bonnier Group, will be proposed as the new Chairman of the Board. Stina Andersson takes up her position on September 1. Bengt Braun and Erik Haegerstrand will remain in their current roles until then.

For the impact of Covid-19 on the Group, see Risks and uncertainties on page 5.

The Parent Company's Income Statements

SEK million

	Note	2020	2019
Net sales	2,3	26	24
Other operating revenues		0	1
Total revenues		**26**	**25**
Other external costs	3,4,5	-41	-56
Personnel costs	6	-69	-39
Depreciation and impairment losses of property, plant and equipment	12	0	0
Operating loss		**-84**	**-70**
Profit or loss from shares in Group companies	7	-101	1
Profit and loss from other non-current holdings	8	75	0
Interest expenses and similar items	9	-3	-13
Profit/loss after financial items		**-113**	**-82**
Appropriations	10	-	43
Profit/loss before tax		**-113**	**-38**
Tax	11	27	-
PROFIT/LOSS FOR THE YEAR		**-87**	**-38**

The Parent Company's Statements of Comprehensive Income

SEK million

	2020	2019
Profit/loss for the year	**-87**	**-38**
Other comprehensive income	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**-87**	**-38**

The Parent Company's Balance Sheets

SEK million

	Note	Dec. 31, 2020	Dec. 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment			
Equipment	12	19	19
Financial assets			
Shares in Group companies	13, 24	10,782	10,428
Other securities held as non-current assets	14	461	461
Deferred tax assets	11	27	-
Other long-term receivables	15	3	3
Total non-current assets		**11,291**	**10,910**
Current assets			
Short-term receivables			
Receivables from Group companies		216	54
Current tax assets		4	-
Other receivables		0	0
Prepaid expenses and accrued income	16	4	5
Cash and cash equivalents			
Cash and cash equivalents Group companies		1,070	1,416
Total current assets		**1,295**	**1,475**
TOTAL ASSETS		**12,586**	**12,386**
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital		64	64
Statutory reserves		175	175
		239	**239**
Non-restricted equity			
Retained earnings		11,500	11,614
Profit/loss for the year		-87	-38
		11,413	**11,576**
Total equity		**11,653**	**11,815**
Untaxed reserves		**0**	**0**
Provisions			
Provisions for pensions and similar obligations	17	54	54
Other provisions	18	19	0
Total provisions		**73**	**54**
Non-current liabilities			
Liabilities to credit institutions		-	-
Total non-current liabilities	19	**0**	**0**
Current liabilities			
Liabilities to credit institutions		-	-
Trade payables		6	0
Liabilities to Group companies		803	479
Current tax liabilities		-	0
Other liabilities		23	23
Accrued expenses and deferred income	20	28	14
Total current liabilities	19	**860**	**516**
TOTAL EQUITY AND LIABILITIES		**12,586**	**12,386**

The Parent Company's Statements of Change in Equity

SEK million

	Restricted equity		Non-restricted equity		
	Share capital	Statutory reserves	Retained earnings	Profit/loss for the year	Total equity
Opening balance, Jan. 1, 2019	**64**	**175**	**11,739**	**-19**	**11,959**
Comprehensive income					
Profit/loss for the year[1)]				-38	-38
Total comprehensive income				**-38**	**-38**
Appropriation of profit			-19	19	0
Transactions with shareholders					
Shareholders' contributions received			-106		-106
Total transactions with shareholders			**-106**		**-106**
Closing balance, Dec. 31, 2019	**64**	**175**	**11,614**	**-38**	**11,815**
Opening balance, Jan. 1, 2020	**64**	**175**	**11,614**	**-38**	**11,815**
Comprehensive income					
Profit/loss for the year[1)]				-87	-87
Total comprehensive income				**-87**	**-87**
Appropriation of profit			-38	38	0
Transactions with shareholders					
Redemption of shares			-75		-75
Total transactions with shareholders			**-75**	**0**	**-75**
Closing balance, Dec. 31, 2020	**64**	**175**	**11,500**	**-87**	**11,653**

[1)] Profit/loss for the year corresponds with comprehensive income.

The Parent Company's Cash Flow Statement

SEK million

	Note	2020	2019
Operating activities			
Profit/loss after financial items		-113	-82
Adjustments for items in cash flow	22	154	71
Cash flow from operating activities before change in working capital		**41**	**-11**
Change in other short-term receivables		-3	-1
Change in trade payables		7	-2
Change in other current liabilities		12	-6
Cash flow from operating activities		**56**	**-20**
Investing activities			
Acquisition and sales of non-current assets		0	0
Shareholder contribution provided		-13	-1
Amortization received		0	-
Cash flow from investing activities		**-13**	**-1**
Financing activities			
Borrowings		-	206
Loans provided		-216	-
Amortization of debt		-189	-68
Dividends		-37	-106
Group contributions		53	40
Cash flow from financing activities		**-389**	**72**
CASH FLOW FOR THE YEAR		**-346**	**51**
Cash and cash equivalents at the beginning of the year		**1,416**	**1,365**
Cash and cash equivalents at the end of the year		**1,070**	**1,416**

Additional information to cash flow statement	**2020**	**2019**
Dividends received	106	76
Paid interest	3	13

Notes to the Parent Company's Financial Statements

NOTE 1 **Accounting policies**

As of January 1, 2020, Bonnier Group AB has changed its accounting policies from K3 to RFR 2. This is due to the fact that consolidated annual financial statements, with Bonnier Group AB as the parent company, are prepared with effect from the same date. The change is applied retrospectively and comparative figures have been adjusted accordingly. The transition to RFR 2 means that endowment insurance is now reported on a net basis. The change does not have any other effects.

