



During 2020, discussions started regarding making a public offer for Allgon. The acquisition was made in Q1 2021.

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A good owner

Bure is an investment company based in Stockholm, and has been listed on the Nasdaq Stockholm since 1993. Bure's investments, valued at SEK 17.8 billion on 31 December 2020, consist of 12 portfolio companies – many of which are technology-based with a strong focus on international markets.

Bure is a good owner that, in close co-operation with its portfolio companies, strives to identify, develop and realise the potential of each respective company. Investments are made for the long term, with strong commitment, extensive knowledge, a richness of ideas and active participation to create sustainable value and successful companies.



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2020 in brief

Shareholder value

- Net asset value increased 21.8 per cent to SEK 239.6 per share (196.6).
- Total return on the Bure share was 39.2 per cent.
- The Board proposes that the AGM approves an ordinary dividend of SEK 2.00 (1.00).

Investment activities

- Bure increased its investment capacity following a directed share issue of SEK 985M to institutional investors.
- Acquisition of 8.5 million shares in Cavotec for SEK 136.7M and increased holding to 36.2 per cent.
- Acquisition of 1.2 million shares in Mentice for SEK 51.7M and increased holding to 14.7 per cent.

- Bure subscribed for a holding amounting to SEK 17.5M in Ovzon's rights issue.
- Subscription of shares for SEK 32.3M in Xvivo Perfusion's directed share issue.
- Bure Growth acquired 25,000 shares in Yubico for SEK 9.0M.
- Bure Growth acquired shares in BioLamina's rights issue for SEK 13.2M and acquired shares for SEK 53.2M and increased its holding to 44.8 per cent.
- Bure announced a cash offer to Allgon AB (publ) shareholders. In December 2020, Bure acquired 6.4 million shares in Allgon for SEK 70.9M.

2020 figures

239.6

Net asset value per share, SEK

+21.8

Net asset value per share in %

2.00

Proposed dividend per share, SEK

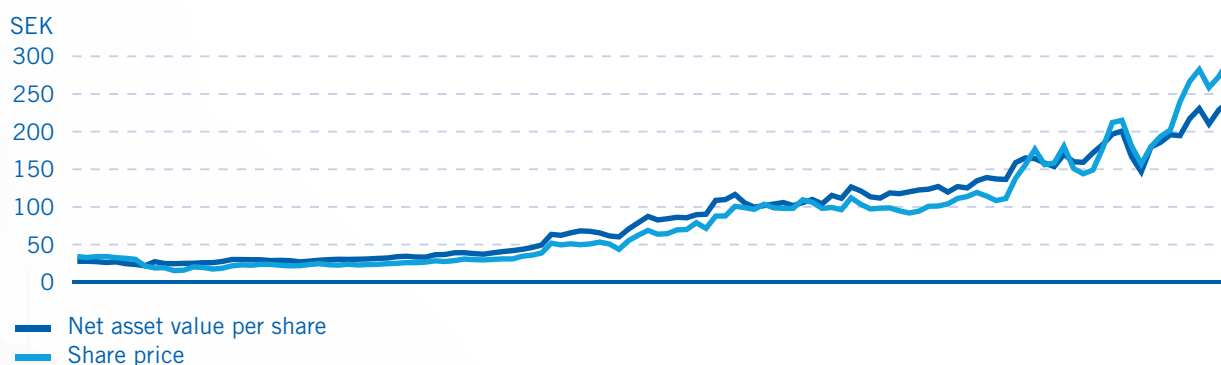
293.6

Share price, SEK

+39.2

Total return, %

Net asset value per share and share price 2011–2020



Bure's portfolio companies



NASDAQ STOCKHOLM MID CAP

Automated connection and electrification systems



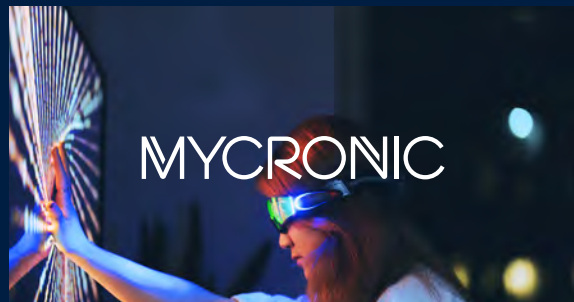
NASDAQ STOCKHOLM MID CAP

Develops life science companies



NASDAQ FIRST NORTH GROWTH MARKET

Simulation solutions for endovascular procedures



NASDAQ STOCKHOLM LARGE CAP

Production equipment for electronic and display manufacturing



NASDAQ FIRST NORTH GROWTH MARKET

Revolutionary mobile broadband service via satellite



NASDAQ STOCKHOLM LARGE CAP

Efficient and secure products and systems for fertility treatment

We are significant minority shareholders in our listed companies and are usually the largest shareholder. This gives us a firm foundation on which to base our active ownership in which long-term value creation is our overarching objective.



XVIVO
PERFUSION

NASDAQ STOCKHOLM MID CAP

Clinically optimized solutions and systems for transplants



ALLGON

World-leading in industrial radio remote control



Atle

Active capital management



BURE
GROWTH

Investments in growth companies



INVESTMENT AB
BURE

Leasing of electrical locomotives



MERCURI
international

Europe's leading training company in sales and leadership

Comments from the Chairman & CEO



Last year's CEO/Chairman comment began by mentioning the outbreak of what was at the time a new and unknown virus. The corona virus went on to become the worst global pandemic for more than 100 years. Initially, the effects of the virus were extraordinary. Sectors such as aviation and

hospitality lost virtually their entire turnover, triggering redundancies. Economic activity came to a standstill and stock markets fell sharply. Government support programmes were launched, and central banks increased monetary policy stimuli.

GDP and capital markets recovered unexpectedly quickly. It took less than five months for the stock market to return to levels seen before the outbreak of the virus. The SIX Return Index ended the year up 14.8 per cent.

In summary, in 2020 we experienced a severe health crisis, a weaker economy, an unusually generous capital market that, among other things, resulted in a strong stock market. A contradictory outcome that of course impacted individuals and companies.

How did Bure manage the corona crisis in 2020?

Henrik: The pandemic affected our portfolio companies in different ways. What they all did in common, however, was create a safe and secure working environment for all employees as quickly as possible. The transition to digital communication and working from home became standard practice. Not being able to travel and meet customers, suppliers, and colleagues physically was probably something no one could foresee. For activities in medtech, it was especially challenging to contact customers, i.e., clinics and hospitals. Many clinics closed due to the spread of infection and hospitals were of course focused on caring for covid patients. To date, all portfolio companies have shown great skill in handling the crisis and adapting to prevailing market conditions.

Patrik: Like all genuine crises, corona struck quickly and unexpectedly. We entered a crisis management phase, which involved gathering information and planning for different outcomes. The close co-operation of boards, CEOs, and executive teams was initially intensified until the direction of travel and next steps had been decided. It is a difficult balancing act for boards not to become too operationally involved in these situations and instead provide company management time to analyse and plan. And then company boards of course need to challenge and question conclusions, and then, when measures have been agreed, ensure implementation and follow-up. On the whole, these processes worked extremely well, and I was surprised by how quickly the situation normalized. Today, it is easy to forget that we had a couple of very anxious and challenging months in 2020 when uncertainty reigned.

How did Bure perform in 2020?

Henrik: The stock market's sharp fall in the wake of the spread of the corona virus hit all of Bure's listed portfolio companies. At worst, net asset value per share was down more than 25 per cent. Somewhat surprisingly, the stock market recovered in April and May and then continued to rise for the rest of the year. As a whole, 2020 was a very strong year for Bure. In total, net asset value per share increased 21.8 successions. In Xvivo, board member Dag Andersson took over as CEO in June, and in August, Anders Dahlberg was appointed the new CEO of MedCap. I would like to take this opportunity to welcome them both and I look forward to working with them.

“Vigilance and courage” were the keywords for your strategic approach in 2020 – how did that pan out?

Henrik: With the benefit of hindsight, that was an accurate description of our approach for the year. In critical and difficult-to-navigate situations, you need to have one foot on the brake and the other on the accelerator at the same time. Initially, it was



important to get control of the situation and understand its short-term consequences. Once you have done this, I think it is important to look ahead and identify long-term possibilities. This is obviously much easier said than done. Especially, perhaps, in the crisis we endured last spring when management and staff could not meet physically, and all communication had to take place digitally.

During the year, several of our portfolio companies carried out directed share issues, including MedCap, Ovzon, Xvivo, and Yubico. Given the new market

conditions, these issues created increased financial room for manoeuvre for the companies. For example, Xvivo acquired Netherlands-based Organ Assist in September, expanding its presence in new organ spaces such as kidneys and liver.

Can you tell us about the share issue in Bure?

Patrik: The background to the new share issue was very much about creating opportunities for Bure to continue to grow and do good business. The spring of 2020, which was dominated by the pandemic, was a time of considerable uncertainty for world capital markets. Bure identified and made a number of additional investments during the spring. In this troubled environment, the idea crystallised of bringing more capital into Bure to take advantage of the business opportunities that emerged in the wake of the turbulence caused by covid. At the beginning of June, Bure announced that a directed new issue of SEK 1 billion had been completed. The issue took place at the current share price and at the time corresponded to the net asset value per share in the company. The dilution effect was seven per cent.

It is unusual for investment companies to conduct new share issues because their share price typically trades below net asset value and because shareholders are thus not interested in being diluted.

The fact that the Bure share traded on a par with the company's net asset value created an opportunity to make a new issue. Through the transaction, we gained a number of new long-term owners at the same time as Bure received capital to continue investing and building companies.

Henrik: Personally, I think the new issue clearly signalled "courage" and forward thinking. Bure has long clearly chosen to avoid debt in the parent company. Through its new share issue, Bure gained financial resources to make new investments and thereby also build on Bure's operational model.

Any new investments?

Henrik: As Patrik mentions above, we increased

Bure's holdings in several portfolio companies during the spring, including in Mentice, Cavotec, Ovzon, and BioLamina. Of course, it is always attractive to be able to increase ownership in portfolio companies but doing so in difficult times feels especially exciting. Hopefully, it was perceived as a sign of the confidence we have in the portfolio companies.

At the end of the year, Bure announced a public bid for First North-listed company Allgon. Allgon is a leading player in industrial radio remote controls and has undergone a streamlining of operations in the past year. Radio remote control of equipment and machines creates safe and user-friendly working environments. Customers are found in a number of different sectors such as production, logistics, construction, and civil engineering. Allgon possesses many of the characteristics that Bure looks for in a portfolio company: in-house developed products, leading in its market niche, international focus, and a scalable operational model. It will be extremely exciting to further develop Allgon together with management and employees.

Finally, Bure is launching Sweden's first SPAC. Why?

Patrik: In recent years, Bure's organization and net asset value have grown. The new share issue was an opportunity to broaden and develop Bure's portfolio of companies. Through ACQ, there are now additional opportunities for ACQ, and indirectly Bure, to identify and acquire larger unlisted companies. Bure is investing SEK 700M in ACQ, for 20 per cent of the company, so this will be a large and important holding in Bure's portfolio even before any company acquisition has taken place. The opportunity to build on Bure's investment organization by co-investing with other institutional shareholders is attractive to Bure, which has extensive experience of co-owning listed companies on the stock exchange with other institutional owners. It is currently too early to assess, but it could be that this type of joint ownership of listed companies through what is known as

a special purpose acquisition company, (SPAC), is a natural and growing trend on capital markets. We are proud and pleased that we listed the first SPAC on the Nasdaq Stockholm on March 25, 2021.

Henrik: Naturally, we are proud of the confidence investors have shown in our SPAC and I am humbled by the project. However, it feels natural to use

the skills and experience that the organization has gained in recent years and put them to the test once again. We are very honoured – and very excited!

Stockholm, March 2021

Henrik Blomquist, Chief Executive Officer
Patrik Tigerschiöld, Chairman of the Board

ACQR
BURE ACQUISITION

BURE





Yubico creates security keys for users and servers. Read more, for example about the unique USB and NFC security key YubiKey, at yubico.com

Bure's operations

Business concept and goals

Bure is an investment company and a good owner. By actively building successful companies and operations for the long term, Bure generates strong returns for its shareholders.

Bure's vision;

– *To create long-term total returns for Bure shareholders, and to be an attractive investment alternative on the stock market.*

Business model

Bure's business model is based on active involvement in the development of wholly- or partly-owned businesses and operations to increase the value of these assets over time. The approach starts with an investment analysis and transaction work. Investment analysis evaluates company strategy, future outlook and an overall set of targets. These targets or ambition level solidifies with Bure in what is known as an ownership agenda. Following a transaction, it is the task of the company board in question to meet these targets. Activities in portfolio company boards follow the Swedish Corporate Governance Code.

It is the success of Bure's portfolio companies that underpins Bure's value growth and returns.

Organisation

Bure consists of two separate entities: investment and business support. To enhance efficiency, competitive advantage and focus on relevant tasks, clear processes have been defined for both entities. In addition to documented processes, Bure has also produced a code of conduct. The code is based on three core values;

* professionalism * determination * respect *

The purpose of the code of conduct is to clarify Bure's core values and communicate what Bure stands for in the long term.

Bure's investment arm works on key issues related to Bure's business model. This work may be described as falling into two separate roles;

As an owner:

– *create, evaluate and carry out owner agendas, board representation, evaluation of senior executives, nomination committees, owner meetings, etc.*

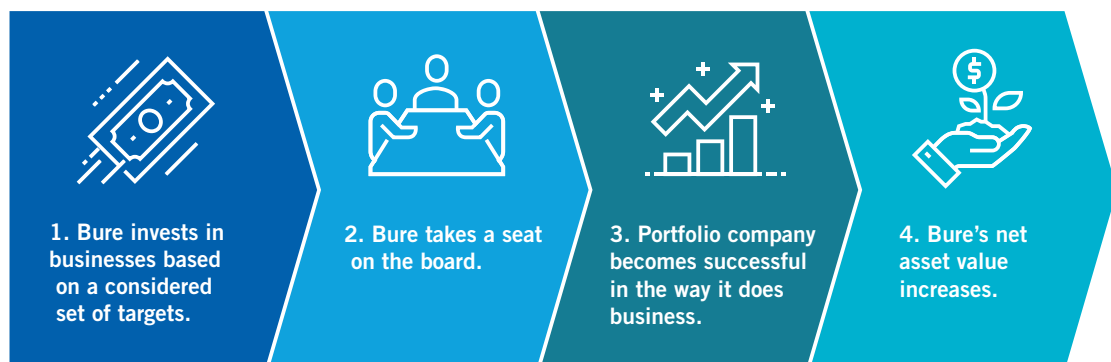
As an investor:

– *sourcing/deal-flow, company analysis, market monitoring, transaction processes, valuation etc.*

Bure's role as an owner includes work with portfolio company boards and general corporate governance or company management. Bure's overall goal is to be a good owner. This means that the majority of time and energy spent in the investment entity is focused on supporting and developing the portfolio companies. Supporting and developing portfolio companies constitutes the foundation of Bure's business philosophy, which the company has produced and documented for 28 years.

The role as an investor centres on company transactions and portfolio composition. Bure's ambition is to have an interesting portfolio of assets with a diversified risk and yield profile. The investment entity proposes new investments or divestments to the Bure Board, which has ultimate responsibility for the composition of the Bure portfolio. All changes to the portfolio are evaluated and decided upon by the Bure Board that can be compared to a conventional investment committee.

Business Support is responsible for the management and administration of Bure. This includes accounting, financial reporting, IR, etc.



Bure – a good owner

Bure's business model is based on an ownership philosophy that has developed throughout the company's 28-year history. The ownership philosophy is built on a deep commitment and high degree of presence in portfolio companies. In this way, Bure is able to assimilate broad competence in those branches where portfolio companies are active. The portfolio currently has several companies in which Bure has been involved for considerable periods and has contributed to successful growth. Bure's ownership philosophy is based on the following underlying foundations:

Building for the long term

A long-term approach is a vital ingredient in building successful companies. Short-term speculation can lead to decisions that undermine the long-term prospects of portfolio companies. The courage to invest, have patience and show respect creates the right conditions for building industrially successful companies, and thereby substantial value. However, building for the long-term should not be equated with acting slowly. On the contrary, a long-term approach places greater demands on procedural work and business evaluation that builds structural capital and competitive advantage

Adapted leadership

Various stages of company maturity require different types of leadership to create success over time. It is unlikely that a single type of leadership is appropriate for all situations. This puts demands on Bure as a main owner in terms of continuous awareness and readiness for change through continually evaluating what sort of leadership portfolio companies require. Understanding the type of leadership

specific companies have in their specific set of circumstances is critical to success.

Involvement and responsibility

As a main owner, Bure works according to a clear agenda focusing on respective holdings' long-term business strategy and value drivers. This requires a high-degree of presence in portfolio companies, primarily through active board involvement. With ownership comes responsibility. Bure's Code of Conduct describes what Bure considers to be responsible behaviour and ownership, which portfolio companies are encouraged to respect. The Code of Conduct contains clear commitments regarding, inter alia, ethics, human rights, employment issues, and environmental impact.

Financial strength

A good owner possesses the financial strength and capacity to always support and assist its portfolio companies achieve their established objectives.



Bure's involvement in portfolio companies	Bure's ownership	Bure as the largest single shareholder	Number of board members from Bure	Chairman from Bure	Year of original investment
Listed					
Cavotec	36.2%	Yes	1	Yes	2014
MedCap	20.0%	No	1	No	2013
Mentice	14.7%	No	1	No	2019
Mycronic	27.9%	Yes	1	Yes	1986/2009 ¹⁾
Ovzon	11.3%	No	1	No	2018
Vitrolife	19.0%	No	1	No	1984/2000 ²⁾
Xvivo Perfusion	15.1%	Yes	1	Yes	2000/2012 ³⁾
Unlisted					
Allgon	98.7%	Yes	2	Yes	2021 ⁴⁾
Atle Investment Management	93.0%	Yes	3	Yes	2014
Bure Growth	100.0%	Yes	3	Yes	2015
Investment AB Bure	100.0%	Yes	2	Yes	2012 ⁵⁾
Mercuri International	90.4%	Yes	1	Yes	1998


1) Date of original investment in Mydata and its merger with Micronic.

2) Date of original investment in Fermentech Medical and its merger with Vitrolife.

3) Date of investment and Lex Asea dividend from Vitrolife.

4) Allgon was delisted from the Nasdaq First North Growth Market on 2 March 2021. The process of compulsory redemption of remaining shares has begun.

5) Date of locomotive investment.

An aerial, high-angle photograph of a port at night. A large container ship is docked at a pier, its deck filled with stacks of colorful shipping containers in shades of orange, blue, and red. Several yellow gantry cranes are positioned along the pier, some with their booms extended over the ship. The water is dark, reflecting the lights from the port. The overall scene is illuminated by the warm, yellowish light of the port's infrastructure, contrasting with the cool blue tones of the night sky and water.

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Bure – a responsible investor

Situation-based investments

Bure identifies and monitors interesting sectors and businesses and evaluates potential investment as opportunities arise. Among other things, Bure looks for special situations that fall outside conventional investment models, in different sectors, asset classes, cycles and growth phases. The ambition is to find unorthodox approaches to profitable investments and to evaluate potential companies based on the unique situations in which companies find themselves.

To succeed, long-term work is required in terms of relationships and networks. This is necessary to reach the “right moment” when the time is right to make a sound investment. As an investor, the company needs to be agile and have a capacity for pro-active decision-making to take advantage of opportunities when the right moment comes.

When evaluating businesses and potential investments, Bure analyses business potential from the point of view of structure, market, business model, financial position, and management team and board. It is also important to clearly identify which role Bure is to play in the short- and long-term.

Overall investment criteria

In new and existing investments, Bure uses a structured approach that includes the clear identification of different value drivers.

- Bure’s overall investment criteria are:
Each investment shall generate an annual Internal Rate of Return (IRR) of more than 12 per cent.

- The holding shall be significant and have sufficient potential to contribute to Bure’s long-term growth.
- Bure shall be a sufficiently large owner with a clearly defined role to actively influence the short and long term.

Active and long-term ownership

Bure assess each investment and business opportunity over a period of three to five years, although the investment horizon can be longer. If interesting new business opportunities arise over time for a given company, Bure can prolong its ownership of the company. The current portfolio contains several operations where Bure has been involved for many years and has contributed to building successful companies. There is thus no time when Bure is forced to sell a holding, but an exit can instead take place after a balanced assessment based on the possibilities for future returns and/or alternative use of capital.

As an owner, it is critical that Bure has a long-term strategy and an owner agenda, i.e. clear objectives and action plans for respective portfolio companies. Bure evaluates these on an on-going basis, with an emphasis on value, potential, and risk.

Target scenario for the portfolio

Within the framework of Bure’s business model, a set of targets has been identified relating to the composition of the portfolio. These targets are established primarily from a yield perspective and portfolio companies’ yield profile. The image shows schematically how Bure’s portfolio of companies could look. The three categories include:



1

Company with high potential returns:

Has an IRR of more than 20%, with the potential to multiply. Known for high growth and new technologies. Often smaller companies with entrepreneur-led structures.

2

Cashflow-generating companies:

Relatively mature companies with stable returns over time. Bure controls the cashflow.

3

Targeted return companies:

Expected IRR of 12%. Proven business models with strong cashflow and dividend capacity.



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Active ownership creates the foundations for a long-term sustainability approach

CEO comment

2020 was an eventful year. The effects of climate change became increasingly tangible at the same time as Covid-19 hit society and the economy hard. A large number of technical solutions are needed to enable long-term sustainable growth, while society at large needs fit and healthy individuals to function. At EU level, the financial sector has been singled out as a key player in the transition to a sustainable European economy and investors' interest in ESG and sustainability issues is in focus as never before. Working with sustainability in our business and our companies is not only a must if Bure is to be a responsible owner – it is also a prerequisite for creating long-term returns.

Bure wants to be part of the sustainable change in the financial industry that is currently taking place and has a responsibility to understand the strategic implications of new EU regulations for Bure as a business but above all for Bure as an owner. As a first step on this journey, we have conducted an analysis of the current situation to examine how we need to respond to future EU regulations. During the year, we further accelerated our sustainability work by, for example, initiating a pilot project for data collection on carbon dioxide and diversity in our portfolio companies. These initiatives will be expanded in the coming years.

Future efforts will also focus on a strategy to adopt a more structured approach to our work on sustainability in our investment process and our holdings. In 2020, we were named “Nasdaq ESG Transparency Partner”, demonstrating that we are on the right track with our sustainability efforts and our reporting on sustainability.

The year was also defined by the emergence of Covid-19 and its impacts. Together with an external foundation, Bure decided to support a research project at Karolinska Institutet which seeks to contribute to increased understanding and treatment of Covid-19. Our hope is that the knowledge gained from the project will lead to valuable insights for evaluating Covid patients.

To sum up 2020 – it was an unusual and intense year during which we laid the foundations to accelerate our sustainability work further.

Henrik Blomquist,
CEO Bure Equity

About Bure

Bure strives to be a responsible owner with a long-term focus on developing companies. Our goal is to create value for our shareholders and be a competitive alternative on the investment market. We believe that a responsible owner creates security and trust in the future and gives businesses time to develop.

Our holdings consist of listed and unlisted companies to ensure we have a balanced investment portfolio through which we can be active and committed participants in companies' development. The common denominator for our holdings is that they hold market-leading positions in their respective segments.

We see a clear link between sustainable business models and long-term value creation. Bure has representation on the boards of all companies in its portfolio, often in the role of chairman. This gives us the opportunity to develop companies in positive directions. Our portfolio consists of several types of business in which Bure has been involved for substantial periods and has contributed to their successful development. Our office is located in Stockholm and we currently have seven employees. Our supply chain mainly consists of procurement of services in the form of external consultants, such as lawyers, advisers, business travel, and a small amount of electronics and materials for our office.

Bure Equity AB

Bure Equity AB is an investment company listed on the Nasdaq Stockholm Large Cap.

**Head office:
Stockholm**

**Equity:
SEK 16,819M**



Management

Sustainability management

Bure's philosophy of long-term and sustainable value creation is based on our employees and our shared values. Sustainability is discussed among board members during, for example, strategy reviews, ongoing new investment processes, and/or as the need arises. Bure's CFO is responsible for sustainability efforts at Bure, while portfolio company managers are responsible for pursuing sustainability issues within each company.

Policies

Our internal framework establishes guidelines for Bure's actions as a responsible company. The framework is based on the Global Compact's ten principles and Agenda 2030 and is described in detail in our policy documents that all employees are required to read. Our Code of Conduct, together with our policy of responsible ownership and responsible investment, environmental policy, GDPR policy, and whistleblower policy, sets out guidelines for how Bure should act as a responsible company, owner, and employer. Employees and other representatives of Bure are responsible for following our governing documents and to understand how these apply in given contexts. Our internal sustainability framework is reviewed annually and updated as needed. Bure's governing documents have been communicated to our portfolio companies. All employees are encouraged to report deviations from the policies and incidents concerning the company, or compliance with our policies, either internally to their immediate superior or via our anonymous whistleblower function.

Risk analysis

Knowledge of sustainability risks linked to our own and our portfolio companies' operations constitute a key component of our sustainability efforts. By being aware of and transparent about risks, we create the necessary conditions to act proactively, partly by preventing direct risks that arise in our industry and partly by managing indirect risks in our holdings. To this end, Bure conducted a risk analysis linked to our operations, including our portfolio,

which includes risks related to the environment, corruption, human rights, employees, and social conditions. Risks were also assessed on the basis of what financial, operational, and reputational risks would be incurred by Bure if sustainability-related risks were not addressed. In the coming years, we plan to develop our risk management processes. Results from this year's risk analysis will form the basis of these efforts, which will be reviewed in our own operations and through work with the boards of our portfolio companies.

The majority of Bure's sustainability risks are related to our portfolio. Internally, we have identified gender equality and diversity as particular challenges we face, in common with our sector as a whole. Given that our investment activities involve large transactions, corruption also poses a risk. In terms of our portfolio, risks can be characterized by a number of common risks as well as individual company-specific risks. Depending on whether companies have their own production or whether they procure products or components from strategic suppliers, these risks are either direct or indirect. Our holdings, including subsidiaries, face risks in terms of health and safety, material selection, eco-design and energy performance of products, transport, chemical content (especially for products produced outside the EU), and risks related to human rights violations in the supply chain. Furthermore, there are risks in terms of ethics, corruption, fraud, and other offenses in the supply chain or in relationships with customers, suppliers, or partners.

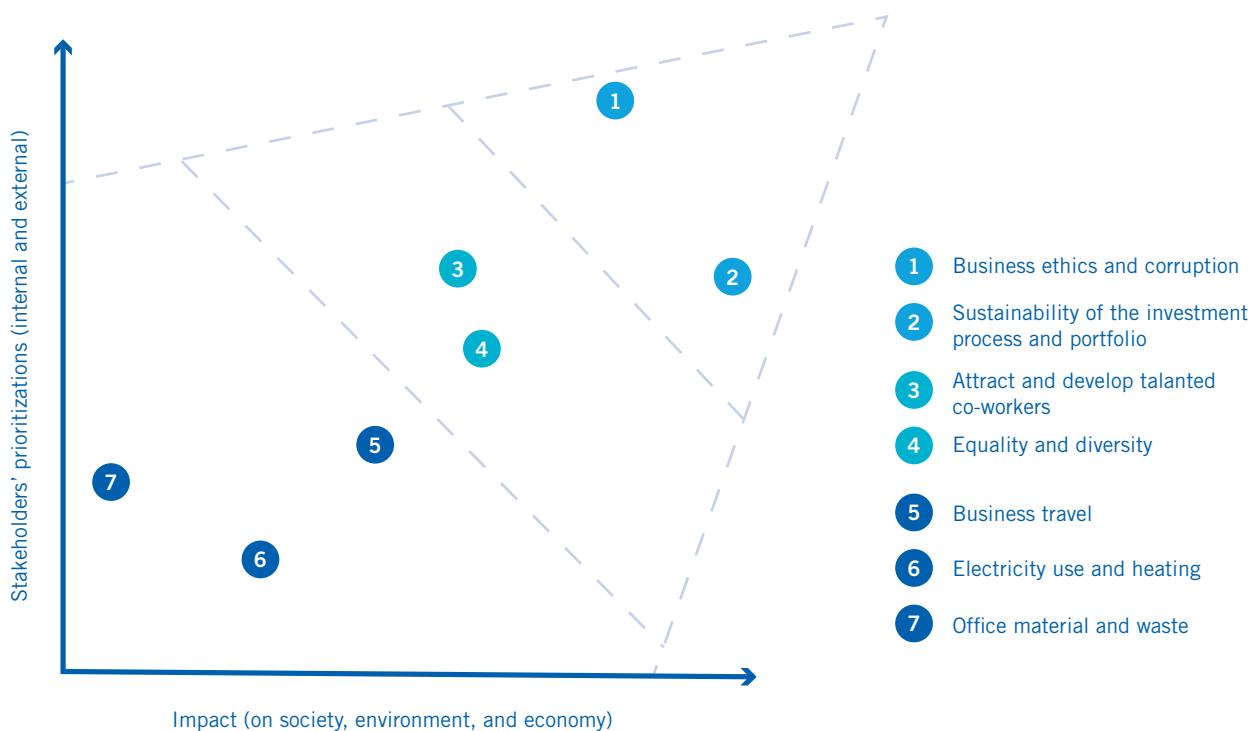
Sustainability for Bure

Materiality analysis

Previously, to ensure we were up-to-date regarding the requirements and expectations placed on us, we conducted stakeholder dialogues. Stakeholders were selected by identifying Bure's most significant stakeholder groups: boards, employees, shareholders, and portfolio companies. Prior to compiling this year's sustainability report, we supplemented our materiality analysis by reviewing Bure's impact on sustainability issues and their impact on Bure, (the dual materiality perspective), with the intention of identifying which aspects are most significant in terms of Bure's operations. By combining the results from these two analyses, we ensure that Bure adopts the right focus going forward in its sustainability work. See below the results of the updated materiality analysis.

