A/S Øresundsforbindelsen

Annual Report 2021

Chair of the Annual General Meeting: Charlotte Yun Linde
Approved at the Annual General Meeting: 26 April 2021

A/S Øresundsforbindelsen, Vester Søgade 10, 1601 Copenhagen V, CVR 15807830

Contents

Highlights of the year

Finance
The result before fair value adjustment and tax, including the share from Øresundsbro Konsortiet I/S, is a loss of DKK 89 million and is thus DKK 106 million lower compared to 2020.

On the Øresund Bridge, total car traffic increased by 4.8 per cent compared to 2020, but compared to 2019, traffic fell by 35.7 per cent. The year started and ended with stringent entry regulations, which were clearly reflected in the traffic figures. In Q1, traffic fell by approx. 60 per cent compared to the same period in 2019. The restrictions began to ease before the summer and the combination of fewer restrictions and the Øresund Bridge's restart campaign, 'Take a Trip – Get a Trip' in the autumn contributed to increased traffic. In November, traffic was 12 per cent lower compared to the same month in 2019 while traffic in December fell by no less than 22 per cent compared to 2019.

Other external expenses total DKK 85 million and are DKK 45 million higher than in 2020. This is primarily due to the fact that operating expenses in 2020 contain a VAT repayment of DKK 42 million relating to 2016-2020.

The result before tax, including value adjustments, is a profit of DKK 288 million and is affected by positive fair value adjustments of DKK 377 million. The result after tax is a profit of DKK 222 million.

Profitability
The repayment period for A/S Øresund is estimated at 47 years, which is an increase of one year compared to last year. The debt will thus be repaid in 2045.

The repayment period for Øresundsbro Konsortiet I/S is unchanged at not more than 50 years, which means that the debt will be repaid by 2050. The most recent calculations show that the debt can be repaid before the end of 2048.

Key figures and financial ratios

(DKK million)	2021	2020	2019	2018	2017
Net revenue	14	20	41	70	81
Other external expenses	-85	-40	-96	-98	-97
Depreciation, amortisation and w ritedow ns	-178	-207	-221	-252	-334
Operating loss (EBIT)	-261	-226	-277	-280	-350
Financial items excl. value adjustment	-266	-159	-173	-202	-205
Loss before value adjstmts.	-527	-385	-450	-482	-555
Value adjustments, net	231	-214	-470	109	261
Share of results in jointly managed company					
(Øresundsbro Konsortiet I/S*))	584	223	427	691	734
Profit/loss	**222**	**-293**	**-384**	**251**	**341**
Capital investment for the year, road and railw ay	57	59	24	14	14
Capital investment, road and railw ay, closing balance	4,550	4,677	4,825	5,022	5,260
Net debt (fair value)	**13,074**	**12,999**	**12,681**	**12,278**	**12,647**
Interest-bearing net debt	11,516	11,169	11,018	11,017	11,236
Equity	-6,487	-6,709	-6,416	-6,033	-6,267
Balance sheet total	8,612	8,537	8,577	8,212	8,203
Cash flow from operating activities	-7	113	263	-173	362
Cash flow from investing activities	-58	-105	-294	521	-14
Cash flow from financing activities	65	-141	165	-348	-273
Total cash flow	**0**	**-134**	**134**	**0**	**75**
Financial ratios, per cent					
Profit ratio (EBIT)	-1933.3	-1140.9	-675.1	-400.0	-431.5
Rate of return (EBIT)	-3.0	-2.6	-3.2	-3.4	-4.3
Return on facilities (EBIT)	-5.7	-4.8	-5.7	-5.6	-6.6

N.B. The financial ratios are calculated as stated in Note 1 Accounting Policies

*) Øresundsbro Konsortiet I/S's results for 2021 include gains of DKK 146 million relating to value adjustments (2020: loss of DKK 178 million). The result excluding value adjustments is a profit of DKK 438 million in 2021 (2020: profit of DKK 401 million).

Management report

Development in activities and economic factors

Economy
The result before financial value adjustments, the share of the jointly managed company and tax, is a loss of DKK 527 million against a loss of DKK 385 million in 2020.

Net revenue totals DKK 14 million and mainly comprises fees from Banedanmark for use of the rail link. Revenue fell by DKK 6 million as a consequence of the agreement in the Finance Act of 2016 wherein it was decided that the rail payment would be gradually reduced until 2024.

Other external expenses total DKK 85 million and are DKK 45 million higher compared to 2020. This is primarily due to the fact that operating expenses in 2020 contain a VAT repayment of DKK 42 million for the period 2016-2020.

Other operating expenses comprise compensation of DKK 13 million which A/S Øresund paid to Øresundsbro Konsortiet I/S in 2021 for lost fees from Banedanmark to Øresundsbro Konsortiet I/S. The compensation is the result of the aforementioned reduction in railway payments in accordance with the 2016 Finance Act and is a consequence of the fact that the fee from Banedanmark is fixed under a previously concluded government agreement with the Swedish state..

Depreciation, amortisation and writedowns total DKK 178 million in 2021 and are DKK 29 million lower than last year. The lower depreciation can be attributed to the fact that large sections of the railway technical installations were fully depreciated in Q3 2020.

The share of the result from Øresundsbro Konsortiet I/S is DKK 584 million, which includes positive fair value adjustments of DKK 146 million. The share of the result before fair value adjustments is thus positive at DKK 438 million and DKK 37 million higher than in 2020. The share of the result is affected by a rise in net revenue of DKK 47 million as a result of fewer restrictions in relation to the Covid-19 pandemic and a fall in expenses of DKK 31 million. In addition, come higher interest expenses which had a negative effect on earnings development by DKK 40 million.

In 2021, traffic on the Øresund Bridge continued to be affected by Covid-19. Total revenue from car traffic increased by 9.5 per cent compared to 2021. Compared to 2019, however, there is a decrease of 26.7 per cent. On average, 13,131 vehicles per day crossed the Øresund Bridge, which corresponds to an increase of 4.8 per cent compared to 2020 and a fall of 35.7 per cent compared to 2019. In the year's first quarter, traffic fell by approx. 60 per cent compared to the same period in 2019. Entry restrictions began to ease before the summer and recovery got underway. The combination of fewer restrictions and the Øresund Bridge's restart campaign, 'Take a Trip – Get a Trip' in the autumn contributed to a stronger rise. In November, traffic was thus 12 per cent lower compared to the same month in 2019, while traffic in December fell by 22 per cent compared to 2019.

Interest expenses were DKK 107 million higher than last year, which is primarily due to the impact of high inflation on the portion of the net debt that is exposed to inflation indexation.

The result for the year before fair value adjustments and tax is a loss of DKK 89 million, including the share of profits in Øresundsbro Konsortiet I/S.

Fair value amount to gains of DKK 231 million in 2021 against a loss of DKK 214 million in 2020. Fair value adjustments are an accounting item with no impact on the repayment period for the company's debt as the debt is repaid at nominal value.

Tax for the year amounts to an expense of DKK 66 million. The result after tax is a profit of DKK 222 million.

The impact of value adjustments on financial results

(DKK million)	Income statement 2021	Fair value adjustments	Pro forma income statement 2021	Pro forma income statement 2020
Operating loss (EBIT)	-261		-261	-226
Financial items excl. value adjustment	-35	-231	-266	-159
Loss before share of jointly managed company	**-296**		**-527**	**-385**
Profit/loss from jointly managed company	584	-146	438	401
Profit/loss before fair val. adjstmts. and tax			**-89**	**17**
Fair value adjustment		377	377	-392
Profit/loss before tax	**288**		**288**	**-375**
Tax	-66		-66	83
Profit/loss	**222**		**222**	**-293**

In the interim financial statements for Q3, the outlook for A/S Øresund’s annual results before financial value adjustments and tax was for a loss in the order of DKK 100-200 million. The realised result before fair value adjustments and tax is a loss of DKK 89 million and is thus better than expected.

Equity as at 31 December 2021 was negative at DKK 6,487 million. The company’s equity is expected to remain negative for a considerable number of years. On the basis of the estimated operating results for the company and Øresundsbro Konsortiet I/S, equity is expected to be restored within 20 years, calculated from the end of 2021. Future operating results are estimated on the basis of the Ministry of Transport’s fixed fee from Banedanmark for use of the rail link and the traffic forecast for the Øresund Bridge where the operating results are recognised at 50 per cent corresponding to the ownership share.

Cash flow from operations is negative at DKK 7 million.

Cash flow from investing is negative and amounts to DKK 58 million, primarily owing to the acquisition of tangible assets.

The free cash flow is negative at DKK 65 million and arises on the basis of operations less capital investments and expresses the company’s ability to generate liquidity for financing interest and repayments on the company’s liabilities.

Financing activities include borrowings, interest expenses and repayment on the debt liability, which represents additions of DKK 65 million net.

A/S Øresund’s cash and cash equivalents amounted to DKK 0 at the end of 2021.

Future operating results are estimated on the basis of the Ministry of Transport's fixed fee from Banedanmark for use of the rail link and on the basis of traffic forecasts for road traffic for Øresundsbro Konsortiet I/S, which is recognised at 50 per cent of the result for the period, corresponding to the ownership share.

It should be noted that under the terms of the Act on Sund & Bælt Holding A/S for A/S Øresund, and against a guarantee commission of 0.15 per cent, the Danish State has extended separate guarantees for interest and repayments and other ongoing liabilities associated with the company’s borrowings. In addition, and without further notification of each individual case, the Danish State guarantees the company’s other financial liabilities. Øresundsbro Konsortiet I/S's debt is guaranteed jointly and severally by the Danish and Swedish States.

A new station, New Kastrup Airport Station, north of the existing Copenhagen Airport Station, is in the design stage. The project has been granted funding from the EU of up to approx. EUR 4 million for design and planning until the project is put up for tender.

On 28 June 2021, all parties in the Folketing entered into an agreement (Infrastructure 2035) regarding a transport investment plan for the period 2022-2035. The agreement provides for DKK 12.7 billion for infrastructure that enables urban development on Refshaleøen and Lynetteholmen. A strategic environmental assessment will be carried out, describing the overall effects of urban development and infrastructure, followed by an EIA study of an Eastern bypass. Along the Amager coast, the bypass will connect the Elsinore motorway in the north and the Øresund motorway in the south. The focus of the study will be the construction of an immersed tunnel with the reuse of the Fehmarnbelt's link tunnel element factory in Rødby. A/S Øresund is to conduct the EIA survey. DKK 125 million has been allocated in Infrastructure Plan 2035 for the study.

The Infrastructure Plan 2035 also comprises a number of other projects including the expansion of the Øresund motorway, the establishment of New Kastrup Airport Station and the establishment of a turnback and passing track for freight trains at Kalvebod. These projects will all be handled by A/S Øresund.

Finance

The main theme in the financial markets in 2021 was Covid-19 and rising inflation. Market interest rates over the long term increased by 0.5 percentage points in DKK and EUR.

Interest-bearing net debt increased by DKK 347 million and totals DKK 11,516 million at the end of 2021.

Financial strategy

A/S Øresund's objective is to conduct active and holistic financial management that minimises the long-term financing expenses with due regard for financial risks. Among other things, financial risks are minimised by having exposure to DKK and EUR only, while optimisation of the loan portfolio is achieved through the use of swaps and other derivative financial instruments.

Throughout 2021, A/S Øresund, raised loans via Nationalbanken exclusively. Such on-lending continues to remain very attractive compared to alternative funding sources.

A/S Øresund's cautious strategy as regards credit risks meant that the company did not lose money on the failures of financial counterparties in 2021.

Interest expenses rose significantly in 2021 compared to 2020. This is primarily due to increasing inflation in Denmark which impacts the company's inflation-indexed debt.

The duration of the nominal debt in 2021 fell from 9.4 years to 8.2 years for A/S Øresund.

A/S Øresund – financial ratios 2021

	DKK million	**% p.a.**
Borrowing 2021	1,000	
- of which on-lending	1,000	
Gross debt (fair value)	13,971	
Net debt (fair value)	13,074	
Interest-bearing net debt	11,516	
Real interest rate (before value adjustment)		0.30
Interest expenses	250	2.22
Value adjustment	-231	-2.05
Total financing expenses[1)]	**19**	**0.17**

[1)] Note: The amount excludes the guarantee commission, which totals DKK 17.7 million.

Profitability
The investment in the Øresund fixed link's landworks will be repaid in part through payment from Banedanmark for use of the Øresund rail line and in part through dividend payments from Øresundsbro Konsortiet I/S which is 50 per cent owned by A/S Øresund. In the long-term profitability calculation, the repayment date is calculated based on the Ministry of Finance's long-term interest rate estimate for a 10-year government bond from August 2021 on the part of the debt that is not hedged while the part of the debt that is hedged is included at the agreed interest rate terms.

As a consequence of the 2016 Finance Act, the railway payment will gradually be reduced until 2024 and will be reduced by a total of DKK 200 million (2016 prices) when fully phased in. This also includes the fact that A/S Øresund is required to cover some of the railway payment for Øresundsbro Konsortiet I/S, which was previously financed through the Finance Act.