Classification and layout
The Parent Company's income statement and balance sheet are presented in accordance with the Swedish Annual Accounts Act's schedule. The difference compared to IAS 1 Presentation of Financial Statements mainly refers to the presentation of financial income and expenses, non-current assets, equity and provisions as a separate heading.

Subsidiaries
Shares in subsidiaries are accounted for at cost in the Parent Company's financial statement. Acquisition-related costs for subsidiaries which are expensed in the consolidated financial statements are included as a part of the cost of shares in subsidiaries.

Group contributions
Group contributions are recognized according to the alternative rule which implies that both received and paid Group contributions are recognized as an appropriation.

Pensions
The Parent Company follows the Pension Obligations Vesting Act since it is a prerequisite for tax deductibility. RFR 2's simplification rules for accounting of defined benefit plans apply.

Lease agreements
All lease agreements are recognized in accordance with the rules for operating lease agreements.

Share capital
For more information regarding share capital see Group Note 25, Equity.

New and revised standards and interpretations that are not yet effective and have not been adopted early by the Parent Company
New and revised IFRS and interpretations not yet effective are not expected to have any significant impact on the Parent Company's financial statements.

NOTE 2 **Net sales**

Net sales by geographic market

SEK million	2020	2019
Sweden	26	25
Total	**26**	**25**

NOTE 3 **Purchases and sales within the same Group**

	2020	2019
Purchases	34.9%	26.9%
Sales	96.0%	99.0%

NOTE 4 **Lease agreements**

Lessee
Operational lease agreement costs for the year

SEK million	2020	2019
Minimum lease fees	15	11
Total	**15**	**11**

The lease agreements mainly refer to the rental of premises.

On the balance sheet date, outstanding commitments in the form of minimum lease payments in accordance with non-terminable operating leases had the following terms to maturity:

SEK million	2020	2019
Within 1 year	15	12
Between 1-5 years	16	26
More than 5 years	-	-
Total	**31**	**38**

NOTE 5 **Fees to auditors**

SEK million	2020	2019
PricewaterhouseCoopers AB		
Audit assignment	0	0
Audit-related activities in addition to audit assignment	-	-
Other fees	-	-
Total	**0**	**0**

NOTE 6 **Personnel**

Wages and salaries, other remuneration and social security costs

SEK million	2020	2019
Wages, salaries and remuneration	34	25
Social security costs	6	1
Special payroll tax and tax return on pension	21	3
Pension costs	8	10
Total	**68**	**38**

See Group Note 6 for more information regarding average number of employees, salaries and remuneration and gender distribution of the Board of Directors and senior management.

NOTE 7 **Profit or loss from shares in Group companies**

SEK million	2020	2019
Subsidiaries		
Dividends	31	1
Impairment losses	-132	-
Total	**-101**	**1**

NOTE 8 **Profit or loss from other non-current holdings**

SEK million	2020	2019
Dividends	75	75
Impairment losses	-1	-75
Profit or loss on sale of shares in other holdings	0	-
Total	**75**	**0**

NOTE 9 Interest expenses and similar items

SEK million	2020	2019
Interest expenses, Group companies	-2	-11
Other interest expenses	-1	-1
Total	**-3**	**-13**

Interest expenses refers to items that are not recognized at fair value through income statement.

NOTE 10 Appropriations

SEK million	2020	2019
Group contributions received	-	54
Group contributions paid	-	-11
Total	**-**	**43**

NOTE 11 Tax

SEK million	2020	2019
Current tax		
Current tax on profit or loss for the year	-	-
Total current tax	**-**	**-**
Deferred tax		
Deferred tax attributable to temporary differences	14	-
Deferred tax on this year's unutilized tax loss carry-forward	12	-
Deferred tax arising from revaluation of tax loss carry forward	0	-
Total deferred tax	**27**	**-**
Total tax	**27**	**-**

Reconciliation of effective tax

SEK million	2020	2019
Profit/loss before tax	-113	-38
Income tax calculated according to the Swedish tax rate (21.4%)	24	8
Tax effect of:		
-Non-deductible expenses	-30	-23
-Non-taxable income	23	17
Effect of transferred/received interest deductions	-1	-2
Other	10	-
Tax expenses for the year	**27**	**0**

Deferred tax assets

SEK million	Dec. 31, 2020	Dec. 31, 2019
Provisions	14	-
Tax loss carry-forwards	12	-
Total	**27**	**-**

NOTE 12 Equipment

SEK million	2020	2019
Cost		
Opening balance	24	24
Investments	-	0
Closing balance	**24**	**24**
Depreciation		
Opening balance	-6	-6
Depreciation for the year	0	0
Closing balance	**-6**	**-6**
Carrying amount, Dec. 31	**19**	**19**

SEK 19 million (19) of the total accumulated cost is related to art.