During the year, we also began work on accelerating our sustainability efforts. We carried out a current situation analysis to understand which measures should be prioritized in the future and have begun to collect data from our holdings. In the coming years, we will develop a strategy for working with sustainability in our investment operations. This will include sustainability in the investment process and in the ownership of our holdings. The strategy will be an integral part of our efforts to develop and create value for our portfolio companies in the long term. At the same time, we will introduce competence-enhancing initiatives in the form of a sustainability training programme.

Results of materiality analysis



Bure as a long-term and responsible owner

Long-term investment

Our strategy is to be a transparent and long-term owner that creates value in our portfolio companies and builds successful structures. Working and integrating sustainability into our investment operations is a prerequisite for long-term value creation at our companies. Work on sustainability is of the utmost importance for the company as any shortcomings may result in lower returns and in the long run damage reputation and trust. This in turn can lead to lost business opportunities for Bure. At the same time, the reverse is true, i.e., sustainability in portfolio companies can create competitive advantages and, in the long run, better returns for Bure shareholders. The cornerstones of our business model are a deep commitment and a visible presence in our portfolio companies to develop and build companies over the long term.

From analysis to investing

Analysis of risks and opportunities linked to sustainability is a key part of the investment process and is crucial for Bure's continued success, especially from the perspective of minimizing risk. Potential investment targets are evaluated in relation to the ten principles of the UN Global Compact and Bure's Responsible Ownership and Investment Policy established to support this work. The policy describes, among other things, Bure's exclusionary criteria, such as companies in the tobacco industry and the development and production of weapons. The results are presented to the board, which decides whether acquisitions are to be made or not.

Diversity in portfolio companies

Share (%) 2020	Gender		Age		
	Men	Women	< 30	30–50	> 50
Executives	61%	39%	0%	49%	51%
Management	77%	23%	2%	67%	31%
Employees	77%	23%	25%	52%	23%

Gender distribution refers to five of seven of Bure's listed holdings, (which corresponds to 92% of the value of Bure's listed holdings). Age distribution excludes one of the holdings' companies age distribution for a number of employees due to unavailable data. The total age distribution excludes a subsidiary of one of the companies as data for 2020 are unavailable.

Greenhouse gas emissions from portfolio companies

Share (%) 2020	Medcap	Mentice	Mycronic	Vitrolife	Xvivo	Total tons (CO ₂ e)
Scope 1	0	0	562	515	0	1,077
Scope 2	50	2	1,437	702	4	2,194
Scope 3	104	10	109,411	1,199	112	110,836
Total	154	12	111,410	2,416	115	114,107

Scope 1 relates to emissions from company vehicles.

Scope 2 relates to emissions from energy (electricity, heating, and cooling).

Scope 3 relates to emissions upstream and downstream in the companies' value chain and includes business travel, electricity used in offices, transport of goods, production, and end-customers electrical use. Emissions from portfolio companies relate to five out of seven of Bure's listed holdings, (which corresponds to 92% of the value of Bure's listed holdings).

Create long-term value for our portfolio companies

Bure exerts influence over its portfolio companies through its corporate governance. Bure has board representation in all its portfolio companies and often holds the position of chairman of the board. Being a board representative for Bure includes actively pursuing sustainability issues and working with the ownership agenda that has been established for each company. Ownership agendas are the goals that Bure has set for each company and focuses on the most important issues facing respective companies over the next three to five years. Bure's Code of Conduct, Responsible Ownership and Investment Policy, Environmental Policy and Whistleblower Policy have been communicated to all portfolio companies. According to Bure's policies, portfolio companies' sustainability work must be included in each board's agenda and evaluated on an ongoing basis through board representation and during Bure's ongoing meetings with company management teams. Issues that are pursued in the various companies are determined by companies specific circumstances and business orientation, i.e., with a focus on each company's significant sustainability issues. Bure has greater scope to influence day-to-day decision making in its wholly owned companies.

As part of advancing our sustainability efforts, we collected data on diversity and emissions from our portfolio companies for the first time, (for emissions data, see table below). In the coming years, we will develop our sustainability efforts around a more systematic structure in which we will work together with our companies to enable them to develop and create long-term value. This will include governance, key indicators, and follow-up.

EU action plan for sustainable finances

During the year, we conducted an analysis of the current situation to examine how we respond to future EU regulations. Although Bure will be required to include taxonomy information in future sustainability reports, our operations are currently not directly covered by these new EU regulations. However, Atle Investment Services will need to respond to future requirements and incorporate this into account in its reporting.

Bure as a workplace

Business ethics and anti-corruption

Bure has zero tolerance of all forms of corruption, which includes the misuse of insider information. This is stated in our Code of Conduct, which all new employees are informed about and sign when they join the company, together with an insider policy that regulates employees' buying and selling of financial instruments. Bure employees are subject to additional restrictions over and above current legislation regarding trade in listed financial instruments which are regulated in Bure's Insider Policy and which in some cases require approval from the company's CEO. Employees are continuously trained by external lawyers on laws and regulations relating to the capital markets, including market abuse. Work in this area is continuously evaluated and any suspected corruption and unethical behaviour is taken very seriously. Every year, an evaluation is carried out, whereby policy documents and internal processes are reviewed and updated as necessary. Bure has also had an anonymous whistleblower function in place since 2017, which is provided with the help of an external law firm. In 2020, zero (0) incidents of corruption occurred.

Employees, diversity, and inclusion

Bure's current and future success is determined by the company's employees. It is therefore of the utmost importance to be able to attract people with the right skills and provide employees with opportunities to develop further. For example, employees take Executive Education programmes, training in board work, and participate in various seminars. Currently, there are no formal structures or guidelines in place regarding further training, but all employees have the opportunity to apply for relevant training courses on their own initiative. For 2021, we have planned a training programme in sustainability and sustainable investment that will include basic sustainability, future and existing legislation, management of sustainability issues in portfolio companies, including review processes, and key indicators.

Respect is one of Bure's core values and its Code of Conduct states that the Group should be a workplace that offers all individuals equal opportunities in a corporate culture free from discrimination and harassment. There is an awareness of the risk that an overly homogeneous workforce can lead to one-sided perspectives on opportunities and risks. Therefore, Bure has an ambition to bring more women into the business. Today, the Bure board and organization consists of women and men, with men in the majority. The proportion of women on the boards of portfolio companies was 28 per cent in 2020, compared with 30 per cent the previous year. Our employees are not bound by any collective agreement. However, we encourage dialogue about employment conditions and all employees have annual performance reviews, which among other things focus on employee development and remuneration.

Employees

Employment contract	Men	Women	Total
Permanent	5	2	7
Of which full-time	5	2	7
Of which part-time	–	–	–
Temporary contracts*	1	–	1

*Temporary contracts relate to a consultant who work full-time for Bure.

Proportion of employees who had a performance review

Employee categories	Proportion
Executives	100%
Employees	100%

Diversity by board and employee category

Share 2020 Employee category	Gender		Age		
	Men	Women	< 30	30–50	> 50
Board	66%	33%	–	–	100%
Management	100%	–	–	–	100%
Employees	60%	40%	–	80%	20%

Our environmental impact

Bure's environmental impact consists primarily of the indirect impacts of our holdings. Details of how we work with our investment operations can be found on page 22. Given that we are a small organization of seven employees, our direct environmental impact relates primarily to business travel and energy consumption at our office in Stockholm. A small part relates to the purchase of electronics and materials for offices and the waste that arises as a result of our office operations. We have an environmental policy that provides guidance on environmental issues and includes areas that we expect our portfolio companies to respect. We strive to include the precautionary principle in all decision making that may have a negative environmental impact. Covid-19 has meant that we increasingly meet digitally instead of, for example, flying to a physical meeting. This reduced our climate footprint in 2020. Understanding, measuring, and following up our environmental impact is a way for us to align with Global Compact principle 8, which relates to initiatives that drive greater environmental awareness. For this reason, we have initiated the collection of data on energy use and climate impact in the form of greenhouse gas emissions, which is also necessary to understand the financial risks that are related to climate change. In the years ahead, we will develop these efforts by creating a more comprehensive structure in this regard.

Greenhouse gas emissions

Bure Equity	Tons CO2e	Portfolio companies	Tons CO2e
Scope 1	0	Scope 1	1,077
Scope 2	1	Scope 2	2,194
Scope 3 (incl. portfolio)	3,279	Scope 3	110,836
Total	3,280	Total	114,107

Scope 1 relates to emissions from company cars.

Scope 2 relates to emissions from energy (electricity, heating, and cooling); for Bure relates only to electricity.

Scope 3 for Bure, emissions relate business travel and investments that include portfolio companies' scope 1 and 2.

Emissions from portfolio companies relate to five out of seven of Bure's listed holdings, (which corresponds to 92% of the value of Bure's listed holdings).

Electricity consumption

Bure's electricity consumption in 2020 amounted to 20,087kWh, of which 100% was from renewable sources.

Energy use

Electricity	kWh
Electricity	20,087

Relates to electricity use at Bure's office, of which 100% was from renewable sources.

About this report

This is Bure AB's fourth sustainability report that includes Bure and our listed holdings. The report has been compiled in accordance with GRI Standards: Core level. Information contained in this report relates to 1 January 2020 to 31 December 2020, as we report annually. The previous year's report was published on 2 April 2020. Information contained in this report has not been audited by an external third party.

Calculations of greenhouse gas emissions are based on the GHG protocol with emission factors from Defra (2019) and AIB (2019). Environmental data regarding Bure are compiled using information provided by our suppliers and environmental data from portfolio companies is collected and calculated by the companies themselves. Data was collected for three companies based on kWh and litres/km, which were then calculated using the same method as for Bure's data. Employee information is compiled by Bure and its holdings and is reported as Full Time Employees (FTE). For GRI 302 energy and 305-2, we have presented information on heating and cooling, for which we will create a complete system for reporting in the coming years.

For further information about this sustainability report and its contents, please contact Max Jonson, Bure Equity AB CFO: max.jonson@bure.se



This is a literal translation of the Swedish original report

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in Bure Equity AB (publ), corporate identity number 556454-8781

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2020 on pages 18–24 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

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 substantially different and 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.

Opinion

A statutory sustainability report has been prepared.

Stockholm, 30 March 2021
Öhrlings PricewaterhouseCoopers AB

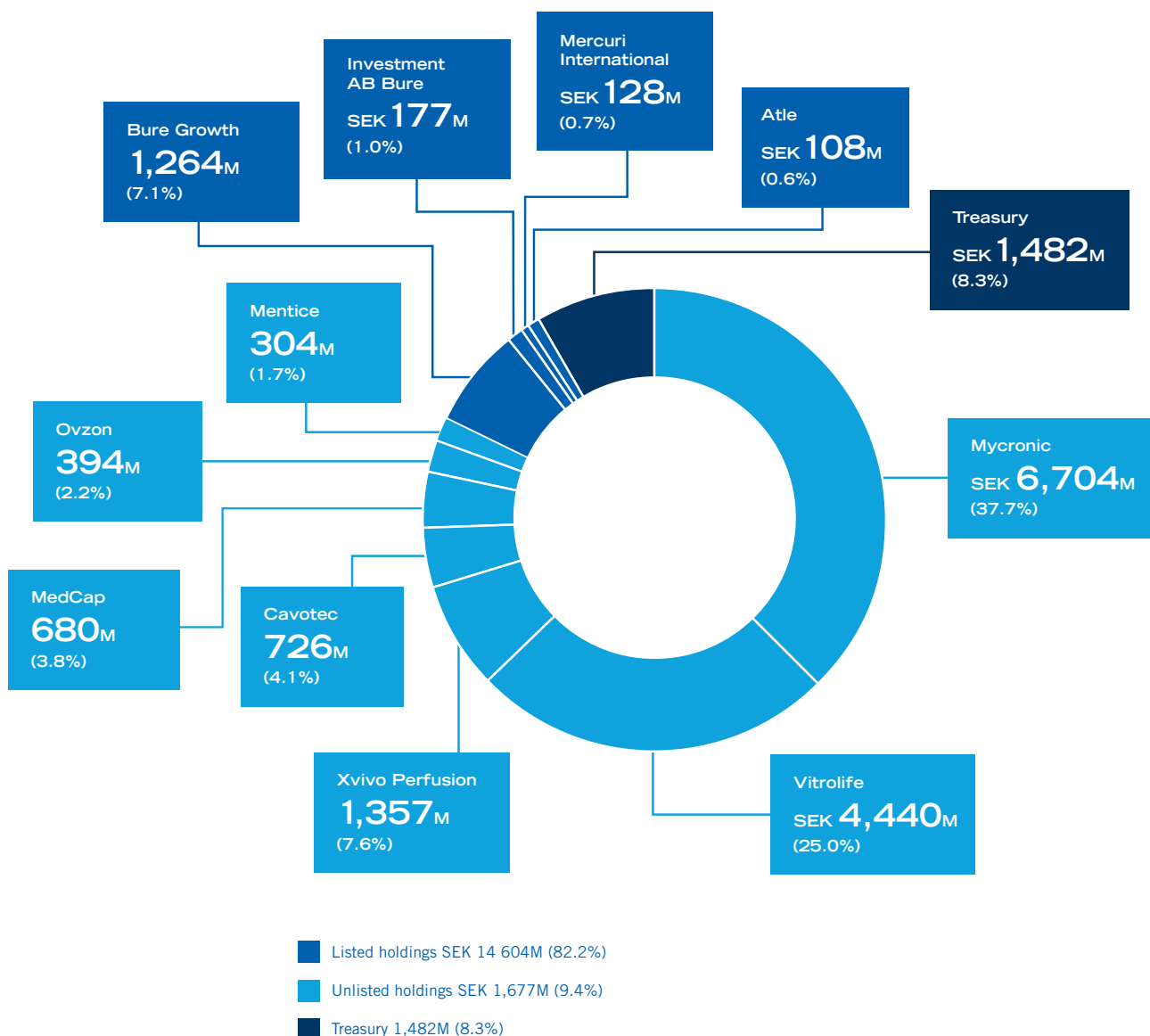
Magnus Svensson Henryson
Authorised Public Accountant

Net Asset Value changes in 2020

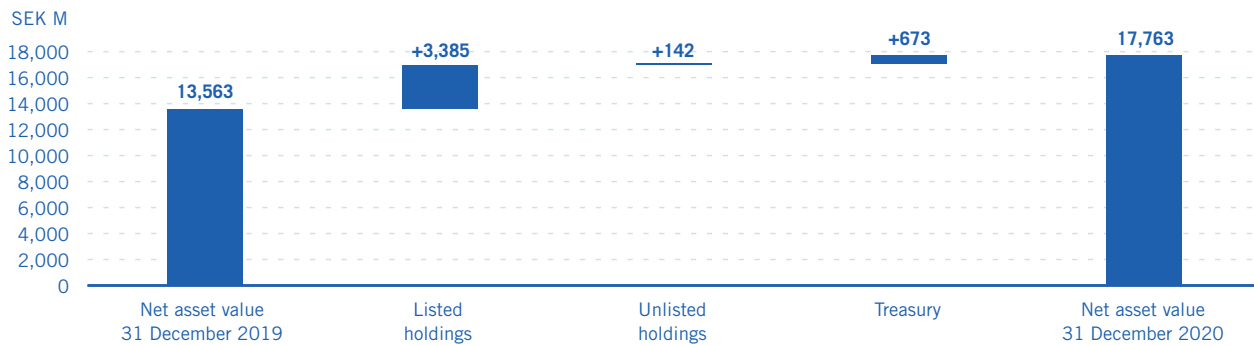
Net asset value increased by SEK 4,201M to SEK 17,763M at the end of 2020.

Net asset value per share increased 21.8 per cent compared to the SIX RX Index, which increased 14.8 per cent.

Bure's portfolio contains primarily listed holdings and unlisted holdings.
In addition, Bure manages investable funds that are referred to as Treasury.



NET ASSET VALUE CHANGES



Listed portfolio companies

Listed portfolio companies accounted for 82.2 per cent of net asset value compared to 82.7 per cent at the end of 2019. The value of listed portfolio companies increased by SEK 3,385M to SEK 14,604M. Of this amount, value changes due to changes in share prices amounted to SEK 3,148M, exit gains for SEK 4M, acquisitions for SEK 238M and divestments for SEK 5M.

Value changes

Value changes due to share prices during the period amounted to SEK 3,148M.

Value change and changes in share price

Mycronic	SEK 1,647M	32.6%
Xvivo Perfusion	SEK 610M	84.7%
Vitrolife	SEK 376M	9.3%
MedCap	SEK 263M	65.5%
Cavotec	SEK 113M	14.5%
Mentice	SEK 73M	13.6%
Ovzon	SEK 65M	16.0%
Total	SEK 3,148M	

Bure's comparative index, SIX RX, registered an increase of 14.8 per cent.

Acquisitions

Bure acquired 8.5 million shares in Cavotec for SEK 136.7M and increased its holding to 36.2 per cent. Bure acquired 1.2 million shares in Mentice for SEK 51.7M and increased its holding to 14.7 per cent. Bure subscribed for a holding amounting to SEK 17.5M in Ovzon's rights issue. Bure acquired 137,000 shares for SEK 32.3M in Xvivo Perfusion's directed share issue.

Divestments

Bure divested 50,000 shares in MedCap for SEK 2.5M in conjunction with the exercise of share options, generating an exit gain of SEK 1.5M. Bure divested 20,000 shares in Xvivo Perfusion to Dag Andersson, Xvivo Perfusion CEO, for SEK 2.9M, generating an exit gain of SEK 2.5M.

Dividends received

Bure received dividends from Mycronic amounting to SEK 55M.

Unlisted portfolio companies

Unlisted portfolio companies accounted for 9.4 per cent net asset value compared to 11.3 per cent at the end of 2019. The value of unlisted portfolio companies increased SEK 142M to SEK 1,677M.

Revaluations

Atle Investment Managements net asset value increased SEK 4M following revaluations of Alcur Fonder and Teknik Innovation Norden Fonder and devaluations of Atle Investment Services and Fondita.

Bure Growth's net asset value increased SEK 56M following revaluations of the holding in BioLamina based on completed transactions.

Acquisitions

Bure Growth acquired shares in BioLamina's rights issue for SEK 13.2M, acquired shares for SEK 53.2M and increased its holding to 44.8 per cent. Bure Growth acquired 25,000 shares in Yubico for SEK 9.0M. Atle Investment Management made conditional shareowner contributions of SEK 19.7M to Atle Investment Services.

Dividends received

Atle Investment Management received share dividends of SEK 8M from Fondita and SEK 13M in dividends from Alcur Fonder.

Treasury

The value of assets in Treasury increased SEK 673M to SEK 1,482M primarily due to Bure's rights issue that raised SEK 985M after transaction costs. During the period, Bure divested financial assets for SEK 5M and acquired financial assets for SEK 315M. The parent company received dividends from Mycronic and associated companies amounting to SEK 76M. Bure's dividend to shareholders totalled SEK 69M. Other changes amounting to SEK -9M were due to value changes in short-term investments and administrative costs.

Assets in Treasury amounted to 8.3 per cent of net asset value compared to 6.0 per cent at the end of 2019.

Bure's net asset value

Net asset value increased SEK 4,201M to SEK 17,763M in 2020.

Net asset value per share amounted to SEK 239.6 (196.6) at the end of the year, corresponding to an increase of 21.8 per cent.

In addition, shareholders received an ordinary dividend of SEK 1.00 per share.

		2019-12-31				2020-12-31			
SEK M		% of capital	Net asset value	Value change, (+/-) ¹⁾	Investment	Disposal	Net asset value	% of net asset value	Net asset value per share, SEK
LISTED	Cavotec ³⁾	36.2%	476	113	137	–	726	4.1%	9.8
	MedCap ⁴⁾	20.0%	418	265	–	-2	680	3.8%	9.2
	Mentice ⁵⁾	14.7%	180	73	52	–	304	1.7%	4.1
	Mycronic	27.9%	5,056	1,647	–	–	6,704	37.7%	90.4
	Ovzon ⁶⁾	11.3%	311	65	17	–	394	2.2%	5.3
	Vitrolife	19.0%	4,063	376	–	–	4,440	25.0%	59.9
	Xvivo Perfusion ⁷⁾	15.1%	715	613	32	-3	1,357	7.6%	18.3
	Total listed holdings		11,219	3,152	238	-5	14,604	82.2%	197.0
UNLISTED	Atle Investment Management	93.0%	86	3	19	0	108	0.6%	1.5
	Bure Growth ⁸⁾	100.0%	1,132	56	75	0	1,264	7.1%	17.0
	Investment AB Bure ⁹⁾	100.0%	189	–12	–	–	177	1.0%	2.4
	Mercuri International ¹⁰⁾	90.4%	128	–	–	–	128	0.7%	1.7
	Total unlisted holdings		1,535	48	95	0	1,677	9.4%	22.6
Total holdings		12,754	3,200	333	-5	16,282	91.7%	219.6	
TREASURY	Cash and cash equivalents and short-term/financial investments ¹¹⁾		809		673		1,482	8.3%	20.0
	Total treasury		809		673		1,482	8.3%	20.0
	Total net asses		13,563	3,200	1,006	-5	17,763	100.0%	239.6

1) Change in value including exit gains/losses.

2) Bures number of shares at 31 December 2020: Cavotec 34,071,619, MedCap 2,956,017, Mentice 3,644,059, Mycronic 27,317,163, Ovzon 5,236,034, Vitrolife 20,573,285 and Xvivo Perfusion 4,322,504.

3) Bure acquired 8.5 million shares for SEK 136.7M.

4) Bure divested 50,000 shares for SEK 2.5M in conjunction with the exercise of share options, generating an exit gain of SEK 1.5M.

5) Bure acquired 1.2 million shares in Mentice for SEK 51.7M.

6) Bure subscribed for a holding amounting to SEK 17.5M in Ovzon's rights issue.

7) Bure divested 20,000 shares in Xvivo Perfusion to Dag Andersson, Xvivo Perfusion CEO, for SEK 2.9M, generating an exit gain of SEK 2.5M.

Bure acquired 137,000 shares for SEK 32.3M in Xvivo Perfusion's directed share issue.

8) Bure Growth acquired shares in BioLamina's rights issue for SEK 13.2M, acquired shares for SEK 53.2M and revalued the holding based on the most recent transaction. Bure acquired 25,000 shares in Yubico for SEK 9.0M.

9) Relates to net assets.

10) Relates to book value on equity and interest-bearing receivables.

11) Cash and cash equivalents, units in mutual funds, short-term investments in listed assets, other unlisted companies, interest-bearing receivables, and other net assets.

Ovzon offers technology and terminals that revolutionizes global access and coverage to mobile broadband via satellite. Read more about Ovzon at www.ovzon.com





Share of Bure's
net asset value **4.1%**

www.cavotec.com

Cavotec is a leading engineering group that designs and manufactures automated connection and electrification systems for ports, airports, and industrial applications.

Key figures EUR m	2020	2019	2018
Net sales	158	196	197
Operating expenses	-155	-184	-211
EBIT	3.5	12.3	-13.9
EBIT margin	2.2%	6.3%	-7.1%
Net financial items	-6.7	-1.6	-1.4
Profit/loss before tax	-3.2	10.7	-15.3
Income tax expense	-0.8	-3.2	-3.1
Profit/loss for the period	-4.0	7.5	-18.5
Net loan debt (-)/receivable (+)	-14	-4	-32
Total assets	201	211	230
Equity	106	108	100
Cash flow from operating activities	16	14	1
Average no. of employees	747	769	896

Facts at 31 December 2020

Facts at 31 December 2020	Largest shareholders
NAV: SEK 726M	Bure Equity 36.2%
Acquisition date: 2014	Fjärde AP-fonden 9.8%
Board member from Bure: Patrik Tigerschiöld, chairman	Lannebo Fonder 8.7%
	Others 45.3%

The year in brief

- Net sales decreased to EUR 158M (196) due to closures caused by Covid-19, postponed purchasing decisions by customers and delays to ongoing projects.
- Operating profit amounted to EUR 3.5m (12.3). Previous measures and cost controls taken by Cavotec mitigated the most severe effects and the company remained profitable despite lower levels of revenue.
- Bure acquired 8.5 million shares in Cavotec for SEK 136.7M, increasing its holding to 36.2 per cent.
- The share price increased 14.5 per cent in 2020.

Cavotec share price performance, 5 years



MEDCAP

www.medcap.se

MedCap owns and develops companies with significant expansion potential in the Life Science sector.

Key figures SEK M	2020	2019	2018
Net sales	817	757	709
Operating expenses	-728	-673	-665
EBIT	89.1	84.6	44.4
EBIT margin	10.9%	11.2%	6.3%
Net financial items	-7.6	-11.4	-4.2
Profit/loss before tax	81.5	73.2	40.2
Income tax expense	-17.0	-14.1	-13.8
Profit/loss for the period continuing operations	64.5	59.1	26.4
Profit/loss for the period discontinued operations	-1.7	-1.5	-23.8
Profit/loss for the period	62.8	57.6	2.7
Net loan debt (-)/receivable (+)	-117	-305	-145
Total assets	1,081	849	669
Equity	602	334	274
Cash flow from operating activities	122	115	90
Average no. of employees	353	278	270

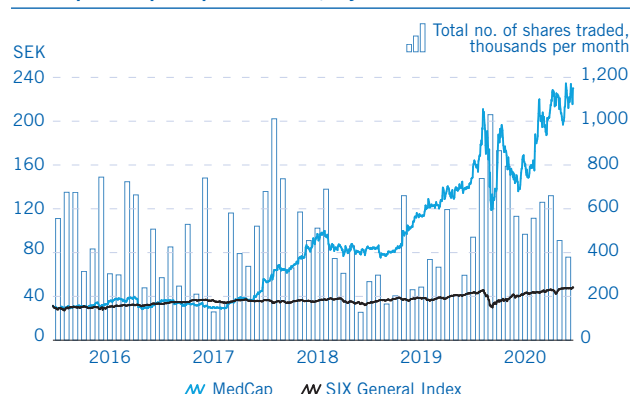
Facts at 31 December 2020

Facts at 31 December 2020	Largest shareholders
NAV: SEK 680M	Bengt Julander 20.0%
Acquisition date: 2012	Bure Equity 20.0%
Board member from Bure: Henrik Blomquist, board member	SEB Fonder 4.9%
	Others 55.1%

The year in brief

- Net sales for 2020 increased 8 per cent to SEK 817M (757). The acquisitions of Somna, Amedtec, and Multi-ply contributed positively, while Abilia's operations in Norway were impacted negatively by Covid-19.
- Operating profit increased to SEK 89.1M (84.6), corresponding to a margin of 10.9 per cent (11.2).
- The share price increased 65.5 per cent in 2020.
- In January 2021, 1.5 million shares in MedCap were divested for SEK 312.6M, which generated an exit gain of SEK 282.9M.