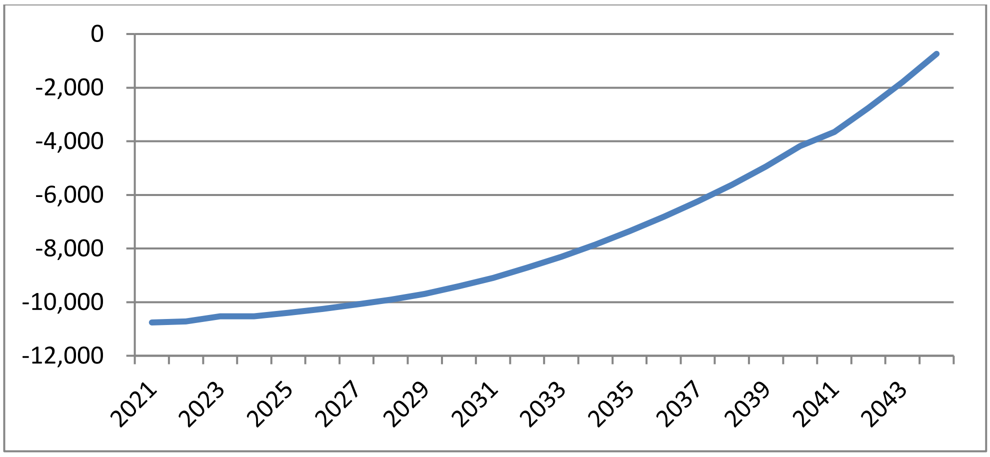
As a consequence of joint taxation with the Group's other companies, A/S Øresund obtains a cash-flow benefit. This is because joint taxation with A/S Storebælt means that A/S Storebælt can immediately utilise the tax losses in A/S Øresund towards paying the proceeds of the tax savings to A/S Øresund. A/S Øresund can thus carry forward the use of its tax losses over time.

The repayment period for A/S Øresund is calculated at 47 years, which is an increase of one year compared to last year's financial statements. This is primarily due to the tax implications of the company having to cover lost rail revenue in respect of Øresundsbro Konsortiet I/S.

The calculation of the repayment period is based on the dividend policy adopted in 2018.

A/S Øresund is sensitive to changes in Øresundsbro Konsortiet I/S's economy as this is where the traffic revenue for debt repayment derives and indirectly to A/S Storebælt via joint taxation.

A/S Øresund – expected debt development, DKK million



Events after the balance sheet date

No events of significance to the Annual Report 2021 have occurred after the balance sheet date.

Outlook for 2022

The outlook for the results for 2022 – based on the budget adopted in November 2021 – amounts to a profit before fair value adjustments and tax in the order of DKK -115-25 million of which the share of the results from Øresundsbro Konsortiet I/S is a profit of DKK 500-625 million.

The budget reflects the expectation that traffic will return to pre-Covid levels, but there is, of course, some uncertainty attached to this.

The greatest uncertainty relates to inflation, particularly in the light of the war in Ukraine and the resulting international sanctions against Russia. Inflation has a direct impact on the annual results through inflation-indexed borrowing. However, rising inflation and price pressure are expected to have a limited effect on the operating expenses for the year, but will impact the size of the year's investments as a result of price developments for commodities in general, and of steel and energy in particular. A temporary rise in inflation will currently not affect the economy of the planned investments. Any more permanent increase in price levels is expected to be reflected in both construction costs and user fees for the infrastructure.

As regards short-term interest rates are expected to remain low in 2022, while long-term interest rates are expected to rise during the year.

Business areas

Road

Øresund motorway
As in the rest of Denmark, traffic on the Øresund motorway continued to be characterised by the Covid-19 pandemic but increased on the year.

In 2021, traffic on the Øresund motorway increased by 6.8 per cent compared to 2020, corresponding to an average of 70,227 vehicles per day west of Ørestad and 55,821 vehicles per day east of Ørestad.

As part of the Infrastructure Plan 2035, a project is being implemented whereby the Øresund motorway will be expanded by an extra lane in each direction from West Amager to Copenhagen Airport. For the eastern section closest to the Øresund Bridge, this means that the section will be expanded from two to three lanes in each direction, while the western section before the turn-offs to the Amager motorway and Copenhagen C will be extended from three to four lanes in each direction. The approach system and merger with the Amager motorway will also be expanded. The project also incorporates measures to ensure that the noise impact for houses along the Øresund motorway is not raised from the current level.

Key figures, DKK million

Road	**2021**	**2020**
Revenue	0	0
Expenses	-27	20
Depreciation	-31	-31
Operating loss (EBIT)	**-58**	**-11**
Financial items excl. value adjustments	-91	-52
Loss before financial value adjustments	**-149**	**-63**

Traffic development %

	2021	**2020**
Øresund Bridge	4.8	-39.4

For 2020, expenses for Road included receipts of DKK 42 million relating to refunded VAT. Expenses, excluding the refunded VAT, amounted to DKK 22 million in 2020.

Railway

Øresund railway
The Øresund railway comprises both an 18 km rail section from Copenhagen Central Station to and including Copenhagen Airport Station, and a 6 km freight line from Ny Ellebjerg to Kalvebod Bridge.

The total number of passenger trains on the Øresund line in 2021 was 99,703 which is a rise of approx. 46 per cent compared to 2020 when there were 68,435 passenger trains on the section. As regards freight train traffic, there were 6,225 freight trains in 2021, corresponding to a fall of approx. 17 per cent compared to 2020 when the number of freight trains on the Øresund line totalled 7,306.

The framework conditions for the operational impact of trains on the Øresund railway in 2021 was set at a maximum of 540 delayed trains. By year end, 295 delayed trains were reported, which corresponds to approximately 45 per cent of the quota assigned to Sund & Bælt. In March 2021, a broken overhead line was the cause of more than half the delayed trains.

A new station, New Kastrup Airport Station, north of the existing Copenhagen Airport Station, is in the design phase. The purpose of the new station is to establish one directional operations so that eastbound trains can use the existing platform facilities while westbound trains will use new platform facilities alongside the tracks that are currently primarily used for freight traffic.

The project has received a grant from the EU of up to approx. EUR 4 million for the implementation of planning and design until the execution of the project is put out for tender.

The Infrastructure Plan 2035 includes a turnback west of Copenhagen Airport Station, which means that delayed trains from Sweden will not cause other trains to be delayed at Copenhagen Central Station. The project is part of a new southern railway corridor circumventing Copenhagen Central Station.

Finally, an overtaking track for freight trains between Kalvebod and Ny Ellebjerg will be established to ensure that freight trains do not conflict with passenger train traffic. The project is also part of a new southern rail corridor circumventing Copenhagen Central Station.

Key figures, DKK million

Railway – Øresund	**2020**	**2020**
Revenue	14	20
Expenses	-69	-59
Depreciation	-146	-176
Operating loss (EBIT)	-201	-215
Financial items excl. value adjustments	-176	-107
Loss before financial value adjustments	**-377**	**-322**

Øresundsbro Konsortiet I/S

In 2021, Øresundsbro Konsortiet I/S posted a profit before value adjustment of DKK 876 million, a rise of DKK 75 million compared to 2020, but is DKK 382 million below the result for 2019.

In 2021, traffic on the Øresund Bridge continued to be affected by Covid-19. Total revenue from car traffic increased by 9.5 per cent compared to 2021. Compared to 2019, however, there is a decrease of 26.7 per cent. On average, 13,131 vehicles per day crossed the Øresund Bridge, which corresponds to an increase of 4.8 per cent compared to 2020 and a fall of 35.7 per cent compared to 2019. In the year's first quarter, traffic fell by approx. 60 per cent compared to the same period in 2019. Entry restrictions began to ease before the summer and recovery got underway. The combination of fewer restrictions and the Øresund Bridge's restart campaign, 'Take a Trip – Get a Trip' in the autumn contributed to a strong rise. In November, traffic was thus 12 per cent lower compared to the same month in 2019, while traffic in December fell by 22 per cent compared to 2019.

HGV traffic was more stable during the pandemic and in 2021 reached a record-breaking 50,000 lorries in March and June. For the year as a whole, HGV traffic saw growth of 7.5 per cent compared to 2020 and 6.9 per cent compared to 2019.

Passenger car traffic fell by 39.2 per cent compared to 2019. Commuter traffic fell by 28.1 per cent. Coach traffic fell by 62.7 per cent compared to 2019.

EBIT amounts to a profit of DKK 1,078 million, which is a rise of DKK 155 million compared to 2020 and a reduction of DKK 382 million compared to 2019.

The year's interest expenses total DKK 202 million and are DKK 80 million higher than 2020, which is primarily due to the fact that inflation in Denmark and Sweden was higher than in 2020.

After recognition of fair value adjustments of DKK 292 million, the result for the year is a profit of DKK 1,168 million.

Equity was positive at DKK 4,255 million as at 31 December 2021.

The company continues to expect that the Øresund Bridge will be repaid within a 50-year time period, which means that the debt will be repaid by 2050 at the latest. The most recent calculation shows that the debt can be repaid before the end of 2048.

In 2013, HH Ferries *et al* lodged a complaint with the EU Commission claiming that the Danish/Swedish State guarantees for Øresundsbro Konsortiet I/S's loans etc. are illegal according to the EU's State Aid rules. In October 2015, the EU Commission ruled that the guarantees are covered by the State Aid rules, and they are in compliance with these rules. HH Ferries *et al* brought this before the European Court of Justice which reached a decision on 19 September 2018. This resulted in an annulment of the EU Commission's decision from 2015. The judgement does not state whether or not State Aid was illegal, only that the Commission had committed certain procedural errors. The Commission then launched a formal investigation procedure. However, a decision is still awaited. Øresundsbro Konsortiet I/S's view is that it cannot be excluded that this matter will lead to some repayment of previously received aid in the form of guarantees, etc. It is not possible to quantify this uncertainty.

Further details are available from Øresundsbro Konsortiet I/S's Annual Report or at *www.oresundsbron.com*

Øresundsbro Konsortiet I/S publishes an independent report on Corporate Social Responsibility and sustainable development, which is found at *https://www.oresundsbron.com/en/info/csr-policy?q=csr*

Through A/S Øresund, Sund & Bælt Holding A/S owns 50 per cent of Øresundsbro Konsortiet I/S, which is responsible for the Øresund Bridge's operations.

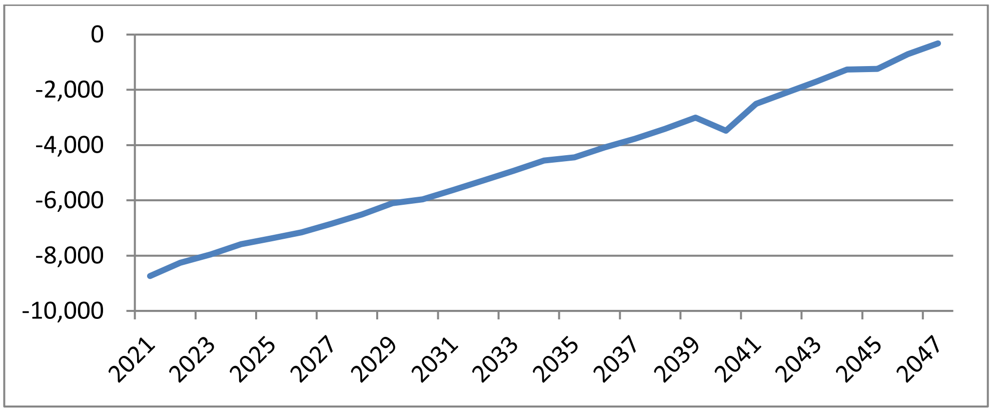
Key figures, DKK million

Øresundsbro Konsortiet I/S	2021	2020
Revenue	1,616	1,522
Expenses	-266	-251
Depreciation	-272	-348
Operating profit (EBIT)	**1,078**	**923**
Financial items excl. value adjustments	-202	-122
Profit before financial value adjustments	**876**	**801**
Financial value adjustments	292	-355
Profit for the year	**1,168**	**446**
Group share of profits	**584**	**223**

Traffic development in %

	2021	2020	2019
Øresund Bridge	4.8	-39.4	-0.7

Øresundsbro Konsortiet I/S – Expected debt development, DKK million



Corporate Social Responsibility

Statutory statement of Corporate Social Responsibility c.f. Section 99a of the Danish Financial Statements Act

With regard to the company's formal compliance with Section 99a of the Danish Financial Statements Act on reporting on corporate social responsibility, please refer to the parent company's Management Report 2021 under Sustainability, Corporate Governance and Employees.

Statutory statement regarding the under-represented gender, c.f. Section 99b of the Danish Financial Statements Act.

The company meets the diversity requirements at top management level, which is why the company has not drawn up and accounted for a target figure. As the company has no employees, no policy has been put in place for increasing the underrepresented gender at other management levels.

Statutory statement for the company's policy on data ethics c.f. Section 99d of the Danish Financial Statements Act

The company's formal compliance with Section 99d of the Danish Financial Statements Act is published in the parent company's Group Management Report 2021 under Data ethics.

The Annual Report for Sund & Bælt Holding A/S is available at: *https://sundogbaelt.dk/en/news-press/publications/*

Read more about Sund & Bælt's Corporate Social Responsibility at: *https://sundogbaelt.dk/en/sustainability/*

Risk management and control environment

Risk management aims to identify, quantify, assess, process and manage threats and opportunities in a way that ensures that A/S Øresund's objectives are supported.