NOTE 13 Shares in Group companies

SEK million	2020	2019
Cost		
Opening balance	11,680	12,379
Shareholders' contribution provided	486	1
Reclassification	-	-700
Closing balance	**12,167**	**11,680**
Impairment		
Opening balance	-1,252	-1,952
Impairment for the year	-132	-
Reclassification	-	700
Closing balance	**-1,384**	**-1,252**
Carrying amount, Dec. 31	**10,782**	**10,428**

For more information, see Note 24, Group companies.

NOTE 14 Other securities held as non-current assets

SEK million	2020	2019
Cost		
Opening balance	906	906
Investments	1	-
Disposals	-2	-
Closing balance	905	**906**
Depreciation		
Opening balance	-445	370
Depreciation for the year	-1	-
Disposals	2	-75
Closing balance	**-444**	**-445**
Carrying amount, Dec. 31	**461**	**461**

NOTE 15 Other long-term receivables

SEK million	2020	2019
Cost		
Opening balance	3	3
Deductions	0	-
Closing balance	**3**	**3**
Carrying amount, Dec. 31	**3**	**3**

NOTE 16 **Prepaid expenses and accrued income**

SEK million	Dec. 31, 2020	Dec. 31, 2019
Prepaid rents	4	4
Other	0	1
Carrying amount, Dec. 31	**4**	**5**

NOTE 17 **Provisions for pensions and similar obligations**

SEK million	Dec. 31, 2020	Dec. 31, 2019
Pension plans	54	54
Carrying amount, Dec. 31	**54**	**54**

Changes in obligations for defined benefit pension plans

SEK million	2020	2019
Obligations for defined benefit plans, opening balance	54	58
Service costs	3	-
Net interest expense	-	2
Pension payments	-3	-6
Carrying amount, Dec. 31	**54**	**54**

For more information regarding pensions, see Note 6, Personnel and Note 27, Pensions in the Group.

NOTE 18 **Provisions**

	Restructuring		Other Provisions		Total	
SEK million	2020	2019	2020	2019	2020	2019
Opening balance	0	0	0	0	0	0
Provisions during the year	6	-	16	-	22	0
Utilized during the year	-3	-	-	-	-3	0
Closing balance	**3**	**0**	**16**	**0**	**19**	**0**
of which:						
Long-term provisions						
Interest-bearing					-	-
Non-interest-bearing					16	-
Short-term provisions						
Interest-bearing					-	-
Non-interest-bearing					3	-
Closing balance					**19**	**0**

The restructuring reserve will be utilized during 2021.

NOTE 19 Maturity structure of financial liabilities

Maturity structure of financial liabilities Dec. 31, 2020

SEK million	Within 3 months	3-12 months	1-5 years	More than 5 years	Total
Liabilities to credit institutions	-	-	-	-	-
Liabilities to Group companies	803	-	-	-	803
Trade payables	6	-	-	-	6
Total	**809**	**-**	**-**	**-**	**809**

Maturity structure of financial liabilities Dec. 31, 2019

SEK million	Within 3 months	3-12 months	1-5 years	More than 5 years	Total
Liabilities to credit institutions	-	-	-	-	-
Liabilities to Group companies	479	-	-	-	479
Trade payables	0	-	-	-	0
Total	**479**	**-**	**-**	**-**	**479**

For risk and information on fair value, see Note 4 for the Group.

NOTE 20 Accrued expenses and deferred income

SEK million	Dec. 31, 2020	Dec. 31, 2019
Vacation pay liability	2	2
Accrued salaries and social security cost	25	12
Other	0	-
Carrying amount	**27**	**14**

NOTE 21 Contingent liabilities

Contingent liabilities

SEK million	Dec. 31, 2020	Dec. 31, 2019
Guarantee commitments, FPG/PRI	587	1,363
Total	**587**	**1,363**

NOTE 22 Cash flow

Adjustments for items in cash flow

SEK million	2020	2019
Depreciation, amortization and impairment losses of assets	132	75
Provision for restructuring	3	-
Provision for payroll tax	16	-
Other	3	-4
Adjustments for items not included in cash flow	**154**	**71**

Change in liabilities within financing activities

		Liabilities to credit institutions		Liabilities to Group companies	
SEK million		2020	2019	2020	2019
	Opening balance	-	-	479	344
Cash items	Amortization of debt	-	-	-189	-70
	New borrowings	-	-	513	206
Non-cash items	Translation differences	-	-	-	-
	Closing balance	**-**	**-**	**803**	**479**