MedCap share price performance, 5 years





Share of Bure's
net asset value **1.7%**

www.mentice.com

Mentice develops and sells turn-key simulation solutions targeting the fast-growing market for endovascular procedures.

Key figures SEK M	2020	2019	2018
Net sales	138	149	166
Operating expenses	-156	-174	-150
EBIT	-18.2	-24.5	16.1
EBIT margin	-13.2%	-16.4%	9.7%
Net financial items	-0.4	-1.8	-2.3
Profit/loss before tax	-18.6	-26.2	13.8
Income tax expense	5.5	5.6	6.3
Profit/loss for the period	-13.1	-20.6	20.1
Net loan debt (-)/receivable (+)	37	33	18
Total assets	245	187	131
Equity	163	126	67
Cash flow from operating activities	31	-38	16
Average no. of employees	n/a	88	69

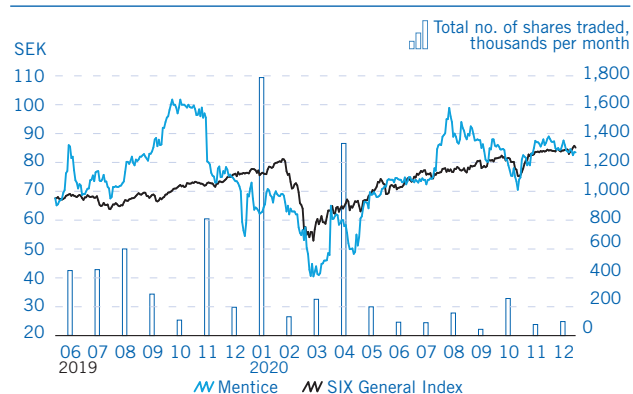
Facts at 31 December 2020

Facts at 31 December 2020	Largest shareholders
NAV: SEK 304M	Karin Howell-Bidemann 36.0%
Acquisition date: 2019	Bure Equity 14.7%
Board member from Bure: Gösta Johannesson, board member	Medical Simulation Corp. 7.1%
	Others 42.2%

The year in brief

- Order book increased 21 per cent to SEK 169M (139). Net sales decreased 10 per cent. In 2020, the healthcare sector was severely affected by Covid-19 which complicated sales to hospitals.
- Mentice acquired assets from Vascular Simulations and EQIP in the USA, launched the fourth generation of Mentice's module for transseptal puncture and entered into important co-operation agreements with medtech companies.
- Bure acquired 1.2 million shares in Mentice for SEK 51.7M increasing its holding to 14.7 per cent.
- The share price increased 13.6 per cent in 2020.

Mentice share price performance, since June 2019



Share of Bure's
net asset value **37.7%**

www.myconic.com

Myconic creates world-leading production equipment for electronics and display manufacturing.

Key figures SEK M	2020	2019	2018
Net sales	3,882	4,307	3,781
Operating expenses	-2,984	-3,183	-2,761
EBIT	898	1,124	1,020
EBIT margin	23.1%	26.1%	27.0%
Net financial items	-8	-2	-9
Profit/loss before tax	890	1,122	1,011
Income tax expense	-187	-263	-219
Profit/loss for the period	703	859	793
Net loan debt (-)/receivable (+)	1,039	337	827
Total assets	5,319	4,800	4,199
Equity	3,378	2,978	2,379
Cash flow from operating activities	1,126	545	702
Average no. of employees	1,506	1,349	1,175

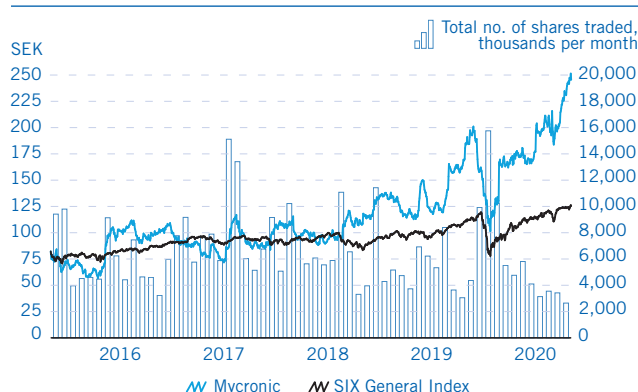
Facts at 31 December 2020

Facts at 31 December 2020	Largest shareholders
NAV: SEK 6,704M	Bure Equity 27.9%
Acquisition date: 2010 via Skanditek	SEB Fonder 10.4%
Board member from Bure: Patrik Tigerschiöld, chairman	Fjärde AP-fonden 9.2%
	Others 52.5%

The year in brief

- Orders in 2020 amounted to SEK 3,687M (4,567). The combined order book at the end of the year was SEK 1,969M (2,164).
- Net sales in 2020 was SEK 3,882M (4,307), corresponding to a decrease of 10 per cent.
- Operating profit amounted to SEK 898M (1,124), which corresponds to an operating margin of 23.1 per cent (26.1).
- The share price increased 32.6 per cent in 2020.

Myconic share price performance, 5 years



Ovzon

Share of Bure's
net asset value **2.2%**

www.ovzon.com

Ovzon offers a revolutionary mobile broadband service via satellite that combines high data speeds with high degrees of mobility.

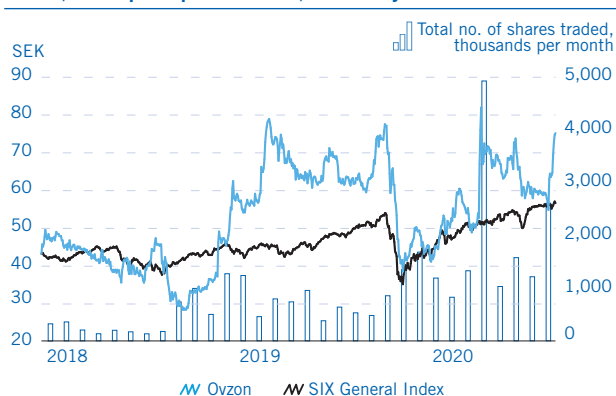
Key figures SEK M	2020	2019	2018
Net sales	160	232	208
Operating expenses	-209	-220	-225
EBIT	-48.3	11.4	-17.5
EBIT margin	-30.1%	4.9%	-8.4%
Net financial items	-58.7	27.4	-7.1
Profit/loss before tax	-107.0	38.8	-24.6
Income tax expense	2.9	-9.6	-1.0
Profit/loss for the period	-104.0	29.2	-25.6
Net loan debt (-)/receivable (+)	180	250	40
Total assets	1,329	892	131
Equity	1,293	796	73
Cash flow from operating activities	-155	10	-60
Average no. of employees	31	25	19

Facts at 31 December 2020	Largest shareholders
NAV: SEK 394M	Investment AB Öresund 11.8%
Acquisition date: 2018	Bure Equity 11.3%
Board member from Bure: Patrik Tigerschiöld, board member	AFA Försäkring 9.3%
	Others 67.6%

The year in brief

- Net sales in 2020 decreased by 30 per cent to SEK 160M (232) primarily due to reduced deliveries to the US Defense Department between March and December 2020. Covid-19 affected operations primarily through delayed commercial activities, and employees working from home to a greater extent.
- Operating profit amounted to SEK -48.3M (11.4).
- Bure subscribed for its pro rata share in Ovzon's rights issue amounting to SEK 17.5M.
- The share price increased 16.0 per cent in 2020.

Ovzon, share price performance, since May 2018



Vitrolife

Share of Bure's
net asset value **25.0%**

www.vitrolife.com

Vitrolife is an international medtech group that develops, produces, and markets fertility treatment products.

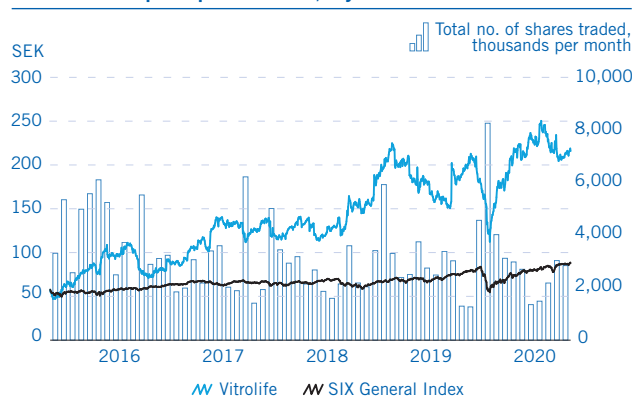
Key figures SEK M	2020	2019	2018
Net sales	1,246	1,480	1,151
Operating expenses	-876	-992	-757
EBIT	370.0	487.9	393.9
EBIT margin	29.7%	33.0%	34.2%
Net financial items	-3.8	4.7	4.7
Profit/loss before tax	366.2	492.7	398.6
Income tax expense	-78.3	-108.9	-87.9
Profit/loss for the period	287.9	383.8	310.7
Net loan debt (-)/receivable (+)	911	660	491
Total assets	2,305	2,139	1,697
Equity	2,017	1,798	1,496
Cash flow from operating activities	356	413	349
Average no. of employees	405	398	363

Facts at 31 December 2020	Largest shareholders
NAV: SEK 4,440M	William Demant Invest A/S 26.4%
Acquisition date: 2010 via Skanditek	Bure Equity 19.0%
Board member from Bure: Henrik Blomquist, board member	Morgan Stanley 4.8%
	Investment Management
	Others 49.8%

The year in brief

- Net sales in 2020 decreased by 16 per cent to SEK 1,246M (1,480) due to Covid-19. In the second half of the year, the recovery in demand continued although the pace of recovery varied between divisions and market regions.
- Operating profit amounted to SEK 370.0M (487.9), corresponding to an operating margin of 29.7 per cent (33.0). Operating profit before depreciation (EBITDA) amounted to SEK 454M (587), corresponding to a margin of 36 per cent (40).
- The share price increased 9.3 per cent in 2020.

Vitrolife share price performance, 5 years





Share of Bure's
net asset value **7.6%**

www.xvivoperfusion.com

Xvivo Perfusion is an international medtech company focused on developing optimised solutions for organs, tissue, and cells in conjunction with transplants.

Key figures

SEK M	2020	2019	2018
Net sales	180	221	188
Operating expenses	-226	-217	-174
EBIT	-45.7	3.9	14.0
EBIT margin	-25.4%	1.8%	7.5%
Net financial items	-11.6	1.4	3.5
Profit/loss before tax	-57.3	5.3	17.5
Income tax expense	13.5	-0.4	-4.8
Profit/loss for the period	-43.7	4.9	12.7
Net loan debt (-)/receivable (+)	347	154	187
Total assets	1,150	634	587
Equity	1,008	578	540
Cash flow from operating activities	-12	30	24
Average no. of employees	77	53	37

Facts at 31 December 2020

NAV: SEK 1,357M
Acquisition date: Spin-off
from Vitrolife in 2012
Board member from Bure:
Gösta Johannesson, chairman

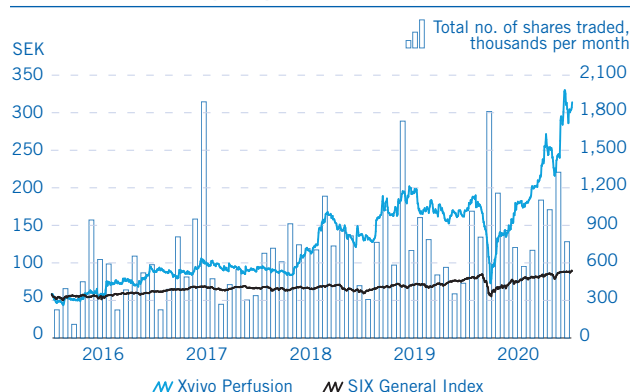
Largest shareholders

Bure Equity 15.1%
Robur Fonder 10.4%
Fjärde AP-fonden 6.5%
Others 68.0%

The year in brief

- Net sales in 2020 amounted to SEK 180M (221), which is a reduction of 19 per cent. Operating profit was SEK -45.7M (3.9), corresponding to a margin of -25.4 per cent (1.8).
- Xvivo acquired Organ Assist B.V. for EUR 24M including any additional purchase costs. Organ Assist focuses primarily on developing machines and consumables for liver and kidney perfusion.
- Xvivo conducted a directed share issue that raised SEK 500M after issuance costs. Bure acquired 137,000 shares in the issue for SEK 32.3M.
- The share price increased 84.7 per cent in 2020.

Xvivo Perfusion share price performance, 5 years



Atle

Share of Bure's
net asset value **0.6%**

BURE
GROWTH

Share of Bure's
net asset value **7.1%**

www.atle.se

Atle Investment Management invests in financial operations and assets. The company owns 30.9 per cent of Alcur Fonder AB, 100 per cent of Atle Investment Services, 20.1 per cent of Fondbolaget Fondita and 37.4 per cent of Teknik Innovation Norden Fonder (TIN Fonder).

Key figures – Atle Investment Management Group

SEK M	2020	2019	2018
Revenue/value adjustments	102.5	33.6	14.3
Operating expenses	-14.6	-15.1	-4.7
EBIT	87.9	18.5	9.7
EBIT margin	85.7%	55.0%	67.6%
Net financial items	-0.4	0.0	0.0
Profit/loss before tax	87.5	18.5	9.7
Income tax expense	0.0	0.0	-0.1
Profit/loss for the period	87.5	18.5	9.6
Net loan debt (-)/receivable (+) ¹⁾	2	8	133
Total assets	180	88	201
Equity	155	87	199
Cash flow from operating activities	10	8	12
Average no. of employees	5	4	4

1) Of which, SEK 23.8M is liable to the Parent Company as at 31 December 2020.

Facts at 31 December 2020

	Largest shareholders
NAV: SEK 108M	Bure Equity 93.0%
Acquisition date: Established 2014	Gustav Ohlsson 7.0%
Board member from Bure: Patrik Tigerschiöld, chairman Henrik Blomquist, board member Max Jonson, board member	

The year in brief

- Revenues/value changes of SEK 102.5M relate to participations in Alcur Fonder, Fondbolaget Fondita, and TIN Fonder, and revenues in the Atle Investment Services subsidiary. The increase in revenues is due to an increase in the amount of assets under management and performance fees.
- Assets under management in Alcur Fonder, Atle Investment Services, TIN Fonder, and Fondita increased by SEK 21 billion to SEK 33 billion.
- Atle received dividends from Alcur and Fondita of SEK 21.1M in 2020.
- Atle completed the acquisition of Humle Fonder and took on the responsibility for management of Humle Småbolagsfond and Humle Sverigefond on 11 January 2021. Assets under management amounted to SEK 2.4 billion.

www.bure.se

Bure Growth is a wholly owned company that invests in development companies. The company owns 44.8 per cent in BioLamina, 23.7 per cent in Life Genomics, 25.1 per cent in My Driving Academy Sweden, 27.8 per cent in ScandiNova Systems and 17.8 per cent in Yubico.

Key figures – Bure Growth Group

SEK M	2020	2019	2018
Revenue/value adjustments	-10.8	486.2	235.4
Operating expenses	0.0	0.0	0.0
EBIT	-10.8	486.2	235.4
EBIT margin	n/m	100.0%	100.0%
Net financial items	0.0	0.1	0.0
Profit/loss before tax	-10.8	486.3	235.4
Income tax expense	0.0	0.0	0.0
Profit/loss for the period	-10.8	486.3	235.4
Net loan debt (-)/receivable (+) ¹⁾	-429	-353	-218
Total assets	1,181	1,127	482
Equity	733	755	264
Cash flow from operating activities	0	0	0
Average no. of employees	0	0	0

1) Of which, SEK 429.1M is liable to the Parent Company as at 31 December 2020.

Facts at 31 December 2020

	Largest shareholders
NAV: SEK 1,264M	Bure Equity 100.0%
Acquisition date: Established 2015	
Board member from Bure: Henrik Blomquist, chairman Max Jonson, board member Sophie Hagströmer, board member	

The year in brief

- Revenues/value changes of SEK -10.8M relate to participations in BioLamina, Life Genomics, My Driving Academy, and ScandiNova Systems.
- In 2020, Bure Growth acquired shares in BioLamina for SEK 66.4M, increasing its holding to 44.8 per cent.
- Bure Growth acquired 25 000 shares in Yubico for SEK 9.0M.
- In March 2021, the holding in Life Genomics was divested for SEK 10.7M, which generated an exit gain of SEK 3.7M.

**INVESTMENT AB
BURE**

Share of Bure's
net asset value **1.0%**
www.bure.se

Investment AB Bure is a wholly owned subsidiary that owns and manages the lease of locomotives. The business was established in January 2012.

Key figures

SEK M	2020	2019	2018
Net sales	23.8	22.2	16.2
Operating expenses	-31.1	-11.4	-17.5
EBIT	-7.3	10.8	-1.3
EBIT margin	-30.7%	48.8%	-8.1%
Net financial items	-3.6	-3.4	-2.9
Profit/loss before tax	-10.9	7.4	-4.2
Income tax expense	0.0	0.0	0.0
Profit/loss for the period	-10.9	7.4	-4.2
Net loan debt (-)/receivable (+) ¹⁾	-86	-87	-103
Total assets	188	195	183
Equity	60	71	63
Cash flow from operating activities	5	21	1
Average no. of employees	1	0	0

1) Of which, SEK 113.5M is liable to the Parent Company as at 31 December 2020.

Facts at 31 December 2020
Largest shareholders

NAV: SEK 177M¹⁾ Bure Equity 100.0%
 Acquisition date: Established 2012
 Board member from Bure:
 Henrik Blomquist, chairman
 Philip Nyblaeus, board member

1) Refers to net assets in Investment AB Bure.

The year in brief

- Net sales amounted to SEK 23.8M (22.2).
- Operating profit before depreciation was SEK -0.4M (17.7).
- Operating profit was SEK -7.3M (10.8).


Share of Bure's
net asset value **0.7%**
www.mercuri.se

Mercuri International is Europe's leading sales and management training consultancy and is present worldwide.

Key figures

SEK M	2020	2019	2018
Net sales	241	347	402
Operating expenses	-271	-337	-376
EBITA	-29.7	9.9	26.5
EBITA margin	-12.3%	2.9%	6.6%
Depreciation of intangible fixed assets	-15.4	-	-
EBIT	-45.1	9.9	26.5
EBIT margin	-18.7%	2.9%	6.6%
Net financial items	-5.9	-2.5	-1.4
Profit/loss before tax	-51.0	7.4	25.1
Income tax expense	-1.0	-5.1	-4.1
Profit/loss for the period	-52.0	2.3	21.0
Net loan debt (-)/receivable (+) ¹⁾	-103	-80	-2
Total assets	305	354	315
Equity	100	163	156
Cash flow from operating activities	-5	-13	20
Average no. of employees	216	216	225

1) Of which, SEK 29.8M is liable to the Parent Company as at 31 December 2020.

Facts at 31 December 2020
Largest shareholders

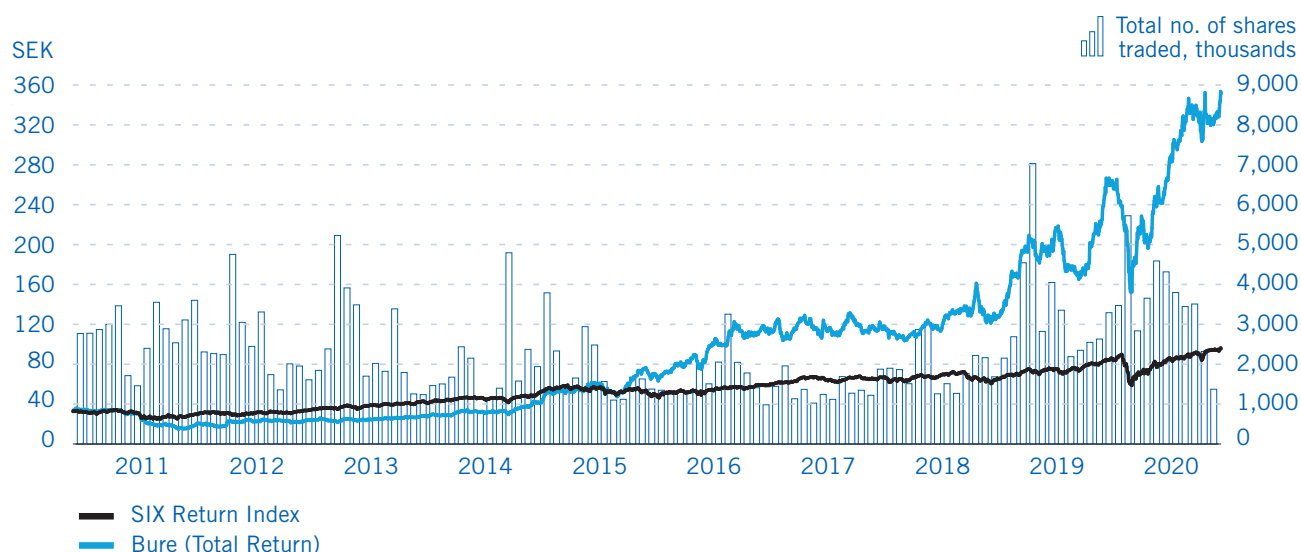
NAV: SEK 128M¹⁾ Bure Equity 90.4%
 Acquisition date: 1998 Others 9.6%
 Board member from Bure:
 Henrik Blomquist, chairman

1) Relates to book value of equity and interest-bearing receivables.

The year in brief

- Net sales decreased by 30 per cent to SEK 241M (347) in 2020 due to the pandemic. During the year, the company underwent major changes and more than 90 per cent of deliveries have been virtual or digital since the outbreak of the pandemic.
- EBITA was SEK -29.7M (9.9) and EBITA margin was -12.3 per cent (2.9). During the year, a goodwill write-down of SEK 15M was made related to the Finnish operations.
- Cash flow in 2020 was SEK -5M.

The Bure share



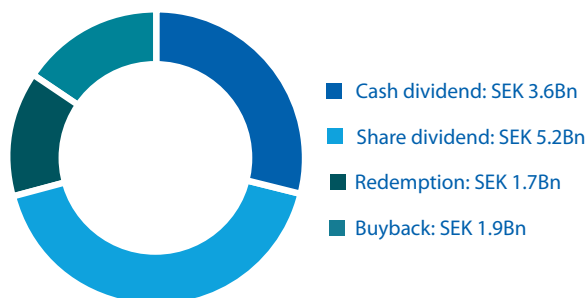
One of Bure's foremost goals is to generate a high and sustainable total return for Bure's shareholders.

Total return is a measure of how the stock market values Bure's share and net asset value, as well as distributions of assets to Bure's shareholders. These distributions can take the form of cash dividends and shares in companies or the redemption and buyback of shares.

Total return at 31 December 2020

	Bure Equity	SIX RX
1 year	39.2%	14.8%
3 years	210.5%	48.2%
5 years	364.5%	77.8%
10 years	976.8%	193.1%

Total distribution to Bure's shareholders 1993–2020: SEK 12.5Bn



Total return

Bure defines total return including distribution of companies as Bure's share price performance, cash dividends, and the market value of companies that have been distributed. The method is based on the reinvestment of dividends in Bure shares.

Growth in net asset value

Net asset value is the sum of Bure's net assets and can be described as the result of the long-term development of the holdings. Net asset value includes listed and unlisted assets that are measured at fair market value.

Shareholder-friendly measures

Bure uses several shareholder-friendly measures that enable shareholders to benefit from the value of Bure's assets over and above the stock market's valuation of the Bure share.

Cash dividends, for example, involve the distribution of cash, while company distributions involve the distribution of shares in specific companies to shareholders. Since 1993, Bure has distributed SEK 3.6Bn in cash as well as shares in Capio, Observer (later Cision), and AcadeMedia to the value of SEK 5.2Bn on the distribution date – a total of SEK 8.8Bn.

Other types of distribution include share redemptions and share buybacks. In simple terms, this increases the value of remaining shares. Over the years, Bure has conducted redemptions and buybacks of share and warrants for SEK 3.6Bn.

Since its inception, Bure has paid out a total of SEK 12.5Bn to its shareholders. This compares to Bure's stock market value on 31 December 2020 of SEK 21.8Bn.

The Bure share is listed on the Nasdaq Stockholm in the Large Cap segment.

Share capital

Bure's share capital at 31 December 2020 amounted to SEK 575.7M, divided between 74,146,921 ordinary shares. Each share has a quota value of SEK 7.76. All shares grant equal voting rights to the company's assets and profits.

Shareholders

The number of Bure shareholders at 31 December 2020 was 49,761 (34,830), according to Euroclear Sweden. Of Bure's shareholders, 89.0 per cent (84.6) held fewer than 500 shares each. Foreign investors accounted for 23.1 per cent (29.8) of all shareholders. At year-end, the ten largest shareholders held 56.8 per cent (57.0) of share capital and votes in Bure.

Share price development

During 2020, the share price increased 38.5 per cent. Bure's share price at the end of the year was SEK 293.6 (212.0). At its highest, the Bure share reached SEK 298.6 and its lowest price was SEK 126.4. In 2020, the Bure share produced a total return of 39.2 per cent. Total return is a measure of total share price performance including reinvested dividends.

The total return of Bure's share can be compared to the total return of the SIX Return Index that amounted to 14.8 per cent. At year-end 2020, Bure had a market capitalisation of SEK 21.770M.

Trading volume

In 2020, a total of 43,293,008 shares (38,525,425) were traded on the Nasdaq Stockholm for a combined value of SEK 9,450M (6,150), equivalent to a turnover of 58 per cent (56) of Bure's shares. The average trading volume per trading day was 172,482 shares (154,721). A total of 460,102 trades (285,126) of the Bure share were cleared during the year.

Dividends

In 2020, Bure paid an ordinary dividend of SEK 1.00 per share for the financial year 2019. The Board of Directors proposes that the 2021 AGM approve an ordinary dividend of SEK 2.00 per share for the financial year 2020.

Share buybacks

The 2020 AGM authorised the Board, during the period until the next AGM, to acquire treasury shares corresponding to a maximum of 10 per cent of all shares outstanding in the company. No shares have been repurchased after the AGM.

Employee share ownership

Bures encourages an alignment of interests between employees and the company's shareholders. Within the framework of the long-term incentive plan, all employees have the opportunity to invest an amount equal to 9.1 per cent of their basic salary, (before tax), in Bure shares. All employees participated in the programme in 2020 with an aggregate investment of SEK 1.0M that was matched by Bure. The personal investment means that the plan has an up- and downside potential that equates the interests of the employees with those of other shareholders. At 31 December 2020, employee ownership amounted to 109,087 shares. For more information on employee shareholdings, please see the "Employees" section of this report.

Shareholder	No. of shares	Holding
Patrik Tigerschiöld incl. related parties	7,733,405	10.4%
Björkman family incl. foundations	6,116,012	8.2%
Fjärde AP-fonden	5,822,629	7.9%
SEB Fonder	4,020,234	5.4%
Nordea Investment Funds	3,958,316	5.3%
Ted Tigerschiöld	3,746,052	5.1%
Stephanie Tigerschiöld	3,712,073	5.0%
AMF Pension & Fonder	3,525,084	4.8%
Dimensional Fund Advisors	2,013,407	2.7%
Norges Bank	1,463,705	2.0%
Total 10 largest shareholders	42,110,917	56.8%
Others	32,036,004	43.2%
Total	74,146,921	100.0%

Distribution of shareholdings at 31 December 2020

Size of holding	No. of shareholders	Holding	No. of shares
1 – 500	44,271	89.0%	3,492,049
501 – 1,000	2,763	5.5%	2,171,339
1,001 – 5,000	2,182	4.4%	4,631,740
5,001 – 10,000	266	0.5%	1,962,106
10,001 – 15,000	80	0.2%	1,004,798
15,001 – 20,000	39	0.1%	712,959
20,001 –	160	0.3%	60,171,930
Summa	49,761	100.0%	74,146,921

Corporate governance

Corporate governance report 2020

Corporate governance in Bure Equity AB is regulated by Swedish law, primarily the Swedish Companies Act, and the Nasdaq Stockholm's Rules for Issuers. Bure also applies the rules of the Swedish Code of Governance ("the Code"). These rules are applied successively to the extent prescribed by the Code, and in line with statements and recommendations issued by advisory organisations, (such as the Swedish Corporate Governance Board), on specific issues related to the Code. Bure applied the Code and reports no deviations from the Code for the financial year 2020 aside from that regarding the company's special audit function, (see "Deviations from the Code" below). For more information about corporate governance issues that are not covered in this corporate governance report, please go to www.bure.se.