Certain events may prevent A/S Øresund from achieving its objectives in whole or in part. The company is well aware of the consequences and likelihood of such events. Some risks can be managed and/or reduced by the company itself while others are external events over which A/S Øresund has no control. A/S Øresund has identified and prioritised certain risks based on a holistic approach. The Board of Directors receives a report on these matters on an annual basis.

The greatest risk to accessibility is a prolonged disruption to a traffic link caused by a ship colliding with a bridge, a terrorist incident, flooding or similar. The likelihood of such incidents is remote, but the potential consequences are significant. The potential financial losses for the company from such events, including operating losses for up to two years, are covered by insurances.

One of A/S Øresund's objectives is that safety on the links should be high and at least as high as similar Danish infrastructure. This objective has been fulfilled so far.

The impact of climate change on rising water levels, both in general and in severe weather conditions, is regularly assessed in order to ensure the continued protection of the infrastructure facilities. With regard to the Øresund Landanlæg on Amager, a number of dykes have already been established and discussions are in progress with the authorities and other stakeholders to find solutions that can reduce the risk of flooding on Kastrup peninsula.

In collaboration with the relevant authorities, A/S Øresund maintains a comprehensive contingency plan, including an internal crisis management programme, for handling accidents etc. on A/S Øresund's traffic facilities. The programme is tested regularly. To address the environmental risks arising from the implementation of construction and operations, this is covered by the regulatory and planning procedures and subsequently in the execution of the work, its ongoing monitoring and follow-up. Examples of such risks include the impact on the aquatic environment.

Long-term traffic development is a significant factor in the repayment period of the debt, c.f. notes 20 and 21, where the calculations and uncertainty factors are described. In addition to the general uncertainties that are inherent in such long-term forecasts, there is a special risk related to adjustment to prices introduced by the authorities.

The development in long-term maintenance and reinvestment costs is subject to some uncertainty. A/S Øresund works proactively and systematically to reduce such factors and it is unlikely that these risks will have any major negative effects on the repayment period.

Work on holistic risk management has defined and systematised certain risks linked to the company's general operations. These include the risk of computer breakdowns or a failure of other technical systems, unauthorised access to computer systems, delays to, and cost increases for, maintenance work etc. These risks are handled by day-to-day management and the line organisation.

A/S Øresund's risk management and internal control in connection with the financial statements and financial reporting are intended to minimise the risk of material error. The internal control system contains clearly defined roles and areas of responsibility, reporting requirements and procedures for attestation and approval. Internal controls are examined by the auditors and reviewed by the Board of Directors through the Audit Committee.

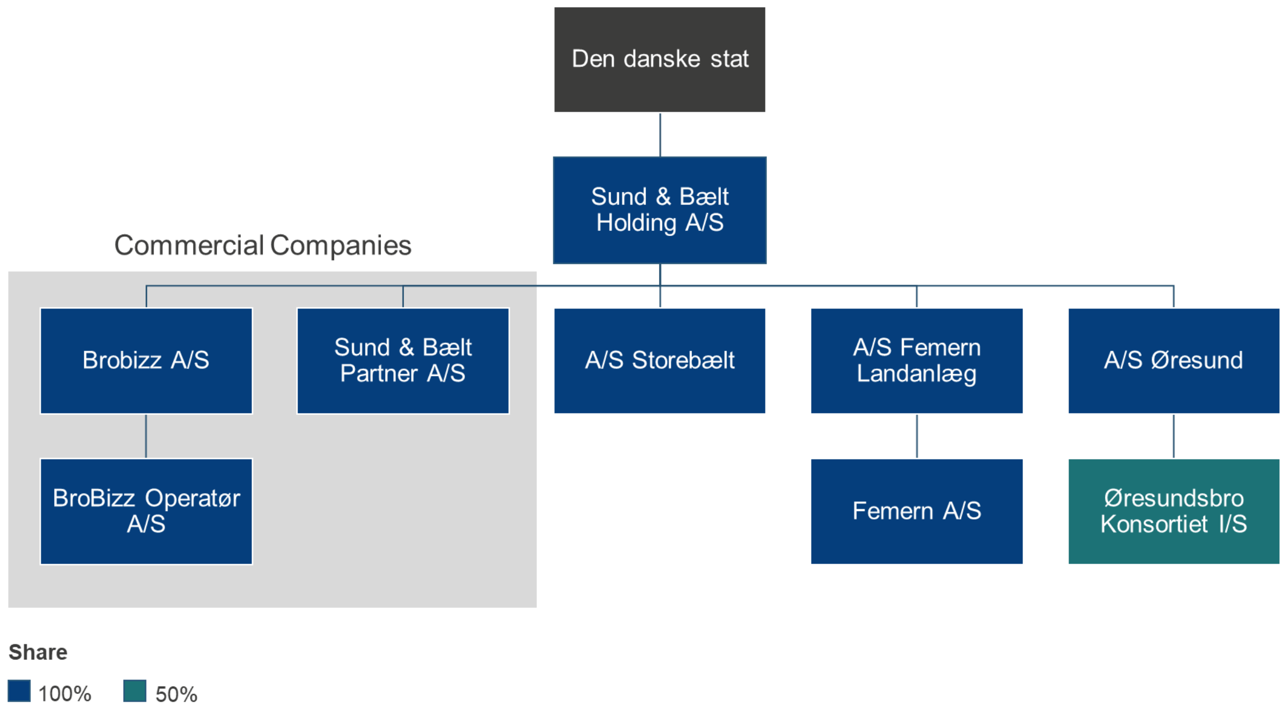
About A/S Øresund

Shareholder information

A/S Øresund is a limited company based in Denmark. A/S Øresund is a subsidiary of Sund & Bælt Holding A/S and is included in the consolidated accounts for Sund & Bælt Holding A/S, which is the ultimate parent company.

Sund & Bælt Holding A/S's entire share capital is owned by the Danish State.

Group overview



Main activity

A/S Øresund's primary tasks are to own and operate the fixed link across Øresund with related landworks. These tasks are managed with due consideration for the maintenance of high levels of accessibility and safety on the link. In addition, the repayment of loans raised to finance the facilities must be made within a reasonable time frame. The purpose of the company is also to hold 50 per cent of the shares in Øresundbro Konsortiet I/S.

Board of Directors and Management Board

Board of Directors

Mikkel Hemmingsen
Chair

CEO of:
Sund & Bælt Holding A/S
Election period expires in 2022

Other offices held:
Chair of:
A/S Storebælt
A/S Femern Landanlæg
Femern A/S
Brobizz A/S
BroBizz Operatør A/S
Sund & Bælt Partner A/S

Board member of:
Øresundsbro Konsortiet I/S

Areas of expertise
Management with experience in strategy, finance, societal analysis and change management

Signe Thustrup Kreiner
Vice-Chair

CFO of:
Sund & Bælt Holding A/S
Election period expires in 2023

Other offices held
Board member of:
A/S Storebælt
A/S Femern Landanlæg (Vice-Chair)
Femern A/S (Vice-Chair)
Brobizz A/S (Vice-Chair)
BroBizz Operatør A/S (Vice-Chair)
Sund & Bælt Partner A/S (Vice-Chair)

Areas of expertise
Management with experience in strategy, analysis, finance and accounting. Experience in risk management and compliance.

Claus F. Baunkjær
Director of:
Sund & Bælt Holding A/S

CEO of:
A/S Øresund
Election period expires in 2023

Other offices held
Board member of:

A/S Storebælt (Vice-Chair)
A/S Femern Landanlæg
Femern A/S
Brobizz A/S
BroBizz Operatør A/S
Sund & Bælt Partner A/S

Areas of expertise
Experience in management, strategy, project management, and complex decision-making processes focusing on major infrastructure projects.

Management Board

Claus F. Baunkjær
CEO

Financial statements

Comprehensive income statement 1 January – 31 December

(DKK million)

	Note	2021	2020
Net revenue			
Net revenue	4	14	20
Total net revenue		**14**	**20**
Expenses			
Other external expenses	5	-85	-40
Other operating income		1	2
Other operating expenses		-13	0
Depreciation, amortisation and writedowns	7	-178	-207
Total expenses		**-275**	**-246**
Operating loss (EBIT)		**-261**	**-226**
Financial items	8		
Financial income		78	79
Financial expenses		-344	-238
Value adjustments, net		231	-214
Total financial items		**-35**	**-372**
Loss before inclusion of share of results in jointly managed company and tax		**-296**	**-598**
Share of results in jointly managed company		584	223
Profit/loss before tax		**288**	**-375**
Tax	9	-66	83
Profit/loss		**222**	**-293**
Other comprehensive income		0	0
Tax on other comprehensive income		0	0
Comprehensive income		**222**	**-293**

Balance sheet 31 December – Assets

(DKK million)

	Note	2021	2020
Non-current assets			
Property, plant and equipment			
Road link	10	1,151	1,172
Rail link	11	3,399	3,505
Lease assets	13	8	0
Total property, plant and equipment		**4,558**	**4,677**
Other non-current assets			
Participating interest in jointly managed company	14	2,128	1,544
Deferred tax	18	0	51
Securities	19	75	826
Derivatives	19	490	917
Total other non-current assets		**2,693**	**3,338**
Total non-current assets		**7,251**	**8,015**
Current assets			
Receivables			
Receivables	15	7	50
Securities	19	821	76
Corporation tax	9	99	13
Prepayments and accrued income	16	434	383
Total receivables		**1,361**	**522**
Total current assets		**1,361**	**522**
Total assets		**8,612**	**8,537**

Balance sheet 31 December – Equity and liabilities

(DKK million)

	Note	2021	2020
Equity			
Share capital	17	5	5
Retained earnings		-6,492	-6,714
Total equity		**-6,487**	**-6,709**
Liabilities			
Non-current liabilities			
Deferred tax	18	111	0
Bond loans and amounts owed to credit institutions	19	12,087	12,846
Lease liabilities	13	4	0
Derivatives	19	1,479	1,567
Total non-current liabilities		**13,681**	**14,413**
Current liabilities			
Current portion of non-current liabilities	19	1,210	670
Credit institutions	19	6	23
Lease liabilities	13	4	0
Trade and other payables	22	77	44
Derivatives	19	5	0
Accruals and deferred income	23	116	96
Total current liabilities		**1,418**	**833**
Total liabilities		**15,099**	**15,246**
Total equity and liabilities		**8,612**	**8,537**

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Statement of changes in equity 1 January – 31 December

(DKK million)

	Share capital	Retained earnings	Total
Balance at 1 January 2020	5	-6,421	-6,416
Loss for the year and comprehensive income	0	-293	-293
Balance at 31 December 2020	**5**	**-6,714**	**-6,709**
Balance at 1 January 2021	5	-6,714	-6,709
Profit for the year and comprehensive income	0	222	222
Balance at 31 December 2021	**5**	**-6,492**	**-6,487**

Cash flow statement 1 January – 31 December

(DKK million)

	Note	2021	2020
Cash flow from operating activities			
Operating loss (EBIT)		-261	-226
Adjustments			
Depreciation, amortisation and writedowns	7	178	207
Gains on the disposal of property, plant & equipment		-1	0
Joint taxation contribution	9	99	13
Cash flow from operations (operating activities) before change in working capital		**15**	**-6**
Change in working capital			
Receivables and prepayments		-44	118
Trade and other payables		22	0
Total cash flow from operating activities		**-7**	**113**
Cash flow from investing activities			
Acquisition of tangible fixed assets		-57	-59
Purchase of securities		-1	-46
Total cash flow from investing activities		**-58**	**-105**
Free cash flow		**-65**	**8**
Cash flow from financing activities			
Other non-current liabilities incurred		1,000	1,246
Redemption and repayment of non-current liabilities		-650	-1,150
Raising of loans at credit institutions		0	23
Debt reduction with credit institutions		-17	0
Interest income, received		1	3
Interest expenses, paid		-292	-263
Received EU subsidy		15	0
Repayment of lease liabilities		8	0
Total cash flow from financing activities	19	**65**	**-141**
Change for the period in cash and cash equivalents		**0**	**-134**
Opening cash and cash equivalents		0	134
Closing cash and cash equivalents		**0**	**0**

Notes

Note 1 Accounting policies

A/S Øresund is a limited company based in Denmark. A/S Øresund is a subsidiary of Sund & Bælt Holding A/S and is included in the consolidated accounts for Sund & Bælt Holding A/S, which is the ultimate parent company.

A/S Øresund's financial statements for 2021 are presented in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB and approved by the EU as well as additional Danish disclosure requirements for annual reports for companies with listed bonds (class D).

The financial statements are presented in Danish kroner, which is also the company's functional currency. Unless otherwise stated, all amounts are stated in DKK million.

The accounting policies, as described below, have been applied consistently over the financial year and for the comparative figures. However, for standards implemented going forwards, the comparative figures have not been restated.

The accounting policies for net revenue, other external expenses, staff expenses, participating interests in the jointly managed company, receivables and prepayments and accrued income are described in the respective notes.

The company has opted to use the so-called Fair Value Option under IFRS 9. This means that all loans and derivatives are measured at fair value and that changes in the fair value are recognised in the comprehensive income statement. Loans are measured at fair value on initial recognition in the balance sheet whereas derivative financial instruments are always measured at fair value, c.f. IFRS 9.