NOTE 23 Transactions with related parties

Sales of goods and services

SEK million	2020	2019
Albert Bonnier AB Group	0	-
Subsidiaries in the Group	24	24
Total	**25**	**24**

Purchases of goods and services

SEK million	2020	2019
Albert Bonnier AB Group	10	10
Subsidiaries in the Group	4	5
Total	**14**	**15**

Receivables from related parties

SEK million	Dec. 31, 2020	Dec. 31, 2019
Albert Bonnier AB Group	0	-
Subsidiaries in the Group	1,287	1,468
Carrying amount	**1,287**	**1,468**

Liabilities to related parties

SEK million	Dec. 31, 2020	Dec. 31, 2019
Albert Bonnier AB Group	329	478
Subsidiaries in the Group	474	1
Carrying amount	**803**	**479**

All transactions with related parties are performed on market terms and conditions.

Remuneration to senior executives is presented in Group Note 6.

NOTE 24 **Group companies**

Company	Corp. Reg. No.	Reg. Office	Holdings, %	Number of shares	Dec. 31, 2020 Carrying amount, SEK million	Dec. 31, 2019 Carrying amount, SEK million
1. Bonnier AB	**556508-3663**	**Stockholm**	**100**	**6,000,000**	**10,273**	**10,273**
Bonnier Finans, AB	556026-9549	Stockholm	100			
Bonnier Treasury S.à r.l.	B 57013	Luxembourg	100			
Bonnier Media Holding AB	556655-4555	Stockholm	100			
Adlibris AB	556261-3512	Stockholm	100			
AdLibris Finland Oy	0195663-7	Helsinki	100			
Adlibris Kök AB	559017-7589	Stockholm	100			
adlibris.com AS	990335214	Oslo	100			
Campusbokhandeln i Sverige AB	556797-4034	Stockholm	100			
Discshop Svenska Näthandel AB	556604-9952	Stockholm	100			
Discshop Alandia Ab	1932506-7	Mariehamn	100			
Makujakauppa Oy	2840501-8	Helsinki	100			
Mediafy AB	556619-8205	Stockholm	100			
Mediafy Magazines AS	992305134	Oslo	100			
Mediafy Magazines Oy	2317923-4	Helsinki	100			
Odlanu i Sverige AB	556725-9493	Stockholm	100			
Bink AB	556166-2023	Stockholm	100			
Bonnier Publications Holding A/S	41954922	Copenhagen	100			
Bonnier Magazine Data A/S	26340136	Copenhagen	100			
Bonnier Publications A/S	12376405	Copenhagen	100			
Allt om Historia AB	556745-4722	Malmö	100			
Bonnier Publications AB	556105-0351	Stockholm	100			
Svenska Lotteribolaget AB	559111-6172	Stockholm	100			
Bonnier Publications International AS	977041066	Oslo	100			
Bonnier Entertainment AB	556047-0667	Stockholm	100			
Evoke Gaming Holding AB	556096-9411	Stockholm	100			
Svensk Filmindustri, AB	556003-5213	Stockholm	100			
Moviola Film & Television AB	556350-5253	Stockholm	100			
SF Anytime AB	556748-2616	Stockholm	100			
SF Film Finland Oy	1571957-9	Helsinki	100			
SF Norge AS	947714732	Oslo	100			
Paradox Holding AS	980184234	Oslo	100			
Paradox Film 1 AS	998068290	Oslo	100			
Paradox Film 2 AS	998092701	Oslo	100			
Paradox Film 3 AS	998092566	Oslo	100			
Paradox Film 4 - Knerten AS	916102372	Oslo	100			
Paradox Film 5 - Knerten AS	918753702	Oslo	100			
Paradox Film 7 AS	918054421	Oslo	100			
Paradox Film 8 AS	921684711	Oslo	100			
Paradox Film 9 AS	925020532	Oslo	100			
Paradox Film 10 AS	925122475	Oslo	100			
Paradox Rettigheter AS	980523691	Lillehammer	100			
PDX Production Services AS	990889279	Oslo	100			
SF Securities AB	559062-1024	Stockholm	100			
SF Studios Film Rights 1 AB	556541-4702	Stockholm	100			
SF Studios Production AB	556600-3397	Stockholm	100			
SF Studios Production Services AB	559235-7098	Stockholm	100			
SF Studios Production Limited	11711231	London	100			
SF Studios (Emigrants) Limited	12663189	London	100			
SF Studios (Horizon Line) Limited	11711239	London	100			
Stockholm Showrunners Holding AB	556905-7911	Stockholm	69 [1)]			
FLX Feature AB	559153-7153	Stockholm	100			
FLX International AB	559124-2887	Stockholm	100			
FLX TV AB	556703-5901	Stockholm	100			
FLX tvåpunktnoll AB	556735-4864	Stockholm	100			
Bonnier Financial Services AB	556067-9887	Stockholm	100			
Bonnier News Sweden AB	559174-2688	Stockholm	100			
Bonnier Magazine Group A/S	53376614	Copenhagen	100			

NOTE 24 Cont.