Share capital

Bure has been listed on the Nasdaq Stockholm since 1993. At year-end, Bure's share capital amounted to SEK 575.7M, divided between 74,146,921 ordinary shares. The company's ordinary shares grant the right to one vote per share. All shares grant entitlement to an equal share of the company's assets and dividends.

At the end of 2020, Bure had 49,761 shareholders according to Euroclear Sweden. The ten largest shareholders accounted for 56.8 per cent of the shares. Patrik Tigerschiöld and related parties was Bure's single largest shareholder with 10.4 per cent of the shares. The percentage of shares held by physical persons or legal entities outside Sweden was 23.1 per cent. The 2020 AGM authorised the Board, during the period until the next AGM, to acquire up to 10 per cent

of the outstanding shares in the company. No shares have been repurchased after the AGM.

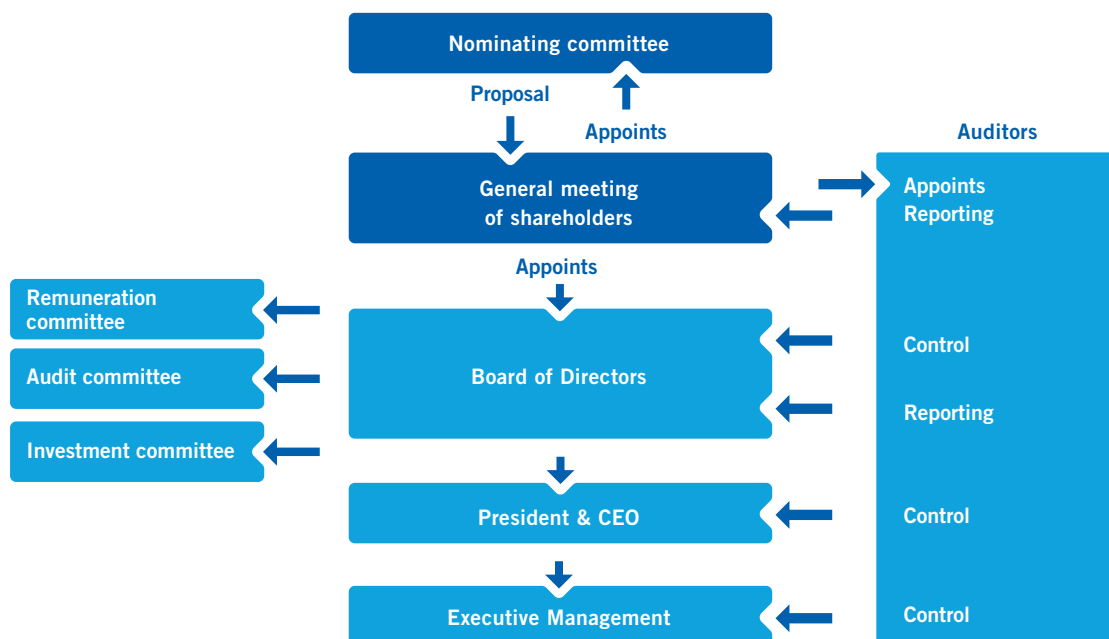
General meeting of shareholders

The general meeting of shareholders is Bure's highest decision-making body, and shall be held in Stockholm or Gothenburg once a year before the end of June. According to the company's Articles of Association, notice of the general meeting shall be published no more than six weeks, and no fewer than four weeks prior to the meeting, and no more than six weeks, and no fewer than three weeks prior to an extraordinary general meeting. Notice shall always be given through an announcement in Sweden's official gazette, Post- and Inrikes Tidningar, and in Swedish daily Svenska Dagbladet.

To have a matter addressed at an AGM, shareholders shall submit a written request to the Board in good time so that the matter can be included in the notice to attend the meeting. Bure's Articles of Association contain no restrictions regarding the number of votes each shareholder may exercise at the meeting. All shareholders who are registered on Euroclear Sweden's shareholder register, and who have notified the company of their intention to attend the meeting by the specified date have the right to participate in the meeting and exercise the votes for their total shareholdings. Shareholders may be accompanied by assistants at the meeting if shareholders notify the company in advance.

The 2020 Annual General Meeting

The 2020 AGM was held on 11 June in Stockholm. The meeting was attended by 103 shareholders, proxies and



assistants, representing 50.2 per cent of votes and share capital. Bure's Board of Directors, management and auditor were present. The CEO's address was published in full on the Bure website the day after the AGM. During the AGM, the auditor was appointed for a mandate period of one year.

Nomination committee

The composition of the nomination committee was announced on 29 September 2020. The committee was appointed in accordance with the instructions that were approved by Bure's 2020 AGM. These require the Chairman of the Board, no later than the end of the third quarter, to ensure that the company's three largest shareholders are given the opportunity to each appoint one member to the nomination committee. Should any of these three shareholders waive their right to appoint a member to the committee, the shareholder next in order of voting power will be contacted and asked whether they wish to appoint a member to the committee. The mandate period is one year. Furthermore, the Chairman of the Board shall be a member of the nomination committee. No compensation is paid for work done on the nomination committee.

The nomination committee consists of:

- Per Björkman representing the Björkman family. The committee appointed Per Björkman as its chairman.
- Thomas Ehlin representing Fjärde AP-fonden.
- Patrik Tigerschiöld representing the Tigerschiöld family

The nomination committee shall prepare and submit proposals to the AGM regarding:

- Election of a meeting chairman
- Election of and fees for the Chairman of the Board and other board members
- Election of and fees for the auditor and deputy auditor (as applicable)
- Principles for the appointment of the next nomination committee.

Ahead of the 2021 AGM, the nomination committee held three minuted meetings. To evaluate those requirements that will be made of the board due to the company's current position and future direction, the nomination committee has discussed the size and composition of the board in terms of, for example, industry experience, competence, international experience, and diversity. A key starting point for this work has been the principle that the composition of the board shall reflect and provide scope for the different skill sets needed to support Bure's long-term operations. In addition, the nomination committee has considered the board's gender balance. The nomination committee strives to achieve an even gender balance in the composition of the board. The committee's proposal means that the number of women on the board, corresponding to 33 per cent. Its proposals, its report on its work prior to the AGM, and other information regarding proposed members will be published on the company's website at the same time as the notice to attend the AGM.

The Board of Directors

All members of the Board are appointed by shareholders at the AGM to serve a period of one year from the AGM until the end of the next AGM. According to the Articles of Association, Bure's Board of Directors shall consist of no fewer than five and no more than nine members.

The Board is responsible for the company's organisation and management of the company's affairs, but not for its operational activities. The Board's tasks include the assessment of the company's financial situation, the adoption of a procedural plan, the appointment of a CEO, and to define the separation of duties.

The AGM on 11 June 2020 elected Patrik Tigerschiöld (re-election) as Chairman, and elected Carl Björkman (re-election), Carsten Browall (re-election), Bengt Engström (re-election), Charlotta Falvin (re-election) and Sarah McPhee (re-election) as regular Board members. Information about Board members and the CEO is presented at the end of the corporate governance report. CFO Max Jonson has served as Secretary of the Board. The CEO is not a member of the Board. Of the company's six Board members, four are independent in relation to the company, its management and the company's major shareholders; one is independent in relation to the company, its management and the company's major shareholders; and one is dependent in relation to the company, its management and the company's major shareholders.

A description of Board members' and the CEO's shareholdings and other assignments is provided in the "Board of Directors and Employees" section of this report.

Duties of the Board

The duties of the Board include the development of the company's strategy and business plan in such a way that the long-term interests of shareholders are served in the best possible way. The Board's work is governed by a procedural plan that was adopted at a statutory meeting of the Board on 11 June 2020. The work of the Board follows an annual plan containing fixed decision points adopted at statutory meetings of the Board. In brief, the procedural plan states that the Board is responsible for the company's organisation and management of its affairs. The procedural plan includes information regarding the separation of duties between the Board, the Chairman, the CEO, and the Board's committees.

The Board continuously monitors the company's and Group's financial position so that the Board fulfils its monitoring obligations required by law, Nasdaq Stockholm's Rules for Issuers, and sound Board practice. The procedural plan states that it is the responsibility of the Board to decide on matters that fall outside the sphere of operational activities or that are of major significance, such as material financial commitments and agreements and significant changes in the organisation.

Bure's Board establishes and documents the company's goals and strategies on an annual basis, along with

marketing, and strategic and budgetary issues. The Board establishes the company's finance policy, authorisation rights, order of delegation and decision-making procedures. The Board has formulated specific instructions regarding the responsibilities and powers of Bure's CEO, and receives reports and updates on operations from management on an on-going basis. Information material and decision data ahead of Board meetings is typically distributed one week prior to Board meetings.

The company's auditors attend at least one board meeting a year to report on the annual audit and provide their evaluation of the company's internal control mechanisms. The auditors present their observations from the annual audit directly to the Board. At least once a year, the auditors meet the Board in the absence of management.

Work of the Board in 2020

According to the Articles of Association, the Board shall hold at least six meetings a year, and shall meet more frequently if required to do so. In the past financial year, the Board held seventeen meetings, consisting of eight ordinary meetings, one statutory meeting and eight extra board meetings. See Board attendance in the table below.

Key issues dealt with during the financial year included:

- Financial monitoring of operations
- Discussions and decisions regarding the portfolio
- Preparation of the dividend proposal
- Development of the company's strategic direction
- Authorisation for the repurchase of treasury shares
- Auditing, investments and compensation committee matters, as described in "Board committees" below.

The company's auditor participated in two board meetings, partly without the presence of management representatives.

Total Board fees in Bure Equity AB, as approved by the 2020 AGM, is SEK 3,500,000, of which SEK 2,000,000 is paid the Chairman.

Evaluation of the Board

External systematic evaluations was conducted in the autumn of 2020. The evaluation provides Board members with an opportunity to give their views on working procedures, Board materials, their own and other Board members' performance. The aim of this is to develop the work of the Board and provide the Nomination Committee with a relevant basis to take decisions.

Board committees

The Board's procedural plan includes instructions regarding the audit committee, remuneration committee, and the investment committee. The work of the audit and remuneration committees is performed by all members of the Board.

Audit committee

The audit committee is responsible for issues concerning auditing, internal control, and review of interim and financial reports. The committee is also tasked with evaluating the work of the auditors, and preparing the election of new auditors when appropriate. The audit committee met the company's auditors on two occasions during the year.

Remuneration committee

The compensation committee is responsible for compensation in the shape of salaries, pensions and bonuses, and other terms of employment for the CEO and staff who report directly to the CEO. Decisions regarding compensation principles for the CEO and management were adopted at the AGM 11 June 2020.

Investment committee

To actively manage Bure's cash and cash equivalents and short-term investments, the Board has appointed an investment committee. The committee's main task is to continuously evaluate the management of investments in terms of risk and return. The investment committee consists of Patrik Tigerschiöld, Sarah McPhee and CEO Henrik Blomquist. The investment committee functions according to the company's finance policy. In the past financial year, the investment committee held six meeting at which all members were in attendance.

Principles for compensation to senior executives

The AGM adopts principles for the compensation of senior executives. Proposals are prepared by the compensation committee. The overarching principle is to offer competitive compensation and terms of employment. Overall compensation packages consist of fixed based salary, variable salary, pension benefits and other benefits. The principles that were applied in 2020 are outlined in the administration report. Information about compensation to the CEO and other senior executives during 2020 is provided in Note 35.

Attendance at Board meetings in 2020	Board meetings	Compensation, SEK th	Shareholding
Patrik Tigerschiöld, chairman	17/17	2,000	7,733,405
Carl Björkman	17/17	300	2,945,412
Carsten Browall	17/17	300	3,000
Bengt Engström	17/17	300	7,000
Charlotta Falvin	17/17	300	0
Sarah McPhee	16/17	300	11,000

Financial reporting

Bure's financial reporting is based on applicable laws, regulations, rules, agreements and recommendations for companies listed on the Nasdaq Stockholm. A more detailed description of applicable accounting principles is provided in Note 1 of this report. The auditor's report for the financial year 2020 is also included in the annual report. The Board ensures that the company's financial and accounting structures are correctly dimensioned and have sufficient resources.

Every year, the Parent Company issues instructions regarding the financial information to be reported by the subsidiaries and other portfolio companies. This information includes income statements, balance sheets, cash flow statements and other key figures. The subsidiaries are required to submit a more extensive reporting package at year-end. This reporting takes place in the group-wide accounting system.

According to the requirements of the listing agreement with Nasdaq Stockholm, Bure provides financial information in the form of interim reports, a year-end report, an annual report, and press releases regarding significant events.

Deviations from the Code of Corporate Governance

According to section 7.3 of the Code, the Board of Directors is required to evaluate the need for a special audit function, (internal audit) on an annual basis. The Board's assessment is that Bure currently has no need for this function. Relevant instructions are in place, and the Board continuously ensures that responsible individuals in the organisation have the requisite expertise and resources to fulfil their duties in the preparation of financial reports. Bure holds seats on the boards of its portfolio companies via a representative for its respective holdings. Depending on the holding, it is also possible to appoint more than one member to represent Bure.

Bure's holdings are currently spread across a variety of industrial sectors and geographical areas. It is therefore deemed more appropriate to make this decision for each holding rather than setting up internal audit functions at group level. The need to establish an internal audit function in the Parent Company must therefore be regarded as minor.

Information about the auditors

Bure has appointed Öhrlings PricewaterhouseCoopers AB ("PwC") as its independent auditor. PwC has appointed Magnus Svensson Henryson, 51, as Auditor in Charge. In addition to Bure Equity AB, Magnus is auditor for the Sandvik. For information on compensation to PwC, please see Note 9.

The Board's description of internal control of financial control for the financial year 2020

Under the Swedish Companies Act and the Swedish Code of Corporate Governance, the Board of Directors is responsible for internal control at the company. This description has been prepared in accordance with the Swedish Code of Corporate Governance, section 7.4, and is thereby limited to internal control in relation to financial reporting. This description is not part of the formal annual report.

Control environment

The procedural plan for the Board, and instructions for the CEO, ensure clearly delineated roles and responsibilities that promote effective management of the company's risk. Furthermore, the Board has established several normative documents for internal control, which, among other things, emphasise the importance of having clear and documented instructions and policies in the Parent Company and its subsidiaries. Management regularly reports to the Board according to established routines. Management is responsible for the system of internal controls that is necessary for the management of significant risk associated with day-to-day operations. This includes guidelines that promote understanding and awareness among company executives of the importance of their respective roles in maintaining good internal control.

Risk assessment and control activities

In assessing the risk for irregularities in the company's financial reporting, Bure has developed a model in which several areas exposed to elevated risk for significant error have been identified. Particular attention has been paid to the development of controls to prevent and detect deficiencies in these areas. Areas where material deficiencies are identified are dealt with immediately.

Information and communication

Significant guidelines, manuals et., pertinent to financial reporting are continuously updated and communicated to relevant employees. Employees can communicate important information to management and the Board via formal and informal channels. For external communication, guidelines are in place to ensure that the company meets the highest standards in complete and accurate reporting to the market.

Monitoring

The Board continuously monitors and evaluates information provided by company management. This includes ensuring that action is taken in relation to any deficiencies and recommendations identified in internal and external audits.

Stockholm den 30 March 2021,
The Board of Directors of Bure Equity AB (publ.)

Board of Directors



Patrik Tigerschiöld

Stockholm, born in 1964, M.Sc. Business and Economics.

Board Chairman since 2013 (also during 2004 – 2009) CEO during 2010 – April 2013*

Chairman of ACQ Bure AB, Cavotec SA, Mycronic AB, the Association for Generally Accepted Principles in the Securities Market, the Swedish Association of Listed Companies and Atle Investment Management AB.

Board member of Fondbolaget Fondita Ab, Ovzon AB and SNS.

Member of the Royal Swedish Academy of Engineering Sciences (IVA).

Shareholding in Bure, own and held by related parties: 7,733,405.

Dependent in relation to the company and its management.
Dependent in relation to the company's major shareholders.



Carl Björkman

Stockholm, born in 1970, M.Sc. Engineering.

Board member since 2010

Chairman of Cality Invest AB.

Board member of Bällsta Mekaniska AB, Hermanders AB, Johan Björkmans Allmännyttiga Stiftelse för Ekonomisk Forskning, Motus Weighing AB, Stäketsholms Förvaltnings AB and Svenska Haland Teknik AB.

Shareholding in Bure, own and held by related parties: 2,945,412.

Independent in relation to the company and its management.
Dependent in relation to the company's major shareholders.



Carsten Browall

Göteborg, born in 1958, M.Sc. Business and Economics.

Board member since 2019

Chairman of GHP Specialty Care AB and Cellink AB.

Shareholding in Bure, own and held by related parties: 3,000.

Independent in relation to the company and its management.
Independent in relation to the company's major shareholders.

* Employed by Skanditek 1999 – 2010.



Bengt Engström

Stockholm, born in 1953, M.Sc. Engineering.

Board member since 2014

Chairman of Nordic Flanges Group AB, CleanAir AB, BEngström AB and BEngström Förvaltning.

Board member of ScandiNova Systems AB, Scanfil Oy, Real Holding AB, Chemotech Scandinavia AB, KTH Executive School and CBF Holding Aps.

Shareholding in Bure, own and held by related parties: 7,000.

Independent in relation to the company and its management.

Independent in relation to the company's major shareholders.



Charlotta Falvin

Genarp, born in 1966, M.Sc. Business and Economics.

Board member since 2015

Chairman of Malmö Ground AB and Malmö Startups.

Board member of Boule Diagnostics AB, Invisio Communications AB, Minc AB, Nel ASA, NetInsight AB and Tobii AB.

Shareholding in Bure, own and held by related parties: 0.

Independent in relation to the company and its management.

Independent in relation to the company's major shareholders.



Sarah McPhee

Stockholm, born in 1954, BA, MA and M.Sc. Economics.

Board member since 2016

Chairman of SNS, Fjärde AP-fonden and Houdini Sportswear AB.

Board member of Axel Johnson Inc and ACQ Bure AB.

Member of the Royal Swedish Academy of Engineering Sciences (IVA).

Shareholding in Bure, own and held by related parties: 11,000.

Independent in relation to the company and its management.

Independent in relation to the company's major shareholders.

Employees



From left: Philip Nyblaeus, Oskar Hörnell, Elisabet Hellman, Trolle Sahlström, Sophie Hagströmer and Max Jonson.
In front from left: Gösta Johannesson and Henrik Blomquist.

Henrik Blomquist

Stockholm, born in 1971,
Economic studies

President and Chief Executive Officer

Employed since 1999*

Experience of investment operations and corporate development.

Chief Executive Officer of ACQ Bure AB.

Chairman of Bure Growth AB, Mercuri International Group AB and Investment AB Bure.

Board member of MedCap AB, Vitrolife AB and Atle Investment Management AB, Atle Investment Services AB and others.

Shareholding in Bure, own and held by related parties: 61,607

Sophie Hagströmer

Stockholm, born in 1980

Investment Director

Employed since 2019

Chairman of BioLamina AB and Allgon AB.

Board member of Bure Growth AB.

Shareholding in Bure, own and held by related parties: 2,776

Max Jonson

Stockholm, born in 1968

CFO

Employed since 2013

CFO of ACQ Bure AB.

Board member of Atle Investment Management AB, BioLamina AB and Bure Growth AB.

Shareholding in Bure, own and held by related parties: 22,364

Elisabet Hellman

Stockholm, born in 1957

Executive assistant

Employed since 2016

Shareholding in Bure, own and held by related parties: 3,387

Philip Nyblaeus

Stockholm, born in 1982

Investment Manager

Employed since 2011

Chief Executive Officer

Investment AB Bure

Board member of Investment AB Bure.

Shareholding in Bure, own and held by related parties: 9,103

Gösta Johannesson

Stockholm, born in 1959

Senior Advisor Consultant since 2013

Chairman of Xvivo Perfusion AB.

Board member of Atle Investment Services AB, Interflora AB, Mentice AB, ScandiNova Systems AB and Yubico AB and others.

Shareholding in Bure, own and held by related parties: 5,000

Oskar Hörnell

Stockholm, born in 1987

Investment Manager

Employed since 2015

Board member of My Driving Academy Sweden AB.

Shareholding in Bure, own and held by related parties: 5,650

Trolle Sahlström

Stockholm, born in 1988

Investment Manager

Employed since 2017

Board member of Allgon AB.

Adjunct board member of Mercuri of Mercuri International Group AB and ScandiNova Systems AB.

Shareholding in Bure, own and held by related parties: 4,200

* Employed by Skanditek 1999 – 2010.

Five-year overview

Data per share ¹⁾	2020	2019	2018	2017	2016
Net asset value, SEK ²⁾	239.6	196.6	137.1	111.7	101.7
Share price, SEK	293.6	212.0	108.4	98.3	103.5
Share price as a percentage of net asset value	123 %	108 %	79 %	88 %	102 %
Parent Company basic equity per share, SEK	226.8	183.6	129.1	108.4	98.4
Parent Company equity per share excl. buybacks, SEK	226.8	183.6	129.8	108.4	98.4
Consolidated basic equity per share, SEK	238.7	196.8	136.5	112.5	102.4
Consolidated equity per share excl. buybacks, SEK	238.7	196.8	137.2	112.5	102.4
Parent Company basic earnings per share, SEK ³⁾	45.2	55.8	23.2	12.0	15.7
Consolidated diluted earnings per share, SEK ³⁾	45.1	61.3	26.3	12.0	16.9
Number of shares, thousands	74,147	68,972	69,333	69,333	69,333
Number of shares excluding share buybacks, thousands	74,147	68,972	68,972	69,333	69,333
Average basic number of shares, thousands	71,757	68,972	69,245	69,333	69,333
Key figures					
Dividend, SEK per share	1.0	2.0	2.0	2.0	2.0
of which, extraordinary dividend, SEK per share	–	–	0.5	0.5	1.0
Direct return	0.3%	0.9%	1.8%	2.0%	1.9%
Total return	39.2%	97.9%	12.7%	-3.3%	54.7%
Market capitalisation, SEK M	21,770	14,622	7,516	6,812	7,176
Net asset value, SEK M	17,763	13,563	9,454	7,743	7,054
Return on equity	22.0%	35.6%	19.5%	11.6%	17.1%
Administrative expenses/Net asset value	0.29%	0.33 %	0.55%	0.55 %	0.66 %
Parent Company profit and financial position					
Exit gains/losses, SEK M	4	609	46	117	0
Profit/loss after tax, SEK M	3,242	3,850	1,609	834	1,086
Total assets, SEK M	16,845	12,688	8,976	7,528	6,835
Equity, SEK M	16,819	12,662	8,950	7,517	6,822
Equity/assets ratio	100%	100 %	100%	100%	100%
Cash and cash equivalents and short-term investments, SEK M	1,460	800	461	799	873
Consolidated profit and financial position					
Net sales, SEK M	267	382	416	443	455
Exit gain/loss, SEK M	4	607	45	228	2
Profit/loss after tax, SEK M	3,236	4,229	1,821	834	1,173
Total assets, SEK M	17,935	13,786	9,624	7,971	7,271
Equity, SEK M	17,702	13,573	9,462	7,802	7,101
Equity/assets ratio	99%	98 %	98%	98%	98%
Net loan debt (-)/receivable (+), SEK M	1,166	648	373	678	669
Average number of employees	229	226	234	272	262

1) All historical data per share have been adjusted for shares in issue with a time-weighting factor as prescribed by IAS 33.

2) Net asset value consists of the market value of Bure's listed holdings and estimated market value of unlisted holdings or net assets in subsidiaries, short-term, and financial investments as well as cash and cash equivalents.

3) No dilutive effect at 31 December 2020

Administration report

The Board of Directors and the CEO of Bure Equity AB (publ), corporate identity number 556454-8781, domiciled in Stockholm, hereby submit the annual report and consolidated annual report for the 2020 financial year.

Operations and focus

Bure is a long-term principal owner of operating companies. Bure was established in 1992 and was listed on Nasdaq Stockholm in 1993. By actively developing a diversified portfolio of professionally managed companies and operations, Bure's objective is to create value and returns for its shareholders.

Key events of 2020

Acquisitions and divestments

Bure acquired a total of 8.5 million shares in Cavotec for SEK 136.7M, increasing its holding to 36.2 per cent.

Bure acquired a total of 1.2 million shares in Mentice for SEK 51.7M, increasing its holding to 14.7 per cent.

Bure subscribed its pro rata share of Ovzon's rights issue amounting to SEK 17.5M in.

Bure acquired shares for SEK 32.3M in Xvivo Perfusion's directed share issue.

Bure Growth acquired 25,000 shares in Yubico for SEK 9.0M.

Bure Growth acquired shares in BioLamina's rights issue for SEK 13.2M and acquired shares for SEK 53.2M, increasing its holding to 44.8 per cent.

Bure conducted a directed share issue of SEK 1 billion to institutional investors.

Bure announced a cash offer to Allgon AB's (publ) shareholders. In December 2020, Bure acquired 6.4 million shares in Allgon for SEK 70.9M.

Bure divested 50,000 shares in MedCap for SEK 2.5M in conjunction with the exercise of share options, generating an exit gain of SEK 1.5M.

Bure divested 20,000 shares in Xvivo Perfusion to Dag Andersson, CEO at Xvivo Perfusion, for SEK 2.9M, generating an exit gain of SEK 2.5M.

Consolidated profit and financial position

Results for the full year

Consolidated operating income from operational and investment activities was SEK 3,640M (4,648).

Subsidiaries' net sales amounted to SEK 267M (382).

Dividends amounted to SEK 55M (99).

Exit gains/losses totalled SEK 4M (607).

Capital gains/losses from short-term investments amounted to SEK 11M (-43).

Fair value changes amounted to SEK 3,206M (3,576) of which listed portfolio companies accounted for SEK 3,148M. Of this amount, Cavotec accounted for SEK 113M, MedCap SEK 263M, Mentice SEK 73M, Mycronic SEK 1,647M, Ovzon SEK 65M, Vitrolife SEK 376M and Xvivo Perfusion SEK 610M and value changes in short-term investments of SEK 58M.

Shares in profit/loss of associated companies amounted to SEK 89M (21).

Consolidated operating profit for the period was SEK 3,248M (4,235).

Net financial items totalled SEK -11M (-1).

Consolidated profit/loss after financial items was SEK 3,237M (4,234).

Profit/loss after tax was SEK 3,236M (4,229).

Other comprehensive income included translation differences of SEK -22M (19).

Financial position

Consolidated equity at the end of the year amounted to SEK 17,702M (13,573), and the equity/assets ratio was 99 per cent (98). At 31 December 2020, the Group had a reported net loan receivable of SEK 1,166M (648), which consisted of interest-bearing assets of SEK 1,258M (715), and interest-bearing liabilities of SEK 91M (67). Consolidated equity per share at the end of the year was SEK 238.75, compared to SEK 196.79 per share at 31 December 2019.

Parent Company profit and financial position

Results for the full year

Profit/loss after tax was SEK 3,242M (3,850).

Dividends amounted to SEK 71M (231).

Exit gains/losses totalled SEK 4M (609).

Capital gains/losses on short-term investments totalled SEK 11M (-43).

Fair value changes amounted to SEK 3,206M (3,088) of which listed portfolio companies accounted for SEK 3,148M. Of this amount, Cavotec accounted for SEK 113M, MedCap SEK 263M, Mentice SEK 73M, Mycronic SEK 1,647M, Ovzon SEK 65M, Vitrolife SEK 376M, and Xvivo Perfusion SEK 610M, and value changes from short-term investments for SEK 58M.

Administrative expenses amounted to SEK 52M (45).
Net financial items totalled SEK 0M (9).

Financial position

Equity in the Parent Company at the end of the year was SEK 16,819M (12,662), and the equity/assets ratio was 100 per cent (100). At the end of the year, the Parent Company had reported a net loan receivable of SEK 1,330M (803), which consisted of interest-bearing assets of SEK 1,333M (806), and interest-bearing liabilities of SEK 3M (3). External interest-bearing receivables amounted to SEK 3M (4). Receivables from subsidiaries totalled SEK 596M (497).