The rationale for using the Fair Value Option is that the company consistently applies a portfolio approach to financial management, which implies that the intended exposure to financial risks is managed through different financial instruments, both primary and derivative financial instruments. Accordingly, in the management of the financial market risk, the company does not distinguish between, for example, loans and derivatives, but solely focuses on overall exposure. Using financial instruments to manage financial risks could, therefore, result in accounting inconsistencies were the Fair Value Option not used.

It is the company's opinion that the Fair Value Option is the only principle under IFRS that reflects this approach as the other principles lead to inappropriate accounting inconsistencies between otherwise identical exposures depending on whether the exposure relates to loans or derivative financial instruments or necessitates extensive requirements for documentation of hedging as is the case with the rules on hedge accounting. As both loans and derivatives are measured at fair value, recognition in the financial statements will produce the same results for loans and related derivatives when hedging is effective. Thus, the company will achieve accounting consistency. Loans without associated derivative financial instruments are also measured at fair value in contrast to the main rule laid down in IFRS 9 pursuant to which loans are measured at amortised cost. This naturally leads to volatility in the profit/loss for the year as a result of value adjustments

Reporting under the ESEF Regulation
The EU Commission's Delegated Regulation 2019/815 on the Common Digital Reporting Format (ESEF Regulation) requires the use of a special digital reporting format for annual reports for listed companies. More precisely, the ESEF Regulation requires the preparation of the annual report in XHTML format. The annual report approved by management shall consist, in accordance with the requirements of the ESEF Regulation, of a zip file, file name Øresund_2021.zip, containing an XHTM file that can be opened with standard web browsers.

Implementation of new and amended accounting standards
With effect from 1 January 2021, the Group implemented the following amended standards and interpretations. However, the changes in IFRS 16 are of no relevance to the Group.

- IFRS 16:

- Amendment regarding use of reference rates (Amendment regarding use of reference rates in IFRS 9, IAS 39 and IFRS 7 implemented from 1 January 2020).
- Covid-19-related rent concessions

Adopted accounting standards and interpretations that have not come into effect
There are currently no revised accounting standards and interpretations adopted by the IASB and approved by the EU which will subsequently come into effect and which are relevant to the company.

Foreign currency translation
On initial recognition, foreign currency transactions are translated into the exchange rates on the transaction date. Foreign exchange differences arising between the exchange rates on the transaction date and the rates at the date of payment are recognised in the comprehensive income statement as a financial item.

Receivables, payables and other monetary items denominated in foreign currencies are translated at the exchange rates on the balance sheet date. The difference between the exchange rate on the balance sheet date and the rate on the date at which the receivable or payable arose, or the rate recognised on the previous balance sheet date are recognised in the comprehensive income statement under financial items.

Non-monetary assets and liabilities in foreign currencies, which have not been revalued at fair value, are translated at the time of transaction at the rate of exchange on the transaction date.

Translation of financial assets and liabilities are recognised in the value adjustment and translation of receivables, payables etc. are assigned to financial income and expenses.

Segment information
IFRS requires disclosure of income, expenses, assets and liabilities by segment. A/S Øresund estimates that there is one segment only as the facility is one infrastructure link. Internal reporting and financial control by the top management are on the basis of one overall segment.

Public subsidies
Public subsidies are recognised when it is reasonably probable that the subsidy conditions have been fulfilled and that the subsidy will be received.

Subsidies to cover expenses are recognised in the comprehensive income statement proportionally over the periods in which the related expenses are recognised in the comprehensive income statement. The subsidies are offset in the costs incurred. Public subsidies linked to the road and rail facilities are deducted from the cost of the asset.

Other operating income and expenses
Other operating income and expenses comprise items of a secondary nature in relation to the company’s activities, including profits and losses on current sales and replacement of intangible and tangible fixed assets. Profits and losses on the sale of intangible and tangible fixed assets are calculated as the sales price less sales costs and the net book value at the time of sale.

Financial items
Financial items comprise interest income and expenses, realised inflation indexation, gains and losses on cash at bank and in hand, securities, payables, derivatives and foreign exchange translation for transactions in foreign currencies as well as realised gains and losses relating to derivative financial instruments.

The difference in fair value at the balance sheet dates represents the total financial items, which, in the comprehensive income statement, are split into financial income, financial expenses and value adjustment. Financial income and expenses comprise interest income, interest expenses and realised inflation indexation from payables and derivatives. Foreign exchange gains and losses and exchange rate translation for financial assets and liabilities are included in the value adjustment

Financial expenses for financing assets in progress are recognised in the cost of the assets.

Tax on the year's results
The company is covered by the Danish rules on mandatory joint taxation of the Sund & Bælt Group companies. The subsidiaries are jointly taxed from the date they are included in the consolidated accounts and until such time when they may be omitted from the consolidation.

Sund & Bælt Holding A/S is the administrating company for joint taxation and therefore settles all tax payments with the tax authorities.

Balances below the interest deduction limitation rules of the Danish Corporation Tax Act are distributed among the jointly taxed companies in accordance with the joint taxation agreement. Deferred tax liabilities relating to such balances are recognised in the balance sheet while deferred tax assets are recognised only if the criteria for doing so are met.

Current Danish corporation tax is distributed by settlement of joint taxation contributions among the jointly taxed companies in proportion to their taxable earnings. Moreover, the companies with tax losses receive a joint taxation contribution from companies that are able to use these losses to reduce their own tax profits.

Tax for the year, which comprises the year's current corporation tax, the year's joint taxation contribution and changes in deferred tax – including the change in the tax rate – is recognised in the comprehensive income statement with the proportion attributable to the year's results and directly in the equity with the proportion attributable to the entries made directly in the equity.

Financial assets and liabilities
Initial recognition of financial assets and liabilities takes place on the trading date.

Cash at bank and in hand is initially and subsequently measured in the balance sheet. Differences in the fair value between balance sheet dates are included in the comprehensive income statement under financial items. On initial recognition, all cash at bank and in hand is classified as assets measured at fair value.

Listed securities are recognised on the trading date at fair value under current assets and subsequently measured at fair value. Changes in the fair value are recognised in the comprehensive income statement under financial items on an ongoing basis.

Holdings and returns on treasury shares are set off against equivalent issued bond loans and are therefore not recognised in the consolidated accounts' comprehensive income statement and balance sheet.

Loans are initially and subsequently measured at fair value in the balance sheet. On recognition, all loans are classified as financial liabilities at fair value through the comprehensive income statement. Irrespective of interest rate guarantees, all loans are measured at fair value with ongoing value adjustments recognised in the income statement, stated as the difference in fair value between the balance sheet dates.

The fair value of bond issues of bilateral loans is stated as the present value of future and known and expected cash flows discounted at relevant rates, as there are typically no quotations available for unlisted bond issuers and bilateral loans. Discounting rates are based on current market rates assessed to be available to the company as borrower.

Real interest rate loans consist of a real interest rate plus a supplement for inflation indexation. The expected inflation is included in the calculation of the fair value of real interest rate loans and is based on break even inflation from the so-called break-even inflation swaps where a fixed payment inflationary is exchanged with realised inflation that is unknown at the time. Danish break even inflation is determined within a range of European break even inflation-linked swaps with HICPxT as the reference index. Discounting follows the general principles referred to above.

The fair value of loans with structural financial instruments is determined collectively and recognised and the market value of any optionality in the interest and instalment payments on the loan is determined using the standardised and recognised valuation methods (locked formula) where the volatility on reference rates and foreign exchange are included.

Loans falling due in more than one year, according to the contract, are recognised as non-current liabilities.

Derivative financial instruments are recognised and measured at fair value in the balance sheet and initial recognition in the balance sheet is measured at fair value. Positive and negative fair values are included in Financial Assets and Liabilities respectively, and netting of positive and negative fair values on derivatives is only made when there is the right and intention to settle several financial instruments net.

Derivative financial instruments are actively used to manage the debt portfolio and are therefore included in the balance sheet as current assets and current liabilities respectively.

Derivative financial instruments include instruments where the value depends on the underlying value of the financial parameters, primarily reference rates and currencies. All derivative financial instruments are OTC derivatives with financial counterparties. Thus, there are no listed quotations for such financial instruments. Derivative financial instruments typically comprise interest rate swaps and foreign currency swaps, forward exchange contracts, foreign currency options, FRAs and interest rate guarantees and swaptions. The market value is determined by discounting the known and expected future cash flows using relevant discounting rates. The discounting rate is determined in the same way as loans and cash at bank and in hand, i.e. based on current market interest rates that are expected to be available to the company as borrower.

As with real interest rate loans, inflation swaps contain a supplement for inflation indexation. The expected inflation is recognised in the calculation of the fair value of the inflation swaps and is based on break even inflation from the so-called break-even inflation swaps, where a fixed payment inflationary is exchanged with realised inflation that is unknown at that time. Danish break even inflation is determined within a range of European break even inflation-linked swaps with HICPxT as reference index. Discounting follows from the general principles referred to above.

For derivatives with an option for the cash flows, such as foreign currency options, interest rate guarantees and swaptions, fair value is determined on the basis of recognised and standardised valuation methods (closed formulas) where the volatility of the underlying reference interest rates and foreign currencies are included. Where derivatives are tied to several underlying financial instruments, a total fair value is determined as the sum of the fair value of each derivative.

According to IFRS 13, financial assets and liabilities recognised at fair value shall be classified in a 3-layer hierarchy for valuation methodology. Level 1 of the fair value hierarchy includes assets and liabilities recognised at quoted prices in active markets. At level 2, assets and liabilities are valued using active quoted market data as input to generally accepted valuation methods and formulas. Finally, level 3 includes assets and liabilities in the balance sheet that are based on unobservable market data, and therefore require separate comment.

Property, plant and equipment
On initial recognition, property, plant and equipment are measured at cost. Cost comprises the purchase price and any expenses directly attributable to the acquisition until the date when the asset is available for use. Subsequently, the assets are measured at cost less depreciation, amortisation and writedowns.

During the construction period, the value of the road and rail links was stated using the following principles:

- Expenses relating to the links are based on concluded contracts and contracts are capitalised directly
- Other direct expenses are capitalised as the value of own work
- Net financing expenses are capitalised as construction loan interest

Significant future one-off replacements/maintenance work are regarded as separate elements and depreciated over the expected useful life. Ongoing maintenance work is recognised in the comprehensive income statement as the costs are incurred.

Depreciation on the road and rail links commences when the construction work is finalised, and the facilities are ready for use. The facilities are depreciated on a straight-line basis over the expected useful lives. For the road and rail link, the facilities are divided into components with similar useful lives:

- The main part of the links comprises structures designed for minimum useful lives of 100 years. The depreciation period for these parts is 100 years

- Mechanical installations, crash barriers and road surfaces are depreciated over useful lives of 20-50 years
- Software and electrical installations are depreciated over useful lives of 10-20 years
- Technical rail installations are depreciated over 25 years

Other assets are recognised at cost and depreciated on a straight-line basis over the assets' useful lives:

- Other plant, machinery, fixtures and fittings 5-10 years
- Buildings for operational use 25 years

Depreciation is recognised in the comprehensive income statement as a separate item.

The depreciation method and the expected useful life are reassessed annually and changed if there has been a major change in the conditions or expectations. If there is a change to the depreciation method, the effect is recognised moving forward as a change in accounting estimates and judgements.

The basis of depreciation is stated on the basis of residual value less any writedowns. The residual value is determined at the time of acquisition and is reassessed annually. If the residual value exceeds the net book value, depreciation will be discontinued.

Lease contracts
A lease asset and a lease liability are recognised in the balance sheet when entering a lease into a specific identifiable asset, the lease asset is made available to the company for the lease term, and when the company obtains the right to almost all of the economic benefits from the use of the identified asset and the right to direct the use of the identified asset.

Lease liabilities are measured initially at the present value of future lease payments discounted using an alternative borrowing rate. The lease liability is measured at amortised cost under the effective interest method. The lease liability is reassessed if the underlying contractual cash flows change as a result of the company's assessment of whether it is reasonably certain to exercise an option to extend or to terminate.

The lease asset is measured initially at cost, corresponding to the value of the lease liability. The asset is subsequently measured at cost less any accumulated depreciation and any further provision for losses. The lease asset is depreciated over the shorter of the lease term and the lease asset's useful life. Depreciation is recognised in the comprehensive income statement on a straight-line basis.

The lease asset is adjusted for changes in the lease liability as a result of changes in the terms and conditions of the lease or changes in the contractual cash flows depending on changes in an index or a rate.

Lease assets are depreciated on a straight-line basis over the expected lease term, which is:

- Leased premises 5 years

The company has elected not to recognise lease assets of low value and short-term leases in the balance sheet. Instead, lease payments relating to such leases are recognised in the comprehensive income statement on a straight-line basis.

Depreciation of assets
Property, plant and equipment, intangible assets and financial fixed assets are subject to valuation testing when there is an indication that the net book value may not be recovered (other assets are covered under IFRS 9). Provision for losses is recognised at the amount by which the asset's net book value exceeds the recoverable amount, i.e. the asset's net sales price or its value in use, whichever is higher. Value in use is calculated at the present value of expected future cash flows using a discounting factor that reflects the market's current required rate of return. In determining provision for losses, assets are grouped in the smallest group of assets that generate separate identifiable cash flows (cash-generating units). See also note 21: Profitability.

Provision for losses is recognised in the comprehensive income statement.