Company	Corp. Reg. No.	Reg. Office	Holdings, %	Number of shares	Dec. 31, 2020 Carrying amount, SEK million	Dec. 31, 2019 Carrying amount, SEK million
Dagbladet Børsen A/S	76156328	Copenhagen	50			
Dagens Medicin A/S	20052678	Copenhagen	50			
Tidnings AB Marieberg	556002-8796	Stockholm	100			
Bold Printing Group AB	556312-2554	Stockholm	100			
Bold Printing Stockholm AB	556246-8180	Stockholm	100			
Bonnier Business Press AB	556490-1832	Stockholm	100			
BF Blogform Social Media GmbH	HRB 105467 B	Berlin	51			
Bonnier Business (Polska) Sp. z o.o.	KRS 0000024847	Warsaw	100			
Prawomaniacy Sp. z o.o.	KRS 0000349059	Olsztyn	100			
Bonnier Business Forum Oy	1878245-0	Helsinki	100			
Bonnier Business Media Sales AB	556972-1060	Norrköping	100			
Bonnier Business Media Sweden AB	556468-8892	Stockholm	100			
Dagens Media Sverige AB	556558-6301	Stockholm	100			
Bonnier Healthcare Sweden AB	556615-8472	Stockholm	100			
Bonnier Pharma Insights AB	559019-8130	Stockholm	100			
Časnik Finance, d.o o.	1353942000	Ljubljana	100			
Business Media Croatia d.o.o.	80143339	Zagreb	60 [1]			
Business Media d.o.o.	3364127000	Ljubljana	60 [1]			
Dagens Industri AB	556221-8494	Stockholm	100			
Dagens Medisin AS	979914253	Oslo	100			
Editora Paulista de Comunicacões Científicas e Técnicas Ltda	CNPJ 08.528.247	Saõ Paolo	100			
Lexnet UAB	300518138	Vilnius	81			
Medibas AB	556617-5518	Stockholm	87 [1,2]			
Medicine Today Poland Sp. z o.o.	KRS 0000099422	Warsaw	100			
Netdoktor Media A/S	28686137	Copenhagen	100			
Norsk Helseinformatikk AS	976516397	Trondheim	73 [1]			
Svenska Patientpoolen AB	559056-0990	Stockholm	100			
Verslo Žinios, UAB	110682810	Vilnius	73			
Äripäev, AS	10145981	Tallinn	100			
Bonnier Magazines & Brands AB	556012-7713	Stockholm	100			
Bonnier Annons AB	556458-9124	Stockholm	100			
Bonnier News AB	559080-0917	Stockholm	100			
Bonnier News Group AB	556414-2155	Stockholm	100			
Bonnier News Local AB	556004-1815	Stockholm	80			
Bold Printing Mitt AB	556684-5219	Stockholm	100			
MittMedia Tryckerifastigheter i Birsta AB	556735-9830	Sundsvall	100			
MittMedia Tryckerifastigheter i Torvalla AB	556329-5061	Östersund	100			
Hall Media AB	556100-7518	Jönköping	100			
Hall Media Creative AB	556882-8148	Jönköping	100			
Hall Media Logistik AB	556235-9074	Jönköping	100			
Hall Media Tryck AB	556423-5512	Jönköping	100			
Hall Media Österängen AB	556090-9219	Jönköping	100			
Vikariepoolen Hall Media AB	556451-5475	Jönköping	100			
Industrilandet KB	969725-3632	Gävle	63			
Media Sverige Publicering AB	556992-5703	Gävle	100			
Mediabärarna i Dalarna AB	556494-3859	Falun	100			
MittMedia Annons AB	556051-3946	Gävle	100			
MittMedia Fastigheter i Falun AB	556736-1380	Falun	100			
MittMedia Fastigheter i Hälsingland AB	556256-3147	Hudiksvall	100			
MittMedia Fastigheter i Östersund AB	556001-7047	Östersund	100			
MittMedia Kompetens AB	556922-4115	Gävle	100			
Norrländsk Tidningsutdelning AB	556156-4088	Sundsvall	75			
Norrländsk Tidningsutdelning KB	969708-8954	Sundsvall	50			
Nya Dala-Demokraten, AB	556249-1075	Gävle	100			
Nya Länstidningen i Östersund, AB	556689-8580	Östersund	96			
Prolog KB	969706-0367	Västerås	100			
Prolog Tidningsdistribution och Logistik AB	556177-9181	Stockholm	100			