Employees and salaries

Information about the average number of employees and the salaries and benefits of senior executives is provided in Notes 33 – 35.

Bure's loss carryforwards

At the end of 2019, the Bure Group had loss carryforwards of SEK 1,025M, of which SEK 697M related to the Parent Company. In Sweden, losses amounted to SEK 950M, and are perpetual. The deferred tax asset based on loss carryforwards in the Group has been valued at SEK 6M (7).

Significant risks and uncertainties

In view of rapid changes in the financial markets, particular emphasis is placed on monitoring the effects of these on Bure's investments and their valuations.

Liquidity risk is the risk that the Group will be unable to finance loan payments or other financial obligations as they fall due either with its own funds or with new financing. No significant changes in the Parent Company or Group's risk and uncertainty factors occurred during the year. At the end of the year, the Group had a net loan receivable of SEK 1,166M (648).

Financial risk management

The Group is exposed to a number of financial risks, including share price risk, currency risk, interest rate risk and liquidity risk. Bure has a number of basic principles to manage risk. Bure's finance policy states that the Parent Company shall be essentially debt-free. Further-more, each portfolio company shall be financially independent of the Parent Company. This means that the Parent Company is not financially liable for obligations of

portfolio companies, and that portfolio companies are responsible for their own financing arrangements. Financing of respective portfolio companies shall be appropriate to each company's specific situation. A more detailed description of the Group's management of financial risk can be found in Note 21, Financial Instruments.

To actively manage Bure's cash and cash equivalents and short-term investments, the Board of Directors has established an investment committee. The committee's main responsibility is to evaluate the management of investments in terms of risk and return. The committee is comprised of Patrik Tigerschiöld, Sarah McPhee, and CEO Henrik Blomquist. The committee's mandate is regulated by the company's finance policy.

Underlying costs are normally generated in the same currency as revenues, limiting transaction exposure. Since the Group has investments outside Sweden through its subsidiaries, the consolidated statement of financial position and statement of comprehensive income are exposed to exchange differences due to the translation of foreign subsidiaries' financial statements.

Sensitivity analysis for the Group

The Group's results are affected by a variety of factors. Factors described in this report should be considered indicative, and in no way include compensatory measures that can be taken in response to specific developments. Bure's sensitivity to financial factors can be primarily broken down into share price risk, interest rate sensitivity and currency sensitivity. Share price risk relates to the risk that the value of listed shares is subject to change. Based on the market value of listed holdings of SEK 14,604M at 31 December 2020, an average decrease in the price of listed portfolio companies of 1 per cent would have an estimated effect on consolidated profit of SEK 146M. In the short term, a 1 per cent change in the interest rate would affect Group consolidated profit by SEK 12M.

Sensitivity to different currencies is deemed to be relatively limited. The most important currency for the Group, apart from the Swedish krona, is the Euro (EUR). The share of the Group's subsidiaries' net sales in EUR is 65 per cent. A 5 per cent change in the value of the EUR would have an estimated effect on profit of SEK 1M due to translation effects. The estimated effect on profit due to changes in Bure's sales varies depending upon the company to which the change relates. In some companies, the short-term marginal effect of a change in sales is relatively substantial. This depends on the causes of such changes. For example, a considerable difference exists between a volume effect and a price effect. Listed portfolio companies with significant international sales have currency exposure primarily in EUR and USD.

Financial targets and strategy

Bure's business model is to acquire, develop and divest operating companies in a way that gives Bure's shareholders a good return on invested capital and enables the portfolio companies to continuously develop their respective businesses in a successful manner. The goal is for the potential value growth of each individual investment to clearly contribute to long-term growth in Bure's market capitalisation. Each individual investment shall have an annual internal rate of return (IRR) of more than 12 per cent. The Parent Company shall be essentially debt-free and the portfolio companies shall have a level of debt over time that is adequate in relation to their assessed operational risk.

Ownership structure and the Bure share

Bure is listed on the Nasdaq Stockholm. At 31 December 2020, Bure's largest shareholders were Patrik Tigerschiöld and related parties with 10.4 per cent, the Björkman family including foundations with 8.2 per cent, Fjärde AP-fonden 7.9 per cent, and SEB Fonder with 5.4 per cent. At 31 December 2020, Bure had 49,761 shareholders according to Euroclear Sweden.

Share capital and number of shares

Bure's share capital at 31 December 2020 amounted to SEK 575,7M, divided between 74,146,921 shares, equal to a quota value of SEK 7.76. The Articles of Association contain no restrictions on the right to transfer shares nor, to the Board of Directors' knowledge, is the company party to any significant agreements that will have any impact, be altered or cease to apply if control over the company changes as a result of a public tender offer.

Holdings of own shares

Bure's 2020 AGM resolved to authorise Bure's Board of Directors to acquire up to 10 per cent of the total number of shares in Bure Equity AB. Bure did not repurchase any shares during 2020.

Authorisation for the repurchase of treasury shares

The Board of Directors will propose that the AGM give the Board renewed authorisation, until the date of the 2022 AGM, to repurchase treasury shares in a number equal a maximum of 10 per cent of the total number of shares outstanding in the company.

Principles for compensation and other terms of employment for senior executives

The principles for compensation were adopted by the AGM of Bure on 11 June 2020 and are as follows:

Compensation to the CEO and senior executives shall consist of basic salary, variable salary and pension. Other senior executives refer to the CFO.

The relationship between basic and variable salary (bonus) shall be proportionate to the executive's responsibilities and authorities.

The amount of variable salary for the CEO is equal to a maximum of 100 per cent of basic annual salary. For senior executives, the amount of variable salary is equal to a maximum of 80 per cent of basic annual salary.

Variable salary for the CEO and other senior executives is based on the outcome of four quantitative parameters in relation to predetermined targets.

The quantitative parameters are linked to predetermined targets for a selection of the portfolio companies, Bure's share price performance and net asset value development per share.

Senior executives also have a discretionary parameter where the outcome is evaluated against individually set goals.

Bure also offers a long-term share savings program for all employees. All employees are given the opportunity, within the framework of the long-term incentive plan, to invest an amount equal to 9.1 per cent of fixed basic salary (before tax) in Bure shares. All employees took part in the plan for 2020 with an aggregate invested amount of SEK 1.0M, which was matched by Bure. The personal investment means that the plan has an up- and downside potential that equates the interests of the employees with those of other shareholders. Further information is available at www.bure.se/en/about-bure/corporate-governance/.

All pension benefits are of the defined contribution type. For additional information see Note 35, Compensation to senior executives.

The Board of Director's proposed guidelines for remuneration of senior executives

The Board of Directors proposes that the 2021 Annual General Meeting approves the following guidelines for remuneration of senior executives including members of the Board, the CEO, the deputy CEO and other individuals in executive management positions according to article 9.9 of the Swedish Code of Governance, i.e. group

management. These guidelines would apply to compensation agreements and to changes made to existing compensation agreements subsequent to the guidelines being adopted by the 2021 Annual General Meeting. These guidelines would not apply to compensation approved at the Annual General Meeting.

The Board reserves the right to temporarily waive the guidelines, partially or entirely, if specific circumstances justify doing so and if such a course of action is necessary to protect the company's long-term interests and sustainability, or to ensure the company's financial sustainability. If such divergences from the guidelines occur, they are to be presented in the compensation report for the following Annual General Meeting. The guidelines would apply after the Annual General Meeting 2021. Incidences concerning divergences from the guidelines shall be presented by the remuneration committee and approved by the Board.

Guidelines that promote the company's business strategy, long-term interests and sustainability

Bure is an investment company and a good owner. By actively building successful companies for the long term, Bure generates good returns for shareholders. The starting point of Bure's activities is proactive involvement and development of wholly owned or co-owned companies and activities in order to increase the value of these assets over time.

The Board believes it is critical to the successful implementation of the company's business strategy and fulfilment of the company's long-term interests, including its financial sustainability, that the company can recruit and retain senior executives with the skills and capacities to achieve set targets. To do this, the company needs to be able to offer competitive overall compensation that incentivises senior executives to perform to the very best of their abilities. Variable remuneration that falls under these guidelines shall be based on criteria that seek to promote the company's business strategy and long-term interests, including its financial sustainability, and in such a way that fulfilment of these criteria is determined by the methods outlined below.

Types of compensation

Compensation and other conditions of employment for senior executives shall be competitive. Total compensation includes basic salary, variable remuneration, pension and certain other benefits. In addition – and irrespective of these guidelines – the Annual General Meeting may decide on equity or equity-related compensation.

Basic salary

The basic salaries of the CEO and other senior executives are reviewed on an annual basis. The basic salary component typically amounts to a maximum of 56 per cent of total compensation excluding LTI and assuming a 50-per cent fulfilment of the STI.

Short-Term Incentive programme (STI)

Compensation is based on the achievement of targets for the company as a whole. Criteria are based on the result of a number of, primarily, quantitative parameters, against stated targets. Quantitative parameters relate to the company's share price performance, the company's net asset value per share and operational themes of respective financial years. Other senior executives, with the exception of the CEO, are also subject to a discretionary parameter.

Overall, the criteria shall contribute to the company's business strategy, long-term interests and sustainability with well-defined links to these and thus to the company's long-term capacity to create value. Performance related to these criteria is presented in the company's revised year-end financial statements. Compensation shall constitute no more than 100 per cent of basic salary for the CEO and 80 per cent for other senior executives. At full outcome, compensation may amount to a maximum of 43 per cent of the total remuneration excluding LTI for the CEO and 39 per cent of total remuneration excluding LTI for other senior executives. Variable compensation shall not be pensionable. Compensation amounts are prepared by the remuneration committee and approved by the Board once the qualification period has passed. Remuneration is then paid. The company has no contractual right to demand the repayment of remuneration once paid.

Long-Term Incentive programme (LTI)

With the aim of aligning the interests of senior executives with those of shareholders, to encourage senior executives' acquisition of equity in the company, and in addition to the annual variable remuneration described above, a long-term incentive programme with the following main components is offered to the company's senior executives:

- i. If a senior executives, during a given time period and within the auspices of LTI, buys equity up to a certain amount, the company shall match this with a cash payment of the same amount, compensating the senior executive's marginal tax liability, in the form of a one-off payment, ("the matching amount"). The senior executive shall use this amount to acquire shares in the company. The executive is contractually obliged to hold these shares for at least three years.

- ii. If the terms and conditions in point (iii). are met, the company shall make an additional one-off payment ("the performance amount"). The senior executive shall use the performance amount, net of tax, to acquire equity in the company. The executive is contractually obliged to hold these shares for at least one year.
- iii. The criteria for the payment of the performance amount include that senior executives are still employed by the company; that they have retained their acquired shares according to the stipulations of point (i). throughout the period; and that the Board has confirmed that performance targets regarding the company's annual total sales up to 2024 have been met.
- iv. In the event of the LTI programme being fully subscribed, the cost to the company in terms of the matching amount, including social charges, shall not exceed SEK 1.6M, while the cost of the performance amount, including social charges, shall not exceed SEK 12.5M.

Equivalent long-term incentive programmes will apply for all other company employees.

Other benefits

Pension benefits

The contractual retirement age for the CEO and other senior executives is 65. All pension benefits for senior executives are defined. This means that the company pays individually agreed defined pension contributions. The company has no additional pension liabilities.

Company car etc.

The CEO is entitled to a company car. In addition, all senior executives have standard health insurance cover.

Other benefits include a maximum 17 per cent of total remuneration excluding LTI and on the assumption of 50 per cent STI yield

Period of notice and severance pay

Senior executives' employment or assignment contracts shall be valid until further notice or for specific time periods. In the event of the company terminating an employment or assignment contract, the CEO has the right to a period of notice of 12 months. The CEO is required to give a 12-month period of notice if he or she terminates their employment. The CEO is entitled to severance pay corresponding to 12 months' salary if employment is terminated by the company. Severance pay is not paid on retirement. For other senior executives, a six-month notice period applies in the event of termination by the company. Other senior executives are not entitled to severance pay. During notice periods, existing

employment contracts and associated benefits will continue to apply. In cases where severance pay is to be paid, no other benefits will be paid for the period after the expiry of the notice period.

Salary and conditions of employment

In preparing the Board's proposed guidelines for remuneration of senior executives, salaries and conditions of employment for company employees were also considered. Details about employees' total remuneration, compensation components, compensation increases and rates of increase over time informed the decision making of the remuneration committee and the Board in terms of evaluating the suitability of the guidelines and the limitations that flow from them.

Decision process

The Board shall present new guideline proposals when significant changes to guidelines are necessary, but at least every four years. The Board's proposals are prepared by the Board's remuneration committee. The Chairman of the Board may chair the remuneration committee. Other members of the remuneration committee, elected by the Annual General Meeting, shall be independent of the company and company management. If the Board finds it more expedient to do so, the entire Board may perform the tasks of the remuneration committee, provided that Board members who are also part of company management do not participate in such tasks.

The remuneration committee shall, inter alia, follow and evaluate the implementation of the guidelines for senior executive remuneration approved by the Annual General Meeting. Once the remuneration committee has prepared its proposal, it is submitted to the Board for approval. When the Board considers and approves remuneration-related matters, neither the CEO nor other members of company management shall be present, insofar as they are subject to such matters.

If an Annual General Meeting decides not to adopt guidelines on the basis of a proposal of such, the Board shall submit a new proposal no later than the subsequent Annual General Meeting. In such cases, compensation shall be paid in accordance with existing guidelines or, in the absence of existing guidelines, in accordance with company praxis.

Work on these areas is supported with external advice when deemed necessary.

Related party transactions

No related party transactions occurred during the period.

Events after balance sheet date

In January 2021, 1.5 million shares in MedCap were divested for SEK 312.6M, which generated an exit gain of SEK 282.9M.

In December 2020, Bure announced a cash offer to shareholders of Allgon AB (publ). In March, Bure's holding reached 98.7 per cent. Bure announced a compulsory redemption of remaining shares and that the Allgon share was to be delisted from the Nasdaq First North Growth Market.

Atle Investment Management completed the acquisition of Humle Fonder and took responsibility for management of Humle Småbolagsfond and Humle Sverigefond on 11 January 2021.

In March 2021, Bure Growth divested the holding in Life Genomics for SEK 10.7M, which generated an exit gain of SEK 3.7M.

In March 2021, ACQ Bure, Sweden's first SPAC, listed on Nasdaq Stockholm. Bure invested SEK 700M as a sponsor.

Subsequent events

Due to the nature of its business, Bure makes no forecasts about future earnings.

Proposed appropriation of profits

The company's annual report will be submitted for adoption by the 2021 Annual General Meeting. The following funds are at the disposal of the AGM according to the Parent Company balance sheet:

Retained earnings	SEK 13 002 034 868
Profit for the year	SEK 3 241 586 573
	SEK 16 243 621 441

The Board proposes that the profits be appropriated as follows:

Shareholders received SEK 2.00 per share in ordinary dividend amounting to SEK 148.3M.	SEK 148 293 842
To be carried forward to new account	SEK 16 095 327 599

It is the Board's assessment that the proposed dividend is justifiable in view of the demands imposed by the operations' nature, scope and risks on the amount of equity in the Parent Company and the Group, as well as the consolidation requirements, liquidity and financial position in general.

The undersigned hereby certify that the consolidated financial statements and the annual report have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted for use in the European Union and with the application of generally accepted accounting principles, and give a true and fair view of the financial position and results of the Group and the Parent Company, and that the administration report gives a true and fair view of the development of operations, financial position and results of the Group and the Parent Company and describes the significant risks and uncertainties to which the Group companies are exposed.

Stockholm 30 March 2021

Patrik Tigerschiöld
Chairman

Carl Björkman

Carsten Browall

Bengt Engström

Charlotta Falvin

Sarah McPhee

Henrik Blomquist
CEO

Our auditor's report was submitted on 30 March 2021
Öhrlings PricewaterhouseCoopers AB

Magnus Svensson Henryson
Authorised Public Accountant

GROUP

Statement of comprehensive income

SEK M	Note	2020	Group 2019
Operating income			
Net sales	2	266.7	381.6
Other operating income		9.4	4.9
Dividends:	32		
Portfolio companies		54.6	99.4
Other companies		–	–
Short-term investments		–	–
Exit gains/losses	3, 14	3.6	607.3
Capital gains on short-term investments		11.2	-43.0
Fair value:	5		
Portfolio companies		3,148.3	3,016.3
Other companies		0.0	11.0
Short-term investments		57.9	549.1
Shares of profit/loss of associates	4	88.6	21.3
Total operating income		3,640.4	4,648.0
Operating expenses			
Other external expenses	8, 9	-133.4	-147.1
Personnel costs	34, 35	-213.4	-236.9
Depreciation and impairment of property, plant and equipment	12, 13	-9.6	-10.0
Depreciation of right-of-use assets	8	-15.3	-15.0
Depreciation and impairment of intangible fixed assets	10, 11	-17.8	-1.4
Other operating expenses		-2.6	-2.8
Total operating expenses		-392.2	-413.2
Operating profit/loss		3,248.3	4,234.8
Interest income and similar profit/loss items	6	-3.8	6.4
Interest expenses and similar profit/loss items	6, 8	-7.7	-7.3
Profit/loss after financial items		3,236.8	4,233.9
Income tax expense	7	-1.0	-5.1
Profit/loss after tax		3,235.8	4,228.8
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Translation differences		-22.5	19.5
Other comprehensive income for the year, net after tax		-22.5	19.5
Comprehensive income for the year		3,213.4	4,248.3
Profit/loss attributable to non-controlling interests		1.1	1.5
Profit/loss attributable to owners of the Parent Company		3,234.7	4,227.3
Comprehensive income attributable to non-controlling interests		1.1	1.5
Comprehensive income attributable to owners of the Parent Company		3,212.2	4,246.7
Average basic number of shares outstanding, thousands ¹⁾		71,757	68,972
Attributable to owners of the Parent Company, SEK		45.08	61.29
Basic earnings per share, SEK¹⁾	23	45.08	61.29

1) No dilutive effect at 31 December 2020 or 2019.

GROUP

Balance sheets

SEK M	Note	Group	
		31 Dec 2020	31 Dec 2019
NON-CURRENT ASSETS			
Intangible assets			
Patents, licenses, etc.	10	9.7	7.4
Goodwill	11	101.6	119.8
Total intangible assets		111.3	127.3
Property, plant and equipment			
Buildings, land and land improvements	12	1.1	1.2
Equipment, tools, fixtures and fittings	13	162.4	167.9
Right-of-use assets	8	27.9	31.6
Total property, plant and equipment		191.4	200.7
Financial assets			
Financial assets at fair value through profit or loss	21, 22, 29	14,604.3	11,219.1
Investments accounted for using the equity method	21, 22, 30	347.9	229.9
Other non-current securities	21, 22	997.6	988.6
Other non-current receivables	15, 21, 22, 25	5.5	7.7
Deferred tax assets	7	6.4	7.0
Total financial assets		15,961.6	12,452.4
Total non-current assets		16,264.3	12,780.3
CURRENT ASSETS			
Inventories, etc.		0.1	0.1
Trade receivables	21, 22	87.6	109.1
Other current receivables	15, 22, 25	5.7	11.9
Current tax assets		4.8	5.5
Prepaid expenses and accrued income	16	20.3	26.4
Short-term investments	21, 22	297.1	142.3
Cash and cash equivalents	22, 25	1,254.7	710.5
Total current assets		1,670.3	1,005.7
TOTAL ASSETS		17,934.6	13,786.0
<i>of which, interest-bearing</i>		<i>1,257.7</i>	<i>714.8</i>

SEK M	Note	Group	
		31 Dec 2020	31 Dec 2019
EQUITY			
Share capital	24	575.7	535.5
Other contributed capital		1,659.6	714.6
Retained earnings including profit for the year		15,446.6	12,303.5
Total equity attributable to owners of the Parent Company		17,681.9	13,553.6
Equity attributable to non-controlling interests		20.4	19.1
Total equity		17,702.3	13,572.7
LIABILITIES			
Non-current liabilities			
Deferred tax liability	7	0.7	1.1
Provisions	17	63.9	64.8
Liabilities to credit institutions	21, 22, 25	0.0	0.0
Lease liabilities	8, 25	15.3	18.8
Other non-current liabilities	21, 22	0.8	1.4
Total non-current liabilities		80.6	86.2
<i>of which, interest-bearing</i>		<i>46.7</i>	<i>49.5</i>
Current liabilities			
Liabilities to credit institutions	21, 22, 25	31.1	4.6
Lease liabilities	8, 25	12.3	13.1
Prepayments from customers	22	24.1	7.2
Trade payables	22	11.1	16.6
Current tax liabilities	7	3.8	4.0
Other current liabilities		20.7	16.6
Accrued expenses and deferred income	18, 22	48.6	65.1
Total current liabilities		151.7	127.2
<i>of which, interest-bearing</i>		<i>44.6</i>	<i>17.7</i>
TOTAL LIABILITIES		232.3	213.3
TOTAL EQUITY AND LIABILITIES		17,934.6	13,786.0

Income statements

SEK M	Note	Parent Company 2020	2019
OPERATING INCOME			
Investing activities			
Dividends:	32		
Portfolio companies		54.6	99.4
Other companies		16.2	131.8
Short-term investments		–	–
Exit gains/losses	3, 14	3.9	608.9
Capital gains/losses on short-term investments		11.2	-43.3
Fair value:	5		
Portfolio companies		3,148.3	3,016.3
Other companies		0.0	11.0
Short-term investments		57.9	60.9
Other operating income		1.4	0.7
Total operating income		3,293.6	3,885.7
Operating expenses			
Personnel costs	34, 35	-31.6	-24.4
Other external expenses	8, 9	-18.3	-17.8
Depreciation of property, plant and equipment	13	-0.1	-0.5
Depreciation of right-of-use assets	8	-2.0	-2.0
Total expenses		-52.0	-44.8
Operating profit/loss before financial items		3,241.6	3,841.0
Financial income and expenses			
Interest income and similar profit/loss items	6	0.5	10.0
Interest expenses and similar profit/loss items	6, 8	-0.5	-1.3
Total financial income and expenses		0.0	8.7
Profit/loss before tax		3,241.6	3,849.7
Income tax expense		0.0	0.0
Profit/loss for the year¹⁾		3,241.6	3,849.7
Average basic number of shares outstanding, thousands ²⁾	23	71,757	68,972
Basic earnings per share, SEK ²⁾		45.17	55.82
Average number of employees		7	6

1) Corresponds to comprehensive income.

2) No dilutive effect at 31 December 2020 or 2019.

PARENT COMPANY

Balance sheets

SEK M	Note	Parent Company	
		31 Dec 2020	31 Dec 2019
NON-CURRENT ASSETS			
Property, plant and equipment			
Equipment, tools, fixtures and fittings	13	3.0	2.3
Right-of-use assets	8	3.4	3.1
Total property, plant and equipment		6.4	5.3
Financial assets			
Investments in group companies	14, 22, 27, 28	167.7	147.7
Financial assets at fair value through profit or loss	14, 22, 29	14,604.3	11,219.1
Changes among group companies	25	143.3	–
Other non-current receivables	15, 22, 25	1.8	2.8
Total financial assets		14,917.1	11,369.6
Total non-current assets		14,923.5	11,375.0
CURRENT ASSETS			
Current receivables			
Receivables from group companies	22, 25	452.9	497.5
Other current receivables	15, 22, 25	2.1	8.9
Current tax assets		1.2	1.2
Pre-paid expenses and accrued income	16	5.4	5.2
Total current receivables		461.5	512.8
Short-term investments	21, 22, 25	297.1	142.3
Cash and cash equivalents	22, 25	1,163.2	657.7
Total current assets		1,921.8	800.0
TOTAL ASSETS		16,845.4	12,687.8
of which, interest-bearing assets		1,333.4	805.7
EQUITY			
Restricted equity			
Share capital	24	575.7	535.5
Total restricted equity		575.7	535.5
Non-restricted equity			
Retained earnings		13,002.0	8,276.3
Profit/loss for the year		3,241.6	3,849.7
Total non-restricted equity		16,243.6	12,126.0
Total equity		16,819.3	12,661.5
LIABILITIES			
Non-current liabilities			
Other provisions		6.5	10.5
Lease liabilities	8, 25	1.3	1.0
Other non-current liabilities	22	0.8	0.8
Total non-current liabilities		8.6	12.3
Current liabilities			
Trade payables	22	0.8	1.0
Other current liabilities	22	0.5	1.1
Lease liabilities	8, 25	2.1	2.1
Accrued expenses and deferred income	18, 22	14.0	9.8
Total current liabilities		17.4	13.9
of which, interest-bearing liabilities		3.5	3.1
Total liabilities		26.0	26.3
TOTAL EQUITY AND LIABILITIES		16,845.3	12,687.8

GROUP

Statement of changes in equity

Group SEK M	Share capital	Other contributed capital	Reserves	Retained earnings incl. profit for the year	Non- controlling interests	Total equity
Equity at 1 January 2019	535.5	714.6	-57.2	8,268.2	1.3	9,462.4
Profit/loss for the year	–	–	–	4,227.3	1.5	4,228.8
Other comprehensive income	–	–	19.5	–	–	19.5
Cancellation of shares	-2.8	–	–	–	–	-2.8
Bonus issue	2.8	–	–	–	–	2.8
Cash dividend	–	–	–	-137.9	–	-137.9
Divestment of participations in group companies	–	–	–	-16.4	16.4	0.0
Equity at 31 December 2019	535.5	714.6	-37.7	12,341.2	19.1	13,572.7
Equity at 1 January 2020	535.5	714.6	-37.7	12,341.2	19.1	13,572.7
Profit/loss for the year	–	–	–	3,234.7	1.1	3,235.8
Other comprehensive income	–	–	-22.6	–	0.2	-22.5
Share issue	40.2	945.0	–	–	–	985.2
Cash dividend	–	–	–	-69.0	–	-69.0
Equity at 31 December 2020	575.7	1,659.6	-60.3	15,506.9	20.4	17,702.3

Statement of changes in equity

SEK M	Share capital	Non-restricted equity	Total equity
Equity at 1 January 2019	535.5	8,414.2	8,949.8
Profit/loss for the year	–	3,849.7	3,849.7
Cancellation of shares	-2.8	–	-2.8
Bonus issue	2.8	–	2.8
Cash dividend	–	-137.9	-137.9
Equity at 31 December 2019	535.5	12,126.0	12,661.5
Equity at 1 January 2020	535.5	12,126.0	12,661.5
Profit/loss for the year	–	3,241.6	3,241.6
Share issue	40.2	945.0	985.2
Cash dividend	–	-69.0	-69.0
Equity at 31 December 2020	575.7	16,243.6	16,819.3

Cash flow statement

SEK M	Note	Group		Parent Company	
		2020	2019	2020	2019
Operating activities					
Profit/loss after financial items		3,236.9	4,233.9	3,241.6	3,849.7
Amortisation and depreciation of property, plant and equipment and intangible assets	10, 11, 12, 13	42.8	26.4	2.1	2.5
Fair value of portfolio companies	5	-3,148.3	-3,016.3	-3,148.3	-3,016.3
Fair value of other companies and short-term investments	5	-57.9	-560.1	-57.9	-71.9
Share of earnings in associated companies	4	-88.6	-21.4	–	–
Dividends from associated companies		21.9	13.8	–	–
Other non-cash items, net		26.7	7.9	0.1	0.1
Paid tax		0.0	-0.8	0.5	1.1
Cash flow from operating activities before changes in working capital		33.5	683.4	38.0	765.2
Cash flow from changes in working capital					
Change in inventories		0.0	0.0	–	–
Change in current receivables		33.6	19.5	6.4	42.1
Change in provisions		-5.5	7.2	–	–
Change in current liabilities		-2.2	-10.8	3.0	-5.4
Cash flow from changes in working capital		25.8	15.9	9.4	36.7
Cash flow from operating activities		59.3	699.2	47.4	801.9
Investing activities					
Acquisition of other non-current assets	10, 11, 12, 13	-22.3	-34.7	-0.8	0.0
Disposal of other non-current assets	10, 11, 12, 13	0.7	1.9	0.0	0.0
Investments in portfolio companies	14	-314.4	-454.0	-258.2	-316.0
Disposal of portfolio companies	14	1.8	47.8	1.4	63.3
Loans granted		0.0	0.0	-99.2	-136.1
Amortisation of receivables		2.5	3.9	1.6	2.2
Investments in short-term investments, net		-100.9	186.5	-100.9	186.5
Cash flow from investing activities		-432.6	-248.6	-456.1	-200.1
Financing activities					
Borrowings		39.6	7.4	0.0	0.0
Amortisation of liabilities		-0.7	-9.4	0.0	0.0
Depreciation of right-of-use assets	8	-14.4	-16.0	-2.0	-2.0
Interest expense lease liability	8	-0.8	-0.9	-0.1	-0.1
Buy-back of own shares		-69.0	-137.9	-69.0	-137.9
Dividends to shareholders		985.2	–	985.2	–
Cash flow from financing activities		940.0	-156.9	914.1	-140.0
Cash flow for the year		566.7	293.8	505.5	461.8
Cash and cash equivalents at beginning of year		710.5	397.2	657.7	195.9
Cash flow for the year		566.7	293.8	505.1	461.8
Translation differences		-22.5	19.5	0.0	0.0
Cash and cash equivalents at end of year		1,254.7	710.5	1,163.2	657.7
Interest paid		10.2	10.3	0.4	1.3
Interest received		5.9	5.9	4.7	4.6

Notes

Note 1 – Accounting policies

General information

Bure Equity AB (publ), corporate identity number 556454-8781, is domiciled in Stockholm. Its head office visiting address is Nybrogatan 6, Stockholm. The Parent Company is listed on the Nasdaq Stockholm. These consolidated financial statements were approved by the Board of Directors on 30 March 2021.