Current tax and deferred tax
Sund & Bælt Holding A/S and the jointly taxed companies are liable for tax on earnings, etc. for the jointly taxed companies and for any liabilities to include tax at source on interest, royalties and dividends for the jointly taxed companies.

Current tax liabilities and current tax receivable are recognised in the balance sheet as computed tax on the year's taxable income, adjusted for tax on previous year's taxable income as well as for paid taxation on account.

Joint tax contribution owed and receivable is recognised in the balance sheet under corporation tax.

Deferred tax is measured using the balance-sheet oriented liability method of all interim differences between the tax value of an asset or liability and its net book value. In cases where the computation of the tax value can be carried out on the basis of the various taxation rules, the deferred tax is measured on the basis of the management's planned utilisation of the asset or the disposal of the liability.

Deferred tax assets, including the tax value of tax losses entitled to be carried forward are recognised under other non-current assets at the value at which they are expected to be used, either through the setting off of tax on future earnings or by the offsetting of deferred tax liabilities within the same legal entity and jurisdiction.

Balances below the interest deduction limitation rules of the Danish Corporation Tax Act are distributed among the jointly taxed companies in accordance with the joint taxation agreement. Deferred tax liabilities relating to such balances are recognised in the balance sheet while tax assets are recognised only if the criteria for deferred tax assets are met.

Adjustment of deferred tax is carried out relating to eliminations made of unrealised intra-group profits and losses.

Other financial liabilities
Other financial liabilities are measured at amortised cost which usually corresponds to the nominal value.

Cash flow statement
The company's cash flow statement has been prepared in accordance with the indirect method based on the items in the comprehensive income statement. The company's cash flow statement shows the cash flows for the year, the year's changes in cash and cash equivalents as well as the company's cash and cash equivalents at the beginning and end of the year.

Cash flow from operating activities is determined as the profit/loss for the year before financial items adjusted for non-cash operating items, corporation tax and changes in working capital. The working capital comprises the operating balance sheet items under current assets and current liabilities.

Cash flow from investing activities comprises the acquisition and disposal of property, plant and equipment and financial assets.

Cash flow from financing activities comprises borrowing, repayment of lease obligations, repayment of debt and financial items.

Cash and cash equivalents comprise cash at bank and in hand and securities that, at the time of acquisition, have a maturity of three months or less and which can be converted into cash at bank and in hand and where there are only insignificant risks of changes in value.

Financial ratios
The following financial ratios presented under financial highlights are calculated as follows:

Profit ratio:	Operating profit (EBIT) in percentage of revenue
Rate of return:	Operating profit (EBIT) in percentage of total assets
Return on facilities:	Operating profit (EBIT) in percentage of investment in road and rail links

Note 2 Significant accounting estimates and judgements

Stating the net book value of certain assets and liabilities requires an estimate as to what extent future events will impact the value of those assets and liabilities on the balance sheet date. Estimates which are essential for financial reporting are made by calculating the amortisation, depreciation and writedowns of the road and rail link and by calculating the fair value of certain financial assets and liabilities.

Depreciation of the road and rail link is based on an assessment of their main components and their expected useful life. Estimates of the expected useful life of the assets are made on an ongoing basis. The assessment of the expected useful life of the facilities includes taking into account their maintenance standard and technical useful life compared to management’s expectations for the long-term development in traffic patterns and other infrastructure. A change in the expected useful lives may have a significant impact on the results but has no impact on cash flows.

At the end of the useful life of the facilities, the company is not contractually or legally obliged to dispose of the facilities and restore the soil and seabed upon which the facilities are built. Moreover, it is also management’s view that even after the end of its useful life as a fixed link across Øresund, the facilities will continue to exist and be switched to an alternative use. Management is of the opinion, therefore, that the company does not have a legal or actual decommissioning obligation as far as the facilities are concerned, which is why no provision has been made for this in the accounts.

For certain financial assets and liabilities, an estimate of expected future inflation is made when calculating fair value.

Determining the fair value of financial instruments is linked to estimates of the relevant discounting rate for the company, volatility on reference rates and the foreign exchange of financial instruments with optionality in the payment flows as well as estimates of future inflation developments for real interest loans and swaps. Estimates for determining fair values and the need for provision for losses are, as far as possible, based on observable market data and assessed on an ongoing basis with current price indicators, see Note 1, Accounting Policies.

In connection with the deferred tax statement, an estimate is made of the future use of tax losses entitled to be carried forward and reduced net financing expenses, which are based on the expected future earnings of the company and the expected lifetime of the assets. The estimate made is as far as possible based on observable market data and assessed on an ongoing basis with inflation development and current price indicators, c.f. Note 18. Deferred tax.

A/S Øresund and Øresundsbro Konsortiet I/S’s facilities are deemed as one cash flow generating unit in that the companies’ road and rail links function as one overall unit.

Note 3 Segment information

The information, which must be provided even if there is only one segment, is given below, c.f. Note 1, Accounting Policies.

Revenue from the rail link comprises fees from Banedanmark. This thus includes net revenue for one customer amounting to more than 10 per cent of the company's net revenue.

The company’s entire revenue is generated in Denmark.

Besides the fee from Banedanmark in the revenue from the rail link, the company is not dependent on individual major customers and has no transactions with individual customers that amount to 10 per cent of the company's net revenue or more.

Note 4 Net revenue

Revenue from the sale of services is recognised as the services are provided, and if the revenue can be measured reliably and is expected to be received. Revenue is measured excl. VAT, taxes and discounts in connection with the sale.

Revenue from the rail link comprises payment from Banedanmark for the use of the rail facilities. The rail fee is determined by the Minister of Transport.

Specification of net revenue	**2021**	**2020**
Net revenue, railway	14	20
Total net revenue	**14**	**20**

Note 5 Other external expenses

Other operating expenses comprise expenses relating to the technical, traffic-related and commercial operations of the link. This includes, for instance, expenses for the operation and maintenance of technical systems, insurance, rent of premises, external services, financial management and fees to the parent company of DKK 34 million (DKK 25 million).

Fees to auditors appointed by Annual General Meeting:	**Deloitte**	**Deloitte**	**Price waterhouse Coopers**
DKK 1,000	**2021**	**2020**	**2020**
Statutory audit	90	80	0
Other assurance statements	55	0	0
Tax advice	183	183	56
Other services	18	8	-54
Audit fees, total	**346**	**271**	**2**

Fees for other services in addition to statutory audit comprise statements on the company's financial management and the EMTN programme as well as XBRL reports of interim and annual reports.

Note 6 Staff expenses

The company has no employees.

The Management Board and the Board of Directors receive fees from Sund & Bælt Holding A/S, which are paid via the administration contribution. The Management Board's share totals DKK 0.3 million (DKK 0.3 million in 2020).

Note 7 Depreciation, amortisation and writedowns

Profits and losses in respect of disposal of property, plant and equipment are stated as the difference between the sales price less sales costs and the book value at the time of sale. Profits and losses are recognised in the comprehensive income statement under other operating income or other operating expenses.

	2021	2020
Depreciation		
Tangible fixed assets - road link	31	31
Tangible fixed assets - rail link	142	176
Tangible fixed assets - plant	0	1
Tangible fixed assets - leasing	1	0
Total depreciation	**174**	**207**
Writedowns:		
Tangible fixed assets - rail link	4	0
Total writedowns	**4**	**0**
Total depreciation and writedowns	**178**	**207**
Profit/loss from sale of assets:		
Gains on the disposal of property, plant & equipment	-1	0
Profit/loss from sale of assets Total	**-1**	**0**

Note 8 Financial items

The company recognises changes in the fair value of financial assets and liabilities through the comprehensive income statement. The difference in fair value between the balance sheet dates comprises the total financial items distributed on value adjustments and net financing expenses.

Net financing expenses comprise accrued coupons, both nominal and inflation-linked, realised indexation on inflation-linked instruments and amortisation of premiums/discounts while premiums and expected inflation indexation are included in value adjustments.

Value adjustments comprise realised and unrealised capital gains and losses on financial assets and liabilities as well as foreign exchange gains and losses.

	2021	2020
Financial income		
Interest income, securities, banks etc.	1	3
Interest income, financial instruments	77	76
Total financial income	**78**	**79**
Financial expenses		
Interest expenses, loans	-167	-179
Interest expenses, financial instruments	-170	-57
Other financial items, net	-7	-2
Total financial expenses	**-344**	**-238**
Net financing expenses	**-266**	**-159**
Value adjustments, net		
- Securities	0	-4
- Loans	445	-6
- Currency and interest rate swaps	-214	-204
Value adjustments, net	**231**	**-214**
Total financial items	**-35**	**-372**
Of which financial instruments	-307	-184

Commission to the Danish State of DKK 18 million (2020: DKK 16 million) is recognised in interest expenses.

Net financing expenses were DKK 107 million higher in 2021 compared to 2020. This is primarily due to the impact of high inflation on the part of the debt exposed to inflation indexation.

Note 9 Tax

	2021	2020
Current tax	99	13
Change in deferred tax	-165	70
Adjustment current tax, previous years	-2	-43
Adjustment deferred tax, previous years	2	43
Total tax	**-66**	**83**
Tax on the year's results is specified as follows:		
Computed 22 per cent tax on annual results	-63	83
Other adjustments	-3	0
Total	**-66**	**83**
Effective tax rate	23.0	22.0

Note 10 Road link

The road link is measured at cost at the time of first recognition. The cost price comprises the price of acquisition and costs directly related to acquisition up to the date when the road link is ready for use. The road link is subsequently measured at cost less depreciation, amortisation and writedowns applied.

During the construction period, the value of the road link is stated using the following principles:

- Expenses relating to the facilities based on agreements and contracts signed are capitalised directly.
- Other direct expenses are capitalised as value of own work.
- Net financing expenses are capitalised as construction loan interest.

All financing expenses, excluding financial value adjustments are used for the asset and therefore capitalised.

Significant future one-off replacements/maintenance works are regarded as separate elements and depreciated over their expected useful lives. Ongoing maintenance work is recognised in the comprehensive income statement as costs are incurred.

	Directly capitalised expenses	Value of own work	Financing expenses (net)	Projects in progress	Total 2021	Total 2020
Cost opening balance	1,503	14	165	5	1,687	1,683
Additions for the year	0	0	0	10	10	4
Cost closing balance	**1,503**	**14**	**165**	**15**	**1,697**	**1,687**
Depreciation, amortisation and writedowns, opening balance	474	3	38	0	515	485
Depreciation, amortisation and writedowns for the year	29	0	2	0	31	31
Depreciation, amortisation and writedowns, closing balance	**503**	**3**	**40**	**0**	**546**	**515**
Net book value	**1,000**	**11**	**125**	**15**	**1,151**	**1,172**

Note 11 Rail link

The rail link is measured at cost at the time of first recognition. The cost price comprises the price of acquisition plus costs directly related to acquisition up to the date when the rail link is ready for use. The rail link is subsequently measured at cost less depreciation, amortisation and writedowns applied.

During the construction period, the value of the rail link is stated according to the following principles:

- Expenses relating to the facilities based on agreements and contracts signed are capitalised directly.
- Other direct expenses are capitalised as value of own work.
- Net financing expenses are capitalised as construction loan interest.
- EU subsidies received are offset against the cost price.

All financing expenses, excluding financial value adjustments are used for the asset and therefore capitalised.

Significant future one-off replacements/maintenance works are regarded as separate elements and depreciated over their expected useful lives. Ongoing maintenance work is recognised in the comprehensive income statement as costs are incurred.

Projects in progress primarily comprise construction of the rail facilities in connection with the construction of New Kastrup Airport Station.

	Directly capitalised expenses	Value of own work	Financing expenses (net)	Projects in progress	Total 2021	Total 2020
Cost opening balance	4,964	0	487	67	5,518	5,469
Additions for the year	0	0	0	47	47	55
Received EU subsidy	0	0	0	-9	-9	0
Disposals for the year	-8	0	0	0	-8	-7
Transfers for the year	18	0	0	-18	0	0
Cost closing balance	**4,974**	**0**	**487**	**87**	**5,548**	**5,518**
Depreciation, amortisation and writedowns, opening balance	1,832	0	180	0	2,012	1,843
Depreciation, amortisation and writedowns for the year	129	0	13	0	142	176
Depreciation on assets disposed of	-5	0	0	0	-5	-7
Depreciation, amortisation and writedowns, closing balance	**1,956**	**0**	**193**	**0**	**2,149**	**2,012**
Net book value	**3,018**	**0**	**294**	**87**	**3,399**	**3,505**

A/S Øresund receives an EU subsidy to cover expenses. The subsidy is offset in projects in progress. In 2021, DKK 9 million was offset.

Note 12 Operating plant

	2021	2020
Cost opening balance	2	2
Cost closing balance	**2**	**2**
Depreciation, amortisation and w ritedow ns, opening balance	2	1
Depreciation, amortisation and w ritedow ns for the year	0	1
Depreciation, amortisation and writedowns, closing balance	**2**	**2**
Net book value	**0**	**0**

Note 13 Leases

	2021	2020
Cost opening balance	0	0
Additions for the year	9	0
Cost closing balance	**9**	**0**
Depreciation, amortisation and w ritedow ns, opening balance	0	0
Depreciation, amortisation and w ritedow ns for the year	1	0
Depreciation, amortisation and writedowns, closing balance	**1**	**0**
Net book value	**8**	**0**

Lease liabilities		
Maturity of lease liabilities		
Under 1 year	4	0
Betw een 1 to 3 years	4	0
Total undiscounted lease liabilities, closing balance	**8**	**0**
Lease liabilities included in balance sheet		
Included in current liabilities	4	0
Included in non-current liabilities	4	0
Total	**8**	**0**

Note 14 Participating interest in jointly managed company

The participating interest in the jointly managed company is measured in the balance sheet according to the equity method, after which the proportional share of the company's net book value amount is recognised. Any losses on the participating interest are recognised under provisions in the balance sheet.