NOTE 24 **Cont.**

Company	Corp. Reg. No.	Reg. Office	Holdings, %	Number of shares	Dec. 31, 2020 Carrying amount, SEK million	Dec. 31, 2019 Carrying amount, SEK million
Sundsvalls Posten AB	556000-0068	Sundsvall	100			
Citypaketet Sweden AB	556621-8300	Stockholm	67 [3]			
Citypaketet KB	969711-9817	Stockholm	67 [3]			
Dagens Nyheter, AB	556246-8172	Stockholm	100			
Dagens Samhälle AB	556176-4613	Stockholm	100			
Dagens Samhälle Insikt AB	559122-5486	Stockholm	100			
Estate Media AS	981488636	Oslo	100			
Blake AS	916186096	Oslo	100			
Eiendomsmagasinet AS	813237962	Oslo	100			
Estate Media AB	556848-4116	Gothenburg	100			
Estate Media Nordic ApS	31271835	Copenhagen	67			
Fakturino Sverige AB	556871-3019	Stockholm	100			
Fakturino AS	998930340	Oslo	100			
Fastighetsnytt Förlags AB	556326-8837	Stockholm	100			
Hakon Media AB	556923-9519	Solna	100			
Happy Green AB	559070-1669	Stockholm	96			
Kvällstidningen Expressen, AB	556025-4525	Stockholm	100			
GT/Gothenburgs-Tidningen AB	556284-8720	Gothenburg	100			
Kvällsposten AB	556051-3599	Malmö	100			
Wasp Communication AB	556918-4798	Stockholm	100			
Marieberg Media AB	556334-7953	Stockholm	100			
NextSolution Sweden AB	556880-3703	Malmö	100			
Sydsvenska Dagbladets AB	556002-7608	Malmö	93			
Bold Printing Malmö AB	556256-4038	Malmö	100			
Helsingborgs Dagblad AB	556008-4799	Helsingborg	100			
Hela Skåne AB	556701-4922	Malmö	100			
Kompetens i Skåne AB	556754-8796	Malmö	100			
Sydsvenska Dagbladets Försäljningsaktiebolag	556335-2722	Malmö	100			
Tidningen Hallå AB	556933-5762	Helsingborg	100			
Lokaltidningen Mediacenter Sverige AB	556620-9622	Burlöv	100			
Nim Distribution i Skåne AB	559111-0993	Malmö	100			
Tidningen Byggindustrin AB	556096-1319	Stockholm	100			
Bonnier US AB	556262-5052	Stockholm	100			
Spring Media Inc.	20-4505209	Delaware	100			
Bonnier Books UK, Inc	83-4299762	New York	100			
Bonnier Growth Investments, Inc.	82-1826148	Delaware	100			
Bonnier US Holding Inc.	98-0494191	Delaware	100			
Bonnier Corporation	98-0522510	Delaware	100			
National Mud Racing Organization, Inc.	35-2138012	Indiana	100			
World Entertainment Services, LLC	59-3754946	Delaware	100			
World Publications, LLC	59-3754954	Delaware	100			
Bonnier Ventures AB	556707-0007	Stockholm	100			
RAG Real Agency Group Incentives AB	559228-9457	Stockholm	100			
Tailsweep AB	556712-7146	Stockholm	100			
Pressens Bild Images AB	556005-5104	Stockholm	100			
Bonnier Books Holding AB	556233-3111	Stockholm	100			
Akateeminen Kirjakauppa Oy	2699781-4	Helsinki	100			
Bonnier Books AB	559080-9090	Stockholm	100			
Bonnier Books Polska Sp. z o.o.	KRS 0000565742	Warsaw	100			
BookBeat Polska Sp. z o.o.	KRS 0000771784	Warsaw	100			
Wydawnictwo Jaguar Sp. z o.o.	KRS 0000627127	Warsaw	70 [1]			
Wydawnictwo Marginesy Sp. z o.o.	KRS 0000416091	Warsaw	51			
Bonnier Books UK Group Holdings Limited	01273558	London	100			
Blink Publishing Limited	07724898	London	100			
Bonnier Books UK Limited	01549157	London	100			
John Blake Publishing Limited	03919495	London	100			
Bonnier Media Limited	05311887	London	100			
Bonnier Publishing Australia Pty Ltd.	005966245	Melbourne	100			
Bonnier Zaffre Limited	07735953	London	100			

NOTE 24 Cont.