Basis of presentation

The consolidated financial statements are presented in compliance with the International Financial Reporting Standards (IFRS) and IFRIC interpretations, as endorsed by the EU, as well as the Swedish annual accounts act. In addition to IFRS, the Swedish Financial Board's recommendations RFR 1, Supplementary Accounting Rules for Groups, and RFR 2, Accounting for Legal Entities, are applied. The consolidated financial statements have been prepared according to the acquisition method of accounting, aside from financial assets measured at fair value through profit for the year. The preparation of financial statements according to IFRS requires management to make estimates and assumptions. Areas involving a high degree of judgement or complexity, or areas where assumptions and estimates affect the reported statement of comprehensive income or the financial position statement are described in Note 11.

Consolidated accounts

Subsidiaries:

Subsidiaries are all companies, (including structured companies), in which the Group has a controlling interest. The Group has a controlling interest in a company when it is exposed to or has a right to operational returns from its holding in a company and can influence returns through its controlling interest in a company. Subsidiaries are included in consolidated reporting from the date when controlling interest is transferred to the Group. They are excluded from consolidated reporting from the date when a controlling interest ceases.

Intra-group transactions, balance items and unrealized profit and loss on transactions between group companies are eliminated.

Associate companies:

Associate companies are those companies in which the Group has a significant but not controlling interest, which typically refers to share holdings of between 20 and 50 per cent of voting the rights. Holdings in associate companies that are listed are reported at fair value in the income statement as these are followed up based on fair value, while holdings in associate companies that are unlisted are reported according to the equity method.

Fair value in income statement

Listed holdings are reported as financial instruments under the heading "Financial assets valued at fair value in the income statement" in the balance sheet and valued at fair value according to IFRS 9, IFRS 13, and IAS 28 point 18–19. Long-term holdings in securities are reported as financial instruments under "Other long-term security holdings" in the consolidated balance sheets and are valued at fair value through profit and loss in accordance with IFRS 9.

The equity method

According to the equity method, holdings are reported in the consolidated balance sheet under fair value consideration in the first instance. Reported value increases or decreases thereafter reflect the Group's share of results and other total results after the point of acquisition. The Group's share of results is included in consolidated results and consolidated share of other total results are included in other total results for the Group. Dividends from associate companies are reported where applicable as a decrease in an investment's reported value.

The consolidated balance sheets of these holdings are presented under "Investments reported according to the equity method". In the consolidated statement of comprehensive income "Shares of profit/loss of associates" comprises Bure's share of associate companies' reported net results according to the equity method.

Share and transactions with non-controlling interests

Holdings of non-controlling interests are the component of earnings and net assets of jointly-owned subsidiaries that accrue to other owners. The share of earnings is included in the reported results of the company's consolidated statement of comprehensive income and its share of net assets is reported under equity in the consolidated balance sheet. Information is provided on the proportion of each item that relates to the parent company's shareholders and to holders of non-controlling interests, respectively.

Translation of foreign currencies

Items in these financial statements are measured using the currency of the primary economic environment in which the subsidiary operates (the functional currency). The consolidated financial statements are presented in Swedish kronor (SEK), which is also the parent company's functional and presentation currency of the Parent Company.

Transactions in foreign currencies are translated into Swedish kronor at the rate of exchange prevailing on the transaction date. Foreign exchange gains and losses arising on translation of monetary assets and liabilities denominated in foreign currency are translated at the closing day rate of exchange and reported in profit or loss.

Foreign subsidiaries' assets and liabilities are translated at the closing day rate of exchange and all income and expenses are translated at the average rate during the year. Estimated translation differences are reported in other comprehensive income. Goodwill and other intangible assets that arise from the acquisition of a foreign operation are treated as assets of such operations and are translated at the closing day rate of exchange.

Exchange rate gains and losses on financial assets and liabilities are reported as financial income or expenses. Exchange rate gains and losses on operating assets and operating liabilities are reported in operating profit.

Business combinations

Business combinations are reported according to the acquisition method of accounting, whereby all acquired assets and liabilities are measured at their fair values on the acquisition date. These fair values also include the share in assets and liabilities attributable to non-controlling interests. Identifiable net assets also consist of assets, liabilities, and provisions that are not recognised in the balance sheet of the acquired business.

The difference between the consideration and the fair value of net assets acquired is reported as goodwill to the extent that no other identifiable and separable intangible assets have been identified.

Intangible assets, (excluding goodwill), is amortised over its estimated useful life, which is reviewed regularly. If an intangible asset is assessed to have an indefinite life, it is not amortised. The useful life of goodwill is generally assumed to be indefinite. There are no other assets with indefinite lifespans in the Group.

Goodwill

Goodwill must be tested for impairment at least annually. Since it is not possible to test goodwill for impairment separately from other assets, goodwill must be allocated to cash-generating units in which a separable cash flow can be identified. Other assets and liabilities in the Group may also be allocated to these cash-generating units. The cash-generating units to which goodwill has been allocated correspond to the lowest level of the Group at which goodwill is monitored. The lowest organisational level in accordance with the standard may not be higher than a segment as described in IFRS 8, Operating Segments. An impairment loss is recognised in the consolidated statement of comprehensive income when the recoverable amount of a cash-generating unit falls below its carrying amount. When the recoverable amount of a cash-generating unit is lower than its carrying amount, an impairment loss is first recognised through a reduction in goodwill. If this value is in turn lower than the difference between the recoverable amount and carrying amount, impairment losses should be recognised on other assets on a pro rata basis.

Intangible assets (excl. goodwill)

The intangible assets recognised in the statement of financial position are those that have either been acquired as part of a business combination (see above), separately purchased, or internally generated. Intangible assets are capitalised in the statement of financial position when it is probable that the economic benefits attributable to the asset will accrue to Bure, and the cost of the asset can be reliably measured. The Group currently does not conduct research and development activities.

Property, plant and equipment

Items of property, plant and equipment are recognised at cost less accumulated depreciation and impairment losses. Depreciation is calculated on the depreciable amount, normally comprising historical cost less any estimated residual value at the end of the useful life of an asset. Depreciation is carried out on a straight-line basis over the estimated useful life of an asset.

Intangible assets (excl. goodwill):	20–33 per cent
Machinery and equipment:	20–33 per cent
Computers:	33 per cent
Locomotives:	3.3 per cent

Leasing

The Group's significant leases relate to premises. Leasing agreements typically apply to fixed periods with options for extensions.

The Group has chosen to use the simplification rule so as not to break out different leasing components of site leases.

Assets (rights-of-use) and liabilities that arise from leasing agreements are reported at current values in the first instance. Leasing liabilities include the current value of the following leasing payments:

- Fixed fees, (including fees that are fixed in their substance), or deductions for any benefits in connection with the signing of leasing agreements are payable as variable leasing charges determined by an index or a price, initially valued with the help of an index or price at the start date.
- Leasing payments that will be made for reasonably secure extension options are also included in the valuation of liabilities.
- Leasing payments are discounted with the implicit interest rate. If it is difficult to determine this rate, which is typically the case for the Parent Company's leasing agreements, the lessee's marginal loan interest rate is used, which is the rate that individual lessees would have to pay to borrow the necessary funds to purchase an asset of similar value and right-of-use in a comparable economic environment with similar terms and conditions and guarantees. The Group's marginal loan interest rate for leasing agreements has been determined as a weighted average based on the type of asset and region.
- Leasing payments are divided into debt repayments and interest. Interest rates are reported in the income statement for the duration of a leasing period in such a way that entails a fixed interest rate during a respective period's reported leasing liability.

Right-of-use assets are valued at cost consideration and include the following:

- The amount a leasing liability is originally valued at
- Leasing charges paid on or prior to the commencement date, after deductions for any benefits received in conjunction with the signing of the lease

Rights-of-use are usually amortised on a straight-line basis over the right-of-use period or leasing period, whichever is shorter. If the Group is reasonably certain of exercising a buy option, the right-of-use is amortised over the useful life of the underlying asset.

Payments for short contracts and all leases of lesser value are expensed on a straight-line basis in the income statement. Short contracts are agreements with leasing terms of 12 months or less. Lesser value agreements are primarily agreements for IT equipment.

Financial instruments

The Group's financial instruments covered by IFRS 9 consist primarily of investments in listed associate companies and other holdings that are valued at fair value in the income statement. The Group also has receivables and liabilities, primarily trade receivables, leasing liabilities and supplier liabilities which are reported at amortised cost.

Fair value

Fair value has been calculated according to IFRS 13. Fair value is estimated to be equal to the book value of trade receivables and other receivables, other current receivables, cash and cash equivalents, supplier liabilities, other liabilities and borrowing. Book value less depreciation represents a reliable approximation of fair value for trade receivables. For non-current non-interest-bearing liabilities, fair value has been calculated by discounting future cash flow with current market rates relative to a liability's duration.

The Parent Company's financial assets and liabilities are valued according to the following hierarchies:

Level 1: Listed prices on an active market for identical assets or liabilities.

Level 2: Observable data for the asset or liability other than listed prices included in Level 1, either directly or indirectly.

Level 3: Data for the asset or liability that is not entirely based on observable market data.

Impairment of financial assets

The Group applies the simplified method to calculate expected credit losses related to trade receivables. This method includes using expected losses throughout a receivable's entire time period as the basis for trade receivables.

To calculate expected credit losses, historic losses as well as forward-looking information are considered. Generally, customer losses are low because credit reserves are marginal.

Financial risk management

The Group is exposed to a variety of financial risks such as share price risk, currency risk, interest rate risk and general liquidity risk. Bure's overall risk objective is regulated in the Parent Company's finance policy. Because the subsidiaries are mutually autonomous, each has adopted its own finance policy. A more detailed description of financial risk management is provided in Note 21, Financial instruments.

Inventories

Inventories are stated at the lower of cost and net realisable value.

Provisions

A provision is recognised when the Group has a present obligation, legal or constructive, that has arisen due to a past event, it is probable that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably. In cases where the company expects a provision to be reimbursed by another party, for example within the framework of an insurance agreement, the reimbursement is recognised as a separate asset only when it is virtually certain that the reimbursement will be received. If the cash outflow to settle an obligation is expected to occur after more than 12 months, the future payment should be measured at discounted present value.

A provision to a restructuring reserve is recognised in the period when the Group has a legal or constructive obligation to carry out the plan and those affected have a valid expectation. A provision is recognised only for direct expenditures that are caused by the restructuring and are an effect of remaining contractual obligations without lasting economic benefits, or that consist of a fine resulting from termination of the obligation.

Revenue recognition

Income is reported according to IFRS 15. Income arises in the Group when a customer obtains control over goods or services sold to them. Customer contracts are analysed and divided into distinct performance obligations. Once a performance obligation is fulfilled, revenue from it is reported in the corresponding part of the total agreed price that accrues from the fulfilment of the contract. License revenue is reported throughout the period that a license is valid. Estimated remuneration for work done but not invoiced for is reported under "Prepaid expenses and accrued income". In those cases where invoiced amounts exceed work done, these shall be reported under "Liabilities" as advances received.

Pensions

Contributions payable under defined contribution pension plans are recognised as an expense in the period in which they arise.

Operating segments

Bure's operations are monitored and supervised by the group management based on the individual company holdings, which are therefore regarded as operating segments. Buying and selling between the operating segments is limited.

Income taxes

Deferred tax assets and liabilities are recognised when there are temporary differences between the carrying amounts and tax bases of assets and liabilities. Deferred tax assets relating to loss carryforwards are recognised to the extent that it is deemed probable that there will be sufficient taxable profits against which to utilize these loss carryforwards. The year's reported tax expense consists of tax payable on the year's taxable profit, (current tax), and deferred tax. Bure's share in the income tax of associates is included in "Shares of profit/loss of associates".

Cash flow statement

Cash and cash equivalents refer to bank deposits.

Critical accounting estimates and judgments

In preparing the financial statements, the Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely correspond to actual results. The estimates and assumptions that are associated with a significant risk for material adjustments in the carrying amounts of assets and liabilities in the next financial year are described below.

Impairment of property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets, aside from those with indefinite useful lives, are depreciated/amortised over the period when they are expected to generate economic benefits, i.e. their useful working life. If there is an indication of impairment, the asset's recoverable amount is calculated, and consists of the higher of the asset's fair value less costs to sell and its value in use. An impairment loss is recognised when the recoverable amount of an asset is lower than its carrying amount. The recoverable amount is determined on the basis of the management's estimates, for example future cash flows.

Goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually or more frequently when is an indication of a decline in value. To test these assets, they must be allocated to cash-generating units and their respective useful lives must be calculated. The necessary calculations require the management to estimate the expected future cash flow attributable to the defined cash-generating units and to choose a suitable discount rate for use in discounting this cash flow. The Group has evaluated the estimates where changes could have a significant impact on the fair value of the assets and would therefore require the recognition of an impairment loss. Among other things, these estimates are related to the expected rate of inflation and the choice of discount rate. The assumptions applied in impairment tests, including a sensitivity analysis, are described in more detail in Note 11.

Deferred tax assets

Deferred tax is calculated on the basis of temporary differences between the tax base and carrying amount of an asset or liability and on unutilised loss carryforwards. Deferred tax assets are recognised only when it is probable that these can be utilised against future profits. The probability that loss carryforwards can be utilised against future profits is assessed through calculation of expected future cash flows. This assessment is made in relation to impairment testing of shares in subsidiaries. In cases where the actual outcome differs from the estimates or when management adjusts these estimates, this can lead to changes in the value of deferred tax assets.

Provisions for doubtful debts

The Group values customer losses in accordance with IFRS 9, this means that assessed provisions are made for both non-due receivables and overdue receivables based on losses over the entire term. This means that in each maturity category, a percentage share is allocated to reserves for doubtful accounts receivable. This is done for each company in the Group according to a three-step model based on changes in credit quality of assets and provisions made when debts first occur. Actual customer losses or changes in other market factors entail a renewed calculation of doubtful debts provisions. Losses or other changes in reserves are reported in the consolidated income statements under other operating costs.

Impairment of associate companies

For holdings in unlisted associate companies, ongoing cash flow and market valuations are recognised to evaluate the recoverable amount and identify any indications of impairment.

New accounting principles for the Group that enter force on 1 January 2020

Revised or amended IFRS standards are not considered to have any significant impact on earnings or the balance sheet. Bure continuously updates its analysis of planned changes.

Parent Company accounting policies

The Annual Report for the Parent Company has been prepared in accordance with the Swedish Annual Accounts Act. The Parent Company applies the same accounting principles as the Group, with the exceptions and supplements stipulated by the Swedish Financial Reporting Board, recommendation RFR 2 "Accounting for legal entities". The principles have been applied consistently for all years presented, unless otherwise stated.

Subsidiaries

Subsidiaries are reported at cost plus any transaction costs.

Associate companies

The Parent Company holds only listed associate companies reported as financial instruments under "Financial assets valued at fair value in the income statement" in the Parent Company's balance sheet and valued at fair value in the income statement according to IFRS 9, IFRS 13 and IAS 28 point 18–19, in the same way as the Group.

Tax

The equity share of untaxed reserves is included in retained earnings. The tax share of untaxed reserves has been recognised as deferred tax liabilities within non-current liabilities.

Note 2 – Segment information

Reporting by operating segment

Since Bure already previously reported its segments in a similar manner, no changes have been made in the grounds for segmentation or in calculation of profit/loss by segment compared to the previous year's annual report. Consolidation adjustments relating to positive and negative goodwill have been attributed to the respective companies. Transactions between the various segments are insignificant in scope and account for less than 0.1 per cent of total sales. Dormant companies or companies not classified as portfolio companies are reported under the heading "Other companies". No customer accounted for more than 10 per cent of net sales during the periods.

SEK M	Mercuri		Investment AB Bure		Atle Investment Management		Bure Growth		Other companies		Eliminations, etc.		Parent Company		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Net sales																
Total net sales	241	347	21	22	4	13	0	0	0	0	–	–	0	0	267	382
Profit/loss																
Shares of profit/loss	2	1	–	–	98	22	-11	-2	–	–	–	–	–	–	89	21
Profit/loss by segment	-47	9	-7	11	-10	-2	0	0	-2	–	–	–	1	1	-64	18
Administrative expenses	–	–	–	–	–	–	–	–	–	–	–	–	-52	-45	-52	-45
Fair value/impairment losses	–	–	–	–	–	–	–	488	–	–	–	–	3,206	3,088	3,206	3,576
Dividends	–	–	–	–	–	–	–	–	–	–	-16	-132	71	231	55	99
Exit gains/losses/capital gains/ losses on short-term investments	–	–	–	–	0	-2	–	–	–	–	–	–	15	566	15	564
Operating profit/loss	-45	10	-7	11	88	18	-11	486	-2	0	-16	-132	3,242	3,841	3,248	4,235
Net financial items															-11	-1
Income tax expense															-1	-5
Profit/loss after tax															3,236	4,229

Other disclosures SEK M	Mercuri		Investment AB Bure		Atle Investment Management		Bure Growth		Other companies		Eliminations, etc.		Parent Company		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Assets	175	222	160	167	31	13	977	968	0	0	-601	-502	16,845	12,688	17,587	13,556
Equity holdings in associates	16	17	–	–	150	75	183	138	–	–	–	–	–	–	348	230
Total asset	190	239	160	167	180	88	1,160	1,106	0	0	-601	-502	16,845	12,688	17,935	13,786
Liabilities																
Unallocated liabilities	204	191	128	124	25	1	448	373	1	0	-601	-502	26	26	232	213
Total liabilities	204	191	128	124	25	1	448	373	1	0	-601	-502	26	26	232	213
Investments	19	33	1	0	0	0	0	0	0	0	0	0	2	0	22	33
Amortisation/depreciation	18	17	7	7	0	0	0	0	0	0	0	0	2	3	27	26

SEK M	Sweden		Rest of Nordics		Europe		North America		Asia		Other markets		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Sales by market	73	107	21	38	153	206	7	6	13	25	0	0	267	382
Assets by market	17,740	13,513	22	46	153	190	7	6	13	31	0	0	17,935	13,786
Investments by market	6	29	1	0	13	4	0	0	2	0	0	0	22	33

According to IFRS 15, the Group classifies revenues in the following classes: consultancy revenues, license revenues, and other revenues.

SEK	Full year 2020	Full year 2019
Consultancy income	225	280
Licensing income	7	10
Other income	35	91
Net sales	267	382

The table below shows the Group's contracted income.

Contracted income, SEK M	< 1 year	1 – 2 years	> 2 years
Consultancy income	71	5	0
Licensing income	3	0	0
Other income	19	0	0
Total	93	5	0

Note 3 – Exit gains/losses

SEK M	Group		Parent Company	
	2020	2019	2020	2019
Cavotec	–	-1.3	–	-1.3
MedCap	1.5	1.5	1.5	1.5
Mycronic	–	245.1	–	245.1
Vitrolife	–	369.7	–	369.7
Xvivo Perfusion	2.5	-1.7	2.5	-1.7
Alcur Fonder	-0.3	–	–	–
Atle Investment Management	–	6.6	–	6.6
Idevall & Partners Holding	–	-1.6	–	–
Mercuri International Group	–	-11.0	–	-11.0
Other holdings	–	0.0	–	0.0
Total	3.6	607.3	3.9	608.9

Note 4 – Share of profit/loss of associates

SEK M	Group	
	2020	2019
Alcur Fonder	74.1	13.4
BioLamina	0.6	-1.0
Fondbolaget Fondita	8.4	8.9
Life Genomics	0.3	0.1
My Driving Academy Sweden	-2.4	-2.5
ScandiNova Systems	-9.3	1.3
Teknik Innovation Norden Fonder	15.2	0.0
Mercuri Goldmann (India) Pvt Ltd	1.7	1.3
Total	88.6	21.4

Note 5 – Fair value adjustments/changes

SEK M	Group		Parent Company	
	2020	2019	2020	2019
Cavotec	113.2	139.7	113.2	139.7
MedCap	263.0	174.7	263.0	174.7
Mentice	72.6	60.0	72.6	60.0
Mycronic	1,647.2	1,611.5	1,647.2	1,611.5
Ovzon	65.3	123.8	65.3	123.8
Vitrolife	376.5	756.5	376.5	756.5
Xvivo Perfusion	610.4	150.2	610.4	150.2
Mercuri International Group	–	11.0	–	11.0
Yubico	–	507.2	–	–
Short-term investments	57.9	41.9	57.9	60.9
Total	3,206.2	3,576.4	3,206.2	3,088.1

Note 6 – Interest and similar profit/loss items

Income from financial assets measured at fair value through comprehensive income in the Group and through profit or loss in the Parent Company

SEK M	Group		Parent Company	
	2020	2019	2020	2019
Net exchange differences in financial receivables/liabilities	-4.0	-1.8	-0.1	0.0
Revenue from share issue guarantees	0.4	5.5	0.4	5.5
Other financial revenue	-4.5	0.4	-4.5	–
Interest income	0.2	0.4	4.7	4.6
Interest expense	-4.5	-4.9	-0.4	-1.3
Other financial expense	-1.1	-0.5	–	–
Total interest and similar profit/loss items	-13.6	-0.9	0.0	8.7

Operating profit includes no foreign exchange differences relating to current assets.

Note 7 – Income taxes

SEK M	Group		Parent Company	
	2020	2019	2020	2019
Current tax	-0.4	-3.6	0.0	0.0
Deferred tax	-0.6	-1.5	0.0	0.0
Total	-1.0	-5.1	0.0	0.0
Items included in deferred tax				
Deferred tax assets:				
Taxed deficit	8.4	6.6	–	–
Temporary differences	-1.9	0.4	–	–
Total	6.4	7.0	0.0	0.0
Deferred tax liabilities:				
Temporary differences	0.7	1.1	–	–
Total	0.7	1.1	0.0	0.0
Deferred tax, net	5.8	5.9	0.0	0.0
Composition of tax expense				
Reported profit before tax	3,148.3	4,212.5	3,241.6	3,849.7
Effect of associated companies, net	88.6	21.4	–	–
Reported profit before tax	3,236.9	4,233.9	3,241.6	3,849.7
Tax according to the applicable tax rate, 21.4% (21.4%)	-692.7	-906.1	-693.7	-823.8
Other non-deductible expenses	-1.0	-0.9	-2.2	-0.9
Non-taxable income	0.0	0.1	–	–
Tax deductible items	704.5	903.8	695.9	824.7
Non-deductible amortization of intangible assets	-3.3	–	–	–
Utilisation of previously uncapitalised loss carryforwards	0.2	2.5	–	–
Effect of uncapitalised loss carryforwards	-6.0	-2.0	–	–
Effect of different tax rate in foreign country	-2.0	-1.5	–	–
Reversal of previously capitalised loss carryforwards	0.4	0.0	–	–
Adjustment of taxes for prior years	-1.1	-0.9	–	–
Other	-1.0	-5.1	0.0	0.0
Total				

Note 7 – Income taxes, (cont'd)

SEK M	Group		Parent Company	
	2020	2019	2020	2019
Gross change in deferred tax				
At beginning of year	5.9	6.4	0.0	0.0
Temporary differences	0.5	-0.7	–	–
Translation differences	-0.7	0.2	–	–
At end of year	5.8	5.9	0.0	0.0

The Group's loss carryforwards at the end of the year was SEK 1,025M, of which SEK 697M related to the parent company. In Sweden, losses amounted to SEK 950M, and all are perpetual.

Deferred tax assets based on loss carryforwards in the Group have been valued at SEK 6M (7), which is almost exclusively attributable to loss carryforwards in the subsidiaries that are deemed to be utilized against future surpluses. All loss carryforwards are fully available. Items that are tax deductible consist for the most part of non-taxable unrealized increases in value from listed financial assets.

Note 8 – Leasing

Leasing agreements are discounted at a specific interest rate depending on the underlying asset and geographical location. Weighted average discount weight was 3.4 per cent (2.9).

Leasing liabilities SEK M	Premises		Cars		Office equipment		Other		Total	
	Group	Parent Company	Group	Parent Company	Group	Parent Company	Group	Parent Company	Group	Parent Company
Opening balance 1 Jan 2019	26.3	2.8	3.7	0.3	1.6	0.0	1.3	0.0	33.0	3.1
Change during year	11.3	2.0	2.6	0.0	0.4	0.0	0.0	0.0	14.4	2.0
Amortisation during year	-12.5	-1.9	-2.6	-0.1	-0.5	0.0	-0.5	0.0	-16.0	-2.0
Exchange rate differences	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.7	0.0
Closing balance 31 Dec 2019	25.7	2.9	3.7	0.2	1.6	0.0	0.9	0.0	31.9	3.1

Leasing liabilities SEK M	Premises		Cars		Office equipment		Other		Total	
	Group	Parent Company	Group	Parent Company	Group	Parent Company	Group	Parent Company	Group	Parent Company
Opening balance 1 Jan 2020	25.7	2.9	3.7	0.2	1.6	0.0	0.9	0.0	31.9	3.1
Change during year	9.7	1.9	1.5	0.4	0.2	0.0	-0.1	0.0	11.2	2.4
Amortisation during year	-11.2	-1.9	-2.1	-0.1	-0.7	0.0	-0.4	0.0	-14.4	-2.0
Exchange rate differences	-1.0	0.0	-0.1	0.0	-0.1	0.0	0.0	0.0	-1.2	0.0
Closing balance 31 Dec 2020	23.1	2.9	3.0	0.5	1.1	0.0	0.4	0.0	27.5	3.4

Right-of-use assets SEK M	Premises		Cars		Office equipment		Other		Total	
	Group	Parent Company	Group	Parent Company	Group	Parent Company	Group	Parent Company	Group	Parent Company
Opening balance 1 Jan 2019	26.5	2.8	3.7	0.3	1.6	0.0	1.3	0.0	33.1	3.1
Change during year	9.9	2.0	2.4	0.0	0.4	0.0	0.0	0.0	12.7	2.0
Amortisation during year	-11.3	-1.9	-2.5	-0.1	-0.8	0.0	-0.5	0.0	-15.0	-2.0
Exchange rate differences	0.7	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.8	0.0
Closing balance 31 Dec 2019	25.7	2.9	3.7	0.2	1.3	0.0	0.9	0.0	31.6	3.1

Right-of-use assets SEK M	Premises		Cars		Office equipment		Other		Total	
	Group	Parent Company	Group	Parent Company	Group	Parent Company	Group	Parent Company	Group	Parent Company
Opening balance 1 Jan 2020	25.7	2.9	3.7	0.2	1.3	0.0	0.9	0.0	31.6	3.1
Adjustment to opening balance	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.0	0.2	0.0
Change during year	10.4	1.9	1.5	0.4	0.2	0.0	-0.1	0.0	12.0	2.4
Amortisation during year	-12.0	-1.9	-2.1	-0.1	-0.7	0.0	-0.4	0.0	-15.3	-2.0
Exchange rate differences	-0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-0.7	0.0
Closing balance 31 Dec 2020	23.5	2.9	3.0	0.5	1.0	0.0	0.3	0.0	27.9	3.4

The difference between assets and liabilities was primarily the result of provisions for recovery costs and the difference between depreciation of assets and amortisation of liabilities.