Øresundsbro Konsortiet I/S is a jointly managed company by A/S Øresund and SVEDAB AB. It is a shared ownership both legally and in terms of voting rights. Furthermore, the two owners are jointly and severally liable for the jointly managed company's liabilities, and the owners are not able to transfer rights or liabilities between each other without the prior consent of the other party.

Øresundsbro Konsortiet I/S is based in both Copenhagen and Malmö and A/S Øresund’s ownership interest is 50 per cent.

	2021	2020
Value of participating interest, opening	1,544	1,321
Share of profit for the year	584	223
Participating interest, closing	**2,128**	**1,544**
Carried forward to provisions, opening	0	0
Carried forward to provisions, closing	**0**	**0**
Value of participating interest, closing	**2,128**	**1,544**

Key figures from jointly managed company		
Operating income	1,616	1,522
Operating expenses	-266	-251
Depreciation	-272	-348
Financial items	-202	-122
Value adjustment	292	-355
Profit/loss for the year and comprehensive income	1,168	446
Current assets	1,450	2,659
- Of which cash and cash equivalents	111	176
Non-current assets	15,075	14,663
Equity	4,255	3,087
Current liabilities	1,259	3,201
- Of which current financial liabilities	1,214	3,131
Non-current liabilitites	11,012	11,033
- Of which non-current financial liabilities	11,012	11,033
Contingent liabilities	117	98

Note 15 Receivables

Trade receivables comprise amounts owed by customers. Provision is made for debts where an individual receivable or a portfolio of receivables are considered to be impaired. Provisions for bad debt are determined based on historical loss experience and future expected losses. The net book value of receivables thus represents the expected realisable value. There are no significant receivables due that require provision.

Receivables are valued at the current value of the amounts expected to be received

	2021	**2020**
Trade receivables and services	1	1
Members	0	1
Other receivables	6	49
Total receivables	**7**	**50**

Other receivables comprise a VAT repayment in 2020 for 2016-2020.

Note 16 Prepayments and accrued income

Prepayments and accrued income comprise accrued interest and financial instruments.

	2021	**2020**
Accrued interest, financial instruments	434	383
Total prepayments and accrued income	**434**	**383**

Note 17 Equity

The entire share capital is owned by Sund & Bælt Holding A/S, Copenhagen, which is 100 per cent owned by the Danish State. The company is recognised in the consolidated accounts for Sund & Bælt Holding A/S, which is the smallest and largest group.

The share capital comprises 50,000 shares at a nominal value of DKK 100.

The share capital has remained unchanged since 1992.

The Board of Directors regularly evaluates the need to adjust the capital structure, including the need for cash at bank and in hand, credit facilities and equity.

On the basis of the estimated operating results for the company and for Øresundsbro Konsortiet I/S, equity is expected to be restored within a time frame of 20 years, calculated from end 2021. For further details, please refer to the section, Economy, in the Management Report.

Without special notification of each individual case, the Danish State guarantees the company's other financial liabilities. Øresundsbro Konsortiet I/S' debt is guaranteed jointly and severally by the Danish and Swedish states.

Note 18 Deferred tax

Due to the capitalisation of financing expenses during the construction period, the net book value of the road and rail links is higher than the tax value.

Deferred tax is offset as the underlying assets and liabilities are realised, including that the companies in the joint taxation under Sund & Bælt Holding A/S realise positive taxable incomes.

	2021	2020
Balance, opening	51	-61
Deferred tax for the year	-165	70
Adjustment deferred tax, previous years	2	43
Other adjustments	1	0
Balance, closing	**-111**	**51**
Deferred tax relates to:		
Intang. fixed assets & tangible fixed assets	-155	-143
Tangible fixed assets, Øresundsbro Konsortiet I/S	-367	-317
Reduced net financing expenses	216	296
Tax loss	195	215
Total	**-111**	**51**

Difference during the year:	**Opening 2020**	**Adjstmts. for the year 2020**	**Closing 2020**	**Adjstmts. for the year 2021**	**Closing 2021**
Intang. fixed assets & tangible fixed assets	-136	-7	-143	-12	-155
Tangible fixed assets, Øresundsbro Konsortiet I/S	-271	-46	-317	-50	-367
Reduced net financing expenses	52	244	296	-80	216
Tax loss	294	-79	215	-20	195
Total	**-61**	**112**	**51**	**-162**	**-111**

Note 19 Net debt

Fair value hierarchy	Level 1	Level 2	Level 3	Total 2021	Level 1	Level 2	Level 3	Total 2020
Bonds	896	0	0	896	901	0	0	901
Derivatives, assets	0	490	0	490	0	917	0	917
Financial assets	**896**	**490**	**0**	**1,386**	**901**	**917**	**0**	**1,819**
Bond loans and debt	-13,088	-209	0	-13,297	-13,313	-203	0	-13,516
Derivatives, liabilities	0	-1,484	0	-1,484	0	-1,567	0	-1,567
Financial liabilities	**-13,088**	**-1,693**	**0**	**-14,781**	**-13,313**	**-1,770**	**0**	**-15,084**

Net debt spread across currencies	EUR	DKK	Other cur-rencies	Total 2021	EUR	DKK	Other cur-rencies	Total 2020
Credit institutions	18	-24	0	-6	19	-42	0	-23
Investments	896	0	0	896	901	0	0	901
Bond loans and debt	-209	-13,088	0	-13,297	-203	-13,313	0	-13,516
Currency and interest rate swaps	-2,622	1,628	0	-994	-2,890	2,240	0	-650
Accrued interest	-66	393	0	327	-50	339	0	289
Total net debt (fair value)	**-1,983**	**-11,091**	**0**	**-13,074**	**-2,222**	**-10,777**	**0**	**-12,999**

2021

Other currencies comprise:	AUD	GBP	JPY	NOK	SEK	USD	Total
Cash at bank and in hand	0	0	0	0	0	0	0
Investments	0	0	0	0	0	0	0
Bond loans and debt	0	0	0	0	0	0	0
Currency and interest rate swaps	0	0	0	0	0	0	0
Currency forwards	0	0	0	0	0	0	0
Currency options	0	0	0	0	0	0	0
Accrued interest	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**

2020

Other currencies comprise:	AUD	GBP	JPY	NOK	SEK	USD	Total
Cash at bank and in hand	0	0	0	0	0	0	0
Investments	0	0	0	0	0	0	0
Bond loans and debt	0	0	0	0	0	0	0
Currency and interest rate swaps	0	0	0	0	0	0	0
Currency forwards	0	0	0	0	0	0	0
Currency options	0	0	0	0	0	0	0
Accrued interest	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**

	Deriva-tives assets	Deriva-tives liabilities	Total 2021	Deriva-tives assets	Deriva-tives liabilities	Total 2020
Interest rate swaps	194	-1,484	-1,290	499	-1,567	-1,069
Currency swaps	296	0	296	418	0	418
Forward exchange contracts	0	0	0	0	0	0
Currency options	0	0	0	0	0	0
Gross value derivatives	**490**	**-1,484**	**-994**	**917**	**-1,567**	**-650**
Accrued interest, financial instruments	434	-70	364	383	-54	328
Offsetting cf. IAS32	0	0	0	0	0	0
Gross value	**924**	**-1,554**	**-630**	**1,300**	**-1,622**	**-322**
Offsetting options by default [1])	-315	315	0	-328	328	0
Collateral	-545	780	235	-971	769	-202
Net value, total	**64**	**-459**	**-395**	**0**	**-524**	**-524**

[1]) Note: Offsetting options comprise netting of derivative contracts that allow for the offsetting of positive and negative market values into one overall net settlement amount.

Accrued interest	**Assets**	**Liabili-ties**	**Total 2021**	**Assets**	**Liabili-ties**	**Total 2020**
Payables	0	-37	-37	0	-40	-39
Interest rate swaps	419	-70	349	367	-54	313
Currency swaps	15	0	15	15	0	15
Total	**434**	**-107**	**327**	**383**	**-94**	**289**

Net debt is DKK 10,758 million (2020: 10,344 million) disclosed in nominal notional amounts, and there is thus an accumulated difference of DKK 2,317 million (2020: 2,655 million) in relation to the net debt at fair value, where the fair value reflects the value on the balance sheet date, while the nominal value is the contractual liability at maturity.

Recognition of financial liabilities at fair value (or in the aggregate) was not affected by changes in the company's credit rating during the year which, because of the guarantee from the Danish State, has maintained a high credit rating.

Interest-bearing net debt	**2021**	**2020**
Repayment period - number of years	47	46
Interest-bearing net debt - DKK billion	11.5	11.2
Repayment of debt	2045	2044
Financing expenses excl. value adjustment - per cent per annum	2.22	1.32
Financing expenses incl. value adjustment - per cent per annum	0.17	3.26

Reconciliation of differences in financial liabilities	Payables	Derivatives	Total
Opening 2021	-13,517	-650	-14,167
Cash flow	-70	-6	-76
Paid interest - reversed	-289	19	-270
Amortisation	138	-66	72
Inflation indexation	0	-80	-80
Currency adjustment	0	0	0
Fair value adjustment	441	-210	231
Closing 2021	**-13,297**	**-993**	**-14,290**

Reconciliation of cash flow	2021
Cash flow	-76
Loans from credit institutions	17
Repayment of lease liabilities	-8
Received EU subsidy	-15
Guarantee commission	18
Other financial items, net	-1
Cash flow from financing activities	**-65**

Reconciliation of differences in financial liabilities	Payables	Derivatives	Total
Opening 2020	-13,532	-387	-13,919
Cash flow	178	-27	151
Paid interest - reversed	-291	47	-244
Amortisation	134	-69	65
Inflation indexation	0	-10	-10
Currency adjustment	1	7	8
Fair value adjustment	-7	-211	-218
Closing 2020	**-13,517**	**-650**	**-14,167**

Reconciliation of cash flow	2020
Cash flow	151
Loans from credit institutions	-23
Guarantee commission	16
Other financial items, net	-3
Cash flow from financing activities	**141**

Note 20 Financial risk management

Financing

A/S Øresund's financial management is conducted within the framework determined by the company's Boards of Directors and guidelines from the Danish Ministry of Finance and Danmarks Nationalbank.

The Board of Directors in part determines an overall financial policy and in part an annual financing strategy, which regulates borrowing and liquidity reserves for specific years and sets the framework for the company's credit, foreign exchange, inflation and interest rate exposure. Financial risk management is also supported by operational procedures.

The overall objective is to balance the lowest possible financing expenses with the lowest possible risk. A long-term perspective has been applied in the balancing of economic performance and the risks associated with financial management.

The following describes the company's funding in 2021 as well as the key financial risks.

Funding

All loans and other financial instruments employed by the company are guaranteed by the Danish State. This means that the company achieves capital market terms equivalent to those available to the State.

However, borrowing must adhere to certain criteria partly because of the demands from the guarantor and partly because of internal guidelines set out in the company's financial policy. In general, the company's loan transactions should consist of common and standardised loan structures that, as far as possible, limit the credit risk.

The company has established a standardised MTN (Medium Term Note) loan programme in the European bond market with a maximum borrowing limit of USD 1 billion of which USD 41 million has been utilised.

Since 2002, the company has had access to on-lending, which is a direct loan from Danmarks Nationalbank on behalf of the State to the company based on a specific government bond, and subject to the same conditions under which the bond is traded in the market.

In 2021, funding requirements were mainly covered by on-lending from Danmarks Nationalbank, which was a particularly attractive source of funding.

The company raised on-lending to a nominal value of DKK 1.0 billion in 2021.

For the company, refinancing will amount to approx. DKK 1.2 billion and the expected net borrowing requirements will be around DKK 1.5 billion in 2022. This is does not include any extraordinary repurchase of existing loans and the debt issued to cover collateral demands.

The company has a requirement to maintain a liquidity reserve of at least 1 month's liquidity consumption.

Financial risk exposure

The company is exposed to financial risks inherent in the funding of the infrastructures and linked to financial management.

Risks relating to these financial risk exposures primarily comprise:

- Currency risks
- Interest rate risks
- Inflation risks
- Credit risks
- Liquidity risks

Financial risks are identified, monitored, controlled and reported within the framework approved by the Board of Directors as determined in the company's financial policy and strategy, operational procedures and in accordance with the guidelines from the Danish Ministry of Finance/Danmarks Nationalbank, which has issued guarantees for the company's liabilities.

Currency risks
The company's exposure to currency risks primarily relates to the part of the net debt denominated in currencies other than the base currency (DKK). Financial derivatives and liquid funds are included in the disclosure of the currency risk measured at fair value.

The Danish Ministry of Finance has stipulated that the company may have currency exposures to DKK and EUR. The composition of the currency allocation can be distributed with no constraint between the two currencies.