Company	Corp. Reg. No.	Reg. Office	Holdings, %	Number of shares	Dec. 31, 2020 Carrying amount, SEK million	Dec. 31, 2019 Carrying amount, SEK million
Igloo Books Group Holdings Limited	07435642	Sywell	100			
Igloo Holdings Limited	06454887	Sywell	100			
Igloo Books Limited	04845098	Sywell	100			
Red Kite Fulfilment Limited	09142201	Sywell	100			
Weldon Owen Limited	07891331	London	100			
Bonnier Holding Norway AS	990212880	Oslo	100			
Bonnierförlagen AB	556023-8445	Stockholm	100			
Albert Bonniers Förlag AB	556203-3752	Stockholm	100			
Bonnierförlagen Publishing Software AB	559222-7333	Stockholm	100			
Bokförlaget Maxström AB	556526-8918	Stockholm	100			
BZR Publishing AB	559164-9016	Stockholm	100			
BFA Bazar Förlag AB	556626-1797	Stockholm	100			
Romanus & Selling AB	559214-2425	Stockholm	67			
BookBeat AB	556560-4583	Stockholm	100			
BookBeat Oy	1655221-3	Helsinki	100			
Chapter 3 Culture (Beijing) Co. Ltd	91110108MA00964G9E	Beijing	100			
Gutkind Forlag A/S	41082062	Copenhagen	100			
Alpha Forlag A/S	40899391	Copenhagen	100			
Homeenter AB	556293-3381	Stockholm	100			
Jultidningsförlaget Semic AB	556166-9572	Sundbyberg	100			
Pandaförsäljningen AB	556369-7720	Stockholm	100			
Pocket Shop AB	556479-4609	Stockholm	100			
Pocket Shop GmbH	HRB 109043 B	Berlin	100			
SEMIC International AB	556046-1336	Stockholm	100			
Werner Söderström Osakeyhtiö	0599340-0	Helsinki	100			
Bonnier Deutschland GmbH	HRB 156443	Munich	100			
Bonnier Media Deutschland GmbH	HRB 136800	Munich	100			
Aladin Verlag GmbH	HRB 103563	Hamburg	100			
arsEdition GmbH	HRB 145362	Munich	100			
BookBeat GmbH	HRB 199466	Munich	100			
Buch Vertrieb Blank GmbH	HRB 92253	Vierkirchen	100			
Carlsen Verlag GmbH	HRB 43092	Hamburg	100			
Hörbuch Hamburg HHV GmbH	HRB 142856	Hamburg	100			
Münchner Verlagsgruppe GmbH	HRB 118729	Munich	100			
Piper Verlag GmbH	HRB 71118	Munich	100			
Thienemann-Esslinger Verlag GmbH	HRB 3287	Stuttgart	70 [1]			
Ullstein Buchverlage GmbH	HRB 91717 B	Berlin	100			
Gesinform GmbH	HRB 713116	Freiburg	100			
SF Film A/S	21388939	Copenhagen	100			
SF Studios Production ApS	26390168	Copenhagen	100			
Sural AB	556158-9531	Stockholm	100			
Bonnier International Magazines AB	556072-0293	Stockholm	100			
Bonnier Solutions AB	556748-2624	Stockholm	100			
Bonsoc AB	559140-6383	Stockholm	100			
Investeringshuset i Stockholm AB	556102-7169	Stockholm	100			
2. Billtrade AB	**556064-2224**	**Halmstad**	**91**	**45,250**	**4**	**4**
3. Bonnier Capital AB	**556481-1973**	**Stockholm**	**100**	**1,000**	**356**	**0**
Clio Aps	30583795	Copenhagen	100			
Bonnier Education AB	559007-4802	Stockholm	100			
4. Bonnier Skog AB	**556684-2752**	**Stockholm**	**100**	**100,000**	**106**	**106**
5. Bonniers Konsthall AB	**556185-8647**	**Stockholm**	**100**	**1,000**	**0**	**1**
6. Fastighets AB Tavelgalleriet	**556061-3589**	**Stockholm**	**100**	**5,000**	**10**	**10**
7. Frili Properties Polska Sp. z o.o.	**KRS0000096822**	**Leszno**	**100**	**13,585**	**34**	**34**
Carrying amount					**10,782**	**10,428**

[1] Bonnier Group has entered into an option agreement for the remaining shares, which means that Bonnier Group, in practice, assumes the financial benefits and risks for 100% of the shares. Accordingly, no part of the holdings refers to non-controlling interests.

[2] Owned 50% by Bonnier Business Press AB and 50% by Norsk Helseinformatikk AS.

[3] Owned 33.3% by AB Dagens Nyheter and 33.3% by Sydsvenska Dagbladets AB.

Definition of key ratios

EBITA
Operating profit or loss (including associated companies and joint ventures) before items related to acquisitions, divestments and close-downs together with amortization/impairment losses of Group excess values.

EBITA margin
EBITA as a percentage of net sales.

Operating capital
Total assets less non-interest-bearing liabilities and interest-bearing assets.

Net debt/equity ratio (gearing)
Interest-bearing liabilities less interest-bearing assets divided by total equity (i.e., including non-controlling interests).

Return on operating capital
Operating profit or loss as a percentage of the average total assets, less non-interest-bearing liabilities, and less interest-bearing assets.

Operating margin
Operating profit as a percentage of net sales.

Equity/assets ratio
Equity including non-controlling interests divided by total assets.

Internally generated funds
EBITA, excluding depreciation, amortization and impairment losses, earnings from associated companies and joint ventures, and capital gain from intangible assets and property, plant and equipment, with the addition of dividends received from associated companies and joint ventures, net financial items (excluding items not included in cash flow) and taxes paid.

The Annual Report and consolidated financial statements were approved for issue by the Board of Directors on April 23, 2021. The Consolidated Income Statement and Statement of Financial Position, and the Parent Company's Income Statement and Balance Sheet are subject to approval by the Annual General Meeting on May 27, 2021.