Note 8 – Leasing, (cont'd)

Leasing costs in 2019 included in the income statement that were recalculated under IFRS16.

Leasing liabilities, SEK M	Premises		Cars		Office equipment		Other		Total	
	Group	Parent Company	Group	Parent Company	Group	Parent Company	Group	Parent Company	Group	Parent Company
Leasing costs under IFRS 16	11.5	2.0	1.8	0.1	0.6	0.0	0.4	0.0	14.3	2.1
Variable leasing costs	0.0	0.0	0.1	0.0	0.0	0.0	0.3	0.0	0.4	0.0
Short-term contracts	0.0	0.0	0.3	0.0	0.1	0.0	0.0	0.0	0.3	0.0
Low-value contracts	0.0	0.0	0.0	0.0	0.1	0.1	0.1	0.0	0.1	0.1
Total	11.5	2.0	2.2	0.1	0.7	0.1	0.7	0.0	15.2	2.1

Leasing costs in 2020 included in the income statement that were recalculated under IFRS16.

Leasing liabilities, SEK M	Premises		Cars		Office equipment		Other		Total	
	Group	Parent Company	Group	Parent Company	Group	Parent Company	Group	Parent Company	Group	Parent Company
Leasing costs under IFRS 16	12.1	2.0	2.2	0.1	0.6	0.0	0.3	0.0	15.1	2.1
Variable leasing costs	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0
Short-term contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.0
Low-value contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.0	0.2	0.1
Total	12.2	2.0	2.2	0.1	0.6	0.0	0.6	0.0	15.6	2.1

Future leasing commitments SEK M	2021		2022–2026		Effect on result for the year SEK	Group		Parent Company	
	Group	Parent Company	Group	Parent Company		2020	2019	2020	2019
Premises	7.8	2.0	15.1	1.5	Paid leasing costs	15.1	14.3	2.1	2.1
Cars	1.6	0.1	0.3	0.4	Depreciation	-15.3	-15.0	-2.0	-2.0
Office equipment	0.5	0.0	0.6	0.0	Interest expenses	-0.8	-0.9	-0.1	-0.1
Other	0.3	0.0	0.0	0.0	Total	-0.9	-1.7	0.0	0.0
Short term contracts/ Leases of low value	0.4	0.0	0.1	0.0					
Closing balance as at 31 December 2020	10.5	2.1	16.1	1.8					
Cash flow effects of leasing SEK M	Group	Parent Company	Group	Parent Company					
	2020	2019	2020	2019					
Interest expenses	-0.8	-0.9	-0.1	-0.1					
Amortisation of leasing liabilities	-14.4	-16.0	-2.0	-2.0					
Total	-15.2	-17.0	-2.1	-2.1					

Note 9 – Fees to auditors

SEK M	Group		Parent Company	
	2020	2019	2020	2019
Fees to PwC				
Auditing fees	1.9	2.0	0.4	0.4
Other services mandated by law	0.3	0.2	0.3	0.2
Tax advisory services	0.2	0.1	0.2	0.1
Other services	–	0.0	–	–
Total fees to PwC	2.4	2.4	0.8	0.8
Fees to other auditors				
Auditing fees	0.1	0.2	–	–
Consulting services	0.1	0.1	–	–
Total fees to other auditors	0.2	0.3	0.0	0.0

Note 10 – Patents, licences, etc.

SEK M	Group	
	2020	2019
Opening balance	27.5	22.7
The year's acquisitions	5.4	6.3
Disposals/reclassifications	0.0	-1.7
Translation differences	-0.7	0.2
Closing balance	32.2	27.5
Opening amortisation	-20.1	-20.0
Disposals/reclassifications	-0.7	1.5
The year's amortisation	-2.2	-1.4
Translation differences	0.4	-0.1
Closing accumulated amortisation	-22.6	-20.1
Carrying amount	9.7	7.4

Note 11 – Goodwill

SEK M	Group	
	2020	2019
Opening balance	621.9	591.1
The year's acquisitions	0.2	23.3
Translation differences	-17.0	7.5
Closing balance	605.1	621.9
Opening amortisation	-97.2	-96.6
Translation differences	1.2	-0.5
Closing accumulated amortisation	-96.0	-97.2
Opening impairment losses	-404.9	-399.4
Write-downs for the year	-15.4	–
Translation differences	12.7	-5.5
Closing accumulated impairment losses	-407.6	-404.9
Carrying amount	101.6	119.8

The recoverable amount of the Group's goodwill items in 2020 has been determined based on calculations of value in use. These calculations are based on estimated future cash flows with consideration to financial budgets approved by management.

SEK M	Good-will	Growth per annum forecast period	Terminal growth rate	EBIT forecast period	EBIT forecast period ¹⁾
Mercuri International Group AB	98.9	4.0 %	1.0 %	9.0 %	12.0 %
Atle Investment Services AB	2.7	4.0 %	1.0 %	7.4 %	12.0 %

¹⁾ Refers to the discount rate before tax. The discount rate for the comparison year was 12.0 per cent.

The valuations that have provided the basis for the value testing do not represent fair market value, but are instead estimated in accordance with IAS 36 to determine the recoverable amount of cash-generating units. Based on the above, the goodwill values in the table can be considered well founded. The forecast period is five years. The recoverable amount exceeds the carrying amount. If, for example, the growth or EBIT assumption should change by one percentage point, Bure's goodwill values could be lower than their reported carrying amounts.

A sensitivity analysis of significant variables for goodwill has the following effects on the estimated value:

Mercuri International Group AB Variable	Change, %-points	Effect on value
Growth, terminal period	-1%	SEK - 10M
Discount rate	+1%	SEK - 20M

Atle Investment Services AB Variable	Change, %-points	Effect on value
Growth, terminal period	-1%	SEK 0M
Discount rate	+1%	SEK 0M

The recoverable amount exceeds the carrying amount even with consideration to the above changes. The growth assumption is based on an assessment of general economic development in combination with industry-specific assumptions.

Note 12 – Buildings, land and land improvements

There are no future commitments for property investments. There are no finance leases connected to properties in the Group.

SEK M	Group 2020	2019
Opening balance	1.7	1.7
Translation differences	-0.1	0.0
Closing balance	1.7	1.7
Opening depreciation	-0.6	-0.6
Depreciation for the year	0.0	0.0
Translation differences	0.0	0.0
Closing accumulated depreciation	-0.6	-0.6
Carrying amount	1.1	1.2

Note 13 – Equipment, tools, fixtures and fittings

SEK M	Group		Parent Company	
	2020	2019	2020	2019
Opening acquisition value	275.3	274.0	10.2	10.2
Adjustment to opening balance	1.8	–	–	–
Acquisition during the year	4.4	3.1	0.8	–
Sales/reclassification	-0.7	-2.6	–	–
Translation differences	-2.2	0.9	–	–
Closing acquisition value	278.6	275.3	11.1	10.2

The reported values do not include any equipment financed through lease contracts.

Opening depreciation	-109.2	-97.6	-8.0	-7.4
Adjustment to opening balance	-1.8	–	–	–
Disposals/Reclassifications	0.7	0.9	–	–
The year's depreciation	-9.6	-10.0	-0.1	-0.6
Translation differences	1.9	-0.8	–	–
Closing accumulated depreciation	-118.0	-107.4	-8.1	-8.0
Carrying amount	160.6	167.9	3.0	2.3

Note 14 – Acquisitions and divestitures

Acquisitions in 2020

Bure acquired 8.5 million shares in Cavotec for SEK 136.7M and increased its holding to 36.2 per cent. Bure acquired 1.2 million shares in Mentice for SEK 51.7M and increased its holding to 14.7 per cent. Bure subscribed for its pro rata share of Ovzon's rights issue amounting to SEK 17.5M. Bure purchased shares for SEK 32.3M in Xvivo Perfusion's directed share issue. Bure Growth acquired 25,000 shares in Yubico for SEK 9.0M. Bure Growth acquired shares in BioLamina's rights issue for SEK 13.2M and acquired shares for SEK 53.2M and increased its holding to 44.8 per cent. Bure acquired 6.4 million shares in Allgon for SEK 70.9M.

Divestments in 2020

Bure divested 50,000 shares in MedCap for SEK 2.5M in conjunction with the exercise of share options that generated an exit gain of SEK 1.5M. Bure divested 20,000 shares in Xvivo Perfusion to Dag Andersson, Xvivo Perfusion CEO, for SEK 2.9M, generating an exit gain of SEK 2.5M.

Acquisitions in 2019

Bure acquired a total of 5.7 million shares in Cavotec for SEK 74M, increasing its holding to 27.1 per cent. Bure acquired 2.45 million shares in Mentice for SEK 120M in conjunction with the company's stock market listing, equivalent to a holding of 10.1 per cent. Bure acquired an additional 3.8 million shares in Ovzon for SEK 113M, increasing its holding to 14.3 per cent. Bure Growth acquired 27.8 per cent of shares in ScandiNova Systems for SEK 81M. Bure Growth acquired 0.2 million shares in Yubico for SEK 54M.

Divestitures in 2019

Bure divested 75,000 shares in MedCap for SEK 3M by exercising options, resulting in an exit gain of SEK 2M. Bure divested a total of 2.0 million shares in Myconic for SEK 270M, resulting in an exit gain of SEK 245M. Bure divested 2.0 million shares in Vitrolife for SEK 384M, resulting in an exit gain of SEK 370M. Bure divested 85,979 shares in Xvivo Perfusion in conjunction with the exercise of share options, resulting in an exit loss of SEK -2M. Bure divested 7.0 per cent of its shares in Atle Investment Management to the incoming CEO for SEK 6.6M – a valuation equivalent to the company's net asset value. The transaction resulted in an exit gain of SEK 6.6M. Bure divested shares in Mercuri to the company's management at a book value equivalent to the reported net asset value. Mercuri acquired Prosales, a leading Swedish research and consultancy firm, specialising in B2B sales training. In conjunction with this transaction, Prosales management team acquired new issued shares in Mercuri. Bure's holding in Mercuri amounts to 90.4 per cent following these transactions.

Note 15 – Other non-current and current receivables

SEK M	Group		Parent Company	
	2020	2019	2020	2019
Other non-current receivables				
Non-current receivables, interest-bearing	1.0	2.0	144.3	2.0
Non-current receivables, non interest-bearing	4.5	5.7	0.8	0.8
Total other non-current receivables	5.5	7.7	145.1	2.8
Other current receivables				
Current receivables, interest-bearing	2.0	2.3	2.0	2.3
Current receivables, non interest-bearing	3.7	9.6	0.1	6.7
Total other current receivables	5.7	11.9	2.1	8.9

Note 16 – Prepaid expenses and accrued income

SEK M	Group		Parent Company	
	2020	2019	2020	2019
Accrued interest income	–	0.1	4.6	4.3
Accrued income	9.7	16.3	–	0.3
Other accrued income	0.5	0.4	–	–
Prepaid expenses	9.4	8.8	0.5	0.6
Other items	0.7	0.8	0.3	–
Total	20.3	26.4	5.4	5.2

Note 17 – Provisions

The majority of provisions in Mercuri International Group relate to pension liabilities and are long-term. Provisions in Bure Equity and Bure Growth relate to provisions for warrant options issued. These options mature after one to three years and can be considered short-term.

SEK M	Group	
	2020	2019
Opening provisions	65.9	29.6
Adjustment to opening balance	-1.1	–
Provisions during the year		
Mercuri International Group	5.9	9.1
Bure Equity	0.0	10.5
Bure Growth	0.0	19.0
Investment AB Bure	1.5	–
Total	7.4	38.6
Utilised/dissolved during the year		
Mercuri International Group	-2.8	-2.7
Bure Equity	-4.0	–
Total	-6.8	-2.7
Translation differences	-1.4	0.4
Closing provisions	63.9	65.9

Estimated reversal of provisions in the Group.

	2021	2022	>2022
Pension provisions	0.0	–	30.7
Restructuring reserve	–	–	–
Other provisions	31.4	–	3.8
Total	31.4	0.0	34.5

Note 18 – Accrued expenses and deferred income

SEK M	Group		Parent Company	
	2020	2019	2020	2019
Salary and holiday compensation liability	25.6	36.3	10.2	8.2
Accrued social security expenses	7.9	8.9	1.3	1.2
Deferred income	4.7	5.9	–	–
Other accrued expenses	10.5	14.0	2.5	0.3
Total	48.6	65.1	14.0	9.8

Note 19 – Pledged assets

SEK M	Group		Parent Company	
	2020	2019	2020	2019
Shares in subsidiaries and associates	60.1	27.1	–	–
Blocked bank accounts	0.4	0.4	–	–
Total pledged assets	60.5	27.5	–	–

Note 20 – Contingent liabilities

Contingent liabilities in the Group amounted to SEK 0.5M (0.0) at 31 December 2020 and pertained to surety and guarantee commitments furnished by the subsidiaries.

There is no contingent consideration in the Group that has not already been capitalised. Bure has no remaining commitments to acquire additional shares in subsidiaries.

Note 21 – Financial instruments

Financial risks – objectives and policies

The Group is exposed to a number of different financial risks through its operations. Bure is an investment company with an important overall objective that is regulated in the Parent Company's finance policy. The Parent Company shall be essentially free from debt, and the subsidiaries shall have independent financing to ensure their financial autonomy from the Parent Company and other group companies. Consequently, the subsidiaries shall also be able to independently manage their own liquidity risk. A separate finance policy has been established for each individual subsidiary. The policy document provides guidelines for management of cash, surplus liquidity, debt financing and handling of currency and interest rate risk.

Price risk

Price risk on shares relates to risk associate with the fact that the value of shares listed on stock markets can change. Based on the market value of listed holdings of SEK 14,604M on 31 December 2020, a change of 1 per cent in the price of listed portfolio companies would affect the Group's profit before tax by SEK 146M.

Currency risk

Currency risk refers to the risk that the Group's commercial flows (transaction risk) will be affected by exchange rate fluctuations. Transaction risk in the Group is limited, since nearly all income is matched by expenses in the same currency. Because the Bure Group has investments outside Sweden via its subsidiaries, the Group's statements of financial position and comprehensive income are exposed to translation risk arising on the translation of the financial statements of foreign subsidiaries. This risk is normally not hedged. The most significant currency aside from the SEK is the EUR. A change of +/-5 per cent in the EUR rate would have an impact on the subsidiaries' profit before tax of SEK +/-1M.

Interest rate risk

The Group is exposed to interest rate risk through changes in the interest rate on assets and liabilities with variable interest due to movements in market interest rates. Fixed interest liabilities are also exposed to interest rate risk, but to a significantly lesser degree since the interest rate changes when the loans mature and are extended on new terms. A change of 1 per cent in the interest rate for the Group would have an estimated short-term impact on consolidated profit before tax of SEK 12M. Interest rate risk in borrowings can be maintained at a desired level through the use of derivatives such as swaps, forwards and options. At present, there are no hedges of interest rate risk.

Credit risk

Credit risk is the risk that Bure's counterparties will be unable to meet their payment obligations and that any collateral furnished will not cover the amount due, thereby causing Bure to incur a financial loss. Bure's policy is to carry out a credit assessment of all customers with which it does business. The maximum credit exposure on the balance sheet date was SEK 3M. There are no significant concentrations of credit risk in the Group.

Age structure of trade receivables SEK M	2020				2019			
	Trade receivables	Reserves	Net receivable	Secured by collateral	Trade receivables	Reserves	Net receivable	Secured by collateral
Not yet due	62.7	–	62.7	–	72.4	–	72.4	–
Past due 1– 30 days	16.8	–	16.8	–	25.7	–	25.7	–
Past due 31– 60 days	3.1	–	3.1	–	6.2	–	6.2	–
Past due 61– 90 days	1.6	–	1.6	–	3.1	–	3.1	–
Past due 91–180 days	3.8	–	3.8	–	2.8	–	2.8	–
Past due >180 days	0.9	-1.4	-0.5	–	-0.1	-1.0	-1.1	–
Total	89.0	-1.4	87.6	–	110.1	-1.0	109.1	–

Note 21 – Financial instruments, (cont'd)

Provisions to the reserve for doubtful debts are made after individual assessment of each customer's ability to pay.

Specification of reserve for doubtful debts

SEK M	2020	2019
Opening balance	1.0	0.3
The year's provisions	1.1	0.8
Written-off amount	-0.7	-0.1
Foreign exchange effects	0.0	–
Total	1.4	1.0

Liquidity risk is the risk that the Group will be unable to finance loan payments and other liquidity flows as they fall due either with its own funds or with new financing. In order to maintain sufficient liquidity, Bure maintains a liquidity reserve that is at least adequate to cover one year's forecasted liquidity requirement and other liquidity needs in the existing company structure. The liquidity reserve consists of available cash and cash equivalents and short-term investments. That portion of the liquidity reserve that exceeds the liquidity requirement as defined above may according to Bure's policy be invested over a longer investment horizon, distributed to the shareholders or used in buyback programmes.

Group maturity structure for external liabilities at 31 December 2020

Interest-bearing liabilities, SEK M	< 1 mth	< 3 mth	3–12 mth	1–5 year	> 5 year	Total
Current loans from credit institutions	–	–	31.1	–	–	31.1
Current lease liabilities	–	–	12.2	–	–	12.2
Other short-term interest-bearing liabilities	–	–	1.3	–	–	1.3
Non-current loans from credit institutions	–	–	–	–	–	0.0
Non-current lease liabilities	–	–	–	15.4	–	15.4
Long-term pension liabilities	–	–	–	–	31.3	31.3
Total	0.0	0.0	44.6	15.4	31.3	91.3
Non interest-bearing liabilities	< 1 mth	< 3 mth	3–12 mth	1–5 year	> 5 year	Total
Trade payables	–	11.1	–	–	–	11.1
Other external liabilities	–	20.7	–	–	–	20.7
Total	0.0	31.8	0.0	0.0	0.0	31.8

Fair value and carrying amount of financial assets and liabilities

The fair value of all financial assets and liabilities has been calculated in accordance with IFRS 13. Fair value is assessed to be equal to carrying amount for trade receivables and other receivables, other current receivables, cash and cash equivalents, trade payables and other liabilities, and borrowing. Carrying amount less impairment losses comprises an approximate fair value for trade receivables and payables. For non-current interest-free liabilities, fair value has been calculated by discounting future cash flows by the applicable market interest rates with regard to the maturity of the liability. The Group's financial assets and liabilities are measured in accordance with the following hierarchy:

- Level 1: According to quoted prices in active markets for identical assets and liabilities.
- Level 2: According to directly or indirectly observable market inputs for the asset or liability that are not included in Level 1.
- Level 3: According to inputs for the asset or liability that are not observable in the market.

Bure reports listed holdings at fair value with value changes in the income statement (Level 1).

For investments in unlisted holdings (level 3), Bure made an active choice in relation to the first available reporting period to use the equity method in accordance with IAS 28 – Investments in Associates and Joint Ventures. The value of Group holdings in unlisted associated companies – Alcur Fonder AB, BioLamina AB, Fondbolaget Fondita AB, Life Genomics AB, My Driving Academy Sweden AB, ScandiNova Systems AB and Teknik Innovation Norden Fonder AB – were therefore not revalued in accordance with IFRS 9. The introduction of IFRS 9 means that other financial assets are revalued on an ongoing basis. Atle Investment Services AB is a subsidiary of Atle Investment Management AB and valued at book value.

In Bure's net asset valuation table, Bure has chosen to base all market valuations of financial assets on IPEV – International Private Equity and

Venture Capital Valuation Guidelines – that set out a number of methods to determine the fair value for respective holdings. Particular emphasis is placed on recently conducted market-based transactions in the company, for example rights issues or acquisitions of existing shares. Transactions in comparable companies may also be used. Other valuation methods include discounting forecast cash flows with relevant discount rates and the application of valuation multiples such as EV/Sales, EV/EBITDA, EV/EBITA, EV/EBIT and PER that are adjusted to reflect differences in markets, business types and risk. In general, a liquidity discount is also applied to unlisted assets. Valuation is performed on a regular basis and published in conjunction with quarterly reports.

Note 21 – Financial instruments, (cont'd)

Valuation of unlisted assets at 31 December 2020 and 2019

SEK M	Type of asset	Ownership	Net asset value, valuation model	Book value in the Group, valuation model
Holdings in Atle Investment Management			107,9 (85,5)	167,2 (85,4)
Alcur Fonder	Associated company	30.9%	P/AuM	Equity method
Fondbolaget Fondita	Associated company	20.1%	EV/EBIT multipel	Equity method
Teknik Innovation Norden Fonder	Associated company	37.4%	P/AuM	Equity method
Atle Investment Services	Subsidiary	100.0%	Book value	Book value
Holdings in Bure Growth			1,264.2 (1,132.5)	1,180.4 (1,126.7)
BioLamina	Associated company	44.8%	Latest transaction. DCF	Equity method
Life Genomics	Associated company	23.7%	DCF	Equity method
My Driving Academy Sweden	Associated company	25.1%	Latest transaction. DCF	Equity method
ScandiNova Systems	Associated company	27.8%	Latest transaction	Equity method
Yubico	Other non-current securities	17.8%	Latest transaction	Latest transaction

Fair value hierarchy		2020				2019			
SEK M		Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets									
Financial assets at fair value through profit or loss		14,604.3	–	–	14,604.3	11,219.1	–	–	11,219.1
Other long-term securities ¹⁾		–	–	997.6	997.6	–	–	988.6	988.6
Other non-current receivables		–	–	5.5	5.5	–	–	7.7	7.7
Short-term investments		297.1	–	–	297.1	142.3	–	–	142.3
Total financial assets		14,901.4	–	1,003.0	15,904.4	11,361.4	–	996.3	12,357.8
Financial liabilities									
Liabilities to credit institutions		–	–	31.1	31.1	–	–	4.6	4.6
Lease liabilities		–	–	27.5	27.5	–	–	31.9	31.9
Other non-current liabilities		0.8	–	–	0.8	1.4	–	–	1.4
Accrued expenses and deferred income		–	–	48.6	48.6	–	–	65.1	65.1
Prepayments from customers		–	–	24.1	24.1	–	–	7.2	7.2
Total financial liabilities		0.8	–	131.4	132.2	1.4	–	108.8	110.3

1) Other long-term securities refer to the holding in Yubico. In 2020, additional shares were acquired for SEK 9.0M

Note 21 – Financial instruments, (cont'd)

Information regarding listed holdings for 2020	Cavotec EURm	MedCap SEK M	Mentice SEK M	Mycronic SEK M	Ovzon SEK M	Vitrolife SEK M	Xvivo Perfusion, SEK M
Dividends received	–	–	–	55	–	–	–
Non-current assets	103	655	141	1,886	1,010	891	687
Current assets	98	426	104	3,433	319	1,414	463
<i>of which cash and cash equivalents</i>	19	147	49	1,303	185	974	354
Assets held for sale	–	1	–	–	–	–	–
Total assets	201	1,081	245	5,319	1,329	2,305	1,150
Equity	106	602	163	3,378	1,293	2,017	1,008
Long-term liabilities	38	219	6	507	5	111	68
<i>of which financial liabilities</i>	25	157	6	185	n/a	49	1
Current liabilities	57	259	76	1,434	31	177	74
<i>of which financial liabilities</i>	7	107	5	79	n/a	14	6
Liabilities related to assets held for sale	–	1	–	–	–	–	–
Total equity and liabilities	201	1,081	245	5,319	1,329	2,305	1,150
Revenue	158	836	151	3,882	160	1,246	180
Depreciation and amortisation	-10	-38	-14	-214	-6	-84	-30
Interest income	0	2	1	–	0	–	–
Interest expense	-2	-9	-2	-8	-59	-10	-12
Tax expense(-)/revenue(+)	-1	-17	5	-187	3	–	14
Profit/loss from remaining operations	-4	65	-13	703	-104	288	-44
Profit/loss after tax from discontinued operations	–	-2	–	–	–	–	–
Other comprehensive income	1	-18	-2	-97	17	-59	-16
Total comprehensive income	-3	45	-15	606	-87	229	-60

Information regarding the value of Bure's participations in the profits of unlisted holdings that have been reported according to the equity method in 2020.

SEK M	Alcur Fonder	Fond- bolaget Fondita	Teknik Innovation Norden Fonder	Bio Lamina	Life Genomics	My Driving Academy Sweden	Scandi Nova Systems	Mercuri Goldmann (India) Pvt Ltd	Total
Result for remaining operations	74	8	15	1	0	-2	-9	2	89
Comprehensive income after tax for discontinued operations	–	–	–	–	–	–	–	–	–
Other comprehensive income	–	–	–	–	–	–	–	–	–
Total comprehensive income	74	8	15	1	0	-2	-9	2	89

Note 22 – Classification of financial assets and liabilities

Group, SEK M	Financial assets and liabilities valued at fair value via profit/loss	Financial assets valued at amortised cost	Financial assets reported as fair value via other comprehensive income	Loans, trade receivables and other liabilities valued at amortised cost	Total reported value
Financial assets					
Financial assets at fair value through profit or loss	14,604.3	–	–	–	14,604.3
Investments reported according to the equity method	–	347.9	–	–	347.9
Other non-current securities	997.6	–	–	–	997.6
Other non-current receivables	–	–	–	5.5	5.5
Trade receivables	–	–	–	87.6	87.6
Other current receivables	–	–	–	5.7	5.7
Short-term investments	297.1	–	–	–	297.1
Cash and bank	–	1,254.7	–	–	1,254.7
Total financial assets	15,898.9	1,602.6	–	98.7	17,600.3
Financial liabilities					
Liabilities to credit institutions	–	–	–	31.1	31.1
Lease liabilities	–	–	–	27.5	27.5
Other non-current liabilities	–	–	–	0.8	0.8
Accrued expenses and deferred income	–	–	–	48.6	48.6
Prepayments from customers	–	–	–	24.1	24.1
Trade payables	–	–	–	11.1	11.1
Total financial liabilities	–	–	–	143.3	143.3

Parent Company SEK M	Financial assets and liabilities valued at fair value via profit/loss	Financial assets valued at amortised cost	Financial assets reported as fair value via other compre- hensive income	Loans, trade receivables and other liabilities valued at amortised cost	Total reported value
Financial assets					
Shares in group companies	167.7	–	–	–	167.7
Financial assets at fair value through profit and loss	14,604.3	–	–	–	14,604.3
Other non-current receivables	–	–	–	1.8	1.8
Receivables from group companies	–	–	–	596.3	596.3
Other non-current receivables	–	–	–	8.6	8.6
Short-term investments	297.1	–	–	–	297.1
Cash and cash equivalents	–	1,163.2	–	–	1,163.2
Total financial assets	15,069.1	1,163.2	–	606.7	16,838.9
Financial liabilities					
Other non-current liabilities	–	–	–	0.8	0.8
Lease liabilities	–	–	–	3.4	3.4
Accrued expenses and deferred income	–	–	–	14.0	14.0
Other current liabilities	–	–	–	0.5	0.5
Trade payables	–	–	–	0.8	0.8
Total financial liabilities	–	–	–	19.5	19.5

Note 22 – Classification of financial assets and liabilities (cont'd)

Advance payments from customers and prepaid income

SEK M	2020			2019		
	Consultancy services	Licenses	Other	Consultancy services	Licenses	Other
Opening balance	10.6	2.6	2.5	8.5	3.2	0.1
Adjustment to opening balance	-1.8	-0.4	–	–	–	–
Income recognised during the year	-6.0	-1.5	-2.4	-8.7	-3.2	-0.1
Added during the year	16.7	2.5	9.3	10.6	2.6	2.5
Translation differences	-0.1	0.0	0.0	0.2	0.1	0.0
Total	19.4	3.2	9.5	10.6	2.6	2.5

Note 23 – Earnings per share

Bure reports earnings per share in accordance with IAS 33, Earnings Per Share. Earnings per share are reported both before and after dilution.

Earnings per share are calculated by dividing net profit/loss by the weighted average number of shares outstanding during the year. In the Group, profit attributable to owners of the Parent Company is used for calculation of earnings per share.

In the event of a negative result, the net loss is divided only by the weighted average number of shares outstanding.