A/S Øresund's currency exposure at fair value in 2021 and 2020 (DKK million)

Currency	Fair value 2021	Currency	Fair value 2020
DKK	-11,091	DKK	-10,777
EUR	-1,983	EUR	-2,222
Other currency	0	Other currency	0
Total 2021	**-13,074**	**Total 2020**	**-12,999**

Foreign exchange sensitivity for the company amounted to DKK 6 million in 2021 (DKK 14 million in 2020) calculated as Value-at-Risk.

Value-at-Risk for foreign exchange risk sensitivity expresses the maximum loss as a result of an unfavourable development in the exchange rate within a one-year horizon, with a 95 per cent probability. Value-at-Risk has been calculated based on 1-year's historical volatility and correlations in the currencies with exposure.

Interest rate and inflation risks
The company's financing expenses are exposed to interest rate risks because of the ongoing funding for the refinancing of debts maturing, refixing of interest rates on floating rate debt and deposit of liquidity from operations and investments. The uncertainty arises as a consequence of fluctuations in market interest rates.

The company's interest rate risk is managed within several lines and limits, and the combination of these limits the interest rate risk on the net debt.

For A/S Øresund, the following framework for 2021 was applied in the interest rate risk management:
- Interest rate refixing risk may not exceed 30 per cent of the net debt
- Duration target on net debt is 9.0 years (variation limit: 8.0-10.0 years)
- Limits for interest rate exposure with fluctuation bands.

The debt allocation between fixed and floating rate nominal debt and real rate debt in conjunction with the maturity profile (maturity on the fixed rate debt) and the currency distribution comprise the uncertainty on the financing expenses.

Besides representing an isolated balancing of financing expenses and interest refixing risk on the net debt, the company's risk profile is also affected by linkages to the operations. This means that a balancing of risk is targeted across assets and liabilities with the aim of achieving a lower risk by combining the debt mix so that there is a positive correlation between operating revenue and financing expenses to the extent that this is possible.

The company has a strategic interest in real rate debt where the financing expenses comprise a fixed real rate plus indexation dependent upon general inflation. The reason is that operating income, by and large, can be expected to follow inflation developments as both road tolls and rail revenue are normally indexed.

Real rate debt, therefore, represents a very low risk and functions as a hedge of operating revenue and the company's long-term project risk.

Besides the above-mentioned strategic elements, the interest rate risk is also managed on the basis of the expectations for short-term interest rate developments and an isolated balancing of financing expenses and interest rate refixing risk on the nominal debt.

For A/S Øresund, the actual duration was between 8.1 years and 9.1 years.

The company is exposed to interest rates in DKK and EUR, and here interest rates on the long-term maturities increased by around 0.5 percentage points overall over the year. Interest rate developments in 2021 produced an unrealised fair value gain of DKK 231 million from fair value adjustments.

The management of the interest rate risk aims at attaining the lowest possible longer-term financing expenses with no specific regard for the annual fluctuations in the fair value adjustment. The fair value adjustment has, however, no impact on the company's economy, including the repayment period.

The company use derivatives to adjust the allocation between floating and fixed rate nominal debt and real rate debt, including, primarily, interest rate and currency swaps.

Yield exposure disclosed in nominal notional amounts, 2021 (DKK million)

Yield buckets	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Nominal value	Fair value
Securities	818	74	0	0	0	0	892	896
Bond loans and debt	-1,423	-1,700	-2,062	-800	0	-5,360	-11,345	-13,333
Interest rate and currency swaps	-2,776	1,700	743	1,358	0	-1,324	-299	-631
Currency forwards	0	0	0	0	0	0	0	0
Other derivatives	0	0	0	0	0	0	0	0
Cash at bank and in hand	-6	0	0	0	0	0	-6	-6
Net debt	**-3,387**	**74**	**-1,319**	**558**	**0**	**-6,684**	**-10,758**	**-13,074**
Of this, real rate instruments								
Real rate debt	0	0	0	0	0	0	0	0
Real rate swaps	0	0	-1,413	0	0	-3,247	-4,660	-5,829
Real rate instruments total	**0**	**0**	**-1,413**	**0**	**0**	**-3,247**	**-4,660**	**-5,829**

Yield exposure > 5 years is allocated as follows (DKK million)

Yield buckets	5-10 years	10-15 years	15-20 years	> 20 years
Net debt	-1,741	-2,935	-1,636	-372
Of this, real rate instruments	-1,989	-721	-537	0

Yield exposure disclosed in nominal notional amounts, 2020 (DKK million)

Yield buckets	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Nominal value	Fair value
Securities	75	818	0	0	0	0	893	902
Bond loans and debt	-873	-1,200	-1,700	-2,062	-800	-4,360	-10,995	-13,556
Interest rate and currency swaps	-1,407	-372	1,700	742	1,358	-2,240	-219	-322
Currency forwards	0	0	0	0	0	0	0	0
Other derivatives	0	0	0	0	0	0	0	0
Cash at bank and in hand	-23	0	0	0	0	0	-23	-23
Net debt	**-2,228**	**-754**	**0**	**-1,320**	**558**	**-6,600**	**-10,344**	**-12,999**
Of this, real rate instruments								
Real rate debt	0	0	0	0	0	0	0	0
Real rate swaps	0	0	0	-1,413	0	-3,162	-4,575	-5,687
Real rate instruments total	**0**	**0**	**0**	**-1,413**	**0**	**-3,162**	**-4,575**	**-5,687**

Yield exposure > 5 years is allocated as follows (DKK million)

Yield buckets	5-10 years	10-15 years	15-20 years	> 20 years
Net debt	-1,161	-1,463	-3,603	-372
Of this, real rate instruments	-855	-1,087	-1,220	0

Interest rate allocation

2021	Interest rate allocation in per cent	2020
31.5	Floating rate	21.5
25.2	Fixed rate	34.2
43.3	Real rate	44.3
100.0	**Total**	**100.0**

As regards real rate debt, this is exposed to the Danish Consumer Price Index (CPI).

The financing expenses’ sensitivity to an interest rate or inflation rate change of 1 percentage point can be estimated at DKK 20 million and 50 million respectively and the impact is symmetrical for a rise and fall.

The duration indicates the average time to maturity of the net debt. A high duration entails a low interest rate fixing risk as a relatively small proportion of the net debt needs to be reset to the current interest rate.

The duration also expresses the interest rate sensitivity on the net debt stated at market value.

Basis point value (BPV) expresses the rate sensitivity to a parallel shift in the yield curve of 1 bp.

Duration

2021 Duration (years)	BPV	Fair value		2020 Duration (years)	BPV	Fair value
8.2	6.0	-7,245	Nominal debt	9.4	6.9	-7,312
9.0	5.2	-5,829	Real rate debt	9.9	5.6	-5,687
8.5	11.2	-13,074	Net debt	9.6	12.5	-12,999

The fair value adjustment's sensitivity to an interest rate change of 1 percentage point can be calculated as a fair value loss of DKK 1,235 million (2020: DKK 1,386 million) with an interest rate fall and a fair value gain of DKK 1,070 million (2020: 1,189 million) with an interest rate rise.

The sensitivity calculations have been made on the basis of the net debt on the balance sheet date and the impact is similar in result and balance sheet as a result of the accounting policies where financial assets and liabilities are recognised at fair value.

Credit risks
Credit risks are defined as the risk of losses arising as a result of a counterparty not meeting its payment obligations. Credit risks arise in connection with the investment of excess liquidity, receivables from derivative transactions and trade receivables.

The credit policy for the investment of excess liquidity has requirements for rating, credit limits and maximum duration.

The company's derivative transactions are generally regulated by an ISDA master agreement with each counterparty, and it is explicitly set out that netting of positive and negative balances will apply.

The credit risk on financial counterparties is managed and monitored on a daily basis through a specific line and limit system which has been approved by the Board of Directors in respect of the company's financial policy and determines the principles for calculating these risks and limits for acceptable credit exposures. The allocation of limits for acceptable credit exposures is determined on the basis of the counterparty's long-term rating by either Standard and Poor's (S&P), Moody's Investor Service (Moody's) or Fitch Ratings.

The credit risk is limited to the greatest possible extent by diversifying the counterparty exposure and reducing the risk exposure to individual counterparties. The financial counterparties must adhere to high standards for credit quality and agreements are only entered into with counterparties that have a long-term rating above A3/A-. The rating requirement can be eased to BBB/Baa2, provided that the counterparty is resident in a country with an AA/Aa2 rating and that a number of strict collateral requirements are met.

The company has entered into collateral agreements (CSA agreements) with the majority of the financial counterparties and since 2005 has only entered into derivative contracts that are regulated by such agreements. The CSA agreements are two-way and imply that both the company and the counterparty must pledge collateral in the form of government bonds or mortgage bonds with high credit quality. The parties have title of right to the collateral with mandatory return of income and securities in the absence of bankruptcy.

The credit exposure is effectively limited by low threshold values for unhedged receivables from derivatives and greater collateral is required for counterparties with lower credit quality, i.e. with a requirement for supplementary collateral for lower ratings.

The bonds, provided as collateral, must have a minimum rating of Aa3/AA-.

The company is not covered by EMIR's central clearing obligation for derivative transactions.

The IFRS accounting standard stipulates that the credit risk is calculated gross excluding netting (the offsetting of positive and negative balances for each counterparty). Net exposure is given as additional information.

There have been no incidents of overdue payments as a result of credit events.

Credit risks on financial assets recognised at fair value distributed on credit quality, 2021

Total counterparty exposure (market value) Rating	Deposits	Derivatives without netting	Derivatives with netting	Collateral	Number of counterparties
AAA	896	0	0	0	1
AA	0	140	0	0	3
A	0	580	537	545	6
BBB	0	0	0	0	0
Total	**896**	**720**	**537**	**545**	**10**

Credit risks on financial assets recognised at fair value distributed on credit quality, 2020

Total counterparty exposure (market value) Rating	Deposits	Derivatives without netting	Derivatives with netting	Collateral	Number of counterparties
AAA	901	0	0	0	1
AA	0	313	62	60	2
A	0	987	899	933	5
BBB	0	0	0	0	1
Total	**901**	**1,300**	**961**	**993**	**9**

The company has 10 financial counterparties, including Germany as bond issuer, while the business volume with the remaining 9 counterparties is primarily related to derivative transactions of which all counterparties are covered by collateral agreements.

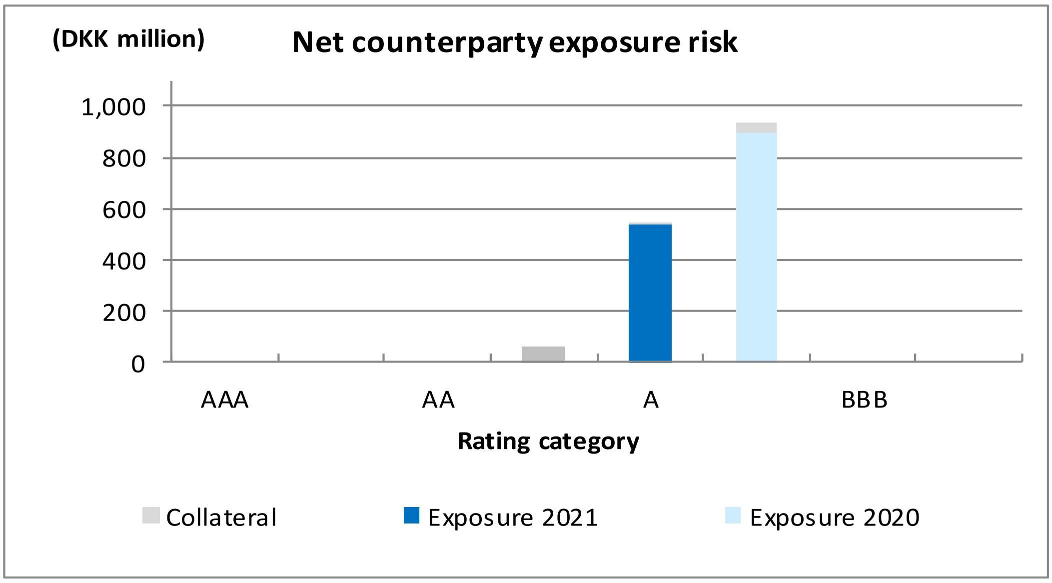
Credit exposure is primarily exposed to the A rating category and is largely covered by collateral agreements.

Counterparty exposure to counterparties with collateral agreements totals DKK 537 million and collateral amounts to DKK 545 million. There is no exposure to counterparties without collateral agreements.

A/S Øresund has pledged collateral for DKK 780 million to hedge outstanding exposure from derivative transactions in favour of four counterparties.

The amounts related to credit risks and collateral are stated at market value at the balance sheet date.

Distribution of counterparty exposure on rating categories 2021 and 2020



Liquidity risk

Liquidity risk is the risk of losses arising if the company has difficulties meeting its financial liabilities, both in terms of debt and derivatives.

The guarantee provided by the Danish State, and the flexibility to maintain a liquidity reserve of a minimum of one month's liquidity consumption imply a limited liquidity risk for the company. In order to avoid substantial fluctuations in the refinancing for individual years, the objective is for the principal payments to be evenly dispersed. Unexpected cash outflow can arise from demands for collateral as a result of market value changes on derivative transactions.