The Board of Directors and CEO hereby certify that the annual report has been prepared according to the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities and provides a true and fair view of the Company's financial position and results, and that the Board of Directors' Report gives a true and fair view of the progress of the Company's operations, financial position and results, and describes significant risks and uncertainties facing the Company. The Board of Directors and CEO certify that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and provide a true and fair picture of the Group's position and results, and that the Board of Directors' Report for the Group provides a true and fair view of the progress of the Group's operations, position and results, and describes significant risks and uncertainties which the companies included in the Group may face.

Stockholm, April 23, 2021

Bengt Braun
Chairman

Peder Bonnier
Board member

Felix Bonnier
Board member

Ulrika af Burén
Board member

Erik Engström
Board member

Jens Müffelmann
Board member

Gun Nilsson
Board member

Anders Forsström
Employee representative

Martin Harris
Employee representative

Erik Haegerstrand
Chief executive officer

Our audit report was submitted on April 26, 2021

PricewaterhouseCoopers AB

Michael Bengtsson
Authorized public accountant

Auditor's Report

Unofficial translation

To the general meeting of the shareholders of Bonnier Group AB, corporate identity number 556576-7463

Report on the annual accounts and consolidated accounts

Opinions
We have audited the annual accounts and consolidated accounts of Bonnier Group AB for the year 2020 except for the statutory sustainability report on pages 5-7.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2020 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2020 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the statutory sustainability report on pages 5-7. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts and consolidated accounts
This document also contains other information than the annual accounts and consolidated accounts and is found on pages 5-8. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, 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 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 and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. 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 intend 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 skepticism 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 Director's and the Managing Director.

• Conclude on the appropriateness of the Board of Director's 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 Director's and the Managing Director of Bonnier Group AB for the year 2020 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Director's 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' 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 skepticism 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.

The auditor's opinion regarding the statutory sustainability report
The Board of Directors is responsible for the statutory sustainability report on pages 5-7, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor´s opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Stockholm April 26, 2021

PricewaterhouseCoopers AB

Michael Bengtsson
Authorized Public Accountant

Multi-year Summary

From the income statement [4]

SEK million	2020	2019	2018	2017	2016
Net sales	20,130	20,240	18,203	26,324	26,281
Growth	-0.5%	11.2%	-30.9%	0.2%	30.6%
EBITA	945	-48	-241	599	820
EBITA margin	4.7%	-0.2%	-1.3%	2.3%	3.1%
Operating profit/loss	1,002	-140	-263	-258	761
Operating margin	5.0%	-0.7%	-1.4%	-1.0%	2.9%
Profit/loss before tax	2,098	-201	-413	-373	450
Profit/loss for the year	2,114	2,657	-892	-976	285

From the statements of financial position

December 31, SEK million	2020	2019	2018	2017	2016
Operating capital	7,856	7,082	12,321	13,312	15,384
Return on operating capital	13.4%	-1.4%	-2.1%	-1.8%	5.1%
Net debt	-1,134	15	6,888	6,523	7,745
Equity incl. non-controlling interests	8,990	7,067	5,433	6,789	7,639
Total assets	19,588	19,819	20,902	21,756	24,257
Net debt /equity, multiple	-0.13	0.00	1.27	0.96	1.01

From the business areas’ [1, 2]

SEK million	2020	2019	2018	2017	2016
Net sales					
Bonnier Books	6,112	5,770	5 ,522	5,461	5,323
Adlibris	2,705	2,282	2,341	2,103	1,855
Bonnier Broadcasting	-	-	-	7,497	7,397
SF Studios	1,876	1,899	1,256	1,389	1,334
Bonnier Ventures	197	386	358	402	457
Bonnier Publications	1,080	1,208	1,328	1,334	1,387
Bonnier News	7,655	7,582	6,716	6,704	6,508
Other and eliminations	505	1,114	682	1,435	2,019
Bonnier Group, total	**20,130**	**20,240**	**18,203**	**26,324**	**26,281**

SEK million	2020	2019	2018	2017	2016
EBITA					
Bonnier Books	392	250	145	72	375
Adlibris	50	-217	-116	40	54
Bonnier Broadcasting	-	-	-	423	373
SF Studios	20	36	17	-14	-29
Bonnier Ventures	-35	-6	-18	-93	-175
Bonnier Publications	86	142	119	162	169
Bonnier News	647	211	174	429	481
Other	-214	-463	-562	-419	-429
Bonnier Group, total	**945**	**-48**	**-241**	**599**	**820**

[1] As of January 1, 2020, the Group consists of seven cash-generating units. Bonnier Corporation is now included in Other. The comparative figures have been adjusted accordingly.

[2] Information for 2016 was restated in 2017 due to a review of the Group’s reporting of intangible assets and inventories in the areas of development costs and publishing rights, and to correct errors.

[3] The 2019 and 2018 figures do not include Bonnier Broadcasting

Bonnier Group AB
SE-113 90 Stockholm, Sweden
+46 8 736 40 00
www.bonnier.se