Specification of applied parameters	2020	2019
Profit for the year in the Parent Company, SEK M	3,241.6	3,849.7
Consolidated profit for the year, SEK M	3,235.9	4,228.8
Average number of shares outstanding	71,757,372	68,971,921
Basic earnings per share in the Parent Company, SEK ¹⁾	45.17	55.82
Basic earnings per share in the Group, SEK ¹⁾	45.09	61.29

1) No dilutive effect at 31 December 2020 or 31 December 2019.

Note 24 – Equity

According to the Articles of Association, the share capital shall amount to no less than SEK 300,000,000 and no more than SEK 1,200,000,000. Information about changes in equity is provided below.

	2020			2019		
	No. of shares	Quota value	Share capital	No. of shares	Quota value	Share capital
Number of registered shares						
Registered number at 1 January	68,971,921	7.76	535,518,034	69,332,710	7.72	535,518,034
Cancellation of shares	–	–	–	-360,789	–	-2,786,694
Bonus issue	–	–	–	–	–	2,786,694
Share issue	5,175,000	–	40,180,204	–	–	–
Registered number at 31 December	74,146,921	7.76	575,698,238	68,971,921	7.76	535,518,034

Description and reporting of repurchase of treasury shares

Bure's AGM 2020 authorised the Board of Directors to acquire treasury shares to a maximum number of up to 10 per cent of the total number of shares outstanding. At 31 December 2020 the repurchase mandate had not been utilised.

Share dividend

The 2020 AGM approved an ordinary dividend to shareholders of SEK 1.00 per share. The total amount distributed was SEK 69.0M.

Restricted and non-restricted equity

According to Swedish law, shareholders' equity must be divided into non-restricted and restricted equity, of which restricted equity is not available for distribution to shareholders. Restricted equity in parent companies consists of share capital, statutory reserves and revaluation reserves. In Bure's case, the statutory reserve consists of capital contributed in relation to the company's formation. The statutory reserve also includes the former share premium reserve, which must be transferred to the statutory reserve in accordance with the new Swedish Companies Act.

Non-restricted equity includes retained earnings and net profit for the year, which are available for distribution to shareholders.

Consolidated equity consists of share capital, other contributed capital and retained earnings including profit for the year.

Other contributed capital in the Group refers to capital contributed by shareholders. Retained earnings includes translation reserves that in turn include currency differences arising from the translation of financial statements from foreign operations and profit for the year.

Note 25 – Financial position

Net loan receivables: cash and cash equivalents, interest-bearing investments and short and long-term receivables minus short and long-term interest-bearing liabilities.

SEK M	Group		Parent Company	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
Cash and cash equivalents	1,254.7	710.5	1,163.2	657.7
Interest-bearing investments	0.0	0.0	0.0	0.0
Current interest-bearing receivables	2.0	2.3	25.8	146.0
Non-current interest-bearing receivables	1.0	2.0	144.3	2.0
Interest-bearing assets	1,257.7	714.8	1,333.4	805.7
Current interest-bearing liabilities	32.4	4.6	–	–
Current interest-bearing lease liabilities	12.2	13.1	2.0	2.1
Non-current interest-bearing liabilities	31.3	30.7	–	–
Non-current interest-bearing lease liabilities	15.4	18.8	1.4	1.0
Interest-bearing liabilities	91.3	67.2	3.5	3.1
Net interest-bearing assets at year-end	1,166.5	647.5	1,330.0	802.6

Bure Equity finances operations of its subsidiaries with its own capital and intra-Group loans. The table below shows intra-group loans.

SEK M	31 Dec 2020	31 Dec 2019
Atle Investment Management AB	23.8	0.2
Bure Growth AB	429.1	353.6
Investment AB Bure	113.5	113.9
Mercuri International Group AB	29.8	29.8
Total	596.3	497.5

Note 26 – Events after the end of the reporting period

The board proposes an ordinary dividend of SEK 2.00 per share, amounting to SEK 148.3M.

In January, 2021 1.5 million shares were divested in MedCap for SEK 312.6M, resulting in an exit gain of SEK 282.9M.

In December 2020, Bure announced a cash offer to shareholders of Allgon AB (publ). In March, Bure's holding reached 98.7 per cent. Bure announced a compulsory redemption of remaining shares and that the Allgon share was to be delisted from Nasdaq First North Growth Market.

Atle Investment Management completed the acquisition of Humle Fonder and took responsibility for management of Humle Småbolagsfond and Humle Sverigefond on 11 January 2021.

In March 2021, ACQ Bure, Sweden's first SPAC listed on Nasdaq Stockholm. Bure invested SEK 700M as a sponsor.

Note 27 – Participations in group companies, the year's change

SEK M	Parent Company	
	2020	2019
Opening balance	1,241.8	1,259.4
Acquisitions/additions	20.0	–
Write-up	–	–
Divestment	–	-17.6
Closing balance	1,261.8	1,241.8
Opening impairment losses	-1,094.1	-1,105.1
Divestment	–	11.0
Closing accumulated impairment losses	-1,094.1	-1,094.1
Carrying amount	167.7	147.7

Acquisition in 2020 relates to ACQ Bure AB. Divestments in 2019 relate to Mercuri International Group and Atle Investment Management.

Note 28 – Shares in group companies

31 Dec 2020 SEK M	No. of shares	% of capital/votes	Carrying amount	Corporate ID number	Domicile
Atle Investment Management AB	46,500	93.0	0.0	556943-6420	Stockholm
Atle Investment Services AB ¹⁾	3,000	100.0	17.7	556690-3968	Stockholm
Bure Growth AB	50,000	100.0	21.0	556935-7550	Stockholm
Mercuri International Group AB	935,500	90.4	98.3	556518-9700	Stockholm
Investment AB Bure	1,000	100.0	28.0	556561-0390	Stockholm
ACQ Bure AB	200,000	100.0	20.0	559278-6668	Stockholm
Skanditek Aktiebolag	8,000	100.0	0.4	556541-9065	Stockholm
Total			185.4		

31 Dec 2019 SEK M	No. of shares	% of capital/votes	Carrying amount	Corporate ID number	Domicile
Atle Investment Management AB	46,500	93.0	0.0	556943-6420	Stockholm
Atle Investment Services AB ¹⁾	3,000	100.0	11.0	556690-3968	Stockholm
Bure Growth AB	50,000	100.0	21.0	556935-7550	Stockholm
Mercuri International Group AB	935,500	90.4	98.3	556518-9700	Stockholm
Investment AB Bure	1,000	100.0	28.0	556561-0390	Stockholm
Skanditek Aktiebolag	8,000	100.0	0.4	556541-9065	Stockholm
Total			158.8		

1) The shares are owned by Atle Investment Management AB.

Note 29 – Financial assets at fair value through profit or loss

Values correspond to the Group's net asset value in respective holdings.

31 Dec 2020 SEK	No. of shares	% of capital/votes	Carrying amount in Parent Company	Carrying amount in Group	Corporate ID number	Domicile
Cavotec SA	34,071,619	36.2%	725.7	725.7	CH-501.3.015.724-3	Lugano, Switzerland
MedCap AB	2,956,017	20.0%	679.9	679.9	556617-1459	Stockholm
Mentice AB	3,644,059	14.7%	304.3	304.3	556556-4241	Göteborg
Mycronic AB	27,317,163	27.9%	6,703.6	6,703.6	556351-2374	Stockholm
Ovzon AB	5,236,034	11.3%	393.7	393.7	559079-2650	Solna
Vitrolife AB	20,573,285	19.0%	4,439.7	4,439.7	556354-3452	Göteborg
Xvivo Perfusion AB	4,322,504	15.1%	1,357.3	1,357.3	556561-0424	Göteborg
Carrying amount			14,604.3	14,604.3		

31 Dec 2019 SEK	No.,of, shares	%of, capital/votes	Carrying,amount,in, Parent,Company	Carrying,amount, in,Group	Corporate ID number	Domicile
Cavotec SA	25,579,935	27.1	475.8	475.8	CH-501.3.015.724-3	Lugano, Switzerland
MedCap AB	3,006,017	22.3	417.8	417.8	556617-1459	Stockholm
Mentice AB	2,448,000	10.1	179.9	179.9	556556-4241	Göteborg
Mycronic AB	27,317,163	27.9	5,056.4	5,056.4	556351-2374	Stockholm
Ovzon AB	4,799,698	14.3	311.0	311.0	559079-2650	Solna
Vitrolife AB	20,573,285	19.0	4,063.2	4,063.2	556354-3452	Göteborg
Xvivo Perfusion AB	4,205,504	15.8	714.9	714.9	556561-0424	Göteborg
Carrying amount			11,219.1	11,219.1		

Note 30 – Investments accounting for using the equity method

31 Dec 2020 SEK M	No. of shares	% of capital/votes	Carrying amount in Parent Company	Carrying amount in Group	Corporate ID number	Domicile
Alcur Fonder AB ¹⁾	3,860	30.9	–	80.4	556703-4870	Stockholm
BioLamina AB ²⁾	991,691	44.8	–	98.0	556764-1872	Stockholm
Fondbolaget Fondita Ab ¹⁾	654	20.1	–	50.0	FI-0899688-5	Helsingfors
Life Genomics AB ²⁾	106,924	23.7	–	1.4	556993-1891	Göteborg
Mercuri Goldmann (India) Pvt Ltd ³⁾	128,508	40.0	–	15.5	–	Bangalore
My Driving Academy Sweden AB ²⁾	487	25.1	–	17.7	556943-1587	Stockholm
ScandiNova Systems AB ²⁾	409,665	27.8	–	65.6	556616-3605	Uppsala
Teknik Innovation Norden Fonder AB ¹⁾	112,230	37.4	–	19.1	559190-9600	Stockholm
Carrying amount			–	347.9		

31 Dec 2019 SEK M	No. of shares	% of capital/votes	Carrying amount in Parent Company	Carrying amount in Group	Corporate ID number	Domicile
Alcur Fonder AB ¹⁾	4,063	32.5	–	20.1	556703-4870	Stockholm
BioLamina AB ²⁾	598,418	28.9	–	35.4	556764-1872	Stockholm
Fondbolaget Fondita Ab ¹⁾	654	20.1	–	51.4	FI-0899688-5	Helsingfors
Life Genomics AB ²⁾	106,924	23.7	–	1.2	556993-1891	Göteborg
Mercuri Goldmann (India) Pvt Ltd ³⁾	128,508	40.0	–	17.3	–	Bangalore
My Driving Academy Sweden AB ²⁾	487	25.1	–	19.6	556943-1587	Stockholm
ScandiNova Systems AB ²⁾	409,665	27.8	–	81.9	556616-3605	Uppsala
Teknik Innovation Norden Fonder AB ¹⁾	112,230	37.4	–	3.1	559190-9600	Stockholm
Carrying amount			–	229.9		

1) Shares are owned by subsidiary Atle Investment Management AB.

2) Shares are owned by subsidiary Bure Growth AB.

3) Shares are owned by subsidiary Mercuri International Group AB.

Note 31 – Details of transactions within the Group and with related parties

Bure's related parties are the members of the Board and companies closely related to them, Bure's subsidiaries, associated companies and the management in the Parent Company.

For salaries and compensation to senior executives, see Note 35. Aside from fees from the Parent Company, non-executive Board members in the Parent Company have not received fees from subsidiaries in the Group.

Purchases and sales between the Parent Company and group companies are insignificant in scope. Profit in the Parent Company includes intra-group interest income SEK 4.5M (4.3) and interest expenses of SEK 0.0M (0.0).

Note 32 – Dividends received

SEK M	Group		Parent Company	
	2020	2019	2020	2019
Atle Investment Management	–	–	16.2	131.8
Mycronic	54.6	82.0	54.6	82.0
Vitrolife	–	17.5	–	17.5
Total	54.6	99.4	70.8	231.2

Note 33 – Average number of employees

	2020		2019	
	Number of employees	Of which women	Number of employees	Of which women
Parent Company	7	2	6	1
Subsidiaries	222	97	220	99
Total Group	229	99	226	100
Parent Company				
Sweden	7	2	6	1
Subsidiaries				
Sweden	49	17	48	20
United Kingdom	24	9	17	8
Finland	20	6	21	6
Germany	26	9	29	10
France	40	17	45	20
USA	4	2	4	2
China	22	11	21	11
Other countries	44	26	41	23
Total Group	229	97	226	100

Note 34 – Salary, other compensation and social security expenses

SEK M	Salary and other comp.	2020 Social security expenses	Pension costs ¹⁾	Salary and other comp.	2019 Social security expenses	Pension costs ¹⁾
Parent Company	26.0	9.2	2.7	20.9	6.3	2.7
Subsidiaries	127.3	29.8	8.1	155.7	34.1	7.7
Total Group	153.2	39.0	10.8	176.6	40.4	10.4

1) Pension costs are stated including payroll tax.

Note 35 – Compensation to senior executives

	Basic annual salary/ Board fees		Variable comp./bonus		Other benefits ¹⁾		Pension costs		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Board Chairman	2.0	2.0	–	–	–	–	–	–	2.0	2.0
Other Board members	1.5	1.5	–	–	–	–	–	–	1.5	1.5
CEO	4.4	3.4	4.3	2.7	0.1	0.1	1.3	1.4	10.1	7.6
Other senior executives	1.5	1.4	1.3	0.8	–	–	0.4	0.4	3.2	2.6
Total	9.4	8.2	5.6	3.5	0.1	0.1	1.7	1.8	16.8	13.7

1) Other benefits refer to company car benefits.

Board of Directors

The 2020 AGM resolved that Board fees would be paid in a total amount of SEK 3,500,000 (3,500,000), of which SEK 2,000,000 (2,000,000) to be paid to Patrik Tigerschiöld, the Board Chairman, and SEK 300,000 (300,000) to each of the other Board members. Other Board members are Carl Björkman, Carsten Browall, Bengt Engström, Sarah McPhee and Charlotta Falvin. The Board consisted of a total of six members during 2020 (6). No special fees have been paid for work on the Board's committees.

Chief Executive Officer

CEO Henrik Blomquist had a contractual annual salary of SEK 4.4M. Bonuses have been paid totalling SEK 4.3M, (excluding social security payments), for 2020. Pension premiums are defined contributions, and correspond to 30 per cent of pension-qualifying salary, which consists of basic salary. The CEO's retirement age is 65. Bonuses may be paid up to a maximum of 100 per cent of annual salary. Bonus payments are not pension-qualifying. In the event of the CEO's employment being terminated by the company, the CEO has the right to a 12-month notice period. In the event of the CEO terminating his or her employment, the period of notice is also 12 months. The CEO has the right to severance pay equivalent to 12 months' salary in the event of his or her employment being terminated by the company. Decisions regarding the salary and benefits of the CEO are made by the Board of Directors.

Other senior executives

Other senior executives include the CFO. Pension premiums attract fixed fees in line with ITP1. Pension costs refer to costs excluding payroll tax that have been charged to this year's profit. The retirement age for these senior executives is 65. Bonuses for other senior executives amount to a maximum of 80 per cent of annual salary. In the event of employment being terminated by the company, senior executives have the right to a notice period of six months, and senior executives are required to provide six months' notice in the event of terminating their employment. Termination benefits are not payable in the event of retirement. Decisions regarding the salary of these senior executives are made by the CEO following consultation with the Board of Directors.

Variable compensation (bonus)

In 2020, Bure had a variable compensation system for all employees in which the maximum variable salary component was 75–100 per cent of basic salary. Eighty per cent of bonus payments were based on quantitative targets related to Bure's net asset value and share price performance, and the year's focus regarding portfolio companies. The remaining 20 per cent was based on discretionary assessment.

For information about the preparatory and decision-making process applied by the company, please see the administration report.

Details of senior executives' share holdings:

Henrik Blomquist, CEO, 61,607 shares.

Max Jonson, CFO, 22,364 shares.

Note 36 – Gender distribution among senior executives

Parent Company	2020	2019
Total no. of women on Board of Directors	2	2
Total no. of women in management	1	1
Total no. of men on Board of Directors	4	4
Total no. of men in management	5	5
Total no. of people on Board of Directors	6	6
Total no. of people in management	6	6

In the subsidiaries, 8 per cent (10) of the board members, presidents and senior executives are women.

Note 37 – Appropriation of profits

The company's annual report will be submitted for adoption by the 2021 Annual General Meeting. The following funds are at the disposal of the AGM according to the Parent Company balance sheet:

Retained earnings	SEK 13,002,034,868
Profit for the year	SEK 3,241,586,573
	SEK 16,243,621,441

The Board proposes that the profits be appropriated as follows:

Shareholders receive an ordinary dividend of SEK 2.00 totalling SEK 148.3M.	SEK 148,293,842
To be carried forward to new account	SEK 16,095,327,599

It is the Board's assessment that the proposed dividend is justifiable in view of the demands imposed by the operations' nature, scope and risks on the amount of equity in the Parent Company and the Group, as well as the consolidation requirements, liquidity and financial position in general.



Auditor's report

Unofficial translation

To the general meeting of the shareholders of Bure Equity AB (publ), corporate identity number 556454-8781

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Bure Equity AB (publ) for the year 2020. The annual accounts and consolidated accounts of the company are included on pages 46–80 in this document.

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. 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.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's Board of Directors in accordance with the Audit Regulation (537/2014) Article 11.

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. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

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

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

<i>Key audit matter</i>	<i>How our audit addressed the Key audit matter</i>
<p><i>Valuation of financial instruments</i></p> <p>Bure's assets consist mainly of listed shares. For most financial instruments as Bure is a part of an active market with market prices exists. To a lesser extent there are holdings where the valuation is based on other market data than market prices in the same instrument.</p> <p>In a portfolio of financial instruments as Bures there are normally several valuation issues that needs to be established to ensure a proper valuation of listed and unlisted financial instruments in accordance with IFRS.</p>	<p>We have tested and evaluated the design and effectiveness of Bures controls regarding pricing and monitoring of the pricing of financial instruments. For those instruments that are listed, we evaluated Bures controls for the collection of prices from external sources and we have conducted testing of prices by reconciliation against external sources.</p> <p>For those instruments that are not listed, we evaluated the models and the market data Bure used for the valuation. We have also conducted testing of the valuation of unlisted instruments against independent data sources.</p>

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 1–37, 42–45 and 86–89. 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 Director's 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.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Bure Equity AB (publ) 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 Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

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

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

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.



Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Öhrlings PricewaterhouseCoopers AB, was appointed auditor of Bure Equity AB (publ) by the general meeting of the shareholders on the 11 June 2020 and has been the company's auditor since 2012.

Stockholm 30 March 2021

Öhrlings PricewaterhouseCoopers AB

Magnus Svensson Henryson
Authorized Public Accountant

This is a literal translation of the Swedish original report included in RevR 16.

Auditor's report on the Corporate Governance Statement

To the general meeting of the shareholders in Bure Equity AB (publ), corporate identity number 556454-8781

Engagement and responsibility

It is the board of directors who is responsible for the corporate governance statement for the year 2020 on pages 38–41 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement 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 opinions.

Opinions

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm 30 March 2021
Öhrlings PricewaterhouseCoopers AB

Magnus Svensson Henryson
Authorized Public Accountant

GRI index

Bure's sustainability audit relates to the 2020 calendar year, and is compiled according to Global Reporting Initiative (GRI) Standards for sustainability reporting. It is the fourth time Bure has compiled a sustainability report according to GRI. The index below indicates where GRI information can be found in the Bure 2020 annual report. The audit includes Bure as an investment company, i.e. the parent company Bure Equity AB. As a company

owner, Bure has significant influence over portfolio companies and actively works through board representation to encourage the establishment of relevant policies in respective companies and that operations are conducted responsibly and ethically. Bure's direct influence is considered very minor in relation to portfolio companies, which is why the auditing of Bure's role as a responsible investor and owner is given the highest priority.

Title	Page	Fulfillment	Comments
GRI 102: Standard statements			
GRI 102: Standard information			
ORGANIZATION PROFILE			
102-1 Organization name	4	●	
102-2 Activities, brands, products, and services	4	●	
102-3 Organization head office	19	●	
102-4 Place of business	19	●	
102-5 Ownership structure and company form	19	●	
102-6 Market presence	19	●	Bure Equity AB is an investment company listed on the Nasdaq Stockholm Large Cap
102-7 Organization size scope	19	●	Number of operations: 1, Net revenue 0, Net debt 0
102-8 Information about employees	23	●	
102-9 Description of supply chain	23-24	●	
102-10 Significant changes in the organization and the company's supply chain	46	●	Information about acquisitions and divestments during 2020.
102-11 Precautionary principle	24	●	
102-12 External initiatives	20	●	UNGC
102-13 Membership of organizations		●	SNS, Stockholm Chamber of Commerce, Styrelseakademien Stockholm
STRATEGY			
102-14 Statement from senior decision makers	18	●	
ETHICS AND INTEGRITY			
102-16 Organization's values, principles, standards, and norms of conduct	19	●	
Management			
102-18 Management structure	20	●	
ENGAGEMENT WITH STAKEHOLDERS			
102-40 List of stakeholder groups	21	●	
102-41 Collective agreement	23	●	0%
102-42 Basis for identification and selection of stakeholders	21	●	
102-43 Stakeholders dialogue approach		○	Omission: information can not be extracted from data
102-44 Main issues and areas raised in stakeholder dialogues		○	Omission: information can not be extracted from data

Title	Page	Fulfillment	Comments
ACCOUNTING PROFILE			
102-45 Business units included in the audit	6-7	●	
102-46 Process for identifying key issues	21	●	
102-47 List of key issues	21	●	
102-48 Explanations of corrections from previous reports		●	No changes
102-49 Accounting changes		●	No changes
102-50 Accounting period	24	●	
102-51 Publishing date of previous report	24	●	
102-52 Accounting cycle	24	●	
102-53 Contact details for questions relating to reporting	24	●	
102-54 Application level according to GRI Standards	24	●	
102-55 GRI Index	24	●	
102-56 External certification	24	●	

Material aspects

GRI 200 Economic Standards

GRI 205: ANTI-CORRUPTION (2016)

GRI 103: Management

103-1 Description of the area, its scope, and impact	23	●	
103-2 Information on sustainability management	23	●	
103-3 Follow-up of sustainability management	23	●	
205-3 Confirmed cases of corruption and measures taken	23	●	

GRI 300 Environmental standards

GRI 302: ENERGY (2016)

GRI 103: Management

103-1 Description of the area, its scope, and impact	24	●	
103-2 Information on sustainability management	24	●	
103-3 Follow-up of sustainability management	24	●	

GRI 302: Energy

302-1 Organization's energy use	24	○	Partial fulfillment: Only electricity usage was collected. Next year district heating and cooling will be collected.
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GRI 305: EMISSIONS (2016)

GRI 103: Management

103-1 Description of the area, its scope, and impact	23	●	
103-2 Information on sustainability management	23	●	
103-3 Follow-up of sustainability management	23	●	

GRI 305: Emissions

305-2 Indirect (Scope 2) greenhouse gas emissions	24	●	
305-3 Other indirect (Scope 3) greenhouse gas emissions	24	●	

GRI 400 Social Standards

GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES (2016)

GRI 103: Management

103-1 Description of the area, its scope, and impact	23	●	
103-2 Information on sustainability management	23	●	
103-3 Follow-up of sustainability management	23	●	

GRI 404: Training and skills development

404-3 Proportion of employees who receive regular evaluation of their performance and career development	23	●	
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GRI 405: Diversity and equal opportunities

405-1 Diversity on boards, management, and among employees	23	○	Partial fulfillment: diversity data for boards of portfolio companies were not collected. Data for this indicator will be collected in the coming years.
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Definitions

Basic earnings per share

Profit/loss after tax divided by the average number of shares outstanding during the year. For the Group, net profit less the non-controlling interests' share in profit for the year.

Diluted earnings per share

Profit after tax divided by the average number of shares outstanding during the year after dilution. For the Group, net profit less non-controlling interests' share in profit for the year. The average number of shares after full dilution is calculated according to the rules in IFRS, IAS 33 Earnings per Share.

Direct return

Dividend proposed to the AGM and extra dividends paid during the year divided by the share price at 31 December.

EBIT

Operating profit before goodwill impairment and amortisation of excess values arising on consolidation plus amortisation/depreciation of non-current assets.

Equity/asset ratio

Equity in relation to total assets. As of the transition to IFRS on 1 January 2005, non-controlling interests are included in total equity.

Equity per share

Equity divided by the number of shares outstanding. As of the transition to IFRS on 1 January 2005, non-controlling interests are included in total equity.

Growth

Increase in net sales in relation to net sales for the previous year. The key figure thus includes both organic and acquisition-driven growth.

IRR

Internal Rate of Return.

Market capitalization

Share price multiplied by the total number of shares outstanding.

Net asset value

The market value of Bure's listed and unlisted holdings (valued at fair values) plus the book value of other net assets and cash and cash equivalents.

Net loan liability

Same definition as net loan receivable, but is used when interest-bearing liabilities exceed interest-bearing assets.

Net loan receivable

Financial interest-bearing assets minus interest-bearing liabilities.

Return on equity

Profit/loss after tax divided by average equity.

Share buyback

For several years, Swedish companies have been permitted to repurchase up to 10 per cent of their own outstanding shares, provided that this is approved by the Annual General Meeting within the framework of non-restricted equity.

Total return

The total of the year's share price growth and reinvested dividends divided by the share price at the beginning of the year.

Shareholder information

Financial calendar 2021

Interim report January – March	27 April
Annual General Meeting	6 May
Interim report January – June	19 August
Interim report January – September	11 November

Distribution policy

Bure's annual report is sent by mail to all persons who so request. Interim reports are distributed only in digital form.

To subscribe, visit www.bure.se/en/investors/

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Annual General Meeting of Bure Equity AB (publ)

The Bure Equity AB (publ) annual general meeting (AGM) will be held on Thursday, 6 May 2021. Due to the corona virus the Board of Directors has decided that the AGM shall be held without the physical presence of shareholders, proxies, and third parties, and that shareholders shall have the opportunity to exercise their voting rights exclusively by post prior to the AGM. Information about the decisions made at the AGM will be published on 6 May 2021, as soon as the outcome of the postal vote are fully compiled.

Right to participate in the AGM

Shareholders who wish to participate in the AGM by postal vote must be included on the register of shareholders held by Euroclear Sweden AB on 28 April 2021 and register by casting their postal vote no later than May 5 2021 in accordance with instructions provided in the notice of the AGM so that postal votes are received by Computershare. Please note that registration for the AGM can only be made postal vote.

Postal votes

The Board of Directors has decided that shareholders shall be able to exercise their voting rights only by postal vote in accordance with section 22 of Swedish law (2020:198) on temporary exceptions to facilitate the conduct of company and association general meetings. A special form must be used for postal votes. This form is available on the company's website, www.bure.se. Completed and signed postal voting forms should be sent by post to Computershare AB, "Bure AGM", Box 5267, 102 46 Stockholm or by email to info@computershare.se. Completed forms must be received by Computershare no later than 5 May 2021. Shareholders who are physical people can also cast postal votes electronically with BankID verification on the company's website, www.bure.se. These electronic votes must be cast no later than 5 May 2021. You may not write special instructions or conditions on your postal vote; doing so will invalidate your vote. Further instructions and conditions are included in the postal voting form.

Proxy voting

Shareholders wishing to vote by proxy need to submit a written and dated proxy form, signed by the shareholder, with their postal voting form. Proxy forms are available on the company's website, www.bure.se. If the shareholder is a legal entity, a registration certificate or other authorization documentation should be attached to the proxy form.

Re-registration of nominee-registered shares

For shareholders who have their shares nominee-registered through a bank or other nominee, the following applies to retain the right to participate in the AGM. In addition to registering by casting your postal vote, such shareholders must re-register their shares in their own names so that the shareholder is registered in the shareholder register held by Euroclear Sweden AB on the recording date, Wednesday 28 April 2021. Such re-registration can be temporary, (so-called voting rights registration). In accordance with respective nominees' procedures, shareholders who wish to register their shares in their own names must request that the nominee make such a registration.

Registration of voting rights requested by shareholders must be made by the nominee no later than Friday, 30 April 2021 to be included in the compilation of the share register.

Text and production:

Bure in collaboration with Bullhound. Form Jos Design

English translation: Nick Chipperfield

Photographer: Pär Olsson, photos of chairman, chief executive officer, page 8, 9 och 11 and employees, page 44

Danielle Macinnes, Among the dunes, page 18-19

Images of portfolio companies are provided by respective companies

Share graph: Web financial Group

Tables: Web Financial Group, page 28: Total return as at 31 December 2020

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