Maturity on debt as well as liabilities and receivables on financial derivatives (DKK million), 2021

Maturity	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Principal amount							
Debt	-1,200	-1,700	-2,062	-800	0	-5,583	-11,345
Derivatives liabilities	0	0	-1,413	0	0	-298	-1,711
Derivatives receivables	0	0	1,413	0	0	0	1,413
Assets	818	74	0	0	0	0	892
Total	**-382**	**-1,626**	**-2,062**	**-800**	**0**	**-5,881**	**-10,751**
Interest payments							
Debt	-271	-267	-242	-98	-84	-958	-1,920
Derivatives liabilities	-197	-155	-139	-85	-91	-574	-1,241
Derivatives receivables	179	167	125	23	8	408	910
Assets	0	0	0	0	0	0	0
Total	**-289**	**-255**	**-256**	**-160**	**-167**	**-1,124**	**-2,251**

Maturity on debt as well as liabilities and receivables on financial derivatives (DKK million), 2020

Maturity	0-1 years	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	Total
Principal amount							
Debt	-650	-1,200	-1,700	-2,062	-800	-4,583	-10,995
Derivatives liabilities	0	0	0	-1,413	0	-218	-1,631
Derivatives receivables	0	0	0	1,412	0	0	1,412
Assets	74	818	0	0	0	0	892
Total	**-576**	**-382**	**-1,700**	**-2,063**	**-800**	**-4,801**	**-10,322**
Interest payments							
Debt	-291	-269	-267	-241	-97	-1,032	-2,197
Derivatives liabilities	-78	-86	-87	-100	-62	-777	-1,190
Derivatives receivables	112	115	123	99	0	655	1,104
Assets	0	0	0	0	0	0	0
Total	**-257**	**-240**	**-231**	**-242**	**-159**	**-1,154**	**-2,283**

Debt, derivative liabilities and receivables, as well as financial assets, are recognised in the liquidity projection and repayments and principal amounts are entered at the earliest due date. Interest payments are recognised at agreed terms and implicit forward interest rates and inflation form the basis for the variable interest payments and inflation indexation. Repayments, principal amounts and interest payments are disclosed for the net debt and neither refinancing nor cash flows from operating activities is included, c.f. IFRS 7.

Note 21 Profitability

The investment in the Øresund fixed link's landworks will be repaid in part through payment from Banedanmark for use of the Øresund rail line and in part through dividend payments from Øresundsbro Konsortiet I/S which is 50 per cent owned by A/S Øresund. In the long-term profitability calculation, the repayment date is calculated based on the Ministry of Finance's long-term interest rate projection for a 10-year government bond from August 2021 on the part of the debt that is not hedged while the part of the debt that is hedged is included at the agreed interest rate terms.

As a consequence of the 2016 Finance Act, the railway payment will gradually be reduced until 2024 and will be reduced by a total of DKK 200 million (2016 prices) when fully phased in. This also includes the fact that A/S Øresund is required to cover some of the railway payment for Øresundsbro Konsortiet I/S, which was previously financed through the Finance Act.

As a consequence of joint taxation with the Group's other companies, A/S Øresund obtains a cash-flow benefit. This is because joint taxation with A/S Storebælt means that A/S Storebælt can immediately utilise the tax losses in A/S Øresund towards paying the proceeds of the tax savings to A/S Øresund. A/S Øresund can thus carry forward the use of its tax losses over time.

The repayment period for A/S Øresund is calculated at 47 years, which is an increase of one year compared to last year's financial statements. This is primarily due to the tax implications of the company having to cover lost rail revenue in respect of Øresundsbro Konsortiet I/S.

The calculation of the repayment period is based on the dividend policy adopted in 2018.

A/S Øresund is sensitive to changes in Øresundsbro Konsortiet I/S's economy as this is where the traffic revenue for debt repayment derives and indirectly to A/S Storebælt via joint taxation.

Note 22 Trade and other payables

	2021	2020
Trade payables	14	18
Debt group enterprises - group companies	25	4
Debt, Øresundsbro Konsortiet I/S	13	0
Guarantee commission payable	18	17
Other payables	7	4
Total	**77**	**44**

Note 23 Accruals and deferred income

	2021	2020
Accrued interest, financial instruments	107	94
Other accruals	9	2
Accruals and deferred income, total	**116**	**96**

Note 24 Contractual obligations, contingent liabilities and collateral

A/S Øresund's contractual obligations comprise operation and maintenance contracts entered into with expiry dates up to 2024 at an overall balance of DKK 63 million (DKK 80 million in 2020). At year end, completed work under contracts amounted to DKK 21 million (DKK 4 million in 2020).

In 2013, the former HH Ferries *et al* lodged a complaint with the EU Commission claiming that the Danish/Swedish State guarantees for Øresundsbro Konsortiet I/S's loans etc. are illegal according to the EU's State Aid rules. In October 2015, the EU Commission ruled that the guarantees are covered by the State Aid rules, and that they are in compliance with these rules. HH Ferries *et al* brought this before the European Court of Justice, which reached a decision on 19 September 2018. This resulted in an annulment of the EU Commission's decision from 2015. The judgement does not state whether or not the State Aid was illegal only that the Commission had committed several procedural errors. The EU Commission then launched a formal investigation procedure. A decision is still awaited. Øresundsbro Konsortiet I/S' view is that it cannot be excluded that this matter will result in a certain repayment of previously received support in the form of guarantees, etc. It is not possible to quantify this uncertainty.

A/S Øresund has entered into two-way collateral agreements (CSA agreements) with a number of financial counterparties and is required to pledge collateral in the form of government bonds for outstanding exposure from derivative contracts in the counterparties' favour. A/S Øresund has currently pledged collateral for DKK 780 million to hedge outstanding exposure from derivative transactions in favour of four counterparties.

A/S Øresund is part of a Danish joint taxation agreement with Sund & Bælt Holding A/S as the administering company. In accordance with corporate tax legislation, A/S Øresund is jointly and severally liable, from and including 2013, with the other jointly taxed companies for corporation tax of DKK 88.4 million and, from and including 1 July 2012, for any liabilities to include tax at source on interest, royalties and dividends for the jointly taxed companies.

Otherwise, A/S Øresund has not pledged any collateral.

Note 25 Related parties

Related parties comprise the Danish State, companies and institutions owned by it.

Related party	Registered office	Affiliation	Transactions	Pricing
The Danish State	Copenhagen	100 per cent ownership via Sund & Bælt Holding A/S	Guarantee for the company's debt Guarantee commission	Determined by legislation. Accounts for 0.15 per cent of nominal debt.
Sund & Bælt Holding A/S	Copenhagen	100 per cent ownership of A/S Øresund	Management of operational tasks Joint taxation contribution	Market price
A/S Storebælt	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	Maintenance tasks	Market price
Sund & Bælt Partner A/S	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	-	-
A/S Femern Landanlæg	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	Reinvoicing	Market price
Femern A/S	Copenhagen	Subsidiary of A/S Femern Landanlæg	Reinvoicing	Market price
Brobizz A/S	Copenhagen	Subsidiary of Sund & Bælt Holding A/S	-	-
BroBizz Operatør A/S	Copenhagen	Subsidiary of Brobizz A/S	-	-
Øresundsbro Konsortiet I/S	Copenhagen/ Malmø	50 per cent ownership of parthership via A/S Øresund	Purchase of services The Ministry of Transport's instructions of 17 Dec 2021	Market price
Banedanmark	Copenhagen	Owned by the the Ministry of Transport	Payment for use of rail link Maintenance tasks	Determined by the Minister of Transport
Danish Road Directorate	Copenhagen	Owned by the the Ministry of Transport	Maintenance tasks	Market price

DKK 1,000 Related party	Description	Trans-actions 2021	Trans-actions 2020	Balance at December 2021	Balance at December 2020
The Danish State	Guarantee commission	-17,771	-16,438	-18,000	-17,000
Sund & Bælt Holding A/S	Management of subsi-diary's operational tasks	-41,307	-27,779	-19,153	-3,333
	Joint taxation contribution	98,638	12,821	98,638	12,821
A/S Storebælt	Maintenance tasks	-285	178	-379	0
Femern A/S	Reinvoicing	-4,744	0	-5,930	0
A/S Femern Landanlæg	Reinvoicing	19	0	0	0
Øresundsbro Konsortiet I/S	Purchase of services	-1,355	-1,820	-42	-42
	The Ministry of Transport's instructions of 17 Dec 2021	-12,674	0	-12,674	0
Banedanmark	Payment for use of rail link	13,500	19,800	0	0
	Maintenance tasks	-2,327	-1,277	-1,303	-135
Danish Road Directorate	Maintenance tasks	-1,510	-1,169	-669	-476

Note 26 Events after the balance sheet date

No events of significance to the Annual Report 2021 have occurred after the balance sheet date

Note 27 Approval of the Annual Report for publication

At the Board meeting on 31 March 2022, the Board of Directors approved this Annual Report for publication.

The Annual Report will be presented to the shareholder of A/S Øresund for approval at the Annual General Meeting on 26 April 2022.

Endorsements

Statement by the Board of Directors and Management Board

The Board of Directors and Management Board have today considered and approved the annual report for the financial year 1 January - 31 December 2021 for A/S Øresund.

The annual report has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional requirements in the Danish Financial Statements Act.

It is our view that the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31 December 2021, as well as the results of the company's activities and cash flow for the financial year 1 January - 31 December 2021.

It is also our view that the Management Report gives a true and fair view of developments in the company's activities and financial conditions, the annual results and the company's overall financial position and a description of the significant risks and uncertainty factors to which the company is exposed.

It is our view that the Annual Report for A/S Øresund for the financial year 1 January - 31 December 2021 with file name Øresund_2021.zip has been prepared in accordance with the ESEF regulation.

It is recommended that the annual report be approved at the Annual General Meeting.

Copenhagen, 31 March 2022

Management Board

Claus F. Baunkjær
CEO

Board of Directors

Mikkel Haugård Hemmingsen Chair	Signe Thustrup Kreiner Vice-Chair
Claus F. Baunkjær	

Independent auditor's report

To the shareholder of A/S Øresundsforbindelse

Our opinion
We have audited the financial statements for A/S Øresundsforbindelsen for the financial year 1 January 2021 - 31 December 2021, which comprise the comprehensive income statement, the balance sheet, statement of changes in equity, cash flow and notes, including the accounting policies.

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and additional requirements in the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's assets, liabilities and financial position at 31 December 2021 and the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2021 in accordance with International Financial Reporting Standards as adopted by the EU and additional requirements in the Danish Financial Statements Act.

Our opinion is consistent with our audit report for the audit committee and the Board of Directors.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants (IESBA code) and the ethical requirements that are relevant in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these rules and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge, no prohibited non-audit services have been performed within the meaning of Article 5 (1) in regulation (EU) no. 537/2014.

We were first appointed auditor for A/S Øresundsforbindelsen on 17 April 2020 for the financial year 2020. We are reappointed annually by resolution of the Annual General Meeting for a total continuous term of 1 year up to and including the financial year 2021.

Key audit matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of derivative financial instruments (derivatives)	***How our audit addressed the key audit matter***
Derivative financial instruments are classified as assets and liabilities and amount to DKK 490 million as at 31 December 2021 (DKK 917 million as at 31 December 2020) and DKK 1,484 million as at 31 December 2021 (DKK 1,567 million as at 31 December 2020). We have assessed that the valuation of derivative financial instruments is a key factor in the audit because there are no official quotations for derivatives. This is why management uses estimates for their valuation, including:	Based on our risk assessment, we reviewed the valuation prepared by the management and assessed the methods and assumptions used. . Our review included the following elements: • Testing of controls with regard to obtaining master and market data that lie at the basis of the valuation. • Testing of controls for comparison of the applied fair values with information from the counterparty. • Random checks of registered trades for underlying documentation.

• Choice of assumptions used in calculating the fair value of derivatives. • Identification of relevant market data used for the valuation. Changes to the underlying assumptions as well as market data can have a significant effect on the valuation of the derivatives. Management has provided more information about the valuation and the related estimates in Notes 1, 2 and 19.	• Random comparison of fair values with market data from external party.

Statement on the Management Report
The Management is responsible for the Management Report.

Our opinion on the financial statements does not cover the Management Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management Report and, in doing so, consider whether the Management Report is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Moreover, we considered whether the Management Report includes the disclosures required by the Danish Financial Statements Act.

Based on the work we have performed, in our view, the Management Report is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in the Management Report.

Management responsibility for the financial statements
Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Declaration of compliance with the ESEF Regulation
As part of the audit of the financial statements for A/S Øresundsforbindelsen, we have performed actions with a view to expressing an opinion as to whether the annual report for the financial year 1 January - 31 December 2021, with file name Øresund_2021.zip has been prepared in accordance with the EU Commission's Delegated Regulation 2019/815 on common electronic reporting (ESEF Regulation) which contains requirements for the preparation of annual reports in XHTML format.

Management is responsible for preparing an annual report that complies with the ESEF regulation, including the preparation of an annual report in XHTML format.

Based on the evidence obtained, our responsibility is to obtain a high degree of certainty as to whether the annual report has been prepared in accordance with the ESEF Regulation in all material respects, and to express an opinion. The actions include checking whether the annual report has been prepared in XHTML format.

It is our opinion that the annual report for the financial year 1 January - 31 December 2021, with file name Øresund_2021.zip has, in all material respects, been prepared in accordance with the ESEF regulation.

Copenhagen, 31 March 2022

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